



## Trading Update H1 2013

July 11, 2013

  
**Wienerberger**  
Building Material Solutions

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## Overview H1 2013



- ✓ Pipelife consolidation delivers expected EBITDA contribution of € 30 mn
- ✓ Steinzeug-Keramo: development according to plan in Q2 after weak Q1
- ✓ Semmelrock: better results due to cost savings expected
- ✓ North America: moderate growth in H1



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## Overview H1 2013



- ✓ Market environment still difficult for Bricks & Tiles Europe Division
- ✓ Development according to plan in Q2 after weather-related weak start in Q1, but no catch-up effects
- ✓ Average prices stable or slightly lower | increased pressure on prices in Eastern Europe

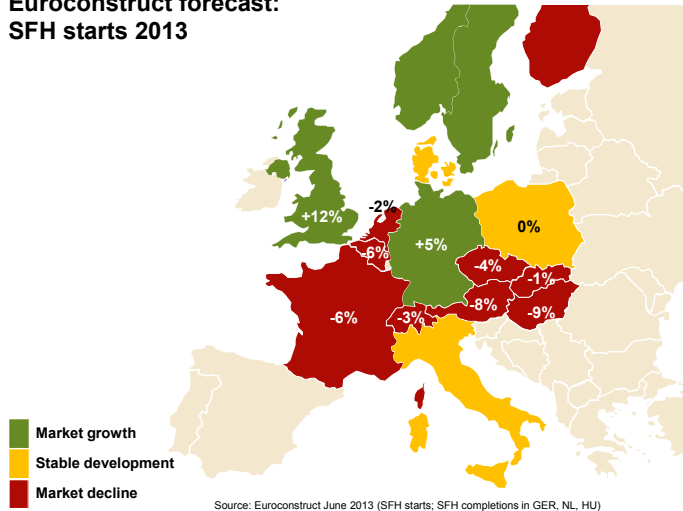


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## Euroconstruct Market Forecast for New Residential Construction 2013 Still Too Positive



### Euroconstruct forecast: SFH starts 2013



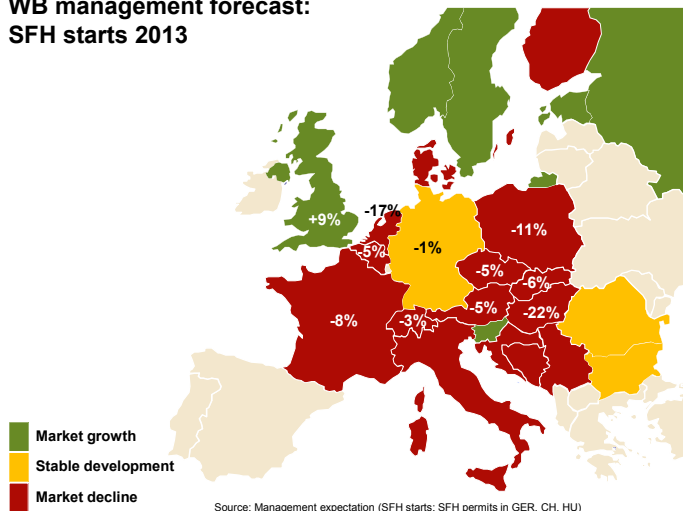
Forecasts still too positive in GER, NL, F, UK and PL

Source: Euroconstruct June 2013 (SFH starts; SFH completions in GER, NL, HU)

