



WIENERBERGER

ANNUAL REPORT 1991



WIENERBERGER

FINANCIAL STATEMENT
AND
ANNUAL REPORT

WIENERBERGER
BAUSTOFFINDUSTRIE
AKTIENGESELLSCHAFT
VIENNA

PRESENTED TO THE
123RD ANNUAL
GENERAL MEETING
ON MAY 26, 1992

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SUPERVISORY BOARD

Guido SCHMIDT-CHIARI,
Chairman
Max KOTHBAUER,
Deputy Chairman
(from May 22, 1991)

Herbert BECHYNA
Karl BERGMANN
(until May 22, 1991)
Friedrich ECKER *) (until May 22, 1991)
Josef ESTERL*) (from May 22, 1991)
Heinz GRUBER*)
Sieglinde GRUBER*)

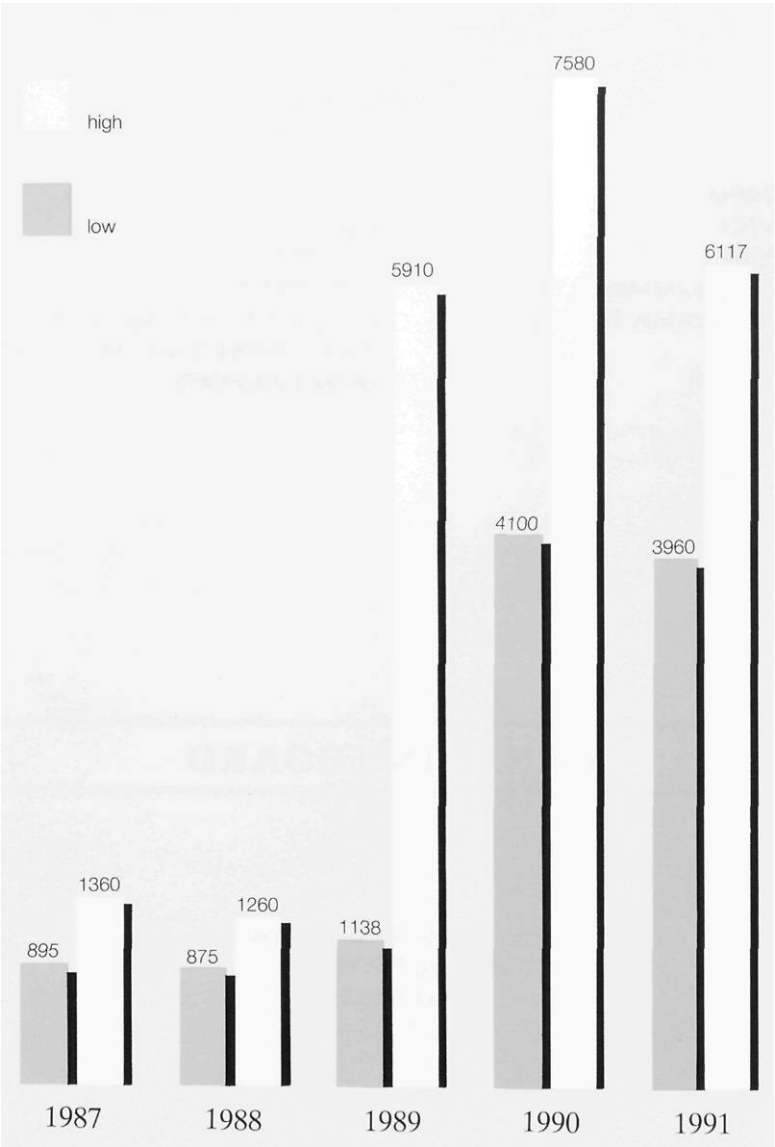
Hans IGLER
Franz LAUER
Eduard MAYER
Erich PIMMER
Fritz QUESTER (until May 22, 1991)
Friedrich RUHRL*) (until May 22, 1991)
Gerhard SOCHOR*)

*) delegated by the staff

MANAGING BOARD

Erhard SCHASCHL, Chairman
Wolfgang REITHOFER
Paul TANOS

WIENERBERGER SHARE PRICE DEVELOPMENT



Source: Creditanstalt-Bankverein

FINANCIAL HIGHLIGHTS AND CONDENSED BALANCE SHEET OF THE WIENERBERGER GROUP

Highlights

Figures in AS million		1988	1989	1990	1991
Net sales	total	2,607	4,685	9,257	10,528
	domestic	1,677	3,900	5,363	5,818
	abroad	930	785	3,894	4,710
Investments*)		855	1,554	3,153	2,985
Cash-flow		461	749	1,045	1,201
Personnel		1,738	2,224	4,346	5,137
Share price	high	1,260	5,910	7,580	6,117
	low	875	1,138	4,100	3,960
Dividend		20%	26%	30%	33%

*) tangible assets and financial assets

Condensed balance sheet

	1990		1991	
	AS mill.	%	AS mill.	%
ASSETS				
Fixed assets	4,105	41	5,714	47
Inventories	1,408	14	1,649	14
Other current assets	4,563	45	4,735	39
BALANCE SHEET TOTAL	10,076	100	12,098	100
LIABILITIES				
Own resources	5,060	50	6,392	53
Provisions and social capital	1,031	10	1,255	10
Liabilities	3,985	40	4,451	37

INTRODUCTORY STATEMENT BY THE CHAIRMAN OF THE MANAGING BOARD

"Wienerberger Europe" is the goal for which we are heading — "Wienerberger International" is the vision underlying it.

In 1991 we made a great step further on this path. The number of our manufacturing units in Europe rose from 52 to 60; of these, as many as 36 are already located outside Austria. In addition to this, Treibacher Chemische Werke acquired three corundum works in North America; construction of a clay pipe factory in south-east Asia was started within the framework of the KERAMO Wienerberger joint venture. We thus for the first time ventured out beyond Europe's borders and cemented our position as an enterprise which is rich in tradition, dynamic and international.

Rich in tradition, because we can look back upon a 170-year-old corporate history; dynamic, because tempo management is our guiding principle and because we succeeded in the past few years in establishing our presence in nine countries in Europe and overseas from our base in Austria.

The results achieved link up smoothly to the continual upward trend of the past years: 1991 has set a new record. The Group's sales have perceptibly exceeded the 10,000-million-schilling mark, and the Group's cash flow reached another peak figure. We thus have a particularly solid base at our disposal for the future and propose a higher dividend payment, from 30% to 33%, on the share capital topped up last year. In addition to this, a stock split at the ratio of 5 :1 is envisaged in order to permit our shareholders to participate direct in the appreciation of our enterprise.

The year 1991 was remarkable also in another way. The new organisational structure has proved efficient, the management of the independent divisions has been successful, and the entire Business group has made substantial progress on the road towards a harmonious whole.

Last year I declared harmony within the enterprise and outside my personal point of emphasis. Working along this guideline, the management and staff will carry on with their efforts up to the limits of their capabilities. But we must also realise these limits — they are the limits of our growth. After the implementation of our current expansion programme with a volume of several thousand million schillings we will increasingly concentrate on exploiting the success potential that we have purposefully built up in the individual enterprises. The motto is qualitative growth.

I feel confident that we will continue fulfilling the hopes placed in us. The 1992 budget is a highly ambitious one. It is geared to time-tested strength and is aimed at the unbroken continuation of the policy of success that we have so far pursued.

I wish to express my thanks, also on behalf of my two associates on the Managing Board, to all the staff members, who have contributed to the success of this enterprise. My gratitude also extends to all the business friends for their pleasant cooperation. Above all, however, I wish to thank our shareholders for the confidence they have had in us — we will live up to it.



Erhard Schaschl

PRODUCTION SITES IN EUROPE AND IN AUSTRIA



AUSTRIA



Status as at April 1992

OUR PRODUCTION SITES

The industrial resources of the Wienerberger Group

The Wienerberger Group currently comprises 61 plants in Europe as well as two corundum plants and one silicon carbide plant in the USA and Canada. Of these 64 units, not less

than 52 were newly built or acquired in the past seven years — a remarkable result of our industrial development work.

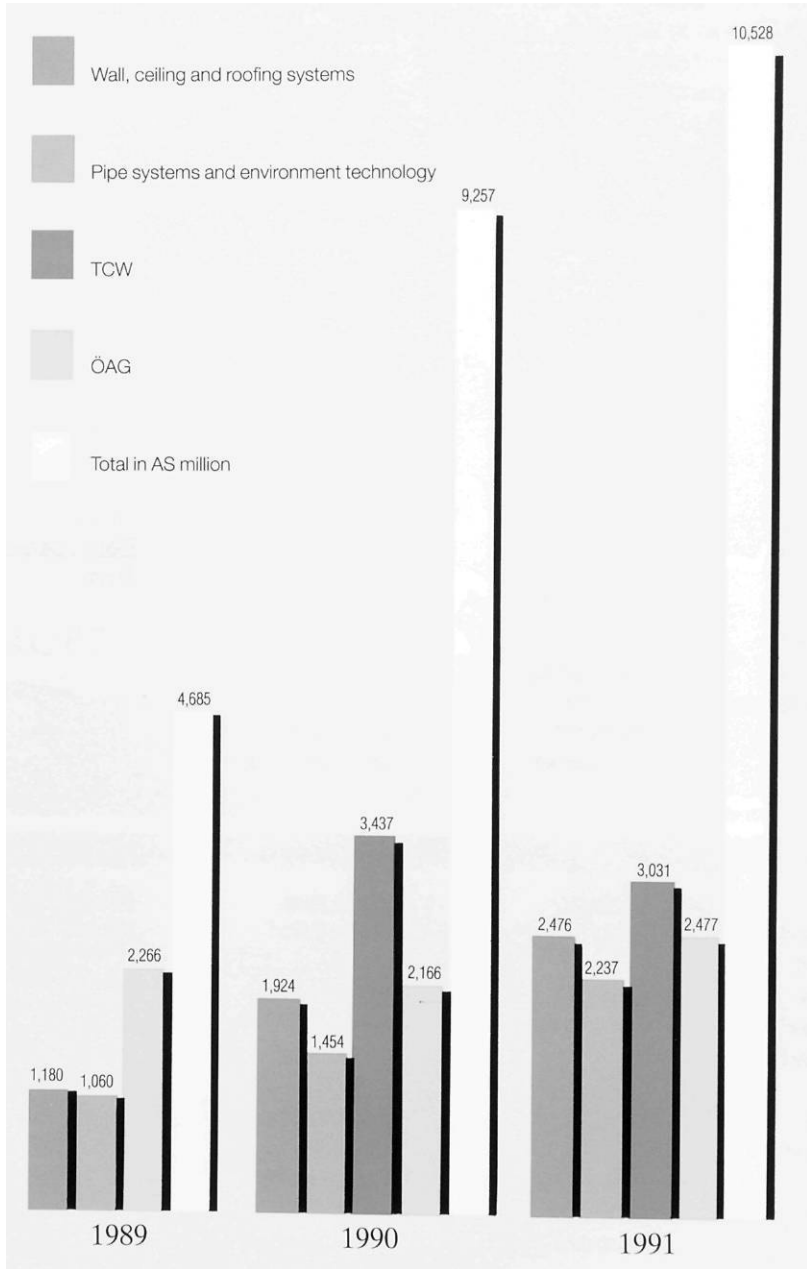
Production sites in Europe

GERMANY	Plastic pipes:	Plastic pipes:	SLOVENIA
Bricks:	Ekern	Csepel	Roofina tiles:
Jeddeloh	Golzau	Debrezen	Dravograd
Hude			Skocjan
Rietberg	Clav pipes:	FRANCE	
Sittensen	Zwickau	Plastic pipes:	CSFR
Schoningen		Chateauroux	Roofina tiles:
Volkmarsen	HUNGARY	Gaillon	Chrudim
Buchhorst	Bricks:	Vedene	
Minden	Solymar	Compiègne	GREECE
Schlewecke	Sopron	St.Gilles	Plastic pipes:
Lanhofen I	Koszeg	BELGIUM	Thiva
Lanhofen II	Orbottyan	Clav pipes:	
Wefensleben		Hasselt	
	Roofina tiles:		
Chimnev systems:	Veszprem	ITALY	
Osterwald	Budapest	Corundum:	
Elze	Kecskemet	Domodossola	

Production sites in Austria

Bricks:	Clinkers:	Stove tiles:	Roofina svstems:
Hennersdorf	Rotenturm	Walbersdorf	Vocklamarkt
Gollersdorf			
Laa/Thaya	Ceilings:	Plastic pipes:	Metallurav -
Mauthausen	Leopoldsdorf	Krems	corundum:
Neckenmarkt		Wr.Neudorf	Treibach
Uttendorf	Clav pipes:		Seebach
Barnbach	Wien	Roofing tiles:	
Gasselsdorf		Pochlam	
Mitterdorf	Civil enaioneerina	Gaspoltshofen	
Furstenfeld	products:	Gleisdorf	
Wels	Leopoldsdorf		

**SALES PROCEEDS
OF THE WIENERBERGER BUSINESS GROUP**



**REPORT OF THE
MANAGING BOARD**

**REPORT ON THE
CURRENT SITUATION**

THE ECONOMIC ENVIRONMENT

1991 - a year of radical changes

The overall economic conditions have started to move, creating a state of flux that has never been experienced before. Free market economy has impressively prevailed over the system of planned economy. The cold war is over, a general disarmament wave has set in. Europe's integration into the world's largest single market augurs persisting stability and growth incentives. Decisive steps in this direction were the decision on the creation of the European Monetary Union and the agreement on the European Economic Area.

