PROSPECTUS

Wienerberger

WIENERBERGER AG

(a joint stock corporation under the laws of Austria, registered number FN 77676f)

Offering of 33,579,075 Ordinary Bearer Shares (with no-par value)

Listing of 33,579,075 Ordinary Bearer Shares (with no-par value) on the Official Market of the Vienna Stock Exchange

This is an offering of 33,579,075 ordinary no-par value bearer shares, ISIN AT0000831706, with a calculated notional amount of EUR 1.00 per share of Wienerberger AG, a joint stock corporation under Austrian law (the "Company", and together with its consolidated subsidiaries, the "Wienerberger Group", "Wienerberger" or the "Group"), which will be newly issued by the Company following a share capital increase (the "New Shares").

The Company's shareholders are invited to exercise their subscription rights (the "Subscription Rights") to subscribe for the New Shares (the "Rights Offering") at the Subscription Price (as defined below). New Shares for which Subscription Rights are not exercised in the Rights Offering may be offered in an international offering (the "International Offering", and together with the Rights Offering, the "Offering"). The Offering comprises (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside the Republic of Austria to selected institutional investors, including a private placement in the United States of America (the "United States") to qualified institutional buyers ("QIBs") in reliance on Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "Securities Act"). As part of the Offering, the Libyan Investment Authority, Tripoli, Libya (the "Investor") has entered into an agreement with the Company (the "Backstop Commitment") pursuant to which the Investor has committed to subscribe for up to 10% of the Shares of the Company (calculated on the basis of the Shares outstanding after closing of the Offering, which represents 11,752,676 Shares, as defined below) at a price of EUR 10.00 per New Share.

Shareholders exercising their Subscription Rights will be entitled to 2 New Shares for every 5 of the Company's ordinary bearer shares (the "Existing Shares", and together with the New Shares, the "Shares") held against payment of the Subscription Price (as defined below). Shareholders may exercise their Subscription Rights during the subscription period which begins on September 15, 2009 and is expected to end on September 29, 2009 (the "Subscription Period"), and which may be extended or terminated at any time. Subscription Rights not exercised by the end of the Subscription Period will expire without the right to any compensation. The Subscription Rights, ISIN AT0000A0EZZ6, will be traded on the Vienna Stock Exchange from and including September 17, 2009 to September 23, 2009. Holders of Subscription Rights can acquire additional Subscription Rights on the market in order to acquire New Shares, or can sell their Subscription Rights in the market, subject to certain restrictions as set out in "Selling Restrictions".

Subscription Price: EUR 10.00 per New Share

Only if less than all Subscription Rights are duly exercised during the Subscription Period, the International Offering may take place. New Shares for which Subscription Rights have not been duly exercised in the Rights Offering may be sold by ABN AMRO Bank N.V., Morgan Stanley Bank AG and UniCredit Bank Austria AG (the "Managers") in the International Offering, in the market or otherwise in such manner as the Managers in their sole discretion deem appropriate, subject to certain restrictions as set out in "Selling Restrictions". The price for the New Shares offered and sold in the International Offering will be determined on the basis of an institutional bookbuilding process. The Managers have agreed to subscribe for any New Shares not subscribed for in the Offering at the Subscription Price. The offer period during which investors may offer to purchase New Shares in the International Offering begins on September 30, 2009 and is expected to end on the same day (the "Offer Period"). The International Offering may be revoked, suspended or extended at any time.

The Existing Shares are listed on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange (*Wiener Börse*) under the symbol "WIE" and traded in the prime market segment. The closing price of the Existing Shares on the Vienna Stock Exchange on September 11, 2009 was EUR 15.50 per Existing Share. Application will be made to list the New Shares on the Official Market of the Vienna Stock Exchange. Trading in the New Shares in the prime market segment is expected to commence on or about October 1, 2009.

The Subscription Rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria, in particular the Securities Act. Consequently, the Subscription Rights may be exercised only by shareholders outside the United States in accordance with Regulation S under the Securities Act ("Regulation S") or by certain shareholders who are QIBs and who follow the procedures described under "*The Offering—Rights Offering—Special considerations for U.S. shareholders regarding the exercise of Subscription Rights*" in this prospectus. The New Shares may not be offered or sold within the United States except in the International Offering to QIBs in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A, or outside the United States in compliance with Regulation S. For a description of certain restrictions on offers, sales and transfers, see "*Selling Restrictions*".

An investment in the New Shares carries a high degree of risk. See "*Risk Factors*" beginning on page 18 to read about factors that should be considered before exercising the Subscription Rights and investing in the New Shares. The New Shares should be bought and traded only by persons knowledgeable in investment matters.

The New Shares will be represented by a modifiable interim certificate, which has been deposited with Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"). Interests in the New Shares will be credited on or about October 2, 2009 for the New Shares subscribed for in the Rights offering, and on or about October 5, 2009 for the New Shares sold in the International Offering against payment therefor, to the accounts of investors through book-entry facilities of OeKB, Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream").

This prospectus has been approved by the Austrian Financial Market Authority *(Finanzmarktaufsichtsbehörde)* (the "FMA") in its capacity as competent authority under the Austrian Capital Markets Act 1991, as amended *(Kapitalmarktgesetz)* (the "Capital Markets Act"). The accuracy of the information contained in this prospectus does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the prospectus only in respect of its completeness, coherence and comprehensibility pursuant to section 8a of the Capital Markets Act.

Joint Bookrunners

ABN AMRO **Morgan Stanley** **UniCredit**

The date of this prospectus is September 14, 2009

This document comprises a prospectus dated September 14, 2009 for the purposes of the offer of the New Shares to the public in Austria and the listing of the New Shares on the Official Market of the Vienna Stock Exchange. This prospectus has been prepared in accordance with Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended, and conforms to the requirements of the Capital Markets Act, and the Austrian Stock Exchange Act (*Börsegesetz*) (the "Stock Exchange Act"). This prospectus has been approved by the FMA. This prospectus will be filed as a listing prospectus (*Börseprospekt*) with the Vienna Stock Exchange in accordance with the Stock Exchange Act in connection with the listing application for the New Shares on the Official Market of the Vienna Stock Exchange, and will be deposited with the notification office (*Meldestelle*) at OeKB in accordance with the Capital Markets Act.

No person is or has been authorized to give any information or to make any representation in connection with the offer or sale of the New Shares, other than as contained in this prospectus, and, if given or made, any other information or representation must not be relied upon as having been authorized by the Company or the Managers. The delivery of this prospectus at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that the information set out in this prospectus is correct as at any time since its date. The Managers make no representation or warranty, express or implied, as to the accuracy or completeness of the information in this prospectus, and nothing in this prospectus is, or shall be relied upon as, a promise or representation by the Managers.

Every significant new factor, material mistake or inaccuracy relating to the information included in this prospectus which is capable of affecting the assessment of the New Shares and which arises or is noted between the approval of the prospectus by the FMA and the earlier of the completion of the Offering and start of trading of the New Shares on the Vienna Stock Exchange will be published in a supplement to the prospectus in accordance with section 6 of the Capital Markets Act.

This prospectus has been prepared for the purpose of evaluating the purchase of the New Shares and to comply with the listing requirements of the Vienna Stock Exchange. In making an investment decision, investors must rely on their own examination of the Company and the Wienerberger Group, and the terms of the Offering, including, without limitation, the merits and risks involved. The Offering is being made solely on the basis of this prospectus.

The distribution of this prospectus and the offer and sale of the New Shares may be restricted by law in certain jurisdictions. Persons in possession of this prospectus are required to inform themselves about, and to observe, any such restrictions. This prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the New Shares offered hereby in any jurisdiction in which such offer or invitation would be unlawful.

In connection with the Offering, the Managers may effect transactions to stabilize the market price of the Shares. Stabilization may result in an exchange or market price of the Shares that is higher than might otherwise prevail and the exchange or market price may reach a level that cannot be maintained on a permanent basis. There is no obligation on the part of the Managers to effect any stabilizing transactions, and any stabilizing, if commenced, may be discontinued at any time, and must be brought to an end 30 days after the date of commencement of trading in the New Shares on the Vienna Stock Exchange. See "*The Offering—Stabilization*".

CERTAIN U.S. MATTERS

The Subscription Rights and the New Shares have not been and will not be registered under the Securities Act and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Accordingly, the Subscription Rights and the New Shares are being offered and sold in the United States only to QIBs in transactions exempt from the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that sellers of the New Shares may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers, sales and transfer of the Subscription Rights and the New Shares, see "*Selling Restrictions*".

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not passed upon the merits of the Offering or confirmed the accuracy or determined the adequacy of this prospectus. Any representation to the contrary is a criminal offence in the United States.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSONS, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

ENFORCEMENT OF CIVIL LIABILITIES

Wienerberger AG is organized under the laws of the Republic of Austria. The members of Wienerberger AG's Management and Supervisory Boards and certain experts named in this prospectus are not residents of the United States and all or a substantial portion of the assets of such persons and of Wienerberger AG are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon Wienerberger AG or such other persons or to enforce against them in U.S. courts judgments obtained in such courts based on the civil liability provisions of the U.S. securities laws. In general, the enforceability in Austrian courts of final judgments of U.S. courts would require retrial of the case in the Republic of Austria.

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In this prospectus, unless the context otherwise requires,

- "Company" refers to Wienerberger AG;
- "Wienerberger Group", the "Group" or "Wienerberger" refer to Wienerberger AG and its consolidated subsidiaries at the relevant time;
- "IFRS" refers to International Financial Reporting Standards, including International Accounting Standards ("IASs") and interpretations published by the International Accounting Standards Board, as adopted by the EU.

FORWARD-LOOKING STATEMENTS

This prospectus contains certain forward-looking statements relating to the Group's business, financial condition, results of operations and strategies, and the industry in which it operates. Forward-looking statements concern future circumstances and results and include other statements that are not historical facts, sometimes identified by the words "might", "will", "should", "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", "seeks", "pursues", "goal" and similar expressions. Such statements reflect the Group's current views with respect to future events and are subject to risks and uncertainties. In this prospectus, forward-looking statements include, *inter alia*, statements relating to:

- the Group's implementation of its strategic initiatives;
- the development of aspects of the Group's results of operations;
- the Group's competitive position;
- certain financial targets the Group has set for itself;
- the Group's expectations relating to the impact of risks that affect its business, including those set forth below under "*Risk Factors*";
- future developments in the building materials industry (including demand and prices);
- the Group's future business development, financial condition and economic performance; and
- general economic trends and developments.

The Group bases these forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Investors should not place undue reliance on these forward-looking statements. Should the assumptions which are the basis for the forward-looking statements materially change between the approval of the prospectus by the FMA and the completion of the Offering, a supplement to this prospectus in accordance with section 6 of the Capital Markets Act will be published.

Many factors could cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, *inter alia*,

- changes in general economic and business conditions;
- levels of demand and pricing;
- changes and volatility in currency exchange rates and interest rates;

- changes in housing starts or residential construction markets;
- changes in raw material and product prices and inability to pass price increases on to customers;
- changes in governmental policy, laws and regulations and political and social conditions;
- changes in the competitive environment;
- the success of the Group's recent acquisitions and divestitures;
- natural disasters and adverse weather conditions;
- other factors that are discussed in more detail under "*Risk Factors*" below; and
- factors that are not known to the Group at this time.

Should one or more of these factors or uncertainties materialize, or should the assumptions underlying the forward looking statements included in this prospectus prove incorrect, events described in this prospectus might not occur or actual results may deviate materially from those described in this prospectus as anticipated, believed, estimated or expected, and the Group may not be able to achieve its financial targets and strategic objectives. Other than as required by law, the Company does not intend, and does not assume any obligation, to update the forward-looking statements set forth in this prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial statements - documents incorporated by reference

The audited consolidated financial statements of the Company as of, and for the years ended, December 31, 2008, 2007 and 2006, in the English language (including the notes thereto, the "Audited Annual Consolidated Financial Statements"), and the unaudited interim consolidated financial statements of the Company as of, and for the six months ended, June 30, 2009, including comparable figures for 2008, in the English language (including the notes thereto, the "Interim Consolidated Financial Statements" and together with the Audited Annual Consolidated Financial Statements, the "Consolidated Financial Statements") are incorporated by reference into this prospectus and are defined herein as the "Documents Incorporated by Reference".

The Company has prepared the German language Consolidated Financial Statements in accordance with IFRS. The Audited Annual Consolidated Financial Statements in German language were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. The Consolidated Financial Statements are translations of the original German language documents.

The Documents Incorporated by Reference are available at the Company's registered office during usual business hours for twelve months from the date of publication of this prospectus, see *"Documents Available for Inspection"*. The Consolidated Financial Statements may also be inspected on Wienerberger's website (www.wienerberger.com) under the icons "Investor Relations", "Reports & Presentations" and "Reports" as follows:

- Wienerberger Report on the First Six Months of 2009: income statement, page 10; statement of comprehensive income, page 10; balance sheet and changes in equity statement, page 11; cash flow statement, page 12; segment reporting, page 13; notes to the Interim Financial Statements, pages 14-16;
- Wienerberger Annual Report 2008: the audited annual consolidated financial statements as of, and for the year ended, December 31, 2008 (the "Audited Annual Consolidated Financial

Statements 2008”): income statement, page 100; statement of comprehensive income, page 100; cash flow statement, page 101; balance sheet, changes in equity statement and table of non-current assets, pages 102-105; segment reporting, pages 106-107; notes to the consolidated financial statements, pages 108-151; independent auditor’s report, page 152;

- Wienerberger Annual Report 2007: the audited annual consolidated financial statements as of, and for the year ended, December 31, 2007 (the “Audited Annual Consolidated Financial Statements 2007”): income statement, page 90; cash flow statement, page 91; balance sheet, changes in equity statement and table of non-current assets, pages 92-95; segment reporting, pages 96-97; notes to the consolidated financial statements, pages 98-138; independent auditor’s report, page 139;

- Wienerberger Annual Report 2006: the audited annual consolidated financial statements as of, and for the year ended, December 31, 2006 (the “Audited Annual Consolidated Financial Statements 2006”): income statement, page 86; cash flow statement, page 87; balance sheet, changes in equity statement and table of non-current assets, pages 88-91; segment reporting, pages 92-93; notes to the consolidated financial statements, pages 94-130; independent auditor’s report, page 131.

Wienerberger presents its financial statements in euro. References in this prospectus to “U.S. dollars” “USD” or “$” are to United States dollars, references to “GBP” are to British pounds, references to “CAD” are to Canadian dollars and references to “euro”, “EUR” or “€” are to the currency of the member states of the European Union participating in the Economic and Monetary Union.

Non-IFRS financial measures

This prospectus presents earnings before interest and tax (“EBIT” or “operating EBIT”) and earnings before interest, tax, depreciation and amortization (“EBITDA” or “operating EBITDA”). EBIT or operating EBIT are consolidated profit on ordinary activities before total net interest (to the extent included) and tax excluding non-recurring income and expenses. Operating EBIT in the 2008 financial year was before deduction of non recurring items such as restructuring costs and impairment of assets, goodwill amortization and the addition to a provision for an impending antitrust penalty in Germany. EBITDA or operating EBITDA are the Group’s EBIT or operating EBIT before depreciation, amortization and impairment of assets. Operating EBITDA in the 2008 financial year was before deduction of non recurring items such as restructuring costs.

This prospectus also presents “adjusted earnings per share” (which are earnings per share (“EPS”) before amortization of goodwill and non-recurring income and expenses), “capital employed” (which is derived by adding the Group’s consolidated equity to its interest bearing liabilities and deducting from the results the Group’s liquid funds, which include marketable securities, cash and cash equivalents and net intra-Group receivables/liabilities), “return on capital employed” (“ROCE”, which is derived by dividing consolidated net operating profit after tax by consolidated capital employed; net operating profit after tax corresponds to operating EBITDA minus depreciation, taxes and adjusted taxes), “weighted average cost of capital” (“WACC”, which is the weighted average cost of capital for the Group based on the minimum return expected by investors for funds they provide in the form of equity and debt, with a risk premium added for stock investments), “cash flow return on investment” (“CFROI” which is the ratio of operating EBITDA to average historical capital employed) and “cash value added” (“CVA” which is operating EBITDA minus the product of the average historical capital employed and the hurdle rate; the hurdle rate is the return that must be earned to cover the cost of capital and economic depreciation).

Management considers these measures as important indicators of the Group’s recurring operations and makes a regular use of these measures to evaluate the Group’s operations. However, such non-IFRS measures are not measures of operating performance or liquidity under IFRS and should not be considered in isolation or as alternatives to the Group’s net profit or cash flow measures as determined in accordance with IFRS. Other companies in the building materials industry may calculate these non-

IFRS measures differently, and consequently Wienerberger's presentation of these figures may not be readily comparable to such non-IFRS measures presented by other companies.

Rounding adjustments

As is customary in commercial accounting, some numerical figures (including percentages) in this prospectus have been rounded to the nearest whole number or tenth of a million (euro). As a result, figures shown as totals in some tables may not be the exact arithmetic aggregation of the rounded figures that precede them. Percentages cited in the text, however, were calculated using the actual values rather than the rounded values. Accordingly, in certain cases it is possible that the percentages in the text differ from percentages based on the rounded values.

Market and industry data and ratings

This prospectus includes information regarding market share, market position, growth rates and industry data for the Group's lines of business, which consists of estimates based on data and reports compiled by third parties and on the Group's knowledge of its sales and markets. Such third party sources include the International Monetary Fund ("IMF"), the National Association of Homebuilders ("NAHB"), Euroconstruct summary reports, the Brick Industry Association ("BIA"), the joint news release issued by the U.S. Census Bureau and the U.S. Department of Housing and Urban Development, the 2008 Corruption Perception Index issued by Transparency International, Reuters, the European Central Bank ("ECB") and the Vienna Stock Exchange. In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. The Company believes that such data are useful in helping investors understand the industry in which the Group operates and the Group's position within the industry.

In addition, this prospectus presents the Group's credit ratings from Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's") and Moody's Investors Service, Inc. ("Moody's").

The Company confirms that the information provided by third parties has been accurately reproduced. So far as the Company is aware and has been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company has not independently verified such data. Therefore, neither the Company nor the Managers assume any responsibility for the correctness of any market share, market position, growth rates, industry or other data included in this prospectus. In addition, while the Company believes its internal research to be reliable, such research has not been verified by any independent sources.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available at the Company's registered office at Wienerberg City, Wienerbergstraße 11, A-1100 Vienna, Austria (Tel: +43 (1) 601 92 - 497), during usual business hours for 12 months from the date of publication of this prospectus:

- the Articles of Association of Wienerberger AG; and
- the Consolidated Financial Statements, as well as annual reports and interim financial statements published previously.

These documents and any other information displayed on the Company's website do not form a part of this prospectus nor are they incorporated by reference in this prospectus, unless explicitly otherwise stated in this prospectus.

Copies of this prospectus will be available during usual business hours from the date of publication of this prospectus until the end of the Offer Period at the Company's registered office at Wienerberg City, Wienerbergstraße 11, A-1100 Vienna, Austria.

In addition, the following documents may be inspected on the Company's website (www.wienerberger.com):

- the Articles of Association of Wienerberger AG (under the icons "Investor Relations", "Corporate Governance" and "Articles of Association");
- this prospectus (under the icons "Investor Relations" and "Capital Increase 2009"); and
- the Consolidated Financial Statements (under the icons "Investor Relations", Reports & Presentations" and "Reports").

The information displayed on the Company's website does not form part of this prospectus nor is it incorporated by reference in this prospectus, unless explicitly otherwise stated in this prospectus.

The Company furnishes to the U.S. Securities and Exchange Commission certain information in accordance with Rule 12g3-2(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). If, at any time, the Company is neither subject to Section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b), it will furnish, upon request, to any holder of the Company's common shares, any owner of any beneficial interest in the common shares or any prospective purchaser designated by a holder of common shares or such an owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

SUMMARY

Warning: The following summary must be read as an introduction to this prospectus, and any decision to invest in the New Shares should be based on a consideration of this prospectus as a whole, including the Consolidated Financial Statements and the matters set out under "Risk Factors". Civil liability attaches to those persons who have tabled this summary, including any translation thereof, and applied for its notification, but only if this summary is misleading, inaccurate or inconsistent when read together with the other sections of this prospectus. Where a claim relating to the information contained in this prospectus is brought before a court, a plaintiff investor might, under the national legislation of the relevant member state of the European Economic Area, have to bear the costs of translating this prospectus before legal proceedings are initiated. In the event that such legal proceedings are initiated in an Austrian court, a German translation of the prospectus will be required, and the costs thereof will have to be borne initially by the plaintiff investor and ultimately by the party held to be responsible in the legal proceedings.

The Wienerberger Group

Business

The Group's core business is the manufacturing of products for use in masonry, for facades, roofs and paving. In these market segments, Wienerberger concentrates primarily on four product groups: clay blocks, facing bricks, clay and concrete roof tiles and clay and concrete pavers. Products are marketed under the Group's brand name "Wienerberger" and the brands "Porotherm" and "Poroton" (Germany only) for clay blocks, "Terca" and "General Shale" for facing bricks and clay pavers, "Koramic" for clay roof tiles, "Semmelrock" for concrete pavers and "Arriscraft" for manufactured stone. In addition, the Group holds a 50% interest in a plastic pipe joint venture with Solvay, Pipelife International GmbH ("Pipelife"), a 25% interest in Tondach Gleinstätten AG, a clay roof tile producer ("Tondach Gleinstätten") and a 50% interest in Bramac, a concrete tile producer ("Bramac").

Wienerberger's primary geographic areas of activity are Europe (excluding the Iberian Peninsula) and Northern America. As of June 30, 2009 the Group operated 236 plants in 26 countries with 13,104 employees. Wienerberger generated revenues of EUR 2,431 million and an operating EBITDA of EUR 440 million in 2008.

Strengths

Focus on building products for masonry, facades, roofs and paving: Wienerberger is positioned in several product segments of the building materials sectors. Its main focus is the production of clay blocks, facing bricks, roof tiles and pavers. This business is capital intensive, with high initial investments, generating high free cash flows thereafter. While Wienerberger benefits from stable market shares in its established markets, the Company believes there is potential for selective bolt-on expansion. The Group's core brick and clay roof tile businesses are focused on complementary products that share similar sales and production-related characteristics, and are manufactured from the same raw material, clay, employing similar production technologies.

Leading market positions: According to management estimates the Group is the largest producer of bricks in the world and the second largest manufacturer of clay roof tiles in Europe, and that it has the leading market position in clay blocks, facing bricks and/or roof tiles in most of the markets in which it operates. In addition, according to management estimates, the Group holds leading market positions in pavers across Europe.

Competitive advantage as a multinational player in the brick industry: Due to its size and multinational reach, Wienerberger benefits from economies of scale and optimization of production processes. The Group enjoys market recognition for its products and direct access to customers through customized marketing strategies in its local markets. As a multinational player, it can transfer know-how across its operations worldwide, has greater financial flexibility and management believes that the Group can manage its energy supply more efficiently than local companies.

Flexible plant network allowing for short-term capacity adjustments and restructuring experience: The Group operates a number of relatively small plants. The structure of its plant network allows Wienerberger to react to declines in demand by temporarily closing or shutting down individual plants, without being forced to withdraw from the entire market and without substantially losing market share. Should demand for Wienerberger's products improve in its key markets, management believes that Wienerberger can adapt the supply through its flexible plant network and is well positioned to service these markets through its established presence. In addition, the Group's management team possesses the necessary restructuring experience, having demonstrated its ability to deal with excess capacity by closing and/or concentrating plants, eliminating duplicative sales efforts, adjusting the cost structure and the introduction of product innovations (especially "green" products such as insulation material filled blocks or roof elements with integrated photovoltaic cells) to increase market presence. In the context of the ongoing global financial and economic crisis, these structures and skills are of particular importance and allowed management to react immediately in summer 2008 and to adjust the Group's strategy to the changing market environment.

Experienced management team with an acquisition track record: The Group's management team has developed its know-how and integration experience over the past 20 years. Wienerberger's historic growth is based on numerous acquisitions and the management team has a track record of identifying, executing and integrating these acquisitions and greenfield projects. Management has repeatedly proven that it is capable of implementing cost saving measures to generate additional value from newly acquired operations.

Diversified revenue base with potential for recovery and long-term growth potential: With activities in all major markets in Europe (excluding the Iberian Peninsula), the United States and India, the Group believes that it is relatively well protected against regional variances in economic conditions. In the roof tile business, demand is less dependent on new residential housing than brick demand, since more than 50% of roof tile sales are directed to the renovation market. Its multinational presence has enabled the Group in a normal market environment to counter-balance regional market downturns and adjust production capacity to market demand. Wienerberger's diversified portfolio has not been able to alleviate the negative impact on earnings caused by the world-wide recessionary environment as a result of the global financial and economic crisis but management believes that it positions the Group well for a strong recovery and a swift return to its value creating growth-oriented strategy, once the economy recovers.

Strategy

Focus on the core business: Wienerberger concentrates on products for masonry, facades, roofs and paving and is the largest multi-national supplier in its core business. Wienerberger's long-term strategy for the core business is designed to establish, maintain and increase leading positions on its markets. Furthermore, as part of the Group's strategy for expansion, management intends to develop Wienerberger into supplier of building materials for energy efficient building, supplying its customers with complete, high-quality solutions from a single source.

Capitalize on broad product range and leading market positions: Wienerberger maintains a broad product range and caters to its customers by offering products which are in high demand, while also meeting high standards as required by the market. To capitalize on its market position, the Group coordinates its advertising campaigns throughout Europe.

Maximize cash flow to increase liquidity: As a reaction to the global financial and economic crisis Wienerberger refocused on the maintenance of a healthy financial base and the protection of liquidity as one of its most important goals. In order to maximize cash flows Wienerberger focuses on the following four strategic points: active capacity management and the reduction of fixed personnel and maintenance costs, active working capital management, the reduction of administrative and selling expenses and the limitation of investments.

Achieve continuous operational optimization and maintain growth potential through improvement of products, customer service and technological efficiency: Another element of Wienerberger's business strategy is to improve cost efficiency and take advantage of its economies of scale. Management believes that it can gain sales and cost synergies from the size of the Group's operations. The Group's strategy for its existing businesses is to accomplish continuous optimization and maintain growth potential through constant improvement of products, customer service and the efficiency of its processes. The Group aims to achieve cost efficiency primarily through efficient energy sourcing, the optimization of the plant network and production processes and employment of new technologies across the Group.

Use of proceeds

Based on the Subscription Price of EUR 10.00 per New Share, the gross proceeds from the sale of the 33,579,075 New Shares will amount to approximately EUR 335.79 million. The Company estimates that its total cost (including commissions payable to the Managers and other offering related expenses incurred by the Company) will amount to approximately EUR 18.01 million and, therefore, expects to receive net proceeds in the amount of approximately EUR 317.78 million.

The Company intends to use the net proceeds to reinforce the Group's financial flexibility and to support its credit rating. In particular, the Group intends to reduce its net debt through the prepayment of debt under existing facilities and the repayment of short-term borrowings which will increase the availability under existing credit lines. Any remaining proceeds will be used for general corporate purposes including selective bolt-on projects.

Summary of risk factors

Before deciding to purchase the New Shares, investors should carefully consider certain risks. The price of the Shares may decline if any of these or other risks materialize and investors could lose all or part of their investment. These risks, which are presented in detail in the section "*Risk Factors*" below, include in particular:

Recent macroeconomic trends and associated risks

Risks relating to the industry

- The Group is subject to the cyclicality of the building materials industry, which is driven by a number of macroeconomic factors.
- The Group operates in a seasonal industry.
- Within its brick activities, the Group competes with producers of brick substitute products and with other brick manufacturers.
- Within its roof tile activities, the Group competes with producers of substitute products and with other clay and concrete roof tile manufacturers.
- Within its pavers activities, the Group competes with producers of substitute products and with other clay and concrete pavers manufacturers.

- The Group is subject to antitrust regulations and the risk of enforcement actions in each of the countries in which it operates, which could result in fines and/or other sanctions that may severely limit the Group's ability to grow in certain markets and/or its ability to continue its ongoing operations in such markets at current levels.

Strategic risks relating to the Group's business

- The Group's cost cutting program may not result in the expected cost savings and cash flow increase.

- A goodwill impairment could have a significant impact on the Group's income and equity.

- Economic, political, regulatory and local business risks associated with international sales and operations could adversely affect the Group's business, particularly in Eastern Europe.

- The Company does not control some of the companies of which it is a shareholder and actions taken by such companies may not be aligned with the strategy and interests of the Group.

Operational risks

- The Group may experience a business interruption, production curtailment or loss of assets.

- Increased energy costs or energy supply disruptions could have a material impact on the Group's results of operations.

Financial risks relating to the Group's business

- The capital intensive nature of the Group's business requires significant amounts of financing. In addition, the Group must comply with financial covenants contained in some of its credit agreements which limit its flexibility. Failure to obtain required financing and the necessity of compliance with financial covenants could impair the Group's operations.

- A downgrade in the rating of the Group could increase its refinancing costs and preclude its access to certain financing markets and products, thereby impairing its liquidity and profitability. A decline of the Group's credit metrics would increase its financing costs.

- The Group may not be able to obtain required new financing on economically favorable terms or at all.

- The covenants contained in the Group's financing arrangements may limit its financial and operating flexibility.

- Because many of the Group's subsidiaries operate in currencies other than the euro, adverse changes in foreign exchange rates relative to the euro could materially adversely affect the Group's reported earnings and cash flow.

- A significant default by a financial institution counterparty or a customer may adversely affect the Group's business, results of operations and financial condition.

- Movements in interest rates may increase the Group's interest expense.

Geographical risks relating to the Group's business

- Economic instability in Eastern Europe may adversely affect the Group's business and operations.

- The Group could become subject to the risk of expropriation and nationalization in Russia and India.

- Crime, corruption and money laundering in Eastern Europe may adversely affect the Group's ability to conduct its business.

- Eastern Europe's evolving legal systems are subject to risks and uncertainties, which could have a material adverse effect on the Group's business.

- Uncertainties in the tax systems in Eastern Europe may adversely affect the Group's business, financial condition and results of operations.

Risks related to the environment

- The Group is subject to stringent environmental and health and safety laws, regulations and standards which result in costs related to compliance and remediation efforts that may adversely affect the Group's results of operations and financial condition.

- Changes in building laws, regulations and standards could materially adversely affect the Group's business, financial condition and results of operations.

- Changes in the European Union emissions trade certificate regulations and other local emissions allowance systems could lead to reduced free emissions allocations and limited free transferability of emissions allowances and would increase the Group's production costs.

Risks relating to the Offering and the Shares

- Rights of shareholders in an Austrian corporation may differ from rights of shareholders in a corporation organized in another jurisdiction.

- The interests of shareholders who elect not to participate in the Offering will be diluted. Investors resident in countries other than Austria may suffer dilution if they are unable to exercise Subscription Rights in future capital increases.

- A suspension of trading in the Shares could adversely affect the share price.

- The price of the Shares could be volatile.

- The Company's ability to pay dividends on the Shares will depend on the availability of distributable profits.

- In case of failure to exercise or sell Subscription Rights, they will lapse without compensation.

- The exercise of Subscription Rights for New Shares is subject to restrictions.

- No market for the Subscription Rights may develop and the price of the Subscription Rights could be volatile.

- If this Offering is not consummated, the Subscription Rights will no longer exist.

- If the Investor acquires the full participation as set forth in the Backstop Commitment, it may exercise significant influence over the Group's strategic direction and major corporate actions.

The Offering	
Subject Matter of the Offering	33,579,075 newly issued ordinary no-par value bearer shares with a calculated notional amount of EUR 1.00 per share. Each New Share carries a right to one vote at the Company's shareholders' meeting (the "Shareholders' Meeting") and full dividend rights from, and including, the financial years starting from January 1, 2009. The Offering includes the Rights Offering to the Company's shareholders and the International Offering. The Offering comprises (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside the Republic of Austria to selected institutional investors, including a private placement in the United States of America to QIBs in reliance on Rule 144A under the Securities Act.
Backstop Commitment	As part of the Offering, the Investor has entered into an agreement with the Company pursuant to which the Investor has committed to subscribe for up to 10% of the Shares of the Company (calculated on the basis of the Shares outstanding after closing of the Offering, which represents 11,752,676 Shares) at a price of EUR 10.00 per New Share.
Rights Offering - Subscription Period	The Subscription Period during which shareholders of the Company and holders of Subscription Rights may exercise Subscription Rights begins on September 15, 2009 and is expected to end on September 29, 2009. The Rights Offering may be revoked, suspended or extended and the Subscription Period may be extended or terminated at any time.
Subscription Ratio	Shareholders and holders of Subscription Rights are entitled to subscribe for 2 New Shares for every 5 Subscription Rights held, against payment of the Subscription Price. The exercise of Subscription Rights is irrevocable and may not be withdrawn, cancelled or modified.
Subscription Price	EUR 10.00 per New Share. The Subscription Price, together with the subscription ratio was determined by the Management Board on September 13, 2009, with the approval of the ad hoc-panel of the Supervisory Board. On September 11, 2009, the closing price of the Existing Shares on the Vienna Stock Exchange was EUR 15.50 per Share. The Subscription Price is to be paid to the Company on or about October 2, 2009.

Exercise of Subscription Rights	Subscription Rights may be exercised during the Subscription Period upon presentation of the share certificate on which the exercise of the Subscription Rights will be evidenced. Holders of Subscription Rights held through a depositary bank that maintains a securities account with OeKB or a financial institution that is a participant in Euroclear or Clearstream are required to exercise their Subscription Rights by instructing such bank or financial institution to subscribe for New Shares on their behalf. The Subscription Rights will expire at the end of the Subscription Period on September 29, 2009. Subscription Rights not duly exercised by such time will expire and become null and void without the right to any compensation. The Subscription Rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria. Foreign shareholders may therefore be restricted in exercising their Subscription Rights. In particular, the Subscription Rights and the New Shares have not been and will not be registered under the Securities Act or any U.S. state securities laws. Accordingly, Subscription Rights may not be exercised by or on behalf of any shareholder in the United States other than a QIB in reliance on Rule 144A under the Securities Act or outside the United States in reliance on Regulation S under the Securities Act. Holders of American Depositary Receipts (“ADRs”) under the Company’s American Depositary Receipts program will not be permitted to subscribe for New Shares in respect of the common shares that are represented by such ADRs.
Trading and sale of Subscription Rights	The Subscription Rights will be traded on the Vienna Stock Exchange from and including September 17, 2009 to September 23, 2009. Holders of Subscription Rights may sell their Subscription Rights in the market at any time prior to the end of this period other than to U.S. purchasers who do not qualify as QIBs and other investors who may not acquire Subscription Rights pursuant to applicable securities laws.

	Subscription Rights may be exercised only in integral multiples of 5. Holders of Subscription Rights can acquire additional Subscription Rights in the market in order to acquire New Shares, or can sell their Subscription Rights on the market.
International Offering	New Shares for which Subscription Rights have not been duly exercised in the Rights Offering may be sold by the Managers in the International Offering, in the market or otherwise in such manner as the Managers in their sole discretion deem appropriate, subject to certain restrictions as set out in "Selling Restrictions". Any proceeds from such sales, after deduction of fees and certain costs and expenses, will be for the benefit of the Company. The International Offering may take place only if the Rights Offering is not fully subscribed during the Subscription Period.
Offer Period and price of the New Shares	The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on September 30, 2009 and is expected to end on the same day. The International Offering may be revoked, suspended or extended and the Offer Period may be extended, shortened or terminated at any time. In case of an International Offering, the price of the shares will be determined on the basis of an institutional bookbuilding process. The Managers have agreed to subscribe for any New Shares not subscribed for in the Offering at the Subscription Price.
Delivery and Settlement	Delivery of the New Shares subscribed for in the Rights Offering against payment of the Subscription Price is expected to take place on October 2, 2009. Delivery of the New Shares sold in the International Offering against payment of the price determined in the International Offering is expected to take place on October 5, 2009. No physical share certificates will be delivered.
Joint Bookrunners	ABN AMRO Morgan Stanley Bank AG UniCredit Bank Austria AG

Stock Exchange Listing	The Company's Existing Shares are listed on the Official Market of the Vienna Stock Exchange under the symbol "WIE" and traded in the prime market segment. Application will be made to list the New Shares in the Official Market of the Vienna Stock Exchange. It is expected that the New Shares will be traded in the prime market segment starting on or about October 1, 2009.
Lock-up	The Company has undertaken vis-à-vis the Managers in the Underwriting Agreement, as defined below, for a period of six months, and the Investor has undertaken vis-à-vis the Company in the Backstop Commitment (if its participation after closing of the Offering is equal to or exceeds 5% in the Company), for a period of one year, each from the Closing Date, not to effect certain measures, which could have an effect on the market for the Shares, without the prior written consent of the Managers or the Company, as the case may be (for further information on the lock-up provisions, see "*Underwriting—Lock-up*").
International Securities Identification Numbers (ISIN)	AT0000831706 (Shares) AT0000A0EZZ6 (Subscription Rights)
Bloomberg Symbol	WIE AV (Shares)
Reuters Symbol	WBSV.VI (Shares)
Trading Symbol	WIE (Shares)

Summary consolidated financial data

The following information and data have been extracted without material adjustment (except as described below) from, and are only a summary of, the Consolidated Financial Statements which are incorporated by reference in this prospectus. Potential investors are encouraged to read the entire prospectus, including the Consolidated Financial Statements, the other financial information included in the prospectus and the section headed "Operating and Financial Review", before making any investment decision. See also "Presentation of Financial and Other Information". The Consolidated Financial Statements have been prepared in accordance with IFRS.

	Six months ended June 30,		Year ended December 31,		
	2009	**2008**	**2008**	**2007**	**2006**
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited, except as otherwise noted)		
Consolidated Statement of Income Data[1]					
Revenues	898.1	1,263.6	2,431.4	2,477.3	2,225.0
Cost of goods sold	(638.8)	(808.2)	(1,585.6)	(1,511.0)	(1,403.7)
Gross profit	259.4	455.5	845.8	966.3	821.3
Selling and administrative expenses	(259.0)	(316.4)	(617.4)	(604.2)	(539.2)
Other operating expenses	(20.9)	(18.4)	(35.7)	(49.8)	(33.3)
Other operating income	28.4	15.3	47.2	40.8	54.3
Operating profit before non-recurring items	7.8	136.0	239.8	353.1	303.1
Costs, impairment charges and write-offs related to restructuring	(87.2)	(5.8)	(55.0)	0.0	(7.1)
Impairment charges to goodwill	(125.4)	0.0	(16.7)	0.0	(3.5)
Addition to provision for an impending antitrust penalty	0.0	0.0	(10.0)	0.0	0.0
Non-recurring income	0.0	0.0	0.0	0.0	5.1
Operating profit after non-recurring items	(204.8)	130.2	158.1	353.1	297.5
Interest result	(18.3)	(20.0)	(42.1)	(43.1)	(48.2)
Other financial results including income from investments in associates	0.2	7.8	7.1	48.3	28.0
Income taxes	18.8	(19.3)	(19.8)	(62.5)	(59.0)
Profit after tax	(204.0)	98.6	103.3	295.8	218.3
Thereof attributable to minority interest	(0.8)	1.9	3.4	5.4	(2.4)
Thereof share attributable to hybrid capital holders	16.2	16.2	32.5	29.1	0.0
Thereof attributable to equity holders	(219.3)	80.6	67.5	261.4	215.9
Other Financial Data					
Operating EBITDA[2]	100.6	235.6	440.1	551.2	471.9
Operating EBIT[2]	7.8	136.0	239.8	353.1	303.1
Capital employed	3,105.0	3,301.0	3,252.2	3,060.2	2,598.2
Capital expenditure and acquisitions	91.0	253.8	505.6	645.6	530.4
Earnings per share (in EUR)	(2.65)	0.97	0.81	3.46	2.95
Adjusted earnings per share before impairment charges to goodwill and non-recurring items (in EUR)	(0.17)	1.04	1.69	3.46	3.02
Declared or paid dividend per share (in EUR)	n.a.	n.a.	0.00	1.45	1.30
Group ROCE (unaudited)[2][3]	n.a.	n.a.	6.2%	10.1%	9.4%
WACC	6.9%	7.5%	7.0%	7.5%	7.5%
Consolidated Cash Flow Data					
Gross cash flow	49.8	204.3	300.9	479.0	370.8
Cash flows from operating activities	22.7	82.0	262.8	361.5	351.6
Cash flows from investing activities	(75.1)	(255.8)	(474.6)	(593.2)	(509.7)
Cash flows from financing activities	45.1	26.9	125.1	331.2	131.8

	As of June 30, 2009	As of December 31, 2008	2007	2006
	(in EUR million)			
	(unaudited)	(audited)		
Consolidated Balance Sheet Data				
Non-current assets	2,842.9	3,046.1	2,961.1	2,593.0
Current assets	1,368.8	1,337.8	1,368.7	1,081.3
Total assets	4,211.6	4,383.9	4,329.9	3,674.3
Equity	2,260.6	2,497.2	2,672.7	1,591.4
Non-current provisions and liabilities	1,376.9	1,324.8	1,130.7	1,088.1
Current provisions and liabilities	574.1	561.9	526.5	994.8
Total equity and liabilities	4,211.6	4,383.9	4,329.9	3,674.3

(1) Consolidated financial data eliminate minor intra-Group deliveries and services among Wienerberger's segments.
(2) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty. For further explanations of this item see *"Presentation of Financial and Other Information – Non-IFRS financial measures"*.
(3) After tax adjusted for non-recurring income and expense.

(Source: Consolidated Financial Statements and internal data.)

The following table sets forth certain income statement and balance sheet data broken down according to the segments of the Group:

	Six months ended June 30, 2009	2008[(3)]	Year ended December 31, 2008	2007	2006[(4)]
	(in EUR million) (unaudited)		(in EUR million) (audited)		
Central-East Europe					
Third party revenues	274.1	451.8	895.0	841.9	636.8
Operating EBITDA[(1)]	48.5	135.4	262.0	282.8	160.5
Operating EBIT[(1)]	17.3	101.3	193.4	217.7	103.7
Capital employed	856.8	862.9	854.9	754.3	647.7
Central-West Europe					
Third party revenues	174.2	208.5	405.4	414.6	453.7
Operating EBITDA[(1)]	11.4	18.0	42.5	76.5	96.1
Operating EBIT[(1)]	(5.9)	(1.1)	4.6	32.9	59.1
Capital employed	434.5	526.6	480.6	500.5	453.8
North-West Europe					
Third party revenues	372.9	482.5	894.8	888.4	775.8
Operating EBITDA[(1)]	61.4	89.7	144.0	183.7	175.3
Operating EBIT[(1)]	28.6	54.7	73.2	120.9	115.7
Capital employed	1,235.4	1,389.2	1,298.0	1,280.4	1,035.4
North America					
Third party revenues	76.3	120.0	234.3	330.7	349.5
Operating EBITDA[(1)]	(7.9)	7.5	15.1	35.3	63.4
Operating EBIT[(1)]	(19.0)	(2.0)	(4.0)	14.0	48.2
Capital employed	527.2	509.9	583.2	521.2	437.6
Investments and Other[(2)]					
Third party revenues	0.3	0.3	0.5	0.3	8.3
Operating EBITDA[(1)]	(12.8)	(15.0)	(23.5)	(27.2)	(23.4)
Operating EBIT[(1)]	(13.2)	(16.9)	(27.3)	(32.5)	(27.1)
Capital employed	51.1	12.3	35.4	3.8	23.6
Total third party revenues	897.7	1,263.1	2,430.1	2,476.0	2,224.1
Intra-Group sales to non-consolidated Group companies	0.4	0.6	1.3	1.4	0.9
Total revenues	**898.1**	**1,263.6**	**2,431.4**	**2,477.3**	**2,225.0**

(1) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty.
(2) The segment Investments and Other includes holding company costs.
(3) Segment data for the first half of 2008 have been adjusted to reflect the transfer for organizational reasons of the cross-border trading activities of The Netherlands and Germany from North-West Europe to Central-West Europe as of January 1, 2009.
(4) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.

(Source: Consolidated Financial Statements.)

RISK FACTORS

Prospective investors should carefully review the following risk factors in conjunction with the other information contained in this prospectus before making an investment in the New Shares. If these risks materialize, individually or together with other circumstances, they may have a material adverse effect on the Wienerberger Group's business, financial condition and results of operations. In the Group's opinion, the risks described below are the most significant risks of which it is currently aware, but the list does not purport to be exhaustive, and the risks described are not the only risks to which the Group is exposed. Additional risks not currently known to the Group or that it currently believes are immaterial may also adversely affect its business, financial condition and results of operations. The trading price of the Company's Shares could decline due to any of these risks, and investors could lose all or a part of their investment. The order in which the individual risks are presented does not provide an indication of the likelihood of their occurrence nor of the severity or significance of the individual risks.

Recent macroeconomic trends and associated risks

The financial crisis that followed the breakdown of the U.S. sub-prime mortgage market in summer 2007 has led to a worldwide economic downturn. Economic forecasts for most countries, including the euro area, signal a continued downward movement in economic growth for 2009—with a large number of countries being affected by a recession—and an increase in unemployment and inflation. The negative macro-economic climate may have a continuing adverse effect on the worldwide economic development.

The uncertain economic environment and negative developments in the housing market have resulted in a significant decline in the Group's sales and earnings in 2008 and 2009. The Group cannot exclude the continuation of this negative trend or that further negative events may unfold in connection with the ongoing global economic downturn. In addition, the construction sector has been facing ongoing declines in residential housing construction activity, which is the fundamental driver of demand for the Group's products. The adjustment process is particularly acute in those countries which experienced the largest housing market bubbles during the credit boom years, such as the United States and the United Kingdom.

As a result, the Group may face a further decrease in demand for its products, which, combined with high fixed costs, may result in overcapacities and declining margins. These factors are likely to have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the industry

The Group is subject to the cyclicality of the building materials industry, which is driven by a number of macroeconomic factors.

The Group operates in the cyclical building materials industry, which is affected by the level of construction activity, including residential housing construction and renovation, as well as other trends, which in turn are influenced by a number of factors beyond the Group's control, including:

- performance of national economies in the 26 countries in which the Group operates, as well as the markets into which the Group exports its products;
- policies of transnational institutions, such as the European Commission or the European Central Bank, that influence the performance of national economies in many of the countries in which the Group operates;
- monetary and other government policies in each of the countries in which the Group operates that have the effect of encouraging or discouraging residential housing construction, such as long-term interest rates, tax policies, policies encouraging labor mobility and migration, availability of financing, subsidies, and safety regulations that encourage and/or discourage the

use of certain materials and products; and

- the level of demand in residential construction activity, which in turn is influenced by macroeconomic factors, demographic trends and consumer confidence.

Unfavorable developments with respect to any or all of these factors can have a significant impact on the demand for the Group's products, both in terms of decreased volumes and price levels.

Because the building materials industry is cyclical, periods of high demand are typically followed by downturns. As the building materials industry is characterized by a high fixed cost base, a decrease in volumes and resulting overcapacities and/or a decrease in prices can have a highly negative impact on the Group's operating margins and earnings. The U.S. market has been experiencing a sharp decline in residential construction activity, which began in 2005 and which has been exacerbated by the financial and economic crisis. The United Kingdom has also suffered from a severe downturn in the construction sector, with no signs of recovery in 2009. Current information also indicates that there are no signs of an upward trend in Central-West Europe because of the continuing weakness in Germany. The European markets were hit by the economic downturn in late 2007 with recessionary trends continuing to persist. These conditions have resulted in declining sales volumes and prices and overcapacities in some markets, and have negatively affected the Group's operations. Even if performance in these markets improves, prices and sales volumes might not recover to their historic levels.

There can be no assurance that additional and/or continuing economic slowdowns in markets important to the Group's operations will not have an increasing negative impact on the Group's results of operations or financial condition.

The Group operates in a seasonal industry.

The building materials industry in general and the brick and roof tile industries in particular, are subject to seasonal fluctuations in sales, with greater sales volume occurring during the main construction season from May through October. The Group's revenues tend to correspond to such seasonal variation, with higher revenues in the second and third quarters and with inventory build-up and increased working capital in the first and fourth quarters. In addition, severe adverse weather conditions such as rain, extreme cold or snow can reduce demand by disrupting or curtailing outdoor construction activity or render transport or delivery of the Group's products to its customers impossible, thus materially affecting the Group's sales volumes and, consequently, its results of operations.

Within its brick activities, the Group competes with producers of brick substitute products and with other brick manufacturers.

Bricks compete with other building products that the Group does not produce. Facing bricks compete with other materials that can be used for the cladding of a house, such as vinyl, plasters, renders, wood, stucco, natural stone, aluminum siding, glass and other materials, depending on local traditions, available raw materials, local taste and the price of substitute products. Furthermore, the Group's success in the facing brick markets depends in part on its ability to anticipate and respond to changing fashion trends and consumer preferences in a timely manner. Accordingly, any failure by the Group to identify and respond to emerging trends could materially adversely affect consumer acceptance of the Group's facing brick products.

Clay blocks compete with other products in a broader market for materials used in the construction of load bearing walls and non load bearing inner walls. Possible substitute products include aerated concrete blocks, prefabricated concrete panels, cast concrete, calcium silicate and timber, depending on local traditions, available raw materials, the price of substitute products and, significantly, technical characteristics such as thermal and sound insulation, load bearing capacity, frost protection and water proofing capacity, the specifications for which are often mandated by local, national and EU regulations. More generally, buildings constructed with bricks also compete with prefabricated houses.

Another important factor for choosing a particular building material is the total cost involved in handling such material, consisting of the cost of transporting the material to the construction site, the cost of additional products required to build with such material, the cost of any specialized equipment required to handle such material and the labor cost involved in handling such material.

Any significant replacement of the Group's building products in key markets by substitutes which the Group does not produce could materially adversely impact the Group's market share and results of operations in these markets and have a material adverse effect on the Group's business, financial condition and results of operations.

In addition to competition from producers of brick substitute products, the Group continually faces competition by other brick manufacturers in the markets in which it operates. Most of the brick manufacturers that compete with the Group are local in nature. The primary competitive factors for bricks are product range, technical properties, price, quality, manufacturing flexibility, availability, delivery time, logistics and customer service. The relative importance of these factors depends on the characteristics of particular products and particular markets. Competitive pressures, including industry overcapacity, could lead to pricing pressures in the Group's markets which in turn could materially adversely affect the Group's business, financial condition and results of operations.

Within its roof tile activities, the Group competes with producers of substitute products and with other clay and concrete roof tile manufacturers.

In its roofing operations, the Group faces competition from manufacturers of substitute products as well as other clay and concrete roof tile producers. Roof tiles are used only for pitched roofs and are not suited for flat roofs. Therefore, to the extent flat roofs become more popular in any of the Group's markets, the demand for roof tiles would likely decrease. With respect to pitched roofs, clay and concrete roof tiles compete with substitute products such as fiber cement slates, natural slates, metal coverings and other products.

In Belgium, The Netherlands, France, Germany, Poland and Switzerland, the Group produces only clay roof tiles. In these markets, the trend is generally in favor of clay products. However, there is a risk that clay roof tiles will be substituted with, e.g. natural slates, fiber cement slates and metal coverings. In Austria and Eastern Europe, the Group manufactures clay and concrete roof tiles. Substitute products could gain significant market shares from clay or concrete roof products, which would materially adversely affect the Group's business, financial condition and results of operations.

In addition to competition from producers of substitute products, the Group also faces competition from other roof tile manufacturers in all markets in which it operates. The primary competitive factors are quality, price, product range (colors, shapes, sizes and accessories), delivery time, logistics and customer service. The relative importance of these factors depends on the characteristics of particular products and particular markets. Competitive pressures, including industry overcapacity, could lead to pricing pressures in the Group's markets which in turn could materially adversely affect the Group's business, financial condition and results of operations.

Within its pavers activities, the Group competes with producers of substitute products and with other clay and concrete pavers manufacturers.

In its paving operations, the Group faces competition from manufacturers of substitute products as well as other clay and concrete pavers producers. Wienerberger produces pavers as clinkers made of clay or concrete and slabs. These materials are used by homeowners as well as in public areas. Therefore, to the extent other materials (e.g. asphalt, wood, pebble) become more popular in these areas in any of the Group's markets, the demand for pavers would likely decrease.

In addition to competition from producers of substitute products, the Group also faces competition by other pavers manufacturers in all markets in which it operates. The primary competitive factors are quality, price, product range (shapes, sizes, colors, surface structures), delivery time, logistics and customer service. The relative importance of these factors depends on the characteristics of particular products and particular markets. Competitive pressures, including industry overcapacity, could lead to pricing pressures in the Group's markets which in turn could materially adversely affect the Group's business, financial condition and results of operations.

The Group is subject to antitrust regulations and the risk of enforcement actions in each of the countries in which it operates, which could result in fines and/or other sanctions that may severely limit the Group's ability to grow in certain markets and/or its ability to continue its ongoing operations in such markets at current levels.

The relevant antitrust authorities may qualify the Group's position in some of its markets a dominant market position and restrict certain business practices. Consequently, competition proceedings could be brought by one or more antitrust authorities in one or more countries in which the Group operates. Such proceedings, if brought, could result in an order that levies a substantial fine against the Group and/or requires the Group to dispose of profitable operations. As a result, an enforcement action by antitrust authorities in one of the countries that contribute a relatively high percentage of the Group's earnings may have a material adverse effect on the Group's results of operations and its financial condition. For additional information regarding ongoing antitrust investigations to which the Group is subject, please see "*Business—Regulatory matters*".

In some of its current markets, including certain Eastern European markets, limitations imposed by antitrust laws might prevent the Group from achieving growth through projects which the Group at present due to cost cutting programs pursues only selectively. There can be no assurance that the antitrust authorities in the countries in which the Group operates or seeks to grow through selective projects, including the European Commission, will support the Group's relevant market definition. Inability to grow through acquisitions due to antitrust law limitations may have a material adverse effect on the Group's prospects.

Strategic Risks relating to the Group's business

The Group's cost cutting program may not result in the expected cost savings and cash flow increase.

While in the past the Group pursued a growth strategy and made considerable investments in acquisitions and greenfield projects, the Group's growth program was suspended in summer 2008 in response to reduced demand and negative forecasts for the housing market. In order to limit capital expenditures to maintenance investments, no new expansion projects have been initiated and only those that are already in progress will be completed. Furthermore, the Group has closed 27 plants and shut down 11 production lines on a temporary basis in summer 2008 and has implemented a cost reduction program to reduce administrative and selling expenses. The costs for these measures totaled EUR 55 million in 2008, of which EUR 33 million represented cash costs and EUR 22 million special write-downs. In 2009, the Group has continued its restructuring program by shutting down or mothballing additional capacity. These measures are estimated to lead to restructuring costs of EUR 100 million (EUR 60 million write-downs, EUR 40 million cash costs) in 2009, of which EUR 59 million were incurred in the first six month of 2009. Additionally, the Group intends to cut its capital expenditure to the necessary minimum, i.e. EUR 80 million in 2009, and to reduce its working capital requirements. A reduction in inventories is expected to release up to EUR 100 million in 2009.

Failure by the Group to achieve the expected cost savings and cash flow increase could adversely affect its ability to adapt to the reduced market environment and could have a material adverse effect on the Group's results of operations. In addition, if the Group incorrectly estimates the timing or the extent of a potential recovery in the construction market, the delayed re-opening of closed or mothballed plants may result in an under-investment in the Group's business. As a result, the Group may not have sufficient capacity to take advantage of future growth opportunities and may lose out to competition.

A goodwill impairment could have a significant impact on the Group's income and equity.

An acquisition generates goodwill to the extent that the price paid by Wienerberger exceeds the fair value of the net assets acquired. The Group's acquisitions in recent years have generated substantial goodwill. Additional goodwill may arise as a result of further acquisitions. Under IFRS, goodwill and indefinite-lived intangible assets are not amortized but are subject to impairment tests annually or more frequently if warranted.

A goodwill impairment does not affect cash flow. However, a full write-down of goodwill at December 31, 2008 would have resulted in a charge to income and reduction in equity of approximately EUR 701 million. Downturns on sales and profitability can trigger impairment testing and lead to impairment charges: For example, in 2008, the results of impairment tests indicated a need for impairment charges of EUR 16.7 million to goodwill, partly in the United Kingdom due to a massive drop in new residential construction and partly in Denmark due to a downturn of revenues and earnings resulting from general weakness in residential construction which was stronger than expected.

Economic, political, regulatory and local business risks associated with international sales and operations could adversely affect the Group's business, particularly in Eastern Europe.

The Group operates mainly in the European Union, countries in Eastern Europe outside the European Union, the United States and Canada. The economies of these countries are in different stages of socioeconomic development. As a result, the Group's future results could be materially affected by a variety of factors, including:

- changes in a specific country's or region's political or economic conditions, particularly in the Eastern European markets in which the Group operates;
- potentially negative consequences from changes in tax laws;
- tightening of labor regulations;
- difficulty in managing international operations because of geographic distances as well as language and cultural differences;
- changes in regulatory requirements (including those affecting the use of raw materials, product requirements, environmental or safety and health standards or regulations regarding taxation of energy); and
- state-imposed restrictions on repatriation of profits, whether through tax policies or otherwise.

The Group's overall performance as a global business depends, in part, upon its ability to succeed in these differing and sometimes fast-changing economic, regulatory, social and political environments.

The Company does not control some of the companies of which it is a shareholder and actions taken by such companies may not be aligned with the strategy and interests of the Group.

The Company does not have a controlling interest in some of the companies through which it conducts its business and may make future investments in companies in which it will not have a controlling interest. Some key matters, such as the approval of business plans and the timing and amount of cash distributions, require the consent of the other shareholders or may be approved by the other shareholders without the consent of the Company. Consequently, the strategy of such companies may not always be aligned with the Group's interests. These and other limitations arising from investments in businesses the Company does not control may prevent the Company from achieving its objectives for these investments.

Operational risks

The Group may experience a business interruption, production curtailment or loss of assets.

Due to the high fixed-cost nature of the building materials business, interruptions in production at any facility may cause the productivity and results of operations to decline significantly during the affected period. The manufacturing processes of producers of building materials and related services are dependent upon critical pieces of equipment such as kilns, extruders, drying chambers, grinders and others. On occasion, this equipment may be out of service as a result of strikes, unanticipated failures, accidents or force majeure events. In addition, there is a risk that equipment or production facilities may be damaged or destroyed by such events.

