

# Wienerberger continues on its dynamic growth course

## Overview Q1-3/2018

- › Continued strong operational performance in all segments
- › Strategic measures to boost profitability are bearing fruit
- › Revenues up by 6% to € 2.5 billion
- › 16% rise in adjusted EBITDA to € 356 million
- › Significant increase in net profit by 33% to € 126 million

## Outlook and Strategy

- › Earnings forecast for 2018 confirmed: adjusted EBITDA of € 460-470 million
- › Earnings growth of € 120 million to be generated by 2020 through enhanced efficiency
- › EBITDA target for 2020 approx. € 680 million

Vienna, November 8, 2018 – During the first nine months of 2018, the Wienerberger Group delivered a strong operational performance. Heimo Scheuch, Chairman of the Managing Board, notes:

*“In the third quarter of 2018, we were again able to build seamlessly on the excellent performance of our Group in the previous quarters. Thanks to the consistent implementation of our corporate strategy, we generated highly satisfactory revenue growth and reached a ten-year high in earnings. The main factors underlying the steep rise in the Group’s operating result include improvements in our cost structure, expeditious measures taken to streamline our portfolio, and the successful implementation of strategic growth projects. Overall, our business benefited from a high level of demand in our core markets.”*

Wienerberger looks back on an excellent third quarter of 2018. Compared to the third quarter of 2017, revenues increased by 7% to € 888.1 million, while adjusted EBITDA surged by 13% to € 142.2 million (up from € 125.3 million in 2017).

During the first nine months of 2018, revenues at Group level increased by 6% from € 2,361.0 million in the prior year’s period to € 2,495.2 million. Adjusted EBITDA (excluding one-off expenses and income) grew by 16% from € 307.4 million to € 356.4 million. The net profit soared by 33% to € 125.7 million (up from € 94.7 million).

## Business Performance at Division Level

### Clay Building Materials Europe Division: Steep increase in earnings on stable sales

The European brick business continued to perform very well in the third quarter of 2018, especially in the growth markets of Eastern Europe, where Wienerberger took full advantage of its excellent market position. Demand in Western Europe was stable. Following the successful implementation of measures to improve the cost structure, profitability increased substantially. For the first nine months of the year, the Division reported a 7% rise in revenues to € 1,433.8 million. Over the same period, adjusted EBITDA increased substantially by some 16% compared to the same period of the previous year to € 271.7 million.

### Pipes & Pavers Europe Division: Measures to drive earnings are succeeding

Stable to slightly upward trends have recently been observed in the Division's markets in Western and Eastern Europe. Comprehensive restructuring measures implemented in France are taking effect and have led to a further improvement in earnings in the third quarter. Positive contributions were also made by the most recent acquisitions of innovative producers of prewired electro conduits and pre-insulated pipes. With the restructuring of the ceramic pipe business now completed, a significant improvement in EBITDA was already recorded in the third quarter. The Division's revenues grew by 6% to € 819.4 million, and adjusted EBITDA went up by 8% to € 72.7 million in the first nine months.

### North America Division: Steep upward trend in earnings continues

The repositioning of the Division in recent years has proved a success. The Division performed extremely well in the first three quarters of 2018, with significant growth recorded in the North American pipe business and significant contributions to earnings made by the Mississippi-based facing brick producer acquired by Wienerberger last year. Due to foreign-exchange fluctuations, the Division's revenues in the first nine months increased by only 0.4% from € 234.0 million to € 235.0 million, whereas its adjusted EBITDA rose steeply by 45% to € 30.7 million.

## Strategic Measures and Outlook for 2018

*Heimo Scheuch: "We are consistently and swiftly implementing our corporate strategy, which is based on three main pillars: operational excellence, organic growth, and growth projects and portfolio optimization. In terms of operational excellence, we intend to reach our targets faster than originally foreseen, and the results achieved so far are most encouraging. At the same time, we are determined to seize opportunities for growth through acquisitions in strategically interesting fields of business and markets even faster than in the past. In addition, we are fully on track to reach our targets for 2018."*

Given its excellent performance during the past three quarters, Wienerberger again confirms its refined adjusted EBITDA target of € 460 million to € 470 million. In the medium term, Wienerberger now aims at an increased EBITDA target of approx. € 680 million for 2020 (post implementation of IFRS16).

For the complete report on the first nine months of 2018, please visit [wienerberger.com/en](http://wienerberger.com/en)

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**Wienerberger Group**

Wienerberger is the world's largest producer of bricks (Porotherm, Terca) and the market leader in clay roof tiles (Koramic, Tondach) in Europe as well as concrete pavers (Sammelrock) in Central and Eastern Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the leading suppliers in Europe. With its total of 195 production sites, the Wienerberger Group generated revenues of € 3,120 million and EBITDA of € 415 million in 2017.

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