On the other side, however, there is the political vacuum following the disintegration of the Soviet Union, the shrinking economies in the successor states of the CMEA, and the Balkan crisis.

The consequences of this crisis scenario are unpredictable, there are no promising signs of solutions, recessionary symptoms are on the increase. In the USA the economy lacks the push, the flagging trend in Japan cannot be overlooked, and the economic lull still prevails in large parts of Europe.

From the aspect of the economy as a whole, the year 1991 was a satisfactory one for

Austria. The economic performance grew by 3%, more strongly than the average of the west European industrialised countries, which rose only 1.3%. The favourable economic development was supported chiefly by the building trade, commerce, and tourism. These sectors succeeded in making up for the increasing weakness of the industry, which was especially pronounced in the fields of iron, steel, and chemical products. Private consumption went up by 3%, price-adjusted, and business investments rose by 4.4% in real terms.

The internationalisation of Austria's economy also continued to make progress: just as in the previous two years, investments of Austrian enterprises abroad were several times higher than those of foreign countries in Austria.

With an increase of the consumer prices by 3.25% Austria was among the most price-stable countries in Europe and clearly better than the European average. Employment reached a record level and stood at more than three million wage and salary earners. Notwithstanding this, unemployment climbed to 5.8%.

Development of the building trade

In the markets which are most important for our group — Austria, Germany, Hungary and France — the building boom developed quite variably. While the growth rates of 5% and 3.5% in Austria and Germany, respectively, marked European peak figures, construction work in France expanded by a mere 0.3%. On the other hand, Hungary experienced a disastrous year, with setbacks of up to 40%.

The sector mainly contributing to the positive development in Austria was commercial and industrial building, which soared by 7% in real terms. Despite persistent financing bottlenecks, housing construction also succeeded in adding 3% in real terms; multi-family housing construction even peaked at 4.7%. Positive factors supporting this trend were favourable weather conditions, the backlog demand in eastern Austria, as well as the economic impulse resulting from the opening of the neighbouring countries in the east.

The building trade in western Europe

	Changes against the previous year in %A>			
	1988	1989	1990	1991e
FRG	+ 3.0	+ 5.0	+ 5.0	+ 3.5
F	+ 5.2	+ 4.3	+ 2.3	+ 0.3
I	+ 4.3	+ 3.8	+ 1.6	+ 1.2
GB	+ 7.0	+ 4.0	+ 1.0	-10.0
E	+ 10.5	+ 13.0	+ 9.0	+ 4.0
B	+ 14.0	+ 10.0	+ 5.5	- 1.0
CH	+ 6.4	+ 6.1	+ 0.3	- 4.5
A	+ 5.7	+ 4.1	+ 5.8	+ 5.0

Source: WIFO, Euro-Construct Barcelona, December 1991; e = figures expected for 1991.

CORPORATE DESIGN

The goal is unity



WIENERBERGER

CORPORATE IDENTITY

A uniform corporate culture

Wienerberger has philosophy and culture - supported by a solid base of tradition, dynamics and confidence in the future. For us, corporate identity is not a stylish slogan — corporate identity is an expression of our corporate culture.

Wienerberger's eight guiding corporate principles are:

1. The objective of our work is the satisfied customer.
2. We act according to the principle: C & C — Concentration and Consistency.
3. Success is the measure of our activity.
4. For us, managing means focusing everybody's performance consistently on achieving the corporate objectives.
5. Our aim is a leading position in Europe.
6. We are a market-oriented, innovative enterprise.
7. We offer our customers a complete and concise product range.
8. We have significantly contributed to protecting the environment.

This corporate identity had been defined by our staff as early as in 1990 within the framework of several working groups — based on the questions, "What are we?" and "What do we want to be?". In 1991 we conveyed this corporate identity inward and outward: it met with a positive reception by both our staff and our partners and customers in the market.

The decisive point is that corporate identity is lived and realised. What we want to achieve is a still better understanding for us in the public and in the market. At the same time it is to weld the Wienerberger team even more closely together in all their thoughts and actions. The harmony thus created constitutes an essential precondition for the dynamism of the Wienerberger group.

Wall, ceiling and roofing systems		Pipe systems and environment technology	
100 %	50 %	100 %	50 %
Wienerberger Ziegelindustrie AG	BRAMAC Dachsteinwerk Ges.m.b.H.	Wienerberger Rohr- und Umwelttechnik Ges.m.b.H.	PIPELIFE International Holding Ges.m.b.H.
Steirische Ziegelwerke Ges.m.b.H. 74 % (A)	BRAMAC International Anlagenbau- und Beteiligungsges.m.b.H. 100 % (A)	Bohr- und Rohrtechnik Ges.m.b.H. 100 % (A)	PIPELIFE Rohrsysteme Ges.m.b.H. 100 % (A)
Wienerberger Ziegelindustrie Deutschland GmbH 100 % (D)	Quarzsandwerk Ges.m.b.H. 100 % (A)	Wienerberger Umwelttechnik Produktionsgesellschaft m.b.H. 100 % (A)	PIPELIFE Rohrsysteme GmbH Bad Zwischenahn 100 % (D)
Wienerberger Ziegelindustrie GmbH & Co 99 % (D)	BRAMAC-Domico Dach-, Wand- und Fassadensysteme Ges.m.b.H 75 % (A)	Kontinentale Handelsgesellschaft m.b.H. 50 % (A)	PIPELIFE Rohrsysteme Gölzau GmbH 100 % (D)
Schlagmann Baustoffwerke GmbH & Co KG 50 % (D)	Tondach Gleinstätten International Ges.m.b.H 50 % (A)	Freunschlag & Comp. Ges.m.b.H. 75 % (A)	Pannonpipe Műanyagipari Kft. 50 % (H)
Wienerberger Systemschornstein GmbH 100 % (D)	Ziegelwerke Gleinstätten Ges.m.b.H. 33,3 % (A)	KERAMO Wienerberger N.V. 50 % (B)	PIPELIFE France S. A. 100 % (F)
Hungária – Wienerberger Téglaiipari Kft. 65,8 % (H)	BRAMAC Betoncserepgyártó és Építőanyagipari Kft. 56,6 % (H)	KERAMO Wienerberger Steinzeugwerk Zwickau GmbH 50 % (D)	Société Méditerranéenne de Plastiques Agricoles S.A. 100 % (F)
Wienerberger-Cesko-Moravske Cihelny Spol. S.R.O. 100 % (CSFR)	BRAMAC – Proizvodnja Betonskih Stresnikov in Gradbenega Materiala, D. O. O. 50,6 % (SLO)	Wienerberger Ecology Technics BV 100 % (NL)	Petzetakis-PIPELIFE S.A. 66,7 % (GR)
Wienerberger Ziegelindustrie Finanz S. A. 99,6 % (L)	BRAMAC – Vyroba Betonove Stresni A Stavebnich Hmot, Spol. S.R.O. 56,9 % (CSFR)		

Status as at April 1992

AUSTOFFINDUSTRIE AG

Treibacher		ÖAG		Real estate/property	
51 %		95 %		100 %	100 %
Treibacher Chemische Werke AG		Österreichische Armaturen AG			
Grondmet Handelsges. m.b.H. 90% <div>A</div>		Österreichische Armaturen-Konti Gesellschaft m.b.H. 100 % <div>A</div>		Wienerberger Immobilien AG 69,7 % <div>A</div>	Wienerberger Beteiligungsverwaltungs-gesellschaft m.b.H. 100 % <div>A</div>
Handelsbeteiligungs-gesellschaft m.b.H. 50 % <div>A</div>		Unisan Handels- und Marketingservice Gesellschaft m.b.H. 100 % <div>A</div>		WIPARK Garagen Gesellschaft m.b.H. 100 % <div>A</div>	Wienerberger S. A. 100 % <div>L</div>
General Abrasive Treibacher (USA) Inc. 100 % <div>USA</div>		Technotrans Logistikservice Gesellschaft m.b.H. 100 % <div>A</div>		WIPARK Leasing Gesellschaft m.b.H. 100 % <div>A</div>	Wienerberger Ofenkachel Ges.m.b.H. 100 % <div>A</div>
Treibacher Corp. 100 % <div>USA</div>		Kontinentale Handelsgesellschaft m.b.H. 50 % <div>A</div>		Garage am Beethovenplatz Ges.m.b.H. & Co KG 100 % <div>A</div>	Wienerberger Versicherungs-Service-Ges.m.b.H. 60 % <div>A</div>
Eurocorundum S p A 100 % <div>I</div>		Haustechnik Handelsgesellschaft m.b.H. 100 % <div>D</div>		Mineralstoff-verwertungs-Ges.m.b.H. 100 % <div>A</div>	
Società Italiana dei Prodotti Elettrochimici di Treibach Sas 50 % <div>I</div>		Mart Kft. 100 % <div>H</div>		„ALWA“ Güter- und Vermögensverwaltungs-AG 25 % <div>A</div>	
Grondmet Metall- und Rohstoffvertriebs GmbH 100 % <div>D</div>		Cesaro Spol. S. R. O. 99 % <div>CSFR</div>		Forstbetrieb Scheiberhof Ges.m.b.H. 100 % <div>A</div>	
Treibacher (UK) Ltd. 100 % <div>GB</div>				Forstbetrieb Schöpfl Ges.m.b.H. 100 % <div>A</div>	

FOCAL MEASURES IN 1991

Clear goals - consistent realisation

In 1991 our corporate activities continued to be guided by the motto "Concentration and Consistency". In this sense, management and staff concentrated selectively on specific points of emphasis. The objectives of this focusing strategy were asset development and strengthening the earning power. In this way we managed to cope with competition successfully. We widened and cemented our market position in all the areas of our business. Apart from our efforts to optimise our day-to-day business operations, the following focal measures in particular contributed to this development:

1. Wall, ceiling and roofing systems

- Purchase of the Wefensleben brick works in Saxony-Anhalt with an output of 40 million standard bricks.
- Construction start of a new girder and lintel plant in western Hungary with a projected annual output of 1.2 million linear metres.
- First steps in the German prefabricated-chimney market: purchase of the chimney division from Otavi Minen AG and establishment of Wienerberger Systemschornstein GmbH.
- Initial operation of the Rietberg brick works in North Rhine-Westphalia, which had been expanded to a capacity of 80 million standard bricks.
- Increase of the interest in Hungaria-Wienerberger Teglai Kft. from 50% to 65.8%.
- Conversion of Wienerberger Ziegelindustrie Ges.m.b.H. into a joint-stock company, paving the way for its potential listing on the stock exchange.
- Majority interest of BRAMAC in two new plant sites in Slovenia.
- BRAMAC's entering the market of clay roofing tiles; it acquired a minority interest in Österreichische Tondachziegel Gleinstätten Ges.m.b.H. and set up the joint venture Tondach Gleinstätten International Ges.m.b.H.
- Majority interest of BRAMAC in a roofing tile plant in eastern Bohemia.
- Increase of the interest in BRAMAC Kft. in Hungary from 48.8% to 56.6%.

? . Pipe systems and environment technology

- Acquisition of a 50% interest in KERAMO N.V./Belgium, one of the largest clay pipe manufacturers on the European continent.
- Conclusion of a joint venture with the Danish enterprise 4K and establishment of Sulcrete International A/S.
- Startup of the thoroughly renovated clay pipe works at Zwickau in Saxony with an output of 25,000 tons/year.
- First test runs in the environment-technology production centre at Leopoldsdorf near Vienna.
- Acquisition of a polyethylene pipe manufacturing plant at Bad Golzau/Saxony-Anhalt and its integration in the newly founded PIPELIFE Rohrsysteme Golzau GmbH.
- Acquisition of the polyethylene pipe manufacturing firm MPA by PIPELIFE France S.A. with two production sites in northern and southern France.

3. Treibacher Chemische Werke

- Acquisition of three corundum works in the USA and Canada as well as the organisation of American Treibacher Corporation/Delaware.

4. Österreichische Armaturen

- Establishment of Haustechnik Handels GmbH to explore the market of the new German federal provinces, and opening of the first site at Zwickau.
- Establishment of Cesaro Spol. S.R.O. in Prague to explore the CSFR market.

5. Real estate/property

- Sale of GMA Glasformen Ges.m.b.H. to the Belgian business group BMT/OMCO.
- Increase in the interest in the parking garage at Beethovenplatz to 100%.
- Capital increase of Wienerberger Immobilien AG and admission of its shares to official trading on the Vienna Stock Exchange.
- Construction start, and progress according to plan, of the BUSINESS PARK VIENNA real estate project.
- Successful placement of a capital increase of Wienerberger Baustoffindustrie AG.

THE 1991 RESULTS

Better than expected

Sales proceeds

In 1991 the sales growth of the Wienerberger business group continued at home and abroad. For the first time the sales proceeds exceeded the 10,000-million mark, reaching AS 10,528 million. This meant an above-average growth rate of 13.7%, of which 8.5% were achieved by holdings added to the group. The five divisions, organised according to the portfolio principle, contributed to this result as follows:

	Share in total sales	Growth 1991
Wall, ceiling and roofing systems	23.5%	28.7%
Pipe systems and environment technology	21.3%	53.9%
Treibacher Chemische Werke	28.8%	-11.8%
Osterreichische Armaturen	23.5%	14.4%
Real estate/property	2.9%	11.2%

In all, we thus succeeded in more than doubling the sales proceeds during the past two years.