Increased energy costs or energy supply disruptions could have a material impact on the Group's results of operations.

The cost of energy used in the production of bricks and roof tiles represents a high percentage of the Group's cost structure. In 2008, energy costs for the Group totaled EUR 374 million, or 15.4% of the Group's revenues, and comprised primarily costs of natural gas and electricity. Any significant increase in the market prices for these sources of energy would increase the Group's operating costs and may negatively affect the Group's results of operations, as the Group may not be in a position to pass the increased costs on to customers through price increases. The Group can hedge its exposure to energy price risk only partly as some markets are still regulated with regard to price levels. Since 2000, the Group's results of operations have been negatively affected by significant increases in the price of natural gas and electricity. In addition, as electricity prices are expected to be liberalized in certain markets in which the Group operates, such as Eastern Europe, higher energy costs may continue to negatively affect the Group's results of operations. Furthermore, energy supplies are subject to disruption in connection with blackouts and other occurrences, such as the suspension of Russian gas deliveries in January 2009. An interruption in gas supply may result in production shortfalls and could have a material adverse effect on the Group's results of operations.

Financial risks relating to the Group's business

The capital intensive nature of the Group's business requires significant financing. In addition, the Group must comply with financial covenants contained in some of its credit agreements which limit its flexibility. Compliance with financial covenants could impair the Group's operations.

The building materials industry is capital intensive. In order to continue to be competitive, the Group needs modern plants and equipment, which involves substantial capital expenditures for maintenance and potential expansion on greenfield operations.

The Group has historically funded capital expenditures and acquisitions with internally generated cash flows, bank loans, senior and hybrid bonds, and proceeds from the sale of non-operating assets and, in a few instances, has financed acquisitions through the issuance of new shares. In the future, the Group intends to continue using these sources of financing subject to their availability. Should the Group be unable to finance its capital expenditures and acquisitions in the contemplated manner, the Group's business and results of operations could be materially adversely affected.

A downgrade in the rating of the Group could increase its refinancing costs and preclude its access to certain financing markets and products, thereby impairing its liquidity and profitability. A decline of the Group's credit metrics would increase its financing costs.

The Group's long-term debt and issuer ratings were downgraded to Ba1 by Moody's and BB+ by Standard & Poor's, both since June, 2009, with both rating agencies indicating a negative outlook. Possible future downgrades in the financial rating of the Group could impair the Group's ability to refinance and have a material adverse effect on the Group's business, results of operations and financial condition.

A portion of the Group's cash flow from operations is dedicated to the payment of interest on its indebtedness and will not be available for other purposes. If the Group's credit metrics were to decline, the interest it pays under some of its credit facilities would increase, leading to an increase in the cost of additional financing that the Group may need, thereby negatively affecting the Group's financial condition and results of operations.

The Group may not be able to obtain required new financing on economically favorable terms or at all.

The Group continues to depend on future financing and refinancing in the credit and capital markets and may not always be successful in securing such financing. Access to financing is dependent on variety of financial, macro-economic and other factors, which are beyond the Group's control. Through the end of 2011, Wienerberger has refinancing requirements of approximately EUR 340 million. It is possible that the Group's liquid funds and existing undrawn committed lines of credit will not be sufficient to cover the Group's refinancing and operational needs and that the Group will not obtain additional financing on favorable terms or at all.

The covenants contained in the Group's financing arrangements may limit its financial and operating flexibility.

Financing arrangements of the Group contain covenants, including maximum leverage ratios, minimum net worth and interest cover ratios. These covenants could limit the Group's ability to finance its future operations and capital needs and its ability to pursue certain business activities that may be in its interest.

If the Group breaches the covenants of any financing arrangement and is unable to cure the breach or obtain a waiver from the lenders, it could be in default under the terms of such arrangement. A default under any single financing arrangement could result in a default under other financing arrangements and could cause lenders under such other arrangements to accelerate such financing arrangements, in which case amounts under those arrangements would become due as well. In addition, in an event of default, the lenders under the Group's credit lines could terminate their commitments to extend credit to it, cease making loans, and the Group could be forced into bankruptcy or liquidation. This would have an immediate material adverse effect on the Group's liquidity and may have a material adverse effect on the Group's business, results of operations and financial condition.

Because many of the Group's subsidiaries operate in currencies other than the euro, adverse changes in foreign exchange rates relative to the euro could materially adversely affect the Group's reported earnings and cash flow.

A significant portion of the Group's revenues and expenses from subsidiaries originate in currencies other than the euro from countries outside the euro zone, including the United States, Canada, Poland, Hungary, Bulgaria, the Czech Republic, Croatia, Romania, Russia, Estonia, Denmark, Sweden, Norway, the United Kingdom and Switzerland. For the year ended December 31, 2008, approximately 53% of the Group's revenues were denominated in currencies other than the euro, predominantly the Eastern European currencies (31%) and the U.S. dollar (8%). As a result, adverse changes in the exchange rates used to translate foreign currencies into euro, the Group's reporting currency, may impact the Group's results of operations or financial position as reported in euro. In particular, weakness of the Eastern European currencies and the U.S. dollar against the euro has adversely affected the Group's results of operations in 2008 and continues to have a material negative impact in the current financial year.

A significant default by a financial institution counterparty or a customer could adversely affect the Group's business, results of operations and financial condition.

Cash deposits and other financial instruments held with or through financial institutions entail credit risk represented by the loss that would be recognized should the financial institution counterparty fail to perform as contracted. In addition, the Group faces credit risk in the normal course of business with customers who buy its products. The current economic and financial uncertainty has lead to an increase in credit risk due to the deterioration of creditworthiness of a number of financial institutions and customers. A significant default by the Group's financial counterparties or customers could have a material adverse effect on the Group's business, results of operations and financial condition.

Movements in interest rates may increase the Group's interest expense.

Approximately 50% of the interest on the Group's finance debt is indexed at a spread to benchmark rates such as the Europe Interbank Offered Rate, "Euribor", and the London Interbank Offered Rate, "Libor". Such variable interest rates are associated with the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels. In 2008, for example, a parallel upward shift of 100 basis points in interest rates would have reduced profit after tax by approximately EUR 2.8 million. As a consequence, movements in interest rates can have a material impact on the Group's interest expense in respect to its indebtedness and may have a material adverse effect on the Group's results of operations and financial condition.

Geographical risks relating to the Group's business

Economic instability in Eastern Europe may adversely affect the Group's business and operations.

The countries in Eastern Europe have political, economic and legal systems that are in different stages of transformation towards EU standards. Political or economic disruption or changes in laws and their application may harm the Group's production sites and business activities. This may impair the value of these investments. In 2008, the Group generated 37% of its revenues in Eastern Europe, where risks of gross domestic product ("GDP") volatility, foreign exchange instability, foreign exchange controls, inflation and political instability may be higher than in the more developed countries in which the Group operates.

Eastern European countries have been severely hit by the financial market and economic crisis. As of yet, the Group cannot ascertain if and when the economy will recover again. Were any of the following factors, which have been characteristic for the economy in some or all states of Eastern Europe at various times during recent years, to recur, this could have a negative influence on the investment climate in Eastern Europe and may have a negative impact on the Group's business, results of operations and financial condition:

- restrictions on transfers of hard currency outside of the countries within Eastern Europe;
- significant declines in the gross domestic product;
- high levels of inflation;
- unstable local currencies;
- high government debt relative to GDP;
- a weak banking system providing limited liquidity to domestic enterprises;
- significant use of barter transactions and illiquid promissory notes to settle commercial transactions;
- widespread tax evasion;
- growth of a black and grey market economy;
- pervasive capital flight;
- corruption and extensive penetration of organized crime into the economy;
- significant increases in unemployment and underemployment; and
- impoverishment of a large portion of the population.

The Group could become subject to the risk of expropriation and nationalization in Russia and India.

The Russian 1991 Investment Code prohibits the nationalization of foreign investments except following legislative action and where deemed to be in the national interest. Such nationalizations may be appealed to the courts of the Russian Federation, and are to be paid with prompt, adequate and effective compensation. However, at the sub-federal level, expropriation has occasionally been a problem, as has local government interference or lack of enforcement of court rulings protecting investors. Similar problems exist in India, where investors also face the risk of expropriation, both direct and indirect, i.e., by being hampered in their investments and ultimately forced to sell. India has liberalized the market for bricks allowing non-residents to set up businesses in India. Formerly this sector was restricted to residents. Should India reverse this liberalization in its legislation, the Group's assets could be liable to a forced disposal or an expropriation. Expropriation could lead to a loss of the Group's three production sites located in Russia and its clay block plant northwest of Bangalore in India which would have a material adverse effect on the Group's business, results of operations and financial condition.

Crime, corruption and money laundering in Eastern Europe could adversely affect the Group's ability to conduct its business.

Organized crime, including extortion and fraud, poses a risk to businesses in Eastern Europe. Most countries in Eastern Europe still face considerable weaknesses in the fight against corruption and organized crime. Bulgaria and Romania are currently perceived as the most corrupt among the EU member states according to the 2008 Transparency International Corruption Perceptions Index (CPI). Russia has an even worse rating. While the Russian government has endorsed this cause, it has made only limited progress to date and corruption and organized crime are still a major problem which may affect negatively any business operating in this region. The Group's operations could be adversely affected by illegal activities, corruption or claims implicating the Group in illegal activities.

Eastern Europe's evolving legal systems are subject to risks and uncertainties, which could have a material adverse effect on the Group's business.

The governments of Eastern Europe have introduced various recent reforms to their legal systems. However, these legal systems remain in transition and are, therefore, subject to greater risks and uncertainties than more mature legal systems. In particular, risks associated with Eastern European legal systems include: (i) inconsistencies between and among the countries' constitutions and various laws, presidential decrees, governmental, ministerial and local orders, decisions, resolutions and other acts; (ii) provisions in the laws and regulations that are ambiguously worded or lack specificity and thereby raise difficulties when implemented or interpreted; and (iii) difficulty in predicting the outcome of judicial application of legislation due to, amongst other factors, a general inconsistency in the judicial interpretation of such legislation in the same or similar cases and, in respect of Serbia in particular, the fact that not all resolutions, orders and decrees and other similar acts are readily available to the public or are available in an understandably organised form. These and other factors that impact Eastern European legal systems make it subject to greater risks and uncertainties.

Uncertainties in the tax systems in Eastern Europe may adversely affect the Group's business, financial condition and results of operations.

Countries in Eastern Europe have a number of laws related to taxes imposed by central and local authorities. These tax laws have not been in force for significant periods of time compared to more developed market economies and often result in unclear or non-existent implementing regulations. Moreover, tax laws in Eastern Europe are subject to frequent amendment, which can result in unusual complexities for the Group and its business generally.

Differing opinions regarding legal interpretations often exist both among and within governmental ministries and organizations, including the tax authorities, and create legal uncertainties and conflict. Tax declarations/returns, together with other legal compliance matter (for example, customs and currency control), are subject to review and investigation by a number of authorities, which are authorized by law to impose substantial fines, penalties and interest charges. These circumstances generally create tax risks in Eastern Europe which are more significant than those typically found in countries with more developed tax systems and may therefore have a material adverse effect on the Group's results of operations and financial condition.

Risks related to the environment

The Group is subject to stringent environmental and health and safety laws, regulations and standards which result in costs related to compliance and remediation efforts that may adversely affect the Group's results of operations and financial condition.

The Group is subject to a broad and increasingly stringent range of environmental and health and safety laws, regulations and standards in the jurisdictions in which it operates. This results in significant compliance costs and exposes the Group to liability. Environmental claims or the failure to comply with any present or future regulations could result in the assessment of damages or imposition of fines against the Group, suspension of production or a cessation of operations. New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The laws, regulations and standards relate to, among other things, air noise emissions, carbon dioxide ("CO_2") emissions, sulfur flue gas emissions, waste water discharges, avoidance of soil and groundwater contamination, regulations on silica, the use and handling of hazardous materials, waste disposal practices and standards relating to construction materials.

Environmental and health and safety laws, regulations and standards also expose the Group to potentially substantial costs and liabilities, including liabilities associated with assets that have been sold and activities that have been discontinued.

Generally, many of the Group's manufacturing sites have a history of industrial use: Soil and groundwater contamination has occurred in the past at a limited number of sites. To date, the remediation costs have not been material to the Group. Such contamination might occur or be discovered at other sites in the future. Despite the Group's policy and efforts to comply with all applicable environmental laws, the Group may face remediation liabilities and legal proceedings concerning environmental matters.

Traditionally, exhausted clay pits were—and sometimes still are—used as garbage disposal, also called "landfills". The Group is aware of a limited number of landfills at its sites. The Group believes that it currently does not actively operate any landfills which might contain hazardous waste. The Group's landfills in Austria, which were viewed as potentially presenting a risk, were sold to the ANC Privatstiftung ("ANC Foundation"), a private foundation (see "*Certain Relationships and Related Party Transactions*"). However, because laws and regulations may hold prior owners of property liable for discovered environmental damage, there can be no assurance that the Group will not be liable for remediation costs or potential future claims related to the real estate sold to the ANC Foundation.

Furthermore, many jurisdictions in which the Group operates provide for a legal obligation to recultivate exhausted clay pits. The Group has made substantial recultivation provisions—in many cases based on expert opinions—for future costs of recultivation. However, there can be no assurance that these provisions will be sufficient to cover all future costs, especially in some Eastern European countries where regulatory policy on recultivation is still evolving, so that provisions may need to be revised as local policy develops. Recultivation costs significantly exceeding established provisions might have a material adverse effect on the Group's financial condition and results of operations.

As the Group has expanded into the Eastern European countries, it both acquired existing operating plants and built new plants on existing industrial sites. In many cases, very limited information, if any, was available with regard to environmental pollution on those sites. The Group may incur substantial costs in the future in connection with solving surfacing environmental problems and compliance with ever more stringent environmental laws and regulations, especially with regard to former landfills. Following the accession of Eastern European countries to the European Union, more stringent environmental regulations and stricter enforcement can be expected which might expose the Group to environmental liabilities in those countries. Increased environmental compliance costs and any remediation costs could have a material adverse effect on the Group's business, financial condition and results of operations. Similarly, the Group cannot exclude that some of its industrial sites that were acquired from third parties have environmental exposure that were caused by the previous owner. There can be no assurance that problems stemming from previous owners might not surface in the future.

Based on information presently available, the Group has budgeted capital expenditures for environmental improvement projects and established reserves for known environmental remediation liabilities that are probable and reasonably capable of estimation. However, the Group cannot predict environmental matters with certainty, and the Group's budgeted amounts and established reserves may not be adequate for all purposes. In addition, the development or discovery of new facts, events, circumstances or conditions, including future decisions to close plants, which may trigger remediation liabilities, and other developments such as changes in law or increasingly strict enforcement could result in increased costs and liabilities or prevent or restrict some of the Group's operations.

Changes in building laws, regulations and standards could materially adversely affect the Group's business, financial condition and results of operations.

The Group is subject to a broad and increasingly stringent range of building laws, regulations and standards in the jurisdictions in which it operates. The laws, regulations and standards cover both the technical standards that need to be met and the procedures that need to be followed and relate to, among other things, structure, fire safety, toxic substances, ventilation, hygiene, drainage and waste disposal and electrical safety. This results in significant compliance costs and exposes the Group to liability. Additional legal requirements could be adopted in the future that would render compliance more burdensome. New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The failure to comply with any present or future regulations or standards could result in the assessment of damages or imposition of fines against the Group or the loss of market shares. As a consequence, any change in building laws, regulations and standards could materially adversely affect the Group's business, financial condition and results of operations.

Changes in the European Union emissions trade certificate regulations and other local emissions allowance systems could lead to reduced free emissions allocations and limited free transferability of emissions allowances and would increase the Group's production costs.

The Group's kilns produce substantial amounts of CO_2, a gas believed to be partly responsible for the greenhouse effect. In most countries where the Group operates, regulations taxing or limiting CO_2 emissions have been enacted. Such regulations could increase the Group's production costs resulting from the necessary purchase of emissions allowances or the implementation of emissions reduction measures or due to increased energy prices. Therefore, regulations on CO_2 could negatively impact the production cost of the Group's plants, adversely affecting the Group's business and results of operations. In January 2005, the European Union implemented an emissions trading system, which provides a free allocation of CO_2 emissions to industrial plants. Any CO_2 emissions beyond the free allocation must be covered by additional CO_2 allowances, which requires purchases of such allowances from third parties, subject to supply and demand. The national allocation plans for the second phase of the emissions trading system (2008-2012), foresee a reduction of emission allowances, which could lead to a significant underallocation of certificates to the Group. Beyond 2012, further reductions of allowances are expected and the allocation of allowances may no longer be free of charge: Based on the current outline of the European Commission, the Group may have to purchase an increasing part of its allowances at auctions or otherwise during the third phase (2013-2020) if the brick industry is not defined as a "carbon leakage" industry. Carbon leakage industries are industries which could relocate their production to countries outside the European Union in order to avoid costs of CO_2 emissions. The European Commission has acknowledged this risk by foreseeing a largely free allocation for industries with risk of carbon leakage also after 2012. The ability of free allocation of businesses which are not part of the carbon leakage industries will be reduced proportionally over time. The Group's free allocation will depend on the efficiency of its plants as free allocation will be linked to a benchmark concept. Any plant exceeding benchmark emissions will be allocated only the lower benchmark emission rights and hence the Group may have to auction larger volumes, leading to production cost increases. Unless the Group is able to pass the rise in costs on to its customers, a significant underallocation of certificates to the Group and/or the introduction of a fee for emission allowances might have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the Offering and the Shares

Rights of shareholders in an Austrian corporation may differ from rights of shareholders in a corporation organized in another jurisdiction.

The Company is a stock corporation organized under the laws of Austria. The rights of the Company's shareholders are governed by the Company's Articles of Association and by Austrian law. These rights may differ in some respects from the rights of shareholders in corporations organized in jurisdictions other than Austria. In addition, it may be difficult for investors to enforce the securities laws of other jurisdictions, or to prevail in a claim against the Company based on those laws.

The interests of shareholders who elect not to participate in the Offering will be diluted. Investors resident in countries other than Austria may suffer dilution if they are unable to exercise Subscription Rights in future capital increases.

Subscription Rights that are not exercised within the Subscription Period will lapse. Shareholders who do not exercise these Subscription Rights, or only partially exercise these Subscription Rights, will experience a decrease in the percentage of interest they hold in the Company's share capital and in the percentage of voting rights they are entitled to exercise. The percentage that the Existing Shares represent in the increased issued share capital subsequent to the capital increase will also decrease correspondingly for shareholders who do not exercise their Subscription Rights in full.

Due to restrictions in other jurisdictions, shareholders outside Austria may be prohibited under applicable law or excluded under the terms of the capital increase or of any related rights offering from participating in future capital increases by means of rights offerings to the same extent as Austrian shareholders.

A suspension of trading in the Shares could adversely affect the share price.

The FMA is authorized to suspend or request the relevant regulated market on which securities are admitted to trading to suspend such securities from trading, if, in its opinion, the respective issuer's situation is such that continued trading would be detrimental to the investors' interest. The FMA is further authorized to instruct the Vienna Stock Exchange to suspend trading in an issuer's securities in connection with measures taken against market manipulation and insider trading. The Vienna Stock Exchange must suspend trading in securities which no longer comply with the rules of the regulated market unless such step would likely cause significant damage to investors' interests or the orderly functioning of the market. If the Vienna Stock Exchange does not do so, the FMA could demand the suspension of trading in securities if it is in the interest of the orderly functioning of the market and does not impair investors' interests. Any suspension of trading in the Shares could adversely affect the share price.

The price of the Shares could be volatile.

In the past, share prices on the Vienna Stock Exchange have been subject to considerable fluctuations. Following this Offering, the trading price of the Shares could be subject to considerable volatility due, in particular, to variations in the Company's actual or projected operating results, changes in projected earnings, a failure to meet the earnings expectations of securities analysts and changes in general economic conditions or other factors. General volatility in stock prices as a whole could also put pressure on the price of the Shares, without there being a direct connection with the business activities of the Group, its financial condition and results of operations or its business outlook. Furthermore, if the Investor after closing of the Offering has a participation of less than 5%, it is immediately free to dispose of its entire participation in the Company. If the Investor after Closing of the Offering has a participation between 5% and 10%, it is free to dispose of its entire participation in the Company after expiration of the 12 months lock-up period. Disposals of large blocks of Shares in the Company can lead to significant pressure on or increase the volatility of the Share price.

The Company's ability to pay dividends on the Shares will depend on the availability of distributable profits.

The Company's ability to pay dividends is influenced by a number of factors, principally the Company's ability to receive sufficient dividends from its subsidiaries. The payment of dividends to the Company by its subsidiaries is, in turn, subject to restrictions including regulatory requirements and the existence of sufficient distributable reserves and cash in the Group's subsidiaries. The ability of these subsidiaries to pay dividends and the Company's ability to receive distributions from its investments in other entities are subject to applicable local laws and regulatory requirements and other restrictions, including, but not limited to, applicable tax laws. These laws and restrictions could limit the payment of future dividends and distributions to the Company by its subsidiaries, which could restrict the Company's ability to fund other operations or to pay a dividend to its shareholders.

In case of failure to exercise or sell Subscription Rights, they will lapse without compensation.

If holders of Subscription Rights fail to duly exercise or sell their Subscription Rights prior to the end of the Subscription Period, the Subscription Rights will expire and become null and void and such shareholders will receive no compensation for them.

The exercise of Subscription Rights for New Shares is subject to restrictions.

Austrian law provides the Company's shareholders with Subscription Rights to subscribe on a pro rata basis for cash for the issuance of the New Shares. Such Subscription Rights are transferable during the Subscription Period for the Offering and may be quoted on the Vienna Stock Exchange. Holders of Existing Shares domiciled outside Austria or who are not Austrian nationals may not be allowed to exercise their Subscription Rights due to restrictions imposed by the securities laws applicable to them. For example, U.S. holders of Existing Shares may not exercise Subscription Rights unless a registration statement is filed and is effective or an exemption from registration is available under the Securities Act.

The Company does not intend to file such a registration statement with respect to the New Shares and the Subscription Rights, and there can be no assurance that an exemption will be available for any particular offering the Company may make in the future. If shareholders domiciled outside Austria or who are not Austrian nationals are unable to exercise any Subscription Rights in connection with the Offering of the New Shares, their interests in the Company will be diluted.

If this Offering is not consummated, the Subscription Rights will no longer exist.

The New Shares are being underwritten by the Managers under the obligation of offering them to the shareholders for subscription. The New Shares are underwritten on the basis of an Underwriting Agreement, from which the Underwriters may withdraw under certain circumstances in particular the occurrence of events of *force majeure*. If the Underwriters withdraw from the Underwriting Agreement after the capital increase is registered in the commercial register, the shareholders who exercised their Subscription Rights will acquire New Shares at the Subscription Price. If the Underwriting Agreement is terminated prior to registration of the capital increase with the commercial register, the Offering will not take place and the Subscription Rights will no longer exist or become worthless. Under such circumstances investors will not be entitled to delivery of shares of the Company. Any investors engaging in so-called short selling bear the risk of being unable to meet their obligation to deliver New Shares. A reversal of Subscription Rights trading by the agent brokering the Subscription Rights transactions is equally excluded in such a case. Investors acquiring subscription rights will accordingly sustain a loss and costs incurred with respect to the subscription of New Shares will not be refunded.

No market for the Subscription Rights may develop and the price of the Subscription Rights could be volatile.

No assurance can be given that an active trading market for the Subscription Rights will develop on the Vienna Stock Exchange. The trading price of the Subscription Rights will not only depend on supply and demand for such Subscription Rights which may be affected by factors unrelated to the trading in the Shares, but also on the trading price of the Shares. Factors affecting the volatility of the trading price of the Shares, as described above, will magnify the volatility of the price of the Subscription Rights. A material decline in share price may adversely affect the value of the Subscription Rights.

If the Investor acquires the full participation as set forth in the Backstop Commitment, it may exercise significant influence over the Group's strategic direction and major corporate actions.

Under the Backstop Commitment, the Investor has committed to acquire up to 10% of the Shares of the Company (calculated on the basis of the Shares outstanding after closing of the Offering). Wienerberger is a free float company without a core shareholder, and 100% of the Shares are held in free float. Only one U.S. shareholder holds more than 10% of the issued capital. There are no other current reports of shareholdings that exceed 5%. Accordingly, a 10% shareholding in the Company gives the Investor, a government entity established by the General People's Committee of Libya, significant influence to determine the outcome of matters brought to a Shareholders' Meeting for a vote. The issues that may be influenced by the Investor include mergers and acquisitions or divestitures of major assets, approval of annual financial statements, declarations of dividends, capital increases and the election and removal of members of the Company's Supervisory Board. As long as the Investor retains a significant ownership in the Company's share capital, it will be able to influence important corporate matters. The interests of the Investor may conflict with other investors' interests.

THE OFFERING

General

The Offering comprises 33,579,075 New Shares with a calculated notional amount of EUR 1.00 per share, which will be newly issued by the Company following a capital increase, and includes a Rights Offering to the Company's shareholders and an International Offering of New Shares for which Subscription Rights are not duly exercised in the Rights Offering. The International Offering may take place only if less than all Subscription Rights are duly exercised during the Subscription Period. The Offering consists of (i) a public offering to retail and institutional investors in the Republic of Austria and (ii) a private placement outside the Republic of Austria to selected institutional investors, including a private placement in the United States of America to QIBs in reliance on Rule 144A under the Securities Act. The Offering is subject to the registration of the capital increase with the commercial register.

No action has been or will be taken in any jurisdiction other than the Republic of Austria that would permit a public offering of the Subscription Rights or the New Shares. Investors, shareholders and depositary banks should inform themselves of applicable laws and regulations.

As part of the Offering, the Investor has entered into an agreement with the Company pursuant to which the Investor has committed to subscribe for up to 10% of the Shares of the Company (calculated on the basis of the Shares outstanding after closing of the Offering, which represents 11,752,676 Shares) at a price of EUR 10.00 per New Share.

ABN AMRO Bank N.V., Morgan Stanley Bank AG and UniCredit Bank Austria AG are acting as Managers in the Offering. The New Shares will be subscribed for by the Managers, after expiry of the Subscription Period and the Offer Period, in accordance with section 153 para. 6 of the Austrian Stock Corporation Act (*Aktiengesetz*) (the "Stock Corporation Act"), with the obligation to provide the New Shares to existing shareholders or holders of Subscription Rights, as the case may be, who have duly exercised Subscription Rights at the Subscription Price. New Shares for which Subscription Rights have not been duly exercised during the Subscription Period may be sold by the Managers in the International Offering, in the market or otherwise in such manner as the Managers in their sole discretion deem appropriate subject to certain restrictions as set out in "Selling Restrictions".

The Subscription Period during which shareholders of the Company and holders of Subscription Rights may exercise Subscription Rights begins on September 15, 2009 and is expected to end on September 29, 2009. The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on September 30, 2009 and is expected to end on the same day. The Offering may be revoked, suspended or extended, the Subscription Period may be extended or terminated and the Offer Period may be extended, shortened or terminated at the absolute discretion of the Company and the Managers at any time. Subscription Rights not exercised by the end of the Subscription Period will expire and become null and void without the right to any compensation.

On September 13, 2009 the Management Board, with the approval by the ad hoc-panel of the Supervisory Board, set the Subscription Price at EUR 10.00 per New Share, and the subscription ratio at 5:2. On September 11, 2009, the closing price of the Existing Shares on the Vienna Stock Exchange was EUR 15.50 per Existing Share.

The price for the New Shares sold in the International Offering will be determined by the Managers upon conclusion of an institutional book-building process. The Managers have agreed to subscribe for any New Shares not subscribed for in the Offering at the Subscription Price.

Rights Offering

Exercise of Subscription Rights

For each Existing Share held at the close of trading on September 14, 2009, which is the trading day immediately preceding the first day of the Subscription Period, one Subscription Right will be registered in the respective securities account holding Existing Shares. The allocation of Subscription Rights and notification to holders of Existing Shares will be made through the depositary bank, custodian or other financial intermediary through which they hold their Existing Shares (*Depotbanken*). The ex rights date for the Offering is September 15, 2009, which means that persons acquiring Existing Shares on or after this date will not be allocated any Subscription Rights.

Based on the subscription ratio of 5:2, shareholders (and holders of Subscription Rights) may subscribe for 2 New Shares for every 5 Existing Shares held (or the equivalent number of Subscription Rights). Shareholders who do not hold a number of Existing Shares divisible by 5 will not be able to exercise their Subscription Rights in full Holders of excess Subscription Rights can acquire additional Subscription Rights on the market in order to subscribe for New Shares, or can sell their excess Subscription Rights on the market (see also *"—Trading and sale of Subscription Rights"*).

Subscriptions for the New Shares will be accepted by UniCredit Bank Austria AG, Schottengasse 6-8, A-1010 Vienna, Austria (*Bezugsstelle*; the "Subscription Agent"), as well as by all other credit institutions in Austria, during ordinary business hours. Subscription Rights may be exercised during the Subscription Period upon presentation of the share certificate on which the exercise of the Subscription Rights will be evidenced by an appropriate entry. Holders of Subscription Rights held through a depositary bank that maintains a securities account with OeKB or a financial institution that is a participant in Euroclear or Clearstream, are required to exercise their Subscription Rights by instructing such bank or financial institution to subscribe for New Shares on their behalf in accordance with procedures established by the Company and the Managers, and any applicable additional procedures established by such bank or financial institution.

The exercise of a subscription right by shareholders or holders of Subscription Rights is irrevocable and cannot be annulled, modified, cancelled or revoked. The Subscription Rights will expire at the end of the Subscription Period on September 29, 2009. Subscription Rights not duly exercised by such time will expire and become null and void without the right to any compensation.

Trading and sale of Subscription Rights

The Subscription Rights will be traded on the Vienna Stock Exchange from and including September 17, 2009 to September 23, 2009; their ISIN is AT0000A0EZZ6. Holders of Subscription Rights may sell their Subscription Rights in the market at any time prior to the end of this period other than to U.S. purchasers who do not qualify as QIBs and other investors who may not acquire Subscription Rights pursuant to applicable securities laws.

Any extension of the Subscription Period or termination of the Rights Offering will be published via electronic media and in the Official Gazette *(Amtsblatt zur Wiener Zeitung)* as soon as possible thereafter. In the event of a termination of the Rights Offering, Subscription Rights already exercised will become void and any payment made for the subscription will be returned to the subscriber without interest.

If an investor submits an invalid subscription or the Rights Offering is terminated, claims with respect to bank fees and other investor costs incurred in connection with the subscription will be governed by the contractual relationship between the investor and the financial institution that accepted the subscription.

Special considerations for U.S. shareholders regarding the exercise of Subscription Rights

The Subscription Rights and the New Shares have not been and will not be registered under the securities laws of any jurisdiction other than the Republic of Austria. Foreign shareholders may therefore be restricted in exercising their Subscription Rights. In particular, the Subscription Rights and the New Shares have not been and will not be registered under the Securities Act or any U.S. state securities laws, and Subscription Rights may be exercised only by or on behalf of those shareholders in the United States who are QIBs within the meaning of Rule 144A under the Securities Act and who follow the instructions set forth below.

A QIB may exercise its Subscription Rights through the depository bank or clearing system participant through which such Subscription Rights are held in accordance with procedures established by such depository bank or clearing system participant. Such QIB who retains investment discretion as to whether to exercise its Subscription Rights will be deemed to have represented, among other things, that such QIB is a qualified institutional buyer and agrees to comply with the resale restrictions, as described under "*Selling Restrictions—United States*".

Subscription Rights may be exercised only before the end of the Subscription Period expected to be on September 29, 2009. Qualifying holders who may wish to exercise Subscription Rights should consider that they may not be able to do so during usual U.S. business hours on September 29, 2009, and should consult their depository banks or clearing system participants to determine the effective deadline for their exercise of Subscription Rights.

International Offering

The New Shares for which Subscription Rights have not been exercised in the Rights Offering may be offered and sold by the Managers in the International Offering, in the market or otherwise in such manner as the Managers in their sole discretion deem appropriate, subject to the restrictions set out in "*Selling Restrictions*".

The definitive number of New Shares available for sale in the International Offering, if any, will be determined after expiry of the Subscription Period. The Offer Period during which investors may offer to purchase New Shares in the International Offering begins on September 30, 2009 and is expected to end on the same day. The International Offering may be revoked, suspended or extended and the Offer Period may be extended, shortened or terminated at any time.

There will be no minimum and no maximum number of New Shares for which purchase orders may be submitted by prospective investors in the International Offering. Prospective investors in the International Offering may withdraw any purchase orders placed until the end of the Offer Period.

The price for the New Shares offered and sold in the International Offering will be determined on the basis of an institutional bookbuilding process. The number of shares subscribed in the Rights Offering and the price for the New Shares determined in the International Offering are expected to be published via press release on or about September 30, 2009.

The New Shares sold in the International Offering will be allocated to investors based on the submitted purchase orders. The Managers reserve the right to reject any order in whole or in part. No class of investors will receive preferential treatment in respect of allocations. Prospective investors in the International Offering are therefore advised to contact their bank, broker or other financial adviser for details regarding the actual allocation of New Shares made to them.

Termination of the Offering

Pursuant to the underwriting agreement to be entered into by the Company and the Managers on September 14, 2009 (the "Underwriting Agreement"), the obligations of the Managers are subject to the fulfillment of conditions such as the registration of the capital increase creating the New Shares with the commercial register and other customary conditions, and the Managers have the right to terminate the Underwriting Agreement under certain circumstances, including the occurrence of events of *force majeure*, up until the closing date of the International Offering which is expected to be on or about October 5, 2009.

In the event of termination, all exercised Subscription Rights as well as all purchase orders placed in the International Offering will become void. However, if a termination of the Underwriting Agreement occurs after registration of the capital increase or at a time when the registration of the capital increase cannot be prevented, delivery of the New Shares is reserved.

The closing of the Offering will take place after the commencement of trading in the New Shares on the Vienna Stock Exchange. If an investor has sold New Shares to a third party prior to the delivery of such New Shares in book-entry form and is unable to meet its obligations to deliver the New Shares to a third party due to the termination of the Underwriting Agreement by the Managers, any legal recourse will arise exclusively from and be limited to the contractual relationship between the investor and such third party. In case of short sales in the New Shares by investors, the selling investor bears the risk of being unable to fulfill his/her delivery obligation.

Stabilization

In connection with the Offering, UniCredit Bank Austria AG, acting on behalf of the Managers as stabilization agent may, itself or through affiliates, engage in stabilizing activities aimed at supporting the exchange or market price of the Company's Shares in order to offset selling pressure in those securities. The stabilization manager is not obligated to stabilize and there is no guarantee that stabilization will take place at all. Stabilization, if undertaken at all, can be stopped at any time without prior notice. Stabilizing activities may take place from the date of publication of the price determined in the International Offering and must end no later than on the thirtieth calendar day after the date of commencement of trading in the New Shares on the Vienna Stock Exchange (the "Stabilization Period"). Stabilization may result in an exchange or market price of the Shares that is higher than might otherwise prevail and the exchange or market price may reach a level that cannot be maintained on a permanent basis.

Following the end of the Stabilization Period, information regarding stabilizing activities (including the extent to which it has taken place, the dates on which the first and last stabilization trades were executed, and the dates on and price range within which all stabilization activity took place) will be published in accordance with Article 9(3) of Regulation (EC) No. 2273/2003.

Delivery and settlement

The New Shares purchased in the Offering will be represented by a modifiable interim certificate that has been deposited with OeKB, Am Hof 4, A-1010 Vienna, Austria.

Delivery of the New Shares subscribed for in the Rights Offering against payment of the Subscription Price is expected to take place through the facilities of OeKB, Euroclear and Clearstream on or about October 2, 2009. Delivery of the New Shares sold in the International Offering against payment of the price determined in the International Offering is expected to take place through the facilities of OeKB, Euroclear and Clearstream on or about October 5, 2009.

Admission to the Vienna Stock Exchange and commencement of trading

Application will be made to list the New Shares on the Official Market of the Vienna Stock Exchange, where the Existing Shares are already admitted to trading. Subject to approval by the Vienna Stock Exchange, trading in the New Shares on the Vienna Stock Exchange is expected to commence in the prime market segment on or about October 1, 2009.

USE OF PROCEEDS

The Company will receive the net proceeds from the Offering comprising the gross proceeds from the sale of the New Shares less the commission of the Managers and other offering-related expenses incurred by the Company ("Net Proceeds"). The Net Proceeds depend on the actual number of New Shares sold at the Subscription Price, the price determined in the International Offering, the commissions and the actual offering-related costs.

Based on the Subscription Price of EUR 10.00 per New Share, the gross proceeds from the sale of the 33,579,075 New Shares will amount to approximately EUR 335.79 million. The Company estimates that its total cost (including commissions payable to the Managers and other offering related expenses incurred by the Company) will amount to approximately EUR 18.01 million and, therefore, expects to receive Net Proceeds in the amount of approximately EUR 317.78 million.

The Company intends to use the net proceeds to reinforce the Group's financial flexibility and to support its credit rating. In particular, the Group intends to reduce its net debt through the prepayment of debt under existing facilities and the repayment of short-term borrowings which will increase the availability under existing credit lines. Any remaining proceeds will be used for general corporate purposes including selective bolt-on projects.

MARKET INFORMATION

The Vienna Stock Exchange

Organization and market segments

The Vienna Stock Exchange is operated by an independent, privately owned stock corporation, the Wiener Börse AG, based on a license under the Stock Exchange Act issued by the Federal Ministry of Finance. Members of the Vienna Stock Exchange include banks, foreign investment firms and other firms trading in securities, derivatives and money market instruments, registered either within or outside of the European Economic Area. The supervisory authority is the FMA. The FMA monitors trading on the Vienna Stock Exchange with regard to, among other things, compliance with rules and regulations regarding insider trading activity, fairness in trading, and other market related matters.

As of August 31, 2009 shares and certificates of a total of 95 issuers were listed on the Official and Second Regulated Markets, the two most important markets of the Vienna Stock Exchange. The majority of these companies were incorporated in Austria as of such date. As of August 31, 2009, the market capitalization of all domestic companies listed on the Official and Second Regulated Markets of the Vienna Stock Exchange amounted to EUR 74.8 billion (Source: Vienna Stock Exchange).

According to the Stock Exchange Act, for listing purposes the Austrian securities market consists of three statutory markets: the first tier market (the "Official Market"), the second tier market (the "Second Regulated Market") and the third tier market (the "Unregulated Third Market"). The Official Market and the Second Regulated Market have been registered as "regulated markets" pursuant to the Investment Services Directive. The Unregulated Third Market is organized and operated as an Multilateral Trading Facility ("MTF"). In December 2004, the U.S. Securities Exchange Commission granted the Vienna Stock Exchange the status of a "Designated Offshore Securities Market" in accordance with the Securities Act.

By meeting the statutory criteria, securities are admitted to listing on the Vienna Stock Exchange and are divided in various trading segments. To be traded in a specific segment, certain non-statutory criteria must be met by the issuer of the securities, in addition to the statutory listing criteria. The equity market is divided into the segments "prime market", "mid market" and "standard market".

The Company's Existing Shares are traded in the prime market. The New Shares will also be traded in this segment. The prime market represents the highest ranking market segment of the Vienna Stock Exchange and is comprised of shares that are admitted to listing on the Official Market or Second Regulated Market and meet the most stringent listing criteria.

Out of the 50 companies listed on the prime market as of August 31, 2009, only 20 companies are included in the Austrian Traded Index ("ATX") (Source: Vienna Stock Exchange). The ATX consists of the most actively traded (most liquid) and the most highly capitalized stocks in the prime market. It was designed to be broadly representative of the overall performance of all stock listed on the Vienna Stock Exchange, and is used as an underlying reference for futures, options and structured notes. The ATX is calculated, disseminated and licensed by the Vienna Stock Exchange on a real-time basis. The "ATX Prime" index contains all shares and certificates presently traded in the prime market segment. The Company's Shares are included in the ATX and in the ATX Prime indices.

The mid market segment comprises shares that are admitted to listing on the Official Market or the Second Regulated Market or shares that are traded on the Unregulated Third Market and that do not meet all listing criteria required for trading in the prime market, but meet certain non-statutory listing criteria in addition to those set out in the Stock Exchange Act. The standard market segment contains all securities admitted to listing on the Official Market or Second Regulated Market that meet neither the criteria for the prime market nor for the mid market. It is divided in two subsegments: standard market continuous and standard market auction.

Shares listed on the prime market or the standard market continuous are traded continuously, whereas securities listed on the mid market or the standard market auction are traded only once a day in an auction. To provide additional liquidity, stocks traded in the prime market and the standard market continuous segment must be serviced by a specialist trader, which has agreed to enter firm quotes into XETRA, the electronic trading system used by the Vienna Stock Exchange on a permanent basis. In both segments, additional liquidity providers other than the designated specialists are permitted to act as market makers in securities already serviced by at least one specialist. The market makers' commitments must meet certain minimum requirements set up by the Vienna Stock Exchange.

General information as well as a range of services, such as quotations and ad-hoc information about the companies listed on the Vienna Stock Exchange is provided by the Vienna Stock Exchange via the internet (www.wienerborse.at). Information contained on the website of the Vienna Stock Exchange is not included by reference into this prospectus.

Trading and settlement

Officially listed securities are traded both on and outside of the Vienna Stock Exchange. Nearly half of all trades are over-the-counter ("OTC"). Shares and other equity securities listed on the Vienna Stock Exchange are quoted in euro per share.

The electronic trading system used by the Vienna Stock Exchange is XETRA (Exchange Electronic Trading), the same trading system used by the Frankfurt Stock Exchange. The settlement system uses automated netting procedures and daily mark-to-market evaluation of collateral requirements to further reduce transfer costs.

Trading can be suspended by the Vienna Stock Exchange if orderly stock exchange trading is temporarily endangered or if its suspension is necessary in order to protect the public interest. The electronic system provides for automatic volatility interruptions and market order interruptions during auctions and for automatic volatility interruptions during continuous trading.

The settlement of transactions concluded on the stock exchange takes place outside the stock exchange. Exchange transactions (spot and forward markets) are settled through CCP Austria Abwicklungsstelle für Börsegeschäfte GmbH. These transactions are carried out T+3 on a delivery versus payment (DvP) basis, with OeKB acting on behalf of CCP Austria Abwicklungsstelle für Börsegeschäfte GmbH as the central custodian and settlement bank. In case of non-delivery, the transaction will be performed T+14 by a settlement in cash, with the defaulting counter-party having to pay a penalty to the purchaser(s). Settlement terms of OTC transactions depend on party agreement.

Share price development

The Company's shares are listed on the Official Market, assigned to trading in the prime market segment, of the Vienna Stock Exchange. The table below sets forth the high and low trading price of the Company's shares on the Vienna Stock Exchange for the periods indicated:

Period	High	Low
	(in EUR)	
2006	45.00	32.11
2007	58.06	32.84
2008	39.09	8.24
January 2009	12.88	9.51
February 2009	11.02	5.91
March 2009	6.76	4.70
April 2009	9.32	5.80
May 2009	10.48	7.86
June 2009	10.60	8.00
July 2009	11.90	8.26
August 2009	17.24	11.41
Through September 11, 2009	15.84	15.33

(Source: Reuters.)

DIVIDEND POLICY

Holders of the Shares are entitled to an annual dividend declared in respect of the Company's financial year. The payment and amount of dividends on the Shares are subject to approval by the shareholders at the annual Shareholders' Meeting.

The Company paid the following dividends for the financial years 2006, 2007 and 2008:

	2008	2007	2006
		(in EUR)	
Per share amount of dividends	0.00	1.45	1.30
Total amount of dividends.........................	0.00	120,109,427.70	94,923,128.30

(Source: Internal data.)

Past dividends are not an indication of future dividends to be paid by Wienerberger AG. See "*Risk Factors—Risks relating to the Offering and the Shares—The Company's ability to pay dividends on the Shares will depend on availability of distributable profits*".

Pursuant to the Company's Articles of Association, Company profits shall be distributed unless decided otherwise by the Shareholders' Meeting. The timing and amount of future dividend payments, if any, will depend upon the Company's future earnings and prospects, capital requirements and financial condition and such other factors as the Management and Supervisory Boards of the Company consider relevant, as well as shareholder's resolutions to the contrary. There can be no assurance that any dividends will be paid or that, if paid, they will correspond to the policy described above. See "*Description of the Share Capital of the Company and the Articles of Association—General Provisions regarding Profit Appropriation and Dividend Payments*".

The Company's ability to pay dividends is based on its unconsolidated financial statements prepared in accordance with Austrian GAAP. Dividends may be paid only from the annual net profit (*Bilanzgewinn*) recorded in the Company's unconsolidated annual financial statements as approved by the Supervisory Board or by the Shareholders' Meeting. In determining the amount available for distribution, the annual net income (*Jahresüberschuss*) must be adjusted to account for any accumulated undistributed net profit or loss from previous years as well as for withdrawals from or allocations to reserves. Certain reserves must be established by law, and allocation to such reserves must therefore be deducted from the annual net income in order to calculate the annual net profit.

Future dividends paid by the Company may be subject to deduction of Austrian withholding tax, as described in "*Taxation—Taxation in the Republic of Austria—Taxation of Dividends*".

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth Wienerberger's capitalization as of June 30, 2009: (i) on an actual basis and (ii) as adjusted to reflect the issuance and sale of the 33,579,075 New Shares from the share capital increase at the Subscription Price of EUR 10.00 per New Share and the deduction of the commissions payable to the Managers and other offering-related expenses incurred by the Company in an amount of approximately EUR 18.01 million as discussed under "*Use of Proceeds*". The information has been derived from Wienerberger's Consolidated Financial Statements, which have been prepared in accordance with IFRS. This table should be read in conjunction with the Operating and Financial Review and the Consolidated Financial Statements incorporated by reference in this prospectus.

	As of June 30, 2009	
	Actual	**As adjusted for this Offering**
	(in EUR million) (unaudited)	
Cash and liquid resources	**287.2**	**605.0**
Short-term debt (including current portion of long-term debt)	190.0	190.0
thereof guaranteed	0.0	0.0
thereof secured	43.6	43.6
thereof unguaranteed and unsecured	146.4	146.4
Long-term debt (less current portion of long-term debt)	1,075.8	1,075.8
thereof guaranteed	0.0	0.0
thereof secured	7.5	7.5
thereof unguaranteed and unsecured	1,068.3	1,068.3
Total indebtedness	**1,265.8**	**1,265.8**
thereof guaranteed	0.0	0.0
thereof secured	51.1	51.1
thereof unguaranteed and unsecured	1,214.7	1,214.7
Net debt	**978.6**	**660.8**
Equity:		
Issued capital	83.9	117.5
Share premium	829.4	1,113.6
Hybrid capital	492.9	492.9
Retained earnings	1,131.2	1,131.2
Treasury stock	(40.7)	(40.7)
Translation reserve	(260.4)	(260.4)
Minority interest	24.3	24.3
Total shareholders' funds and minority interest	**2,260.6**	**2,578.4**
Total capitalization and indebtedness	**3,526.4**	**3,844.2**

(Source: Consolidated Financial Statements and internal data.)

Working capital statement

The Company believes that cash flow from operating activities and cash and other liquid resources from other existing sources of financing available to it are sufficient to cover the Group's foreseeable payment obligations for a period of at least 12 months following the date of this prospectus.

No material adverse change

There has been no material adverse change in the Group's financial position since June 30, 2009.

DILUTION

The net assets of Wienerberger on a consolidated basis as of June 30, 2009 amounted to approximately EUR 1,784.2 million, or EUR 21.25 per Existing Share, based on 83,947,689 Existing Shares outstanding, each representing a calculated notional amount of EUR 1.00 of the nominal share capital. Net assets are total assets less total liabilities less hybrid capital less capital attributable to minority shareholders. Net assets per Existing Share are determined by dividing net assets by the number of Existing Shares.

Assuming the issue of 33,579,075 New Shares in this Offering at the Subscription Price of EUR 10.00 per New Share, Wienerberger's net assets as of June 30, 2009 would have been approximately EUR 2,102.0 million, or EUR 17.88 per Share, after deducting the commissions payable to the Managers and other offering-related expenses incurred by the Company. This represents an immediate decrease of approximately EUR 3.37 or approximately 15.8% in the net assets per Share for existing shareholders who do not exercise their Subscription Rights, and an immediate accretion in net assets of approximately EUR 7.88 or 78.8% per Share to new investors purchasing New Shares in the Offering. Accretion per Share to new investors is determined by subtracting the net assets per Share after the Offering from the Subscription Price paid by a new investor.

The following table illustrates the per share dilution:

	EUR
Subscription Price	10.00
Net assets per Share as of June 30, 2009	21.25
Dilution per Share attributable to existing investors	3.37
Net assets per Share after the Offering	17.88
Accretion per Share attributable to new investors	7.88

(Source: Own calculations.)

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data of Wienerberger should be read in conjunction with, and are qualified by reference to, the Operating and Financial Review and the Consolidated Financial Statements incorporated by reference in this prospectus. The consolidated statement of income data for the years ended December 31, 2008, 2007 and 2006 and the consolidated balance sheet data as of December 31, 2008, 2007 and 2006 are derived from the Audited Annual Consolidated Financial Statements incorporated by reference in this prospectus and should be read in conjunction with those Audited Annual Consolidated Financial Statements. The unaudited consolidated statement of income data for the six months ended June 30, 2009 and 2008 and the unaudited consolidated balance sheet data as of June 30, 2009 are derived from the Interim Consolidated Financial Statements incorporated by reference in this prospectus which, in the opinion of Wienerberger, have been prepared on the same basis as the Audited Annual Consolidated Financial Statements and reflect all adjustments, consisting only of normal recurring adjustments, necessary for a true and fair presentation of Wienerberger's results of operations and financial position. Results for the six months ended June 30, 2009 are not necessarily indicative of results that may be expected for the entire year.

	Six months ended June 30,		Year ended December 31,		
	2009	2008	2008	2007	2006
	(in EUR million, except as otherwise noted)				
	(unaudited)		(audited, except as otherwise noted)		
Consolidated Statement of Income Data[1]					
Revenues	898.1	1,263.6	2,431.4	2,477.3	2,225.0
Cost of goods sold	(638.8)	(808.2)	(1,585.6)	(1,511.0)	(1,403.7)
Gross profit	259.4	455.5	845.8	966.3	821.3
Selling and administrative expenses	(259.0)	(316.4)	(617.4)	(604.2)	(539.2)
Other operating expenses	(20.9)	(18.4)	(35.7)	(49.8)	(33.3)
Other operating income	28.4	15.3	47.2	40.8	54.3
Operating profit before non-recurring items	7.8	136.0	239.8	353.1	303.1
Costs, impairment charges and write-offs related to restructuring	(87.2)	(5.8)	(55.0)	0.0	(7.1)
Impairment charges to goodwill	(125.4)	0.0	(16.7)	0.0	(3.5)
Addition to provision for an impending antitrust penalty	0.0	0.0	(10.0)	0.0	0.0
Non-recurring income	0.0	0.0	0.0	0.0	5.1
Operating profit after non-recurring items	(204.8)	130.2	158.1	353.1	297.5
Interest result	(18.3)	(20.0)	(42.1)	(43.1)	(48.2)
Other financial results including income from investments in associates	0.2	7.8	7.1	48.3	28.0
Income taxes	18.8	(19.3)	(19.8)	(62.5)	(59.0)
Profit after tax	(204.0)	98.6	103.3	295.8	218.3
Thereof attributable to minority interest	(0.8)	1.9	3.4	5.4	(2.4)
Thereof share attributable to hybrid capital holders	16.2	16.2	32.5	29.1	0.0
Thereof attributable to equity holders	(219.3)	80.6	67.5	261.4	215.9
Other Financial Data					
Operating EBITDA[2]	100.6	235.6	440.1	551.2	471.9
Operating EBIT[2]	7.8	136.0	239.8	353.1	303.1
Capital employed	3,105.0	3,301.0	3,252.2	3,060.2	2,598.2
Capital expenditure and acquisitions	91.0	253.8	505.6	645.6	530.4
Earnings per share (in EUR)	(2.65)	0.97	0.81	3.46	2.95
Adjusted earnings per share before impairment charges to goodwill and non-recurring items (in EUR)	(0.17)	1.04	1.69	3.46	3.02
Declared or paid dividend per share (in EUR)	n.a.	n.a.	0.00	1.45	1.30
Group ROCE (unaudited)[2] [3]	n.a.	n.a.	6.2%	10.1%	9.4%
WACC	6.9%	7.5%	7.0%	7.5%	7.5%
Consolidated Cash Flow Data					
Gross cash flow	49.8	204.3	300.9	479.0	370.8
Cash flows from operating activities	22.7	82.0	262.8	361.5	351.6
Cash flows from investing activities	(75.1)	(255.8)	(474.6)	(593.2)	(509.7)
Cash flows from financing activities	45.1	26.9	125.1	331.2	131.8

	As of June 30,	As of December 31,		
	2009	2008	2007	2006
	(in EUR million)			
	(unaudited)	(audited)		
Consolidated Balance Sheet Data				
Non-current assets	2,842.9	3,046.1	2,961.1	2,593.0
Current assets	1,368.8	1,337.8	1,368.7	1,081.3
Total assets	4,211.6	4,383.9	4,329.9	3,674.3
Equity	2,260.6	2,497.2	2,672.7	1,591.4
Non-current provisions and liabilities	1,376.9	1,324.8	1,130.7	1,088.1
Current provisions and liabilities	574.1	561.9	526.5	994.8
Total equity and liabilities	4,211.6	4,383.9	4,329.9	3,674.3

(1) Consolidated financial data eliminate minor intra-Group deliveries and services among Wienerberger's segments.
(2) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty. For further explanations of this item see *"Presentation of Financial and Other Information—Non-IFRS financial measures"*.
(3) After tax adjusted for non-recurring income and expense.

(Source: Consolidated Financial Statements and internal data.)

The following table sets forth certain income statement and balance sheet data broken down according to the segments of the Group:

	Six months ended June 30,		Year ended December 31,		
	2009	2008(3)	2008	2007	2006(4)
	(in EUR million)				
	(unaudited)		(audited)		
Central-East Europe					
Third party revenues	274.1	451.8	895.0	841.9	636.8
Operating EBITDA(1)	48.5	135.4	262.0	282.8	160.5
Operating EBIT(1)	17.3	101.3	193.4	217.7	103.7
Capital employed	856.8	862.9	854.9	754.3	647.7
Central-West Europe					
Third party revenues	174.2	208.5	405.4	414.6	453.7
Operating EBITDA(1)	11.4	18.0	42.5	76.5	96.1
Operating EBIT(1)	(5.9)	(1.1)	4.6	32.9	59.1
Capital employed	434.5	526.6	480.6	500.5	453.8
North-West Europe					
Third party revenues	372.9	482.5	894.8	888.4	775.8
Operating EBITDA(1)	61.4	89.7	144.0	183.7	175.3
Operating EBIT(1)	28.6	54.7	73.2	120.9	115.7
Capital employed	1,235.4	1,389.2	1,298.0	1,280.4	1,035.4
North America					
Third party revenues	76.3	120.0	234.3	330.7	349.5
Operating EBITDA(1)	(7.9)	7.5	15.1	35.3	63.4
Operating EBIT(1)	(19.0)	(2.0)	(4.0)	14.0	48.2
Capital employed	527.2	509.9	583.2	521.2	437.6
Investments and Other(2)					
Third party revenues	0.3	0.3	0.5	0.3	8.3
Operating EBITDA(1)	(12.8)	(15.0)	(23.5)	(27.2)	(23.4)
Operating EBIT(1)	(13.2)	(16.9)	(27.3)	(32.5)	(27.1)
Capital employed	51.1	12.3	35.4	3.8	23.6
Total third party revenues	897.7	1,263.1	2,430.1	2,476.0	2,224.1
Intra-Group sales to non-consolidated Group companies	0.4	0.6	1.3	1.4	0.9
Total revenues	**898.1**	**1,263.6**	**2,431.4**	**2,477.3**	**2,225.0**

(1) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty.
(2) The segment Investments and Other includes holding company costs.
(3) Segment data for the first half of 2008 have been adjusted to reflect the transfer for organizational reasons of the cross-border trading activities of The Netherlands and Germany from North-West Europe to Central-West Europe as of January 1, 2009.

(4) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.

(Source: Consolidated Financial Statements.)

Wienerberger's corporate strategy is based on growth in the value of the Group. For internal operating management purposes, Wienerberger calculates a cash-based pre-tax return on investment for all levels of the Group. The key ratios employed by management are cash flow return on Investment ("CFROI"), which is calculated as Operating EBITDA divided by average historical capital employed; average historical capital employed represents average capital employed plus average accumulated depreciation and cash value added ("CVA"). The CFROI model allows the Group to compare its various segments, independent of the age structure of the plants. For all segments Wienerberger has established a minimum sustainable CFROI target of 11.5% after adjustment for non-recurring income and expenses. CVA is calculated based on the CFROI of the individual segments compared to the 11.5% hurdle rate, which is then multiplied by historical capital employed. CVA shows the absolute operating cash value added by the individual segments.

The following tables set forth calculations of Group and segmental CFROI and CVA:

Group CFROI	**2008**	**2007**	**2006[1]**
	(in EUR million, except percentages) (unaudited)		
Operating EBITDA[2]	440.1	551.2	471.9
Average capital employed	3,156.2	2,829.2	2,443.8
Average accumulated depreciation	1,566.7	1,407.4	1,290.5
Average historical capital employed	4,722.9	4,236.6	3,734.3
CFROI	9.3%	13.0%	12.6%

(1) Data for the financial year ended December 31, 2006 have been adjusted to reflect a change in the calculation method for CFROI and CVA which now uses average historical capital employed instead of using the ending balance for historical capital employed.
(2) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty.

(Source: Consolidated Financial Statements and internal data.)