## Wienerberger Expectation: Further Significant Decline of New Residential Construction



### WB management forecast: SFH starts 2013

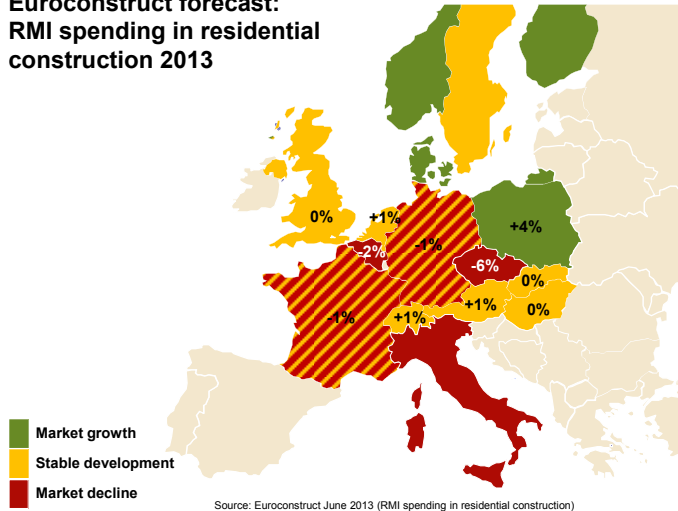


- Partially significant declines expected in F, NL, B, PL, CZ and HU
- GER stable
- Positive development in UK
- Eastern Europe still difficult

Source: Management expectation (SFH starts; SFH permits in GER, CH, HU)

## More Stable Development of RMI Expected for Full Year 2013

### Euroconstruct forecast: RMI spending in residential construction 2013

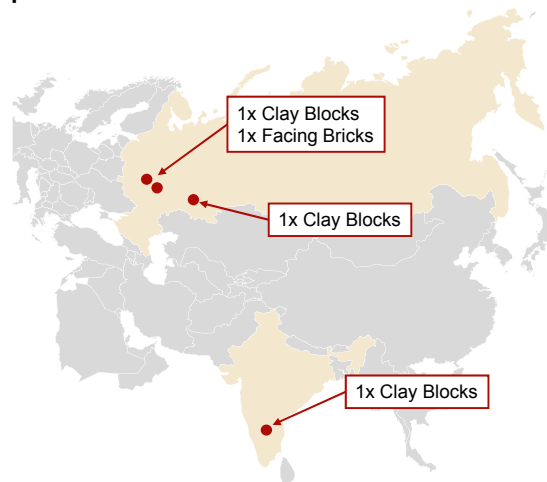


- Weather-related weak start in H1 above all in roof tile segment
- Roof tiles make an important contribution to EBITDA in Western Europe
- Significant catch-up effects expected in H2

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## Sound Development in Russia and India

### Brick plants in Russia and India

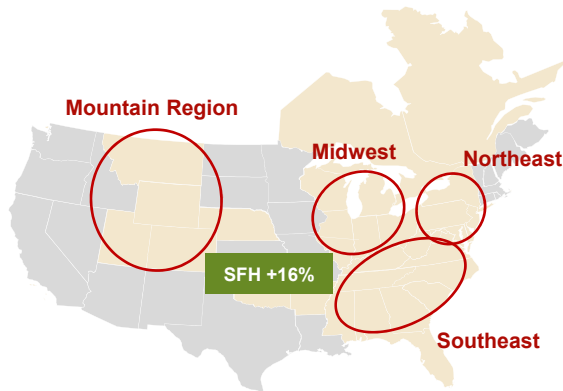


- Sound market development in Russia and India continues
- Revenue and earnings growth expected
- Slight price increases

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## North America: Moderate Growth in H1

### Wienerberger brick markets in North America



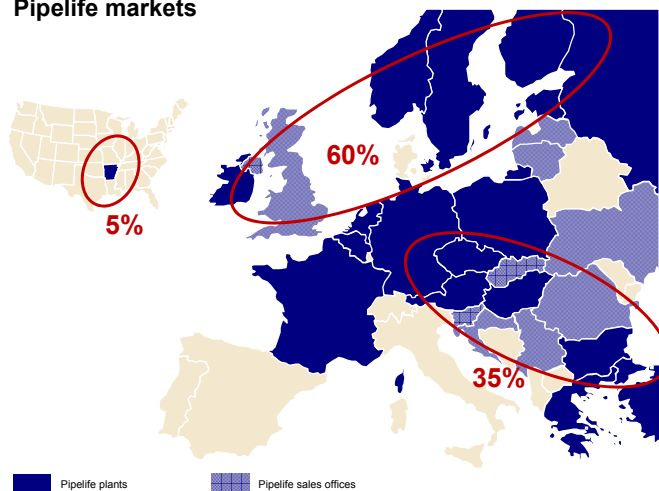
Source: U.S. Census Bureau (growth rate of annualized SFH starts May 2013 vs. May 2012)