Investments

Additions to the Wienerberger business group in 1991 amounted to AS 2,985 million, of which AS 1,653 million were tangible assets and AS 1,332 financial assets. The amount invested thus perceptibly exceeded the cash flow attained. In 1992, due to the ongoing expansion policy, investments will once again be considerably higher than the resources earned. The available liquidity reserves will ensure solid financing and thus the continuation of the adopted advance strategy.

Staff

At balance-sheet date the Wienerberger business group employed 5,137 persons, proportionately corresponding to its holdings in the various enterprises. This figure includes half the staff employed by 50% holdings and the entire staff of majority holdings. The increase of 791 workers and employees was largely due to purchases of plants and participations.

The effort and performance of our staff determined our success. Each individual staff

member who identifies himself or herself with Wienerberger and its objectives contributes to the positive course of its business. Our staffs commitment and the constructive cooperation of the staff delegates therefore deserve our thanks and appreciation.

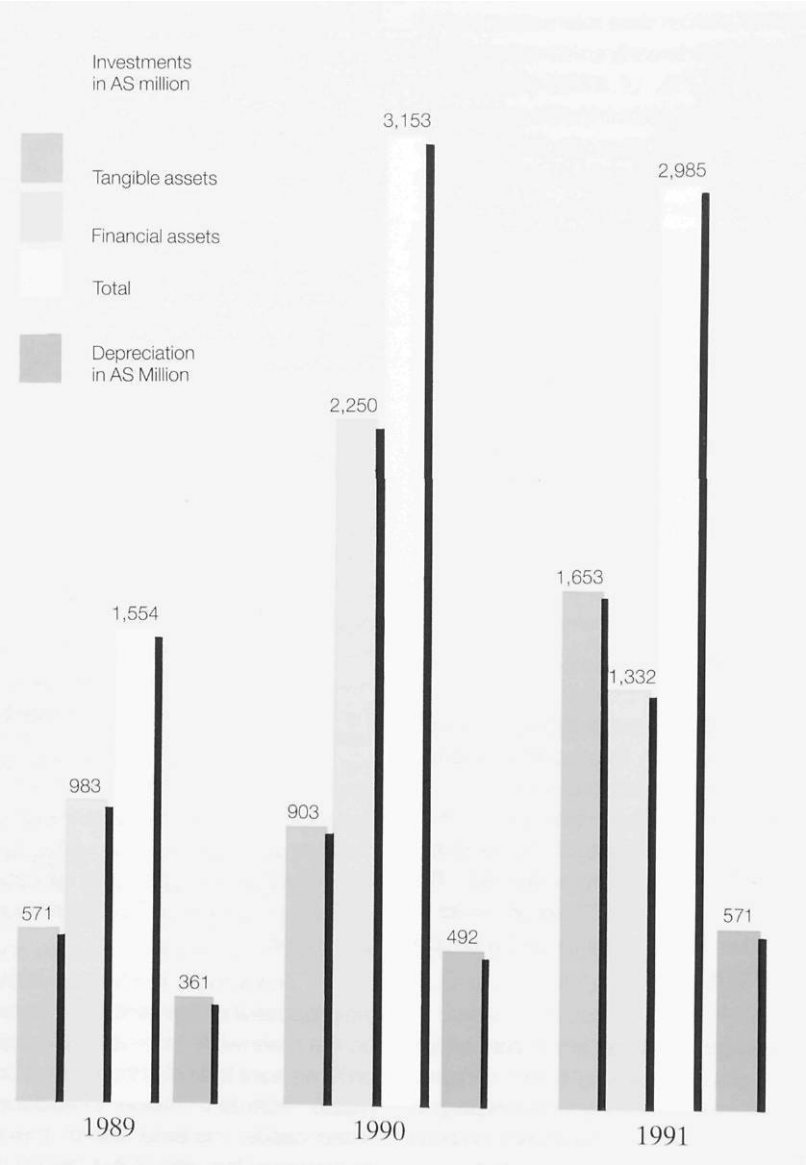
Earnings position

Although the build-up of assets has been enjoying priority in our enterprises, the unabated positive earnings trend continued in the year under review. The group's consolidated operating result rose from AS 582 million to AS 863 million. It includes income from the real estate/property sector, which for Wienerberger is an operational unit. Moreover, the evaluation of the earnings position must take into account the large expenses for the expansion projects, for which earnings will be realised only with a certain time lag. Accordingly, dividend income from the newly acquired holdings will accrue only in the subsequent accounting periods. In line with the portfolio principle, part of these expansion projects involve developing sectors; their launching costs must be regarded as investments for the future and are a burden on the current earnings situation in their initial stage.

As in the previous years, we took full advantage of the fiscal investment incentives, and took care of all the risks through reasonable provisions. The profit accumulated by way of the investment allowance and the allocation pursuant to Section 12 Income Tax Act amounted to AS 249 million.

Following a dividend of 30% for 1990, we propose the payment of a dividend of 33% on the meanwhile increased share capital. The profit amount thus distributed rises to AS 105.3 million from 87.7 million. In addition to this, a share capital increase out of the company's resources at the ratio of 5 : 1, by AS 63.8 million to AS 382.9 million, will be proposed at the General Meeting. This bonus share issue is to make it possible for our shareholders to take a direct part in the appreciation of the Wienerberger enterprise.

INVESTMENTS AND DEPRECIATION



RESEARCH AND DEVELOPMENT

Economy - ecology: no contradiction

The search for new, environment-sparing processes and products has occupied a prominent place in the domain of research and development. For the Wienerberger business group, environment-compatibility has in this connection become an increasingly important criterion, especially for the evaluation of building materials.

While the technical properties of materials can be determined and checked by uniformly established testing procedures, there is still no objective measure for the ecological quality of building materials and building methods. The term "ecobalance" will become increasingly important in this connection. Within the framework of this ecobalance the impacts on human beings and the environment, occurring during the entire life cycle of a product, are to be recorded qualitatively and, if possible, also quantitatively. Our customers will in future not be satisfied by the mere fact that the products they buy are unobjectionable from the point of view of construction biology. They will also ask whether they meet the criteria of environmental acceptability in respect of the raw material production, their manufacture and reutilisation. This is why the search for new, environment-protecting production processes and products will become a main point of emphasis in the future.

Apart from fundamental research, application technology continued to be sped up in all the industrial sectors in the past year. The

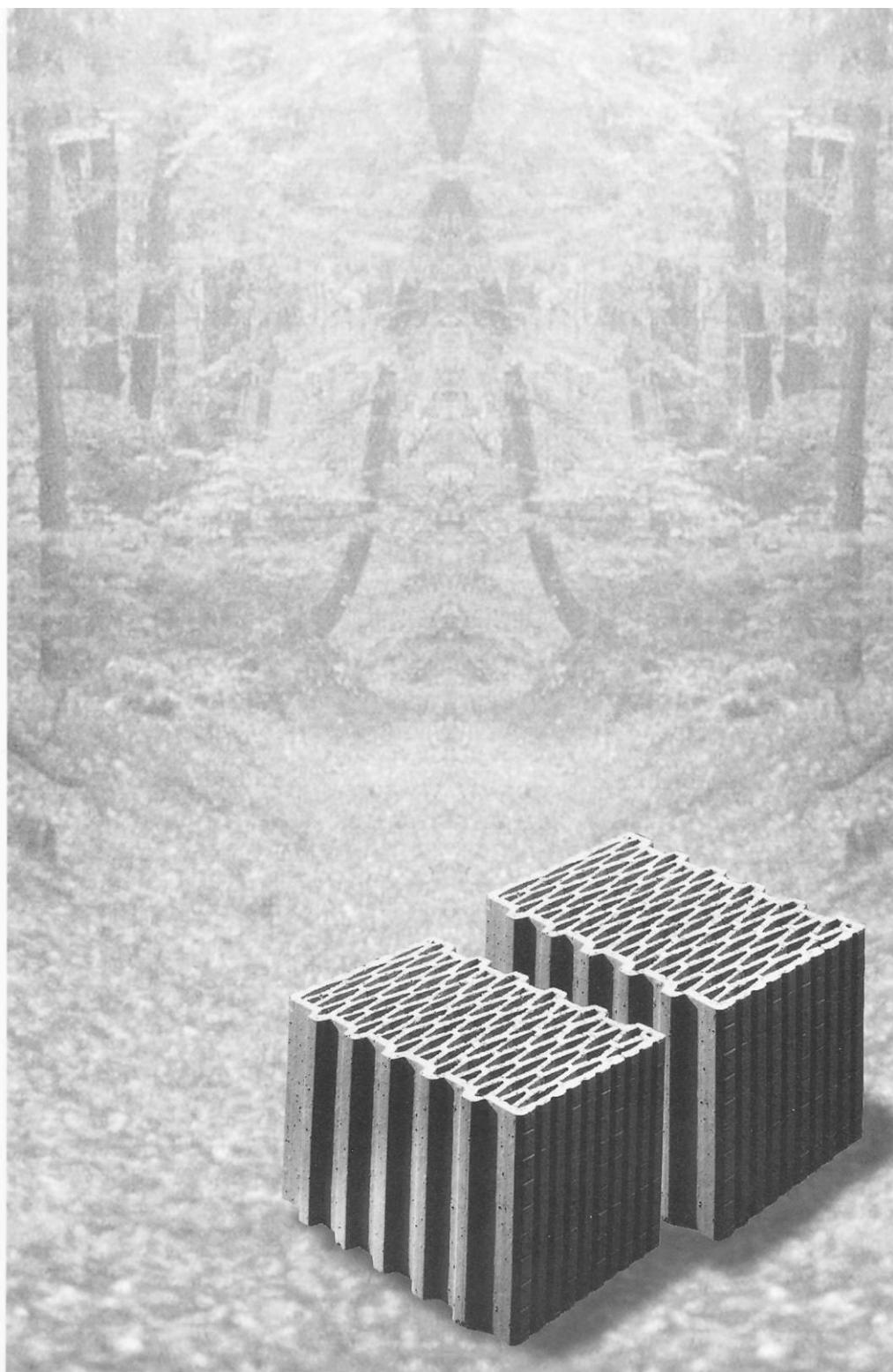
objective is to improve the economic viability of time-tested problem solutions still further.

In the wall, ceilings and roof systems division the grove-and-tongue system, newly developed for Wienerberger's "porotherm range", was meanwhile introduced also in the Hungarian market. This product system excels by being particularly labour-saving and material-saving. It thus constitutes an important contribution to a better economy in housing construction. The development of the surface-ground brick, which scored its first successful results in the German market, is a step in the same direction.

In the pipe systems and environment technology division, efforts to save raw materials and the improvement of the product properties were likewise given prominent attention. One successful example is the COEX sewer pipe made of plastic, which has turned out to be a beneficial alternative to other materials.

Treibacher Chemische Werke AG has attributed specially great importance to research and development. The results are a great number of domestic and foreign patents and a valuable process knowhow. Successful advancements were made in the areas of ferro-alloys and corundum. New measuring and manufacturing techniques have made it possible to attain a top level in respect of the ecological acceptability of the production.

DEVELOPMENT OF THE BUSINESS DIVISIONS



WALL AND CEILING SYSTEMS

in AS million	1990	1991		1990	1991
Net sales	1,557	2,052	Staff	906	1,253
Cash flow	325	357	Cash flow/sales	20.9%	17.4%
Investments ¹⁾	586	1,006	Sales/staff	1.7	1.6

¹⁾ Additions to tangible assets and financial assets

The business activities comprise the production and sale of wall and ceiling systems as well as of chimney systems for carcass structures. They also include clinkers and facing bricks for the decoration of the exterior.

The markets of Austria, Germany and Hungary are currently supplied by 31 factories. The leading enterprise is Wienerberger Ziegelindustrie AG, which in 1991 emerged from Wienerberger Ziegelindustrie Ges.m.b.H. This change in the legal form underlines the important position of this traditional, original domain and creates an option for a listing on the stock exchange at a later date.

In 1991, based on the extremely well established trademark "porotherm" and the "groove-and-tongue" product line, the market position was improved still further. The extension of the paving clinker range scored gratifying sales results. In the southern and eastern part of Austria, the takeover and subsequent closure of the Hartberg plant constituted a structural adjustment.

In Germany, the acquisition of the Wefensleben plant site resulted in an improvement of the market position in the new German federal provinces. Construction of a new plant for backwall bricks was started on this site in 1991. At Rietberg/North Rhine-Westphalia, the new works started production according to plan with an annual output of 80 million standard bricks. In addition to this, we succeeded in entering the system-chimney market. For this purpose, the chimney systems division with two production sites was acquired from OTAVI Minen AG and contributed to Wienerberger Systemschornstein GmbH.