	Operating EBITDA[1]			**Average Historical Capital Employed**			**CFROI**			**CVA**		
	2008	**2007**	**2006[2]**	**2008**	**2007**	**2006[2] [3]**	**2008**	**2007**	**2006[2] [3]**	**2008**	**2007**	**2006[2] [3]**
Segment	**(in EUR million) (audited)**			**(in EUR million) (unaudited)**			**(in %) (unaudited)**			**(in EUR million) (unaudited)**		
Central-East Europe	262.0	282.8	160.5	1,338.1	1,177.0	1,034.9	19.6	24.0	15.3	108.4	141.6	34.9
Central-West Europe	42.5	76.5	96.1	820.1	768.3	684.6	5.2	10.0	14.0	(51.8)	(15.7)	13.9
North-West Europe	144.0	183.7	175.3	1,821.0	1,641.7	1,451.1	7.9	11.2	12.2	(65.4)	(13.2)	2.6
North America	15.1	35.3	63.4	697.5	613.8	520.2	2.2	5.8	12.2	(65.1)	(38.4)	0.9
Investments and Other[4]	(23.5)	(27.1)	(23.4)	46.2	35.8	43.5	(50.9)	(75.7)	53.7	(28.8)	(31.5)	28.5
Wienerberger Group	**440.1**	**551.2**	**471.9**	**4,722.9**	**4,236.6**	**3,734.3**	**9.3**	**13.0**	**12.6**	**(103.0)**	**42.8**	**23.8**

(1) Before restructuring costs, impairment charges, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty.
(2) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.
(3) Data for the financial year ended December 31, 2006 have been adjusted to reflect the change in the calculation method for CFROI and CVA which now uses average historical capital employed instead of using the ending balance for historical capital employed.
(4) Including holding company costs.

(Source: Consolidated Financial Statements and internal data.)

OPERATING AND FINANCIAL REVIEW

This operating and financial review is based on the Audited Consolidated Financial Statements as of and for the years ended December 31, 2008, 2007 and 2006 and the Unaudited Consolidated Financial Statements as of and for the six months ended June 30, 2009 and June 30, 2008. These Consolidated Financial Statements are incorporated by reference in this prospectus and should be read in conjunction with this section. The Consolidated Financial Statements have been prepared in accordance with IFRS. The following operating and financial review contains certain forward-looking statements that are based on assumptions about the Wienerberger Group and its business. The Group's actual results could differ materially from those anticipated in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly under "Risk Factors".

Overview

According to management estimates, the Group is the world's largest brick producer and the second-largest manufacturer of clay roof tiles in Europe. It is present in the two largest segments of the brick industry—clay blocks and facing bricks—and in the clay and concrete roof tile markets. According to management calculations, in terms of sales volumes Wienerberger is the global leader in the clay block market, and is number one in Europe and joint leader in the United States in the facing brick market. In addition, the Group manufactures clay and concrete pavers as part of its core business, and operates certain non-core assets. For the year ended December 31, 2008, the Group had revenues of EUR 2,431.4 million, operating EBITDA of EUR 440.1 million and operating profit after non-recurring items of EUR 158.1 million.

Segment reporting

The Group's operations are divided into five primary reporting segments: (i) Central-East Europe; (ii) Central-West Europe; (iii) North-West Europe; (iv) North America; and (v) Investments and Other. For purposes of this operating and financial review, revenues of these segments include only external sales and the sum of these revenues therefore differs from revenue figures presented in the Consolidated Financial Statements, which show total sales, including inter-company sales to other geographical segments of the Wienerberger Group subject to an adjustment for consolidation effects. The difference between external sales and total sales amounted to EUR 1.3 million in 2008 and is disclosed in the Consolidated Financial Statements. Management believes that showing external sales offers a better explanation of the Group's performance in each of the markets concerned.

Central-East Europe

This segment covers the Group's brick and roof tile production and building materials distribution activities in Austria, and Central and Eastern Europe (including among others Poland, the Czech Republic, Hungary, Romania, Slovakia and Slovenia) as well as Semmelrock concrete pavers (75% stake, full consolidation), Bramac concrete roof tiles (50% stake, proportionate consolidation) and Tondach Gleinstätten clay roof tiles (25% stake, at equity consolidation). As of January 1, 2007, the subsidiaries in Finland and the Baltic countries were transferred for organizational reasons from the North-West Europe segment to the Central-East Europe segment.

Central-West Europe

This segment covers the Group's brick and roof tile production and building materials distribution activities in Germany, Switzerland and Italy. As of January 1, 2009, the cross-border trading activities of The Netherlands and Germany were transferred from the North-West Europe segment to the Central-West Europe segment for organizational reasons.

North-West Europe

This segment includes the Group's brick and roof tile production and building materials distribution activities in Belgium, The Netherlands, France, the United Kingdom, Scandinavia, Finland and the Baltic countries. As of January 1, 2007, the subsidiaries in Finland and the Baltic countries were transferred for organizational reasons from the North-West Europe segment to the Central-East Europe segment. As of January 1, 2009, the cross-border trading activities of The Netherlands and Germany were transferred from the North-West Europe segment to the Central-West Europe segment for organizational reasons. Segment data for the first half of 2008 has been restated to reflect this change.

North America

This segment includes the Group's brick and concrete block production and building materials distribution activities in the United States. Since the third quarter of 2007, after the acquisition of operating entities of Arriscraft International Income Fund ("Arriscraft"), the segment includes the manufactured stone business in Canada and was renamed "North America" (until second quarter 2007: "USA").

Investments and Other

This segment comprises the Group's non-core activities such as Pipelife plastic pipes (a 50:50 joint venture with Solvay, at equity consolidation), real estate and Group headquarter costs.

Key factors affecting the Group's results of operations

In Management's view, the following factors have been the key drivers affecting the Group's business, results of operations and financial condition over the past three years, and will continue to be so.

Demand and pricing trends

The Group's results of operations are directly correlated to the level of new residential construction activity in the countries and regions in which it operates, which in turn are influenced by national and regional macroeconomic factors such as GDP growth rates, housing starts and, to a lesser extent, prevailing long-term interest rates (mortgage rates). In addition, fiscal, tax and other policies of national and regional governments often have the effect of stimulating or discouraging residential construction activity and may influence customer preferences as to choice of building materials. Consequently, Wienerberger's operations in each of its geographical markets are cyclical, with periods of high growth typically followed by downturns. The geographical diversification of the Group's operations across a number of markets in Central, Eastern and Northwestern Europe and North America to some extent decreases the impact of cyclicality on the Group's overall results of operations. Moreover, Wienerberger's diversification in both the wall, facade and roof tile segments decreases its exposure to cyclicality because sales of roof tiles are partly driven by renovation, whereas those of bricks are predominantly influenced by new construction.

The financial crisis that followed the breakdown of the U.S. sub-prime mortgage market in summer 2007 has lead to a world-wide economic downturn and has had considerable effects on the real economy. Economic forecasts for most countries, among others the euro zone, signal a continued downward movement in economic growth for the year 2009 - with a large number of countries being affected by recession - and an increase in unemployment and in inflation, leading to a general trend towards monetary tightening. Management expects that the macro-economic climate will not improve significantly in 2009 or 2010 and will continue to have a negative effect on construction activity in all of the Group's markets.

After years of above average GDP growth and a booming residential construction sector, the Central and Eastern European landscape presented a mixed picture in 2008. Countries such as Austria, Poland, Romania and Bulgaria showed a positive development in the first three quarters with a levelling-off of market activity towards the end of the year. In contrast to this development, the Czech Republic, Hungary, Finland and Baltics as well as Russia showed weakness either throughout the year (Hungary, Czech Republic) or as of the second half of 2008 (Russia). In the United States, residential construction contracted by 33% in 2008, compared to the elevated 2007 level. The annual change was particularly strong in the Western (decline of 39%), Mid-Western (decline of 36%) and Southern regions (decline of 33%). Only the North-Eastern region experienced a comparably better development with a decline of 15%. The Mid-Western and Eastern regions are two of the Group's main markets in North America.

In 2008, Central-West Europe experienced another year of challenging market conditions after a disappointing year 2007. Germany experienced historically low construction activity in 2008 with housing completions dropping to 171,900. The Italian market was subject to strong price pressure due to overcapacities on the market. The Netherlands and Belgium both experienced a split into a rather stable first half year with a subsequent weakening. In France, construction activity showed double digit declines which were partly counter-balanced by a shift of market shares from concrete to brick.

The Group's results of operations are dependent on the price levels of its main products for walls, facades, roofs and pavers. In the brick and roof tile industries, price levels are directly correlated with demand, inventory levels and capacity utilization. During periods of high demand (typically driven by the positive macroeconomic factors referred to above) and high capacity utilization, prices tend to increase which has a positive effect on Wienerberger's margins. Conversely, a decline in demand may exert downward pressure on prices, especially in markets where lower demand results in excess capacity that cannot be easily eliminated due to market fragmentation. Lower prices and lower capacity utilization have an adverse effect on the Group's margins because of the high level of fixed costs in its cost structure.

Acquisitions

Since 1986, the Group has grown from a local business with a few production sites in Austria into a major player in the world building materials industry with 236 plants in 26 countries and five export regions as of June 30, 2009. This expansion has been achieved through organic growth and value-creating projects. As regards the latter, Wienerberger differentiates between "bolt-on projects" (defined as greenfield plants and capacity expansions, as well as minor acquisitions in existing markets) and external projects, which represent strategic acquisitions justifying substantial investment, typically motivated by the targets' market leading positions or the Group's desire to enter new markets.

In 2008, the Group spent a total of EUR 407.2 million on growth investments. Strategic acquisitions accounted for 24.3% of spending on growth investments in 2008, and bolt-on projects for the other 75.7%. Bolt-on projects are primarily funded from free cash flow (cash flow from operating activities minus cash flow from investing activities plus growth investments) and with debt used to cover any additional requirements. Strategic acquisitions have primarily been debt financed. Expenditure on growth investments was EUR 525.4 million in 2007 (56.5% for bolt-on projects and 43.5% for strategic acquisitions) and EUR 430.2 million in 2006 (strategic acquisitions accounted for 22.2%, bolt-on projects for the other 77.8%).

In the current market environment, management intends to focus on the profitability of the existing business and particularly concentrate its efforts on the protection and strengthening of liquidity and the maximization of cash flow.

Recent significant transactions

In January, 2009, Austrian cartel authorities approved an agreement between Semmelrock International GmbH ("Semmelrock"), a 75% subsidiary of Wienerberger AG and Zementwerk Leube GmbH to form a joint venture between its Austrian subsidiaries Semmelrock Baustoffindustrie GmbH and Ebenseer Baustoffindustrie GmbH & Co KG. Semmelrock holds a 62.5% stake in the newly founded Semmelrock Ebenseer Baustoffindustrie GmbH & Co KG.

On January 11, 2008 Wienerberger acquired Sandtoft Roof Tiles Ltd ("Sandtoft"), a large producer of roof tiles in the United Kingdom which in 2007 generated revenues of approximately GBP 42 million and EBITDA of GBP 5 million with 417 employees. The purchase price (which the parties have agreed not to disclose) for roughly 74% of the shares was paid in cash, and the sellers hold a put option that allows them to sell the remaining shares to Wienerberger.

In December 2007, Wienerberger acquired a 83.33% interest in Bockhorner Klinker GmbH, which focuses on high-quality facing bricks and clay pavers and generated revenues of approximately EUR 14 million in 2007. The transaction covered a sales company roughly 40 kilometers ("km") north of Oldenburg (Germany) as well as production sites in Bockhorn, Borgstede, Bramloge and Hagen (Lower Saxony) and the lease of further two plants in Jemgum and Hambergen. The parties agreed not to publish the purchase price for Bockhorner Klinker GmbH.

In July 2007, Wienerberger acquired all operating units of Arriscraft for CAD 107 million. The company, with headquarters in Cambridge, Ontario (Canada), operates three production sites in Cambridge, Ontario (Canada), Saint-Étienne-des-Grés, Quebec (Canada), and Fort Valley, Georgia (United States). It is the largest producer of manufactured stone in North America (based on management estimates), which is a growing niche product for wall cladding. In 2006, Arriscraft generated revenues of CAD 79.2 million in Canada and the United States, and an EBITDA of CAD 11.3 million, employing a work force of over 400 people.

In July 2007, Wienerberger acquired a 99% share in Baggeridge Brick plc ("Baggeridge Brick"), a British company listed on the London stock exchange, by means of a public tender offer for a purchase price of GBP 99.4 million. Baggerridge Brick operates five production sites in the United Kingdom (see "*Business—Organization and Business Segments—Central-West Europe and North-West Europe*").

In May 2006, Wienerberger acquired Robinson Brick, a brick producer and merchant headquartered in Denver, Colorado, which operates four plants and 17 retail centers, and, based on management estimates, holds a leading market position in seven U.S. states. The purchase price for Robinson Brick, which generated revenues of USD 87 million and EBITDA of approximately USD 11 million in 2005, was USD 121.5 million including assumed liabilities.

The following table shows cash flows related to the Group's investment activities since 2006:

Selected cash flows from investing activities	**Six months ended June 30, 2009**	**2008**	**2007**	**2006**
	(in EUR million, except no. of acquisitions)			
	(unaudited)	**(audited)**		
Maintenance capital expenditures (maintenance, rationalization, environment)	(30.7)	(98.4)	(120.2)	(100.2)
Bolt-on projects (new plant construction, extensions, small acquisitions)	(60.3)	(308.3)	(297.0)	(334.7)
External growth projects (large acquisitions)	0.0	(98.9)	(228.4)	(95.5)
Total investments	**(91.0)**	**(505.6)**	**(645.6)**	**(530.4)**
No. of acquisitions	1	4	8	17

(Source: Consolidated Financial Statements and internal data.)

Seasonality and weather

The residential construction industry is seasonal and, consequently, the Group's revenues are subject to seasonal fluctuations. In the winter months of December, January and February, the Group records very limited sales in Europe and reduced levels of sales in the United States, generally resulting in weak first quarter results. Accordingly, the Group reduces production during this period, if necessary. However, the remaining production leads to inventory build-ups. Brick and roof tile inventories do not generally suffer from spoilage but are subject to price risk if the Group misjudges local market conditions. The Group therefore views the seasonality of its sales more as a capacity management than an inventory management issue. Sales usually return to normal in March, and as they pick up the Group generally experiences an increase in receivables. Both inventory build-ups and increases in receivables lead to increases in working capital, which then shrinks over the summer months as inventories are run down during the period of higher demand. Local weather conditions also affect residential construction activity and, consequently, the Group's revenues over the year, and may lead to increases or decreases in working capital during periods other than the winter months. Weather may mitigate the effects of seasonality, as a mild winter can have a positive impact on levels of residential construction activity and thus enhance revenues. Revenues from roof tile operations can also benefit from adverse weather conditions as these may lead to increased renovations.

Optimization and restructuring program

In response to the changing market environment in summer 2008 Wienerberger launched an extensive optimization and restructuring program which includes plant closures, investment and fixed costs reductions and cuts in working capital.

In 2008, active capacity management included the permanent closure of 27 plants and the mothballing of 11 additional production lines. These measures led to EUR 55 million of non-recurring negative effects (EUR 33 million in cash and EUR 22 million of special write-offs) in 2008. In the first half 2009, 18 plants have been shut down or mothballed and production is expected to be halted in further eight plants in the second half of 2009. The restructuring program is estimated to lead to non-recurring costs of approximately EUR 100 million (EUR 40 million in cash and EUR 60 million of special write-offs) in 2009. These measures are estimated to result in cost savings of EUR 150 million in 2009, of which EUR 90 million were already achieved in the first six months of the year.

According to the restructuring program, capital expenditure is reduced by the Group to the level necessary for maintenance and a certain remainder invested into expansion and is expected to amount to EUR 180 million in 2009 and to further decrease to EUR 80-100 million in 2010. Additionally, the Group focuses on the reduction of administrative and selling expenses as well as active working capital management, which is expected to release funds in the amount of approximately EUR 100 million in 2009.

The Group’s results of operations in 2009 and subsequent years will to a significant extent depend on the successful implementation and the cost saving effects of the optimization and restructuring program.

Impairment

In accordance with IAS 36, assets are remeasured to value in use or a possible sales price or liquidation value if there is evidence of impairment and the present value (discounted at a weighted average cost of capital rate of 7.0% in 2008 and 7.5% in 2007 and 2006) of future cash flows is less than book value. In the Wienerberger Group, cash-generating units generally represent groups of plants. Future cash flows are based on internal forecasts, which are prepared in detail for 2009 and with minor simplifications for the following four years (for the following six years in the United Kingdom, the United States and Russia). The quality of these forecasts is evaluated on a regular basis through a variance analysis that compares the projections with actual figures. The results of this analysis are reflected in the forecast for the following year. The calculation reflects the planning periods from 2009 to 2012, whereby the future cash flows in later planning periods are assumed to be realizable over the long-term based on the going concern principle and form the basis for determining a perpetual annuity.

The major consideration in determining value in use is assumptions about the future development of the relevant local market and sales volumes. Value in use is estimated on the basis of assumptions that are checked with economic researchers in the various regional markets, estimates published by statistical agencies (e.g. Euroconstruct) and values derived from past experience. The cost forecasts generally use past experience in the Wienerberger Group as a basis for extrapolation.

The carrying value of a non-current asset that was previously recognized as impaired is remeasured to the recoverable amount if the reasons for impairment cease to exist or if a possible use is found for the item. In accordance with IFRS 36, goodwill that has been subject to impairment is not revalued. In 2008 impairment charges to goodwill were recognized in the amount of EUR 16.7 million, of which EUR 14.1 million related to impairments in the facing brick segment in the United Kingdom, due to a drop in new residential construction and EUR 2.6 million related to impairments in Denmark which were due to a deterioration of the Danish market in 2008.

Foreign exchange translation effects

The Group translates the financial statements of its operations outside the euro zone, including those in the United States, the United Kingdom, Switzerland and Central-East Europe, into its reporting currency, the euro. The results of operations and balance sheets of consolidated subsidiaries operating outside the euro zone are hence affected by the euro exchange rates of the currencies in question. Appreciation of these currencies typically increases the contribution of the business segment concerned to the Group's results of operations, and vice versa. The U.S. dollar-euro, the British pound-euro and the Polish Zloty-euro exchange rates have the biggest impact on results. The table below breaks down consolidated sales for the 2008 and 2007 financial years and the six months ended June 30, 2009 by currency.

	Revenues six months ended June 30, 2009	% of Revenues six months ended June 30, 2009	Revenues 2008	% of Revenues 2008	Revenues 2007	% of Revenues 2007
	(in EUR million, except percentages)					
	(unaudited)		(audited, except percentages)			
Euro	540.1	60	1,142.0	47	1,138.5	46
Central-Eastern European currencies	178.3	20	745.8	31	712.5	29
U.S. Dollar	113.1	13	206.8	8	305.6	12
Other (including Swiss, U.K. and Scandinavian)	66.7	7	336.8	14	320.7	13
Revenues	898.1	100	2,431.4	100	2,477.3	100

(Source: Consolidated Financial Statements and internal data.)

The Group uses cross currency swaps to help ensure that assets and liabilities are matched in terms of currency, and thereby decrease the impact of exchange rate fluctuations on Group equity. No derivative contracts are concluded for trading or speculative purposes. The exposure of the Wienerberger Group to exchange rate transaction risk is limited because of the local nature of the building materials business, which rarely involves exports or imports, meaning that cash flows into or out of the euro area almost entirely concern Group dividends, for which the exchange rate risk is partly hedged by the Group, or loans and related interest payments. The foreign exchange risk associated with these intra-Group cash flows is managed by the Company. Borrowing to finance current assets is in the local currencies of the subsidiaries concerned because of the decentralized structure of the Wienerberger Group.

The following table sets out the European Central Bank reference rates ("ECB reference rates") for the currencies that have the most impact on the Group's financial condition, as of December 31, 2008 and 2007, and June 30, 2009 and 2008, as well as the average ECB reference rates for 2008, 2007 and 2006 and for the six months ended June 30, 2009 and 2008.

	ECB reference rate at				Average ECB reference rate for				
	Six months ended June 30,		December 31,		Six months ended June 30,		December 31,		
	2009	2008	2008	2007	2009	2008	2008	2007	2006
Currency									
100 U.S. dollars	70.751	63.436	71.855	67.930	75.031	65.342	67.992	72.967	79.643
100 Canadian dollars	61.444	62.727	58.830	69.209	62.289	64.929	64.126	68.127	70.240
100 Hungarian Forint	0.368	0.425	0.375	0.394	0.345	0.394	0.398	0.398	0.378
100 Polish Zloty	22.462	29.839	24.076	27.828	22.343	28.652	28.470	26.429	25.668
100 Czech Koruna	3.864	4.185	3.721	3.755	3.684	3.970	4.008	3.602	3.528
100 British Pounds	117.357	126.223	104.987	136.361	111.866	128.998	125.622	146.127	146.686

(Source: ECB.)

Energy costs

The energy used in the production of bricks and roof tiles represents a significant portion of the Group's overall costs. For example, in 2008 energy costs totaled EUR 374.5 million or 15.4% of revenues. This represented an increase of EUR 20.2 million (5.7%) over 2007, which was due to price increases in the amount of EUR 45.5 million, partly offset by lower volumes, which had a positive effect of EUR 24.5 million. The price-related increase mainly resulted from a significant rise in the cost of crude oil, particularly in the first half of 2008, which subsequently led to higher natural gas and electricity prices, also in the second half of 2008 although crude oil prices declined in the same period. In the first half of 2009 energy costs totaled EUR 133.6 million or 14.9% of revenues. This represented a decrease of EUR 59.2 million (-30.7%) over the first half of 2008, which was due to higher energy prices (EUR 10.8 million) and lower energy consumption (EUR 70.0 million). Group energy expenses typically break down into approximately 68% for natural gas, 22% for electricity, 5% for crude oil, and 5% for coal and other energy forms. Due to the significant impact of fluctuations in energy prices on the Group's operating costs and results of operations, management has established the following guidelines for deregulated energy markets: at least 75% of energy costs must be hedged for the coming six months, 50% for the next 12 months and 25% for the next 24 months. Wienerberger experts analyze local price trends and make contracts aimed at optimizing energy purchases. The Group's long-term energy strategy is managed by the central procurement and risk management departments on the basis of quarterly cash flow at risk calculations. As part of a rolling planning process driven by market trends, the prices of a part of the Group's energy requirements are locked in for up to two years in advance. The Group expects to meet some 55% of its natural gas needs for 2009 under fixed price contracts. Approximately 16% (2009) of the Group's energy requirements are purchased at market prices on regulated markets primarily in Central-East Europe which lack opportunities for hedging because prices are fixed by the government.

Transportation costs

Transportation costs are an important component of the overall cost base of Wienerberger. They can be divided into two main types, internal transportation costs and transportation costs for customer deliveries. Both types fluctuate in part according to production and sales volumes and according to energy prices. In 2008, total transportation costs were at EUR 198.6 million, with internal transportation costs amounting to EUR 69.6 million and transportation costs for customer deliveries amounting to EUR 129.0 million, which were partly passed on to customers (EUR 29.3 million). This compares to total transportation costs of EUR 208.4 million in 2007, thereof EUR 84.7 million from internal transportation and EUR 123.7 million resulting from transportation for customer deliveries of which EUR 30.7 million were passed on to customers. The Group does not own a significant fleet of trucks and uses contractors for transportation. Wienerberger tries to optimize transportation costs primarily through optimizing its plant network and respective plant capacities. The Group has a network of decentralized production facilities and plants are located near to raw material supplies as close as possible to local markets. This reduces transport distances, which makes fast delivery at lower costs possible.

Depreciation

The determination of the useful lives of the Group's assets for depreciation purposes is at the discretion of management, which uses conservative estimates. This results in higher depreciation charges and lower operating profits than would otherwise be the case. In 2008, ordinary depreciation (including non-current assets held under finance leases, as well as current assets) amounted to EUR 196.6 million. In 2008, depreciation represented 4.4% of the cost of acquisition or construction of the relevant assets or an average depreciation period of 20 years. However, in the past, the Group has generally been able to use its assets for periods longer than 20 years.

Critical Accounting Policies

In the preparation of the Consolidated Financial Statements, management selects and applies certain accounting policies that it believes are important to the portrayal of the Group's financial condition and results of operations. As a result of the uncertainties inherent in the Group's business activities, management needs to make estimates and assumptions that require difficult, subjective and complex judgments.

Wienerberger believes that the critical accounting policies discussed below are affected most significantly by management's exercise of its judgment and estimates in the preparation of the Consolidated Financial Statements. The use of different but equally reasonable judgments or estimates by management would have resulted in significantly different results of operations. For a discussion of these and other accounting policies, please see the notes to the Consolidated Financial Statements.

Consolidation

All companies that are material and are directly or indirectly controlled by the Group are consolidated in the Consolidated Financial Statements. Material investments in associated companies (companies that are neither directly nor indirectly controlled by the Group but over which the Group can exercise a significant level of influence) are accounted for using the equity method.

IAS 31, "Interests in Joint Ventures", applies to the Group's accounting for its interests in joint ventures. IAS 31 allows two accounting treatments for an investment in jointly controlled entities: proportionate consolidation and equity method of accounting. Proportionate consolidation is considered to be the more appropriate method of accounting where joint venture partners exercise joint control whereas the equity method is more appropriate where the partner's stake leads only to significant influence rather than joint control. The Group accounts for Pipelife using the equity method. Wienerberger does not have a controlling influence in Pipelife and does not view Pipelife's plastic pipe activities to be part of the Group's core business. Moreover, management regards Pipelife as an independent entity with no operational links to the Group. However, the Group proportionately consolidates its Bramac joint venture because it continues to view its concrete roof tile activities as part of the Group's core business and because the Group exercises joint control in Bramac.

Provisions for post-employment obligations

Provisions for severance payments—primarily for employees of the Austrian companies—are calculated according to actuarial principles based on retirement ages of 65 (men) and 60 (women), applying a discount rate of 5.8%. The projected unit credit method is used for this calculation.

The Wienerberger Group has both defined contribution and defined benefit pension plans. Defined contribution plans carry no further obligation after the payment of premiums. Under defined benefit plans, the employee is promised a certain retirement benefit. The risk related to the actual retirement benefit is carried by the Group up to the point of payment. The provisions for defined benefit pension plans are calculated according to the projected unit credit method. The valuation of pension commitments includes future wage/salary increases as well as increases in defined benefit commitments. In general these calculations are based on a discount rate between 4.0% and 7.0%, expected increase of 4.0% to 5.0% in income, expected growth of 2.0% to 3.0% in pensions, average employee turnover of 2.0% to 4.0% and expected returns of 6.0% to 8.0% on pension fund assets. The provisions for pensions are calculated by actuaries.

The provisions for pensions are netted against pension plan assets held to cover commitments. The fair values of plan assets that exceed pension obligations are shown in the balance sheet under "other current receivables". Significant actuarial gains and losses are not recognized as income or expense in the year when they arise, but are amortized over the remaining expected working lives of active employees ("corridor" approach).

Provisions for site restoration

In accordance with IAS 16, provisions for site restoration are recognized when a clay pit is purchased based on the expected cost of future restoration. The assumptions underlying site restoration provisions are primarily based on local conditions. The provisions for the restoration of clay pit sites purchased before 2005 are calculated yearly based on depletion (that is, the provision increases as the volumes extracted from the pit increase), in accordance with the transition rule in respect of IAS 16. Starting in 2005, estimated future restoration costs for clay pits are capitalized and fully provisioned at the time of acquisition. The capitalized amount is usually depreciated according to the volumes extracted from the pit.

Segment reporting

In accordance with the management approach as defined by IFRS 8, the operating segments selected for primary segment reporting reflect the entity's internal reporting structure. Wienerberger therefore structures its primary reporting segments according to regions, because the Group is managed according to regions and not according to product groups. Secondary segment reporting, which is not discussed in detail in this prospectus, is used by management to collect additional information on the following product groups: wall, facade, roofing systems, pavers and other.

Set forth is a breakdown of the Group's revenues and operating EBITDA by product groups in the six months ended June 30, 2009 and 2008 and in the years ended December 31, 2008, 2007 and 2006.

Revenues	**Six months ended June 30, 2009**	**Six months ended June 30, 2008**	**2008**	**2007**	**2006[1]**
	(in EUR million)				
	(unaudited)		**(audited)**		
Wall	305.8	474.9	911.0	887.1	809.5
Facade	288.6	415.0	764.4	921.3	848.0
Roofing systems	207.6	261.4	538.1	477.0	444.8
Pavers	95.5	111.4	217.4	191.4	114.5
Others	0.3	0.3	0.5	0.5	8.4
Wienerberger Group	**897.7**	**1,263.1**	**2,431.4**	**2,477.3**	**2,225.0**

Operating EBITDA	**Six months ended June 30, 2009**	**Six months ended June 30, 2008**	**2008**	**2007**	**2006[1]**
	(in EUR million)				
	(unaudited)		**(audited)**		
Wall	51.0	129.0	244.2	285.5	225.8
Facade	18.0	41.4	60.6	125.0	135.3
Roofing systems	36.7	64.5	122.6	135.1	113.7
Pavers	8.8	15.5	35.6	32.8	20.5
Others	(13.9)	(14.7)	(23.0)	(27.2)	(23.4)
Wienerberger Group	**100.6**	**235.6**	**440.1**	**551.2**	**471.9**

(1) Due to a refined allocation of revenues and results to product segments in 2007, the figures for the financial year ended December 31, 2006 differ from the figures stated in the Audited Annual Consolidated Financial Statements 2006.

(Source: Consolidated Financial Statements and internal data.)

Transfer prices

Regional exchanges of goods and services among Group companies have contributed less than 10% to total revenues during the period under consideration. Prices for intra-Group sales of goods are set in accordance with the arm's length principle, applying the basis of the resale price method. Prices for intra-Group services are set in accordance with the arm's length principle, applying the cost-plus method.

Taxation

The Group operates in many different jurisdictions and is subject to a variety of tax regimes. On a consolidated basis, Wienerberger calculates its tax burden on the basis of the weighted average of the local income tax rates paid by all companies included in the consolidation. The Group's effective tax rate was 16.1% for the financial year ended December 31, 2008, compared to 17.4% for the financial year ended December 31, 2007 and 21.3% in 2006.

As of 2007, the effect of the hybrid capital needs to be considered in that the hybrid coupon is tax deductible, and is shown in the Group income statement following profit after tax as a distribution to hybrid capital holders.

The provision for deferred taxes includes all temporary valuation and accounting differences between financial statements prepared for tax purposes and the Consolidated Financial Statements. The provision is calculated according to the rate of tax expected to apply when these differences reverse in the future, based on the local tax rates of Group companies. As of December 31, 2008, the Group had accumulated EUR 54.5 million in temporary differences and tax loss carry forwards that are not reflected in deferred tax assets as potential tax relief is not sufficiently certain.

Period by period comparison

Overview

This operating and financial review is presented at three levels: (i) the macro level, at which the most detailed discussion is presented on the basis of the Group's consolidated results and changes in most line items in the consolidated income statement and changes in consolidated EBITDA are examined; (ii) the intermediate level, which includes a segment-by-segment discussion and analysis of the Group's revenues and EBITDA; and (iii) the country level at which the revenues generated by the five segments are discussed.

Explanation of certain line items used in the Group's income statement and other financial data

"Other operating expenses" include costs that cannot be allocated to specific operations, such as taxes (other than income taxes), legal and consulting expenses, provisions and valuation adjustments to receivables.

"Other operating income" consists of: income from the disposal of property, plant and equipment in the ordinary course of the Group's business; reversals of previously charged depreciation in connection with harmonization of the depreciation schedules for similar assets; rental and leasing revenue; subsidies; insurance compensation; expenses charged to non-consolidated associates, subsidiaries or other investees; income from the reversal of valuation allowances to receivables; and sales-like revenues that are not part of the direct business activities of the Group, such as royalties or rental income. Gains on disposals of non-operating real estate in the ordinary course of business are also included in "other operating income". Due to its large non-operating real estate portfolio, the Group expects to regularly generate gains on such disposals, and they are therefore not viewed as non-recurring.

"Other financial results" comprise income from investments (in particular, non-consolidated, subsidiaries and investments in other third parties), gains and losses on remeasurement of financial instruments to fair value, and foreign exchange gains and losses, as well as bank and commitment charges (bank and commitment charges include current expenses and transaction costs arising from loans and bonds issuance over the term of the financing).

"Income taxes" include income taxes paid and owed by Group companies as well as provisions for deferred taxes of the Group. The reported Group tax rate is a weighted average of the local income tax rates of all consolidated subsidiaries.

"EBIT" (earnings before interest and tax) is consolidated profit on ordinary activities before total net interest and tax.

"Operating EBIT" is consolidated profit on ordinary activities before total net interest, and tax. It excludes non-recurring items and expenses, i.e., in the 2008 financial year restructuring costs, impairment charges to property, plant and equipment and goodwill, and the addition to a provision for an impending antitrust penalty in Germany.

"EBITDA" (earnings before interest, tax, depreciation and amortization) is the Group's EBIT before depreciation, amortization and impairment of assets. This is obtained by adding back the total of the amortization, depreciation and impairment charges to goodwill reported in the Consolidated Financial Statements.

"Operating EBITDA" is the Group's operating EBIT before depreciation, amortization and impairment of assets. This is obtained by adding back the total of the amortization, depreciation and impairment charges to goodwill reported in the Consolidated Financial Statements. It also excludes restructuring costs and the addition to a provision for an impending antitrust penalty in Germany.

Comparison of Group results

Overview

Due to the nature of its business as a manufacturer of building materials, the Group's results are affected by seasonal fluctuations and are dependent on the weather in the Group's primary markets. Consequently, quarterly or semi-annual results are of a limited analytical value.

The first half of 2009 was characterized by the impacts of the financial crisis and recession on residential construction and consequently on demand for building materials in most of the Group's markets. The financial crisis and the subsequent economic crisis particularly affected the Group's markets in Eastern Europe and North America. Due to the global dimensions of the economic downturn, the Group's geographical diversification could not effectively counteract the negative effects of the deteriorating market environment on the Group's results of operations.

In 2008, the global economic climate changed significantly. Beginning mainly in the second half of 2008 the financial crisis and its effects on the real economy caused annual GDP growth in 2008 to decline to 1.1% in the United States and 1.0% in the European Union. The United Kingdom, where GDP growth decreased from 3.0% to 0.7% was particularly hit by these developments but also Eastern European countries were affected by the financial crisis during the fourth quarter of 2008. The construction industry was one of the first sectors to be affected by the financial crisis. In addition to a shortage of mortgage loans, the economic slowdown and resulting decline in the demand for single- and two-family houses had a negative effect on business development. In Western Europe, according to Euroconstruct, the number of housing starts per thousand residents fell by 29% from 5.62 in 2007 to 3.97. The housing market in the United Kingdom collapsed in mid-April 2008 after banks reduced the volume of mortgage loans by nearly 75% and halted financing for development projects. Since the financial crisis hit Eastern Europe only at the end of 2008, new residential construction remained at a stable level throughout 2008, with the exceptions of Hungary and Russia, where the number of building permits per thousand residents fell.

In 2007, the global economy was characterized by a robust development throughout the first half, but lost momentum during the second half because of the turbulence on financial markets in the United States and the euro zone. Economic growth in the United States was slowed by the subprime crisis and stood at 2.1% compared to 2.9% in the European Union. Within the European Union, growth was particularly robust in Eastern European countries and the Baltic states. In Western Europe, growth was above average in Finland, Greece, Spain and Austria, while Belgium, The Netherlands, Germany, Denmark, France and Italy remained below the European Union average. The European construction industry reported sound development in 2007, with a high pace of activity above all in Eastern Europe. However, demand in the European construction industry began to slow towards the end of 2007 as a result of the international financial crisis and rising interest rates. In the United States, the effects of the subprime crisis caused housing starts to total only 1.36 million, a decline of 25% from the already weak 2006 level.

Group results for the six months ended June 30, 2009 compared with the six months ended June 30, 2008.

	Six months ended June 30, 2009	% Change	Six months ended June 30, 2008
	(in EUR million, except percentages) (unaudited)		
Income statement data			
Revenues	898.1	-29	1,263.6
Cost of goods sold	(638.8)	-21	(808.2)
Selling and administrative expenses	(259.0)	-18	(316.4)
Other operating expenses	(20.9)	+14	(18.4)
Other operating income	28.4	+86	15.3
Operating profit before non-recurring items	7.8	-94	136.0
Costs, impairment charges and write-offs related to restructuring	(87.2)	>100	(5.8)
Impairment charges to goodwill	(125.4)	n.a.	0.0
Addition to provision for an impending antitrust penalty	0.0	0	0.0
Non-recurring income	0.0	0	0.0
Operating profit after non-recurring items	(204.8)	n.a.	130.2
Interest result	(18.3)	-9	(20.0)
Other financial results including income from investments in associates	0.2	-97	7.8
Income taxes	18.8	n.a.	(19.3)
Profit after tax	(204.0)	n.a.	98.6
Thereof attributable to minority interest	(0.8)	n.a.	1.9
Thereof share attributable to hybrid capital holders	16.1	0	16.2
Thereof attributable to equity holders	(219.3)	n.a.	80.6
Other financial data			
Operating EBIT	7.8	-94	136.0
Operating EBITDA	100.6	-57	235.6

(Source: Consolidated Financial Statements.)

Income statement data

Revenues

Revenues for the six months ended June 30, 2009 were EUR 365.5 million or 29% lower at EUR 898.1 million (HY 2008: EUR 1,263.6 million). This development was due primarily to the spread of the global financial crisis to new residential construction, in particular in Central-East Europe where record levels in the first half 2008 could not be replicated and revenues in this region decreased by 39%. The first quarter 2009 (decrease of revenues by 37% compared to first quarter 2008) was also negatively influenced by bad weather conditions while the second quarter 2009 (decrease of revenues by 22% compared to second quarter 2008) showed a more moderate decline.

Cost of goods sold

Cost of goods sold for the six months ended June 30, 2009 was EUR 169.4 million or 21% lower at EUR 638.8 million (HY 2008: EUR 808.2 million). This decrease was mainly due to lower sales volumes as a result of lower market demand following the decrease in residential construction. Furthermore, lower energy costs as a result of lower energy prices and lower production volumes had a positive effect on cost of goods sold.

Selling and administrative expenses

Selling and administrative expenses for the six months ended June 30, 2009 were EUR 57.4 million or 18% lower at EUR 259.0 million (HY 2008: EUR 316.4 million). This decrease was primarily due to the overall reduction in business activity and savings in administrative and selling expenses as well as cost cuttings resulting from the restructuring program started in 2008.

Other operating expenses

Other operating expenses for the six months ended June 30, 2009 were EUR 2.5 million or 14% higher at EUR 20.9 million (HY 2008: EUR 18.4 million) due to higher costs for plants mothballed, which are presented under other operating expenses.

Other operating income

Other operating income for the six months ended June 30, 2009 was EUR 13.0 million or 86% higher at EUR 28.4 million (HY 2008: EUR 15.3 million). The increase was mainly due to higher sales of non-core assets.

Operating profit before non-recurring items

Operating profit before non-recurring items for the six months ended June 30, 2009 was EUR 128.2 million or 94% lower at EUR 7.8 million (HY 2008: EUR 136.0 million). This decrease was mainly due to significantly lower revenues as a result of the financial crisis and its impacts on residential construction and bad weather conditions in the first quarter 2009. Other expenses such as cost of sales and selling and administrative expenses did not decrease at the same pace as revenues.

Costs, impairment charges and write-offs related to restructuring

Costs, impairment charges and write-offs related to restructuring for the six months ended June 30, 2009 were EUR 81.4 million or more than 100% higher at EUR 87.2 million (HY 2008: EUR 5.8 million) and related to capacity adjustments and measures taken in administration and sales. EUR 18.7 million represented cash expenses, the remainder of EUR 68.5 million was attributable to special write-downs as well as impairments of assets.

Impairment charges to goodwill

Impairment charges to goodwill for the six months ended June 30, 2009 amounted to EUR 125.4 million. No impairment charges to goodwill were incurred in the first six months 2008. In light of the deteriorating market environment in the first six months 2009, impairment testing for the Group's assets was based on what management considers to be conservative market assumptions for the future development of the business. Consequently, impairment tests resulted in impairment charges totaling EUR 125.4 million, which were recognized primarily in the United States, the United Kingdom, Italy, Germany, France as well as in Scandinavia and the Baltic States. The impairment charges to goodwill in the United States are primarily related to the regional business unit in the Midwest, where the automobile industry plays a key role and no significant recovery is expected in the mid-term. Weak demand for facing bricks as well as expectations for a restrained market recovery after a turnaround are the primary reasons for the impairment charges in the United Kingdom, France and Germany. In Italy, the market situation substantially exacerbated structural excess capacity and resulted in an impairment charge.

Operating profit after non-recurring items

Operating profit after non-recurring items for the six months ended June 30, 2009 showed a loss of EUR 204.8 million compared to a profit of EUR 130.2 million in the six months ended June 30, 2008. This development was due to lower operating profit before non-recurring items and substantial impairment charges as well as restructuring costs, as described above.

Income from investments in associates

Income from investments in associates for the six months ended June 30, 2009 was EUR 9.8 million or 99% lower at EUR 0.1 million (HY 2008: EUR 10.0 million). This decrease was due to lower earnings at Pipelife and Tondach Gleinstätten.

Interest and similar income

Interest and similar income for the six months ended June 30, 2009 was EUR 15.0 million or 61% lower at EUR 9.6 million (HY 2008: EUR 24.6 million). This decrease was due to lower interest income from cash deposits as a result of lower cash and cash equivalents which were extraordinarily high in the first half 2008 following the 2007 capital increase as well as lower interest rates.

Interest and similar expenses

Interest and similar expenses for the six months ended June 30, 2009 amounted to EUR 16.6 million or 37% lower at EUR 28.0 million (HY 2008: EUR 44.6 million). This decrease was due to lower interest rates.

Other financial results

Other financial results for the six months ended June 30, 2009 was positive at EUR 0.1 million compared to EUR (2.2) million for the six months ended June 30, 2008. This increase was due to positive foreign currency results, which primarily related to a favorable development of the GBP-EUR exchange rate and was partly offset by negative effects from interest rate hedges, which are accounted for as fair value hedges.

Net profit

Net profit for the six months ended June 30, 2009 showed a loss of EUR 204.0 million compared to a profit of EUR 98.6 million in the six months ended June 30, 2008. This development was due to lower operating profit as a result of the deteriorating market environment as well as non-recurring items such as restructuring costs and impairment charges, as discussed above.

Other financial data

Operating EBIT and Operating EBITDA

Operating EBIT for the six months ended June 30, 2009 totaled EUR 7.8 million, a decrease of EUR 128.2 million or 94% (HY 2008: EUR 136.0 million). Operating EBITDA for the period decreased by EUR 135.0 million or 57% to EUR 100.6 million (HY 2008: EUR 235.6 million). The development in both operating EBIT and operating EBITDA was due primarily to the factors discussed above, i.e., in particular declining revenues as a result of the financial crisis and its impact on residential construction and bad weather conditions in the first quarter 2009 as well as costs of sales and selling and administrative expenses decreasing at a lower pace than revenues.

Group results for 2008 compared with 2007, and for 2007 compared with 2006.

	Year ended December 31, 2008	% Change	Year ended December 31, 2007	% Change	Year ended December 31, 2006
	(in EUR million, except percentages) (audited)				
Income statement data					
Revenues	2,431.4	-2	2,477.3	+11	2,225.0
Cost of goods sold	(1,585.6)	+5	(1,511.0)	+8	(1,403.7)
Selling and administrative expenses	(617.4)	+2	(604.2)	+12	(539.2)
Other operating expenses	(35.7)	-28	(49.8)	+50	(33.3)
Other operating income	47.2	+16	40.8	-25	54.3
Operating profit before non-recurring items	239.8	-32	353.1	+16	303.1
Costs, impairment charges and write-offs related to restructuring	(55.0)	>100	0.0	-100	(7.1)
Impairment charges to goodwill	(16.7)	>100	0.0	-100	(3.5)
Addition to provision for an impending antitrust penalty	(10.0)	>100	0.0	0	0.0
Non-recurring income	0.0	0.0	0.0	-100	5.1
Operating profit after non-recurring items	158.1	-55	353.1	+19	297.5

Interest result	(42.1)	-2	(43.1)	-11	(48.2)
Other financial results including income from investments in associates	7.1	-85	48.3	+73	28.0
Income taxes	(19.8)	-68	(62.5)	+6	(59.0)
Profit after tax	103.3	-65	295.8	+36	218.3
Thereof attributable to minority interest	3.4	-37	5.4	>100	(2.4)
Thereof share attributable to hybrid capital holders	32.5	+12	29.1	>100	0.0
Thereof attributable to equity holders	67.5	-74	261.4	+21	215.9
Other financial data					
Operating EBIT	239.8	-32	353.1	+16	303.1
Operating EBITDA	440.1	-20	551.2	+17	471.9

(Source: Consolidated Financial Statements.)

Income statement data

Revenues

Revenues for 2008 were EUR 46.0 million or 2% lower at EUR 2,431.4 million (2007: EUR 2,477.3 million). The decline reflected a 4% drop in sales volumes which was partly offset by positive price effects in the amount of 2%. After an adjustment for changes in the consolidation range and excluding currency translation effects, revenues declined by 7%. In Central-East Europe, Bulgaria, Poland, Romania and Russia generated a further increase in revenues but Hungary, the Czech Republic and Slovakia reported declines. Revenues in North-West Europe rose by only a slight amount despite the acquisition of Sandtoft at the beginning of 2008 because of the negative effects of the financial crisis on the construction industry during the second half. Central-West Europe recorded year-on-year decline in revenues due to the ongoing market weakness and a 8% decrease in housing completions in Germany and pressure on prices in Italy due to a decline in demand. In North America, Wienerberger recorded a significant decrease in revenues despite the acquisition of Arriscraft in 2007 due to a sharp drop in new residential construction in the United States. Foreign exchange rates had a negative impact of EUR 17.3 million on revenues, due to a significant decline in the value of the British pound, the weaker U.S. dollar and the devaluation of the Romanian Lei which could not be offset by positive effects from an increase in the value of the Czech Koruna and the Polish Zloty.

In 2007, revenues increased by EUR 252.3 million or 11% (2006: EUR 2,225.0 million). Favorable market conditions led to an increase in sales volumes and prices. After an adjustment for changes in the consolidation range and excluding currency translation effects, organic growth in 2007 was 5%. All countries in the Central-East Europe segment, in particular Poland, Czech Republik and Slovakia, reported significant revenue growth. Revenues in North-West Europe increased due to the acquisition of Baggeridge Brick. These positive effects were in part offset by a negative development of the North America segment, where the Group recorded a decline in revenues despite the acquisition of Arriscraft due to a weak residential construction market in the United States which led to lower sales volumes. Foreign exchange rates had a negative impact of EUR 5.5 million on Group revenues, primarily due to a weaker U.S. dollar, the negative effects of which were partly offset by the favorable development of East European currencies.

Cost of goods sold

Cost of goods sold for 2008 was EUR 74.6 million or 5% higher at EUR 1,585.6 million (2007: EUR 1,511.0 million). The increase was due primarily to low capacity utilization which led to increased costs of idle capacity and higher energy costs, in particular costs for natural gas. Energy costs increased by EUR 20.2 million in 2008 despite lower production due to higher energy prices.

In 2007, cost of goods sold increased by EUR 107.3 million or 8% (2006: EUR 1,403.7 million). EUR 38.3 million were related to higher energy costs which rose as a result of higher production volumes and increased energy prices. The remainder of the increase resulted primarily from higher production and sales volumes as well as higher costs (e.g. salary increases) due to inflation.

Selling and administrative expenses

Selling and administrative expenses for 2008 were EUR 13.2 million or 2% higher at EUR 617.4 million. The increase in selling expenses was primarily due to higher distribution costs, in particular higher freight costs. Fixed costs for the sales force increased due to acquisitions in Germany, the United Kingdom and The Netherlands, which were partly offset by saving effects from the closure of direct distribution centers on the U.S. market due to lower market demand. Administration costs also increased due to the acquisitions mentioned above. This increase was partly compensated by saving programs in the Company as well as cost cutting programs in the United States.

In 2007, selling and administrative expenses increased by EUR 65.0 million or 12% (2006: EUR 539.2 million), mainly due to acquisitions and volume increases in production and sales. Enhanced marketing efforts in the new markets of Eastern Europe and the United States also contributed to the increase in selling expenses.

Other operating expenses

Other operating expenses for 2008 were EUR 14.1 million or 28% lower at EUR 35.7 million (2007: EUR 49.8 million). In 2007 as well as in 2006 other operating expenses included impairments and restructuring costs which in 2008 due to their significance were shown separately as "Costs, impairment charges and write-offs related to restructuring". Apart from this effect, the decrease resulted mainly from the implementation of a cost reduction program and particularly high expenses in 2007 which related to optimization measures of the plant structure in the United States (EUR 8.2 million).

In 2007, other operating expenses increased by EUR 16.5 million or 50% (2006: EUR 33.3 million). The increase was due to impairments related to the closure of plants as well as restructuring costs in the United States (General Shale) and the United Kingdom (Baggeridge Brick).

Other operating income

Other operating income for 2008 was EUR 6.4 million or 16% higher at EUR 47.2 million (2007: EUR 40.8 million). The increase was mainly due to income from the sale of emission rights in the amount of EUR 8.5 million compared to EUR 0.5 million in 2007. In 2007, other operating income fell by EUR 13.5 million or 25% (2006: EUR 54.3 million) mainly due to lower book gains on asset sales. The decrease was due primarily to income from the sale of emission rights in the amount of EUR 10.0 million in 2006 (EUR 0.5 million in 2007).

Operating profit before non-recurring items

Operating profit before non-recurring items for 2008 was EUR 113.3 million or 32% lower at EUR 239.8 million (2007: EUR 353.1 million). The decrease resulted from a difficult market environment with high energy prices, in particular in the first half of 2008, and lower revenues due to the subprime mortgage crisis and the subsequent financial crisis which had a significant adverse impact on the construction sector and led to increased idle capacity.

In 2007, operating profit before non-recurring items increased by EUR 50.0 million or 16% (2006: EUR 303.1 million) due to the factors discussed above. The increase was due to higher revenues which were only partly offset by higher costs which did not increase at the same pace.

Costs, impairment charges and write-offs related to restructuring

Costs, impairment charges and write-offs related to restructuring for 2008 amounted to EUR 55.0 million. No restructuring costs were reported separately in 2007 and 2006 as those were reported as part of other operating expense due to their lower significance than in 2008. The costs in 2008 were related to an earlier-than-planned shutdown or mothballing of facilities to restructure the Group's production network, mainly in Germany (shutdown of four older plants) and the United Kingdom (shutdown of seven plants). EUR 21.5 million of the total costs represented impairment charges for closed plants and other equipment, while EUR 33.5 million reflected other restructuring costs that were primarily used to fund termination plans for employees.

Impairment charges to goodwill

Impairment charges to goodwill for 2008 amounted to EUR 16.7 million. No impairment to goodwill charges were incurred in 2007. In 2006, impairment charges to goodwill amounted to EUR 3.5 million. Impairment charges to goodwill in 2008 included a EUR 14.1 million impairment in the facing brick segment in the United Kingdom and a EUR 2.6 million impairment in the facade segment in Denmark.

Addition to provision for an impending antitrust penalty

The addition to the provision for an impending antitrust penalty for 2008 amounted to EUR 10.0 million. No such additions were incurred in 2007 and 2006. The provision relates to a decision rendered in December 2008 by the German Cartel Office pursuant to which an administrative fine of approximately EUR 42.0 million was levied against Koramic Dachprodukte GmbH & Co KG, a wholly owned subsidiary of Wienerberger AG in Germany, for alleged price agreements in violation of fair competition. The Company appealed this decision. Based on estimates of antitrust experts, the fine and costs for legal proceedings - provided that the allegations are confirmed on their merits - are not expected to exceed EUR 10.0 million.

Operating profit after non-recurring items

Operating profit after non-recurring items for 2008 was EUR 195.0 million or 55% lower at EUR 158.1 million (2007: EUR 353.1 million). The decrease was due to lower operating profit before non-recurring items, and higher restructuring costs and impairment charges to goodwill and the addition to a provision for an antitrust penalty as discussed above.

In 2007, operating profit after non-recurring items increased by EUR 55.6 million or 19% (2006: EUR 297.5 million), reflecting the factors discussed above under "—*Operating profit before non-recurring items*".

Income from investments in associates

Income from investments in associates for 2008 was EUR 14.2 million or 51% lower at EUR 13.4 million (2007: EUR 27.6 million). The decrease was due primarily to lower income from Pipelife, which reported significantly lower results due to lower demand in some of its core markets resulting from the financial and economic crisis, and from Tondach Gleinstätten.

In 2007, income from investments in associates increased by EUR 1.5 million or 6% (2006: EUR 26.2 million). The slight increase was particularly due to an increase in the result of Tondach Gleinstätten and stable results of Pipelife.

Interest and similar income

Interest and similar income for 2008 was EUR 3.0 million or 7% lower at EUR 41.0 million (2007: EUR 43.9 million). The decrease was due to lower interest rates and particularly high levels of cash at bank in 2007 as a result of the capital increase in autumn 2007.

In 2007, interest and similar income increased by EUR 9.3 million or 27% (2006: EUR 34.7 million). This increase was due primarily to significantly higher cash at bank as a result of the capital increase in 2007 as well as higher interest rates.

Interest and similar expenses

Interest and similar expenses for 2008 were EUR 3.9 million or 5% lower at EUR 83.1 million (2007: EUR 87.0 million). The decrease resulted from lower interest rates which were partly offset by higher interest-bearing liabilities.

In 2007, interest and similar expenses increased by EUR 4.2 million or 5% (2006: EUR 82.8 million). The level of interest bearing debt decreased due to the issue of the hybrid bond, thus reducing interest costs, since coupon payments on the bond are accounted for as part of profit distribution according to IFRS. This effect was partly offset by higher interest rates.

Other financial results

Other financial results for 2008 were an expense of EUR 6.2 million compared to an income of EUR 20.7 million in 2007. This decrease was due to negative effects from the valuation of fair value hedges, which related to interest hedges, the fair value of which declined in 2008 due to lower interest rates, and extraordinary effects in 2007 described below.

In 2007, other financial results increased by EUR 18.9 million or more than 100% (2006: EUR 1.9 million). This increase was due to an extraordinary gain on the sale of securities, particularly shares in the Vienna Stock Exchange, of EUR 10.1 million.

Income taxes

Income taxes for 2008 were EUR 42.7 million or 68% lower at EUR 19.8 million (2007: EUR 62.5 million). The difference is mainly explained by lower earnings before tax in 2008 and a decrease in the effective Group rate of taxation from 17.4% in 2007 to 16.1% in 2008 as a result of higher profits in Eastern European countries where tax rates are below the Group’s average tax levels.

In 2007, income tax expense increased by EUR 3.5 million or 6% (2006: EUR 59.0 million). This was due primarily to higher earnings before tax, which were largely offset by a decrease of the effective tax rate to 17.4% compared to 21.3% in 2006.

Minority interest

Minority interest for 2008 was EUR 2.0 million or 38% lower at EUR 3.4 million (2007: EUR 5.4 million). The decrease was principally due to lower profit after tax.

In 2007, minority interests increased by EUR 3.0 million or more than doubled (2006: from EUR 2.4 million). The increase was primarily due to higher contributions from Poland and the Czech Republic as well as a positive development in the concrete pavers business of Semmelrock.

Net profit/loss

Net profit attributable to equity holders (after minority interests) for 2008 was EUR 193.9 million or 74% lower at EUR 67.5 million (2007: EUR 261.4 million) which was driven by the factors discussed above.

In 2007, net profit increased by EUR 45.4 million or 21% (2006: EUR 215.9 million) for the reasons outlined above.

Other financial data

Operating EBIT and EBITDA

Operating EBIT for 2008 was EUR 113.3 million or 32% lower at EUR 239.8 million (2007: EUR 353.1 million).

In 2007, operating EBIT increased by EUR 50.0 million or 16% (2006: EUR 303.1 million). The development in 2008 and 2007 was due primarily to the factors described above under “—*Operating profit before non-recurring items*”.

Operating EBITDA for 2008 was EUR 111.1 million or 20% lower at EUR 440.1 million (2007: EUR 551.2 million). In 2007, operating EBITDA increased by EUR 79.3 million or 17% (2006: EUR 471.9 million). The development in 2008 and 2007 was due primarily to the factors described above under "—*Operating profit before non-recurring items*". For a detailed discussion of the developments affecting operating EBITDA, readers are referred to the segmental discussion below.

Period by period comparison for Central-East Europe

Overview

As of June 30, 2009, the Group operated 113 plants in Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Finland, Hungary, Macedonia, Poland, Romania, Russia, Serbia, Slovakia and Slovenia compared to 112 plants as of December 31, 2008 and 113 plants as of December 31, 2007.

Results for Central-East Europe for the six months ended June 30, 2009 and 2008 and for the financial years ended December 31, 2008, 2007 and 2006.

% of Group in 2008		Six months ended June 30, 2009	% Change	Six months ended June 30, 2008	2008	% Change	2007	% Change	2006[1]
		(in EUR million, except percentages)							
		(unaudited)			(audited, except percentages)				
37	Third party revenues ...	274.1	-39	451.8	895.0	+6	841.9	+32	636.8
60	Operating EBITDA[2] ..	48.5	-64	135.4	262.0	-7	282.8	+76	160.5

(1) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.
(2) Before restructuring costs, impairment charges to property, plant and equipment and goodwill and the addition to a provision for impending antitrust penalty.

(Source: Consolidated Financial Statements and internal data.)

Revenues

Third party revenues for the six months ended June 30, 2009 were EUR 177.7 million or 39% lower at EUR 274.1 million (HY 2008: EUR 451.8 million). This decrease was due to lower new residential construction as a result of the impact of the financial crisis on the real economy, which resulted in lower sales volumes as well as lower product prices.

In 2008, third party revenues were EUR 53.1 million or 6% higher at EUR 895.0 million (2007: EUR 841.9 million). This was due primarily to strong demand in all markets in the region except Hungary, particularly in the first three quarters of 2008, but this sound development weakened toward the end of the year.

In 2007, third party revenues increased by EUR 205.1 million or 32% (2006: EUR 636.8 million). This significant growth in earnings was driven by a high pace of construction activity in the region and resulting strong demand, above all in Poland, Slovakia, the Czech Republic and Romania.

Operating EBITDA

Operating EBITDA for the six months ended June 30, 2009 was EUR 86.9 million or 64% lower at EUR 48.5 million (HY 2008: EUR 135.4 million). This decrease was due primarily to lower capacity utilization as a result of lower market demand, declining margins and negative foreign exchange effects.