- Market: latest data forecast annualized growth rate of 16% in SFH starts (U.S. Census Bureau)
- Wienerberger:
  - H1: weather-related moderate growth (time lag between permits and starts of about 3-4 months)
  - H2: double-digit growth expected
  - Stable prices (price pressure in local markets)

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## Pipelife: Stable Development

### Pipelife markets

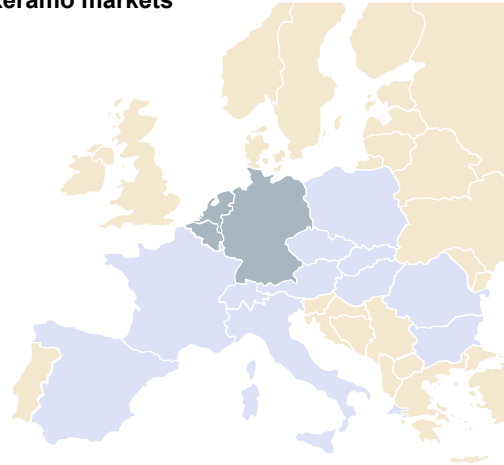


- Strong performance in Northern Europe also due to strong international project business
- Challenging market conditions in F, NL and PL
- Stable margins due to strict price management

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## Steinzeug-Keramo: Q2 in line with Expectations Following Challenging Q1

### Steinzeug-Keramo markets

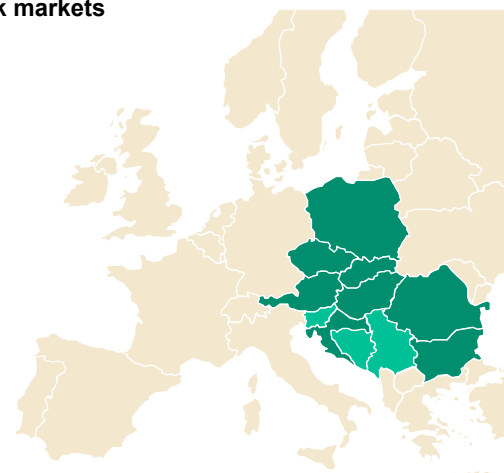


- After a difficult Q1 due to harsh weather conditions the Q2 performance met expectations
- Stable Q2 development in GER
- Difficult market environment in PL
- Prices are stable to slightly positive

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## Semmelrock: Earnings Improvement as a Result of Optimization Measures Expected

### Semmelrock markets



- Continuation of difficult market conditions in Eastern Europe
- PL and CZ are the most challenging markets
- Despite demanding market conditions slight improvement of prices
- Earnings improvement as a result of optimization measures expected

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## Slight Price Decline in Challenging Environment in H1 2013



- **Bricks & Tiles Europe**
  - Western Europe: price increases despite challenging market conditions
  - Eastern Europe: as of May/June price pressure for building materials started to build as a result of demanding market conditions especially in PL, CZ, SK and HU | Wienerberger used cost advantages for sales promotions in selected markets to strengthen its market positions
- **North America**
  - Nearly stable prices | Price pressure in individual regional brick markets
- **Pipelife**
  - Stable margins due to strict price management

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## Summary: Trends in H1



	Volumes	Prices
Bricks & Tiles Western Europe		
Bricks & Tiles Eastern Europe		
North America		
Pipelife		
Steinzeug-Keramo		
Semmelrock		

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## Outlook 2013



- Catch-up of weather-related revenue and earnings decline from H1 not expected (impact of ~ € 20 mn on operating EBITDA in FY 2013)
- Bricks & Tiles Europe:
  - Moderate volume decline expected for 2013 (→ significant increase in H2)
  - Savings from cost optimization program
  - Prices are expected to remain stable in 2013
  - Stronger earnings contribution from roof tile business expected for H2
- North America:
  - Bricks: significant increase in activity expected for H2 as a result of partially delayed housing starts
  - Pipes: stable development expected
- Pipes & Pavers Europe:
  - Pipelife EBITDA consolidation effect of ~ € 30 mn
  - Slight organic growth of pipe business

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Thank you for your attention!



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