In Bavaria, the development of Baustoffwerke Schlagmann GmbH & Co. KG, where we had acquired a 50% interest, was particularly gratifying. The two brickworks worked

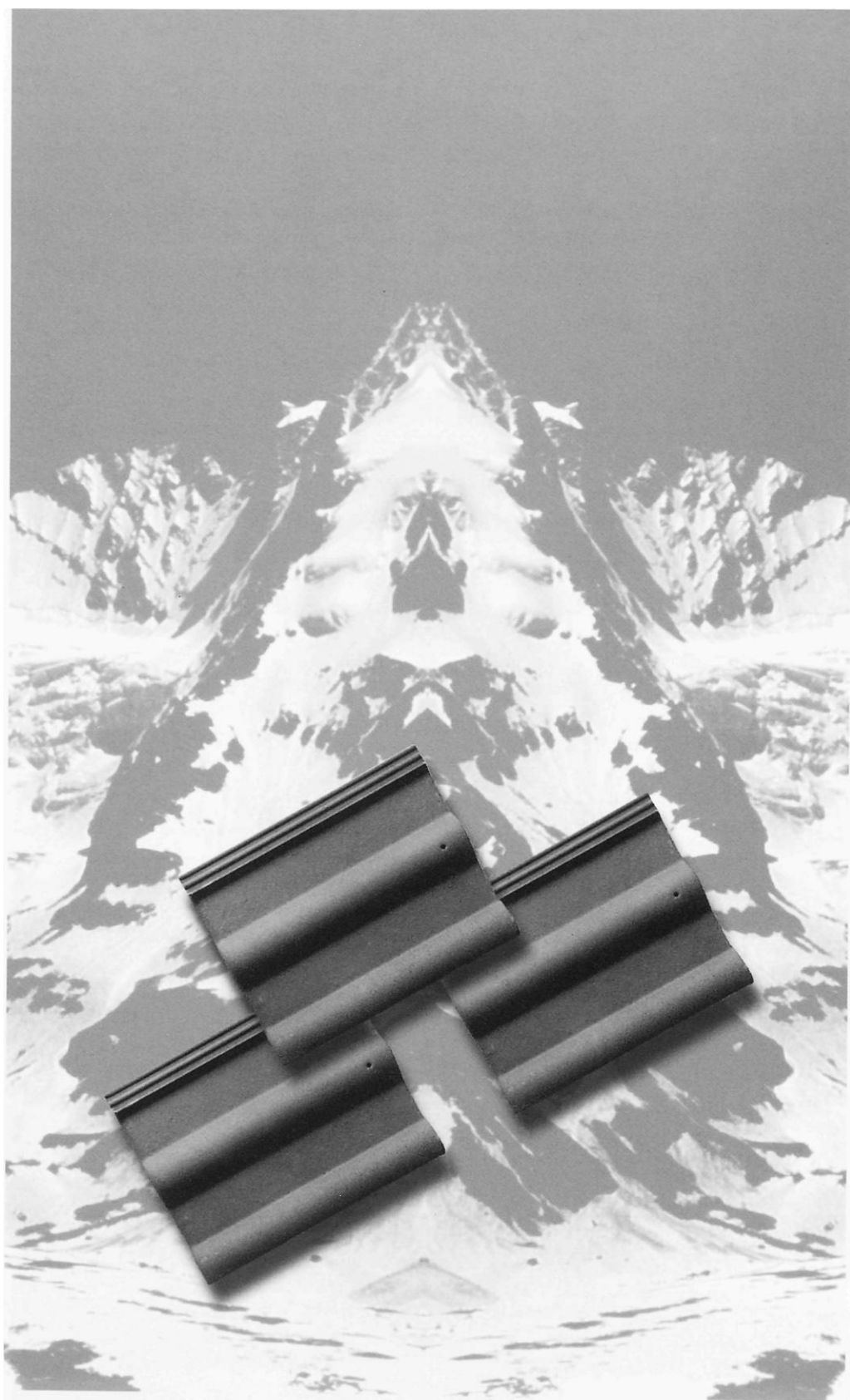
to capacity, and the two ceiling-element works, whose capacity had been expanded considerably in 1990, sold its entire increased output.

In contrast to the favourable conditions prevailing in Austria, the building trade in Hungary had to contend with serious difficulties. They were caused by high inflation, the extremely high interest level, and the cessation of subsidised financing. The Hungaria/Wienerberger Teglaipari Kft. countered this trend by introducing rigid rationalisation measures, efficiency-enhancing investments, the development of its own sales organisation, and selective publicity for the newly introduced "porotherm line". The construction of a plant for pretensioned lintels and ceiling girders was started at the Koszeg site in western Hungary. Towards the end of the year we succeeded in topping up our holding in Hungaria-Wienerberger Teglaipari Kft. from 50% to 66% by way of a capital increase.

Within the framework of our expansion into the neighbouring countries, several agreements for the establishment of joint ventures were concluded in the CSFR. Their objective is the construction and reconstruction of works in Bohemia, Moravia, and Slovakia.

In all, the high-pitched sales and earnings targets were perceptibly exceeded. The profit disbursed by Wienerberger Ziegelindustrie AG will constitute an important contribution to the 1992 result of our participations.

The results scored in the first few months of this year make us look forward with confidence to another successful year. Points of emphasis of our investment activity in Austria are the expansion of the Hennersdorf plant as well as the construction of a new plant in the central region of Upper Austria. In Germany, the completely refurbished Wefensleben works in Saxony-Anhalt will start operating in autumn.



ROOFING SYSTEMS

in AS million	1990	1991		1990	1991
Net sales	734	848	Staff	442	632
Cash flow	78	114	Cash flow/sales	10.6%	13.4%
Investments ¹⁾	178	216	Sales/staff	1.7	1.3

¹⁾ Additions to tangible assets and financial assets

BRAMAC Dachsteinwerk Ges.m.b.H., which is 50% owned by the German Braas group and 50% by Wienerberger, came up to the expectations placed in it in the business year ending. In Austria, business was satisfactory. Demand emanated from new structures and increasingly also from the renovations. Target-group-oriented marketing contributed to an increase in sales proceeds in line with the budget and to achieving a good result. Investment activity concentrated on the improvement and rationalisation of the three domestic works sites. Gratifying growth rates were also recorded by BRAMAC-Domaco Dach-, Wand- und Fassadensysteme Ges.m.b.H., which acts in the Austrian market as a specialised enterprise for facades and low-pitch roofs made of aluminium and steel sheets.

On the other hand, the development in Hungary was strongly impaired by the economic setback which virtually stopped all building activity within a short time. A substantial drop in sales had to be put up with despite massive marketing and sales endeavours. To keep the cost of unutilised capacities within limits, the Dunakeszi plant was temporarily closed. This made it possible to utilise the capacities of the other two works more fully and to achieve just about a positive result.

A step to expand into the neighbouring CSFR was successful. Here the foreign holding company, BRAMAC International Ges.m.b.H., acquired an interest of about 57% in BRAMAC Spol.S.R.O.; they erected a new concrete roofing tile plant at Chrudim/eastern Bohemia,

which started operating in spring 1992.

Another majority interest was acquired in Slovenia in BRAMAC D.O.O., which took over two concrete roofing tile works from its local partners in order to supply this regional market. Despite the ravages of war and the investments made, the company has fully come up to expectations and closed its first year already with its accounts balanced.

The establishment of Tondachziegel Gleinstatten International Ges.m.b.H., a joint venture with a 50% interest, was a strategically important undertaking. The partner is Ziegelwerke Gleinstatten Ges.m.b.H., one of the two Austrian clay roofing tile manufacturers, in which BRAMAC holds a minority interest. Tondachziegel Gleinstatten International Ges.m.b.H. aims at setting up manufacturing plants in the neighbouring Danube region in order to develop new markets for clay roofing tiles.

In all, due to the positive business development on the domestic market, it was possible to keep earnings on a high level; an unchanged dividend payment is anticipated.

On account of the continuing favourable business trend in the building trade, turnover and results are expected to be satisfactory in 1992 as well. The revival of demand in Hungary, the stabilisation of the political scenario in Slovenia, as well as the opening of the CSFR market should have an additional boosting effect on the results.



PIPES AND ENVIRONMENTTECHNOLOGY

in AS million	1990	1991
Net sales	679	1,222
Cash flow	23	31
Investments ¹⁾	115	279

¹⁾ Additions to tangible assets and financial assets

	1990	1991
Staff	454	808
Cash flow/sales	3.4%	2.5%
Sales/staff	1.5	1.5

Environment-consciousness and sensitivity in respect of environmental burdens have increasingly come into prominence. Even industry has attributed more and more importance to actively dealing with this group of problems.

For Wienerberger, the subject of environment has two aspects: one is the assumption of greater responsibility towards the general public, the other is an interesting opportunity to expand into a new field of business activity. As early as in 1990, when we founded the division of pipes and environment technology, we were aware not only of the huge growth potential, but also of the specially great difficulties that the involvement in this market would entail.

In the process of realising a comprehensive corporate conception we began to collect and put together the industrial elements required for such a venture. In doing so, we were highly successful in some respects, but we also failed to reach our goals in others.

Our entry into the European clay pipe market has surpassed all our expectations. Enhanced by the extraordinary business boom in the new German federal provinces, the joint venture with the leading Belgian clay pipe manufacturer, KERAMO N.V., has developed much more positively than planned. The same holds true for the clay pipe plant at Zwickau, acquired in 1990, which turned out to be an interesting site. For this reason, and by utilising the existing infrastructure, we have meanwhile built a new clay pipe plant in this place.

The Austrian clay pipe plant, on the other hand, witnessed temporary production problems which impaired its readiness to deliver and led to a loss. The new production centre for

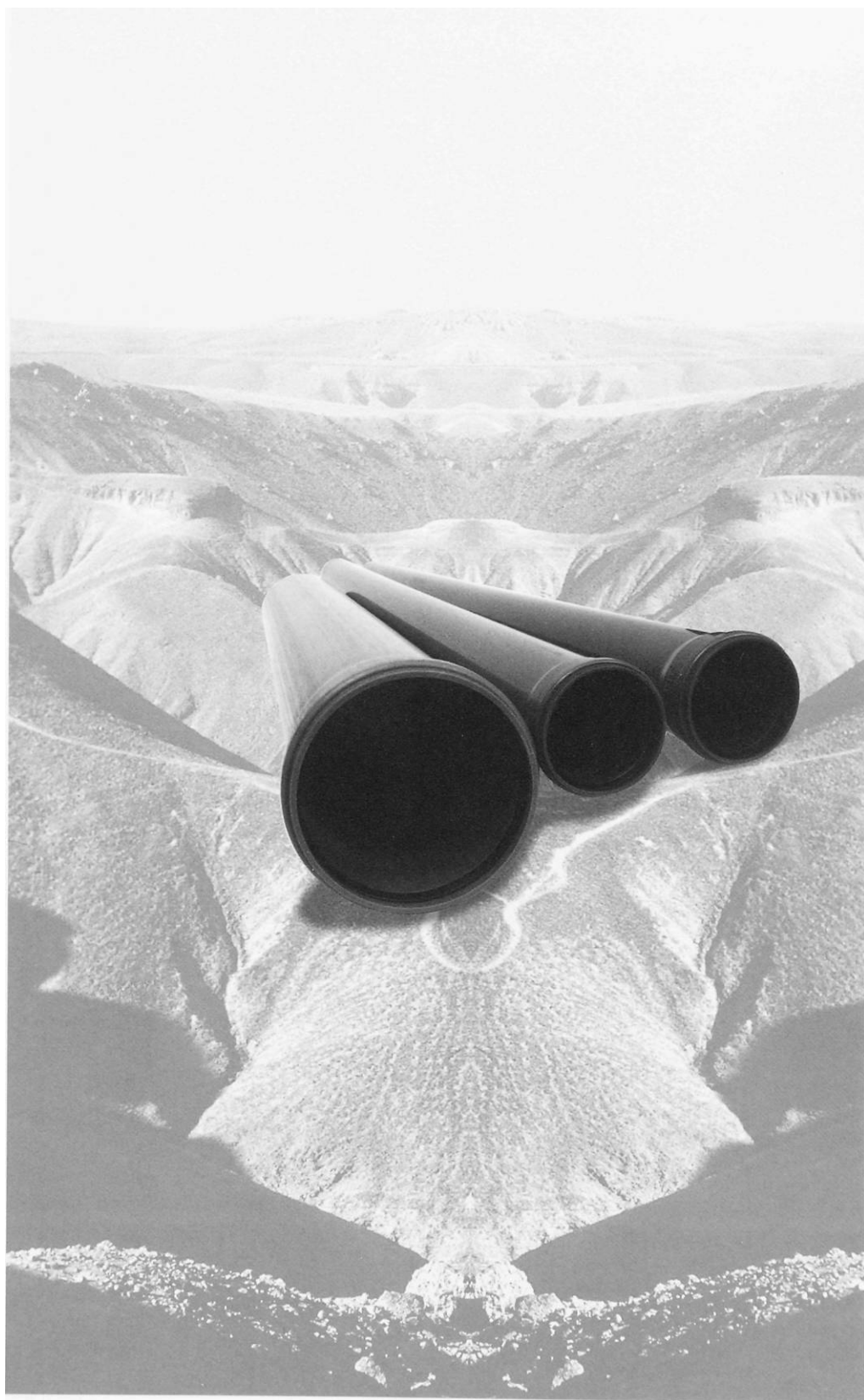
environment technology at Leopoldsdorf near Vienna, where components are manufactured from the materials Duroton, Sulcrete and concrete, did not start its test run until the end of 1991.

The joint venture concluded with a Danish enterprise by the name of "Sulcrete International" to exploit international patents for sulphur concrete has not yet contributed any results in 1991.

Of the other business lines handled within the framework of Rohr- und Umwelttechnik Ges.m.b.H., plant construction did not develop quite satisfactorily. On the other hand, the affiliates Bohr- und Rohrtechnik Ges.m.b.H. and Freunschlag & Co Ges.m.b.H. scored positive results as anticipated.

Summing up, we can say that the new business area has proved to be interesting and extensible. The cash flow attained did not increase to the same extent as it was still encumbered by losses in some subsectors and by initial expenses. Yet to a certain extent these constitute an investment in the future. Based on the experience gained so far, we will at first fully concentrate on water supply and water disposal. Our production facilities for pipes and pipe systems in Austria, Germany and Belgium provide the market-relevant and promising industrial components for this sector.