In 2008, operating EBITDA was EUR 20.8 million or 7% lower at EUR 262.0 million (2007: EUR 282.8 million). Operating EBITDA was driven by the good development of sales figures, partly offset by increased energy costs, price pressure in some countries and some temporary shutdowns.

In 2007, operating EBITDA increased by EUR 122.3 million or 76% (2006: EUR 160.5 million). This substantial increase in operating EBITDA was due primarily to an increase in revenues and relatively stable cost of goods sold.

Third party revenues on a country by country basis for Central-East Europe for 2008 compared with 2007, and 2007 compared with 2006.

% of Group in 2008	% of Segment in 2008		Third party revenues 2008	% Change	Third party revenues 2007	% Change	Third party revenues 2006[(1)]
			(in EUR million, except percentages)				
10	28	Poland	251.5	+10	228.6	+51	151.7
6	15	Czech Republic	136.6	-11	152.8	+34	114.4
4	11	Hungary	100.0	-10	110.7	+8	102.1
17	46	Other Central-East Europe[(2)]	406.9	+16	349.8	+30	268.6
37	100	Total	895.0	+6	841.9	+32	636.8

(1) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.
(2) Includes Romania, Austria, Finland and the Baltics, Bulgaria, Slovakia, Serbia, Croatia, Bosnia-Herzegovina, Macedonia and Slovenia.

(Source: Consolidated Financial Statements and internal data.)

Poland

	2008	2007	2006
Population (million)	38,1	38,1	38.1
GDP growth rate (% change, constant prices)	4.9	6.8	6.2
Housing starts (under construction at December 31)	174,700	185,100	138,000

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 22.9 million or 10% higher at EUR 251.5 million (2007: EUR 228.6 million). This increase in revenues was due to a strong demand for bricks in the first three quarters 2008 and supported by moderate growth in sales volumes of clay blocks, partly offset by cost inflation and only marginally higher prices compared to the 2007 levels .

In 2007, third party revenues increased by EUR 76.9 million or 51% (2006: EUR 151.7 million). This increase was primarily due to higher volumes driven by macroeconomic factors including a jump of roughly 30% in housing starts, maximum capacity utilization and the Group's ability to adjust prices in this dynamic market environment.

Czech Republic

	2008	2007	2006
Population (million)	10.5	10.3	10.3
GDP growth rate (% change, constant prices)	1.7	7.0	5.8
Housing starts (under construction at December 31)	43,500	43,800	43,700

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 16.2 million or 11% lower at EUR 136.6 million (2007:

EUR 152.8 million). This decrease was primarily due to lower sales volumes and price pressure due to imports, particularly from Germany.

In 2007, third party revenues increased by EUR 38.4 million or 34% (2006: EUR 114.4 million). While the residential construction market remained stable in 2007, the Group profited from a favorable demand situation in Poland and reopened the Kunin plant near the Polish border.

Hungary

	2008	2007	2006
Population (million)	10.0	10.0	10.1
GDP growth rate (% change, constant prices)	0.6	1.1	3.9
Housing starts (under construction at December 31)	38,000	39,000	40,000

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 10.7 million or 10% lower at EUR 100.0 million (2007: EUR 110.7 million). The increase was primarily due to a drop in demand for bricks of roughly 15% and consequently decreasing sales volumes. Despite rising costs and the lower utilization of capacity, margins remained near the prior year level because of price adjustments made in April 2008 and a higher share of premium products.

In 2007, third party revenues increased by EUR 8.6 million or 8% (2006: EUR 102.1 million). Sales volumes of clay blocks were lower as a result of weakening residential construction due to a reduction in federal loan subsidies and an increase in taxes. However, this effect was more than offset by the successful promotion of premium products and price adjustments as well as exports to Romania, Bulgaria and Ukraine.

Other Central-East Europe

Third party revenues in the other countries of this segment for 2008 were EUR 57.1 million or 16% higher at EUR 406.9 million (2007: EUR 349.8 million). In Austria, higher volumes due to the integration of Salzburger Ziegelwerk GmbH & Co KG supported an increase in sales volumes were partly offset by a decrease in housing starts. In Romania the Group recorded a sound increase in sales volumes due to a dynamic momentum in the residential construction sector. While revenues increased in Russia, Slovakia, Croatia, Slovenia, Serbia and Bosnia-Herzegovina, revenues significantly declined in Finland and the Baltic States.

In 2007, third party revenues increased by EUR 81.3 million or 30% (2006: EUR 268.6 million). In Austria, lower sales volumes were offset by a trend to premium products, which led to relatively stable revenues. In Romania a substantial increase in residential construction led to higher sales volumes and allowed the Group to implement price adjustments. Also in all other markets of the Segment, including Slovakia, Croatia, Serbia, Bosnia-Herzegovina, Slovenia, Russia, Finland and the Baltic States, the Group recorded increases in sales volumes and revenues.

Period by period comparison for Central-West Europe

Overview

As of June 30, 2009 the Group's Central-West Europe segment included 45 plants in Germany, Italy and Switzerland, compared to 45 plants as of December 31, 2008 and 53 plants as of December 31, 2007.

Results for Central-West Europe for the six months ended June 30, 2009 and 2008 and for the financial years ended December 31, 2008, 2007 and 2006.

% of Group in 2008		Six months ended June 30, 2009	% Change	Six months ended June 30, 2008(1)	2008	% Change	2007	% Change	2006
		(in EUR million, except percentages)							
		(unaudited)			(audited, except percentages)				
17	Third party revenues	174.2	-16	208.5	405.4	-2	414.6	-9	453.7
10	Operating EBITDA	11.4	-37	18.0	42.5	-44	76.5	-20	96.1

(1) Segment data for the first half of 2008 have been adjusted to reflect the transfer for organizational reasons of the cross-border trading activities of The Netherlands and Germany from North-West Europe to Central-West Europe as of January 1, 2009.

(Source: Consolidated Financial Statements and internal data.)

Revenues

Third party revenues for the six months ended June 30, 2009 were EUR 34.3 million or 16% lower at EUR 174.2 million (HY 2008: EUR 208.5 million). This decrease was mainly due to lower sales volumes, in particular in clay blocks, and lower product prices, primarily in Italy.

In 2008, third party revenues were EUR 9.2 million or 2% lower at EUR 405.4 million (2007: EUR 414.6 million) due to declining sales volumes, particularly due to weak demand in Germany and a slowdown in new residential construction in Italy. While sales volumes of clay blocks and clay roof tiles decreased in 2008, the facade segment recorded an increase in sales volumes due to the integration of Bockhorner Klinker.

In 2007, third party revenues decreased by EUR 39.1 million or 9% (2006: EUR 453.7 million) primarily due to a difficult market environment in most of the Segment's markets, particularly in Italy and Germany.

Operating EBITDA

Operating EBITDA for the six months ended June 30, 2009 was EUR 6.6 million or 37% lower at EUR 11.4 million (HY 2008: EUR 17.9 million). This decrease was due primarily to the costs associated with extended plant standstills at the beginning of the year and continuing pressure on prices in Italy.

In 2008, operating EBITDA was EUR 34.0 million or 44% lower at EUR 42.5 million (2007: EUR 76.5 million), resulting form decreasing revenues, increased price pressure and capacity adjustments.

In 2007, operating EBITDA decreased by EUR 19.6 million or 20% (2006: EUR 96.1 million). This development was mainly due to decreasing revenues and an unfavorable development of the Group's cost structure.

Third party revenues on a country-by-country basis for Central-West Europe for 2008 compared with 2007, and 2007 compared with 2006

% of Group in 2008	% of Segment in 2008		Third party revenues 2008	% Change	Third party revenues 2007	% Change	Third party revenues 2006
			(in EUR million, except percentages)				
11	68	Germany	275.6	-2	281.2	-10	311.1
3	16	Italy	63.9	-5	67.4	-4	70.5

% of Group in 2008	% of Segment in 2008		Third party revenues 2008	% Change	Third party revenues 2007	% Change	Third party revenues 2006
			(in EUR million, except percentages)				
3	16	Switzerland	65.9	+0	66.0	-9	72.1
17	100	Total	405.4	-2	414.6	-9	453.7

(Source: Consolidated Financial Statements and internal data.)

Germany

	2008	2007	2006
Population (million)	82.1	82.2	82.3
GDP growth rate (% change, constant prices)	1.3	2.5	3.0
Housing completions	172,900	185,300	220,600

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 5.6 million or 2% lower at EUR 275.6 million (2007: EUR 281.2 million). A declining number of building permits and housing completions led to a weak demand and consequently to a drop in sales volumes of clay blocks while clay roof tiles remained at the prior year level and the sales volume of facing bricks increased due to the consolidation of Bockhorner Klinker. Rising production costs and lower utilization were accompanied by constant prices.

In 2007, third party revenues decreased by EUR 29.9 million or 10% (2006: EUR 311.1 million), primarily as a result of decreasing sales volumes, particularly a 50% decline in sales volumes of clay blocks, due to the difficult market situation with housing completions falling and building permits significantly decreasing from 2007 levels.

Italy

	2008	2007	2006
Population (million)	59.9	59.6	59.1
GDP growth rate (% change, constant prices)	(1.0)	1.6	2.0
Housing starts (under construction at December 31)	207,000	260,200	290,000

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 3.4 million or 5% lower at EUR 63.9 million (2007: EUR 67.4 million). This decrease was primarily due to the weak state of the Italian economy and the drop in housing starts in 2008, which resulted in lower volumes and intense price competition.

In 2007, third party revenues decreased by EUR 3.1 million or 4% (2006: EUR 70.5 million). The general negative economic trend in Italy and declining residential construction were the main factors for the decrease in sales volumes. Although the prices for standard products declined in 2007, the Group could increase the sales volume of premium products.

Switzerland

	2008	2007	2006
Population (million)	7.7	7.6	7.6
GDP growth rate (% change, constant prices)	1.9	3.3	3.4
Housing starts (under construction at December 31)	42,300	42,000	42,300

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 0.1 million or less than 1% lower at EUR 65.9 million (2007: EUR 66.0 million) as the demand for clay blocks and clay roof tiles slowed during the 2008 financial year.

In 2007, third party revenues decreased by EUR 6.2 million or 9% (2006: EUR 72.1 million). The decrease in sales volumes was due primarily to a decline in new residential construction and increased price pressure.

Period by period comparison for North-West Europe

Overview

As of June 30, 2009, the Group's North-West Europe segment comprised 63 plants in Belgium, The Netherlands, France, the United Kingdom, Denmark, Norway and Sweden, compared to 68 plants as of December 31, 2008 and 76 plants as of December 31, 2007.

Results for North-West Europe for the six months ended June 30, 2009 and 2008 and for the financial years ended December 31, 2008, 2007 and 2006.

% of Group in 2008		Six months ended June 30, 2009	% Change	Six months ended June 30, 2008[(1)]	2008	% Change	2007	% Change	2006[(2)]
		(in EUR million, except percentages)							
		(unaudited)			(audited except percentages)				
37	Third party revenues......	372.9	-23	482.5	894.8	+1	888.4	+15	775.8
33	Operating EBITDA	61.4	-32	89.7	144.0	-22	183.7	+5	175.3

(1) Segment data for the first half of 2008 have been adjusted to reflect the transfer for organizational reasons of the cross-border trading activities of The Netherlands and Germany from North-West Europe to Central-West Europe as of January 1, 2009.
(2) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.

(Source: Consolidated Financial Statements and internal data.)

Revenues

Third party revenues for the six months ended June 30, 2009 were EUR 109.6 million or 23% lower at EUR 372.9 million (HY 2008: EUR 482.5 million). This decrease was due to the impact of the financial crisis on the real economy and new residential construction. The Group faced the strongest declines in sales volumes in the United Kingdom, which was severely affected by the financial crisis.

In 2008, third party revenues were EUR 6.4 million or 1% higher at EUR 894.8 million (2007: EUR 888.4 million). The slight increase in revenues compared to 2007 levels was the result of consolidation effects from the acquisitions of Sandtoft in the United Kingdom.

In 2007, third party revenues increased by EUR 112.7 million or 15% (2006: EUR 775.8 million) mainly as a result of the Group's growing market position through acquisitions and bolt-on projects, but was also supported by the sound development of new residential construction.

Operating EBITDA

Operating EBITDA for the six months ended June 30, 2009 was EUR 28.3 million or 32% lower at EUR 61.4 million (HY 2008: EUR 89.7 million). This decrease was due primarily to lower revenues, high standstill costs and weaker margins, although price levels remained relatively stable.

In 2008, operating EBITDA was EUR 39.7 million or 22% lower at EUR 144.0 million (2007: EUR 183.7 million), particularly due to the extraordinarily difficult market situation in the United Kingdom, which led to adjustment of capacity.

In 2007, operating EBITDA increased by EUR 8.4 million or 5% (2006: EUR 175.3 million) mainly due to increased revenues through higher sales volumes.

Third party revenues on a country-by-country basis for North-West Europe for 2008 compared with 2007, and 2007 compared with 2006.

% of Group in 2008	% of Segment in 2008		Third party revenues 2008	% Change	Third party revenues 2007	% Change	Third party revenues 2006
			(in EUR million, except percentages) (audited, except percentages)				
10	27	Belgium	240.9	-2	244.9	+6	230.7
11	30	Netherlands	270.3	+5	257.5	+24	207.4
7	19	France	168.0	-2	170.8	+6	161.8
7	19	United Kingdom	172.4	+4	165.7	+30	127.2
2	5	Other North-West Europe	43.2	-13	49.5	+2	48.7
37	100	Total	894.8	+1	888.4	+15	775.8

(Source: Consolidated Financial Statements and internal data.)

Belgium

	2008	2007	2006
Population (million)	10.7	10.6	10.5
GDP growth rate (% change, constant prices)	1.2	2.8	2.8
Housing starts (under construction at December 31)	50,600	52,200	56,800

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 4.0 million or 2% lower at EUR 240.9 million (2007: EUR 244.9 million). Residential construction, which started 2008 at a sound pace, began to weaken significantly at mid year and in the end remained stable compared to 2007 levels. A sharp drop in exports, above all to the United Kingdom, led to moderate sales volume declines in all four product groups and consequently to lower revenues.

In 2007, third party revenues increased by EUR 14.2 million or 6% (2006: EUR 230.7 million). Despite a difficult market situation with housing starts peaking in mid 2007 and subsequently declining by nearly 6%, Wienerberger held its market position and reported a moderate growth in sales volumes in all three main product areas.

The Netherlands

	2008	2007	2006
Population (million)	16.5	16.4	16.4
GDP growth rate (% change, constant prices)	2.0	3.5	3.0
Housing completions	78,900	80,200	72.400

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 12.8 million or 5% higher at EUR 270.3 million (2007: EUR 257.5 million). While demand remained relatively stable at the 2007 levels, Wienerberger profited from three acquisitions in 2007 (see below).

In 2007, third party revenues increased by EUR 50.1 million or 24% (2006: EUR 207.4 million). This substantial increase in revenues was due to organic growth on the one hand as Wienerberger was able to expand its market position by increasing sales volumes and implementing price adjustments in all product groups and on the other hand supported by the acquisition of two smaller brick merchants in April 2007 and Korevaar in June 2007, which led to a significant increase in the clay paver and specialized merchandise businesses.

France

	2008	2007	2006
Population (million)	62.1	61.8	61.4
GDP growth rate (% change, constant prices)	0.7	2.1	2.2
Housing starts (under construction at December 31)	358,000	426,000	420,000

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 2.8 million or 2% lower at EUR 168.0 million (2007: EUR 170.8 million). The development of the French market was characterized by a double-digit drop in single- and two-family housing construction. The negative effects from the difficult market situation on Wienerberger's revenues were nearly offset by an increase in the market share of clay blocks in the wall segment.

In 2007, third party revenues increased by EUR 9.0 million or 6% (2006: EUR 161.8 million). Increased demand for clay blocks which to a certain extent replaced concrete as a building material was the main driver for the higher sales volumes in all Wienerberger product groups. In order to meet rising demand a couple of smaller acquisitions and capacity expansions were effected in 2007.

United Kingdom

	2008	2007	2006
Population (million)	61.4	61.0	60.6
GDP growth rate (% change, constant prices)	0.7	3.1	2.9
Housing starts (under construction at December 31)	132,000	203,400	215,600

(Source: Euroconstruct June 2009.)

Third party revenues for 2008 were EUR 6.8 million or 4% higher at EUR 172.4 million (2007: EUR 165.7 million). The extremely challenging market environment was characterized by a drop in demand for bricks by more than one-third. The decline in Wienerberger's sales volumes was limited by the consolidation of Baggeridge Brick and Sandtoft which reported relatively stable sales as the renovation market, where more than half of all roof tiles are sold, outperformed residential construction. Additionally, the weakness of the British pound had a negative effect on revenues in the amount of EUR 28 million.

In 2007, third party revenues increased by EUR 38.4 million or 30% (2006: EUR 127.2 million). Despite a difficult market environment Wienerberger recorded stable revenues for the reporting year, but higher operating margins as a result of organic growth. The strong improvement in revenues and earnings was supported by the consolidation of Baggeridge Brick as of July 1, which added five plants to the Wienerberger production network.

Other North-West Europe

Third party revenues for 2008 were EUR 6.3 million or 13% lower at EUR 43.2 million (2007:

EUR 49.5 million) as a result of the general weakness in residential construction.

In 2007, third party revenues increased by EUR 0.8 million or 2% (2006: EUR 48.7 million). This positive development of sales volumes and revenues in 2007 was mainly due to higher new residential construction in Denmark, Sweden and Norway.

Period by period comparison for North America

Overview

	2008	2007	2006
United States GDP growth rate (% change, constant prices)	1.1	2.0	2.8
Canada GDP growth rate (% change, constant prices)	0.6	2.7	3.1
Housing starts (under construction at December 31, in thousands)	906	1,355	1,801

(Source: NAHB (housing starts); International Monetary Fund, World Economic Outlook Database, April 2009 (GDP).)

As of June 30, 2009, the Group operated 15 plants in the United States and Canada, compared to 18 plants as of December 31, 2008 and 21 plants as of December 31, 2007.

Results for North America for the six months ended June 30, 2009 and 2008 and for the financial years ended December 31, 2008, 2007 and 2006.

% of Group in 2008		Six months ended June 30, 2009	% Change	Six months ended June 30, 2008	2008	% Change	2007	% Change	2006
		(in EUR million, except percentages)							
		(unaudited)			(audited, except percentages)				
10	Third party revenues	76.3	-36	120.0	234.3	-29	330.7	-5	349.5
3	Operating EBITDA	(7.9)	n.a.	7.5	15.1	-57	35.3	-44	63.4

(Source: Consolidated Financial Statements and internal data.)

Revenues

Third party revenues for the six months ended June 30, 2009 were EUR 43.7 million or 36% lower at EUR 76.3 million (HY 2008: EUR 120.0 million). This decrease was due to a further drop in housing starts in the United States and in new residential construction in Canada, leading to lower sales volumes.

In 2008, third party revenues were EUR 96.4 million or 29% lower at EUR 234.3 million (2007: EUR 330.7 million), mainly due to the economic situation in the United States and the effects of the financial crisis on the construction market as a result of which housing starts fell by more than 33% in 2008. The negative effects of the market environment on sales volumes were accompanied by stable average prices and could not be offset by the continued stable development of Arriscraft, the Canadian manufactured stone producer that generates nearly half its revenues in the commercial construction sector. Additionally, the weakness of the U.S. dollar had a negative impact on revenues in the amount of EUR 14.9 million.

In 2007, third party revenues decreased by EUR 18.9 million or 5% (2006: EUR 349.5 million) due to declining sales volume as a result of a difficult market environment with housing starts falling roughly 25% which was partly offset by the initial consolidation of Arriscraft. Additionally, the weakness of the U.S. dollar had a negative impact on revenues of EUR 26.9 million.

Operating EBITDA

Operating EBITDA for the six months ended June 30, 2009 was negative at EUR (7.9) million compared to a positive operating EBITDA of EUR 7.5 million in the first six months of 2008. This decrease was due primarily to lower revenues and high plant standstill costs, i.e. costs of idle capacity, as a result of low capacity utilization. These effects were partly offset by the stronger average USD exchange rate in the amount of EUR 6.2 million.

In 2008, operating EBITDA was EUR 20.2 million or 57% lower at EUR 15.1 million (2007: EUR 35.3 million). This significant decline in operating EBITDA was mainly due to decreasing revenues but was also negatively affected by additional costs resulting from lower utilization of capacity.

In 2007, operating EBITDA decreased by EUR 28.0 million or 44% (2006: EUR 63.4 million) due to decreasing revenues and a negative impact of the weakness of the U.S. dollar in the amount of EUR 2.7 million.

Period by period comparison for Investments and Other

Overview

The Investments and Other segment is comprised primarily of the Company as a holding company and related costs, the Wienerberger brick business in India as well as the non-core activities of the Wienerberger Group (primarily real estate). The Pipelife joint venture, in which Wienerberger holds 50%, is regarded as a financial investment and is therefore consolidated at equity and not included in the operating results of this segment.

In the six months ended June 30, 2009, Pipelife – the fourth-largest producer of plastic pipe systems in Europe (based on management estimates) – recorded a decrease in revenues by 26% and EBITDA fell by 39%. This development was a result of the effect of the financial crisis on the construction market. The decrease in revenues was mainly attributable to lower demand in the central and the western regions of Europe, which could not be offset by a stable development in Scandinavia.

In the financial year ended December 31, 2008, Pipelife recorded a 2% increase in revenues to EUR 894 million despite a significant drop in demand, above all in the United States, Ireland and Spain which was more than offset by the sound development in Central and Eastern Europe and the initial consolidation of Quality Plastics in Ireland (acquired in 2007) and Instaplast in the Czech Republic (acquired in 2008). However, EBITDA of Pipelife fell 22% to EUR 70 million.

In 2007, Pipelife revenues grew by 13% to EUR 875 million, and EBITDA rose by 12% to EUR 90 million. This sound development was recorded in spite of a substantial drop in revenues and earnings in the United States, where the collapse of new residential construction also had a negative effect on the selling prices and related margins for plastic pipes. Pipelife recorded strong growth in Northern Europe, the Baltic States, the new EU member states as well as in Greece and Turkey. Business activities were also significantly expanded on several West European markets including Belgium, France and The Netherlands but lower sales volumes were registered in Germany.

Results for Investments and Other for the six months ended June 30, 2009 and 2008 and for the financial years ended December 31, 2008, 2007 and 2006.

% of Group in 2008		Six months ended June 30, 2009	% Change	Six months ended June 30, 2008	2008	% Change	2007	% Change	2006
		(in EUR million, except percentages)							
		(unaudited)			(audited, except percentages)				
0	Third party revenues....................	0.3	+6	0.3	0.5	+67	0.3	-96	8.3
-5	Operating EBITDA ...	(12.8)	-14	(15.0)	(23.5)	-14	(27.2)	+16	(23.4)

(Source: Consolidated Financial Statements and internal data.)

Revenues

Third party revenues for the six months ended June 30, 2009 remained stable at EUR 0.3 million.

In 2008, third party revenues were EUR 0.2 million or 67% higher at EUR 0.5 million (2007: EUR 0.3 million).

In 2007, third party revenues decreased by EUR 8.0 million or 96% (2006: EUR 8.3 million) due to the sale of the stove tile company in 2006

Operating EBITDA

Operating EBITDA for the six months ended June 30, 2009 increased by EUR 2.2 million or 14% to EUR (12.8) million (HY 2008: EUR (15.0) million). This increase was due primarily to workforce reductions and a decline in holding company administrative expenses.

In 2008, operating EBITDA increased by EUR 3.6 million or 14% to EUR (23.5) million (2007: EUR (27.2) million). The increase was due primarily to decreased holding company costs as a result of a cost reduction program that was started in the Company during summer 2008.

In 2007, operating EBITDA decreased by EUR 3.8 million or 16% (2006: EUR (23.4) million).

Liquidity and capital resources

Liquidity

The main responsibility for raising funds for the Group lies with Wienerberger's corporate treasury department. The Group's local operating companies are responsible for their day-to-day cash management with liquidity being largely centralized via cash pools. Treasury is also in charge of monitoring and managing the Group's foreign exchange exposure.

As a result of the worsening market situation, cash flow generated from the Group's business weakened particularly in the beginning of 2009, Therefore, in order to enhance the Group's liquidity position, the Group took two specific measures in the first half of 2009.

In March 2009, the Group pro-actively approached its financing banks with the intention of extending the maturity of loans falling due in 2009 and 2010. The concept included an extension of 80% of existing commitments in an amount of approximately EUR 280 million by two to four years. In total, twelve financing banks agreed to enter into forward start facilities refinanced by OeKB thus reducing the Group's refinancing need in 2009 and 2010 by approximately EUR 220 million.

In May 2009, scenario analysis showed that credit metrics under existing loan agreements could deteriorate to reach covenant limits later in 2009. The Company decided to approach its bank syndicate with covenant waiver requests in order to be prepared for potential shortfalls in results in 2009 and 2010. The waiver request included a waiver of the EBIT to net interest covenant (which required a ratio of 2.75) until the end of 2010 as well as a revision of the net debt to EBITDA covenant from the current level of 3.0 to 3.75 with the option to exceed this level up to 4.0 in two quarters until the end of 2010. A balance sheet covenant valid until maturity (tangible net worth to total assets minus goodwill to exceed 35%) was introduced. The waiver request was accepted by unanimous consent of the lending banks. As of June 30, 2009, undrawn, uncommitted credit lines totaling EUR 400 million were available to the Group. The Company has a committed back-stop facility of EUR 250 million due 2013 and EUR 90 million due 2011. These credit lines and the committed back-stop facility are mainly provided by seven core banks.

As of December 31, 2008, the Group's short-term interest bearing debt (excluding financial leases) amounted to EUR 172.4 million. The Group has only limited maturities in the amount of EUR 15.4 million in 2009, larger maturities are scheduled for 2010 (EUR 236.9 million) and 2012 (EUR 493.4 million).

Ratings

In order to optimize borrowing costs, financial management policies are aimed at maintaining investment-grade ratings. The Company took extensive measures to defend its investment grade rating by cutting down on investments, restructuring the business with plant closures and redundancies, drastically reducing fixed and variable costs, omitting the dividend for 2008 as well as extending of the maturity profile and obtaining waivers for financial covenants. Despite these measures, the goal of keeping investment grade ratings could not be achieved and, as a result, the Group's long-term debt has been rated BB+ by Standard & Poor's since June 2009 and Ba1 by Moody's since June 2009. Standard & Poor's rates the Group's short term debt B. Both Standard & Poor's and Moody's indicate a negative outlook. According to Standard & Poor's, an obligation rated BB faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. A short-term obligation rated B is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation. However, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. Standard & Poor's ratings may be modified by the addition of a plus (+) or minus (-) sign to show the relative strength within the rating category. The modifier + indicates that the issuer is in the higher end of its letter ranking category. According to Moody's, obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the issuer is at the higher end of its letter ranking category.

Each rating reflects the view of the rating agency only at the time the rating was issued. Investors should evaluate each rating separately and look to the rating agencies for any explanations of the significance of their ratings. A rating outlook is an opinion regarding the likely direction of a rating over the medium term. The watch list indicates that a rating is under review for possible change in the short term. The rating agencies can change their ratings at any time if they believe that circumstances so warrant. Rating agencies can be expected to continue to monitor the Group's financial strength and obligations paying ability, and no assurances can be given that future downgrades to the Group's rating will not occur, whether due to changes in the Group's performance, changes in rating agencies' industry views or ratings methodologies, or a combination of such factors.

Capital expenditure and acquisitions

Wienerberger's total capital expenditure relates primarily to growth investments including acquisitions, and to maintenance capital expenditure. Maintenance capital expenditure comprises expenditures related to the replacement, refurbishment and rationalization of existing plants, and environmental investments.

Total capital expenditure for asset purchases is reported in the Group's consolidated cash flow statement as "Purchase of property, plant and equipment and intangible assets". Cash used for acquisitions structured as share purchases is netted off against cash proceeds from the disposal of consolidated subsidiaries and is reported separately as "Net payments made for acquisition of companies". Cash received from asset disposals is reported on a separate line as "Proceeds from the sale of assets" and cash received from disposals of shares in associates is reported as "Net proceeds from the sale of companies". Any debt incurred to finance an acquisition or assumed in connection with an acquisition is reflected in an increase in long- or short-term financial liabilities, and a corresponding increase in the Group's net debt.

Until 2007, the Group put a particular focus on its investment activity and used significant funds for growth investments, which amounted to EUR 525.4 million in 2007. Maintenance capital expenditure amounted to EUR 120.2 million in 2007 compared to EUR 100.2 million in 2006.

In 2008, due to the weakening market environment the Group introduced a cost reduction program which also led to a reduction of capital expenditure. Growth investments decreased to EUR 407.2 million and maintenance capital expenditure to EUR 98.4 million.

The Group intends to reduce capital expenditure to approximately EUR 180 million in 2009, of which maintenance capital expenditure will amount to EUR 80 million, and to further reduce capital expenditure to approximately EUR 80 to100 million in 2010, of which maintenance capital expenditure will amount to EUR 60 to 80 million which the Group considers to be the necessary minimum maintenance investments. to replace parts of the plant equipment in order to keep the plants in a good technical shape. Investments in progress will be financed by cash-flow and short-term debt which will be partially refinanced by the proceeds of this Offering.

The following table sets out the Group's total capital expenditure and acquisitions for the six months ended June 30, 2009 and 2008 and the financial years ended December 31, 2008, 2007 and 2006, broken down by segments. For the purposes of the discussion and analysis below, asset and share acquisitions are aggregated and discussed as a single item.

	Six months ended June 30, 2009	**% Change**	**Six months ended June 30, 2008**	**2008**	**% Change**	**2007**	**% Change**	**2006(1)**
	(in EUR million, except percentages)							
	(unaudited)			**(audited, except percentages)**				
Central-East Europe	38.8	-53	81.7	226.0	+61	140.3	-3	145.0
Central-West Europe	7.9	-57	18.4	37.6	-39	61.7	-39	101.0
North-West Europe	28.4	-72	101.3	176.7	-39	291.6	>100	140.4
North America	8.4	-63	23.0	47.1	-68	148.1	+4	142.0
Investments and Other	7.5	-75	29.4	18.2	>100	3.9	+95	2.0
Total capital expenditure and acquisitions	**91.0**	**-64**	**253.8**	**505.6**	**-22**	**645.6**	**+22**	**530.4**

(1) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.

(Source: Consolidated Financial Statements.)

Capital expenditure and acquisitions for the six months ended June 30, 2009 were EUR 162.9 million or 64% lower at EUR 91.0 million (HY 2008: EUR 253.8 million). This decrease resulted from the reduction of maintenance capital expenditure and growth investments for acquisitions and lower expenditures for the construction of new plants, which was restricted to the completion of projects in progress.

In 2008, capital expenditure and acquisitions were EUR 140.0 million or 22% lower at EUR 505.6 million (2007: EUR 645.6 million). This partly results from the significant change in the market environment as a result of which Wienerberger has not made significant acquisitions in 2008, save for Sandtoft which was acquired in January 2008. In 2008, EUR 407.2 million were devoted to capital expenditure other than maintenance capital expenditure, i.e. growth investments, compared to EUR 525.4 million in 2007.

In 2007, capital expenditure and acquisitions increased by EUR 115.2 million or 22% (2006: EUR 530.4 million). This increase was due primarily to the large number of acquisitions in 2007, which included in particular the acquisitions of Baggeridge Brick, Arriscraft and Korevaar. Expenditure on the aforementioned acquisitions, additional smaller acquisitions, plant construction and capacity expansions totaled EUR 525.4 million in 2007 - an increase of EUR 95.2 million compared to the prior year (2006: EUR 430.2 million). Maintenance capital expenditure was EUR 120.2 million in 2007 (2006: EUR 100.2 million).

Period by period comparisons of 2008 with 2007, and of 2007 with 2006, by segments

In Central-East Europe, capital expenditure and acquisitions for 2008 were EUR 85.7 million or 61% higher at EUR 226.0 million (2007: EUR 140.3 million). The increase was due primarily to the acquisition of a brick plant in Croatia as well as capacity expansions in Poland.

In 2007, capital expenditure and acquisitions decreased by EUR 4.7 million or 3% (2006: EUR 145.0 million), chiefly as a result of lower growth investments which were partly offset by higher maintenance capital expenditure.

In Central-West Europe, capital expenditure and acquisitions for 2008 were EUR 24.1 million or 39% lower at EUR 37.6 million (2007: EUR 61.7 million). This decrease was due to lower growth investments compared to 2007.

In 2007, capital expenditure and acquisitions decreased by EUR 39.3 million or 39% (2006: EUR 101.0 million), mainly as result of stable maintenance capital expenditure and lower growth investments compared to 2006.

In North-West Europe, capital expenditure and acquisitions for 2008 were EUR 114.9 million or 39% lower at EUR 176.7 million (2007: EUR 291.6 million), chiefly as a result of lower maintenance capital expenditure and lower growth investments.

In 2007, capital expenditure and acquisitions increased by EUR 151.2 million or more than doubled (2006: EUR 140.4 million), largely reflecting the acquisitions of Baggeridge Brick in the United Kingdom and Korvaar in The Netherlands.

In North America, capital expenditure and acquisitions for 2008 were EUR 101.0 million or 68% lower at EUR 47.1 million (2007: EUR 148.1 million). The change was caused by lower maintenance capital expenditure and lower growth investments compared to 2007.

In 2007, capital expenditure and acquisitions increased by EUR 6.1 million or 4% (2006: EUR 142.0 million), due to slightly higher maintenance capital expenditure and stable growth investments.

In Investments and Other, capital expenditure and acquisitions for 2008 more than quadrupled to EUR 18.2 million (2007: EUR 3.9 million).

In 2007, capital expenditure and acquisitions increased by EUR 1.9 million or 95% (2006: EUR 2.0 million).

Cash flow

The brick and clay roof tile business is highly capital-intensive. It requires a high initial investment and generates stable cash flows. Because of its broad geographical diversification, the Group can use cash flows independent of the regions from which they originate to expand its operations in other regions or to enter new markets.

	Six months ended June 30,			Year ended December 31,				
	2009	% Change	2008	2008	% Change	2007	% Change	2006
	(in EUR million, except percentages)							
	(unaudited)			(audited, except percentages)				
Cash flow from operating activities	**22.7**	**-72**	**82.0**	**262.8**	**-27**	**361.5**	**+3**	**351.6**
Maintenance capital expenditure	(30.7)	-39	(49.9)	(98.4)	-18	(120.2)	+20	(100.2)
Bolt-on projects	(60.3)	-51	(124.3)	(308.3)	+4	(297.0)	-11	(334.7)
External growth projects	0	-100	(79.6)	(98.9)	-57	(228.4)	>100	(95.5)
Divestments and other	15.9	>100	(2.0)	31.0	-41	52.4	>100	20.7
Cash flow from investing activities	**(75.1)**	**-71**	**(255.8)**	**(474.6)**	**-20**	**(593.2)**	**+16**	**(509.7)**
Growth investments[(1)]	60.3	-70	203.9	407.2	-22	525.4	+22	430.2
Free Cash Flow[(2)]	**7.9**	**-74**	**30.2**	**195.4**	**-33**	**293.8**	**+8**	**272.1**

(1) Growth investments equals bolt-on projects plus external growth projects.
(2) Free cash flow represents cash flow from operating activities minus cash flow from investing activities plus growth investments.

(Source: Consolidated Financial Statements and internal data.)

Cash flow from operating activities

Cash flow from operating activities for the first six months 2009 was EUR 59.3 million or 72% lower at EUR 22.7 million (HY 2008: EUR 82.0 million). The decrease was due mainly to lower operating profit as a result of the deteriorating market environment, which was partly offset by a decrease in inventories as a result of the Group's working capital optimization program.

In 2008, cash flow from operating activities was EUR 98.7 million or 27% lower at EUR 262.8 million (2007: EUR 361.5 million). The decrease was largely driven by a decrease in profit before tax as a result of the challenging macroeconomic environment, partly offset by a smaller increase in inventories than in 2007.

In 2007, cash flow from operating activities increased by EUR 9.9 million or 3% to EUR 361.5 million (2006: EUR 351.6 million). This small increase was particularly due to higher profit before tax and a decrease in receivables but was mostly offset by higher inventories and reduced trade payables.

Cash flow from investing activities

Cash flow from investing activities for the first six months 2009 was EUR 180.7 million or 71% lower at EUR (75.1) million (HY 2008: EUR (255.8) million). This significant decrease was due to the Group's strategy to reduce growth investments and maintenance capital expenditure to the minimum extent required.

In 2008, cash flow from investing activities was EUR 118.5 million or 20% lower at EUR (474.6) million (2007: EUR (593.2) million), resulting mainly from significantly lower payments made for acquisitions of companies.

In 2007, cash flow from investing activities increased by EUR 83.5 million or 16% (2006: EUR (509.7) million) as a result of extraordinarily high payments for acquisition of companies which almost doubled from 2006 levels due to the acquisitions of Baggeridge Brick, Arriscraft and Korevaar in 2007.

Cash flow from financing activities

	Six months ended June 30,			Year ended December 31,				
	2009	**% Change**	**2008**	**2008**	**% Change**	**2007**	**% Change**	**2006**
	(in EUR million, except percentages)							
	(unaudited)			(audited, except percentages)				
Change in long-term financial liabilities	65.8	-45	147.7	200.9	n.a.	(2.6)	-99	(293.2)
Change in short-term financial liabilities	12.1	-70	39.7	42.1	n.a.	(479.0)	n.a.	510.5
Dividends paid by Wienerberger AG	0.0	-100	(120.1)	(120.1)	+27	(94.9)	+10	(86.4)
Coupon payment for Hybrid Capital	(32.5)	0	(32.5)	(32.5)	n.a.	0.0	+0	0.0
Dividends paid to minority shareholders and other changes in minority capital	(0.2)	n.a.	1.3	2.0	n.a.	(7.6)	n.a.	0.8
Dividend payments from associates	0.1	n.a.	0.0	42.1	>100	4.1	+11	3.7
Capital increase Wienerberger AG	0.0	0	0.0	0.0	-100	424.1	n.a.	0.0
Capital Increase (Hybrid Capital)	0.0	0	0.0	0.0	-100	492.9	n.a.	0.0
Cash inflows from exercise of stock options	0.0	0	0.0	0.0	-100	7.7	+45	5.3
Purchase of treasury stock	0.0	-100	(9.3)	(9.3)	-31	(13.4)	+51	(8.9)
Cash flow from financing activities	**45.1**	**+68**	**26.8**	**125.1**	**-62**	**331.2**	**>100**	**131.8**

(Source: Consolidated Financial Statements.)

Cash flow from financing activities for the first six months 2009 was EUR 18.3 million or 68% higher at EUR 45.1 million (HY 2008: EUR 26.8 million). This increase was due to the shareholders' decision not to distribute dividends for the financial year 2008 as well as an increase in financial liabilities, which was, however less than the increase in financial liabilities in the first half of 2008.

In 2008, cash flow from financing activities was EUR 206.1 million or 62% lower at EUR 125.1 million (2007: EUR 331.2 million) as a result of the significant cash inflows in 2007 in connection with the issuance of a hybrid capital bond and a capital increase. In 2008 the positive cash flow from financing activities was driven by an increase of long-term financial liabilities amounting to EUR 200.9 million.

In 2007, cash flow from financing activities almost tripled to EUR 331.2 million (2006: EUR 131.8 million) reflecting the issuance of a hybrid bond in February 2007 and a capital increase in October 2007, in spite of a significant decrease in short-term financial liabilities in the amount of EUR 479.0 million.

Equity

The following table shows changes to equity for the three years ended December 31, 2006, 2007 and 2008:

	Issued capital	Share premium	Hybrid capital	Retained earnings	Treasury stock	Translation reserve	Minority interest	Total
				(in EUR million)				
Balance on December 31, 2005	**74.2**	**415.1**	**0.0**	**1,031.2**	**(28.1)**	**(38.9)**	**29.7**	**1,483.1**
Net profit				215.9			2.4	**218.3**
Dividend and hybrid capital payments				(86,4)			(0.9)	**(87.3)**
Currency translation adjustments						(30.1)	0.3	**(29.8)**
Hedging reserves				12.5			0.0	**12.6**
Capital changes							1.8	**1.8**
Changes in minority interest							(5.8)	**(5.8)**
Change in treasury stock				(1.5)	(2.1)			**(3.6)**
Expenses from stock option plans				2.2			0.0	**2.2**
Other changes				(0.1)			(0.0)	**(0.1)**
Balance on December 31, 2006	**74.2**	**415.1**	**0.0**	**1,174.1**	**(30.3)**	**(69.0)**	**27.4**	**1,591.5**
Net profit				290.5			5.4	**295.8**
Dividend and hybrid capital payments				(94,9)			(1.2)	**(96.1)**
Currency translation adjustments						(66.9)	0.8	**(66.1)**
Hedging reserves				39.8			0.0	**39.8**
Capital changes	9.8	414.3	492.9		0.0		2.0	**919.0**
Changes in minority interest							(8.4)	**(8.4)**
Change in treasury stock				(4.6)	(1.1)			**(5.7)**
Expenses from stock option plans				3.0			0.0	**3.0**
Other changes				(0.1)			(0.0)	**(0.1)**
Balance on December 31, 2007	**84.0**	**829.4**	**492.9**	**1,407.7**	**(31.4)**	**(135.9)**	**26.0**	**2,672.7**
Net profit				100.0			3.4	**103.4**
Dividend and hybrid capital payments				(152.6)			(2.5)	**(155.1)**
Currency translation adjustments						(124.8)	(1.0)	**(125.8)**
Hedging reserves				12.5			0.0	**12.5**
Capital changes							4.5	**4.5**
Changes in minority interest							(7.0)	**(7.0)**
Change in treasury stock					(9.3)			**(9.3)**
Expenses from stock option plans				2.0				**2.0**
Other changes				(0.7)			(0,0)	**(0.7)**
Balance on December 31, 2008	**84.0**	**829.4**	**492.9**	**1,368.9**	**(40.7)**	**(260.7)**	**23.4**	**2,497.2**
Net profit				(203.2)			(0.8)	**(204.0)**
Dividend and hybrid capital payments				(32.5)			(0.2)	**(32.7)**
Currency translation adjustments						0.3	(0.6)	**(0.3)**
Hedging reserves				(2.3)				**(2.3)**
Capital changes								**0.0**
Changes in minority interest							2.4	**2.4**
Change in treasury stock								**0.0**
Expenses from stock option plans				0.2				**0.2**
Other changes				0.1				**0.1**
Balance on June 30, 2009	**84.0**	**829.4**	**492.9**	**1,131.2**	**(40.7)**	**(260.4)**	**24.2**	**2,260.6**

(Source: Consolidated Financial Statements.)

On June 30, 2009, Group equity amounted to EUR 2,260.6 million - a decrease of EUR 236.6 million or 9% compared to EUR 2,497.2 million as of December 31, 2008. The decrease was primarily due to the hybrid coupon payment and negative net profit which was affected by impairment charges to goodwill and restructuring costs.

On December 31, 2008, Group equity amounted to EUR 2,497.2 million - a decrease of EUR 175.5 million or 7% (2007: EUR 2,672.7 million). The change was due primarily to dividend and hybrid capital payments in the aggregate amount of EUR 155.1 million and negative effects from currency translation adjustments in the amount of EUR 125.8 million. This decrease was only partly offset by the net profit of EUR 103.3 million.

On December 31, 2007, Group equity increased by 68% or EUR 1,081.3 million (December 31, 2006: EUR 1,591.4 million). This primarily reflected the Group's 2007 net profit of EUR 295.8 million the issuance of a hybrid bond in February 2007 (EUR 492.9 million) and a capital increase in October 2007 (EUR 414.4 million) and was partly offset by a dividend payment of EUR 96.2 million and currency translation adjustments.

Debt

Interest bearing loans (financial liabilities)

As of June 30, 2009, the Group's interest bearing loans (excluding financial leases) totaled EUR 1,258.7 million. This was an increase of EUR 80 million or 7% compared to EUR 1,178.7 million as of December 31, 2008. This increase mainly resulted from an increase in long-term loans.

Fixed-floating mix of interest bearing loans

Interest rate risk is comprised of two components: the optimal average term of all financing and the separation into fixed and variable interest rates. The risk associated with fixed interest rates lies in a possible decline in interest rate levels, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. In order to analyze interest rate risks (fixed and variable interest rates), financial liabilities must be adjusted for the effects of derivative instruments (hedging) and short-term fixed-interest financial liabilities must be treated as variable-interest items.

The following table shows a fixed-floating break down of the Group's interest-bearing loans in 2008, 2007 and 2006:

	December 31,					
	2008		2007		2006	
	Fixed interest rate	**Variable interest rate**	**Fixed interest rate**	**Variable interest rate**	**Fixed interest rate**	**Variable interest rate**
	(audited, in EUR million)					
Interest-bearing loans	955.8	223.0	835.3	100.1	1,196.8	189.8
Reclassification of short-term loans with fixed interest rate	(40.5)	40.5	(30.0)	30.0	(415.9)	415.9
Effect from derivative instruments (hedging)	(360.6)	360.6	(226.2)	226.2	(271.7)	271.7
Interest-bearing loans after hedging effect	**554.7**	**624.1**	**579.0**	**356.3**	**509.1**	**877.5**

(Source: Consolidated Financial Statements.)

Short-term debt as a percentage of all interest bearing loans amounted to 15% as of June 30, 2009, representing an increase from 15% as of December 31, 2008 (13% as of December 31, 2007).

In 2007, short-term debt as a percentage of all interest bearing loans decreased from 43% of December 31, 2006 to 13% as of December 31, 2007 due to the issue of the hybrid bond and a capital increase which was used to reduce short term borrowings.

Description of the Group's financing contracts

The Group's financing activities are partly conducted by the Company and partly through two special purpose financing entities, each of which is a wholly-owned and fully consolidated subsidiary of the Company. Wienerberger Finanz Service GmbH, provides intra-Group financing and hedging and manages the Group's cash pooling system. Wienerberger Finance Service B.V. is the borrower under a EUR 190 million term loan and a EUR 250 million back-stop facility which is currently unused. The back-stop facility is syndicated to seven banks, is due in August 2012 and includes an extension option to 2013. The facility includes financial covenants, requiring a total net debt to EBITDA ratio of at least 3.0 (and at least 3.75 pursuant to a waiver letter received in June 2009) and a change of control clause allowing the lenders, after good faith negotiations, to declare the loan due and payable if a person acquires the power to direct the management based on a voluntary or mandatory takeover bid (see "*Regulation of the Austrian Securities Markets Takeover Act*").

Between April and June 2009, Wienerberger entered into five agreements to extend the maturity profile of the Group's debt by two to five years (see "*Liquidity and capital resources—Liquidity*"). This included the conclusion of three amendment agreements to existing facilities and two new forward start facilities, in particular a EUR 106.4 million facility with a maturity of four years (due in June 2013). This EUR 106.4 million facility includes financial covenants, in particular requiring a net debt to EBITDA ratio of 3.0. Pursuant to a waiver letter received in June 2009, the Group does not have to comply with this covenant until December 31, 2010, instead a net debt to EBITDA ratio of 3.75 and up to 4.0 on two testing dates until December 31, 2010 is permitted. Further, the facility includes a mandatory prepayment clause requiring prepayment of the loan in cases of illegality, if the Group receives insurance proceeds (unless used to replace the related asset) or proceeds from disposals of more than EUR 70 million in one financial year, or if the underlying OeKB refinancing is cancelled.

In February 2007, the Company issued a hybrid bond, thereby diversifying its range of financing sources. The subordinated bond has a principal amount of EUR 500 million. The bond pays a fixed coupon of 6.5% for the first ten years and has a perpetual maturity, subject to the Company's right to redeem the bond after ten years. Thereafter, the coupon will convert to a variable interest rate based on 3-month Euribor plus a margin of 325 basis points. The bond is senior only to equity and may be redeemed by the Company in case of a gross-up event at par. In cases of tax events, accounting events, capital events or if the Company makes a clean-up call at a time when less than 25% of the bonds' principal amount is outstanding, the Company may redeem the bonds at the make-whole amount, which equals, on a discounted basis, the principal amount plus all remaining interest payments until 2017. Bondholders may redeem the bond only in the event of the Company's liquidation or similar event.

The EUR 190 million syndicated term loan was entered into in July 2005 for the purpose of refinancing a syndicated term loan signed in 2003 and used to finance the acquisition of 50% of shares in Koramic Roofing. The loan includes financial covenants (total net debt to EBITDA ratio) and a change of control clause comparable to the one included in the EUR 250 million back-stop facility. The loan agreement further includes a mandatory prepayment clause requiring prepayment of the loan in cases of illegality, if the Group receives insurance proceeds (unless used to replace the related asset) or proceeds from disposals of more than EUR 70 million in one financial year or if the underlying OeKB refinancing is cancelled. A portion of EUR 133 million is still outstanding, due in 2010.

In April 2005, the Company issued a EUR 400 million unsecured senior bond. The bond pays a fixed coupon of 3.875% and is due on April 25, 2012, unless previously redeemed by the bondholders in the event of a change of control or by Wienerberger for taxation reasons.

In addition, the Group had available undrawn credit lines as of December 31, 2008 of roughly EUR 0.8 billion. Most of the lines are uncommitted as such lines do not attract Austrian stamp duty.

In June 2009 the Group obtained waiver letters from a number of its financing banks pursuant to which certain financial covenants are waived until December 31, 2010. Consequently, the Group is currently in compliance with all its covenants under its corporate bonds and other financial agreements and all aforementioned financing agreements are currently fully available for the Group.

Maturity profile of the Group's interest bearing loans

The following table shows the debt maturity profile of the Group's interest bearing loans (including financial lease liabilities):

	As of June 30, 2009 (in EUR million)
Repayments fall due as follows:	
2009	190.0
2010	52.7
2011	93.3
2012	566.0
2013	271.9
2014 and subsequent years	91.8
Total	**1,266.8**

(Source: Consolidated Financial Statements and internal data.)

Net debt

The Group defines its net debt as the sum of long and short-term financial liabilities and liabilities arising from finance leases less liquid funds. Liquid funds include securities, cash and cash at bank, and intra-Group receivables and payables from financing. Some of the intra-Group receivables and payables from financing may not be liquid, resulting in the net debt figure being understated. Moreover, there can be no assurance that the Group would be able to dispose of its portfolio of securities, which largely consists of fixed income securities, quickly at their current market prices.

As of June 30, 2009, net debt was EUR (978.6) million (long term financial liabilities EUR (1,075.8) million and short term financial liabilities EUR (190.0) million including liabilities arising from finance leases, cash and cash at bank EUR 199.8 million, securities EUR 69.3 million and intra-Group receivables and payables from financing EUR 17.1 million). This represented an increase of EUR 88.4 million or 10% (December 31, 2008: EUR (890.2) million), which was due to lower cash flow from operating activities as well as the payment of the hybrid coupon and an increase in financial liabilities.

As of December 31, 2008, net debt was EUR (890.2) million (long term financial liabilities EUR (1,006.3) million, short term financial liabilities EUR (173.1) million, liabilities arising from finance leases EUR (7.1) million, cash and cash at bank EUR 206.8 million, securities EUR 74.1 million and intra-Group receivables and payables from financing EUR 14.7 million). This represented an increase of EUR 323.4 million or 57% (December 31, 2007: EUR (566.8) million) due to higher borrowings and less cash at bank in comparison to the 2007 financial year when significant proceeds from the hybrid bond issue and the capital increase were available to the Company.

As of December 31, 2007, net debt was EUR (566.8) million (long term financial liabilities EUR (812.0) million, short term financial liabilities EUR (123.4) million, liabilities arising from finance leases EUR (12.8) million, cash and cash at bank EUR 293.4 million, securities EUR 78.6 million and intra-Group receivables and payables from financing EUR 9.4 million) - a decrease of EUR (593.0) million or 51% (December 31, 2006: EUR (1,159.8) million). This decrease was due primarily to the proceeds from the hybrid bond issue and the capital increase, which in a significant portion were used to repay in particular short-term financial debt.

As of December 31, 2006, net debt was EUR (1,159.8) million (long term financial liabilities EUR (790.7) million, short term financial liabilities EUR (595.9) million, liabilities arising from finance leases EUR (16.2) million, cash and cash at bank EUR 193.5 million, securities EUR 40.0 million and intra-Group receivables and payables from financing EUR 9.5 million).

Gearing

The Group's gearing is defined as net debt divided by equity including minority interests.

On June 30, 2009, the Group's gearing was 43.3% compared to 35.6% on December 31, 2008. This increase was due to the lower cash flow from operating activities, the payment of the hybrid coupon as well as the increase in financial liabilities.

Gearing rose from 21.2% on December 31, 2007 to 35.6% on December 31, 2008. The increase was due primarily to higher net debt as a result of the Company's issuance of a hybrid bond and the completion of a capital increase.

The Group's gearing was down to 21.2% on December 31, 2007 from 72.9% on December 31, 2006. The main factor responsible for this was lower net debt as a result of the hybrid bond issue and the capital increase in 2007.

Contingent liabilities and guarantees

The following table summarizes contingent liabilities as of December 31, 2008, 2007 and 2006:

	As of December 31,		
	2008	2007	2006
	(audited, in EUR million)		
Sureties	0.4	0.4	0.2
Guarantees	6.2	2.2	1.5
Obligations from bills of exchange	0.0	0.0	0.0
Other contractual obligations	2.7	17.0	0.0
Contingent liabilities and guarantees	9.3	19.6	1.7

(Source: Consolidated Financial Statements and internal data.)

Capital employed

Capital employed is calculated by adding the Group's consolidated equity to its financial liabilities and financing leases, and deducting its liquid funds, which include cash and financial assets and net intra-Group receivables/payables. Some of the intra-Group receivables and payables from financing may not be liquid, resulting in the understatement of capital employed. See "*Debt—Net debt*".

	As of June 30, 2009	% Change	As of June 30, 2008(1)	As of December 31, 2008	% Change	As of December 31, 2007	% Change	As of December 31, 2006(2)
	(in EUR million, except percentages)							
	(unaudited)			(audited, except percentages)				
Central-East Europe	856.8	-1	862.9	854.9	+13	754.3	+16	647.7
Central-West Europe	434.5	-17	526.6	480.6	-4	500.5	+10	453.8
North-West Europe	1,235.5	-11	1,389.2	1,298.0	+1	1,280.4	+24	1,035.4
North America	527.2	+3	509.9	583.2	+12	521.2	+19	437.6
Investments and Other	51.0	>100	12.3	35.4	>100	3.8	-84	23.6
Total capital employed	**3,105.0**	**-5**	**3,301.0**	**3,252.2**	**+6**	**3,060.2**	**+18**	**2,598.2**

(1) Segment data for the first half of 2008 have been adjusted to reflect the transfer for organizational reasons of the cross-border trading activities of The Netherlands and Germany from North-West Europe to Central-West Europe as of January 1, 2009.

(2) Segment data for the financial year ended December 31, 2006 have been adjusted to reflect the transfer for organizational reasons of Finland and the Baltics from North-West Europe to Central-East Europe as of January 1, 2007.

(Source: Consolidated Financial Statements.)

Capital employed as of June 30, 2009 was EUR 196.0 million or 6% lower at EUR 3,105.0 million (June 30, 2008: EUR 3,301.0 million). This decrease was due primarily to special write-downs as well as impairments of goodwill.

As of December 31, 2008 capital employed was EUR 192.0 million or 6% higher at EUR 3,252.2 million (December 31, 2007: EUR 3,060.2 million). Investments amounted to EUR 505.6 million in 2008 including in particular bolt-on projects in the amount of EUR 308.3 million. Net debt increased by EUR 323.4 million to EUR 890.2 million and inventories rose by EUR 50.2 million to EUR 720.0 million (December 31, 2007: EUR 669.8 million).

As of December 31, 2007, capital employed was up by EUR 462.1 million or 18%, (December 31, 2006: EUR 2,598.2 million). This increase was mainly driven by investments totaling EUR 645.6 million. Net debt decreased by EUR 593.0 million (December 31, 2006: EUR 1,159.8 million) while inventories increased by EUR 160.0 million (December 31, 2006: EUR 509.8 million).

As capital employed of foreign business units was effectively hedged against translation risks arising from foreign exchange fluctuations, currency effects for the periods discussed above were negligible.

Provisions

Wienerberger establishes various types of provisions. The Group's non-current provisions defined as liabilities not expected to mature within one year relate mainly to provisions for deferred taxes, pensions and severance payments, warranties and site restoration and in the amount of EUR 10.0 million to an expected antitrust penalty. As of December 31, 2008, the Group's non-current provisions amounted to EUR 261.0 million. Current provisions with an expected maturity of one year or less were EUR 55.5 million as of December 31, 2008, primarily reflecting short term restructuring provisions, a provision for lawsuits and short term tax provisions.

INDUSTRY OVERVIEW

The following discussion provides an overview of the masonry and roof tile industries.

Bricks are used for structural, load bearing, and non-load bearing purposes. So-called “facing bricks” are used to clad load bearing walls (cavity wall system) whereas so-called “clay blocks” are used to build load bearing walls and structures as well as non-load bearing inner walls (monolithic wall system), which are then usually clad with other cladding materials such as renders and plasters or facing bricks. The roofing market comprises two main segments: pitched roofs (which is the predominant segment) and flat roofs. Roof tiles are used exclusively to cover pitched roofs. Clay tiles and concrete tiles are the two main roof tile products.

The brick and roof tile industries share a number of similarities, including:

- local production serving primarily regional markets;
- seasonality, with low levels of sales occurring during the winter months;
- similar production processes, technologies and principal raw materials;
- high initial investment and some subsequent capital requirements;
- similar customers and parallel distribution channels; and
- primary usage of final products in the residential housing construction markets typically dependent on building traditions which have developed historically based on the availability of raw materials and the climate.

However, while the brick industry is principally driven by new housing starts which are dependent on economic cycles and long-term interest rates, the demand for roof tiles is driven to a similar extent by new housing starts but also by renovations, making the roof tile industry less cyclical.