In 1992 it is intended to carry on with the expansion in this core area consistently. Concrete measures are the development of our clay pipe production in Belgium and Germany, as well as the completion of the clay pipe works in Malaysia, which is at present under construction.



PIPELIFE

in AS million	1990	1991		1990	1991
Net sales	1,550	2,031	Staff	614	1,041
Cash flow	186	239	Cash flow/sales	12.0%	11.8%
Investments ¹⁾	162	478	Sales/staff	2.5	2.0

¹⁾ Additions to tangible assets and financial assets

Within the PIPELIFE group we continued our expansion policy in cooperation with our Belgian joint-venture partner Solvay S.A. Acquisitions of enterprises in France and Germany as well as intrinsic growth have strengthened our position for plastic pipe systems in the European markets. The industrial basis for this development were eleven production sites in Austria, Germany, France and Hungary.

The 1991 business year saw high raw material prices in the first half, which again fell continuously in the later part of the year. Owing to fierce competition, this trend was accompanied by sales price adjustments. At the same time, the concentration process in this business line went on. Notwithstanding all this, PIPELIFE managed to realise the planned turnover increase and to improve the results.

In Austria, business policy focused on the final amalgamation of the distribution systems of the former Salen and Tekum sales organisations. Since April 1991 they have been operating exclusively under the corporate name of "PIPELIFE". In addition to this, a new plan was embarked upon for the reorganisation and modernisation of the direct-sale system.

The scenario in Germany was characterised by more intense activities in the new federal provinces. The large trade organisations managed to get hold of the market more quickly than anticipated, while European competitors were only partly successful in their search for

new production sites. By taking over the polyethylene pipe production at Golzau, the PIPELIFE group secured a new site, thereby implementing its entry into the former GDR.

In France, the general recessionary trend was additionally marked by the shrinkage of the drainage pipe market. The strong setback in this market segment was caused by the unusual drought and by agriculture's structural problems. PIPELIFE France responded by acquisitions in new market segments and by expanding the production programme. The purchase of the polyethylene pipe manufacturing firm MPA, which operates one production site each in southern and northern France, marked the successful entry into the promising polyethylene pipe business.

The overall economic conditions in Hungary were extremely difficult. Pannonpipe Kft. nevertheless achieved satisfactory results. The first full business year was used especially to restructure the organisation and to make the two works more efficient. The development of a direct sales system is aimed at holding the leading market position also in the future.

Two further expansion projects were implemented already in the first few months of 1992. The joint venture with the firm Petzetakis carried our polyethylene pipe business to Greece. Moreover, the Turkish polyethylene pipe manufacturer Arili, where Solvay S.A. already held a majority interest, will be integrated into the PIPELIFE group.



TREIBACHER CHEMISCHE WERKE

in AS million	1990	1991		1990	1991
Net sales	3,437	3,031	Staff	1,559	1,362
Cash flow	117	121	Cash flow/sales	3.4%	4.0%
Investments ¹⁾	155	275	Sales/staff	2.2	2.2

¹⁾ Additions to tangible assets and financial assets

In 1991, as in the previous year, the export markets of Treibacher Chemische Werke were adversely influenced by the persistent recession in America and the downward trends in the Far East, in Europe, the deterioration of the economic situation in the former CMEA countries was particularly detrimental. The predominantly unfavourable business climate entailed a palpable decline in employment, particularly in the automobile and machine industries. The crude-steel manufacturers had to put up with output cuts of 5% worldwide.

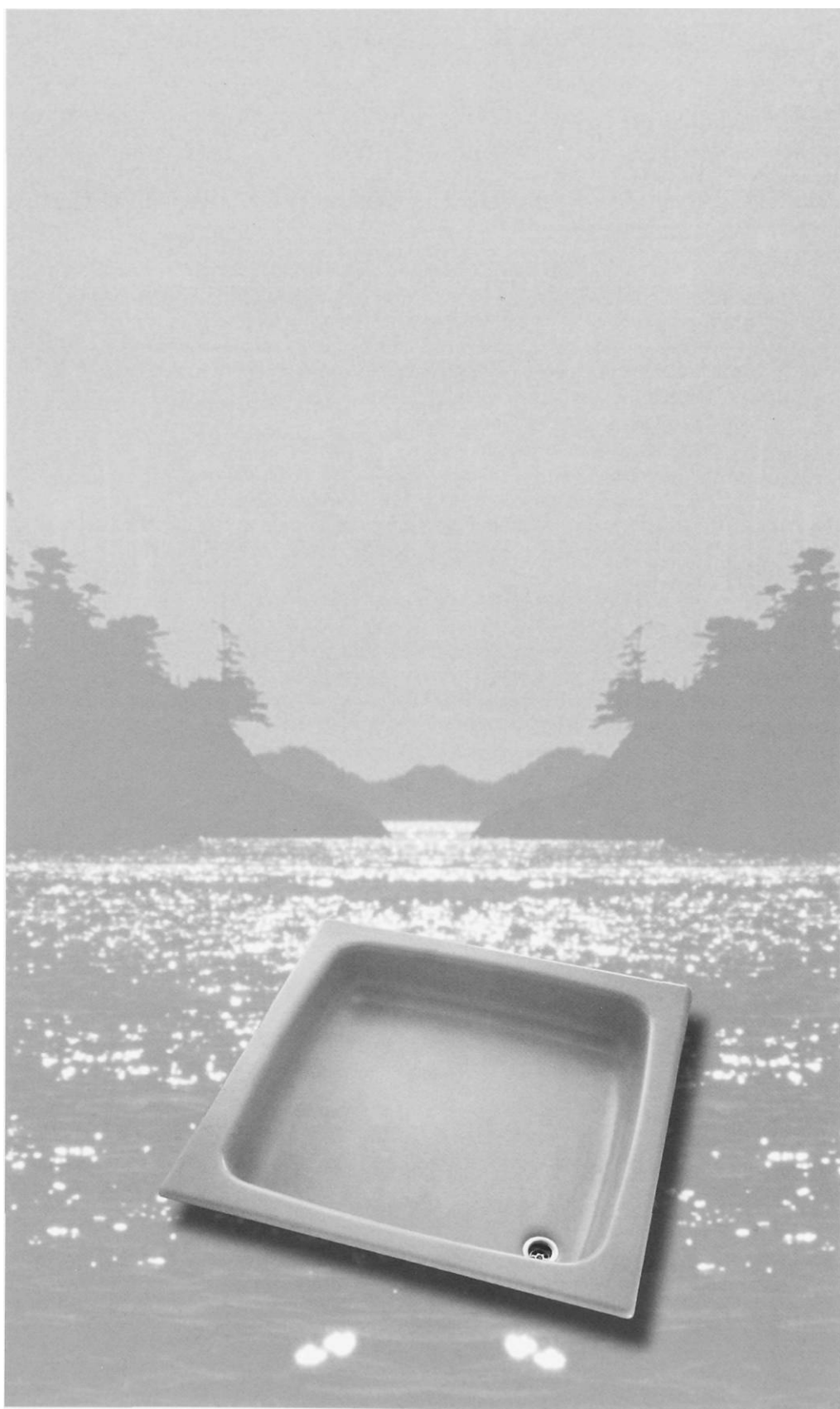
While Treibacher was able to keep its sales volume almost on the previous year's level despite the difficult conditions, sales proceeds declined by 12%. This was due mainly to two factors: one is that the weak US dollar became even weaker, dropping to a new low at the end of the year; the other reason is that the prices of vanadium, molybdenum and nickel, which stagnated in the first half of the year, went down considerably in the second half. This is why diminished sales had to be accepted especially for ferro-alloys, abrasives as well as peroxides. On the other hand, sales proceeds in the flint and mischmetal sectors developed positively. The export ratio, already high in the past, rose to 86%, reconfirming the company's international competitive ability.

Within the enterprise, efforts concentrated on a comprehensive rationalisation programme. As a consequence, costs were perceptibly cut in the staff and non-staff areas. A structure plan developed at the same time is aimed at creating flexible corporate units in

order to shorten the decision-making process, to enhance the staffs motivation and thus to be in a position to react still faster to market requirements. This package of measures is supported by the development of a new, state-of-the-art EDP system.

In the existing works investment activity focused on the improvement and rationalisation of the equipment. In doing so, special attention was devoted to environmental aspects. In addition to this, Treibacher acquired two corundum plants and one silicon carbide plant in the USA and Canada. This expansion measure made it possible to hit several strategic targets: we obtained manufacturer status on the American market, became independent of the dollar-schilling parity, and energy costs are substantially lower because all the three sites are supplied from power stations located in the catchment area of the Niagara Falls. Thus Treibacher not only made an important step towards internationalisation; it also became the largest corundum producer worldwide. Earnings improved despite the difficult conditions. The dividend will be kept on the previous year's level.

The budget set up for 1992 is aiming at a continuation of the cost-cutting programme and concentration on the five original business sectors of the enterprise. This year the restructuring programme is to be implemented and expansion carried on. A first step towards this goal was the acquisition of the remaining 50% interest in the Italian company Euro-corundum SpA.



ÖSTERREICHISCHE ARMATUREN

in AS million	1990	1991		1990	1991
Net sales	2,166	2,477	Staff	668	743
Cash flow	85	101	Cash flow/sales	3.9%	4.1%
Investments ¹⁾	62	64	Sales/staff	3.2	3.3

¹⁾ Additions to tangible assets and financial assets

In 1991 the OAG group again succeeded in maintaining its position as the leading Austrian wholesale enterprise for sanitary and heating installations, plant construction and environment technology. The plumber's trade, industries and municipalities are taken care of by the three sales companies OAG-Konti, Kontinentale and Unisan in a target-group-oriented manner. Brisk demand propelled the development of all the three sales companies.

OAG-Konti Ges.m.b.H. expanded its range of goods and its branch network according to plan. In addition to wholesale delivery, which covers the entire Austrian territory through five shopping and logistics centres in Vienna, Graz, Klagenfurt, Wels and Innsbruck/Kematen, three further plumbing centres were set up as cash-and-carry markets in 1991. This brings the number of plumbing centres to 32, offering expert advice and a range of products which is tailored to specific requirements.

Locally occurring bottlenecks, which arose mainly due to individual West German supplies concentrating on the new German federal provinces, were eliminated by the further development of internal transport logistics between the shopping centres, which improved the customer service still further. The opening of three display rooms also intensified the advisory service rendered to the plumbers and their customers.

Kontinentale Handelsges.m.b.H. and Unisan Handels- und Marketingservice Ges.m.b.H. inflated their business volume above average in 1991 by intensely taking care of the target groups and broadening the product

range. These measures also led to an overall further improvement of the earnings situation.

On account of the large market share in Austria, expansion efforts focused on the neighbouring foreign countries.

In Budapest, following a difficult start, Mart Kft. managed to establish itself as a competent and professional trading partner. At the end of 1991 we took over the residual 10% interest in this company for the purpose of expanding our business activities in the future.

In the CSFR our 99% subsidiary Cesaro started operating in September 1991. In March 1992 the first plumbing centre and a logistics centre were set up in Prague, from where the capital and large parts of Bohemia will be supplied with sanitary and heating equipment. Cesaro's supply range is complemented by a display room in Prague, which was opened in April 1992.

In Germany, the first base in the new federal provinces was set up in summer 1991 with the newly built logistics and plumbing centre at Zwickau. Haustechnik Handels GmbH, a 100% subsidiary of OAG, opened a second logistics and plumbing centre in Berlin in March 1992. It will extend its service range by creating further plumbing centres in important sales areas of the new German provinces.

The OAG group is thus nearing its strategic target of becoming a leading wholesale enterprise in central Europe of sanitary and heating technology as well as plant construction and environment technology.



REAL ESTATE/PROPERTY

in AS million	1990	1991		1990	1991
Net sales	276	307	Staff	231	134
Cash flow ¹⁾	363	415	Cash flow ¹⁾ /sales	41.3%	60.9%
Investments ²⁾	2,063	1,014	Sales/staff	1.2	2.3

¹⁾ of which AS 228 million from real estate sales
(AS 249 million in 1990)

²⁾ Additions to tangible assets and financial assets
not including real estate proceeds

The Wienerberger group owns extensive real estate which grew considerably in the past few years in the wake of industrial expansion at home and abroad. The total area comprises industrial sites, raw-material estates, agriculture and forestry areas as well as building plots and potential building land.

The most important development project within the real estate/property division is the BUSINESS PARK VIENNA. The idea underlying this huge project is the "living office", a new working world, which offers to the staff not only a place of work, but also all the facilities required for shopping, communication, leisure and sports. As an integral real estate project, the BUSINESS PARK VIENNA comprises a total office area of 68,000 m² in four buildings as well as a higher-category hotel with 250 rooms and a conference section. The tenants are offered comprehensive services, such as shuttle-bus transport, an in-house canteen, conference rooms, catering, copy service, and medical attention. A shopping precinct will be created to cover the day-to-day requirements of the staff and the neighbouring residential population. Private car traffic can be accommodated on one thousand parking spaces in three underground parking garages. The total amount invested comes up to AS 2,500 million. Financing is provided by Wienerberger Immobilien AG, which has been officially traded on the Vienna Stock

Exchange since August 1991. Following three capital increases, the share capital now stands at AS 800 million. The cornerstone was laid in June 1991. Construction work has proceeded according to plan. The budgeted building cost has so far been undercut.