Global brick industry

Key industry characteristics

The global brick industry is characterized by a number of regional manufacturers and only a small number of major manufacturers with an international presence. The fragmented structure reflects the local nature of demand and a manufacturing process which favors a regional approach. In the past, small and medium sized, privately owned companies that operated between one and three brick plants dominated the industry. Since the beginning of the 1980s, large corporate groups began to improve the production process and to consolidate the industry. Today, several international companies serve the facing brick market, including Boral (United States and Australia), CRH (United States, United Kingdom and Continental Europe), HeidelbergCement (United States and United Kingdom) and the Wienerberger Group (Continental Europe, United Kingdom and United States). In clay block production, the Wienerberger Group is the only globally-operating company.

The brick industry is in general highly regional, since transportation costs are an important component of the overall costs of the products and the value of bricks is low in relation to their weight and volume, resulting in high transportation costs. Currently, transporting clay blocks for more than 200 to 300 km is generally uneconomical, whereas facing bricks can generally be economically transported 500 to 600 km via road, rail and ship. Imports between regional markets are not frequent in the case of clay blocks as clay blocks produced outside one region may not meet the needs of local end users in terms of standard specifications and other technical features. If at all, clay blocks are usually exported from regions with production overcapacities in order to optimize capacity utilization in such regions or if a producer intends to test the characteristics of a local market before acquiring production facilities or establishing a greenfield operation in such market. Due to the inefficiency of brick transportation over long distances, the ability to maintain a dense network of production plants that serve local markets gives large companies a competitive advantage over smaller manufacturers.

In the case of facing bricks, imports between regional markets are more common, such as within the Benelux countries and from the Benelux countries to the United Kingdom. The principal reasons for more frequent imports of facing bricks compared to clay blocks are the following:

- facing bricks are subject to fewer technical requirements compared to clay blocks, where local technical specifications can constitute market barriers;

- facing bricks are chosen for their aesthetic qualities and not their technical specifications, leading to an increased willingness of consumers to pay higher prices;

- the color of facing bricks is largely determined by the regional provenience of clay. Therefore, if there is demand for a specific color in a market, consumers are willing to pay higher prices; and

- the total production cost of facing bricks is higher than for clay blocks. Therefore, for facing bricks transportation costs constitute a smaller portion of the total cost at construction site than for clay blocks.

The brick industry is highly capital intensive, with an initial investment in most cases of between 2 and 2.5 times the annual revenues, and is characterized by high fixed costs (approximately 55% of total costs). The high level of initial capital investment constitutes a barrier to entry for new competitors, especially for minor local players, and creates an advantage for larger, established producers. An important component of costs is energy. Natural gas is the most frequently used energy source in the bricks industry, although other fuels, such as fuel oil and coal, are also used. For this reason, the brick industry has been affected by the increase of natural gas prices in the past years. Raw material deposits are available in most parts of the world. Regulations for their use vary by country. Clay is mainly collected in open clay pits which are usually part of the plants. Therefore, clay is typically obtained from third parties only where a particular quality of clay is required to achieve a desired facing brick color.

Demand trends

The best indicator of demand trends (i.e., volumes) for brick markets is the residential construction sector which the Group believes to account for approximately 74% of brick demand worldwide, the remainder representing commercial and public building demand. Brick sales are mainly driven by single and two-family housing starts. Due to its exposure to the residential construction sector the brick industry is subject to typical macroeconomic drivers such as GDP growth rate, consumer spending, confidence levels and, to a lesser extent, long-term interest rates (i.e., mortgage rates). In addition, weather is an important external factor determining demand because severe weather negatively impacts house builders' ability to work.

Brick use and competition from substitute products

Bricks compete with other building materials. Competition from substitute products of facing bricks is more limited compared to clay blocks because of facing bricks' unique product characteristics. However, facing bricks can be substituted with other cladding materials such as plasters, renders, stucco and natural stone and other materials including vinyl, wood, aluminum siding or glass. On the other hand, clay blocks experience competition from substitute products in various regional markets, because clay blocks' product characteristics are more comparable to those of substitute products. Clay blocks substitute products include aerated concrete blocks, prefabricated concrete panels, cast concrete, calcium silicate and timber. More generally, buildings constructed with bricks also compete with prefabricated houses.

The determining factors for the choice of a particular building material include price and brick laying costs, consisting of the cost of transporting the material to the construction site, the cost of additional products required to build with such material, the cost of any specialized equipment required to handle such material and the labor cost involved in handling such material. In addition, local building traditions, availability of clay and the fact that bricks are a natural product play an important role in customer demand.

In certain Eastern European countries where residential housing is often built through the do-it-yourself ("DIY") method of construction, labor cost is not as important a factor, thus lowering the brick laying costs of clay blocks compared to higher priced substitute products, which in turn may require special equipment (such as cranes) that is often expensive or unavailable in those countries. Facing bricks, in turn, have relatively high brick laying costs compared to substitute products because they require qualified brick layers which are hard to find and expensive in some more economically developed countries, and are generally not suitable for DIY construction. Therefore facing bricks are often chosen for high-end residential houses in more economically developed countries.

An important factor in choosing a particular material for load bearing walls are the technical aspects of the material such as thermal and sound insulation, load bearing capacity, frost resistance and water proofing capability, the specifications for which are often mandated by local, national or EU regulations. The primary geographic markets for clay blocks are Continental Europe, most parts of Asia (including China), North Africa and Latin America.

Facing bricks are typically viewed as a brand product, since they are in plain view and define the outward appearance of a building. Consequently, the customers' taste and current fashion trends play an important role in the facing brick market. The main geographic markets for facing bricks are North America, the United Kingdom and Northwestern Europe, Australia and South Africa.

European roof tile industry

The roof tile industry shares many similarities with the brick industry. However, while the brick industry is primarily driven by new housing starts which in turn are driven by economic growth, demographics and low long-term interest rates, roof tile demand is driven by both housing starts and housing renovations. Severe weather can increase levels of renovations from time to time. The Company estimates that more than one half of total roof tiles sold is used for renovations. Demand for roof tiles is therefore more stable and less cyclical than demand for bricks, as the renovation business is less sensitive to economic cycles.

The roofing market for housing comprises two main segments: pitched roofs and flat roofs. Roof tiles are used exclusively to cover pitched roofs and are considered as small elements for covering pitched roofs. Clay tiles and concrete tiles are the two main roof tile products, competing with substitution products such as natural slates, fiber cement slates and metal coverings. In addition, concrete roof tiles are a direct substitution product for clay roof tiles. The relative shares of the different products in the total roofing market vary from country to country and sometimes among regions. In most European countries, clay roof tiles are either the traditional product or have replaced concrete tiles as the lead product. Concrete roof tiles, which have a competitive price advantage compared to clay roof tiles because of cheaper production costs, have substantial market shares in many European countries and are the predominant product in a limited number of European countries, such as the Czech Republic and the United Kingdom. In the 1960s, clay tiles lost a significant market share to concrete tiles due to development of new technological equipment and processes in the concrete tile industry that have substantially improved quality of the products and production efficiency. Since then, clay tiles have been able to regain market share by improving quality and aesthetics and are at present, according to management estimates, the leading product in most European countries.

The choice of a particular roofing material is determined by consumer taste, current trends, price and the total cost involved in handling the material. In the case of renovations, the type of existing roof construction also plays a role. Similar to facing bricks, roof tiles are used for the outer leaf of houses, which emphasizes aesthetic qualities and brand. The market for clay roof tiles in Europe can be viewed as a growing market, as the trend toward clay roof tiles is expected to continue. While clay roof tiles are relatively more expensive than substitute products, their principal advantages are the following:

- clay roof tiles are the highest quality product which is preferred by customers and enjoys long tradition in most European countries;

- clay roof tiles can be produced in a large range of shapes, sizes, colors and surface finishes, including glazing and engobes;

- clay roof tiles have good technical qualities, such as frost resistance, are long-lasting and require minimal maintenance;

- compared to some substitute products, clay roof tiles are comparatively light, making roof support construction cheaper; and

- due to improvements in the production process during the past decades, clay roof tiles can be produced in large formats, reducing the time and cost of covering a roof.

Within the clay roof tile market, there are two main product categories: molded tiles and traditional flat tiles. Molded tiles are manufactured in large formats, with sizes ranging from eight pieces to a maximum of 25 pieces per square meter, whereas for flat tiles between 40 and 80 pieces are customarily used to cover one square meter. Using large tiles reduces the time required for covering a roof.

Within the roof tile industry, usually 6% to 8% of all pieces sold are accessories as opposed to regular roof tiles. The Company estimates that accessories, which are priced at a premium compared to regular roof tiles to reflect higher production and storage costs, typically represent 25% to 30% of total revenues. One of the factors contributing to a successful roof tile business is offering a broad range of high quality accessories which match the quality of the roof tiles.

In general, roof tiles have a higher value-to-weight ratio than bricks. As a result, for roof tiles, transportation costs constitute a smaller percentage of the total cost than for bricks. Roof tiles can be transported economically for 600 to 800 km.

Throughout Europe, with the exception of Germany, the roof tile industry is relatively consolidated compared to the brick industry. Large producers benefit from economies of scale and a full product range. Management estimates that the largest producers of roof tiles include Monier (including Bramac and Tondach joint ventures), estimated to be the world's largest producer of roof tiles (clay and concrete), followed by the Wienerberger Group (including Koramic Roofing, Bramac and Tondach joint ventures), Imerys and Terreal (producers of clay roof tiles focused on the French market) and Etex (clay and concrete roof tiles as well as fiber cement slates).

BUSINESS

Overview

The Group's core business is the manufacturing of products for use in masonry, facades, roofs and paving. In these market segments, Wienerberger concentrates primarily on four product groups: clay blocks, facing bricks, clay and concrete roof tiles and clay and concrete pavers. Products are marketed under the Group's brand name "Wienerberger" and the brands "Porotherm" and "Poroton" (Germany only) for clay blocks, "Terca" and "General Shale" for facing bricks and clay pavers, "Koramic" for clay roof tiles, "Bramac" for concrete roof tiles, "Semmelrock" for concrete pavers and "Arriscraft" for manufactured stone. In addition, the Group participates in a plastic pipe joint venture, Pipelife.

Management estimates that the Group is the largest producer of bricks in the world. In clay blocks, the Group is the leading global producer and in facing bricks the Group is the leading producer in Europe and the United States (co-leader with Boral), according to management estimates. In 2008, brick activities accounted for 69% of Group revenues and 70% of Group EBITDA.

Wienerberger is the second largest manufacturer of clay roof tiles in Europe, according to management estimates. In 2008, roof tile activities accounted for 22% of Group revenues and 28% of Group EBITDA.

Pavers accounted for 9% of Group revenues and 8% of Group EBITDA in 2008.

Wienerberger's primary geographic areas of activity are Europe (excluding the Iberian Peninsula) and Northern America. As of June 30, 2009 the Group operated 236 plants in 26 countries with 13,104 employees. Wienerberger generated revenues of EUR 2,431 million and an operating EBITDA of EUR 440.1 million in 2008.

The Group's key strengths are its focus primarily on clay-based products for masonry, facades, roofs and paving, its leading market positions (according to management estimates), its flexible plant network allowing for short-term capacity adjustments, its restructuring experience, its diversified revenue base with potential for recovery and long-term growth and the competitive advantages the Group has as a multinational player in the brick industry.

As a reaction to the global financial crisis and the resulting deterioration in the general economic environment, Wienerberger adjusted its previous strategy and now considers maintaining a healthy financial base and protecting liquidity as its most important goals. The main elements of the Group's new strategy are the maximization of cash flows to protect liquidity and effective marketing activities. The former entails four focus areas: active capacity management and the reduction of personnel and maintenance costs, active working capital management, the reduction of administrative and selling expenses and the limitation of investments. The latter involves the improvement of products, customer service and technological efficiency to safeguard and expand the Group's market positions.

Key competitive strengths

Focus on building products for masonry, facades, roofs and paving

Wienerberger is positioned in several product segments of the building materials sector. Its main focus is the production of clay blocks, facing bricks, roof tiles and pavers. This business is capital intensive, with high initial investments, generating high free cash flows thereafter. Bricks have a centuries old tradition in many regions around the world and in most of these regions bricks represent the preferred material for residential housing construction. In a few other markets such as France, where bricks used to have a lower share in the masonry market, the Group's products have become more popular in recent years and have been able to gain market share from substitute products. While Wienerberger benefits from stable market shares in its established markets, the Company believes there is potential for selective bolt-on expansion.

In addition, the Group's core brick and clay roof tile businesses are focused on complementary products that share similar sales and production-related characteristics. Both products are used in housing construction and share a combination of technical requirements and aesthetic qualities. The products are manufactured from the same primary raw material, clay, and their production employs similar technologies. They are targeted to the same group of customers and sold through similar distribution channels. In view of the Group's reputation for quality in bricks and roof tile products and of related services, the Group expects to benefit from this building materials segment.

Leading market positions

According to management estimates, the Group is the largest producer of clay blocks worldwide and holds the number one position in Europe and the United States (co-leader with Boral) in facing bricks. Management estimates that the Group is also Europe's second largest producer of clay roof tiles. Through its own operations and joint ventures, management believes that the Group has the leading market position in clay blocks, facing bricks and/or roof tiles in most markets in which it operates. In addition, according to management estimates, the Group holds leading market positions in pavers across Europe.

Competitive advantage as a multinational player in the brick industry

The Group believes that as a multinational player it has a competitive advantage over smaller local competitors for the following reasons:

- the Group benefits from economies of scale; for example, it employs management control systems and its centralized engineering department drives the production improvement and innovation process; the Group also benefits from synergies in procurement;

- its multinational presence enabled the Group in a normal market environment to counter-balance regional market downturns and to capitalize on a downturn through its flexibility to adjust production capacity to market developments in order to achieve the best possible capacity utilization;

- due to its strong market position worldwide, the Group enjoys market recognition for its branded products;

- the Group has direct access to the customer through customized marketing strategies in tis local markets; it maintains relationships with building materials distributors and developers for whom the Group is a source of supply due to its ability to smoothen disruptions in production through its broad plant network;

- the Group has access to capital (including capital markets) and is financially flexible;

- the Group offers a broad product range;

- the Group can manage its energy supply more efficiently than local companies through transnational coordination and transfer of volumes and by taking advantage of its bargaining power; and

- the Group can transfer and implement know-how across its operations worldwide.

Flexible plant network allowing for short-term capacity adjustments and restructuring experience

The Group operates a number of relatively small plants. The structure of its plant network allows Wienerberger to adjust to declines in demand by temporarily closing, mothballing or permanently shutting down individual plants, without being forced to withdraw from the entire market or even without substantially losing market share. Should demand for Wienerberger's products improve in its key markets, management believes that Wienerberger can adapt the supply through its flexible plant network and is well positioned to service these markets through its established presence.

In addition to this flexible structure, the Group's management team possesses the necessary restructuring experience and has demonstrated its ability to deal with excess capacity in various markets in the past. This started in the German and Swiss markets in 2000 and continued in a number of markets, primarily the United States, the Czech Republic, Poland, Hungary and Germany, in 2005 and 2006 until the current restructurings to react to the global financial and economic crisis.

Generally, restructuring of the Group's plant network and business is an ongoing process involving closure and/or concentration of plants, elimination of duplicative sales efforts, other adjustments of the cost structure or acquisitions for a subsequent shut-down to reduce capacity in the market. An example of this process are the 2005 capacity adjustments in Poland, which involved the permanent closing of two older hollow brick plants and other temporary shutdowns and resulted in a shift of production to modern sites with lower production costs, among others to two brick plants which were purchased in Southern Poland in the same year.

In the context of the ongoing global financial and economic crisis, these structures and skills are of particular importance and allowed management to react immediately in summer 2008 and adjust the Group's strategy to reflect the changing market environment without delay.

Experienced management team with an acquisition track record

The Group's management team has developed its know-how and integration experience over the past 20 years. Wienerberger's historic growth is based on numerous acquisitions and the management team has a track record of identifying, executing and integrating these acquisitions and greenfield projects. Management has repeatedly proven that it is capable of implementing cost saving measures to generate additional value from newly acquired operations.

Diversified revenue base with potential for recovery and long-term growth

With activities in all major markets in Europe (excluding the Iberian Peninsula), the United States and India, the Group believes that it is relatively well protected against regional variances in economic conditions, which should reduce the cyclicality of its earnings. While demand for bricks is predominantly driven by new residential construction, demand for roof tiles is driven by both new residential construction and renovation, since, according to management, approximately 50% of roof tile sales are directed to the renovation market.

However, Wienerberger's diversified portfolio has not been able to alleviate the negative impact on earnings caused by the world-wide recessionary environment as a result of the global financial and economic crisis. Nevertheless, management believes that it positioned the Group well for a strong recovery and a swift return to a more growth-oriented strategy, once the economy recovers and management sees growth opportunities.

Business strategy

Building on its strengths, the Group pursues the following strategic goals:

Focus on the core business

Wienerberger concentrates on products for masonry, facades, roofs and paving, with a special focus on ceramic products in the form of bricks and clay roof tiles, and is, according to management estimates, the largest multi-national supplier in its core business. Wienerberger's long-term strategy for the core business is designed to establish, maintain and, if possible, increase leading positions on all markets where the Group is present.

Furthermore, management intends to develop Wienerberger into a supplier of building materials for energy efficient building, supplying its customers with complete, high-quality solutions from a single source, which it considers to be an important factor to improve and expand the Group's position.

Capitalize on broad product range and leading market positions

Through its extensive network of plants, the Group maintains a broad product range, including over more than 1,000 different models of facing bricks, a range of clay blocks in different sizes and with specific thermal and sound insulation capacities, as well as a large range of roof tiles and paving products. The Group has developed a reputation of innovation through decades of research and development and ensures that it is in line with trends in housing construction, and offers customers the formats, colors and texture of bricks, roof tiles and paving products in high demand, while also meeting the highest possible standards as required by the market. In order to capitalize on its market position, the Group coordinates its national advertising campaigns throughout Europe to build on the Group's pan-European sales profile. The brands advertised across Europe are the Group's "Wienerberger" brand and the brands "Porotherm" and "Poroton" (Germany only) for clay blocks, "Terca" and "General Shale" (North America) for facing bricks and clay pavers, "Koramic" for clay roof tiles, "Semmelrock" for concrete pavers and "Arriscraft" for manufactured stone.

Maximize cash flow to increase liquidity

As a result of the increased uncertainty as to economic development due to the global financial and economic crisis, Wienerberger refocused its strategy in summer 2008 and has suspended its growth program. Since then, the Group has not started new expansion projects and continues working on the ones already in progress – these investments equaled EUR 407.2 million in 2008. As part of this strategy adjustment, the protection of the Group's liquidity and sound financial basis was given top priority. In order to maximize cash flows, four strategic focal points were defined: active capacity management and the reduction of personnel and maintenance costs, active working capital management, the reduction of administrative and selling expenses and the limitation of investments. First steps and measures have been implemented already in summer 2008 and are continuing in 2009. For more details, see "*—Optimization and restructuring program*".

The Company has also decided to suspend the dividend for 2008 to strengthen liquidity. In order to secure the availability of funding, Wienerberger has covered its refinancing needs until 2011 with cash reserves, forward start facilities and undrawn committed credit lines with banks (see *"Liquidity and capital resources—Liquidity")*. It is intended to reduce net debt further from current levels through internally generated cash flow in the future. The Company intends to use the net proceeds from the Offering to reinforce the Group's financial flexibility and in particular to reduce its net debt. Management believes that the Offering, together with strict financial discipline and operational measures to maximize cash flow, will provide headroom in a challenging economic and financial environment and put the Group into a stronger position from which to develop future strategic options.

The current strategy focusing on enhancing the Group's liquidity and putting it on a sound financial basis is aimed at the current economic situation and not designed to replace the Group's primary strategy focusing on profitable growth in the core business in the long term. Wienerberger continues to view a number of markets, in particular in Central and Eastern Europe (including Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Croatia and above all Bulgaria, Romania and Russia), as growth markets due to a back-log in housing construction and the long-term trend towards growing disposable income. The current level of pent-up demand will, in management's view, not disappear as a result of the crisis and may even result in renewed strong growth after the end of the current economic downturn. Therefore, the Group intends to use growth opportunities in its markets selectively as soon as the economic situation improves.

Achieve continuous operational optimization and maintain growth potential through improvement of products, customer service and technological efficiency

Another element of Wienerberger's business strategy is to improve cost efficiency and take advantage of its economies of scale. Management believes that it can gain sales and cost synergies from the size and global presence of the Group's operations as described in "*—Key competitive strengths—Competitive advantage as a multinational player in the brick industry*" above. The Group's strategy for its existing businesses is to accomplish continuous optimization and maintain growth potential through constant improvement of products, customer service and the efficiency of its processes. In customer service, the Group has undertaken a number of initiatives in order to drive organic growth.

Optimization and restructuring program

Wienerberger reacted quickly to the changing market environment in summer 2008 and launched an extensive optimization and restructuring program. The optimization and restructuring program should lead to a maximization of free cash flow and consequently the reduction of net debt by reducing fixed costs, implementing an active working capital management program and cutting down investments. In line with the Group's new strategy, the optimization and restructuring program in particular includes the following measures:

Active capacity management in particular through an optimization of the Group's plant network

In 2008, active capacity management included the permanent closure of 27 plants, the mothballing of 11 additional production lines and the reduction of personnel and maintenance costs. These measures led to EUR 55 million of non-recurring negative effects (EUR 33 million cash and EUR 22 million of special write-offs) in 2008 and are expected to result in savings of EUR 90 million beginning in 2009, according to management calculations. For 2009, a similar program is being implemented with the closure of 26 plants, of which 17 will be closed permanently and nine mothballed as well as the shut down of one further production line. The first 18 plants have been shut down or mothballed in the first half year 2009 and production is expected to be halted in further eight plants in the second half of 2009. The restructuring program 2009 is estimated to lead to non-recurring costs of approximately EUR 100 million (EUR 40 million in cash and EUR 60 million of special write-offs).

Active working capital management

In addition to the above mentioned measures, working capital has become a focal point with the goal to reduce working capital by approximately EUR 100 million in 2009. Special reporting has been set-up to make the working capital development transparent and work-shops have been held in the most important countries to improve supply-chain management. Wienerberger's active working capital management policy also led to the closing of plants for longer periods in almost all countries where the Group is active in winter 2008/2009. These measures do not affect the Group's supply capability, since it has substantial inventory capacities and since production can usually be shifted to other plants, if needed. The reduction of inventories is expected to release approximately EUR 100 million in 2009, which managements intends to use for debt reduction.

The Group prepared a series of scenarios for its markets and developed a range of programs that can be implemented quickly as required. In order not to lose market share and access to customers, Wienerberger has decided to maintain a meaningful level of marketing. Further, Wienerberger intends to enhance customer retention and after sales service to expand the Group's market positions.

Reduction of fixed cost base

Measures to minimize the Group's administrative and selling expenses focus primarily on reducing non-personnel costs and utilizing additional opportunities for synergy in the Group but also involve the adjustment of personnel numbers (production personnel – particularly at closed or mothballed plants, sales force, administrative staff, etc.) to reduced capacities and sales volumes.

Limitation of investments

Investment activity has been one of the cornerstones of the Group's strategy in the past seven years. On average the annual spend on investments including capital expenditure and acquisitions has reached EUR 460 million. Thereof, a typical level of maintenance capital expenditure was in the range of 60%

of depreciation (in the past two years EUR 100 to EUR 120 million), with the remainder being invested into growth.

As of 2008, the Company's change in strategy involved a massive reduction of the planned capital expenditure to approximately EUR 180 million in 2009 and EUR 80 to 100 million in 2010. In 2009, the Group is finishing off greenfield investments in the amount of EUR 100 million. Maintenance capital expenditures have been reduced from the budgeted level of EUR 120 to EUR 100 million in 2008 to the necessary minimum of EUR 80 million in 2009.

The reduction of the capacity as well as the goal to reduce administrative and selling expenses (see below) both lead to a reduction of work force. In 2008, approximately 2000 people were laid off contributing to the reduction of fixed costs of approximately EUR 150 million per year. Together with the measures taken in 2009 management expects the annual cost benefit to reach EUR 175 million as of 2010.

The following table sets forth the development of certain key figures in connection with the optimization and restructuring program:

	Six months ended		Year ended		
	2009	2008	2008	2007	2006
Number of plants at the end of the period(1)	236	256	243	263	259
Average number of employees for the period	13,104	15,583	15,162	14,785	13,639
Maintenance capital expenditure	30.7	49.9	98.4	120.2	100.2
Growth investment	60.3	203.9	407.2	525.4	430.2
Inventories	669.8	740.7	720.0	669.8	509.8

(1) Includes nine mothballed plants.

(Source: Wienerberger Annual Reports 2008 and 2007 and Wienerberger Reports on the First Six Months 2009 and 2008.)

Currently, all new expansion projects have been put on hold to focus on cash flow maximization and management does not have immediate plans to enter new markets or start new expansion projects. Due to a certain time lag in the implementation of the new strategy and in particular the optimization and restructuring program, the Group is in the start-up phase of some expansion projects that were initiated before summer 2008. This is, for instance, the case in Russia, where operations have started at two new plants, one near Moscow and the other in Kazan, during the first quarter of 2009.

Products

Clay blocks

Clay blocks are used for load-bearing exterior and interior walls, as well as for nonload-bearing partition walls or fillwork. A wall made of clay blocks is normally not seen after completion because it is covered with plaster or paneling.

The technical advantages and features of walls made from clay blocks include high load bearing compressive strength, good thermal insulation and heat accumulation, sound insulation, high fire resistance (nonflammable) and moisture regulating capacity.

Wienerberger clay blocks are sold under the "Porotherm" brand ("Poroton" in Germany), and are optimized to meet special applications and requirements. Examples are thick clay blocks for exterior walls, which deliver good thermal insulation, special heavy clay blocks for improved sound insulation and seismic-resistant bricks for safe construction in earthquake zones.

The Wienerberger clay block system also includes brick lintels and brick ceiling systems, which make it possible to build an entire house out of bricks.

Facing bricks

Facing bricks are used in visible brick architecture: facades and interior walls are made from or covered with these bricks. A wall made of facing bricks is a design element, and also provides good protection from the weather. Facing bricks can also be used in a wide range of decorative applications: for example interior walls, exterior enclosures, arches or chimney cappings. Wienerberger facing bricks are sold under the "Terca" brand in Europe and "General Shale" in the United States. They offer a wide range of design alternatives through the combination of colors, shapes and surface structures.

Facing bricks can also be combined together in prefabricated elements for fast construction. Especially in the area of non-residential construction, brick architecture can therefore play an important role in modern, economic building.

The development of new colors, surface structures and special shaped bricks plays an important role. The Group's goal is to meet the design requirements of architects and builders, and progress with the times.

Roofing systems

Clay roof tiles are used primarily to cover pitched roofs. They not only provide sustainable protection for houses from the weather, but also represent an important design element for architects. Clay roof tiles are not only used in new construction, but also to a large extent in the renovation of existing buildings.

Wienerberger clay roof tiles are sold under the "Koramic" brand. They are available in a wide variety of forms (pressed or plain tiles), colors and surfaces (natural, glazed, sanded or engobed). For each type of tile, Wienerberger offers a complete line of special tiles and accessories such as ridge tiles and verge tiles.

Through its 50% holding in Bramac, the Wienerberger Group also produces concrete tiles that are used to cover pitched roofs, primarily in Austria and the southeast region of Europe. Concrete roof tiles are used primarily in new residential construction.

Pavers

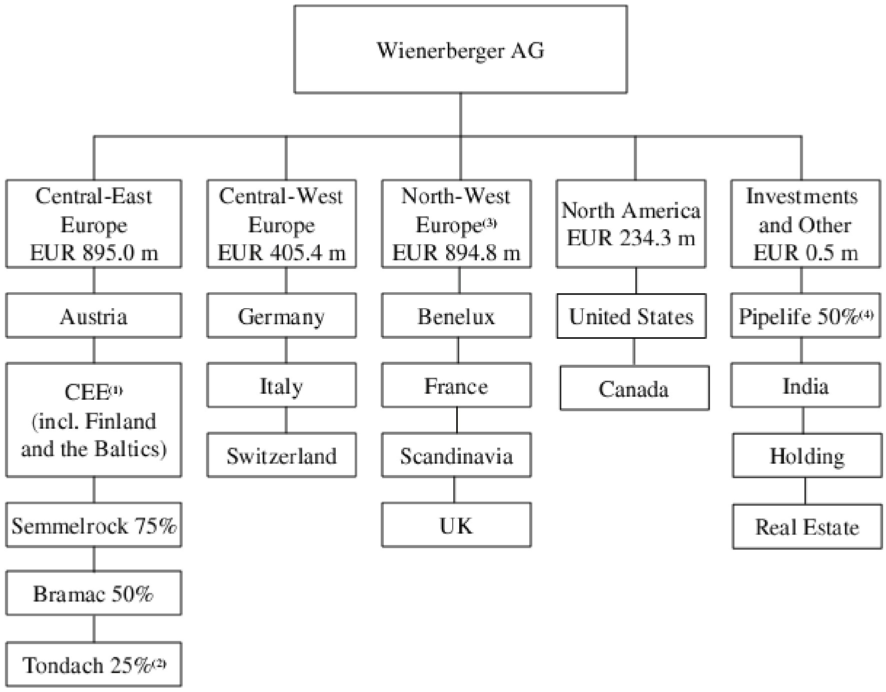
Wienerberger produces pavers made of clay or concrete and slabs. These materials are used by homeowners (for driveways, paths, terraces and garden design), as well as in public areas (for sidewalks, open areas and pedestrian zones).

Wienerberger offers pavers in a large range of shapes, colors and surface structures. The Group markets its clay pavers under the "Terca" brand and its concrete pavers under the Semmelrock brand. "Semmelrock" concrete pavers also permit the spatial structuring and design of garden landscapes, for example with products for slopes, planters and fencing systems.

Organization and business segments

The Company is the holding company of the Group which directly or indirectly holds all participations of the Group as shown in the Consolidated Financial Statements. The Company does not have any operating activities.

The Group has set up a geographic segmentation in order to reflect the Group's regional focus which gives responsibility to local operating management for all core products manufactured within a country. The Group operates in the following five segments: Central-East Europe, Central-West Europe, North-West Europe and North America, each including all or part of the Group's core operations (bricks, clay roof tiles and pavers) in the respective geographic areas, and Investments and Other which comprises the Group headquarters and related costs, the Wienerberger brick business in India and certain non-core activities of the Group. These non-core activities include the 50/50 plastic pipe joint venture Pipelife (consolidated at equity) and real estate. The diagram below sets forth the Group's segments as of January 1, 2009, and third party revenues per segment for the financial year 2008.



(1) As of December 31, 2008, the segment Central-East Europe contains operations in Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Finland, the Baltics, Slovenia, Russia, Ukraine, Bulgaria, Serbia, Macedonia and Bosnia-Herzegovina in addition to those in Austria.
(2) Tondach's revenues are not included in segment revenues. Tondach is consolidated at equity.
(3) As of January 1, 2007, the subsidiaries in Finland and the Baltics (revenues of approximately EUR 30 million in 2008) were transferred for organizational reasons from the North-West Europe segment to the Central-East Europe segment.
(4) Pipelife's revenues are not included in segment revenues. Pipelife is consolidated at equity.

Central-East Europe

Central-East Europe covers the mature home market of Austria and the markets in Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Finland, the Baltics, Slovenia, Serbia, Macedonia, Bulgaria and Russia where the Group has built or is currently building production facilities. As of January 1, 2007, Finland and the Baltics, previously included in the North-West Europe segment, were transferred to the Central-East Europe segment. In Bosnia-Herzegovina and the Ukraine, the Group has sales-only operations. In Central-East Europe, the Group primarily manufactures clay blocks and lintels as well as girders and bricks for ceilings. Clay blocks are mainly sold under the trademark name "Porotherm". The Group also manufactures facing bricks in Austria and Hungary and roof tiles in Poland. In addition, the Group has two roof-tile joint ventures (Bramac and Tondach Gleinstätten), which produce and market concrete and clay roof tiles in Central and Eastern Europe. Furthermore, the Group has a majority interest (75%) in Semmelrock which produces concrete pavers and slabs used in garden and outdoor construction in Austria, Croatia, Hungary, the Czech Republic, Slovakia, Poland and Romania. In January 2009, Semmelrock obtained approval by the Austrian cartel authorities for the combination of its Austrian pavers activities in a joint venture with Ebenseer, according to management estimates the largest producer of concrete pavers in Austria.

Since the early 1990s, countries in Central and Eastern Europe have undergone political and economic reforms which boosted income levels and created a middle class wanting to improve their standard of accommodation. This has fuelled the growth in the residential construction market. The Group's Central-East European operations have been characterized by higher profit margins than the rest of the Group due to a combination of lower costs and strong market positions.

Bricks are a well known and widely used building product in Central and Eastern Europe. The extent of bricks being used for load bearing walls is similar throughout the region, with clay blocks being the leading material for wall construction in most markets, followed by aerated concrete blocks. A significant portion of the region's residential construction market utilizes the DIY method of construction. Because the DIY method involves low labor costs, which can comprise a significant portion of the total cost of handling bricks, the use of clay blocks compared to substitute products is widespread in this geographic area. Facing bricks have a small share of the total cladding market in Central and Eastern Europe except for Northern Poland.

The Group entered the Central and Eastern European brick business in 1990 by purchasing four plants from the Hungarian government. Since then, the Group has expanded its operations through acquisitions and greenfield projects to become according to management estimates the leader in the Central and Eastern European brick market. Apart from local brick producers who usually operate one to three brick plants, in Central and Eastern Europe the Group competes with a number of major Western European aerated concrete product manufacturers such as Ytong and Fels/Hebel, both part of the Xella group.

The Group started its roofing activities in 1972, by entering into the Bramac joint venture with Braas (now Monier), an international building materials producer. Management estimates that Bramac is a leading producer of concrete roof tiles in Austria and Eastern Europe, operating a total of twelve plants in eight countries. Day to day business of this joint venture is conducted by independent management, whereas strategic decisions are made by the supervisory board, consisting of four members, two from the Group and two from Monier.

The Group also owns a 25% interest in Tondach Gleinstätten, a leading clay roof tile producer in Central-East Europe (according to management estimates), with 19 production facilities throughout Eastern Europe and Austria. The remaining percentage is owned by the Olbrich and Garside families (50%) and Monier (25%).

Furthermore, the Group as of June 30, 2009, produces concrete pavers at 20 plants in Austria, Bulgaria, Croatia, Hungary, Poland, Slovakia, Czech Republic and Romania through Semmelrock and clay pavers at five plants in The Netherlands and one plant in Germany.

Distribution in Central and Eastern Europe is usually done through wholesalers or sales to retail dealers. The clay required for production is usually quarried in clay pits owned by the plants. Energy, in the form of natural gas, coal or saw dust, is generally procured on a local level.

Outlook and strategy

While the economy, and the building markets in general, in Eastern Europe was characterized by relatively stable above-average growth rates for several years, this development recently came to a sudden end. The countries in the Group's Central-East Europe segment have been hit particularly hard by the economic downturn beginning in late 2008 and recessionary trends continue to persist. The IMF, in its July 2009 update to its World Economic Outlook, projected a decrease of regional output in Central and Eastern Europe of 5.0% in 2009 compared to 2008, and stabilization in 2010. The building markets have suffered from a decrease in demand, primarily because bank financing has become less available and more expensive for homebuilders and property developers. Management expects the decline to be less pronounced where the level of equity financing is higher, such as for private single-family and two family house construction. Management expects this downward development to have a material negative impact on the Company's results. To address the changed environment, management has commenced making adjustments to Wienerberger's businesses. While management expects no imminent upswing, it is confident that there are long-term opportunities in the region and intends to use the current decline and the resulting market pressures to further strengthen its positions.

For Poland, management expects a decline in construction activity by builders and property developers. In the first three months of 2009, sales volumes were substantially weaker than in the same period in 2008 with signs of stabilization in the latest months. Prices have come down from their peak in 2007 but are still considered to be at a good level. Wienerberger decided to shift production from older plants to modern sites with lower production costs, in particular its Olesnica site, the largest plant ever constructed by the Wienerberger Group, which started operations in September 2008.

In the Czech Republic, management expects both volumes and prices to decline in 2009. Lower price levels are expected to discourage imports, especially from Germany. The Group's optimization program included the closing of two older, smaller plants in the Czech Republic during 2009.

In Hungary, Wienerberger reacted quickly to the weakening demand and reduced its capacity through the shutdown or mothballing of three plants. In expectation of a further deterioration in the operating environment during 2009 and as part of its active working capital management, the Group intends to continue to shift production to its most efficient plants and further promote the sale of premium products.

In Romania, management expects a decline in housing starts because of the high federal deficit in Romania and the escalating impact of the financial crisis, whereby the actual extent of these effects can currently not be estimated. Both volumes and prices have decreased substantially in the first half of 2009. Due to the lower sales volume, production capacity has been reduced by temporarily closing 2 plants.

In the mature Austrian market, management expects a moderate weakness in new residential construction for 2009, with the Austrian subsidies for homebuilders probably having a generally stabilizing effect. Wienerberger intends to further strengthen its market position by focusing on high-margin products such as the plane brick and the DRYFIX system.

In Slovakia, an increase in imports from neighboring countries formed the basis for intensified competition. In the first months of 2009, the market activity was clearly below 2008 levels with a stabilization of sales volumes in recent months at lower prices. Import pressure was reduced to a certain extent but imports from the Czech Republic persist. Wienerberger intends to counter this situation with a more flexible pricing policy and the marketing of premium products.

In Finland, the slump in new residential construction in 2008 resulted in a year-on-year decline in sales of facing bricks and a resulting drop in revenues and earnings. In the first half of 2009, the lack of consumer confidence continued to weigh on construction activity which has experienced lower volumes compared to last year with stable prices.

In the Baltic states, the massive economic downturn triggered the collapse of new residential construction. Prices are stable whereas the reduction in sales volume was considerably lower in the first half of 2009.

In the Southeastern European region, which combines Wienerberger's brick activities in Croatia, Slovenia, Serbia and Bosnia, Wienerberger significantly expanded its presence with the full takeover of the Petrinja plant in Croatia during the fourth quarter of 2008 and the establishment of a foothold in Serbia with the acquisition of a clay block plant in Serbia (Backa Nova) in 2007. The general trend in the region is expected to result in lower sales volumes and prices in 2009.

In Russia, Wienerberger recorded a sizeable increase in sales volumes of bricks to the Russian market during 2008, albeit from a low level, followed by strong declines in the first half year of 2009. Operations have started at two new plants, one near Moscow and the other in Kazan, during the first quarter of 2009. The Group expects this new capacity will support future revenue growth in Russia, even though the market will remain extremely difficult in the near term.

In Bulgaria, sales volumes continued to rise during the fourth quarter 2008 in contrast to the market trend because of the continuing strong demand for high-quality products and the Group's increased focus on the modern, large-sized bricks. The start of full operations at the Lukovit plant, which came on line in autumn 2007, formed the basis for a near threefold increase in revenues and the substantial expansion of the Group's market position in 2008. While sales volumes were at prior year's levels at the beginning of 2009, the second quarter experienced a sharp drop in building permits paired with liquidity problems of house builders which puts pressure on sales volumes and prices.

In its concrete paver business, Wienerberger aims at continuing its growth course, which was supported by the start of operations at new facilities in Poland, Croatia and Romania during the past year. The January 2009 combination of Semmelrock's business activities with Ebenseer marked an important step toward the expansion of the company's position on the domestic Austrian market. The impact of the financial crisis on Semmelrock differs from country to country. While Austria and Poland have been slightly impacted, the crisis has hit market activity in the Czech Republic, Slovakia, Croatia and Bulgaria. Nevertheless, sales volumes of the Semmelrock group in the first half of 2009 are at 2008 levels (including a consolidation effect of Ebenseer in Austria) with some pressure on the price level.

Central-West Europe and North-West Europe

Western European activities are split into two segments: Central-West Europe and North-West Europe. Central-West Europe covers the mature markets of Germany, Switzerland and Italy. North-West Europe contains operations in The Netherlands, Belgium, France, the United Kingdom, Denmark, Norway and Sweden. The Group operates plants in each of those markets. The split of Western Europe into two segments reflects the fact that these segments differ in terms of construction methods and materials used in wall construction. With regard to cladding materials, facing bricks are predominant in The Netherlands, Belgium, Northern France, Northern Germany, Denmark and the United Kingdom. Clay blocks for load bearing walls are mainly used in Germany, Switzerland, France, Belgium and Italy.

Germany is the dominant country in the Group's Western European operations primarily due to the size of the Group's German operations. In Western Europe the Group manufactures molded and extruded facing bricks, clay blocks, ceilings, clay pavers and chimney systems. Facing bricks are sold under the trademarks "Terca" and "Desimpel" and clay blocks are sold under the trademarks "Porotherm", "Poroton" and certain other trademarks. Roof titles are sold under the brand name "Koramic".

The Group entered the Western European brick market in 1986 through the acquisition of the German Oltmanns Group with one facing and three clay block plants. In order to expand its business in Western Europe, in 1996 the Group acquired Terca, according to management estimates a leading manufacturer of facing as well as clay blocks in Belgium and The Netherlands, from Koramic Builing Products N.V. At the time, Terca operated seven facing and four clay block plants in Belgium, eight facing brick plants and one windowsills plant in The Netherlands, three facing brick plants in France and two facing brick plants in Germany. To further expand its market reach Northern Europe, the Group acquired the brick manufacturing operations of Optiroc in January 2001, with a total of eight facing brick plants in Denmark, Norway, Sweden, Finland and Estonia, and sales-only operations in the United Kingdom. In order to optimize its operations during the economic downturn, the Group closed certain plants in 2001.

In February 2002, the Group acquired the Continental European operations of Hanson Bricks to strengthen its market position in Western Europe through the addition of 23 brick plants of which 21 were located in Western Europe. The acquisition of the Continental European operations of Hanson Bricks added significant capacity to the Group's facing brick production facilities.

In 2003, Wienerberger acquired a 50% stake in Koramic Roofing, according to management estimates one of the largest producers of clay roof tiles in Europe with leading positions in a number of markets, for a consideration of EUR 212 million. One year later, the Group exercised its options to purchase the remaining 50% and invested a further EUR 223.9 million for this purpose. Through this acquisition, Wienerberger advanced to number two in clay roof tiles in Europe and established roofing systems as a second core business (according to management estimates). Under the brand name "Koramic" ("ZZ Wancor" in Switzerland), the Group today operates 21 clay roof tile production sites in Germany, Switzerland, France, Belgium, The Netherlands and Poland. From these sites, tiles are exported to other countries, including the United Kingdom and Scandinavia.

In September 2004, the Group entered the market in the United Kingdom by acquiring thebrickbusiness, according to management estimates a leading manufacturer in the United Kingdom, with nine plants, for a consideration (including debt) of EUR 128.1 million. The Group also acquired a brick plant near London.

In June 2007, Wienerberger acquired Korevaar, an independent producer of pavers and facing bricks located in The Netherlands, which, at the time of the acquisition was the third largest producer of clay pavers in The Netherlands, according to management estimates. Korevaar operates plants in Schipperswaard and Zennewijnen and conducts trading business under the "Bos & Vermeer" brand.

In July 2007, Wienerberger acquired Baggeridge Brick, a British company listed on the London stock exchange, by means of a tender offer, for a total consideration of GBP 99.4 million. Baggeridge Brick, with headquarters in Sedgley near the city of Birmingham, operates four production plants in the Midlands and one in the south of England, manufacturing facing bricks, pavers and products for facades. In addition, Baggeridge Brick has significant excess raw material reserves and one undeveloped site near Birmingham with planning permission for future production. These assets are of strategic value to Wienerberger for future growth projects in the United Kingdom.

In 2008, Wienerberger acquired a 74% stake in Sandtoft, according to management estimates the largest independent roof tile producer in the United Kingdom. The company is headquartered near Leeds and distributes clay, concrete and slate roofing systems nationwide from four plants in northern England.

Management estimates that the Group is a market leader in Western Europe, holding the European leadership position in clay blocks as well as facing bricks. Competition in Western Europe has generally been stable. In the cladding market, most competition comes from other facing brick producers, such as CRH, HeidelbergCement, Röben and smaller local companies. In the masonry market, the Company competes with a number of small local brick producers as well as international companies, including the Xella group (Ytong and Hebel).

Distribution in Western Europe is usually done through sales to wholesalers and retail dealers. The clay required for brick production is usually quarried in clay pits owned by plants, in the case of facing bricks part of the clay is bought on the market in order to produce different colors. Energy, in the form of natural gas, coal or oil, is generally procured at a local level in close coordination with the Group's central international procurement department.

Outlook and strategy

Management's general focus in the mature Western European market is to maximize generation of free cash flows which are utilized to strengthen the Group's financial position. As a driver for organic sales growth, the Group will carry on its efforts to promote bricks as the building material of choice for residential construction. Continuous optimization of costs and capacity utilization are an additional focal point of the Group's activities in Western Europe.

Management anticipates a weak market environment in Western Europe due to the current economic crisis. For instance, the IMF forecast in July 2009 that German and U.K. output would decrease by 6.2% and 4.2%, respectively, this year compared to the prior year and predicted stabilization in 2010 for Western Europe. Management expects this downward development to have a material negative impact on the Company's results. To address the changed environment, management has commenced making adjustments to Wienerberger's businesses.

Central-West Europe

In Germany four plants and one production line were closed during the past year and management expects the market climate for building materials to remain difficult during 2009. Management does not expect a recovery for new residential construction or renovation because of the general decline in purchasing power. A further increase in competition is forecast for the domestic German market due to the substantially reduced exports to neighboring countries in Eastern Europe. The Group intends to take further steps required to bring in line its capacity with recent market developments and to reduce working capital. Wienerberger's activities in 2009 will focus on marketing and sales in order to strengthen customer ties and improve the positioning of Wienerberger as a system provider for wall and roofing products.

In Italy, the November 2007 acquisition of RIL Laterizi allowed due to the first-time consolidation the Group to outperform the market in 2008, with revenues declining marginally. For 2009, management expects a sustained weakness in residential construction and uninterrupted pressure on prices due to a further increase in competition. Wienerberger intends to soften the effects of this development by focusing on premium products and intensifying its sales efforts.

In Switzerland, a weakening of new residential construction from the good levels recorded in recent years is expected, with the roof tile and insulation product groups expected to profit somewhat from federal subsidies for energy-saving measures (roof insulation).

North-West Europe

In The Netherlands, management expects a decline in both the new residential construction and renovation markets in 2009, as well as potentially increasing pressure on prices. Wienerberger acquired two small specialized brick merchants in April 2007 as well as Korevaar, according to management estimates the third largest clay paver producer in the Netherlands, in June 2007. These transactions substantially expanded the clay paver and specialized merchandise businesses of Wienerberger.

In Belgium, management expects continued weakness of the new residential construction and renovation markets during 2009, with a decline from the prior year level including some pressure on prices. Wienerberger addressed the declines in sales volume with the development of a more cost-efficient plant structure for clay blocks, which was finalized 2008 with the shutdown of an older location.

In France, management forecasts a further decline in housing starts, since more restrictive lending practices have significantly limited the number of potential homebuyers. However, the Group was able to strengthen its position in the facing brick market with the acquisition of Briqueterie Bar Frères in April 2007. In both the Belgian and the French market the governments have initiated support measures to homebuilders which are expected to have a softening effect on the downturn of the markets.

The acquisition of the English producer Sandtoft led to a substantial increase in the Group's sales volumes of clay roof tiles in 2008 in the United Kingdom. For 2009, however, management expects a substantial contraction on the new residential construction market and continued weakness in the renovation sector for 2009.

In Denmark, Sweden and Norway, there were no signs of recovery during the first months of 2009, and management is accordingly forecasting a decline in revenues and earnings for Scandinavia in 2009 and 2010.

North America

The United States is the largest market for facing bricks worldwide. In the United States, production of facing bricks is, to a large extent, concentrated in the Southeast, Southwest and Midwest. According to the BIA, facing bricks accounted for 25% of the total U.S. residential facade market in 2008, with vinyl having the largest market share (32%).

The Group entered the U.S. market in 1999 through the acquisition of General Shale, at the time according to management estimates the second largest U.S. facing brick manufacturer based on volumes. In 2000, it expanded its presence in the U.S. facing brick market through the acquisition of

Cherokee Sanford and Darlington.

In 2006, the Group took over Robinson Brick with one facing brick and three concrete block plants.

In July 2007, Wienerberger acquired all operating units of Arriscraft. The company, with headquarters in Cambridge, Ontario (Canada), operates three production sites in Cambridge, Saint-Étienne-des-Grés, Quebec (Canada), and Fort Valley, Georgia (United States). It is according to management estimates the largest producer of manufactured stone in North America (based on management estimates), which is a growing niche product for wall cladding. The acquisition of Arriscraft marked an important milestone in Wienerberger's growth strategy in North America by expanding the Group's product portfolio to include manufactured stone and expanding the Group's regional coverage to include Canada.

In the United States, the Group manufactures facing bricks, concrete blocks for walls and pavers. With the acquisitions of Robinson Brick and Arriscraft, the Group's product portfolio has been expanded to include thin bricks, building stone and manufactured stone.

In the United States, the top five brick producers account for an estimated 65% of the total market capacity. Apart from various smaller local manufacturers, the Group competes mainly with four major producers of facing bricks: Boral, ACME Bricks, HeidelbergCement and Glen Gery (CRH). Of the five producers of facing bricks in the United States, management believes that the Group is the largest together with Boral.

The Group distributes its products in the United States both through sales to retailers and through direct distribution to end users. The Group continues to increase its direct distribution network by investing in distributors because direct distribution allows the Group to be closer to the market. The clay required for the brick production is usually quarried in clay pits owned by the plants. In the United States, the Group uses mainly coal dust and saw dust in addition to natural gas as energy sources for its kilns. The lower cost for these materials compared to natural gas gives the Group a certain cost advantage.

Outlook and strategy

The consequences of the financial crisis have been particularly pronounced in the U.S. housing market, which had seen a steady positive development over the past decade. This development led to an overheating of the housing sector. According to the NAHB, housing starts declined by approximately 74% in 2008 in comparison to their peak reached in 2006 with a particularly strong decline in the Midwest. The NAHB reported a decline of housing starts by about 33% to 900,000 units in 2008, which was down to a seasonally adjusted annual rate of 500,000 units in the beginning of 2009. The NAHB forecasts indicate a slight upward shift in housing starts to a seasonally adjusted annual rate from 479,000 to 561,000 for the period from April to May 2009, followed by an estimate of 582,000 units for June. This still represents less than one third of the comparable figure for 2005.

Although the economic downturn appears to have reached the bottom, management believes that the real estate crisis is not over yet: The number of foreclosures continues to rise and increases the supply of available properties, in particular due to the very low demand, and although the available supply decreased to less than ten months' capacity for the first time since 2007. As a reaction to this market downturn, the Group implemented further extensive measures to cut costs (in addition to the shutdowns completed in 2006 and 2007). The related steps included a substantial reduction in the administrative and sales workforce as well as the mothballing or shutdown of two additional plants and one production line. Despite the current decline in new housing construction, management considers the United States to be a growth market for the Group in the long term. This is due to expected positive demographic developments in the Group's main U.S. markets caused by immigration, domestic migration and other demographic factors. In the United States, both the rate at which housing is replaced and renovation activity have traditionally been higher than in Europe.

The Group's strategy is to expand its sales efforts including the production of new products such as pavers. Key focal points are also a further increase of direct distribution and growth of distribution partnerships in key markets, improvements in capacity utilization and an increase in sales of concrete blocks and manufactured stone. Product development and innovation, such as promotion of premium product mix (including the development of "green" products such as insulation material filled blocks or roof elements with integrated photovoltaic cells) and automation of production, are an additional area of focus.

Investments and Other

The Investments and Other segment comprises the Group's headquarters and related costs, the Wienerberger brick business in India and the non-core activities of the Group. These non-core activities include Pipelife and real estate.

Pipelife, which management estimates is the fourth largest European manufacturer of plastic pipes based on revenues, was negatively affected by the economic crisis in 2008, reflected in significant drops in demand, above all in the United States, Ireland and Spain. However, revenues rose slightly due to a sound development in Central and Eastern Europe as well as the consolidation of acquisitions made 2007 in Ireland and 2008 in the Czech Republic. As a reaction to the recessionary business climate, Pipelife implemented extensive restructuring measures in Ireland and Spain and also introduced cost reduction programs in other countries. In 2008, Pipelife generated total revenues of EUR 894.4 million and an EBITDA of EUR 69.8 million. As of December 31, 2008, Pipelife operated 29 plants in 20 countries. Since 2004, Pipelife has been consolidated at equity and classified as a financial investment. It is managed independently and neither draws on the Company's funding nor benefits from guarantees issued by the Company. Pipelife aims at achieving profitable growth with a focus on Europe, as well as increasing market shares of sewer, house, electrical installation, products for hot and cold use and agricultural pipes. The acquisitions made in recent years and the start-up of new production lines in Russia and Hungary during 2008 gave Pipelife a sound market position in the hot and cold water segment and in waste water treatment. Pipelife intends to strengthen and expand these market shares in 2009, above all in Central-Eastern Europe.

In addition, the Group owns a portfolio of real properties that are not required for operational purposes (see "*Fixed assets—Real property*").

Principal markets

In analyzing its existing core brick and roof tiles businesses, the Group distinguishes between three types of markets-growth markets, new markets and mature markets—and has a different strategic focus in each of the markets, reflecting each market's individual dynamics.

Growth markets

Although they have been hit hard by the current recession, the Group views - from a long-term perspective - the Eastern European countries as its major growth markets in addition to the United States. Some of the markets in the region generated revenue increases even in 2008. After the end of the current economic downturn, Wienerberger expects to benefit from substantial opportunities in this region, with the brick and roof market driven by the need to upgrade and expand the region's housing stock and potential positive effects of the further transition of Eastern European economies towards Western European levels of housing starts.

The United States is the world's largest facing brick market and is characterized by above-average population growth, making it a strategic market for the Group. Nevertheless, in 2008 the Group recorded a significant decrease in revenues in the United States due to a sharp drop in new residential construction. Furthermore, massive housing unit stockpiles are expected to put stress on the new residential construction market for some time albeit the absolute number of housing stock has come down over the past months. In the United States, the Group's strategy is to maintain or achieve the leading position in the regions in which it operates and to increase margins through the adaption of production capacities to sales and the further development of the Group's own distribution capabilities by way of strategic investments in local brick distributors.

New markets

The Group targets new markets in countries in which bricks hold a high market share and where management believes that there are attractive growth prospects. The potential to gain a leading position in new markets over the medium term is also an important consideration. The Group has built a plant in India and continuously investigates other markets for future expansion.

Mature markets

The Group views all its other markets as mature markets and expected low overall market growth in these markets in the medium term. In some of these markets (such as France), however, the Group sees potential for growth in the medium term through the continued promotion of clay as the material of choice and a substitute for other building materials (such as concrete) in residential housing construction. The strategy in mature markets is for constant optimization of operations via internal improvements in order to maximize free cash flow generation for reinvestment. The Group, in the medium and long term, plans further acquisitions in mature markets to expand the Group's positions and to capitalize on integration synergies.

Suppliers and raw materials

Although the brick business is characterized by highly decentralized procurement, the Group manages to realize synergies through group-wide purchasing arrangements. In this regard, the Company's strategic procurement department works closely with local units to identify areas with synergy potential and realize cost savings through coordinated procurement activities. In the United States, procurement is largely done independently, with Group cooperation limited to knowledge exchange.

In the production of bricks and clay roof tiles, the Group is dependent on a reliable supply of clay. For approximately two thirds of its clay requirements, the Group relies on its own clay reserves located at or in the proximity of production sites. While no official measurements are available, internal Group experts estimate that most of the existing plants have over 15 years of exploitable clay reserves and newly constructed plants have reserves for over 25 years. In addition, the Group has various long-term agreements on the exploitation of clay reserves which cover approximately one third of its clay requirements. The Group's remaining requirements are sourced from various local suppliers based on contracts which are usually concluded for periods of one to two years. These generally fixed-price contracts do not oblige the Group to purchase minimum amounts, but provide for favorable price adjustments in the event of higher consumption. In 2008, clay was purchased from third party suppliers for approximately EUR 37.4 million.

Energy is a major component of the Group's production costs. In 2008, the cost of energy for the Group totaled EUR 374 million, or approximately 15.4% of revenues, compared to EUR 354 million in 2007, or approximately 14.3% of revenues. In 2008, these expenses were divided as follows: 68% for natural gas, 22% for electricity, 5% for oil and 5% for coal and other. European electricity markets relevant for the Group have been characterized by substantial price increases in recent years. Accordingly, the Group centralized the procurement for this resource in 2008 in close coordination with the country organizations and the Group's risk management function, allowing for more efficient implementation of a common energy strategy throughout the Group and the realization of synergies. The Group tries to protect itself against price increases by concluding fixed-price contracts with electricity suppliers, typically with one year terms. The development in the prices of natural gas is, with the exception of the U.S. and U.K. markets, chiefly dependent on the prices of fuel oil and gas oil and on the U.S. dollar exchange rate. For natural gas purchases, the Group uses different gas suppliers per country where it conducts operations and sometimes uses more than one supplier in a country depending on the competitive situation in this country due to the relatively lower level of consolidation in the gas supply market compared to the electricity market. Most of the Group's gas contracts, particularly in Western Europe, include formula-based prices. In countries where the energy markets are not regulated, the Group pursues a strategy of hedging a certain percentage of its gas supply according to the following strategy: at least 75% of gas supply are hedged for the next six months, 50% for the next twelve months and 25% for the next 24 months. This hedging is based on a rolling planning process, and prices for part of the required energy volumes are established for up to two years in advance depending on market trends. As of December 31, 2008, the group has secured 55% of its natural gas requirements for the next 12 months by fixed-price contracts, as well as 46% of its electricity supplies required for 2009 and 2010.

The Group does not own a significant fleet of trucks and uses contractors for transportation, spending approximately EUR 129 million annually for transportation of finished goods. In addition, approximately EUR 38 million is spent annually on pallets and EUR 14 million on shrink film. These materials are bought from a number of suppliers.