In the refuse-dump sector the existing rubble dumps as well as the special-waste dump at Leopoldsdorf were operated successfully. In addition to this, it was possible to take a first step across the Austrian borders also in this field. The establishment of Mineral Kft. has created the preconditions for the first refuse dump in the Budapest catchment area.

For WIPARK Garagen Ges.m.b.H. the past year saw a positive development in respect of both turnover and earnings. As at the end of 1991, WIPARK Garagen Ges.m.b.H. operated 15 parking garages in Vienna with total 5,903 spaces, which is about 30% of the parking spaces recorded in the Vienna Parking Garage Index. In December our holding in the parking garage at Beethovenplatz was raised from 40% to 100%. Focal activities included investigations to find possible new sites for the medium-term planning period, improvements in the product and service range, and the further organisational development, especially by redefining the areas of responsibility and the expansion of the EDP system.

Real estate holdings (1 ha = 10,000 m ²) in Austria and abroad	Austria	abroad
Wienerberger Baustoffindustrie AG and 100%-owned real estate companies	1,170	-
Business sector: Wall, ceiling and roofing systems	88	319
Business sector: Pipe systems and environment technology	9	46
Business sector: Treibacher	715	35
Business sector: OAG	9	-
Total	1,991	400

FORECAST FOR 1992

Heading towards international success

In 1992 the political scenario has been characterised by two trends moving in opposite directions: there are the western industrialised countries which are about to crown five decades of economic boom by implementing a single market. On the other hand, there are the former east-block countries, waking up from the nightmare of planned economy, where capital markets and infrastructure must be rebuilt.

Here we have a strong Europe in the west, which rebundles its forces within the world's economic triangle, the USA-Japan-Europe. On the other side you find the reforming countries, where deep political crisis in Yugoslavia and the former Soviet Union accompany the upheaval leading to a new order.

Thanks to its geopolitical position and its historic responsibility, Austria is bound to play the role of a mediator in this scenario.

The Wienerberger group accepts these startling changes as a challenge. Its bases are in either part of Europe, and it will utilise the chance of reconstruction in the east of Europe just as

much as the opportunities opening up from its firm footholds in the markets of western Europe.

From the corporate platform we are also looking in two directions: the one side shows the development of the Wienerberger group to a dynamically growing manufacturer of building materials. On the other side there are our shareholders placing the capital at our disposal to implement this strategy. Although they did take part in the group's increasing earning power in the form of dividend payments and rising share prices, we nevertheless believe that the time has come to have the shareholders participate still more intensely in the growth of the corporate assets. In this sense - in addition to the dividend payment - the Managing Board proposes to the General Meeting the issuance of bonus shares within the framework of a stock split at the ratio of 5 : 1.

Sales of the Wienerberger group will go up to more than AS 12,000 million - not including the factories and holdings that are to be additionally acquired. The earning power will likewise continue to rise, despite the additional costs of financing the expansion.

For the industrial domain the Supervisory Board approved an extensive investment programme for an overall amount of AS 3,000 million. The realisation of this programme is in full progress:

- In the first quarter of 1992 we increased the capacity of the Hennesdorf brick works from 100 to 140 million standard bricks.
- At Koszeg in western Hungary a new girder and lintel plant has begun to operate.
- BRAMAC has started the new roofing tile plant at Chrudim in Bohemia.
- Tondachziegel Gleinstatten International Ges.m.b.H., in which BRAMAC holds as 50% interest, acquired the majority of the shares in Hungary's largest roofing tile manufacturer Jamina RT.
- In Greece we succeeded in acquiring a majority holding in Petzetakis, the largest Greek polyethylene pipe producer.
- The starting signal was given for several new works buildings.

The real-estate sector is concentrating on the huge BUSINESS PARK VIENNA project with a budget of AS 2,500 million.

These large, above-average investments cannot be financed out of the attained cash flow only, although it is expected to rise further in 1992 as well. However, adequate liquidity reserves are available to assure solid financing with a justifiable share of borrowed funds.

Our strategic plans provide that the phase of strong growth should be followed by a consolidation and harvest period. The opportunity to optimise what we have and to exploit fully the potential that we have successfully created, makes us look forward with confidence to periods with more difficult overall conditions and reduced changes of growth, when Wienerberger may in the long term be in a position to continue on the road of success.

**WIENERBERGER
BAUSTOFFINDUSTRIE
AKTIENGESELLSCHAFT
FINANCIAL STATEMENT 1991**

**BALANCE SHEET
AS AT DECEMBER 31, 1991**

BALANCE SHEET AS AT DECEMBER 31, 1991

Assets

	AS	AS	Status as at Dec. 31, 1991 AS	Status as at Jan. 1, 1991 AS
A. Fixed assets				
1. Intangible assets				
1. Franchises, rights, patents and licenses		32,120,191		32,979,319
II. Tangible assets				
1. Built-up land and buildings on land not owned by the company	13,060,555			39,997,674
2. Land not built up	131,119,686			120,831,843
3. Machines and machine plants	34,995,232			43,067,962
4. Tools, fixtures, furniture and office equipment	45,284,174			62,211,751
5. Downpayments made and plants under construction	1,018,117			—
		225,477,764		266,109,230
III. Financial assets				
1. Participations	3,951,543,693			3,124,265,430
2. Other investments in fixed rate securities	105,602,391			105,723,460
3. Downpayments made	-			173,615,750
		4,057,146,084		3,403,604,640
			4,312,744,039	3,702,693,189
B. Current assets				
I. Claims and other assets				
1. Accounts receivable from the sale of goods and services	11,466,596			8,203,156
2. Claims against consolidated group affiliates	770,680,682			476,249,705
3. Claims against non-consolidated participations	7,018,480			585,438
4. Other claims and assets	49,471,055			95,667,941
		838,636,813		580,706,240
II. Securities and shares				
1. Other securities and shares		747,791,960		750,487,500
III. Cash in hand, cheques, balances with banks				
		294,201,257		112,725,828
			1,880,630,030	1,443,919,568
C. Deferred items				
			756,755	1,045,412
			6,194,130,824	5,147,658,169

		•		Liabilities
		AS	AS	
			Status as at Dec. 31, 1991 AS	Status as at Jan. 1, 1991 AS
<hr/>				
A. Own resources				
1. Share capital		319,124,000		292,531,000
II. Earmarked capital reserves				
1. Legal reserves	3,861,285,566			2,877,344,566
2. Reserves pursuant to Sec. I StruktVG	430,481,106			430,481,106
		4,291,766,672		3,307,825,672
III. Profit reserves				
1. Other reserves		95,898,436		95,300,621
IV. Accounting profit				
1. Profit brought forward	317,481			224,780
2. Profit for the year	105,324,348			87,852,001
		105,641,829		88,076,781
			4,812,430,937	3,783,734,074
<hr/>				
B. Untaxed reserves				
1. Valuation reserve due to special depreciation		446,628,436		444,909,290
2. Reserves pursuant to Sec. 10 Income Tax Act 1988		33,011,340		34,037,358
3. Reserves pursuant to Sec. 12 Income Tax Act 1988		459,445,092		228,272,866
			939,084,868	707,219,514
<hr/>				
C. Provisions				
1. Provisions for severance payments		9,146,247		6,737,125
2. Provisions for pensions		43,412,537		42,720,069
3. Provisions for taxes		26,436,306		42,474,306
4. Other provisions		102,626,526		76,626,604
			181,621,616	168,558,104
<hr/>				
D. Liabilities				
1. Due to banks		100,210,036		348,899,411
2. Accounts payable from the purchase of goods and services		6,550,694		6,779,76C
3. Due to consolidated group affiliates		136,293,359		108,891,86/
4. Due to non-consolidated participations		3,185,808		3,022,98J
5. Deferred items		14,753,506		20,552,44?
			260,993,403	488,146,47^
			6,194,130,824	5,147,658,16J

DEVELOPMENT OF THE FIXED ASSET

	Acquisition value as at Jan. 1, 1991 AS	Additions AS
A. Fixed assets		
1. Tangible assets		
Franchises, rights, patents, licences	37,252,622	—
II. Tangible assets		
1. Built-up land and buildings on land not owned by the company		
a) land value of factory buildings	4,401,671	—
b) building value of factory buildings	100,357,499	95,000
c) land value of residential buildings	1,626,663	—
d) building value of residential buildings	5,483,323	—
e) buildings on leased land	1,219,578	—
	113,088,734	95,000
2. Land not built up	123,249,687	17,572,213
3. Machines and machine plants	50,687,131	-
4. Tools, fixtures, furniture and office equipment	96,510,190	874,244
5. Downpayments made and plants under construction	-	1,018,117
	383,535,742	19,559,574
III. Financial assets		
1. Participations	3,124,265,430	856,186,822
2. Other investments in fixed-rate securities	106,734,947	39,920
3. Downpayments made	173,615,750	—
	3,404,616,127	856,226,742
	3,825,404,491	875,786,316

IN THE 1991 BUSINESS YEAR

Disposals AS	Accumulated depreciation AS	Status as at Dec. 31, 1991 AS	Status as at Jan. 1, 1991 AS	Depreciation 1991 AS
	7,132,431	30,120,191	32,979,319	2,859,128
578,410		3,823,261	4,401,671	
75,850,988	18,800,756	5,800,755	32,066,291	1,740,249
5,773		1,620,890	1,626,663	
	3,667,679	1,815,644	1,903,044	87,400
	1,219,573	5	5	
76,435,171	23,688,008	13,060,555	39,997,674	1,827,649
8,771,010	931,204	131,119,686	120,831,843	
	15,691,899	34,995,232	43,067,962	8,072,730
1,318,103	50,782,157	45,284,174	62,211,751	17,311,678
		1,018,117		
86,524,284	91,093,268	225,477,764	266,109,230	27,212,057
28,908,559		3,951,543,693	3,124,265,430	-
160,989	1,011,487	105,602,391	105,723,460	
173,615,750			173,615,750	
202,685,298	1,011,487	4,057,146,084	3,403,604,640	—
289,209,582	99,237,186	4,312,744,039	3,702,693,189	30,071,185

DEVELOPMENT OF THE VALUATION

a) Valuation reserve pursuant to Section 8 Income Tax Act 1972

	Status as at Jan. 1, 1991 AS	Disposals AS	Use AS	Status as at Dec. 31, 1991 AS
A. Fixed assets				
1. Intangible assets				
Franchises, rights, patents, licences	246,000		246,000	
II. Tangible assets				
1. Built-up land and buildings on land not owned by the company				
a) land value of factory buildings				
b) building value of factory buildings	12,271,270	10,113,776	415,528	1,741,966
c) land value of residential buildings	12,271,270	10,113,776	415,528	1,741,966
2. Land not built up				
3. Machines and machine plants				
4. Tools, fixtures, furniture and office equipment	113,874		56,812	57,062
	12,385,144	10,113,776	472,340	1,799,028
III. Financial assets				
1. Participations				
	12,631,144	10,113,776	718,340	1,799,028

RESERVE IN THE 1991 BUSINESS YEAR

b) Valuation reserve pursuant to Section 12 Income Tax Act 1988

	Status as at Jan. 1, 1991 AS	Allocation AS	Release AS	Status as at Dec. 31, 1991 AS
<hr/>				
A. Fixed assets				
1. Intangible assets				
Franchises, rights, patents, licences				
<hr/>				
II. Tangible assets				
1. Built-up land and buildings on land not owned by the company				
a) land value of factory buildings	1,070,308	-	-	1,070,308
b) building value of factory buildings				
c) land value of residential buildings	14,824			14,824
	1,085,132			1,085,132
2. Land not built up	72,945,213	17,572,213	5,020,951	85,496,475
3. Machines and machine plants				
4. Tools, fixtures, furniture and office equipment				
	74,030,345	17,572,213	5,020,951	86,581,607
<hr/>				
III. Financial assets				
1. Participations	358,247,801			358,247,801
	432,278,146	17,572,213	5,020,951	444,829,408
<hr/>				

**PROFIT AND LOSS ACCOUNT
FOR THE
BUSINESS YEAR 1991**

PROFIT AND LOSS ACCOUNT^r

	AS	AS	AS
1. Proceeds from sales		66,320,276	56,019,604
2. Other operational income			
a) Income from the disposal of fixed assets	221,396,402		246,411,592
b) Income from the release of provisions	1,631,870		464,973
c) Others	17,244,769		10,640,957
		240,273,041	257,517,522
3. Expenditures for materials and relevant services		942,790	1,025,311
4. Staff expenses			
a) Wages	1,293,703		1,441,572
b) Salaries	36,490,132		31,659,819
c) Severance compensation and pension payments	7,534,982		13,083,700
d) Payments of legal social levies as well as levies and compulsory contributions depending on the remuneration	5,706,200		5,214,175
e) Other social expenses	2,529,761		2,454,225
		53,554,778	53,853,491
5. Depreciation of intangible and tangible assets		30,071,185	26,089,809
6. Other operational expenses			
a) Taxes	25,079,371		24,862,762
b) Others	35,467,162		43,658,552
		60,546,533	68,521,314
7. Subtotal of 1. to 6.		+ 161,478,031	+ 164,047,201

Vienna, March 1992

The Managing Board

Wolfgang Reithofer

Erhard Schaschl
Chairman

Paul Tanos

-OR THE BUSINESS YEAR 1991

	AS	AS	AS
Carried cover		+ 161,478,031	+ 164,047,201
8. Income from participations	88,981,459		72,021,133
9. Interest income, income from securities and similar income	150,331,606		133,943,142
10. Income from the disposal of financial assets	9,575,011		3,201,331
11. Expenses from the disposal of financial assets	-		13,166,750
12. Expenses from participations	24,498,531		4,603,199
13. Depreciation of other investments in fixed-rate securities	884,700		1,158,000
14. Interest and similar expenses	14,130,227		34,800,592
15. Subtotal of 8. to 14.		+ 209,374,618	+ 155,437,065
16. Result of the current business activities		+ 370,852,649	+ 319,484,266
17. Extraordinary expenses = extraordinary result		10,587,275	-
18. Expenses in connection with the capital increase			
a) capital tax	20,210,680		—
b) others	2,275,363		—
		22,486,043	—
19. Surplus of the year		337,779,331	319,484,266
20. Release of untaxed reserves		16,996,336	17,055,854
21. Allocation to untaxed reserves		248,861,690	248,688,119
22. Allocation to free profit reserves		589,629	—
23. Profit of the year		105,324,348	87,852,001
24. Profit brought forward from the previous year		317,481	224,780
25. Accounting profit		105,641,829	88,076,781

According to the results of our statutory examination, the accounting and the Financial Statement are in accordance with the legal requirements. By adhering to the principles of proper accounting, the Financial Statement reflects as truly as possible the company's assets as well as its financial and earnings situation. The Report on the Current Situation agrees with the Financial Statement 1991.

Vienna, April 6, 1992

KPMG Austria

Wirtschaftsprüfungs-Gesellschaftm.b.H.

(signed) Hruschka

Certified Public

Accountant and Tax

Consultant

(signed) Zejmon

Tax Consultant

ANNEX TO THE FINANCIAL STATEMENT 1991

Following the detachment of their industrial sectors and their assignment to subsidiaries since January 1, 1990, Wienerberger Baustoff-industrie AG has acted as a superordinate group member. It has concentrated on the strategic management of its subsidiaries and on supporting them in the area of acquisitions as well as on the active management of its real estate and property.

As already in the previous year, the Financial Statement was compiled pursuant to the provisions of the Accounting Act (Federal Act 475 dated June 28, 1990). In the interest of a clear presentation, individual items were condensed in the Balance Sheet and the Profit and Loss Account and detailed in a separate annexed schedule.

Principles of accounting and valuation

The Financial Statement was prepared according to the principles of proper accounting and by adhering to the general standard, which is to reflect as truly as possible the company's assets as well as its financial and earnings situation. All the identifiable risks have been taken care of on the principle of business prudence.

The intangible assets were valued at their acquisition costs and a depreciation according to schedule by the straight-line method. The service life was assessed for periods of between 5 to 50 years.

The intangible assets were valued at acquisition cost or production cost, less depreciation according to schedule. In respect of these assets, the service life was assessed for periods from 10 to 50 years for buildings, from 5 to 15 years for machines, and from 5 to 10 years for fixtures, furniture and office equipment. Full annual depreciation was applied to additions

effected in the first half of the year, half the annual depreciation rate for those effected in the second half. Small-value assets were fully depreciated in the year of their acquisition.

Participations and other investments in fixed-rate securities were in principle evidenced at acquisition cost, reduced, if applicable, by depreciation for permanent decrease in value.

Claims and other assets were recorded with their nominal value, unless a lower value was indicated in the case of individual identifiable risks. General credit risks were accounted for by an overall provision for possible losses. Foreign currency claims were valued at the mean exchange rate quoted on the date on which they were created. Current-assets securities and shares were evidenced at their acquisition cost or the lower value quoted as at balance-sheet date.

The following applies as regards the provisions:

Provisions for current pension payments, and pensions expected on the grounds of individual commitments, were made on actuarial principles on the basis of the Ettl/Pagler computation schedules and at an interest rate of 6 %. Tax was paid on the difference between this amount and the amount admissible pursuant to Section 14 Income Tax Act.

Provisions for severance compensation were made for legal and contractual entitlements; on the grounds of the computation made on actuarial principles at an interest rate of 6%, the provision covers 61 % of the severance compensation entitlements as at balance-sheet date. We did not make use of the possibility of a fluctuation discount.

The commitments for anniversary bonuses were calculated and allocated in like manner.

The other provisions take into account all identifiable risks and liabilities whose amount has not yet been determined.

The liabilities are evidenced with the amounts in which they are to be repaid, with foreign-currency liabilities being valued at the mean exchange rate quoted on the date on which they were created.

Notes on the Balance Sheet

The development of the fixed assets and the valuation reserve has been outlined in detail in two separate schedules annexed to the Balance Sheet.

In the year under review, AS 875.8 million were invested in fixed assets, of which AS 19.6 million were accounted for by tangible assets and AS 856.2 million by financial assets. Additions to tangible assets mainly include land purchases.

Additions to participations chiefly comprised the acquisition of another 45 % of the shares of Österreichische Armaturen AG - raising our holding to 95 % - the participation in capital increases of Wienerberger Immobilien AG and Wienerberger Rohr- und Umwelttechnik Ges.m.b.H. and the investment contribution to the latter's subsidiary, Wienerberger Umwelttechnik Produktionsgesellschaft m.b.H., as well as the takeover of a 50% interest in KERAMO

Wienerberger Holding N.V. The latter was offset against the downpayment of AS173.6 million evidenced as at the 1990 balance-sheet date.

The participation disposals recorded in the amount of AS 28.9 million concerned the contribution of the holding in Wienerberger Steinzeug Gesellschaft m.b.H. to Wienerberger Immobilien AG as a contribution in kind in exchange of shares in this company in accordance with the provisions of the Structural Improvements Act (Strukturverbesserungsgesetz). The disposals of tangible assets are shown at their historical acquisition cost pursuant to the provisions of the Accounting Act. They include sales of land not built up as well as the sale of the land on the Wienerberg required for the second and third construction phase of the BUSINESS PARK VIENNA, inclusive of the company's existing administration building.

The participations, evidenced at AS 3,951.5 million in the Balance Sheet, are composed as follows:

	Status as at December 31	
	1991	1990
consolidated enterprises	3,392.4	2,779.2
associated enterprises	554.1	340.0
other	5.0	5.0
Total	3,951.5	3,124.2

As at balance-sheet date we held an interest in the following domestic and foreign companies:

Company	Share capital in,000 AS	Percentage share in the share capital		Net worth ¹⁾ in,000 AS	Result 1990 in,000 AS
Austria:		in ,000 AS	%		
Wienerberger Ziegelindustrie AG, Vienna	250,000	250,000	100.0	634,665	+1,326
Wienerberger Rohr- und Umwelttechnik Ges.m.b.H., Vienna	120,000	120,000	100.0	118.593 ²⁾	+ 426

¹⁾ including untaxed reserves

²⁾ including organisation as well as capital increases and additional acquisitions, respectively

Company	Share capital	Percentage share in the share capital		Net worth ¹⁾	Result 1990
	in ,000 AS	in ,000 AS	%	in ,000 AS	in ,000 AS
PIPELIFE Rohrsysteme Ges.m.b.H., Wr. Neudorf	60,000	29,700	49.5	192,175	+ 82,894
PIPELIFE International Holding Ges.m.b.H., Wr. Neudorf	4,000	2,000	50.0	7,345	274
Treibacher Chemische Werke AG, Treibach	300,000	150,970	50.3	731,838 ²⁾	+ 30,270
Osterreichische Armaturen AG, Vienna	160,000	152,005	95.0	300,382 ²⁾	+ 46,753
Wienerberger Ofenkachel Ges.m.b.H., Vienna	5,000	5,000	100.0	14,093	+ 1,373
Wienerberger Beteiligungs- verwaltungsges.m.b.H., Vienna	275,000	275,000	100.0	462,014	+ 49,975
Wienerberger Immobilien AG, Vienna	800,000	507,985	63.5	969,404 ⁴⁾	+ 11
Wienerberger Gesellschaft fur Feuerungstechnik Ges.m.b.H., Vienna	25,000	25,000	100.0	30,555	+ 2,858
Mineralstoffverwertungs- Ges.m.b.H., Vienna	50,000	50,000	100.0	47,962	+ 7,460
WIPARK Garagen Ges.m.b.H., Vienna	500	500	100.0	481	- 3,700
Garage am Beethovenplatz Ges.m.b.H., Vienna	600	600	100.0	766 ²⁾	+ 166
Garage am Beethovenplatz Ges.m.b.H. & Co. KG, Vienna	4,291	4,291	100.0	19,940	+ 2,750
Luegerplatz Garage Ges.m.b.H., Vienna	1,500	500	33.3	1,396	+ 73
Villacher Parkgaragen Ges.m.b.H. & Co. KG	40,000	5,000	12.5	35,198	- 2,647
Forstbetrieb Schopfl Ges.m.b.H., Vienna	5,000	4,950	99.0	11,771	+ 93
Forstbetrieb Scheiberhof Ges.m.b.H., Vienna	11,500	11,500	100.0	29,323	+ 282
Wienerberger Versicherungs- Service Ges.m.b.H., Vienna	500	300	60.0	503	+ 3
„ALWA“-Guter- und Vermögensverwaltungs-AG, Vienna	49,000	12,250	25.0	120,695	+ 4,899

including untaxed reserves

including organisation and 1990 capital increases, respectively

WIENERBERGER

Company	Share capital	Percentage share in the share capital		Net worth ¹⁾	Result 1990
	in ,000 AS	in ,000 AS	%	in ,000 AS	in ,000 AS
FruhwOrth Ges.m.b.H, Vienna	500	500	100	476 ²⁾	-
Schmidtmayer Ges.m.b.H., Vienna	500	500	100	478)	-
Abroad:	TDM	TDM		TDM	TDM
WienerbergerSA, Luxembourg	30,000	30,000	100.0	46,596	+ 11,424
WZI-FinanzSA, Luxembourg	12,500	50	0.4	12,500	-
Lorestan Properties Ltd., Hongkong	15,100	7,100	47.0	15,100	-
Kamtec Schornstein GmbH, BRD	600	600	100.0	36	- 564
	THUF	THUF		THUF	THUF
Pannonpipe Kunststoffindustrie Kft., Hungary	1,224,000	306,000	25.0	1,247,153	+ 23.153
Mineral Asvanyi Anyagokat Forgalmaz Kft., Hungary	6,300	6,300	100.0	6,300	-
	TBFR	TBFR		TBFR	TBFR
KERAMO Wienerberger Holding N.V., Belgium	1,015,000	507,500	50.0	1,015,000	

¹⁾ including untaxed reserves

²⁾ including organisation and 1990 capital increases, respectively.

The current assets basically consisted of short-term investments with banks, other securities and shares, as well as claims arising from the financing of consolidated group affiliates. All the claims are short-term.

Through the realisation of the authorised capital, the share capital increased by AS 26.6 million to AS 319.1 million. It is composed of:

- 283,124 shares with a nominal value of AS 1,000.-each,
- 360,000 shares with a nominal value of AS 100.-each.

The premium of AS 983.9 million gained within the framework of this capital increase was transferred to the legal reserve. Issuing

expenses totalled AS 22.5 million; in line with the changed legal requirements they are now shown as an expenditure deducted from the result of the business year.

Of the capital of AS 100 million authorised at the 121st Annual General Meeting, AS 73.4 are still realisable following the capital increase mentioned above.

The reserves shown in the item "un-taxed reserves" are composed of investment allowances created pursuant to Section 10 Income Tax Act in the following years:

	Status as at December 31	
n AS 1,000	1991	1990
1987	—	630
1988	277	309
1989	14,640	15,111
1990	17,977	17,988
1991	117	—
Total	33,011	34,038

The reserves pursuant to Section 12 Income Tax Act relate to the profits from real estate sales realised in the years 1990 and 1991: AS 210.7 million in 1990 and AS 248.7 million in 1991.

Provisions augmented by AS 13.0 million on balance. While provisions for severance compensation increased, particularly due to the new computation method, provisions for taxes declined due to the assessment of the tax on net assets in 1989 and 1990. Owing to additional allocation requirements for demolition costs, anniversary bonuses and a contribution to a sub-subsidiary, the other provisions rose by AS 26 million as against the same date of the previous year. The provision for old-refuse dumps, formed in 1989, was included in the item of other provisions with an amount of AS 72 million.

Liabilities receded by AS 227.1 million to AS 261.0 million. All the liabilities were short term, there was no collateral security.

Likewise, no contingent liabilities were to be evidenced for guarantees. It should be noted, however, that letters of awareness for loans granted by consolidated affiliates had been issued for an amount of AS 44.4 as at balance-sheet date.

Notes on the Profit and Loss Account

Proceeds from sales in the amount of AS 66.3 million were composed of rent and lease income, refuse-dump proceeds, and proceeds from clay deliveries. The proceeds stemmed exclusively from domestic sales. The evidenced amount includes sales of AS 10.8 million with consolidated affiliates.

Most of the other operational expenses chiefly comprise real estate sales by the real estate division. The profit reaped from the sale of real estate portions required for the 2nd and 3rd construction sections of the BUSINESS PARK VIENNA amounted to AS 248.4 million and was fully allocated to the reserve pursuant to Section 12 Income Tax Act. The other operational income contained transfers of expenses in the amount of AS 8.0 million to consolidated subsidiaries.

Staff expenses, totalling AS 53.5 million, were roughly as high as in the previous year. Forty-two persons were employed on average during the year, of whom 38 were salaried employees and four were workers.

The remuneration of the Managing Board amounted to AS 16,621,320.-. AS 2,281,705.- were paid for the pensions of former members of the Managing Board and pensions for their surviving dependants. Emoluments of the Supervisory Board totalled AS 774,900.-.