Marketing and distribution

The Group's marketing function is split according to the three main product lines: clay blocks, facing bricks and roof tiles. Continuous product development is the Group's primary marketing priority. For clay blocks, the Group focuses on the improvement of technological characteristics (such as fast installation of high precision clay blocks) and maintenance of competitive costs. For facing bricks, the Group targets product range and customer service. The Group strives to establish trends and fashion with respect to bricks as well as provide strong pre and after sales support to purchasers. With regard to roof tiles, the Group's focus is on the expansion of its product offering to a broad range of colors, shapes and sizes.

The Group works together with brick associations and other brick producers to promote the use of bricks in both residential and commercial construction. In addition, the Group targets its marketing at various groups including resellers (wholesalers and retailers), professionals (architects, designers, builders and roofers) and individuals. The Group has made a significant investment in sales networks and pre-sales activities (show rooms, marketing campaigns) which are key to marketing bricks and roofing products.

Distribution of the Group's products is done primarily through wholesalers and retailers of building materials and is supported by the Group's own strong sales organization.

Research and development

The Group's products must meet the demands of modern building technology and architecture, combining economy with aesthetics. The Group's research and development expenditure amounted to approximately EUR 5.2 million per annum, or under 1% of annual revenue during the period 2006 to 2008.

The Group's research and development activities are concentrated in two general areas: products and technology. A permanent focus of the Group's development efforts is the search to improve manufacturing performance and quality, such as new methods for optimization of the air stream in the drying process. The sharp rise in energy prices over the last two years has also shifted the focus of Wienerberger's engineering department to the more efficient use of primary energy sources (gas, coal and crude oil). For this purpose, the Group has established its own energy task force, which includes a manager from each relevant market. Internal energy benchmarks have been defined as the basis for establishing an international know-how transfer on the use of energy. The data gathered as part of this project is being used to improve energy use throughout the Group. Improvements in product quality have recently focused on the use of highly wear-resistant materials, such as ceramics or carbides. The Group also strives to meet rising customer demands on the physical properties and workability of the Group's products by increasing their technical and aesthetic differentiation. For clay blocks, the key differentiating factors are the insulation properties, both thermal and sound, load bearing qualities and fast installation of high precision clay blocks, areas where the Group meets the strictest technical standards. In 2008, Wienerberger developed a clay block with a width of 50 cm whose voids are filled with mineral thermal insulating material made of expanded volcanic rock, providing a high thermal insulation with a U-rating of 0.14 watt per square meter Kelvin ("W/m2K"), an optimal building material for low-energy and passive energy houses without additional insulation. For facing bricks and clay roof tiles, new colors, shapes and structures, which are subject to shifting fashion trends, are regularly introduced. In 2008, this included the introduction of nonceramic accessories for pitched roofs coordinated to match the function, shape and color of Koramic roof tiles; the development of a fixation system that prevents roof tiles from breaking loose in storms; and the development of a photovoltaic system integrated into a continuous ceramic roof area. At present, the Group's product offering includes more than 1,000 different facing bricks, the widest product range in the market.

Although the Group has a decentralized structure, engineering is a key central function within the Group. It provides technical support for the entire Group, including development of production technology and know-how exchange. The Group recognizes that knowledge transfer is key to continuous improvement. Therefore, innovations in one plant are "exported" to other production sites. The Group maintains two central laboratories in Austria and in Belgium, which serve as the Group's centers for raw materials research.

Competition

An analysis of the Group's competitive position needs to reflect the product segments in which the Group operates.

In the European facing brick market, the Group faces competition from large international groups, such as CRH, HeidelbergCement and Röben, and from smaller local companies. In addition, substitute products such as glass, render, stone and aluminium compete with facing bricks. The U.S. facing brick market is relatively consolidated with the Company estimating to be holding the number one position (co-leader with Boral). The other major players in the market are ACME Bricks, HeidelbergCement and Glen Gery (CRH) which together with Boral and General Shale account for approximately 65% of production capacity in the United States.

In the clay block markets competition is largely from numerous, mostly local producers of clay blocks as well as from producers of substitute products such as aerated concrete (Ytong and Hebel, both part of the Xella group) and producers of calcium-silicate (Fels and Silka, both part of Xella group, HeidelbergCement and local companies).

Management estimates that the Group is the second largest producer of clay roof tiles in Europe. In this market, it competes with several producers who have a substantial presence in a number of countries, such as Monier (including 50% and 25% interests, respectively, in the Bramac and Tondach Gleinstätten Joint Ventures), which management estimates is Europe's leading producer of clay and concrete tiles, Etex, a producer of concrete and fiber cement tiles, and Imerys and Terreal, manufacturers of clay tiles. In Germany, the Group also competes with privately owned mid-size roof tile producers.

Employees

The table below provides a breakdown of the Group's employees by segment for 2008, 2007 and 2006 (employee numbers are annual average of full time equivalent employees):

	2008		2007		2006	
Employees by segment	**Number of employees**	**% of total employees**	**Number of employees**	**% of total employees**	**Number of employees**	**% of total employees**
Central-East Europe	5,832	38.5	5,432	36.7	4,904	36.0
Central-West Europe	2,366	15.6	2,414	16.3	2,151	15.8
North-West Europe	4,769	31.5	4,246	28.7	3,921	28.8
North America	1,969	13.0	2,520	17.0	2,483	18.2
Investments and Other	226	1.5	173	1.2	180	1.3
Total	**15,162**	**100.0**	**14,785**	**100.0**	**13,639**	**100.0**

(Source: Wienerberger Annual Reports 2008 and 2007.)

Wienerberger believes that it maintains good relationships with its employees and trade unions and has not experienced significant issues in the past. Most employees across the Group are unionized. In the past three years, the Group has not had substantial work stoppages in Austria or elsewhere.

In order to increase motivation and strengthen identification with the performance of the Group, management receives a fixed salary as well as a variable component that is based on earnings indicators and qualitative criteria. An important factor for the focus of management on shareholder value is Wienerberger's stock option plan, which covered 83 key employees as of December 31, 2008. The terms of this plan are described in "*Management and Corporate Governance—Stock option plan*". In addition, certain white collar employees are entitled to a bonus payment depending on the achievement of certain targets and for certain employees a life insurance agreement is in place.

Since Wienerberger's future success is largely dependent on sustainable advancement of human capital, the Group emphasizes training on all levels.

The Group maintains several different pension plans for its employees. In Austria, the Group has made pension commitments to selected managers and to selected employees by providing for voluntary contributions to a pension fund. These pension schemes are defined benefit and defined contribution plans with a limited funding. In the United States, Switzerland and the United Kingdom, the Group's plans include both defined benefit and defined contribution plans. In The Netherlands, pension claims are satisfied primarily through contributions to a Dutch industry-wide pension fund.

In 2008, expenses for pensions totaled EUR 8.3 million, compared to EUR 10.5 million in 2007. The unfunded portion of the Group's obligations under its defined benefit plans amounted to EUR 66 million as at December 31, 2008. In addition, legal regulations grant Austrian employees whose employment began prior to January 1, 2003 the right to a lump-sum payment at retirement or termination by the employer, dependent on the length of service. Similar obligations exist in France and Italy. These future obligations are recorded in provisions for severance payments. For all employment contracts with Austrian employees concluded on or after January 1, 2003, the employer has to contribute 1.53% of each employee's monthly salary to an employee benefits provision fund. In case of termination of the employment, the employee has a claim for payment or transfer of the accrued amounts against the fund. Detailed information concerning pension obligations is provided in the notes to the Consolidated Financial Statements incorporated by reference in this prospectus.

Environmental matters

The Group's companies are subject to a broad range of laws, regulations and standards with respect to the protection of the environment in the countries in which it has production facilities or properties, including laws and regulations regarding air noise emissions, CO_2 emissions, discharges to land and water, and the use and handling of waste and other hazardous materials and standards relating to construction materials. The number of these laws and regulations has increased over the past years, in particular in the European Union and the United States where the Group operates important facilities. Furthermore, such laws have become more stringent in the past years and have been interpreted more strictly by the authorities. This trend is expected to continue. The Group could be required to incur significant expenditures to establish compliance with new regulations.

The Group is generally required to obtain permits or licenses for industrial operations which cause emissions, discharge or waste. Such permits and licenses typically establish limitations and standards with respect to the operations which must be complied with. Periodic renewals of the permits or licenses may be required. In addition, the Group is required to obtain permits prior to performing excavations. To management's best knowledge, the Group is in compliance with current material environmental laws and regulations and has all material environmental permits and licenses required for its operations. In June, 2009, Italian authorities initiated investigations into possible environmental hazards at Wienerberger plants, which have not produced any results so far. Wienerberger is not aware of any further material environmental claims that would have the ability to materially adversely impact the Group's financial position or results of operations. However, the risk factor section on environmental risks should be considered. Please refer also to "*Risk Factors—The Group is subject to stringent environmental and health and safety laws, regulations and standards which result in costs* *related to compliance and remediation efforts that may adversely affect the Group's results of operations and financial condition*".

The Group works actively to develop and implement measures designed to protect the environment, investing approximately an average EUR 10-15 million annually in environmental protection measures. These measures range from the mining and utilization of raw materials to product development, production process and applications up to the point of disposal and recycling. Environmental costs also include the costs for restoration of land following discontinuation of operations on a site. The Group's capital expenditures for environmental improvement projects in 2008 amounted to EUR 15.3 million.

The further development and adaptation of production technologies form a key basis for the Group's technical environmental management. In particular, the Group works to reduce the use of energy and discharge of emissions and to minimize waste. The use of biogenic fuel and installation of thermal post-combustion equipment to cut energy requirements and organic hydrocarbon emissions represent an important step in this process. The Group's activities also focus on the reduction of sulfur flue gases by installing scrubbers and by reducing dust through the use of dust collectors.

Many of the Group's manufacturing sites have a history of industrial use and, although the Group applies strict environmental operating standards, soil and groundwater contamination has occurred in the past at a limited number of sites. While to date the remediation measures required have not resulted in significant costs, future possible expenditures for clean-up cannot be ruled out.

The Group's subsidiary Baggeridge Brick owns three landfills in the United Kingdom. These landfills are operated by third parties who are primarily liable for the deposited waste. Management believes that none of these landfills contains hazardous waste. The Group's landfills in Austria were transferred to the ANC Foundation (see "*Certain Relationships and Related Party Transactions*").

Pursuant to the expected amendments of technical specifications for construction materials within the European Union, the manufacturing and use of construction materials marketed in the European Union will have to comply with various hygiene, health and environmental protection standards. As a result, the Group as well as its competitors, may be required to comply with such further requirements.

The Group's kilns produce substantial amounts of CO_2, a gas believed to be partly responsible for the greenhouse effect. In order to assist in complying with international obligations to reduce CO_2 emissions, the European Union introduced the EU Greenhouse Gas Emissions Trading Directive (No. 2003/87/EC) in 2003. Under the Directive, each EU member state must issue a National (Emissions) Allocation Plan (NAP), setting out the amount of CO_2 to be allocated for free to industrial installations covered by the Directive, including those installations involved in the manufacture of bricks and roof tiles. If an installation cannot operate within its free allocation, as determined by the relevant NAP, the owner will be required to reduce emissions or purchase allowances from third parties.

In phase one of the EU-emissions trading scheme (2005-2007), the Group has not faced any material shortage of emission allowances. In the second phase (2008-2012), however, NAPs foresee a reduction of emission allowances, which could lead to a significant underallocation of certificates to the Group. Beyond 2012, further reductions of allowances are expected and the allocation of allowances may no longer be free of charge: Based on the current outline of the European Commission, the Group may have to purchase at auctions an increasing part of its allowances during the third phase (2013 - 2020) if the brick industry is not defined as a "carbon leakage" industry. Carbon leakage industries are industries which could relocate their production to countries outside the European Union in order to avoid costs of CO2 emissions. The European Commission has acknowledged this risk by foreseeing a largely free allocation for industries with risk of carbon leakage also after 2012. The ability of free allocation of businesses which are not part of the carbon leakage industry will be reduced proportionally over time. The Group's free allocation will depend on the efficiency of its plants as free allocation will be linked to a benchmark concept. Any plant exceeding benchmark emissions will be allocated only the lower benchmark emission rights and hence the Group may have to purchase larger volumes, leading to production cost increases. The Group does not expect significant competitive disadvantages resulting from costs related to emissions trading, since additional costs will have to be borne by its competitors in a similar way.

Fixed assets

Real property

Most of the Group's operating real property is used as production sites (including quarries) and offices.

The Group's corporate headquarters are located in the Vienna Twin Tower based in Wienerberg City in Vienna. The Company previously held an interest in the entity which owns the Vienna Twin Tower. The Company sold its minority stake in this entity in 2004 and is currently leasing the headquarters.

The table below sets forth the number of production sites in each country where Wienerberger (including Bramac and Tondach joint ventures) operates as of June 30, 2009:

Country	Number of Production Sites
Poland	20
Czech Republic	21
Hungary	20
Austria	17
Romania	7
Slovakia	6
Croatia	6
Slovenia	3
Russia	3
Bulgaria	3
Estonia	2
Finland	2
Macedonia	1
Serbia and Montenegro	2
Total Central-East Europe	**113**
Germany	35
Switzerland	4
Italy	6
Total Central-West Europe	**45**
Belgium	14
Netherlands	18
France	10
United Kingdom	15
Denmark	3
Norway	1
Sweden	2
Total North-West Europe	**63**
United States	13
Canada	2
Total North America	**15**
Total Wienerberger Group	**236**

(Source: Internal data of the Company.)

The production sites listed above are predominantly owned by the Group and are not subject to any major mortgages or liens. In addition, the Group also owns or leases various other operating properties of lesser economic significance in Austria and abroad. The Group's facilities are adequate for its business, both currently and for the foreseeable future.

The Group also owns a number of properties that are not required for operational purposes with a total book value of EUR 30.5 million as of December 31, 2008 (2007: EUR 26.5 million). These comprise clay pits that have been fully exploited and real property in excess of current operational needs. These assets are expected to be sold over the mid to long-term, and are therefore classified as investment property.

Other fixed assets

Aside from real property, the Group's material fixed assets consist of production and office equipment. Such assets are predominantly owned by the Group and are not subject to encumbrances.

Intellectual property and brand names

Patents

The Group places high priority on the patents protecting the Group's innovations. The Group owns a large number of patents relating to production technology developed internally. The Group also owns key patents for seismic-resistant clay bricks and sound-insulating bricks, which have been developed by the Group. Other patents relate to the kiln and various technical parts of the automation of production processes.

The Company has entered into an exclusive license agreement with the owner of European and national patent applications and registered industrial designs relating to a process for using a polyurethane glue (foam) instead of a common cement mortar to erect masonry with high precision clay blocks, such as the Porotherm blocks. This process can be used for clay blocks as well as for other high precision masonry building materials. The polyurethane foam glue has been internationally registered under the brand name "DRYFIX".

Trademarks

The Group has registered trademarks for its master brand "Wienerberger" and core product brands in various European countries and the United States. The trademark "Terca", which is owned by the Group for bricks and pavers and used under a license agreement with Koramic Building Products for other building materials, is registered in the majority of the EU member states and 11 other countries The Group uses the trademark "Poroton" for the marketing of clay blocks in Germany. In the remaining clay block markets, the Group uses its trademark "Porotherm", registered as a European Community trademark and in various other countries, mainly for its clay blocks business. In the United States, General Shale owns 14 registered U.S. trademarks, and in Canada Arriscraft owns six registered trademarks.

Pursuant to a license agreement, Wienerberger has the right to use the "Koramic" brand in connection with roof tiles and related products in those European countries where the products are marketed. Pursuant to another license agreement, the Group has the right to use the "Koramic" brand in connection with all building materials except roof tiles and related products through 2015. Under this agreement, the Company has the option to acquire the entire interest in the "Koramic" trademark.

Except as disclosed above, the Group is not dependent on any intellectual property owned by third parties.

Insurance

The Group maintains insurance in such amounts and with such coverage and deductibles as management believes is reasonable and prudent. The Group is insured against claims resulting from general liability, including product liability and professional liability, as well as against property damage, business interruption and environmental risks due to damage to premises or buildings, which it considers to be its principal risks. The Group also maintains directors & officers (D&O) insurance (see "*Management and Corporate Governance—Management Board—Management compensation*", "*Management and Corporate Governance—Supervisory Board—Supervisory Board compensation*").

Material contracts

In the usual course of its business, Wienerberger enters into numerous contracts with various other entities. Wienerberger has not, however, entered into any material contracts outside the ordinary course of its business within the past two years.

Regulatory matters / Investigations

The Group is subject to comprehensive regulatory provisions under Austrian and EU law, as well as in all local jurisdictions in which it has facilities, including health and safety laws, employment laws and competition laws. The Group believes that it is substantially in compliance with all of these laws and regulations, as they are currently interpreted. In addition, to the best of its knowledge, there are no current or potential material regulatory claims against the Group other than presented below.

In September 2007, the Danish antitrust authorities searched the offices of all major brick producers in Denmark. These investigations were made in connection with the suspicion of possible agreements in violation of free competition, and also involved the Group's Danish subsidiary, Wienerberger A/S. In September 2009, the special prosecutor for business crimes informed Wienerberger that it has dropped the charges against Wienerberger A/S; this decision is subject to appeal by the prosecutor's superior authority. Management has no reason to believe that Wienerberger took part in anti-competitive agreements.

In a decision issued in December 2008, the German cartel office levied an administrative fine of approximately EUR 42 million against Koramic Dachprodukte GmbH & Co KG, a wholly owned German subsidiary, for alleged price agreements in violation of fair competition. The company immediately appealed this decision. Based on the advice of the Company's lawyers, the fine and costs for legal proceedings are not expected to total more than approximately EUR 10 million. A provision was therefore established for this amount in 2008. A court decision is not expected before 2010.

The Group is cooperating with the competent authorities and emphasizes that agreements in restraint of trade violate the corporate policies of the Wienerberger Group, are expressly prohibited through internal guidelines and perpetrators face sanctions. Management frequently emphasizes that price-fixing agreements or any other anti-competitive behavior do not comply with its business practices and corporate policies.

Legal proceedings

The Company and its subsidiaries are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labor and other matters. Legal risks arising from increasingly strict environmental, health and safety standards may result in penalties or claims for damages if these standards are not met. For example, in 2009 the Italian authorities launched an investigation into possible environmental hazards at Wienerberger plants; the investigation has not produced any results to date. During the 12 months preceding the date of this prospectus there were no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had in the recent past, significant effects on the financial position or profitability of Wienerberger AG or the Group.

MANAGEMENT AND CORPORATE GOVERNANCE

General

The Company has a two-tier board structure, consisting of a Management Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The Management Board is responsible for the executive management and represents the Company vis-à-vis third parties. The Supervisory Board is responsible for supervising the management and internal controls of the Company. Members of the Management Board are appointed by the Supervisory Board. Members of the Supervisory Board are elected by the Shareholders' Meeting (*Hauptversammlung*). Under Austrian co-determination rules, the Company's works council has a right to delegate one third of the Supervisory Board members. The corporate bodies of the Company are bound by applicable law, the Articles of Association (*Satzung*), the rules of procedure for the Management Board (*Geschäftsordnung für den Vorstand*) and the rules of procedure for the Supervisory Board *(Geschäftsordnung für den Aufsichtsrat)* (each as adopted by the Supervisory Board) and the Austrian Code of Corporate Governance (the "CGC"). The following is a summary of the most important provisions of the Company's corporate legal framework.

The members of the Management Board and Supervisory Board may be contacted at the Company's business address at Wienerberg City, Wienerbergstraße 11, A-1100 Vienna, Austria.

Management Board

Appointment, duties and procedures of the Management Board

Members of the Management Board are appointed by the Supervisory Board for a maximum period of five years and may be re-appointed. Pursuant to the Articles of Association of the Company, the Management Board consists of up to four members. Only those persons may be appointed to the Management Board who have not reached their 65th birthday on the date of appointment or reappointment. The Supervisory Board may remove a member of the Management Board prior to the expiration of its term for cause, such as gross negligence or deliberate breach of duty.

If the Management Board consists of more than one member, the Company is represented either by two members of the Management Board acting jointly, or by any one member of the Management Board acting together with an authorized signatory holding a general power of attorney (*Prokurist*). Subject to statutory restrictions, the Company may also be represented by two authorized signatories.

The Management Board reports to the Supervisory Board at least annually on strategy and business policy as well as the future development of the assets, financial and earnings positions of the Company based on a forecast (yearly report). The Management Board reports to the Supervisory Board regularly, at least quarterly, on the course of business operations and the status of the Company's business in comparison to the forecast (quarterly report).

The Management Board is not subject to legally binding instructions from the shareholders or from the Supervisory Board. Pursuant to the Stock Corporation Act, the Articles of Association and the rules of procedure for the Management Board, certain management measures or significant transactions require the prior consent of the Supervisory Board or one of its committees. A failure by the Management Board to obtain such consent does not affect the validity of the transaction, but may render the Management Board liable for damages. The consent of the Supervisory Board or committees of the Supervisory Board is required for material decisions including:

- determination of general principles of the Company's business policy and corporate strategy;
- acquisition and disposal of participations; acquisition, disposal and closing down of companies and businesses exceeding certain thresholds pursuant to the rules of procedure for the Management Board of the Company;
- acquisition, disposal and encumbrance of real estate exceeding certain thresholds pursuant to

the rules of procedure for the Management Board of the Company;

- adoption of the Company's yearly budget and investment plan;
- investments exceeding certain thresholds pursuant to the rules of procedure for the Management Board of the Company;
- establishment or closing down of certain lines of business and production methods as well as material changes in the Company's product and service programs;
- issuance of bonds or conclusion of loan or credit agreements if they exceed certain thresholds and are not subject to the exemptions stated in the rules of procedure for the Management Board of the Company;
- granting of loans and credits or assumption of liabilities of third parties, each outside of the ordinary course of business and exceeding certain thresholds pursuant to the rules of procedure for the Management Board of the Company;
- acquisition and disposal of patents and acquisition and granting of licenses, each exceeding certain thresholds pursuant to the rules of procedure for the Management Board of the Company;
- entering into syndicate agreements, shareholders' agreements, joint venture agreements or similar agreements;
- establishment or closing down of branch offices;
- conclusion of contracts for the exclusion of profit or loss; and
- conclusion of contracts with Supervisory Board members or companies in which a member of the Supervisory Board has a considerable economic interest relating to the performance of services outside their respective scope of activities as Supervisory Board members for the Company or a subsidiary for remuneration which is not insignificant.

Members of the Management Board

Currently, the Management Board consists of the following three members:

Name	Position	Age(1)	Year first appointed	Year current term expires
Heimo Scheuch	Member, Chief Executive Officer (CEO).	42	2001	2014
Willy Van Riet	Member, Chief Financial Officer (CFO).	52	2007	2014
Johann Windisch	Member, Chief Operating Officer (COO).	56	2001	2014

(1) Age at the date of this prospectus.

(Source: Internal data.)

Heimo Scheuch

Mr. Scheuch was born in Villach, Austria in 1966. After the completion of legal studies at the Universities of Vienna and Paris and studies at the Vienna University of Economics and Business Administration, the City of London Polytechnic and Ecole Supérieure de Commerce de Paris, he began his career with the law firm Shook, Hardy & Bacon in Milan and London as a corporate finance specialist. In 1996 he joined Wienerberger AG as assistant to the Management Board; in 1997 he moved to the senior management of Terca Bricks in Belgium, where he became CEO in 1999. In May

2001 he was appointed to the Management Board of Wienerberger AG as COO, in August 2009 he became CEO.

Willy Van Riet

Mr. Van Riet was born in Dendermonde, Belgium in 1957. After receiving his master's degree in Business Economics from the University of Ghent, he started his career as an auditor and subsequently senior manager with PricewaterhouseCoopers in Belgium. He was active in the building materials sector beginning in 1993, first as Chief Financial Officer of Terca and later Koramic Building Products (also as a member of the Wienerberger Supervisory Board). In 2004 he joined the Wienerberger Management Committee and took over the management of Wienerberger Limited in the United Kingdom. On April 1, 2007, Mr. Van Riet was appointed CFO of the Company.

Johann Windisch

Mr. Windisch was born in Erlauf, Austria in 1952. After having received his doctorate in Industrial Engineering and Management from the Technical University of Vienna and having worked as a consultant for Agiplan in Vienna, he joined Wienerberger in 1980 as assistant to the Management Board. He assumed management of the controlling and accounting departments in 1983, and was appointed head of the building construction area in 1987. He was then appointed to the Management Board of Wienerberger Ziegelindustrie, where he became CEO in 1999. In May 2001 he was elected to the Management Board of the Company as COO.

Management compensation

The remuneration of the members of the Management Board comprises a fixed base salary that corresponds to the individual duties, as well as to the strategic and operating responsibilities of the Board members. The variable component depends on the base salary and the Group's consolidated profit after tax before minority interest and after deduction of the related costs for any hybrid bonds and/or other comparable financial instruments issued by the Company. The variable component is limited to 200% of the annual fixed salary for all members of the Management Board and is subject to verification by the auditors.

Cash payments to members of the Management Board totaled EUR 2.5 million for 2008 (2007: EUR 4.5 million). Of this amount, EUR 1.8 million represent fixed base salaries and EUR 0.6 million are variable components.

Cash compensation Management Board In thousand EUR (rounded)		**2008**			**2007**	
	Fixed	**Variable**	**Total**	**Fixed**	**Variable**	**Total**
Wolfgang Reithofer(1)	679	241	**920**	659	907	**1,566**
Johann Tschuden(2)	n.a.	n.a.	**n.a.**	80	120	**201**
Heimo Scheuch	418	127	**545**	374	617	**991**
Johann Windisch	418	127	**545**	405	617	**1,022**
Willy Van Riet(3)	334	127	**461**	244	463	**706**
Total	**1,849**	**622**	**2,470**	**1,762**	**2,724**	**4,486**

(1) Wolfgang Reithofer was member of the Management Board from May 1985 to July 2009.
(2) Johann Tschuden was member of the Management Board from May 2001 to March 2007.
(3) Willy Van Riet was appointed member of the Management Board effective April 2007.

(Source: Wienerberger Annual Report 2008.)

With respect to the options granted to the Management Board members in 2008 see "—*Stock option plan*".

Members of the Management Board are also entitled to a company car and personal insurance. Accident insurance provides cover for death and incapacity, private liability insurance covers the legal liability of the Board members resulting from personal injury, physical damage and financial loss to third parties.

Furthermore, the Group has a D&O insurance covering all members of the management and supervisory bodies of the Group companies.

All members of the Management Board are also entitled to a company pension under the Company's pension fund scheme with APK, an external pension fund, based on contributions by the Company. The Company has no obligations beyond these agreements. Contributions to pension funds and provisions for pensions of members of the Management Board totaled EUR 1.5 million in 2008 (2007: EUR 1.1 million). In 2008, the Group paid out EUR 0.6 million to former members of the Management Board and their surviving dependents (2007: EUR 0.6 million).

All Management Board members are entitled to statutory severance payments upon termination of their employment, which depend on total compensation, as well as on the length of service with the Company. The members of the Management Board are subject to a non-competition clause for the term of their employment.

Each of the present members of the Management Board may terminate his employment agreement by six-month notice within six months of a change of control in the Company. Such right of termination is not applicable during the twelve months prior to the expiry of the term of appointment. In the event of early termination, all entitlements under the employment agreement remain unaffected until the expiry of the original term of appointment, except the entitlement to a company car. A change of control under the agreements arises if one or more shareholders of the Company are required to make a mandatory offer pursuant to the Takeover Act (see "*Regulation of Austrian Securities Markets—Takeover Act*") or if a voluntary offer results in a bidder holding more than 50% of the Company's voting rights.

Supervisory Board

Appointment, duties and procedures of the Supervisory Board

The Supervisory Board consists of three to ten members elected by the Shareholders' Meeting plus the members delegated by the works council. Up to two former members of the Management Board or senior executives (*leitende Angestellte*) may serve as members of the Supervisory Board at a given time. Pursuant to the Austrian Labor Constitution Act (*Arbeitsverfassungsgesetz*) the Company's works council may delegate one member for every two members of the Supervisory Board elected by the Shareholders' Meeting, and, in the event of an uneven number of elected members, an additional works council member. Currently, the Supervisory Board consists of eight members elected by the Shareholders' Meeting and four members nominated by the Company's works council.

Unless a member was elected for a shorter term of office, the term of office of every member of the Supervisory Board elected by the Shareholders' Meeting runs until the end of the Shareholders' Meeting resolving on the discharge for the third business year after the election, with the business year in which the Supervisory Board member was elected not being counted. Resigning members may be re-elected immediately.

The Shareholders' Meeting may remove any Supervisory Board member it has elected by simple majority of the votes cast at the relevant Shareholders' Meeting. Members of the Supervisory Board delegated by the works council can be removed only by the works council.

The Supervisory Board is responsible for supervising the management of the Company. Supervision is exercised by review, discussion and approval, as required, of reports prepared by the Management Board. In addition, the Supervisory Board may request reports on specific matters relating to the Company or the Group. Certain material decisions of the Management Board require prior consent of the Supervisory Board (see "*Management Board—Appointment, duties and procedures of the Management Board*"). The Supervisory Board represents the Company in transactions with members of the Management Board and appoints and removes members of the Management Board.

The Supervisory Board elects a Chairman and one or more Vice-Chairmen. Members of the Supervisory Board may resign by written notice. A notice period of four weeks applies if the number of

Supervisory Board members falls below three. In the event an elected member resigns before expiry of his term, the next general Shareholders' Meeting may elect a replacement for the remainder of the term. A replacement has to be elected without undue delay by an extraordinary Shareholders' Meeting, if the number of Supervisory Board members falls below three. The Supervisory Board issues its own rules of procedure (*Geschäftsordnung für den Aufsichtsrat*).

The Supervisory Board meets at least quarterly. At least three members of the Supervisory Board including its Chairman or one of its Vice-Chairmen must be present at a meeting to constitute a quorum. Resolutions of the Supervisory Board are adopted by simple majority of the votes cast. In the case of a deadlock, the Chairman of the meeting casts the decisive vote.

Members of the Supervisory Board

The current members of the Supervisory Board are:

Name	Position	Age(1)	Year first appointed	Year current term expires
Friedrich Kadrnoska	Chairman	58	2002	2013
Christian Dumolin	Vice-Chairman	63	1996	2013
Karl Fink	Member	64	2006	2011
Peter Johnson	Member	62	2005	2012
Harald Nograsek	Member	50	2002	2011
Claus Raidl	Member	66	2004	2013
Wilhelm Rasinger	Member	61	2006	2011
Franz Rauch	Member	69	2004	2012
Rupert Bellina	Member(2)	51	2005	n.a.
Claudia Schiroky	Member(2)	37	2002	n.a.
Karl Sauer	Member(2)	56	1996	n.a.
Gerhard Seban	Member(2)	41	2006	n.a.

(1) Age at the date of this prospectus.
(2) Works council representative.

(Source: Internal data.)

Members elected by the Shareholders' Meeting

Friedrich Kadrnoska

Mr. Kadrnoska was born in Vienna, Austria in 1951. After studying of commercial science at the Vienna University of Economics and Business Administration, he joined the Austrian bank Zentralsparkasse. In the course of his thirty-year career with the bank, he held a number of different positions, including assistant to the Director General, Head of Department, and Head of Division. In 1995 he was appointed member of the board of Bank Austria AG. From 2003, he served as Deputy Chairman of the board of Bank Austria Creditanstalt AG, responsible for human resources, investments and Eastern Europe. He resigned from this function in February 2004. Currently he serves as a management board member of the private foundation "Privatstiftung zur Verwaltung von Anteilsrechten", chairman of the supervisory boards of Österreichisches Verkehrsbüro AG und Allgemeine Baugesellschaft–A. Porr Aktiengesellschaft, chairman of the supervisory board of Wiener Börse AG (Vienna Stock Exchange), director of the Visa Europe Limited board and UniCredito Italiano S.p.A. and member of the administrative board of Wiener Privatbank SE and conwert Immobilien Invest SE; since April 2005, he has also been working on a freelance basis.

Christian Dumolin

Mr. Dumolin was born in Kortrijk, Belgium, in 1945. After studying economics at the University of Brussels he started his career in the insurance business. In 1980, he took over the management of Koramic Building Products (the present Koramic Investment Group) of which he meanwhile became majority shareholder. At present, he is chairman of the supervisory board of Koramic Investment

Group. He is also member of the board of directors of a large number of quoted and non-quoted companies in Belgium and abroad. He is also honorary member of the Council of Regency of the Nationale Bank van Belgie (Belgian National Bank).

Karl Fink

Mr. Fink was born in Kapfenberg, Austria in 1945. After studying commercial science at the Vienna University of Economics and Business Administration he achieved his degree “Diplomkaufmann” in 1971. He began his career working for Marubeni Corporation in Tokyo and was in charge of the “Authorized Representative” in Berlin, responsible for international trade in goods with Eastern Europe, Western Europe, Japan and other countries. In 1975, Mr. Fink joined the Wiener Städtische Wechselseitige Versicherungsanstalt in Vienna, and became the head of the division industrial insurance. Since 1987, he has been a member of the management board of Wiener Städtische Allgemeine Versicherung AG – responsible for industry, transport, reinsurance and international business. As of July 2004, he became vice president in charge of property insurance of Wiener Städtische Versicherungs AG (now Vienna Insurance Group Wiener Städtische Versicherung AG). He is also member of the supervisory board of Austria Technologie & Systemtechnik AG (AT&S).

Peter Johnson

Mr. Johnson was born in Chatham, United Kingdom in 1947. After completing his studies in economics at Oxford, Peter Johnson worked for Unilever PLC. He transferred to Redland PLC in 1973, where he became head of corporate planning in 1984 and later managing director of Redland Bricks Ltd. In 1988, he was appointed director of Redland PLC with responsibility for the brick and roof tile business in the United Kingdom, Europe, Australasia and the United States. Peter Johnson was CEO of George Wimpey Plc, and is currently chairman of the board of DS Smith Plc.

Harald Nograsek

Mr. Nograsek was born in Graz, Austria, in 1958. After completing his studies in commercial science at the Vienna University of Economics and Business Administration, he began his career in the loan review unit of the Austrian bank BAWAG. Subsequently, he joined the RZB Group as an asset manager; in 1980, he moved to Länderbank as an investment manager. After the establishment of Bank Austria AG through the merger of Länderbank with Zentralsparkasse, he became head of the financial investment division; following the take-over of Creditanstalt by Bank Austria, he became head of division responsible for all investments of the Bank Austria Creditanstalt Group. Since 2004, he has held the position of CFO and COO and is currently CEO on the management board of Österreichisches Verkehrsbüro AG. Since 2009, he is member of the administrative board of conwert Immobilien Invest SE.

Claus Raidl

Mr. Raidl was born in Kapfenberg, Austria in 1942. After his studies at the Vienna School of Commerce (now Vienna University of Economics and Business Administration), Claus Raidl held an assistant position at the Institute of Applied Social and Economic Research. Subsequently he worked for a bank and a certified public accountant. He was appointed member of the board of Vienna Holding in 1981 and member of the board of Austrian Industries in October 1982. He joined the board of voestalpine in 1985 and became its Deputy Chairman in 1986. In the course of the restructuring of Austrian nationalized industry he served as Deputy-CEO of voestalpine Stahl AG and member of the board of Austrian Industries AG. Since 1991, he has been Chief Executive Officer of Böhler-Uddeholm AG. He is also member of the supervisory board of Wiener Börse AG (Vienna Stock Exchange). Since 2007, he has been a member of the board of voestalpine AG. Since 2008, he has been president of the General Council *(Generalrat)* of Oesterreichische Nationalbank.

Wilhelm Rasinger

Mr. Rasinger was born in Vienna, Austria in 1948. After completing his studies in business management, he joined the Hernstein International Management Institute as project manager for finance and accounting. In 1976, he received his doctorate in business management and started consulting work with a focus on business analyses, controlling and financing issues as well as the preparation of business plans and comparative business studies. Mr. Rasinger worked as a manager in the insurance industry for more than ten years, serving as the head of internal audit and asset management as well as the managing director of a leasing company. Since 1982, he has also lectured at the Technical University of Vienna. Mr. Rasinger is currently the managing partner of Inter-Management Unternehmensberatung Gesellschaft m.b.H. (since 1993) and "Am Klimtpark" LiegenschaftsverwaltungsgesmbH, chairman of IVA - investor interest association (since 1999) and member of the supervisory boards of Erste Group Bank AG and CEE Immobilien Development AG.

Franz Rauch

Mr. Rauch was born in Rankweil, Austria in 1940. Franz Rauch took over the management of Rauch Fruchtsäfte Ges.m.b.H. at the age of 20. Over the past 45 years, he has turned the company into one of the world's leading producers of fruit juices with several production sites and distribution centres in Austria and abroad. The company acquired Brauerei Fohrenburg AG, a brewery in Western Austria, in 1995, and took over Hirschmann Automotive GmbH, a major subcontractor of the European automotive industry with about 900 employees, in 2003. Currently he is managing partner of Franz Rauch GmbH, member of the supervisory board of ÖBB Holding AG, UniCredit Bank Austria AG, OTAG Oberflächentechnologie AG, Vorarlberger Kraftwerke AG and Vorarlberger Illwerke AG, Treibacher Industrie AG, Fohrenburger Beteiligungs-AG and Hirschmann Automotive GmbH.

Members delegated by the works council

Rupert Bellina

Mr. Bellina was born in Klagenfurt, Austria in 1958. He joined Semmelrock group in 1978, where he is currently employed as planning engineer. Since 2005, Mr. Bellina has been chairman of the works council of Semmelrock Baustoffindustrie GmbH.

Claudia Schiroky

Ms. Schiroky was born in Mödling, Austria in 1971. She joined Wienerberger in 1993, where she is currently working in facility management. She has also been chairwoman of the Company's works council (*Betriebsratsvorsitzende*) since 2002.

Karl Sauer

Mr. Sauer was born in Stockerau, Austria in 1952. He joined Wienerberger in 1984 as an operations fitter in the Göllersdorf brick plant. Since 2000, Mr. Sauer has been speaker of the Group's European works council and since 2001, he has also been chairman of the Austrian central works council (*Zentralbetriebsratsvorsitzender*).

Gerhard Seban

Mr. Seban was born in Vienna, Austria in 1967. He joined Wienerberger in 1990 as a forklift driver. In 1990, he was elected to the works council of Wienerberger Ziegelindustrie GmbH, Hennersdorf, Austria. Since 2001, Mr. Seban has been member of the Group's European works council and since 2005 he has been chairman of the works' council at Wienerberger Ziegelindustrie GmbH.

Committees of the Supervisory Board

According to the Articles of Association, the Supervisory Board may establish committees that may be granted decision powers. Committees can be established permanently or for specific tasks.

The Supervisory Board has established a Presidential and Remuneration Committee (*Präsidium und*

Vergütungsausschuss), an Audit Committee (*Prüfungsausschuss*), a Strategy Committee (*Strategieausschuss*) and a Personnel and Nominating Committee (*Personal- und Nominierungsausschuss*).

Works council delegates may be represented in committees in proportion to their representation on the Supervisory Board (except for meetings of the Presidential and remuneration committee which deal with the relations between the Company and the members of the Management Board other than the appointment and revocation of Management Board members and the granting of options for shares of the Company).

The committees are considered to have a quorum if their chairman or vice-chairman and two other members are present. In committees consisting of only two persons, all of its members must be present at a meeting to constitute a quorum. The rules of procedure of the Supervisory Board apply to the Supervisory Board committees, unless the Supervisory Board resolves differently.

Presidential and Remuneration Committee

The Presidential and Remuneration Committee is responsible for all matters regarding the relations between the Company and the members of the Management Board other than the appointment and revocation to the Management Board and the granting of options for shares of the Company. In particular, the Presidential and Remuneration Committee is responsible for the Management Board members' compensation and the content of their employment agreements, and is authorized to conclude, modify or terminate employment agreements of the Management Board members.

The members of the Presidential and Remuneration Committee are the Chairman and the Vice-Chairman of the Supervisory Board.

Audit Committee

The Audit Committee is responsible for the audit and preparation of the approval of the financial statements and consolidated financial statements of the Company, the preparation of a proposal for the distribution of profits, the review of the management report and for monitoring the efficiency of the Company's internal control system *(Internes Kontrollsystem – IKS).* Furthermore, the Audit Committee prepares the proposal for the election of the Company's auditor by the Shareholders' Meeting.

One member of the Audit Committee must be a financial expert with special knowledge and practical experience in finance, accounting and reporting (*Finanzexperte*). Persons who were members of the Management Board, executives or auditors of the Company or persons having certified the consolidated financial statements of the Company within the last three years may not be financial expert or chairman of the Audit Committee.

The current members of the Audit Committee are Harald Nograsek, Wilhelm Rasinger and Karl Sauer.

Strategy Committee

The Strategy Committee is authorized to approve transactions and measures within certain thresholds that do not require the approval of the Supervisory Board as a whole and also makes decisions in urgent cases.

The current members of the Strategy Committee are the Chairman and the Vice-Chairman of the Supervisory Board, Peter Johnson, Claus Raidl and Karl Sauer.

Personnel and Nominating Committee

The Personnel and Nominating Committee is responsible for succession planning. The responsibilities of the Personnel and Nominating Committee include the selection of nominees for the Supervisory Board in accordance with the criteria of independence and the preparation of appointments to the management board. This committee recommends candidates to the Supervisory Board which are then presented to the Shareholders' Meeting for election. It also defines a set of requirements for the appointment of members to the Management Board and prepares decisions for the Supervisory Board.

The current members of the Personnel and Nominating Committee are the Chairman and the Vice-Chairman of the Supervisory Board, Karl Fink, Franz Rauch and Karl Sauer.

Supervisory Board compensation

The Company's Articles of Association provide for an annual remuneration for the members of the Supervisory Board, which includes fixed and variable components as well as additional remuneration for special duties, if any. The annual base remuneration amounts to EUR 10,000. Members of the Audit Committee, Strategy Committee and the Personnel and Nominating Committee receive an additional remuneration of EUR 5,000 per committee and year. Moreover, each member of the Supervisory Board receives a performance-based compensation equal to 0.07‰ of profit after tax (before minority interests and after the deduction of any interest expense for hybrid bonds or comparable financial instruments) as shown in the audited consolidated financial statements for each business year. The remuneration for the Chairman and the Vice-Chairman of the Supervisory Board amounts to 200% and 150%, respectively, of the compensation of ordinary members of the Supervisory Board. In addition to the annual remuneration, members of the Supervisory Board are reimbursed for actual expenses.

Furthermore, members of the Supervisory Board are protected up to a certain coverage limit by a D&O insurance policy provided by the Company which extends to personal liability of the Board members arising from negligent breaches of duty committed within the scope of activity as a member of the Supervisory Board.

In 2008, the total remuneration of the Supervisory Board amounted to EUR 215,094 (2007: EUR 343,206).

The members of the Supervisory Board are not entitled to any pension benefits after termination of their duties.

Duty of loyalty and care

Members of the Management Board and the Supervisory Board owe a duty of loyalty and care to the Company. In carrying out their duties they must exercise the standard of care of a prudent and diligent business person. They are required to take into account a broad range of considerations when making their decisions, including the Company's interests and those of the shareholders, employees, creditors, and the public.

Generally, a shareholder has no direct recourse against members of the Supervisory Board or the Management Board in the event that they are believed to have breached their duty.

Certain additional information about Board Members

Activities performed outside the Wienerberger Group

The following table sets out the names of companies and business partnerships (excluding subsidiaries of Wienerberger AG) of which each of the members of the Supervisory Board and Management Board has been a member of the administrative, management or supervisory boards or partner (as the case may be) at any time in the five years prior to the date of this prospectus:

Name	Name of Company	Function	Current function (yes/no)
Management Board			
Heimo Scheuch	Soravia Group AG	Member of the supervisory board	Yes
	Sto AG	Member of the supervisory board	Yes

Name	Name of Company	Function	Current function (yes/no)
	European Brick Association	Member of the executive committee	Yes
	French brick association	Member of the board	No
	Belgien brick association	Member of the board	No
	Alpinvest Vermietungs GmbH	Managing Director	No
Willy Van Riet	Koramic Investment Group (former Koramic Building Products)	Member of the board of directors, CFO	No
Johann Windisch	Tondach Gleinstätten AG	Member of the supervisory board	No
Supervisory Board			
Friedrich Kadrnoska..........	Privatstiftung zur Verwaltung von Anteilsrechten	Member of the executive board	Yes
	A&I Beteiligung und Management GmbH	Managing Director	Yes
	Österreichisches Verkehrsbüro AG	Chairman of the supervisory board	Yes
	Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft	Chairman of the supervisory board	Yes
	Wiener Börse AG	Vice-chairman of the supervisory board	Yes
	card complete Service Bank AG (former VISA-SERVICE Kreditkarten Aktiengesellschaft)	Member of the supervisory board	Yes
	Wiener Privatbank SE	Member of the administrative board	Yes
	conwert Immobilieninvest SE	Member of the administrative board	Yes
	Porr Technobau und Umwelt Aktiengesellschaft	Member of the supervisory board	Yes
	Porr Projekt und Hochbau Aktiengesellschaft	Member of the supervisory board	Yes
	VISA Europe Limited	Director of the board	Yes
	UniCredito Italiano S.p.A.	Director	Yes
	GUS Consulting GmbH	Chairman of the advisory board	No
	Asset Management GmbH	Chairman of the supervisory board	No
	BA Private Equity GmbH	Member of the supervisory board	No
	BANKPRIVAT AG	Chairman of the supervisory board	No
	SKWB Schoellerbank AG	Vice-chairman of the supervisory board	No
	Splitska Banka D.D.	Member of the supervisory board	No
	PBK BPH SA	Member of the supervisory board	No
	Commercial Bank Biochim AD	Member of the supervisory board	No
	HVB Bank Czech Republic a.s.	Member of the supervisory board	No
	HVB Bank Hungary Rt.	Member of the supervisory board	No
	Investkredit Bank AG	Member of the supervisory board	No
	Oesterreichische Kontrollbank AG	Member of the supervisory board	No
	Wiener Privatbank Immobilieninvest AG	Member of the supervisory board	No
	Ruefa Reisen AG	Member of the supervisory board	No
Christian Dumolin.............	Auguria Residential Real Estate	Director	Yes
	Banking Finance and Insurance Commission	Member of the supervisory board	Yes
	Belgian Corporate Governance Institute	Member of the board of trustees	Yes
	Brinvest	Director	Yes
	CLEAR2PAY	Director and president	Yes
	Council of Regency of the Belgian National Bank	Honorary Member	Yes
	C.V.C. Capital Partners Benelux	Member of the advisory board Belgium	Yes
	De Palingbeek	Director	Yes
	De Steeg Investments	Director	Yes
	E&L Real Estate	Director	Yes
	Flanders International Airport	Director	Yes
	Hallex	Director	Yes
	Holim	Director	Yes
	Koramic Finishing Products	Director and president	Yes
	Koramic Investment Group(1)	Managing director and president	Yes
	Kortrijk Innovatie Netwerk (Kortrijk.In)	Director	Yes
	Lamifil	Director	Yes
	Lessius NV	Director	Yes
	Lessius Ventures	Director	Yes
	Levimmo NV	Director	Yes
	Mercapital Sociedad de Capital Inversion BV	Director	Yes

(1) As well as various other companies of the Koramic Group.

Name	Name of Company	Function	Current function (yes/no)
	National Bank of Belgium	Honorary regent	Yes
	Rec-Les	Director	Yes
	Sobikor	Director	Yes
	Spector Photo Group	Director	Yes
	USG People	Member of the supervisory board	Yes
	Verbond van Belgische Ondernemingen	Member of the management board	Yes
	Vitalo Industries	Member of the management board	Yes
	Vlerick Leuven Gent Management School	Member of the general board	Yes
	Vlaamse jonge ondernemingen	Director	Yes
	VOKA Kamer van Koophandel West-Vlaanderen	Member of the local board Kortrijk	Yes
	Brant Industrial Services Group	President	No
	Dolintex	Director	No
	Foto invest	Director	No
	Indumo	Director	No
	Lamitref Industries	President	No
	Mediaxim	Director	No
	Mercapital Sociedad de Capital Inversion NV	Director	No
Karl Fink	WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group	Member of the management board	Yes
	Wiener Städtische Wechselseitige Versicherungsanstalt Vermögensverwaltung	Member of the management board	Yes
	TBIH Financial Services Group N.V.	Chairman of the supervisory board	Yes
	ZPAD Bulstrad	Chairman of the supervisory board	Yes
	Bulgarski Imoti Versicherung AG	Vice-Chairman of the supervisory board	Yes
	Bulgarski Imoti Lebensversicherung AG	Vice-Chairman of the supervisory board	Yes
	Donau Versicherung AG Vienna Insurance Group	Vice-chairman of the supervisory board	Yes
	Kooperativa genossenschaftliche Versicherung AG (Prag)	Vice-chairman of the supervisory board	Yes
	Ray Sigorta (Türkei)	Chairman of the supervisory board	Yes
	TU Compensa S.A. (Warschau)	Vice-chairman of the supervisory board	Yes
	TU nZ Compensa S.A. (Warschau)	Vice-chairman of the supervisory board	Yes
	TU InterRisk (vormals CIGNA) (Warschau)	Member of the supervisory board	Yes
	VIG Re zajistovna (Tschechische Republik)	Chairman of the supervisory board	Yes
	VIG Polska Sp. z o.o. (Warschau)	Member of the supervisory board	Yes
	AT&S Austrian Technologie & Systemtechnik AG	Member of the supervisory board	Yes
	Sektion Industrieversicherung des Verbandes der Versicherungsunternehmen Österreichs	Chairman	Yes
	Österreichische Hagelversicherung Versicherungsverein auf Gegenseitigkeit	Member of the supervisory board	No
	Wiener Städtische Osiguranje a.d.	Member of the supervisory board	No
	Moskauer Versicherungsgesellschaft (MSK-Life)	Member of the supervisory board	No
	Kooperativa genossenschaftliche Versicherung AG (Bratislava)	Vice-chairman of the supervisory board	No
	TuiR CIGNA S.A.	Member of the management board	No
	InterRisk Versicherungs-AG	Chairman of the supervisory board	No
	InterRisk Lebensversicherungs-AG	Chairman of the supervisory board	No
	Risk Consult Sicherheits- und Risiko-Managementberatung GmbH	Chairman of the supervisory board	No
	Investkredit Bank AG	Member of the supervisory board	No
	Semperit AG Holding	Member of the supervisory board	No
	Montanversicherungsservice AG	Chairman of the management board	No
Peter Johnson.....................	DS Smith PLC	Chairman of the board	Yes
	SSL International plc	Director	Yes
	George Wimpey PLC	Director and CEO	No
	Home Builders Federation	Director	No
Harald Nograsek................	DDSG - BLUE DANUBE SCHIFFAHRT GMBH	Member of the supervisory board	Yes
	Kärnten Verkauf Incoming GmbH	Member of the supervisory board	Yes
	RUEFA Utazasy Iroda Kft.	Member of the supervisory board	Yes
	Cestovna kancelaria RUEFA CS sro.	Member of the supervisory board	Yes
	Cetovni kancelar RUEFA REISEN sro.	Member of the supervisory board	Yes
	Ruefa Reisen Biuro Podrozy Sp.z.o.o.	Member of the supervisory board	Yes

Name	Name of Company	Function	Current function (yes/no)
	Verkehrsbüro Hotellerie GmbH	Chairman of the supervisory board	Yes
	Motel One Central & East Europe GmbH	Member of the supervisory board	Yes
	conwert Immobilien Invest SE	Member of the administrative board	Yes
	Fontana Sporthotel Gesellschaft m.b.H.	Managing director	Yes
	Österreichisches Verkehrsbüro Aktiengesellschaft	Chairman of the management board	Yes
	Ruefa Reisen Direktbuchung GmbH	Managing director	Yes
	Verkehrsbüro Finanzmanagement GmbH	Managing director	Yes
	Verkehrsbüro-Ruefa Reisen GmbH	Vice-Chairman of the supervisory board	Yes
	Verkehrsbüro Business Travel GmbH	Vice-Chairman of the supervisory board	Yes
	Kulinarik Gastronomie und Frischküche GmbH (formerly CMS-Club-Menü-Service Gesellschaft m.b.H.)	Managing director	No
	Gut Guggenthal GmbH	Managing director	No
	Verkehrsbüro – Ruefa Reisen GmbH	Managign director	No
	Kärntner Reisebüro Gesellschaft m.b.H.	Chairman of the supervisory board	No
	Asset Management GmbH	Member of the supervisory board	No
	B.A. Cayman Islands	Member of the supervisory board	No
	Pioneer Investments Austria GmbH	Member of the supervisory board	No
	Adria Bank Aktiengesellschaft	Member of the supervisory board	No
	Bank Austria Creditanstalt Leasing GmbH	Member of the supervisory board	No
	Bank Austria Creditanstalt Wohnbaubank AG	Member of the supervisory board	No
	UNIVERSALE International Realitäten GmbH	Member of the supervisory board	No
	Schoellerbank Aktiengesellschaft	Vice-chairman of the supervisory board	No
	Lambacher HITIAG Leinen Aktiengesellschaft	Vice-chairman of the supervisory board	No
	HVB Czech Republic	Member of the supervisory board	No
	Biochim A.D.	Member of the supervisory board	No
	CAIB Polska S.A.	Member of the supervisory board	No
	Union Versicherungs-AG	Member of the supervisory board	No
	BANKPRIVAT AG	Member of the supervisory board	No
	CA IB Corporate Finance Beratungs Ges.m.b.H.	Member of the supervisory board	No
	BA-CA Private Equity GmbH	Vice-chairman of the supervisory board	No
	Bank Austria Creditanstalt Versicherung AG	Member of the supervisory board	No
	VISA-SERVICE Kreditkarten Aktiengesellschaft	Member of the supervisory board	No
	Bank Austria Creditanstalt Real Invest GmbH	Member of the supervisory board	No
	Splitska Banka D.D.	Member of the supervisory board	No
	Rail Tours Touristik Gesellschaft m.b.H.	Member of the supervisory board	No
	RINGTURM Kapitalanlage-gesellschaft m.b.H.	Member of the supervisory board	No
	Vitana Salat- und Frischeservice GmbH	Managing director	No
Claus Raidl	BÖHLER-UDDEHOLM Aktiengesellschaft	Chairman of the management board	Yes
	voestalpine AG	Managing director	Yes
	voestapline Automotive GmbH	Member of the supervisory board	Yes
	voestalpine Profilform GmbH	Member of the supervisory board	Yes
	voestalpine Stahl GmbH	Member of the supervisory board	Yes
	Böhler-Uddeholm Precision Strip GmbH	Member of the supervisory board	Yes
	Wiener Börse AG	Member of the supervisory board	Yes
	DONAU Versicherungs AG Vienna Insurance Group	Member of the supervisory board	No
	voestalpine Bahnsysteme GmbH	Vice-chairman of the supervisory board	Yes
	Österreichische Nationalbank	President of the General Council	Yes
	EK Mittelstandsfinanzierungs AG	Chairman of the supervisory board	No
	BÖHLER Edelstahl GmbH	Member of the supervisory board	Yes
	BÖHLER Schmiedetechnik GmbH	Vice-chairman of the supervisory board	Yes
	UBF Mittelstandsfinanzierungs AG	Chairman of the supervisory board	No
Wilhelm Rasinger..............	Erste Group Bank AG (formerly: Erste Bank der österreichischen Sparkassen AG)	Member of the supervisory board	Yes
	CEE Immobilien Development AG	Member of the supervisory board	Yes
	BÖHLER-UDDEHOLM Aktiengesellschaft	Member of the supervisory board	No

Name	Name of Company	Function	Current function (yes/no)
	Steirerobst Aktiengesellschaft	Member of the supervisory board	No
	Inter-Management Unternehmensberatung Gesellschaft m.b.H.	Managing director	Yes
	"Am Klimtpark" LiegenschaftsverwaltungsgmbH	Managing director	Yes
Franz Rauch.......................	Rauch Fruchtsäfte Gesellschaft mbH	Managing director	No
	F&R Industriebeteiligungen GmbH	Managing Director	Yes
	Franz Rauch GmbH	Managing Director	Yes
	Esola Beteiligunsverwaltungs GmbH	Managing Director	Yes
	Ewana Beteiligungsverwaltungs GmbH	Managing Director	Yes
	OTAG Oberflächentechnologie AG	Member of the supervisory board	Yes
	UniCredit Bank Austria AG (früher: Bank Austria Creditanstalt AG)	Vice-Chairman of the supervisory board	Yes
	Vorarlberger Kraftwerke AG	Member of the supervisory board	Yes
	Fohrenburg Beteiligungs-AG	Member of the supervisory board	Yes
	Vorarlberger Illwerke AG	Member of the supervisory board	Yes
	Hirschmann Automotive GmbH	Member of the supervisory board	Yes
	Österreichische Bundesbahnen-Holding Aktiengesellschaft	Vice-Chairman of the supervisory board	Yes
	Rail Cargo Austria Aktiengesellschaft	Vice-Chairman of the supervisory board	Yes
	ÖBB-Personenverkehr Aktiengesellschaft	Vice-Chairman of the supervisory board	Yes
	Treibacher Industrie AG	Vice-Chairman of the supervisory board	Yes
	Treibacher Industrieholding GmbH	Managing Director	No
	RCH Beteiligungs GmbH	Managing Director	No
	RSG Beteiligungs GmbH	Managing Director	No
	Rauch Beteiligungs GmbH	Managing Director	No
	Limessa Vertriebs GmbH	Managing Director	No
	Generali Holding Vienna AG	Member of the supervisory board	No
Rupert Bellina	None	n.a.	n.a.
Claudia Krenn	None	n.a.	n.a.
Gerhard Seban	None	n.a.	n.a.
Karl Sauer.........................	None	n.a.	n.a.

(Source: Internal data.)

Conduct of Board Members

Within the five years prior to the date of this prospectus, no member of the Management Board or Supervisory Board:

- has been convicted in relation to fraudulent offences;
- has been associated with bankruptcies, receiverships or liquidations in his capacity; except for Mr. Nograsek who acted as member of the management board of BCU Realitäten Privatstiftung up to its dissolution in 2006; and Mr. Dumolin who is acting as liquidator (*Liquidator*) in the winding up of New Building Products.
- has been officially and publicly incriminated and/or sanctioned by statutory or regulatory authorities (including designated professional bodies); or
- has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Shares held by Board Members

The following table sets forth the number of shares in the Company held by the members of the Management Board and the Supervisory Board as of December 31, 2008:

	Number of shares held as of December 31, 2008
Management Board[(1)]	
Heimo Scheuch	29,466
Willy Van Riet	1,530
Johann Windisch	0
Supervisory Board	
Friedrich Kadrnoska	6,759
Christian Dumolin	95,000
Karl Fink	0
Peter Johnson	0
Harald Nograsek	1,000
Claus Raidl	3,000
Wilhelm Rasinger	35,224
Franz Rauch	0
Total	**171,979**

(1) Including only current members of the Management Board (i.e., as of the date of this prospectus).

(Source: Company's website (www.wienerberger.com) under the icons "The Company", "Corporate Governance" and "Directors' Holdings.)

Conflicts of interest

No potential conflict of interest exists in respect of any member of the Management Board or Supervisory Board between his duties to the Company and his private duties and/or other duties. There are no family ties between members of the Management Board and the Supervisory Board.

The Company has no outstanding loans to and no guarantees on behalf of any members of the Supervisory Board or Management Board.

Pursuant to the CGC, a sufficient number of members of the Supervisory Board should be independent of the Company and its management (see "*—Compliance with the Austrian Corporate Governance Code*"). In accordance with the CGC, the Company has adopted guidelines to evaluate the independence of Supervisory Board members. Pursuant to these guidelines, a member of the Supervisory Board is deemed independent if it does not have any business or personal relations with the Company or its Management Board that constitute a material conflict of interest suited to influence the behavior of such member. In particular, the Supervisory Board member must not have served as member of the Management Board or key employee of the Company (or its affiliates) in the past five years, must not have maintained any significant business relations with the Company (including its affiliates) in the past year, must not have acted as auditor of the Company in the past three years or hold shares in an auditor of the Company, must not be a member of the management board of another company in which a member of the Management Board of the Company is a supervisory board member, must not be a member of the Supervisory Board for more than 15 years (except he/she is a shareholder with a corporate interest in the Company or he/she represents the interests of such an investor) and must not be a close relative of a member of the Management Board or of persons who are in one of the positions described above.

The Company believes all members of its Supervisory Board to be independent as set forth in the CGC.

Other legal relations with the Company

No legal relationships exist between the members of the Management Board or the Supervisory Board (including Board members who retired in 2009) and the Company or any of its subsidiaries other than their respective appointments as Board members and the relating service agreements.

Stock option plan

In 2002, the Wienerberger Group implemented a stock option plan for members of the Management Board and other eligible employees of the Group. The options granted under the stock option plan are non-negotiable and non-marketable. Each option entitles its holder to purchase one share at the exercise price. The exercise price equals the 30 days average share price as from the announcement of preliminary results for the past reporting year and amounted to EUR 31.50 in 2008. Options can be exercised after a period of two years and must be exercised within five years. If the option holder resigns during the two-year period, the options are forfeited. One third of the shares purchased through the exercise of these options are subject to a 24-month retention period starting on the date of exercise. In order to service the stock options, the Shareholders' Meeting on May 12, 2005 approved the issue of authorized conditional capital and the Shareholders' Meeting on May 9, 2008 authorized a share buyback. A share buyback program was carried out from March 4 to 28, 2008, which resulted in the purchase of 300,000 Wienerberger shares at a total cost of EUR 9.3 million.

From 2002 to 2008, the Company implemented stock option plans in every year. In 2008, because performance targets were not met, the options granted for 2008 have not become valid and have expired. The existing stock option plan is no longer considered to be an adequate incentive for the management because of the change in the business and financial climate. Therefore, no options were granted in 2009. The Supervisory Board is currently working to develop an alternative model for 2010 and the following years, which will serve as an incentive for management to pursue the sustainable development of the Company and also reflect the changed operating environment.

The following table sets forth information on the options granted for each period to members of the Management Board and other eligible Group employees under the Stock Option Plan.

Numbers of options granted for each period	**2008**	**2007**	**2006**
Members of the Management Board			
Wolfgang Reithofer[(1)]	18,000	18,000	18,000
Heimo Scheuch	15,000	15,000	15,000
Willy Van Riet[(2)]	15,000	12,500	n.a. [(3)]
Johann Windisch	15,000	15,000	15,000
Johann Tschuden[(4)]	n.a.	n.a.	15,000
Total number of options granted to the Management Board	**63,000**	**60,500**	**63,000**
Other key employees	**263,000**	**226,000**	**230,000**
Total number of options granted	**326,000**	**286,500**	**293,000**

(1) Wolfgang Reithofer retired from the Management Board effective August 2009
(2) Willy Van Riet was appointed member of the Management Board effective April 2007.
(3) In 2006, Willy van Riet was granted 5,000 options which are contained in the total options granted to "Other key employees" as he was not a member of the Management Board then.
(4) Johann Tschuden was Member of the Management Board from May 2001 to March 2007

(Source: Wienerberger Annual Report 2008.)

More detailed information concerning the Stock Option Plan is provided in note 34 to the Consolidated Financial Statements incorporated by reference in this prospectus.

Compliance with the Austrian Corporate Governance Code

The CGC was published by the Austrian Working Group on Corporate Governance, a group of private organizations and individuals in 2002 and has been amended most recently in January 2009.

The CGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law ("Legal Requirements", "L-Rules"). In addition, the CGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with some of these rules must be explained ("Comply or Explain", "C-Rules"). The CGC also contains rules that are voluntary and do not require explanation in the case of deviations ("Recommendation", "R-Rules").

The principal rules and recommendations of the CGC include:

- equal treatment of shareholders under equal circumstances;
- remuneration for members of the management board should comprise fixed and business performance related components (based on long-term indicators); the individual remuneration for each member of the management board should be reported in the annual financial statements;
- stock option plans for members of the management board should be approved by the Shareholders' Meeting and be based on objective parameters to be defined in advance; subsequent changes of the parameters should be avoided;
- conflicts of interests of members of the management board and the supervisory board should be disclosed in the annual financial statements;
- an adequate number of members of the supervisory board should be independent of the company and its management and the supervisory board should define the criteria that constitute independence;
- supervisory board committees should be established, in particular a remuneration committee (for remuneration and other issues with management board members) and a nomination committee;
- supervisory board members may not assume any functions on the boards of other enterprises that are competitors of the company;
- the number of members of the supervisory board (excluding employees' representatives) should be ten or less; supervisory board members should not sit on the supervisory boards of more than eight other listed companies (the function as a chairperson counts twice);
- annual and quarterly financial statements (drawn up according to internationally recognized accounting standards) should be published in a timely manner (within four and two months, respectively) and must remain publicly accessible for at least five years;
- communication structures should be established to meet information needs of shareholders in a timely and adequate manner, in particular by using the internet; dates essential for shareholders should be communicated sufficiently in advance; consolidated financial statements and interim reports should be published on the company's website in German and English;
- any director's dealings should be disclosed on the company's website directly or by referring to the website of the FMA;
- the independent auditors should make regular assessments of the company's risk management; and
- an annual report regarding compliance with the CGC should be included in the annual financial statements posted on the company's website.

The Company currently complies in full with all "L-Rules" and "C-Rules" of the CGC.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Shares held by Management Board members in the Company and other companies of the Group

For information on shares held by members of the Management Board in the Company see "*Management and Corporate Governance—Certain additional information about Board Members—Shares held by Board Members*".

Activities of members of the Management Board in companies other than the Company

For information on activities of the members of the Management Board in companies other than the Company see "*Management and Corporate Governance—Certain Additional Information about board members—Activities performed outside the Wienerberger Group*".

Related party transactions

Relationships with shareholders

The Group has, from time to time, entered into business relationships with its shareholders and affiliates. Transactions with related parties are described in the notes to the Consolidated Financial Statements incorporated by reference in this prospectus.

Relationship with the ANC Foundation

In 2001, the Company decided to reduce the holdings and assets of its real estate and other businesses which were not considered part of the Company's core business, and to better manage potential exposure to environmental law related claims. The decision was made to gradually dispose of certain non-core assets by transferring these assets to a private foundation and its subsidiaries.

In 2001, the Company founded a private foundation, ANC Foundation. The ANC Foundation is self-owned and is administered by a three-member board of directors. No executive of Wienerberger is a director of the ANC Foundation or its subsidiaries; ANC Foundation has no advisory board *(Beirat)*. Wienerberger has no shares or other interests in the ANC Foundation and no power to control the ANC Foundation. Wienerberger is not required to make any additional contributions to the ANC Foundation or its subsidiaries. Shareholders of Wienerberger are beneficiaries of the ANC Foundation in proportion of their holding of Wienerberger shares.

In 2001, the Company sold certain of its real estate, including three landfills operated by the Group in Austria, to a wholly-owned subsidiary of the ANC Foundation. In October 2003, the Company sold its 50% stake in Steinzeug Abwassersysteme GmbH to ANC Foundation. In 2005, the Company sold non-operating real estate property located south of Vienna to a subsidiary of the ANC Foundation.

As of June 30, 2009 the following amounts were outstanding between the Wienerberger Group and the ANC Foundation: the remaining part of participation rights amounting to EUR 13.7 million and accounts receivable of EUR 17.0 million mainly relating to a pending sale of land and transactions in the normal course of business and operating loans outstanding of which Wienerberger and the ANC Foundation also have an available credit line EUR 8 million of which is undrawn as of August 17, 2009.

DESCRIPTION OF THE SHARE CAPITAL OF THE COMPANY AND THE ARTICLES OF ASSOCIATION

The following is a summary of the material terms of the Company's Shares, as set out in the Articles of Association and certain relevant provisions of the Stock Corporation Act. This description is only a summary and does not include all the information contained in the Articles of Association. The Company encourages a review of the full Articles of Association, which are available for inspection at the Company's principal office or on the Company's website (www.wienerberger.com) under the icons "Investor Relations", "Corporate Governance" and "Articles of Association". The information on the Company's website is not incorporated by reference into this prospectus.

The Articles of Association were last amended at the general Shareholders' Meeting held on May 14, 2009.

Share capital and Shares

Prior to the Offering, the Company's issued and fully paid-in share capital amounts to EUR 83,947,689, divided into 83,947,689 no-par value ordinary voting bearer shares (*auf Inhaber lautende Stückaktien*). Each Share represents a calculated notional amount of EUR 1.00 of the share capital. As of December 31, 2008, after completion of its share buyback program, in which a total of 300,000 shares were repurchased in March 2008, at an average price of EUR 31.09, the Company held 1,113,603 treasury shares.

Following completion of the Offering and the issuance of 33,579,075 New Shares, the Company's issued and fully paid-in share capital will amount to EUR 117,526,764, divided into 117,526,764 no-par value ordinary voting bearer shares, each representing a calculated notional amount of EUR 1.00 of the share capital.

All Shares of the Company including the New Shares are issued under Austrian law. The Existing Shares are and the New Shares will be freely tradable. The Company is not aware of any limitation to the rights of non-Austrians to own the Company's Shares or to exercise voting rights in accordance with the procedures described below.

Development of the share capital since 2006, capital measures

As of January 2006, the Company's share capital amounted to EUR 74,167,796 divided into 74,167,796 no-par value ordinary voting bearer shares, each representing a calculated notional amount of EUR 1.00 of the share capital.

Pursuant to the joint resolution of the Management Board and the Supervisory Board dated September 20, 2007 the Company increased its share capital by further EUR 9,779,893 to EUR 83,947,689. The capital increase was registered with the commercial register on October 10, 2007.

The Shareholders' Meeting held on May 14, 2009, resolved to authorize the Management Board, subject to the approval of the Supervisory Board, to increase the Company's share capital from EUR 83,947,689 by up to EUR 41,973,844 in one or several tranches, by issuing up to 41,973,844 new no-par value ordinary voting bearer or registered shares against contributions in cash or in kind, until July 15, 2014. In general, statutory subscription rights of the shareholders have to be observed when exercising the authorized capital. However, the Management Board has also been authorized, subject to approval by the Supervisory Board, to issue new shares under the exclusion of the subscription rights in case of a capital increase under the authorized capital against contributions in kind to acquire companies, businesses *(Unternehmensteile)* or participations in companies and in case of over-allotment options in connection with the placement of new shares by the Company (greenshoe).

The 2009 Shareholders' Meeting resolved a conditional capital increase by up to of EUR 41,973,844 by issuing up to 41,973,844 new no-par value ordinary bearer or registered shares, for the purpose of issuing new shares to holders of convertible bonds. Such capital increase may only be performed to the extent that holders of convertible bonds exercise subscription or conversion rights for shares in the Company, and if the Management Board decides to use new shares to satisfy the resulting delivery obligation. Treasury shares may also be used to satisfy the delivery obligation to holders of convertible bonds.

Capital measures on the basis of the resolutions on the authorized capital and the conditional capital passed on May 14, 2009, are limited with a total number of 41,973,844 new shares (50% of the share capital outstanding at the time of the Shareholders' Meeting).

Furthermore, the Shareholders' Meeting held on May 14, 2009 resolved to authorize the Management Board, subject to approval by the Supervisory Board, until May 13, 2014, to grant profit participation rights, in one or several tranches, at a total nominal value of up to EUR 200 million on the basis of the issue of up to 200,000 profit participation rights and to determine the issue conditions of the issue. The Shareholders' Meeting has been authorized to resolve on the distribution of shares in Wienerberger AG as dividend payable in kind in addition to or in lieu of the distribution of cash.

Capital increase in connection with the Offering, authorized capital

The New Shares will be issued based on a resolution by the Shareholders' Meeting held on May 14, 2009, to authorize the Management Board, subject to approval of the Supervisory Board, to increase the Company's share capital from EUR 83,947,689 by up to EUR 41,973,844 by issuing up to 41,973,844 new no-par value ordinary voting bearer or registered shares. On September 11, 2009, the Management Board passed, with the approval of the Supervisory Board, a framework resolution to increase the Company's share capital from EUR 83,947,689 by up to EUR 41,973,844 by issuing up to 41,973,844 new no-par value ordinary bearer shares and to establish an ad hoc-panel to determine the total volume of the Rights Offering, the subscription ratio, the Subscription Price and other details of the Offering. The volume of the Rights Offering, the Subscription Price and the subscription ratio were determined by the Management Board with the approval of the ad hoc-panel of the Supervisory Board on September 13, 2009. The New Shares will carry dividend rights from and including the financial years starting from January 1, 2009. The capital increase is expected to be registered with the commercial register and become effective on or about October 1, 2009. Following the registration of the capital increase in connection with the Offering, the Company's share capital will amount EUR 117,526,764 and will be divided into 117,526,764 Shares. There are no over-allotment options in connection with the New Shares.

Authorization to issue convertible bonds

The Shareholders' Meeting held on May 14, 2009, has authorized the Management Board, subject to approval by the Supervisory Board, to issue convertible bonds, also in multiple tranches, granting entitlement to subscription or conversion rights respectively provide for an obligation to subscription or conversion for up to 41,973,844 shares or 50% of share capital of the Company at the time of the Shareholders' Meeting. Upon conversion, bondholders may receive new shares issued on the basis of the conditional capital and/or treasury shares. The amount of capital issued and the issue conditions are to be determined by the Management Board with the approval of the Supervisory Board. This authorization is valid until May 13, 2014. The Management Board was authorized, with the approval of the Supervisory Board, to exclude the Subscription Rights of shareholders for fractional amounts which arise as a consequence of subscription ratios.

Conversion and option rights

There are currently no options or rights of conversion in respect of the Company's Shares other than the options granted under the Company's Stock Option Plan described under "*Management and Corporate Governance—Stock option plan*".

Form and certification of the shares

Form and contents of the share certificates are determined by the Management Board. Shareholders have no right to request the issuance of individual share certificates.

Of the Company's 83,947,689 Existing Shares, 328,000 shares are represented in single share certificates (*Einzelaktien*), and 83,619,689 shares are represented by a modifiable interim certificate (*veränderbare Zwischensammelurkunde*). The modifiable interim certificate has been deposited with the clearing system of OeKB, Am Hof 4, A-1011 Vienna, Austria.

The New Shares will be represented by a modifiable interim certificate deposited with the clearing system of OeKB, Am Hof 4, A-1011 Vienna, Austria. Title to the Company's New Shares will therefore be transferred in accordance with the rules of that clearing system (see "*Market Information—The Vienna Stock Exchange—Trading and settlement*").

General provisions regarding a change of the share capital

Austrian law permits a stock corporation to increase its share capital in any of the following ways:

- through a shareholders' resolution on the issuance of new shares against contributions in kind or in cash (ordinary capital increase/*ordentliche Kapitalerhöhung*);
- through a shareholders' resolution authorizing the management board, subject to approval of the supervisory board, to issue new shares up to a specified amount (not exceeding 50% of the issued share capital) within a specified period, which may not exceed five years (authorized capital/*genehmigtes Kapital*);
- through a shareholders' resolution on the issuance of new shares up to a specified amount for specific purposes, such as for employee stock options (not exceeding 10% of the issued share capital), for conversion rights granted to holders of convertible bonds or for use as consideration in a merger (not exceeding 50% of the issued share capital) (conditional capital/*bedingtes Kapital*);
- through a shareholders' resolution authorizing the management board to effect a conditional capital increase with the approval of the supervisory board in order to grant stock options to employees, executives and members of the management board up to a certain nominal amount (not exceeding 10% of the issued share capital) (authorized conditional capital/*genehmigtes bedingtes Kapital*); or
- through a shareholders' resolution authorizing the conversion of unrestricted reserves or retained earnings into share capital, with or without the issuance of new shares (*Kapitalberichtigung*).

According to the Stock Corporation Act, an ordinary capital increase requires approval by a simple majority of the share capital present or represented at the Shareholders' Meeting. However, if the Subscription Rights of existing shareholders are to be excluded, a 75% majority of the share capital present or represented at the Shareholders' Meeting is required. Shareholder resolutions approving authorized capital, conditional capital or authorized conditional capital require a 75% majority of the share capital present or represented at the Shareholders' Meeting.

Authorization to acquire treasury stock

Pursuant to the Stock Corporation Act, the Company may purchase its own shares only in the following limited circumstances:

- upon approval of the Shareholders' Meeting, for a period not exceeding 30 months and limited to a total of 10% of the share capital, if the shares are listed on a regulated market (such as the Official Market of the Vienna Stock Exchange), or if the shares are intended to be offered to the Company's employees or employees of certain affiliated companies; the resolution must determine a minimum and a maximum consideration), provided that the Company keeps sufficient reserves;

- where the shares are acquired without payment of consideration or where the Company is acting as agent on a commission basis;
- to prevent substantial, immediately threatening damage to the Company (subject to the limitation of 10% of the overall share capital), provided that the Company keeps sufficient reserves;
- by way of a universal legal succession (i.e., succession by merger);
- for the purpose of indemnifying minority shareholders, provided that the Company keeps sufficient reserves; or
- as part of a redemption of shares in accordance with the rules for capital decreases approved by the Shareholders' Meeting.

As of December 31, 2008, the Company held 1,113,603 Shares representing 1.3% of the share capital with an aggregate book value of EUR 40.7 million and an aggregated calculated notional amount of the Company's share capital of EUR 1,113,603. The Shareholders' Meeting held on May 9, 2008 authorized the repurchase of up to 8,394,769 shares, which represents 10% of the Company's share capital, for a period of 30 months commencing on May 9, 2008.

General provisions regarding subscription rights

Under Austrian law, shareholders generally are entitled to subscription rights (*Bezugsrechte*) allowing them to subscribe for any new shares (including securities convertible into shares, securities with warrants to purchase shares, securities with profit participation or participation certificates) to maintain their existing share in a company's share capital. Such subscription rights are in proportion to the number of shares held by the shareholder. Shareholders may waive or transfer their subscription rights.

The shareholders' subscription rights may be excluded by a resolution of 75% of the share capital present or represented at the Shareholders' Meeting. A shareholders' resolution resolving upon an authorized capital may exclude the subscription rights or authorize the Management Board to exclude the subscription rights with a majority of 75% of the share capital present or represented at the Shareholders' Meeting. The decision of the Management Board to issue the shares from authorized capital and to exclude the shareholders' subscription rights requires the approval by the Supervisory Board and a statement by the Management Board as to the reason why the shareholders' subscription rights are excluded. If shares are issued from a conditional capital, there are no subscription rights.

Subscription rights are not deemed to be excluded, when new shares are subscribed for by a credit institution, in order to offer the new shares to the existing shareholders.

Pursuant to the Stock Corporation Act, the period to exercise subscription rights may not last less than two weeks. The Management Board must publish a notice of the issue price and the commencement and duration of the exercise period in the Official Gazette.

Shareholders' Meeting

Convention of the Shareholders' Meeting

The Shareholders' Meeting is convened by the Management Board or the Supervisory Board. The Shareholders' Meeting takes place at the registered seat of the Company in Vienna, Austria, at any of the Company's domestic branch offices or in any of the provincial capitals of Austria.

According to the Articles of Association, the holders of shares or interim certificates are required to deposit their shares (or interim certificates, as the case may be) with a depository (*Hinterlegungsstelle*) and to keep such shares deposited until conclusion of the Shareholders' Meeting. However, according to an amendment of the Stock Corporation Act (*Aktienrechtsänderungsgesetz* 2009), to implement EU directive 2007/36/EC, shareholders are no longer required to deposit their shares to participate in Shareholders' Meetings. Instead, evidence that the shares were held on a record-date

(*Depotbestätigung*) is sufficient. Such evidence must be received by the Company, at the address as specified in the notice announcing the Shareholders' Meeting, at least three business days before the Shareholders' Meeting. The depository may be an Austrian notary public, a credit institution having its registered seat in a member state of the European Economic Area or a full member of the OECD or the head office of a foreign credit institution, as specified in the notice announcing the Shareholders' Meeting. Shares or interim certificates will also be deemed to be properly deposited when kept in a blocked securities account at another credit institution with the approval of and on behalf of a depository appointed by the Company. If no share certificates or interim certificates have been issued, the invitation notice to the Shareholders' Meeting must contain the information under which conditions shareholders shall be entitled to attend the Shareholders' Meeting.

The Company must publish an invitation notice of the Shareholders' Meeting; the minimum period between the publication of the invitation notice and the day of the Shareholders' Meeting must be 28 days.

Shareholders may appoint proxies to represent them at Shareholders' Meetings.

The general Shareholders' Meeting must take place within the first eight months of each financial year.

Voting rights and majority requirements

Each share entitles its holder to one vote at the Shareholders' Meeting. There is no minimum attendance quorum at the Shareholders' Meeting. Resolutions of the Shareholders' Meeting are passed with simple majority of the votes cast or, in matters which require a majority of the share capital, with simple majority of the share capital present, unless mandatory law requires a higher majority.

Under Austrian mandatory law, the following measures require a majority of at least 75% of the share capital present or represented at a Shareholders' Meeting:

- change of the business objectives;
- increase of share capital with a simultaneous exclusion of subscription rights;
- creation of authorized capital or conditional capital;
- decrease of share capital;
- exclusion of subscription rights for convertible bonds, participating bonds and participation rights;
- dissolution of the Company or continuation of the dissolved company;
- transformation of the Company into a limited liability company (*GmbH*);
- approval of a merger or a spin-off (proportionate to shareholdings);
- transfer of all assets of the Company; and
- approval of profit pools or agreements on the operation of the business.

A majority of 90% of the entire share capital is required for an upstream merger pursuant to the Transformation Act (*Umwandlungsgesetz*), with certain exceptions, for a spin-off disproportionate to shareholdings pursuant to the Spin-Off Act (*Spaltungsgesetz*) or for a squeeze-out pursuant to the Austrian Act on the Squeeze-out of Minority Shareholders (*Gesellschafter-Ausschlussgesetz*) (see "*Regulation of Austrian Securities Markets—Squeeze-out of minority shareholders*").

A shareholder or a group of shareholders holding at least 20% of the share capital may object to settlements or waivers of liability claims of the Company against members of the Management Board or the Supervisory Board.

A shareholder or a group of shareholders holding at least 10% of the share capital may in particular:

- request special audits of activities with respect to the management of the Company, if these activities took place within the previous two years;
- veto the appointment of a special auditor and request a court to appoint another special auditor;
- request an adjournment of the Shareholders' Meeting if the annual financial statements are found to be incorrect by the shareholders who require such adjournment;
- request a court to recall a member of the Supervisory Board for cause; and
- request the assertion of damage claims by the Company against members of the Management Board or the Supervisory Board or certain other parties, if the claim is not obviously unfounded.

A shareholder or a group of shareholders holding at least 5% of the share capital may in particular:

- request that a Shareholders' Meeting be convened or, if the Management Board and the Supervisory Board do not comply with such request within a maximum period of two months, request a court to convene a Shareholders' Meeting or, upon court approval, convene a Shareholders' Meeting themselves;
- request that a topic be put on the agenda of the Shareholders' Meeting;
- request the assertion of damage claims of the Company against members of the Management Board or the Supervisory Board or certain other parties, if a special report reveals facts which may entitle to such damage claims;
- request court appointment of another auditor of the financial statements for cause; and
- appeal a shareholders' resolution, if such resolution provides for amortization, accumulated depreciation, reserves and accruals exceeding the limit set by law or the Articles of Association.

Change or impairment of shareholders' rights

The Stock Corporation Act contains provisions that protect the rights of individual shareholders. As a general rule, shareholders must be treated equally under equal circumstances, unless the concerned shareholders agree otherwise. Furthermore, measures affecting shareholders' rights generally require a shareholders' resolution. The rights of holders of the shares as a group can be changed by amendment of the Articles of Association.

The Articles of Association do not provide for more stringent conditions for the exercise of shareholders' rights than those provided by law. In addition, the Articles of Association do not allow changes to, or restrictions to shareholders' rights under less stringent conditions than those provided by law.

Neither Austrian law nor the Articles of Association restrict the right of non-resident or foreign holders of the shares to hold or vote the shares.

General provisions regarding profit appropriation and dividend payments

The New Shares carry full dividend rights for the financial year starting January 1, 2009 and the following financial years.

Each shareholder is entitled to receive an annual dividend, if and to the extent that the distribution of dividends is resolved by the Shareholders' Meeting. Pursuant to the Articles of Association, dividend payments can be made, in principle, in cash or in kind. Based on the proposal of the Management Board and the report by the Supervisory Board, the Shareholders' Meeting resolves whether dividends will be paid for any financial year and on the amount and timing of any such dividend payments.

Pursuant to the Company's Articles of Association, profits of the Company shall be distributed, unless decided otherwise by the Shareholders' Meeting. Since the Shareholders' Meeting held on May 14, 2009, the Shareholders' Meeting has the authority to resolve on the distribution of shares in Wienerberger AG as dividend payable in kind in addition to or in lieu of the distribution of cash.

Unless the Shareholders' Meeting resolves otherwise, dividends that are approved by the Shareholders' Meeting will be distributed via the paying agent to the shareholders on a pro rata basis, according to the number of shares they hold. Dividends are payable within ten days from the resolution of the Shareholders' Meeting unless the Shareholders' Meeting resolves otherwise. Dividends that have not been collected by shareholders within three years are deemed forfeited and become part of the Company's unrestricted reserve (*freie Rücklage;* for further details see "*Dividend Policy*").

Dissolution

The dissolution of the Company requires a majority of at least 75% of the share capital present or represented at the Shareholders' Meeting. If the Company is dissolved, any assets remaining after repayment of the outstanding debts and supplementary capital will be distributed pro rata to the shareholders.

GENERAL INFORMATION ABOUT THE COMPANY

Legal and commercial name, registered seat, financial year, duration

Wienerberger AG is a stock corporation formed under Austrian law for an indefinite period, with its registered seat in Vienna, registered with the commercial register under FN 77676 f. and its business address at Wienerberg City, Wienerbergstraße 11, 1100 Vienna, Austria. The Company was founded as "Wienerberger Ziegel-Fabriks und Bau-Gesellschaft" and first registered on April 10, 1869. The Company's as well as the Group's commercial name is Wienerberger. The Company may be reached at its business address, by phone (+43 (1) 60192-463) or on its website under www.wienerberger.com. The Company's financial year is identical with the calendar year.

Corporate history

In 1819, Alois Miesbach founded the business which today is Wienerberger in Vienna, Austria. Following rapid expansion during the nineteenth century, Wienerberger had gained leadership in brick production within the Austro-Hungarian Empire. In 1869, Wienerberger was first listed on the Vienna Stock Exchange. After World War II, Wienerberger was forced to confine its operations to Austria due to the geopolitical situation. In 1986, Wienerberger expanded beyond the Austrian borders through the acquisition of the Oltmanns group, a brick manufacturer in Germany with one facing brick and three clay block plants. In 1990, the Group entered the Eastern European markets through an acquisition in Hungary which was followed by acquisitions in the Czech Republic, Slovakia and Poland. Within 20 years, the Group has grown from a small local Austrian building material player to the world's largest brick producer (according to management estimates) with brick production facilities in 26 countries, five export markets and a leading position in most of the brick markets in which it operates (according to management estimates).

In the mid-1990s, the Group started to focus on its core brick activities, as well as related building products such as its pipes and roofing investments. This new strategy was implemented through disposition of non-core assets and acquisition of additional core assets. For example, in 1997 the Group sold Treibacher Abrasives, a producer of abrasives, and in 2000 the Group sold Treibacher Industrie AG, a producer of metallurgy powders. In 2003, the Group disposed of its clay pipe business, Steinzeug Abwassersysteme GmbH.

By the late 1990s, the Group's strategy became to focus on its core brick and roof tile businesses by achieving leading positions in important markets through acquisitions and greenfield projects. By adhering to this strategy, the Group made the following acquisitions:

- In 1995, the Group acquired the Sturm group in Eastern France consisting of 16 plants producing clay blocks, roof tiles and concrete products. The acquisition enabled the Group to enter the French market.

- In 1996, the Group acquired the operations of Terca Bricks, N.V. ("Terca") in Belgium, The Netherlands, France and Germany from Koramic Roofing. At the time, Terca was, according to management estimates, the largest producer of facing bricks in Continental Europe with 29 plants.

- In 1996, the Group made a 51% majority investment (later increased to 75%) in Semmelrock, a producer of concrete pavers with operations in Austria, Czech Republic, Hungary, Slovakia, Poland and Croatia.

- In 1999, the Group entered the U.S. market through the acquisition of General Shale, according to management estimates, the second largest U.S. facing brick producer based on volumes, with 25 factories in the Southeast and Midwest of the United States, for USD 260 million.

- In 2000, the Group expanded its presence in the United States by acquiring Cherokee Sanford, according to management estimates, the sixth largest facing bricks producer in the United States at that time with five plants for USD 81 million. In addition, the Group acquired one brick plant in Pennsylvania through the acquisition of Darlington.

- In 2001, the Group acquired eight clay block plants from Megalith in Germany for EUR 47 million. The Group also acquired the brick business of Optiroc for EUR 54 million, consisting of eight facing brick plants in Denmark, Estonia, Finland, Norway and Sweden and sales-only operations in the United Kingdom.

- In 2002, the Group acquired Hanson Bricks' Continental European operations for EUR 65.4 million, consisting of 23 brick plants, primarily producing facing bricks in The Netherlands, Belgium, Germany, Poland and France.

- In 2003, the Group acquired a 50% interest in Koramic Roofing for EUR 211.5 million, with 13 roof tile plants in Belgium, The Netherlands, France, Germany, Poland and Estonia.

- In 2004, the Group exercised its option to acquire the remaining 50% interest in Koramic Roofing for a total consideration of EUR 223.9 million. Simultaneously, Wienerberger placed a capital increase to finance this acquisition. In addition, the Group acquired thebrickbusiness in the United Kingdom for EUR 128.1 million (including debt).

- In 2005, Wienerberger invested in 30 bolt-on projects totaling EUR 250.4 million.

- In 2006, Wienerberger acquired Robinson Brick, headquartered in Denver, Colorado, the leading brick producer in the western part of the United States (according to management estimates), for USD 121.5 million.

- In 2007, the Group completed the acquisition of Baggeridge Brick, a listed British manufacturer of facing bricks, pavers and products for the facade for GBP 99.4 million. In addition, the Group acquired Canadian manufactured stone specialist Arriscraft for CAD 107 million.

- In 2008, the Group acquired the clay block producers IGM Backa Nova in Serbia and IGM Ciglana d.o.o. in Croatia as well as a 74% stake in Sandtoft, according to management estimates, the largest independent roof tile producer in the United Kingdom. Furthermore, an agreement has been reached between Semmelrock International, a 75% subsidiary of Wienerberger AG and Zementwerk Leube GmbH to form a joint venture between its Austrian subsidiaries Semmelrock Baustoffindustrie GmbH and Ebenseer Baustoffindustrie GmbH & Co KG. Semmelrock International holds a 62.5% stake in the newly founded Semmelrock Ebenseer Baustoffindustrie GmbH & Co KG. The transaction was approved by the Austrian cartel authorities in January 2009.

Corporate purpose

The Company's business objectives as stated in section 2 of its Articles of Association include:

- exercise of holding company functions related to companies under its control as a corporate group in accordance with section 15 of the Stock Corporation Act. The object of business of these group companies comprises in particular the production, purchase and sale of all types of building materials, the pursuance of activities in the construction sector and the operation of filling stations;

- acquisition of and investment in other companies and corporations, in particular industrial companies, with the same or similar object of business as well as the establishment of branches and subsidiaries in Austria and other countries;

- performance of administrative, management and consulting duties (in particular in the areas of organization, data processing, insurance, etc.) for other companies and corporations;

- automatic processing of personal data;

- trade in goods of all kinds.

The Company is entitled to engage in any and all transactions that are deemed necessary or expedient for realizing the objects of business, in particular transactions in the areas that are similar or related to the objects of its business.

Major shareholders and controlling interests

The following table sets forth for each of the Company's shareholders who notified the Company of their holding of 5% or more of the Company's voting securities, the percentage of outstanding shares owned by such shareholders at the date of the respective notification:

Dodge & Cox	10.09% (July 31, 2008)

The remaining shares are held by various investment funds and individuals holding below 5% each.

The Investor

The Libyan Investment Authority (the "Investor") is a government entity headquartered in Tripoli, Libya. Established in August, 2006, by a decree of the General People's Committee of Libya, it is considered to be a sovereign wealth fund. Initially established to manage Libya's oil revenue surplus, it has become a holding company that supervises and manages government investment funds in various areas including agriculture, real estate, infrastructure, oil and gas and in shares and bonds. Its objective is to assist in the diversification of foreign currencies, income sources and the Libyan economy in general.

Under the Backstop Commitment, the Investor has committed to acquire up to 10% of the Shares of the Company (calculated on the basis of the Shares outstanding after closing of the Offering, which represents 11,752,676 Shares) at a price of EUR 10.00 per New Share. All New Shares are primarily offered to the Company's existing shareholders. No definitive amount of shares could thus be assured to be allocated to the Investor. Accordingly, the Investor, in order to fulfil its obligations under the Backstop Commitment, is required to exercise Subscription Rights acquired in the trading and sale of Subscription Rights or otherwise or by subscribing New Shares without Subscription Rights.

If the participation of the Investor in the Company after closing of the Offering is equal to or exceeds 5%, the Investor, has agreed to be bound by a one year lock-up (the "Investor Lock-up") and a two year stand-still (the "Stand-still").

Under the Investor Lock-up, the Investor, for a period of one year from the closing of the Rights Offering, has undertaken not to, directly or indirectly:

- offer, issue, contract to offer or issue, sell, mortgage, charge or assign, contract to sell, grant any option to purchase or otherwise dispose of, or

- announce the proposed offering of,

any Shares (or any securities that are substantially similar to, or convertible into, or exchangeable for, Shares, or which carry rights to subscribe for or purchase Shares) or

- enter into a transaction (including a derivative transaction) having the same economic effect as, or agree to, or

- announce, propose (including to the general meeting) or otherwise state its intention to do, any of the foregoing,

whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise, without the prior written consent of the Company. If at the expiration of the lock-up period the participation of the Investor exceeds 10% of the Company's outstanding shares at that time, the Investor has undertaken to dispose of its Shares in the Company only by way of (i) a marketed transaction with the support of the Company (e.g. preparation of a prospectus) or (ii) with the consent of the Company to a third party in a block sale.

Under the Stand-still, the Investor has undertaken for a period of two years from the date of the Backstop Commitment, directly or indirectly, either alone or together with another person, without the prior written consent of the Company (irrespectively of any applicable law or regulation), with respect to in excess of 15% of the total shares outstanding of the Company:

- not to acquire or cause, assist or advise another person to acquire, an interest in any shares of the Company or enter into an agreement or arrangement (legally binding or not) or do or omit to do any act as a result of which it or another person may acquire an interest in any shares of the Company;

- not to make or cause, assist or advise another person to make, an offer for any shares of the Company or enter into an agreement or arrangement (legally binding or not) or do or omit to do any act as a result of which it or another person may become obliged (under the Takeover Act or otherwise) to make an offer for any shares of the Company;

- not to announce or cause, assist or advise another person to announce, an offer for any shares of the Company or enter into an agreement or arrangement (legally binding or not) or do or omit to do any act as a result of which it or another person may become obliged (under the Takeover Act or otherwise) to announce an offer for any shares of the Company; and

- save as otherwise provided for by mandatory law, not to exercise the voting rights connected with any shares in the Company acquired by it or another person in breach of the Stand-still. The Investor has undertaken to cause another person to comply with such voting right waiver.

Furthermore, the Investor has undertaken to procure that each of its affiliates and each of the directors, officers, employees, agents, representatives of its affiliates complies with the Stand-still. In the Stand-still, "offer" means a general, partial, tender or other type of offer including, without limitation, an acquisition, takeover or merger transaction (however effected), reverse takeover, scheme of arrangement or other equivalent scheme, offer by a parent company for shares in its subsidiary, share exchange or similar transaction. The Stand-still is not meant to limit in any way and to any extent the rights of the Company and its Management Board in proceedings under the Takeover Act (see "*Regulation of the Austrian Securities Markets Takeover Act*").

The Company's major shareholders do not have special voting rights. To management's best knowledge, there are no agreements among the Company's shareholders relating to the ownership or voting of the Company's shares.

Significant subsidiaries

The Company considers the following companies to be its significant subsidiaries:

Name of Company	Country of Incorporation	Registered Seat	Percentage of ownership and voting power
Wienerberger B.V.	The Netherlands	Postbus 144, NL-5300 AC Zaltbommel	100%[(2)]

Wienerberger N.V.	Belgium	Kapel ter Bede 86, B-8500 Kortrijk	100%[(1)]
General Shale, Inc.	United States	P.O. Box 3547 USA TN 39602 Johnson	100%[(2)]
Wienerberger Limited	United Kingdom	Brooks Drive, Cheadle Royal Business Park, Cheadle, GB-SK 83 SA Cheshire	100%[(2)]
Wienerberger SAS	France	8, Rue du Canal, F-67087 Achenheim	100%[(2)]
Wienerberger Cegielnie Lebork Sp.z.o.o.	Poland	Ul. Ostrobramska 79 PL 04-175 Warsaw	100%[(2)]
Wienerberger Ziegelindustrie GmbH	Germany	Oldenburger Allee 26 D-30659 Hannover	100%

(1) Combined (indirect) shareholding.
(2) Indirect shareholding.

Auditors

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Porzellangasse 51, A-1090 Vienna, Austria, certified public auditors and members of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstreuhänder*), have acknowledged the incorporation by reference of their unqualified auditors' opinion in relation to the Audited Annual Consolidated Financial Statements of the Group for the years ended December 31, 2008, 2007 and 2006.

Notices

Pursuant to the Stock Corporation Act, notices must be made by publication in the Austrian Official Gazette *(Amtsblatt zur Wiener Zeitung)*.

Paying agent and depository

The depository bank (*Verwahrstelle*) is Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, A-1010 Vienna, Austria.

Paying agent and depository (*Zahl- und Hinterlegungsstelle*) is UniCredit Bank Austria AG, Schottengasse 6-8, A-1010 Vienna, Austria. The depository (*Hinterlegungsstelle*) may also be an Austrian notary public or the head office of a domestic or foreign credit institution, as specified in the notice announcing the Shareholders' Meeting.

Specialist / market maker

As of the date of this prospectus, Erste Group Bank AG, Graben 21, 1010 Vienna, acts as specialist, and Raiffeisen Centrobank AG, Tegetthoffstrasse 1, 1010 Vienna, UniCredit CAIB AG, Julius Tandler Platz 3, A-1090 Vienna, and Timber Hill (Europe) AG, Gotthardstrasse 3, 6301 Zug, Switzerland, act as the market makers for the Shares of the Company in accordance with the rules of the Vienna Stock Exchange and the prime market segment without contractual arrangement with the Company.

REGULATION OF AUSTRIAN SECURITIES MARKETS

Notification and disclosure of shareholdings

The following provisions of the Stock Exchange Act on the disclosure of major shareholdings generally apply in relation to issuers of securities listed on a regulated market in the EU the home Member State of which is Austria and, as far as notifications to the Vienna Stock Exchange are required, only to issuers of securities listed on a regulated market located in Austria.

Any person (irrespective of whether domestic or foreign) whose voting interest in such an issuer reaches, exceeds or falls below 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 75% or 90% through acquisition or sale of shares must give written notification to the issuer, the stock exchange and the FMA. Such notification must be made no later than two trading days after noting or having the possibility to note that the relevant thresholds have been reached, exceeded or are no longer met. The same applies among other things in relation to shares that are subject to option and trust arrangements and to banks that exercise voting rights on behalf of their depositaries by virtue of special voting proxies. The Company is required to publish any such event within two trading days of being notified thereof. The Company is also obliged to publish any changes of the share capital and voting right thresholds as described above at the end of the calendar month of the respective change. Publications need to be made through an EU-wide electronic information dissemination system.

The following provisions of the Stock Exchange Act on the disclosure of directors' dealings apply in relation to issuers having their registered office in Austria whose shares are listed on the Official Market (*Amtlicher Handel*) or Second Regulated Market (*Geregelter Freiverkehr*) of an Austrian stock exchange:

Persons who undertake managerial responsibilities and, where applicable, persons closely associated with them, must publish without delay and notify the FMA within five working days of the existence of any transactions conducted on their own account relating to shares of the issuer, or to derivatives or other financial instruments linked to them (so-called directors' dealings). Such notification requirement does not apply if the aggregated value of such person's transactions does not reach EUR 5,000 per calendar year.

In addition to the above notification and disclosure obligations under the Stock Exchange Act, under certain circumstances, the acquisition of shares or other methods of obtaining control of a company within the meaning of the Austrian Cartel Act (*Kartellgesetz*) may be subject to the Austrian Cartel Court's approval.

Insider trading & ad-hoc information

Austrian law prohibits the abuse of inside information committed in Austria or by Austrian citizens abroad with regard to financial instruments admitted to trading on a regulated market in Austria. Austrian law further prohibits the abuse of inside information committed in Austria with regard to financial instruments admitted to trading on a regulated market in another EU member state. Inside information is defined as detailed information not known to the public which, directly or indirectly, concerns one or more issuers of financial instruments, or one or more financial instruments, and which would, if it were publicly known, substantially influence the quoted value of such financial instruments or of derivatives linked to them, because a reasonable investor would likely use such information as the basis for his investment decision.

An insider is any person who has access to inside information either due to his position as a member of the administrative, managing or supervisory body of an issuer or due to his profession, occupation, responsibilities or shareholding (so called "*Primärinsider*"). Any person who gains access to inside information by way of a criminal offence is also an insider.

Any insider who uses inside information with the intent to gain a pecuniary advantage for himself or a third party by buying or selling financial instruments or by offering or recommending such instruments to third parties, or who provides access to such information to third parties without being required to do so, is subject to a criminal penalty of up to three years' imprisonment. If the financial advantage achieved exceeds EUR 50,000, the penalty is between six months' and five years' imprisonment. If this criminal offence is performed by a person who is not an insider, but has inside information which has been made available to him by an insider (so called "*Sekundärinsider*"), he is subject to a criminal penalty of up to one year's imprisonment. If the financial advantage achieved exceeds EUR 50,000, the penalty is up to three years' imprisonment.

Pursuant to the Stock Exchange Act, every issuer is obliged to inform its employees and other persons providing services to the issuer about the prohibition on the abuse of inside information; to issue internal directives for the communication of information within the company; and to monitor compliance. Furthermore, issuers are obliged to take organizational measures to prevent the abuse of inside information or its disclosure to third parties. The Issuers' Compliance Regulation (*Emittenten-Compliance-Verordnung*) regulates the measures to be taken by issuers in further detail (e.g. blocking periods). In addition, it requires each issuer whose securities are admitted to the Official Market or the Second Regulated Market to issue a compliance directive (*Compliance-Richtlinie*). These compliance directives must be submitted to the FMA.

Issuers are required to establish a register of those persons working for them who have access to inside information, whether on a regular or occasional basis. Issuers are also required to regularly update this register and transmit it to the FMA whenever requested.

Furthermore, the Stock Exchange Act requires companies admitted to the Official or Second Regulated Market of the Vienna Stock Exchange to disclose to the public without delay any inside information that directly concerns them (so-called ad-hoc information). Material changes to published inside information have to be published and identified as such.

Market manipulation

Market manipulation refers to transactions or trade orders which give, or are likely to give, false or misleading signals as to the supply of, demand for, or price of, financial instruments, or which secure, by a person, or persons acting in collaboration, the price of one or several financial instruments at an abnormal or artificial level, unless the person who entered into the transactions or issued the trade orders has legitimate reasons for doing so and these transactions or trade orders conform to accepted market practices on the regulated market concerned. Market manipulation also comprises transactions or trade orders which employ fictitious devices or any other form of deception or contrivance. Finally, market manipulation includes dissemination of information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to financial instruments, including the dissemination of rumors and false or misleading news, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading. Market manipulation is subject to an administrative fine of up to EUR 75,000, which may be imposed by the FMA. Additionally, any pecuniary advantage attained by such transaction or trade order is to be declared forfeit by the FMA.

Takeover Act

The Austrian Takeover Act (*Übernahmegesetz*) (the "Takeover Act") primarily applies to public offers for the acquisition of shares of stock corporations registered in Austria, which shares are admitted to the Official or Second Regulated market of the Vienna Stock Exchange. The primary purpose of the Takeover Act is to ensure that all shareholders of a company the shares of which are being acquired are treated equally.

The Takeover Act provides that any public offer for the acquisition of shares of an Austrian company listed on an exchange in Austria has to be submitted to the Takeover Commission (*Übernahmekommission*) prior to its publication and has to be prepared and published in accordance with the requirements of the Takeover Act. Any person (or parties acting in concert) who acquires a controlling interest in an Austrian company listed on an exchange in Austria has to disclose that fact to the Takeover Commission without undue delay and make an offer to all other shareholders to purchase their shares in such company within 20 stock exchange trading days ("mandatory offer").

An interest shall be deemed to be controlling if more than 30% of the voting stock of a company is obtained. Acquisitions of voting rights not exceeding 30% will in no case trigger a mandatory offer ("safe harbor"). In the event of a holding of between 26% and 30%, the voting rights exceeding a participation of 26% are suspended unless such suspension is explicitly lifted by the Takeover Commission. The Takeover Commission, upon application, may impose conditions on the offer or instead of the suspension of voting rights.

Under the "creeping-in" rule, the extension of an existing controlling interest shall also trigger a mandatory offer, if a person with a controlling interest who does not have a majority of the voting rights of a listed company acquires an additional 2% or more of the voting rights within a period of 12 months. The "creeping-in" rule, accordingly, only applies to a shareholding between 30-50%.

In the event of a "passive" acquisition of control, there is no requirement to launch a mandatory offer if the acquirer of a controlling interest could not reasonably expect the acquisition of control at the time of acquiring the participation. Otherwise, the same provisions as outlined above apply (e.g. suspension of voting rights).

The minimum price to be offered in a mandatory offer or a voluntary offer aimed at the acquisition of a controlling interest must be the higher of (i) the highest price paid by the offeror during the last twelve months preceding the publication of the offer, and (ii) the average share price during the six months immediately preceding the publication of the offer.

The Takeover Act requires that the offeror prepares offer documents to be examined by an independent expert, either a qualified auditor or bank, before these offer documents are filed with the Takeover Commission and the target company. The management of the target company must issue a statement on the offer which is also subject to mandatory examination by an independent expert. Any offers providing for a higher consideration or competing offers must follow the same rules. From the time of the publication of an offeror's intention to submit a public offer, the management board and the supervisory board of the target company generally may not undertake measures to jeopardize the offer. The offeror and the parties acting in concert must refrain from selling any shares in the target company and from purchasing target shares for a higher consideration than offered in the offer. The violation of any legal provision may result in the obligation to pay the difference between the price such shares have been purchased and/or sold at and the price offered in the bid to all shareholders who have accepted such bid, in the suspension of voting rights and in fines imposed by the Takeover Commission.

The Takeover Commission supervises compliance with the Takeover Act and is authorized to fine any party who violates the Takeover Act. The Takeover Commission may institute proceedings ex officio and is not subject to supervision by any other regulatory authority.

Squeeze-out of minority shareholders

Pursuant to the Austrian Act on the Squeeze-out of Minority Shareholders (*Gesellschafter Ausschlussgesetz*), a majority shareholder holding no less than 90% of the entire (voting and non-voting) share capital of a corporation under Austrian law may squeeze-out the remaining shareholders at an equitable price. The squeeze-out right is general and is not limited to a preceding takeover offer. The minority shareholders are not entitled to block the squeeze-out but have the right of separate judicial review of the fairness of the compensation paid for their minority stake. Where a squeeze-out follows a takeover offer, the consideration offered in the takeover bid is presumed to be fair where, through the acceptance of the offer, the offeror has acquired shares representing no less than 90% of the share capital entitled to vote of the target company.

Short selling

The FMA is entitled to temporarily ban short selling trades in financial instruments specified by regulation. In such regulation, the FMA has to specify the securities affected as well as the period of the ban, which must not exceed 3 months. Currently, FMA has made use of its power and prohibited naked short sales of shares of 4 issuers on the spot market. Non observation of the ban is subject to an administrative fine of up to EUR 75,000, which may be imposed by the FMA. In addition, FMA has issued guidelines on short selling transactions founding the suspicion of market manipulative behavior. Pursuant to the Stock Exchange Act, any person professionally arranging transactions must submit a notification of suspicious transactions involving inside trading or market manipulation to FMA if such person is registered or has its head office or branch in Austria. FMA has specified this duty to be triggered by the entering into a holding of net short positions of minimum 0.25% of an issuer's outstanding share capital listed in Austria and to include OTC transactions in such shares and transactions taking place outside Austria as well.

TAXATION

Taxation in the Republic of Austria

The following selected aspects of taxation in Austria are of a general nature and do not purport to be an exhaustive account of the tax considerations relevant to the acquisition, ownership and disposal of shares. The following summary is based on the tax legislation in force in Austria at the date of this prospectus, and is subject to any changes in Austrian law and practice occurring after that date, which changes may have retroactive effect.

This summary focuses on the tax treatment of dividends, in particular on withholding tax, and capital gains which may be derived from shares by individuals with a domicile or their habitual abode in Austria and legal entities with their corporate seat or their place of management in Austria ("residents") as well as by individuals who do not have a domicile nor their habitual abode in Austria and legal entities who do not have their corporate seat nor their place of management in Austria ("non-residents"). Some of the potential inheritance and gifts tax consequences of the transfer of shares are also described.

It is not possible to describe all relevant tax considerations, particularly as tax consequences largely depend on the circumstances of each purchaser of shares. It is therefore strongly recommended that any potential investor consult its own tax adviser in order to determine the particular consequences of its purchase, ownership or disposal of shares.

Taxation of dividends

Austrian residents

Dividends paid by an Austrian stock corporation to its shareholders are subject to a withholding tax (*Kapitalertragsteuer – KESt*) at a rate of 25%. This tax is withheld by the company paying the dividend. The company, or the bank paying out the dividend on the company's behalf, is required to give the shareholder a certificate showing the gross dividend, the tax withheld, the date of payment and the period in respect of which the dividend is payable, and also the tax office to which the tax withheld was remitted.

Individual shareholders: For Austrian resident individuals the dividend withholding tax fully covers all income tax on such dividend income (final taxation – *Endbesteuerung*), which means that no further income tax is levied on the dividend income and the dividends do not have to be included in the shareholder's income tax return. Alternatively, the individual shareholder may include the dividends (together with his other income subject to final taxation) in his regular annual tax assessment. In this case the dividends are taxed at half the average tax rate payable on the shareholder's total income and the Austrian withholding tax will be credited against the shareholder's personal income tax liability or, if higher, repaid. Expenses, including interest expenses, relating to the dividends are not deductible.

Corporate shareholders: For Austrian resident legal entities (*Körperschaften*), Austrian dividend income is exempt from corporate income tax, and the dividend withholding tax is credited against the corporate income tax liability of the shareholder or refunded. No withholding tax has to be deducted by the distributing company where the shareholder directly holds at least 25% of the share capital of the distributing company. Expenses in connection with tax exempt dividend income are generally not deductible but interest expenses connected with shares which qualify as business assets are deductible.

Non-residents

For non-residents, dividends distributed by an Austrian stock corporation are also subject to 25% withholding tax. However, double taxation treaties ("tax treaties") may provide for a reduction of Austrian tax on dividends. Austria has entered into tax treaties with more than 80 countries. Most of the Austrian tax treaties basically follow the OECD Model Convention and provide for a reduction of Austrian tax on dividends to 15% and for a further reduction in case of qualified participations. For example, the tax treaty with the United States provides for a reduction of Austrian withholding tax to 15% or, in case of a direct ownership of at least 10% of the voting stock by a company (other than a partnership), to 5%.

A non-resident shareholder who is entitled to a reduced rate under an applicable tax treaty (including the tax treaties with Germany, the U.K. and the United States) may apply for refund of the difference between the 25% withholding tax and the lower rate provided for by the tax treaty. In order to obtain such a refund, an eligible non-resident shareholder will generally have to provide a certificate of residence issued by the tax authorities of the shareholder's country of residence. Claims for refund of Austrian dividend withholding tax may be filed with the tax office of the Austrian city of Eisenstadt by using forms ZS RD 1 and ZS RD 1A (German) or ZS RE 1 and ZS RE 1A (English). The application forms may be obtained from the website operated by the Austrian Ministry of Finance (www.bmf.gv.at) (information on the website of the Austrian Ministry of Finance is not incorporated by reference into this prospectus). Tax treaty relief from Austrian withholding tax may also be granted by the distributing company at source provided that the requirements of the Austrian relief at source rules (*DBA-Entlastungsverordnung*) are met. However, an Austrian stock corporation is under no obligation to grant tax treaty relief at source.

Corporate shareholders who are resident in a member state of the European Union or in a state of the European Economic Area (EEA) with which comprehensive mutual assistance in tax administration and tax enforcement exists are entitled to a refund of the Austrian dividend withholding tax if and to the extent the shareholder provides evidence that in his country of residence no tax credit for such withholding tax is possible pursuant to a tax treaty.

Dividends paid to a company qualifying under the EU Parent Subsidiary Directive (Council Directive (EEC) No. 435/90 of July 23, 1990 as amended) ("EU company") are exempt from withholding tax if the EU company has held directly at least 10% of the share capital for an uninterrupted period of at least one year and meets certain additional criteria. Dividends which are attributable to an Austrian permanent establishment of an EU company are exempt from corporate income tax. The 25% withholding tax is credited against the Austrian corporate income tax liability of the EU company or refunded to it.

Taxation of capital gains

Austrian residents

For Austrian resident individuals capital gains from the sale or other disposal of shares are subject to personal income tax if

- the disposal of the shares takes place within one year of acquisition (speculative transaction);
- the transaction is not speculative, but the shareholder held at any time within five years preceding the sale directly or indirectly at least 1% of the Austrian stock corporation's capital ("qualified shareholding");
- the Austrian stock corporation is liquidated; or
- the shares qualify as business assets.

If the shares are sold within one year of the acquisition the standard progressive income tax rates apply. If the shares are sold thereafter and the respective capital gain is taxable, the applicable income tax rate amounts to half the average income tax rate payable on the shareholder's total income irrespective of whether the shares have been held as private assets or as business assets. Capital gains from speculative transactions are not taxable if the total of such gains does not exceed EUR 440 per calendar year. Losses from speculative transactions can only be offset against capital gains from other speculative transactions in the same calendar year and losses from the sale of qualified shareholdings can only be offset against capital gains from qualified shareholdings in the same calendar year, they cannot be offset against other taxable income or carried forward.

For Austrian resident companies capital gains realized on the disposal of shares are subject to corporate income tax at the standard rate of 25%. There is, *inter alia*, a special tax regime for Austrian private foundations (*Privatstiftung*).

If, with regard to a shareholder who has a qualified shareholding, Austria loses its taxation rights to other countries (e.g. by a transfer of residence of such shareholder outside of Austria), a capital gain is recognized amounting to the difference between the acquisition cost and the fair market value of the shares in the Austrian stock corporation. Taxation of such capital gain shall be deferred, however, upon request, if the shareholder moves to an EU member state or to an eligible EEA member state. The deferred tax shall be levied upon actual disposal of the shares as well as upon transfer of the shareholder's residence for tax purposes to a state other than an EU member state or an eligible EEA member state. The deferred tax can only be levied within ten years after the shareholder moved his residence outside of Austria.

According to the Austrian income tax guidelines, the above provisions should also apply to capital gains from the sale of subscription rights.

Non-residents

For non-residents, capital gains on the sale of subscription rights or shares are taxable in Austria if (i) the shares are attributable to an Austrian permanent establishment or (ii) if the selling shareholder had a qualified shareholding (i.e., if he held at any time within five years preceding the sale directly or indirectly at least 1% of the Austrian stock corporation's capital). However, most of Austria's tax treaties, including the tax treaty with Germany, the U.K. and the United States, provide, in general, for an exemption from Austrian capital gains tax provided that the shares are not attributable to an Austrian permanent establishment.

According to the Austrian income tax guidelines, the above provisions should also apply to capital gains from the sale of subscription rights.

Certain United States Federal Income Tax Considerations

This disclosure is limited to the U.S. federal tax issues addressed herein. Additional issues may exist that are not addressed in this disclosure and that could affect the U.S. federal tax treatment of the Rights Offering and the Shares. This tax disclosure was written in connection with the promotion or marketing of the Rights Offering and New Shares by the Issuer, and it cannot be used by any holder for the purpose of avoiding penalties that may be asserted against the holder under the Internal Revenue Code of 1986, as amended (the "Code"). Holders should seek their own advice based on their particular circumstances from an independent tax adviser.

The following is a description of certain U.S. federal income tax consequences to the U.S. Holders described below of the Rights Offering and of purchasing, owning and disposing of New Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire, own or dispose of such securities. This discussion applies only to U.S. Holders that hold the Subscription Rights or Shares as capital assets for U.S. federal income tax purposes. In addition, this discussion does not describe all of the U.S. federal income tax consequences that may be relevant to a U.S. Holder in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding Subscription Rights or Shares as part of a hedging transaction, straddle, wash

sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to the Subscription Rights or Shares;

- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, including "individual retirement accounts" or "Roth IRAs";
- persons that own or are deemed to own ten percent or more of the Company's voting stock;
- persons who acquired the Existing Shares pursuant to the exercise of an employee stock option or otherwise as compensation; or
- persons holding shares in connection with a trade or business conducted outside of the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds Subscription Rights or Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Subscription Rights or Shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of the Rights Offering and of acquiring, holding and disposing of the Subscription Rights or Shares.

This discussion is based on the Code, administrative pronouncements, judicial decisions, Treasury regulations and the income tax treaty between Austria and the United States (the "**Treaty**"), all as of the date hereof, any of which is subject to change, possibly with retroactive effect.

A "U.S. Holder" is a holder eligible for the benefits of the Treaty that is a beneficial owner of Subscription Rights or Shares and is, for U.S. federal income tax purposes:

- a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their own tax advisers concerning the U.S. federal, state, local and foreign tax consequences of the Rights Offering and of purchasing, owning and disposing of Shares in their particular circumstances.

This discussion assumes that the Company is not, and will not become, a passive foreign investment company, as described below.

Taxation of Subscription Rights

Receipt of Subscription Rights. For U.S. federal income tax purposes, the receipt of Subscription Rights by a U.S. Holder will be treated as a nontaxable distribution with respect to the U.S. Holder's Existing Shares.

If the fair market value of the Subscription Rights received by a U.S. Holder is less than 15% of the fair market value of the U.S. Holder's Existing Shares on the date of receipt, the Subscription Rights will be allocated a zero basis for U.S. federal income tax purposes, unless the U.S. Holder affirmatively and irrevocably elects to allocate the adjusted tax basis in the U.S. Holder's Existing Shares between the Existing Shares and the Subscription Rights, in proportion to their relative fair market values (determined on the date the Subscription Rights are received). A U.S. Holder must make this election on the holder's tax return for the taxable year in which the Subscription Rights are received.

If the fair market value of Subscription Rights received by a U.S. Holder is 15% or more of the fair market value of the Existing Shares on the date the Subscription Rights are received, the U.S. Holder's adjusted tax basis in its Existing Shares must be allocated between the Existing Shares and the Subscription Rights in proportion to their relative fair market values.

Exercise of Subscription Rights. The exercise of a Subscription Right will not be a taxable transaction for U.S. federal income tax purposes. A U.S. Holder's tax basis in each New Share acquired upon the exercise of a Subscription Right will equal the sum of the Subscription Price and the portion of the tax basis (as determined above) in the exercised Subscription Right that is allocable to the New Share. The holding period in the New Shares will begin on the exercise date.

Sale of Subscription Rights. For U.S. federal income tax purposes, gain or loss realized on the sale or other taxable disposition of Subscription Rights will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Subscription Rights for more than one year. For these purposes, the holding period in Subscription Rights includes the holding period in the Existing Shares with respect to which the Subscription Rights were distributed. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the Subscription Rights disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

Expiration of Subscription Rights. In the event that a U.S. Holder allows the Subscription Rights to expire without selling or exercising them, the rights will be deemed to have a zero basis and therefore, the U.S. Holder will not recognize any loss upon the expiration. In addition, the original tax basis of the Existing Shares with respect to which expired Subscription Rights were distributed will remain unchanged.

Taxation of shares

Taxation of Distributions. Distributions paid on Shares, other than certain pro rata distributions of ordinary shares, will be treated as dividends to the extent paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to U.S. Holders as dividends. Subject to applicable limitations, certain dividends paid to certain non-corporate U.S. Holders in taxable years beginning before January 1, 2011 may be taxable at favorable rates, up to a maximum rate of 15%. U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Any dividend will be included in a U.S. Holder's income on the date of receipt. The amount of any dividend paid in Euros will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt.

Dividends will be treated as foreign-source income for foreign tax credit purposes. The amount of a dividend will include any amounts withheld by the Company in respect of Austrian taxes. Subject to applicable limitations, some of which vary depending upon the U.S. Holder's circumstances, Austrian income taxes withheld from dividends on Shares at a rate not exceeding the rate provided by the Treaty will be creditable against the U.S. Holder's U.S. federal income tax liability. Austrian taxes withheld in excess of the rate applicable under the Treaty will not be eligible for credit against a U.S. Holder's federal income tax liability. See "*Taxation in the Republic of Austria—Taxation of dividends—non residents*" for a discussion of how to obtain the applicable Treaty rate. The rules governing foreign tax credits are complex and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including Austrian withholding taxes, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year.

Sale or Other Taxable Disposition of Shares. For U.S. federal income tax purposes, gain or loss realized on the sale or other taxable disposition of Shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the Shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

Passive Foreign Investment Company Rules. The Company believes that it was not a "passive foreign investment company" (a "PFIC") for U.S. federal income tax purposes for its 2008 taxable year and it does not expect to be a PFIC in the foreseeable future. However, because PFIC status depends on the composition of a company's income and assets and the market value of its assets from time to time, there can be no assurance that the Company will not be a PFIC for any taxable year. If the Company were a PFIC for any taxable year during which a U.S. Holder held Shares, gain recognized by a U.S. Holder on a sale or other disposition (including certain pledges) of the Shares would be allocated ratably over the U.S. Holder's holding period for the Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the resulting tax liability. Under proposed Treasury regulations (which have a retroactive proposed effect date), the sale or other disposition of Subscription Rights would be treated in the same manner. Further, to the extent that any distribution received by a U.S. Holder on its Shares exceeds 125% of the average of the annual distributions on the Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, as described immediately above. The reduced tax rate discussed in "*—Taxation of Distributions*" above with respect to dividends paid to certain non-corporate U.S. Holders would not apply. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the Shares. U.S. Holders should consult their tax advisers to determine whether any of these elections would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

UNDERWRITING

Subject to the terms and conditions set out in the Underwriting Agreement among the Company and the Managers, the Company will agree to offer for subscription or sell (as the case may be) to the Managers, and the Managers will severally agree to procure subscribers or purchasers for, or to subscribe or purchase themselves from the Company, the number of New Shares set out below next to their respective names at the Subscription Price.

Managers

	Number of New Shares	%
ABN AMRO Bank N.V.	9,234,245	27.5%
Morgan Stanley Bank AG	9,234,245	27.5%
UniCredit Bank Austria AG	15,110,585	45.0%
Total	**33,579,075**	**100.0%**

The Underwriting Agreement provides that the obligations of the Managers are subject to the fulfillment of certain conditions such as the registration of the New Shares in the commercial register and other customary conditions.

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Managers a fixed underwriting commission of 3.25% of the gross proceeds received from the sale of the New Shares and an incentive fee, payable in the Company’s sole discretion, of 0.50% of the gross proceeds from the sale of the New Shares. The Company has also agreed to reimburse certain costs incurred by the Managers in connection with the Offering.

The Underwriting Agreement provides that the Company will indemnify the Managers against certain liabilities in connection with the Offering, including liabilities under applicable securities laws. In addition, the Managers will be entitled to terminate the Underwriting Agreement in certain circumstances until the closing of the Offering. In such case the New Shares may not be delivered.

In connection with the Offering, UniCredit Bank Austria AG, as stabilization agent may engage in stabilization activity aimed at supporting the exchange or market price of the Shares. For details on such activities, please see “*The Offering—Stabilization*”.

The Managers, severally, engage in investment, consulting and financial transactions with Wienerberger from time to time in the ordinary course of their businesses and may continue to do so in the future. ABN AMRO, UniCredit and/or certain of their affiliates are financing banks for Wienerberger's existing facilities. As the proceeds of this Offering may be used to partially prepay these facilities, ABN AMRO, UniCredit and/or certain of their affiliates may receive a portion of the proceeds of the Offering. All investment, consulting and financial transactions with the Managers are conducted on an arm’s length basis.

Lock-up

The Company has agreed with the Managers, pursuant to the Underwriting Agreement, that for a period of six months from the Closing Date, it will not, directly or indirectly

- create (including through a capital increase),
- offer, issue, contract to offer or issue,
- sell, mortgage, charge or assign, contract to sell,

- grant any option to purchase or otherwise dispose of, or announce the proposed creation or offering of,

any of its common shares (or any securities that are substantially similar to, or convertible into, or exchangeable for, its common shares, or which carry rights to subscribe or purchase its common shares) or enter into a transaction (including a derivative transaction) having the same economic effect as, or agree to, or announce, propose (including to the general meeting) or otherwise state its intention to do, any of the foregoing, whether any such transaction is to be settled by delivery of common shares or such other securities, in cash or otherwise, without the prior written consent of the Managers.

However, the Company may

(i) initiate a proposal for the authorization of new authorized capital of the Company and take such action as is required by law in connection with any capital increase duly proposed by its shareholders,

(ii) grant options, conversion rights and common shares, pursuant to a management incentive program (if any), and

(iii) take any such action as is required by law in connection with any proposals, whether publicly announced or not and whether recommended by the Management Board of the Company or not, by one or more parties to acquire some or all of the shares or assets of the Company.

For the Lock-up undertaking of the Investor see "*General Information about the Company-Major shareholders and controlling interests-The Investor*").

SELLING RESTRICTIONS

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Manager will represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of the New Shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the New Shares which has been approved by the competent authority in that Relevant Member State or, where required, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of New Shares to the public in that Relevant Member State at any time:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

- to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than EUR 43,000,000 and (iii) an annual net turn-over of more than EUR 50,000,000, as shown in its last annual or consolidated accounts; or

- in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of New Shares to the public" in relation to any New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to purchase or subscribe the New Shares, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Council Directive (EC) No. 71/2003 of November 4, 2003 and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each Manager will represent, warrant and agree that (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any New Shares in circumstances in which section 21(1) of the FSMA does not apply to the Company; and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the New Shares in, from or otherwise involving the United Kingdom.

United States

The Subscription Rights and the New Shares have not been and will not be registered under the Securities Act and may not be offered, exercised or sold in the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the New Shares in the Offering are being offered and sold:

- in the United States only to qualified institutional buyers within the meaning of Rule 144A under the Securities Act ("QIBs"); and

- outside the United States in accordance with Regulation S under the Securities Act.

The Subscription Rights may not be exercised by or on behalf of any person in the United States, except that holders of Subscription Rights in the United States who are QIBs may exercise the Subscription Rights in accordance with the procedures and subject to the terms and conditions described herein.

Investors' representations and restrictions on resale

Outside the United States

Each person exercising Subscription Rights in the Rights Offering and each purchaser of New Shares outside the United States will be deemed to have represented and agreed, that it has received a copy of this prospectus and that:

- the purchaser acknowledges that the Subscription Rights and the New Shares have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on exercise and transfer;

- the purchaser is, and the person, if any, for whose account or benefit the purchaser is exercising the Subscription Rights or acquiring the New Shares is located outside the United States at the time the exercise or buy order for the Subscription Rights or the New Shares is originated and continues to be located outside the United States; and the person, if any, for whose account or benefit the purchaser is exercising the Subscription Rights or acquiring the New Shares reasonably believes that the purchaser is outside the United States; and neither the purchaser nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States;

- the purchaser is aware of the restrictions on the offer, exercise and sale of the Subscription Rights and the New Shares pursuant to Regulation S described in this prospectus; and

- any offer, exercise, sale, pledge or other transfer of the Subscription Rights or the New Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Within the United States

Each person exercising Subscription Rights in the Rights Offering who is located in the United States and each purchaser of New Shares in the Offering within the United States in reliance on Rule 144A will be deemed to have represented and agreed as follows:

1. such person is, and at the time of such exercise or purchase will be, a QIB within the meaning of Rule 144A;

2. such person understands and acknowledges that the Subscription Rights and the New Shares have not been and will not be registered under the Securities Act, and that they may not be offered, sold or exercised, directly or indirectly, in the United States, other than in accordance with paragraph 4 below;

3. such person is exercising Subscription Rights or purchasing New Shares, as the case may be, (i) for its own account, or (ii) for the account of one or more other QIBs for which it is acting as a duly authorized fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements contained herein with respect to each such account (in which case it makes such acknowledgements, representations and agreements on behalf of such QIBs as well), in each case for investment and not with a view to any resale or distribution of any New Shares;

4. such person understands and agrees that exercises of Subscription Rights by persons in the United States are permitted only by QIBs in reliance on a valid exemption from the

registration requirements of the Securities Act and offers and sales of the New Shares are being made in the United States only to QIBs pursuant to and in reliance on Rule 144A, and that if in the future it or any such other QIB for which it is acting, as described in paragraph 3 above, or any other fiduciary or agent representing such investor decides to offer, sell, deliver, hypothecate or otherwise transfer any New Shares, it, any such other QIB and any such other fiduciary or agent will do so only (a)(i) pursuant to an effective registration statement under the Securities Act, (ii) to a person whom the holder and any person acting on its behalf reasonably believes is a QIB purchasing for its account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S (and not in a pre-arranged transaction resulting in the resale of such New Shares into the United States) or (iv) pursuant to an exemption from registration under the Securities Act pursuant to Rule 144 thereunder, if available, and (b) in accordance with any applicable securities laws of any state or territory of the United States and of any other jurisdiction. Such person understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for the resale of the New Shares;

5. such person understands that for so long as New Shares issued upon the exercise of Subscription Rights are "restricted securities" within the meaning of Rule 144 under the Securities Act, no such New Shares may be deposited into any American depositary receipt facility established or maintained by a depositary bank, other than a restricted depositary receipt facility, and that such New Shares will not settle or trade trough the facilities of DTC or any other U.S. clearing system;

6. such person undertakes promptly to notify the Company and the Managers if, at any time prior to the delivery to it of any New Shares, any of the foregoing ceases to be true.

Any offer, exercise, sale, pledge or other transfer of the Subscription Rights or the New Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Each purchaser in the United States will also be deemed to have agreed to give any subsequent purchaser of the New Shares notice of any restrictions of the transfer thereof.

Any resale or other transfer, or attempted resale or other transfer, made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Holders of ADRs under the Company's American Depositary Receipts program will not be permitted to effect subscription for New Shares in respect of the common shares that are represented by such ADRs.

Australia

This prospectus is not a prospectus that has been lodged or is required to be lodged with the Australian Securities and Investments Commission. Offers of New Shares will only be made to persons to whom excluded offers or excluded invitations may be made in accordance with the Corporations Act.

Canada

The New Shares have not been and will not be qualified by prospectus for sale to the public in Canada under applicable Canadian securities laws and, accordingly, any offer or sale of the New Shares in Canada will be made pursuant to an exemption from the applicable prospectus filing requirements, and otherwise in compliance with applicable Canadian laws. This document is not, and under no circumstances is to be construed as, a prospectus, an advertisement or a public offering of the securities described herein in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offense.

Japan

The New Shares have not been and will not be registered under the Securities and Exchange law of Japan (Law No. 25 of 1948, as amended). The New Shares are not being offered and sold and may not be offered or sold, directly or indirectly, in Japan or to or for the account of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for offering or sale, directly or indirectly, in Japan or to, or for the account of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of the Securities and Exchange law of Japan and (ii) in compliance with any other applicable requirements of Japanese law.

GLOSSARY OF TECHNICAL TERMS

Acquisitions	Expenditure for the purchase of a company or share in a company (vs. investment)
ADRs	American Depositary Receipts
ANC Foundation	ANC Privatstiftung
Arriscraft	Arriscraft International Income Fund
ATX	Austrian Traded Index
Backstop Commitment	The agreement, pursuant to which the Investor as part of the Offering has committed vis-à-vis the Company to subscribe for up to 10% of the shares of the Company (calculated on the basis of the shares outstanding after closing of the Offering), which represents 11,752,676 Shares, at a price of EUR 10.00 per New Share.
Baggeridge Brick	Baggeridge Brick plc
BIA	Brick Industry Association
Bolt-on projects	Construction of new plants, plant-upgrades or smaller acquisitions in existing markets, that carry synergy potential through the integration with existing operations
CAD	Canadian Dollars
CEROT	Cash flow return on investment
CGC	The Austrian Code of Corporate Governance
Clay blocks	Bricks made of burned clay, which are normally used as perforated bricks under plaster
Clay roof tiles	Roof tiles made of clay, in various shapes and colors
CO_2	Carbon dioxide
Consolidated Financial Statements	The audited consolidated financial statements of the Company as of, and for the years ended, December 31, 2008, 2007 and 2006, and the unaudited interim consolidated financial statements of the Company as of, and for the six months ended, June 30, 2009, including comparable figures for 2008
CVA	Cash value added
DIY	Do-it-yourself
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, tax, depreciation, and amortization
ECB reference rates	European Central Bank reference rates
EPS	Earnings per share

Euribor	Europe Interbank Offered Rate
External projects	Acquisitions of larger competitors or companies with leading market positions, or the construction of plants in new markets; these measures from the basis for future bolt-on projects
Facing bricks	External brick layer of two-layer non-load bearing exterior walls for buildings (face wall – air layer below/above insulation – rear wall)
FDI	Foreign direct investment
FMA	Finanzmarktaufsicht, the Austrian financial market authority
GBP	British Pound
GDP	Gross domestic product
IASs	International Accounting Standards
IFRS	International Financial Reporting Standards, including IASs
IMF	International Monetary Fund
Investments	Additions to plant, property and equipment and intangible assets
Investor	Libyan Investment Authority, Tripoli, Libya (for more information see "*General Information about the Company–Major shareholders and controlling interests-The Investor*")
IRS	The U.S. Internal Revenue Service
km	Kilometers
Libor	London Interbank Offered Rate
Moody's	Moody's Investors Service, Inc.
MTF	Multilateral Trading Facility
NAHB	National Association of Homebuilders
NF	Normalformat, the standard size for clay blocks (250 x 120 x 65 mm)
OeKB	Oesterreichische Kontrollbank Aktiengesellschaft
Paver	Product made of clay or concrete, which is used in the design of gardens and public areas
PFIC	Passive foreign investment company
Pipelife	Pipelife International GmbH
OTC	Over-the-counter
QIB	Qualified institutional buyer
ROCE	Return on capital employed

Sandtoft	Sandtoft Roof Tiles Ltd
Standard & Poor's	Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc.
Semmelrock	Semmelrock International GmbH
Terca	Terca Bricks, N.V.
USD, U.S. dollar, $	United States Dollar
WACC	Weighted average cost of capital, or the average price a company must pay on financial markets for equity and debt
WF	Waalformat, the standard size for a facing brick (210 x 100 x 50 mm)
W/m^2K	Watt per square meter Kelvin

STATEMENT PURSUANT TO COMMISSION REGULATION (EC) NO 809/2004 OF 29 APRIL 2004 AND PURSUANT TO SECTION 8 PARA 1 CAPITAL MARKETS ACT

Wienerberger AG, with its corporate seat in Vienna, Austria, is responsible for this prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Wienerberger AG

as issuer (*als Emittent*)

Vienna, September 14, 2009

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Dr. Heimo Scheuch

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Willy Van Riet

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Dr. Johann Windisch

The following translation of the original summary is a separate document attached to the prospectus. It does not form part of the prospectus itself and has not been approved by the FMA. Further, the FMA did not review its consistency with the original summary.

Die folgende Übersetzung der Originalzusammenfassung ist ein separates Dokument und bildet einen Anhang zu diesem Prospekt. Sie ist selbst kein Teil dieses Prospekts und wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit der Originalzusammenfassung wurde nicht von der FMA geprüft.

GERMAN TRANSLATION OF THE SUMMARY

ZUSAMMENFASSUNG

Warnung: Diese Zusammenfassung muss als Einleitung zum Prospekt verstanden werden, und jede Entscheidung zur Anlage in die Neuen Aktien sollte sich auf eine Prüfung des gesamten Prospekts, einschließlich der Konzernabschlüsse und der unter „Risikofaktoren" dargelegten Inhalte, stützen. Diejenigen Personen, die diese Zusammenfassung, einschließlich jedweder Übersetzungen davon, vorgelegt und deren Meldung beantragt haben, können haftbar gemacht werden, jedoch nur für den Fall, dass diese Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird. Für den Fall, dass vor Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnten die als Kläger auftretenden Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der Mitgliedsstaaten des EWR die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben. Für den Fall, dass solche Ansprüche vor einem österreichischen Gericht geltend gemacht werden, wird eine deutsche Übersetzung des Prospekts erforderlich sein, und die Kosten hierfür müssen zunächst von dem als Kläger auftretenden Anleger und schließlich von der im Rechtsstreit unterliegenden Partei getragen werden.

Die Wienerberger Gruppe

Geschäftstätigkeit

Das Kerngeschäft der Gruppe ist die Fertigung von Produkten zur Verwendung in Wandarbeiten, Fassaden, Dächer und Flächenbefestigungen. In diesen Marksegmenten konzentriert sich Wienerberger hauptsächlich auf vier Produktgruppen: Hintermauerziegel, Vormauerziegel, Tondachziegel und Betondachziegel, und Pflasterklinker und Betonsteine. Die Produkte werden unter der Gruppenmarkenbezeichnung „Wienerberger" und Hintermauerziegel unter den Marken „Porotherm" und „Poroton" (nur in Deutschland), Vormauerziegel und Pflasterklinker unter „Terca" und „General Shale", Tondachziegel unter„Koramic", Betonsteine unter „Semmelrock" und Kunststeine unter „Arriscraft" vermarktet. Außerdem hält die Gruppe einen 50% Anteil an der Kunststoffrohr-Joint Venture mit Solvay, Pipelife International GmbH ("Pipelife"), einen 25% Anteil am Tondachziegelproduzenten Tondach Gleinstätten AG („Tondach Gleinstätten") und einen 50% Anteil am Betondachziegelproduzenten Bramac („Bramac").

Wienerbergers geographische Hauptmärkte sind Europa (mit Ausnahme der iberischen Halbinsel) und Nordamerika. Zum 30. Juni 2009 betrieb die Gruppe 236 Werke in 26 Ländern mit 13.104 Arbeitnehmern. Im Jahr 2008 erzielte Wienerberger einen Umsatz von EUR 2.431 Millionen und ein operatives EBITDA von EUR 440 Millionen.

Stärken

Fokussierung auf Baumaterialien für Wandarbeiten, Fassaden, Dächer und Flächenbefestigung: Wienerberger ist in mehreren Produktsegmenten des Baumaterialiensektors positioniert. Der Hauptschwerpunkt der Gruppe liegt in der Produktion von Hintermauerziegeln, Vormauerziegeln, Dachziegeln und Flächenbefestigungen. Dieses Geschäft ist kapitalintensiv mit hohen Erstinvestitionen und generiert anschließend hohe Free Cash-flows. Während Wienerberger in den etablierten Märkten von stabilen Marktanteilen profitiert, glaubt die Gesellschaft, dass Potential für ausgewählte Bolt-on Expansion vorhanden ist. Das Ziegel- und Tondachziegelgeschäft der Gruppe konzentriert sich auf komplementäre Produkte, die ähnliche Charakteristika in Verkauf und Produktion aufweisen und mit ähnlichen Produktionstechnologien aus dem gleichen Rohstoff, Ton, produziert werden.

Führende Marktpositionen: Nach Einschätzung des Management ist die Gruppe der weltgrößte Produzent von Ziegeln und der zweitgrößte Produzent von Tondachziegeln in Europa und hat in den meisten Märkten, in denen sie aktiv ist, führende Markpositionen in den Bereichen Hintermauerziegeln, Vormauerziegeln und/oder Dachziegeln. Außerdem hat die Gruppe nach Einschätzung des Managements europaweit eine führende Markposition bei Flächenbefestigungen.

Wettbewerbsvorteil als multinationales Unternehmen in der Ziegelindustrie: Wegen ihrer Größe und der multinationalen Reichweite profitiert die Wienerberger Gruppe von Skaleneffekten und Produktionsprozessoptimierungen. Die Gruppe genießt mit ihren Produkten eine führende Marktstellung und maßgeschneiderte Marketingstrategien ermöglichen eine direkte Kundenansprache. Als multinationales Unternehmen kann die Gruppe Know-how weltweit übertragen, verfügt über größere finanzielle Flexibilität und kann ihre Energieversorgung effizienter verwalten als lokale Unternehmen.

Flexibles Produktionsstättennetzwerk, das kurzfristige Kapazitätsanpassungen ermöglicht, und Restrukturierungserfahrung: Die Gruppe betreibt eine Vielzahl kleinerer Werke. Die Struktur dieses Produktionsstättennetzwerks erlaubt Wienerberger, durch vorübergehende Schließung oder Stilllegung von einzelnen Werken auf Nachfragerückgänge zu reagieren, ohne dazu gezwungen zu sein vom Gesamtmarkt zurückzutreten und ohne wesentliche Marktanteile zu verlieren, sowie auf Nachfragezuwächse mit Wiedereröffnungen solcher Werke zu reagieren. Außerdem verfügt das Managementteam der Gruppe über die notwendige Restrukturierungserfahrung und hat die Fähigkeit, auf Überkapazitäten mit Schließungen und/oder Zusammenfassung von Werken, der Beseitigung von duplikativen Vertriebsaktivitäten, Anpassungen der Kostenstruktur und der Einführung von innovativen Produkten (insbesondere „grüne“ Produkte wie dämmstoffgefüllte Ziegel oder Dachelemente mit integrierten Solar-Paneelen) zur Erhöhung der Marktpräsenz zu korrigieren bereits demonstriert. Im Rahmen der anhaltenden Finanz- und Wirtschaftskrise sind diese Strukturen und Fähigkeiten von besonderer Bedeutung und ermöglichten dem Management im Sommer 2008, schnell zu reagieren und die Konzernstrategie an das veränderte Marktumfeld anzupassen.

Erfahrenes Managementteam mit Akquisitionsgeschichte: Das Managementteam hat über die letzten 20 Jahre relevantes Know-how und Integrationserfahrung aufgebaut. Die historische Wachstumsrate von Wienerberger basiert auf zahlreichen Akquisitionen, wobei das Management diese Akquisitionen und Greenfield Projekte schnell und effizient identifizierte, ausführte und integrierte. Das Management hat wiederholt bewiesen, dass es im Stande ist, Einsparungsmaßnahmen zu implementieren und durch Akquisitionen Mehrwert zu schaffen.

Diversifizierte Umsatzerlöse mit Erholungspotential und langfristigen Wachstumsmöglichkeiten: Durch die Geschäftstätigkeit in allen wichtigen Märkten Europas (mit Ausnahme der iberischen Halbinsel), den Vereinigten Staaten und Indien ist die Gruppe überzeugt, verhältnismäßig gut gegen regional schwankende wirtschaftliche Rahmenbedienungen geschützt zu sein. Im Dachziegelgeschäft ist die Nachfrage weniger abhängig vom Wohnungsneubau als im Ziegelgeschäft, da mehr als 50% der Dachziegelabsätze dem Renovierungsmarkt zugerechnet sind. Ihre multinationale Präsenz ermöglicht es der Gruppe, in einem normalen Markumfeld regionale Marktschwächen auszugleichen und die Produktionskapazitäten anzupassen. Wienerbergers diversifiziertes Portfolio konnte die negativen Auswirkungen der weltweiten Rezession aufgrund der globalen Finanz- und Wirtschaftskrise auf die Erlöse nicht abschwächen, jedoch ist das Management der Auffassung, dass die Gruppe für eine solide Erholung und eine rasche Rückkehr zu ihrer Wertschöpfungs- und Wachstumsstrategie gut positioniert ist, sobald sich die Wirtschaft wieder erholt.

Strategie

Fokussierung auf das Kerngeschäft: Wienerberger konzentriert sich auf Produkte für Wandarbeiten, Fassaden, Dächer und Flächenbefestigung und ist der größte multinationale Anbieter in diesem Kerngeschäft. Wienerbergers langfristige Strategie für das Kerngeschäft ist es, die führende Position auf allen ihren Märkten aufzubauen, aufrechtzuerhalten und auszubauen. Darüber hinaus beabsichtigt das Management, im Rahmen der Expansionsstrategie der Gruppe, Wienerberger zu einem Baustofflieferanten für den energieeffizienten Gebäudebau zu entwickeln, der seine Kunden mit umfassenden, hochwertigen Lösungen aus einer Hand versorgt.

Nutzung der breiten Produktpalette und führenden Marktpositionen: Wienerberger verfügt über eine breite Produktpalette und bietet ihren Kunden die nachgefragten Produkte zu den vom Markt geforderten hohen Qualitätsstandards. Um ihre Marktposition zu nutzen, verfolgt die Gruppe eine europaweit abgestimmte Marketingstrategie.

Maximierung des Cashflows zur Erhöhung der Liquidität: Als Reaktion auf die globale Finanz- und Wirtschaftskrise hat sich Wienerberger primär auf die Erhaltung einer gesunden finanziellen Basis und die Sicherung der Liquidität neu ausgerichtet. Zur Maximierung der Cash-flows konzentriert sich Wienerberger auf die folgenden vier strategischen Punkte: aktives Kapazitätsmanagement und Senkung der Wartungs- und Personalfixkosten, aktives Working Capital Management, Senkung der Administrations- und Vertriebskosten sowie Einschränkung der Investitionen.

Kontinuierliche Optimierung und Erhaltung des Wachstumspotentials durch Verbesserung von Produkten, Kundenbetreuung und technologischer Leistungsfähigkeit: Ein weiteres Element der Wienerberger Geschäftsstrategie ist es, die Kosteneffizienz zu verbessern und Skaleneffekte auszunutzen. Das Management glaubt, dass sich die Größe der Gruppe positiv auf Verkäufe auswirkt und zu Kostensynergien führt. Die Strategie der Gruppe für das bestehende Geschäft ist es, durch konstante Verbesserung der Produkte, der Kundenbetreuung und der Prozesseffizienz, kontinuierliche Optimierung zu erreichen und das Wachstumspotenzial beizubehalten. Die Gruppe strebt Kosteneffizienz an, vor allem durch effiziente Energiebeschaffung, die Optimierung des Produktionsstättennetzwerks und den gruppenweiten Einsatz neuer Technologien.

Verwendung des Emissionserlöses

Basierend auf dem Bezugspreis von EUR 10,00 pro Neuer Aktie wird der Bruttoerlös aus dem Verkauf von 33.579.075 Neuen Aktien ungefähr EUR 335,79 Millionen betragen. Die Gesellschaft schätzt, dass die Gesamtkosten (inklusive der von der Gesellschaft an die Manager zu leistenden Provisionen und anderer mit dem Angebot verbundenen Kosten) ungefähr EUR 18,01 Millionen betragen werden, und erwartet somit einen Nettoerlös in Höhe von ungefähr EUR 317,78 Millionen.

Die Gesellschaft beabsichtigt, den Nettoerlös zur Stärkung der finanziellen Flexibilität und zur Stützung des Kreditratings zu verwenden. Insbesondere beabsichtigt die Gruppe, ihre Nettoverschuldung durch die Rückzahlung kurzfristiger Verbindlichkeiten und vorzeitiger Rückzahlung von Verbindlichkeiten aus bestehenden Kreditfazilitäten zu reduzieren, was die Verfügbarkeit von Mitteln unter bestehenden Kreditlinien erhöhen wird. Allfällige verbleibende Erlöse werden für allgemeine Unternehmenszwecke einschließlich ausgewählter Bolt-on Projekte verwendet.

Zusammenfassung der Risikofaktoren

Vor der Entscheidung, Neue Aktien zu erwerben, sollten Investoren bestimmte Risiken sorgfältig berücksichtigen. Der Preis der Aktien kann sinken, sollte sich ein solches oder ein anderes Risiko verwirklichen, und Anleger könnten ihre gesamte Investition oder einen Teil davon verlieren. Diese Risiken, ausführlicher dargestellt im Abschnitt „*Risikofaktoren*“, sind insbesondere:

Jüngste makroökonomische Trends und damit verbundene Risiken

Risiken im Zusammenhang mit dem Marktumfeld

- Die Gruppe ist der Zyklizität der Baustoffindustrie ausgesetzt, welche von verschiedenen makroökonomischen Faktoren abhängig ist.
- Die Gruppe agiert in einer saisonabhängigen Branche.
- In ihrem Ziegelgeschäft steht die Gruppe im Wettbewerb mit Produzenten von Ersatzprodukten und mit anderen Ziegelproduzenten.
- In ihrem Dachziegelgeschäft steht die Gruppe im Wettbewerb mit Produzenten von Ersatzprodukten und mit anderen Dachziegelproduzenten.
- In ihrem Flächenbefestigungsgeschäft steht die Gruppe im Wettbewerb mit Produzenten von Ersatzprodukten und mit anderen Pflasterklinker- und Betonsteinproduzenten.
- Die Gruppe unterliegt in allen Ländern, in denen sie agiert, kartellrechtlichen Vorschriften und dem Risiko von Durchsetzungsmaßnahmen, welche in Strafen und/oder anderen Sanktionen resultieren können, die die Wachstumsfähigkeit der Gruppe in manchen Märkten und/oder ihre Fähigkeit, den laufenden Betrieb in solchen Märkten auf dem aktuellen Niveau aufrechtzuerhalten, stark einschränken können.

Strategische Risiken im Zusammenhang mit der Geschäftstätigkeit der Gruppe

- Das Kostensenkungsprogramm der Gruppe könnte nicht zu den gewünschten Kostenersparnissen führen.
- Firmenwertabschreibungen könnten bedeutende Auswirkungen auf Einnahmen und Eigenkapital der Gruppe haben.

- Wirtschaftliche, politische, regulatorische und lokale Geschäftsrisiken im Zusammenhang mit internationaler Produktions- und Vertriebstätigkeit könnten den Geschäftsbetrieb der Gruppe, vor allem in Osteuropa, beeinträchtigen.

- Manche der Unternehmen, an denen die Gesellschaft Anteile hält, kontrolliert die Gesellschaft nicht, und Handlungen solcher Unternehmen sind unter Umständen nicht mit der Strategie und den Interessen der Gruppe vereinbar.

Operationelle Risiken

- Die Gruppe kann Betriebsunterbrechungen, Produktionskürzungen oder Vermögensverluste erleiden.

- Erhöhte Energiekosten oder Energieversorgungsstörungen können wesentliche Auswirkungen auf die Vermögens-, Finanz- und Ertragslage der Gruppe haben.

Finanzielle Risiken im Zusammenhang mit der Geschäftstätigkeit der Gruppe

- Das kapitalintensive Geschäft der Gruppe führt zu erheblichem Finanzierungsbedarf. Des Weiteren muss die Gruppe Bedingungen, die in manchen ihrer Kreditverträge enthalten sind, erfüllen, was ihre Flexibilität einschränkt. Der Nichterhalt der benötigten Finanzmittel und die Notwendigkeit der Einhaltung von Kreditbedingungen könnten die Geschäftstätigkeit der Gruppe beeinträchtigen.

- Eine Verschlechterung des Ratings der Gruppe könnte ihre Refinanzierungskosten erhöhen und ihren Zugriff auf bestimmte Finanzmärkte und -produkte ausschließen und somit ihre Liquidität und Rentabilität beeinträchtigt. Eine Verschlechterung der Kreditkennzahlen der Gruppe würde die Finanzierungskosten erhöhen.

- Die Gruppe könnte erforderliche Neufinanzierungen gar nicht oder nicht zu wirtschaftlich günstigen Bedingungen erhalten.

- Die Bedingungen, die in den Finanzierungsverträgen der Gruppe enthalten sind, könnten zu einer Einschränkung der finanziellen und operativen Flexibilität führen.

- Da viele Tochtergesellschaften der Gruppe in anderen Währungen als dem Euro arbeiten, könnten nachteilige Veränderungen der ausländischen Wechselkurse gegenüber dem Euro die Betriebsergebnisse und den Cash-flow der Gruppe erheblich beeinträchtigen.

- Ein signifikanter Verzug eines Kreditinstituts oder eines Kunden der Gruppe könnte die Vermögens-, Finanz- und Ertragslage der Gruppe erheblich beeinträchtigen.

- Zinsänderungen könnten den Zinsaufwand der Gruppe erhöhen.

Geografische Risiken im Zusammenhang mit der Geschäftstätigkeit der Gruppe

- Wirtschaftliche Instabilität in Osteuropa könnte das Geschäft und den Betrieb der Gruppe beeinträchtigen.

- Die Gruppe könnte dem Enteignungs- und dem Verstaatlichungsrisiko in Russland und Indien unterliegen.

- Verbrechen, Korruption und Geldwäsche in Osteuropa könnten die Fähigkeit der Gruppe, ihrer Geschäftstätigkeit nachzukommen, stark beeinträchtigen.

- Die in Entwicklung befindlichen Rechtssysteme in Osteuropa unterliegen Risiken und Unsicherheiten, die erhebliche materiell nachteilige Auswirkungen auf das Geschäft der Gruppe haben könnten.

- Unsicherheiten in den Steuersystemen in Osteuropa könnten das Geschäft und die Vermögens-, Finanz- und Ertragslage der Gruppe stark beeinträchtigen.

Risiken im Zusammenhang mit der Umwelt

- Die Gruppe unterliegt strengen Umwelt-, Gesundheits- und Sicherheitsgesetzen, Verordnungen und Standards, deren Einhaltung zu Kosten führt, die das Geschäft und die finanzielle Lage der Gruppe beeinträchtigen könnten.

- Änderungen in Baugesetzen, Verordnungen und Standards könnten das Geschäft und die Vermögens-, Finanz- und Ertragslage der Gruppe stark beeinträchtigen.

- Änderungen in den Emissionshandelzertifikaten der Europäischen Union und anderen lokalen Emissionssystemen könnte zu einer Reduktion oder Einschränkung der Übertragbarkeit der gratis zugewiesenen Emissionen führen und die Produktionskosten der Gruppe erhöhen.

Risiken im Zusammenhang mit dem Angebot und den Aktien

- Rechte der Aktionäre einer österreichischen Aktiengesellschaft können sich von den Rechten der Anteilsinhaber einer unter einer anderen Rechtsordnung gegründeten Aktiengesellschaft unterscheiden.

- Die Beteiligungen der Aktionäre, die sich entscheiden, am Angebot nicht teilzunehmen, werden verwässert. Anleger, die in anderen Ländern als Österreich ansässig sind, könnten eine Verwässerung erleiden, falls sie nicht im Stande sind, Bezugsrechte bei zukünftigen Kapitalerhöhungen auszuüben.

- Eine Handelsaussetzung könnte den Aktienpreis nachteilig beeinflussen.

- Der Preis der Aktien könnte Schwankungen unterliegen.

- Die Fähigkeit der Gesellschaft, Dividenden zu zahlen, wird von der Verfügbarkeit ausschüttungsfähiger Gewinne abhängig sein.

- Werden Bezugsrechte nicht ausgeübt oder verkauft, erlöschen diese ohne Gegenwert.

- Die Ausübung der Bezugsrechte für Neue Aktien unterliegt Beschränkungen.

- Es könnte sich kein Markt für Bezugrechte entwickeln, und der Preis der Bezugsrechte kann Schwankungen unterliegen.

- Wenn dieses Angebot nicht durchgeführt wird, verfallen die Bezugsrechte.

- Wenn der Investor die gesamte im Backstop Commitment vorgesehene Beteiligung erwirbt, könnte er einen wesentlichen Einfluss auf die strategische Ausrichtung der Gruppe und wichtige gesellschaftsrechtliche Maßnahmen ausüben.

Das Angebot

Gegenstand des Angebots	33.579.075 neu emittierte auf den Inhaber lautende nennwertlose Stückaktien mit einem rechnerischen Nominalwert von EUR 1,00 pro Aktie. Jede Neue Aktie gewährt eine Stimme in der Hauptversammlung der Gesellschaft (die „Hauptversammlung“) und volle Dividendenberechtigung ab einschließlich dem Geschäftsjahr beginnend mit dem 1. Januar 2009. Das Angebot schließt das Bezugsangebot an die Aktionäre der Gesellschaft und das Internationale Angebot ein. Das Angebot umfasst (i) ein öffentliches Angebot an institutionelle und Einzelinvestoren in der Republik Österreich und (ii) eine Privatplatzierung außerhalb der Republik Österreich an ausgewählte institutionelle Investoren, einschließlich einer Privatplatzierung in den Vereinigten Staaten von Amerika an qualifizierte institutionelle Investoren gemäß Rule 144A des U.S. Securities Act.
Backstop Commitment	Als Teil des Angebots hat der Investor mit der Gesellschaft einen Vertrag abgeschlossen, in dem er sich verpflichtet, bis zu 10% der Aktien der Gesellschaft (berechnet nach Durchführung der Kapitalerhöhung, das entspricht 11.752.676 Aktien) zu EUR 10,00 je Neuer Aktie zu zeichnen.
Bezugsangebot – Bezugsfrist	Die Frist, während der Aktionäre der Gesellschaft und Inhaber von Bezugsrechten die Bezugsrechte ausüben können, beginnt am 15. September2009 und endet voraussichtlich am 29. September 2009. Das Bezugsangebot kann widerrufen, unterbrochen oder verlängert und die Bezugsfrist kann jederzeit verlängert oder beendet werden.
Bezugsverhältnis	Aktionäre und Inhaber von Bezugsrechten sind zum Bezug von 2 Neuen Aktien je 5 gehaltener Bezugsrechte gegen Zahlung des Bezugspreises berechtigt. Die Ausübung der Bezugsrechte ist unwiderruflich und kann nicht zurückgezogen, für ungültig erklärt oder geändert werden.
Bezugspreis	EUR 10,00 je Neuer Aktie. Der Bezugspreis wurde gemeinsam mit dem Bezugsverhältnis vom Vorstand mit Zustimmung des Ad hoc-Ausschusses des Aufsichtsrates am 13. September 2009 festgelegt. Am 11. September 2009 betrug der Schlusskurs der Bestehenden Aktien an der Wiener Börse EUR 15,50 je Aktie. Der Bezugspreis muss am oder um den 2. Oktober 2009 an die Gesellschaft entrichtet werden.

Ausübung der Bezugsrechte	Die Bezugsrechte können während der Bezugsfrist durch Vorlage der Aktienurkunde, auf der die Ausübung der Bezugsrechte vermerkt wird, ausgeübt werden. Inhaber von Bezugsrechten, die über eine Depotbank, die über ein Wertpapierdepot bei der OeKB verfügt, oder bei einem Finanzinstitut, das Mitglied von Euroclear oder Clearstream ist, gehalten werden, müssen zur Ausübung ihrer Bezugsrechte diese Bank oder dieses Finanzinstitut anweisen, Neue Aktien für sie zu zeichnen. Die Bezugsrechte erlöschen am Ende der Bezugsfrist am 29. September 2009. Bezugsrechte, die bis zu diesem Zeitpunkt nicht ordnungsgemäß ausgeübt werden, verfallen und werden ungültig und wertlos ohne Anspruch auf Ersatz. Die Bezugsrechte und die Neuen Aktien wurden und werden nach keinen anderen Wertpapiergesetzen außer denen der Republik Österreich registriert. Ausländische Aktionäre können daher in der Ausübung ihrer Bezugsrechte beschränkt sein. Vor allem wurden und werden die Bezugsrechte und die Neuen Aktien nicht nach dem U.S. Securities Act oder einem anderen U.S. amerikanischen Wertpapiergesetz registriert. Demzufolge dürfen Bezugsrechte nicht von oder im Namen eines Aktionärs in den Vereinigten Staaten ausgeübt werden, außer von qualifizierten institutionellen Investoren gemäß Rule 144A des U.S. Securities Act oder außerhalb der Vereinigten Staaten gemäß Regulation S des U.S. Securities Act. Inhabern von American Depositary Receipts ("ADRs") – im Rahmen des American Depositary Receipts Programms der Gesellschaft – ist der Bezug Neuer Aktien in Bezug auf die Stammaktien, die durch solche ADRs repräsentiert werden, nicht gestattet.
Handel und Verkauf von Bezugsrechten	Die Bezugsrechte werden vom 17. September 2009 bis 23. September 2009 an der Wiener Börse gehandelt. Die Inhaber von Bezugsrechten dürfen ihre Bezugsrechte auf dem Markt jederzeit vor Ende dieser Periode verkaufen, außer an Käufer aus den Vereinigten Staaten, die nicht als qualifizierte institutionelle Investoren gelten, und andere Investoren, denen es nach den anwendbaren Wertpapiergesetzen nicht gestattet ist, Bezugsrechte zu erwerben.

	Bezugsrechte dürfen nur in ganzzahligen Vielfachen von 5 ausgeübt werden. Inhaber von überschüssigen Bezugsrechten können zusätzliche Bezugsrechte auf dem Markt erwerben, um Neue Aktien zu erwerben, oder ihre überschüssigen Bezugsrechte auf dem Markt verkaufen.
Internationales Angebot	Neue Aktien, für die die Bezugsrechte im Bezugsangebot nicht ordnungsgemäß ausgeübt wurden, können von den Managern im Internationalen Angebot, am Markt oder auf andere Art, die ihnen nach eigenem Ermessen angemessen erscheint, unter Einhaltung gewisser unter „*Selling Restrictions*" erläuterter Beschränkungen verkauft werden.
Angebotsfrist und Preis der Neue Aktien.................	Die Angebotsfrist, während der Investoren Angebote zum Kauf der Neue Aktien im Internationalen Angebot stellen können, beginnt am 30. September 2009 und endet voraussichtlich am selben Tag. Das Internationale Angebot kann widerrufen, unterbrochen oder verlängert werden und die Angebotsfrist kann jederzeit verlängert, verkürzt oder beendet werden. Im Falle eines Internationalen Angebots wird der Preis der Aktien auf Basis eines institutionellen Bookbuilding-Verfahrens ermittelt. Die Manager haben sich verpflichtet, alle Neuen Aktien, die nicht im Angebot gezeichnet wurden, zum Bezugspreis zu zeichnen.
Lieferung und Abwicklung	Die Lieferung der Neuen Aktien, die im Bezugsangebot gezeichnet wurden, erfolgt voraussichtlich am 2. Oktober 2009 gegen Zahlung des Bezugspreises. Die Lieferung der Neuen Aktien, die im Internationalen Angebot verkauft wurden, erfolgt voraussichtlich am 5. Oktober 2009 gegen Zahlung des im Internationalen Angebot ermittelten Preises. Die Lieferung physischer Aktienurkunden ist ausgeschlossen.
Joint Bookrunners...	ABN AMRO Morgan Stanley Bank AG UniCredit Bank Austria AG

Börsenotierung	Die Bestehenden Aktien der Gesellschaft notieren im Amtlichen Handel der Wiener Börse unter dem Symbol „WIE“ und werden im Prime Market Segment gehandelt. Es wird ein Antrag auf Zulassung der Neuen Aktien zum Amtlichen Handel an der Wiener Börse gestellt. Die Neuen Aktien werden voraussichtlich im Prime Market Segment beginnend ab voraussichtlich 1. Oktober 2009 gehandelt.
Lock-up	Die Gesellschaft hat sich für eine Zeitdauer von sechs Monaten gegenüber den Managern im Underwriting Agreement, wie unten definiert, und der Investor hat sich (wenn seine Beteiligung an der Gesellschaft nach Durchführung der Kapitalerhöhung 5% des Grundkapitals beträgt oder übersteigt) für eine Zeitdauer von einem Jahr (beides ab dem Closing Datum) gegenüber der Gesellschaft im Backstop Commitment verpflichtet, ohne vorherige schriftliche Zustimmung der Manager bzw. der Gesellschaft keine Maßnahmen durchzuführen, die eine Auswirkung auf den Markt für die Aktien haben (weitere Informationen zum Lock-up siehe “*Underwriting—Lock-up*”).
Internationale Wertpapierkennummer (ISIN)	AT0000831706 (Aktien) AT0000A0EZZ6 (Bezugsrechte)
Bloomberg Symbol..	WIE AV (Aktien)
Reuters Symbol	WBSV.VI (Aktien)
Handelssymbol	WIE (Aktien)

Zusammenfassung der Konzernfinanzdaten

Die nachstehenden Daten und Informationen wurden ohne wesentliche Anpassungen (mit Ausnahme der unten beschriebenen) den Konzernabschlüssen, welche per Verweis in den Prospekt aufgenommen wurden, entnommen und stellen nur eine Zusammenfassung davon dar. Potentielle Investoren sollten den gesamten Prospekt, einschließlich die Konzernabschlüsse, die übrigen Finanzinformationen in diesem Prospekt und das Kapitel „Operating and Financial Review“ lesen, bevor sie eine Investitionsentscheidung treffen. Siehe auch “Presentation of Financial and Other Information”. Die Konzernabschlüsse wurden gemäß IFRS erstellt.

	Für das erste Halbjahr 2009	2008	Für das Jahr 2008	2007	2006
	(in Millionen EUR, außer anders ausgewiesen)				
	(ungeprüft)		(geprüft, außer anders ausgewiesen)		
Konzern Gewinn- und Verlustrechnung[1]					
Umsatzerlöse	898,1	1.263,6	2.431,4	2.477,3	2.225,0
Herstellkosten	(638,8)	(808,2)	(1.585,6)	(1.511,0)	(1.403,7)
Bruttoergebnis vom Umsatz	259,4	455,5	845,8	966,3	821,3
Vertriebskosten, Verwaltungskosten	(259,0)	(316,4)	(617,4)	(604,2)	(539,2)
Sonstige betriebliche Aufwendungen	(20,9)	(18,4)	(35,7)	(49,8)	(33,3)
Sonstige betriebliche Erträge	28,4	15,3	47,2	40,8	54,3
Betriebsgewinn vor nicht-wiederkehrenden Posten	7,8	136,0	239,8	353,1	303,1
Restrukturierungskosten, Wertminderungen von Sachanlagen	(87,2)	(5,8)	(55,0)	0,0	(7,1)
Firmenwertabschreibung	(125,4)	0,0	(16,7)	0,0	(3,5)
Dotierung einer Rückstellung für eine mögliche Kartellstrafe	0,0	0,0	(10,0)	0,0	0,0
Nicht-wiederkehrende Einkünfte	0,0	0,0	0,0	0,0	5,1
Betriebsergebnis nach nicht-wiederkehrenden Posten	(204,8)	130,2	158,1	353,1	297,5
Zinsergebnis	(18,3)	(20,0)	(42,1)	(43,1)	(48,2)
Andere finanzielle Ergebnisse, inklusive Einkommen durch Investitionen in Gesellschaften	0,2	7,8	7,1	48,3	28,0
Ertragssteuer	18,8	(19,3)	(19,8)	(62,5)	(59,0)
Ergebnis nach Ertragssteuer	(204,0)	98,6	103,3	295,8	218,3
Davon Ergebnis der Minderheiten	(0,8)	1,9	3,4	5,4	(2,4)
Davon auf Hybridkapitalbesitzer entfallender Anteil	16,2	16,2	32,5	29,1	0,0
Davon Ergebnis der Muttergesellschaft	(219,3)	80,6	67,5	261,4	215,9
Andere Finanzkennzahlen					
EBITDA operativ[2]	100,6	235,6	440,1	551,2	471,9
EBIT operativ[2]	7,8	136,0	239,8	353,1	303,1
Capital Employed	3.105,0	3.301,0	3.252,2	3.060,2	2.598,2
Investitionen und Akquisitionen	91,0	253,8	505,6	645,6	530,4
Ergebnis je Aktie (in EUR)	(2,65)	0,97	0,81	3,46	2,95
Ergebnis je Aktie bereinigt um nicht-wiederkehrende Aufwendungen und Erträge (in EUR)	(0,17)	1,04	1,69	3,46	3,02
Vorgesehene bzw. ausbezahlte Dividende je Aktie (in EUR)	n.a.	n.a.	0,00	1,45	1,30
Konzern-ROCE (ungeprüft)[2] [3]	n.a.	n.a.	6,2%	10,1%	9,4%
WACC	6,9%	7,5%	7,0%	7,5%	7,5%
Konzern Cash-flow Daten					
Cash-flow aus dem Ergebnis	49,8	204,3	300,9	479,0	370,8
Cash-flow aus laufender Tätigkeit	22,7	82,0	262,8	361,5	351,6
Cash-flow aus Investitionstätigkeit	(75,1)	(255,8)	(474,6)	(593,2)	(509,7)
Cash-flow aus Finanzierungstätigkeit	45,1	26,9	125,1	331,2	131,8

	Zum 30. Juni 2009	Zum 31. Dezember 2008	2007	2006
	(in Millionen EUR)			
	(ungeprüft)	(geprüft)		
Konzernbilanzdaten				
Langfristiges Anlagevermögen	2.842,9	3.046,1	2.961,1	2.593,0
Betriebskapital	1.368,8	1.337,8	1.368,7	1.081,3
Gesamtaktiva	4.211,6	4.383,9	4.329,9	3.674,3
Eigenkapital	2.260,6	2.497,2	2.672,7	1.591,4
Langfristige Rückstellungen und Verbindlichkeiten	1.376,9	1.324,8	1.130,7	1.088,1
Kurzfristige Rückstellungen und Verbindlichkeiten	574,1	561,9	526,5	994,8
Aktiva und Passiva gesamt	4.211,6	4.383,9	4.329,9	3.674,3

(1) Die konsolidierten Finanzinformationen eliminieren kleinere konzerninterne Lieferungen und Leistungen zwischen Wienerbergers Segmenten.
(2) Vor Restrukturierungskosten und Wertminderungen von Sachanlagen, Firmenwertabschreibungen und Dotierung einer Rückstellung für eine drohende Kartellstrafe. Für weitere Erklärungen zu diesem Punkt siehe *"Presentation of Financial and Other Information – Non-IFRS financial measures"*.
(3) Nach Steuern, bereinigt um nicht-wiederkehrende Aufwendungen und Erträge.

Die folgende Tabelle stellt bestimmte Daten aus der Gewinn- und Verlustrechnung und der Bilanz nach Segmenten dar:

	Erstes Halbjahr (per 30. Juni)		**Jahr (per 31. Dezember)**		
	2009	**2008(3)**	**2008**	**2007**	**2006(4)**
	(in Millionen EUR)				
	(ungeprüft)		**(geprüft)**		
Zentral-Ost Europa					
Drittumsatz	274,1	451,8	895,0	841,9	636,8
EBITDA operativ(1)	48,5	135,4	262,0	282,8	160,5
EBIT operativ(1)	17,3	101,3	193,4	217,7	103,7
Capital Employed	856,8	862,9	854,9	754,3	647,7
Zentral-Westeuropa					
Drittumsatz	174,2	208,5	405,4	414,6	453,7
EBITDA operativ(1)	11,4	18,0	42,5	76,5	96,1
EBIT operativ(1)	(5,9)	(1,1)	4,6	32,9	59,1
Capital Employed	434,5	526,6	480,6	500,5	453,8
Nord-Westeuropa					
Drittumsatz	372,9	482,5	894,8	888,4	775,8
EBITDA operativ(1)	61,4	89,7	144,0	183,7	175,3
EBIT operativ(1)	28,6	54,7	73,2	120,9	115,7
Capital Employed	1.235,4	1.389,2	1.298,0	1.280,4	1.035,4
Nordamerika					
Drittumsatz	76,3	120,0	234,3	330,7	349,5
EBITDA operativ(1)	(7,9)	7,5	15,1	35,3	63,4
EBIT operativ(1)	(19,0)	(2,0)	(4,0)	14,0	48,2
Capital Employed	527,2	509,9	583,2	521,2	437,6
Beteiligungen und Sonstiges(2)					
Drittumsatz	0,3	0,3	0,5	0,3	8,3
EBITDA operativ(1)	(12,8)	(15,0)	(23,5)	(27,2)	(23,4)
EBIT operativ(1)	(13,2)	(16,9)	(27,3)	(32,5)	(27,1)
Capital Employed	51,1	12,3	35,4	3,8	23,6
Drittumsatz gesamt	897,7	1.263,1	2.430,1	2.476,0	2.224,1
Innenumsätze an nicht-konsolidierte Gesellschaften	0,4	0,6	1,3	1,4	0,9
Umsatz gesamt	**898,1**	**1.263,6**	**2.431,4**	**2.477,3**	**2.225,0**

(1) Vor Restrukturierungskosten und Wertminderungen von Sachanlagen, Firmenwertabschreibungen und Dotierung einer Rückstellung für eine drohende Kartellstrafe.
(2) Das Segment Beteiligungen und Sonstiges enthält Holdingkosten.
(3) Die Segmentinformationen für das erste Halbjahr 2008 wurde angepasst, sodass sie die aufgrund organisatorischer Änderungen erfolgte Verschiebung von grenzüberschreitenden Handelsaktivitäten der Niederlande und Deutschlands vom Segment Nord-Westeuropa ins Segment Zentral-Westeuropa per 1. Jänner 2009 ausweisen.
(4) Die Segmentinformationen für das am 31. Dezember 2006 endende Geschäftsjahr wurden angepasst, sodass sie die aufgrund organisatorischer Änderungen erfolgte Verschiebung Finnlands und der baltischen Staaten vom Segment Nord-Westeuropa ins Segment Zentral-Osteuropa per 1. Jänner 2007 ausweisen.

ISSUER

Wienerberger AG
Wienerberg City
Wienerbergstraße 11
1100 Vienna
Austria

LEGAL ADVISORS TO THE ISSUER

Cerha Hempel Spiegelfeld Hlawati
Partnerschaft von Rechtsanwälten
Parkring 2
1010 Vienna
Austria

JOINT BOOKRUNNERS

ABN AMRO Bank N.V.
250 Bishopsgate
London EC2M 4AA
United Kingdom

Morgan Stanley Bank AG
Junghofstraße 13-15
60311 Frankfurt am Main
Germany

UniCredit Bank Austria AG
Schottengasse 6-8
1010 Vienna
Austria

LEGAL ADVISORS TO THE MANAGERS

as to U.S. law
Davis Polk & Wardwell LLP
99 Gresham Street
London EC2V 7NG
United Kingdom

as to Austrian law
Dorda Brugger Jordis Rechtsanwälte GmbH
Dr. Karl Lueger-Ring 10
1010 Vienna
Austria

AUDITORS

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
Porzellangasse 51
1090 Vienna
Austria