Expenses for severance compensation and pensions in the form of allocations to provisions are broken down as follows:

in 1,000 AS	Severance Compensation	Pensions
Members of the Managing Board	929	2,974
Senior executives	296	-
Other staff	1,593	1,743
	2,818	4,717

Of the income from participation totaling AS 88.9 million, AS 41.2 million were accounted for by consolidated enterprises and AS 47.8 million by associated companies.

AS 36.8 million of the interest income derived from consolidated enterprises and AS 111.5 million from other debtors.

Expenses from participations, AS 23.0 million, exclusively involved consolidated enterprises. A development contribution was paid to Wienerberger Umwelttechnik Produktionsgesellschaft m.b.H. in the amount AS18.0 million, and to Wienerberger Rohr- und Umwelttechnik Ges.m.b.H. to the extent of AS 5.0 million. Results taken over from private companies amounted to AS 1.5 million.

Interest expenses, AS 8.6 million, concerned funds deposited by consolidated enterprises with the parent company.

The extraordinary expenses emanated from the write-off of an advance made to finance the prefabricated-chimney diversification project.

Expenditures in connection with the capital increase amounted to AS 22.5 million and are included as a debit item in the current result to comply with the changed legal provisions.

The release of untaxed reserves was effected almost exclusively in connection with the aforementioned sale of real estate for the BUSINESS PARK VIENNA. The amount of AS 17.0 million includes AS 11.0 million of the valuation reserve pursuant to Section 8 Income Tax Act, AS 5.0 million of the valuation reserve pursuant to Section 12 Income Tax Act, and AS 1.0 million of the reserve pursuant to Section 10 Income Tax Act. On the other hand, the untaxed reserves were augmented by AS 248.9 million, representing the profit made from real estate sales. The calculator/tax benefit thus runs up to AS 93.0 million.

The Managing Board is composed of:

Erhard SCHASCHL, Chairman
Wolfgang REITHOFER
Paul TANOS

Friedrich ECKER *) (until May 22,1991)

Josef ESTERL*) (from May 22,1991)

Heinz GRUBER*)

Sieglinde GRUBER*)

The Supervisory Board is composed of the following elected members and (marked ') members delegated by the staff:

Hans IGLER

Franz LAUER

Eduard MAYER

Erich PIMMER

Guido SCHMIDT-CHIARI, Chairman
Max KOTHBAUER, Deputy Chairman
(from May 22,1991)

Fritz QUESTER (until May 22,1991)

Herbert BECHYNA

Friedrich RUHRL*) (until May 22,1991)

Karl BERGMANN (until May 22,1991)

Gerhard SOCHOR*)

Profit distribution

We propose to the Annual
General Meeting to pay out
of the evidenced net profit of AS 105,641,829
a dividend of 33% on the
share capital of
AS 319,124,000 AS 105,310,920
and to carry forward
the balance of AS 330,909

THE MANAGING BOARD

Vienna, March 1992

**REPORT
OF THE
SUPERVISORY
BOARD**

REPORT OF THE SUPERVISORY BOARD

In its meetings the Supervisory Board i.a. performed all the tasks and duties provided by law and the Articles of Association.

The Managing Board reported regularly on the company's business progress and its situation.

The Annual Financial Statement and the Annual Report were audited by KPMG Austria Wirtschaftsprüfungsgesellschaft mit beschränkter Haftung, an audit and tax consulting company of Vienna. The ultimate findings of this audit showed no cause for objection.

The Auditors have therefore attested that the Financial Statement and the Report of the Managing Board are in accordance with the legal requirements. The Supervisory Board endorses the findings of the audit.

The ultimate findings of the examination undertaken by the Supervisory Board of the Report of the Managing Board prepared pursuant to Section 96 of the Companies Act, of the Financial Statement including the proposed profit distribution, and of the conduct of business show no cause for objection.

The Supervisory Board has approved the Financial Statement, which is hereby considered adopted in accordance with the provisions of Section 125, paragraph 3, Companies Act.

Guido Schmidt-Chiari
Chairman

Vienna, April 1992

WIENERBERGER
BUSINESS GROUP
CONSOLIDATED FINANCIAL
STATEMENT 1991

CONSOLIDATED
BALANCE SHEET
AS AT DECEMBER 31, 1991

CONSOLIDATED BALANCE SHEET

Assets				
in AS 1,000				
Fixed Assets				
Intangible assets				
Prepaid rent	221,350		264,770	
Others	<u>164,422</u>	385,772	<u>91,578</u>	356,348
Tangible assets				
Land and buildings	2,485,090		1,790,793	
Machinery and equipment	1,885,084		1,209,190	
Advance payments and plants under construction	<u>275,980</u>	4,646,154	<u>49,180</u>	3,049,163
Financial assets				
Participations	451,492		276,457	
Securities and other financial assets	<u>230,167</u>	681,659	<u>423,323</u>	699,780
		5,713,585		4,105,291
Current Assets				
Inventories		1,649,481		1,408,332
Receivables and other assets				
Accounts receivable from the sale of goods and services	2,358,297		2,132,760	
Other assets	<u>562,753</u>	2,921,050	<u>448,007</u>	2,580,767
Investments and liquid funds		<u>1,788,681</u>		<u>1,964,348</u>
		6,359,212		5,953,447
Deferred items		24,773		17,238
BALANCE SHEET TOTAL		12,097,570		10,075,976

AS AT DECEMBER 31, 1991

		Liabilities	
in AS 1,000	1991	1990	
Own Resources			
Share capital	319,124		292,531
Reserves			
Capital reserves	4,291,767	3,307,826	
Profit reserves	1,869,282	1,512,795	
Consolidation equalisation items	<u>-1,282,651</u>	<u>- 980,873</u>	3,839,748
Group profit			
Result brought forward	318	225	
Profit for the year	<u>302,482</u>	<u>275,130</u>	275,355
Adjustment item for minority shareholders	<u>891,578</u>		<u>652,429</u>
	6,391,900		5,060,063
Borrowed Funds			
Provisions and social capital	1,254,842		1,031,412
Amounts payable			
Due to banks	1,862,873	1,877,225	
Accounts payable from the purchase of goods	1,498,504	1,193,083	
Other liabilities	<u>670,841</u>	<u>450,613</u>	3,520,921
	5,287,060		4,552,333
Deferred items	418,610		463,580
BALANCE SHEET TOTAL	12,097,570		10,075,976

CONSOLIDATED
PROFIT AND LOSS ACCOUNT
FOR THE
1991 BUSINESS YEAR

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE 1991 BUSINESS YEAR

in AS 1,000	1991		1990	
Net sales				
Domestic sales	5,818,099		5,362,716	
Foreign sales	4,710,384	10,528,483	3,893,950	9,256,666
Inventory changes and company-generated assets		117,754		47,868
Other operating income		406,596		445,498
Operating performance		11,052,833		9,750,032
Operating expenses:				
materials	-6,137,334		-5,644,618	
personnel	-2,213,790		-1,874,140	
depreciation of fixed assets	- 570,687		- 491,583	
other operating expenses	-1,268,052	-10,189,863	-1,157,906	-9,168,247
Operating result		862,970		581,785
Financial result:				
result from participations	8,034		35,670	
interest result	32,976	41,010	43,838	79,508
Result from regular operations		903,980		661,293
Extraordinary result		-103,694		-20,803
Taxes on earnings		-151,677		-52,370
Surplus of the year		648,609		588,120
Result brought forward		318		225
Profit share of minority shareholders		-17,809		-34,943
Change in reserves:				
releases	155,477		237,833	
allocations	-483,795	-328,318	-515,880	-278,047
CONSOLIDATED PROFIT		302,800		275,355
CONSOLIDATED CASH FLOW		1,201,487		1,044,760

According to the final result of our examination, the Consolidated Financial Statement adheres to the principles of proper accounting. The legal provisions of the Accounting Act have not yet been applied. However, due account being taken of the notes, the Consolidated Financial Statement adequately reflects the Group's assets as well as its financial and earnings situation.

Vienna, April 15, 1992
KPMG Austria
Wirtschaftsprüfungs-Gesellschaft m.b.H.
Hruschka Hassler
Certified Public Accountants and Tax Consultants

NOTES ON THE 1991 CONSOLIDATED FINANCIAL STATEMENT

The 1991 Consolidated Financial Statement was in principle drawn up on the same classification and valuation principles as the year before. It is therefore comparable to the 1990 Consolidated Financial statement. Deviations have been detailed in the ensuing presentation of the valuation principles.

As regards the consolidation regulations the Consolidated Balance Sheet is basically in line with the Accounting Act (AA), and in respect of the valuation regulations it adheres to the existing laws of the group affiliates included in the Consolidated Financial Statement. Valuation principles of the foreign companies, which deviate from the Austrian commercial law, were not considered; in all, however, the differences are immaterial.

It was still impossible to apply the new Accounting Act to the Consolidated Financial Statement in its full extent owing to the rapid growth of the Wienerberger group with its 84 companies now being consolidated. In order to comply with the principle of reporting as accurately as possible, we therefore took advantage of the possibility, outlined in the explanatory notes on Article X, paragraph 12, Accounting Act, to present the financial statement of the superordinate group member differently from the Consolidated Financial Statement.

Principles of consolidation

The consolidation was partly effected on the basis of individual single balance sheets (simultaneous method) and partly on the basis of individual consolidated balance sheets (successive method). Consolidated annual ac-

counts were prepared for the areas of Wienerberger Ziegelindustrie AG, Wienerberger Immobilien AG, Österreichische Armaturen, and KERAMO Wienerberger Holding N.V.

The possibility accorded in Section 253 Accounting Act of choosing the type of accounting by deviation from the individual single annual accounts was taken advantage of in the case of the individual consolidated annual accounts of Wienerberger Ziegelindustrie AG (where the degressive depreciation of the fixed assets was replaced by straight-line depreciation) and Wienerberger Immobilien AG (where the possibility to set aside an investment allowance was dispensed with). The resulting dormant taxes were correspondingly considered in the reserves.

The capital consolidation was made in accordance with the book-value method, stating the acquisition cost as at the purchase date. The difference between the reported net worth of the consolidated companies and the acquisition cost of the holdings (consolidation equalisation item) was offset against reserves. Inter-company sales, earnings and expenses as well as claims and liabilities were eliminated to the largest possible extent.

Exempt from the above is an income of AS 220 million, which arose from the sale of a real-estate holding used for the realisation of the BUSINESS PARK VIENNA project, which is executed through Wienerberger Immobilien AG jointly with a partner firm within the framework of our real-estate division. This real property was sold on market-conforming terms which are based on an expert appraisal; the profit from the sale was fully allocated to a reserve set up pursuant to Section 12 Income Tax Act.

The balance sheet items of the foreign companies were converted at the respective mean rates of exchange quoted as at balance sheet date.

Principles of valuation and accounting

Intangible assets and tangible fixed assets were valued at the acquisition cost or cost of production, less straight-line depreciation according to schedule. Participations are evidenced at acquisition cost or the lower going-concern values - except for the associated companies which are accounted for by the equity method. Other financial assets were valued in agreement with the lower-of-cost-or-market principle. Raw and process materials as well as merchandise were valued at cost price. Semi-

finished and finished goods were valued at production cost or at the lower going-concern values.

The risks resulting from accounts receivable were adequately taken care of by individual or overall provisions for possible losses. The provisions for pensions were calculated on actuarial principles and are in line with the requirements of the commercial law. In the case of those Austrian companies, for which the annual accounts were prepared according to the Accounting Act, the provision for severance compensation payments is in line with the new provisions of the commercial law. Other provisions were set up in adequate amounts. The liabilities were evidenced with their repayment amounts.

The Consolidated Group

As at balance-sheet date we held an interest in the following domestic and foreign companies:

Company	Share capital in AS million	Percentage share
In Austria:		
Wienerberger Ziegelindustrie AG	250.0	100
Steirische Ziegelwerke Ges.m.b.H.	0.5	74
Weixelbaumer Ziegelwerk Ges.m.b.H.	0.5	100
Weixelbaumer OHG	0.05	100
BRAMAC Dachsteinwerk Ges.m.b.H.	40.0	50
BRAMAC International Anlagen und Beteiligungs-Ges.m.b.H.	60.0	50
Quarzsandwerk Ges.m.b.H.	8.5	50
BRAMAC-Domico Dach-, Wand- und Fassadensysteme Ges.m.b.H.	18.0	37.5
Dachziegel Beteiligungsges.m.b.H.	0.5	33.3
Wienerberger Rohr- und Umwelttechnik Ges.m.b.H.	120.0	100
Bohr- und Rohrtechnik Ges.m.b.H.	25.0	100
Wienerberger Umwelttechnik Produktionsges.m.b.H.	10.0	100

Company	Share capital in AS million	Percentage share
Freunschlag & Comp. Ges.m.b.H.	0.5	75
Oekologie Consult Ges.m.b.H.	1.5	60
PIPELIFE International Holding Ges.m.b.H.	4.0	50
PIPELIFE Rohrsysteme Ges.m.b.H.	60.0	50
Treibacher Chemische Werke AG	300.0	50.3
Osterreichische Armaturen AG	160.0	95
Osterreichische Armaturen-Konti Ges.m.b.H.	67.0	95
Kontinentale Handelsges.m.b.H.	10.0	97.5
Technotrans Logistikservice Ges.m.b.H.	5.0	95
Unisan Handels- und Marketingservice Ges.m.b.H.	0.5	95
OAG-Vermietungsges.m.b.H.	0.5	95
Wienerberger Beteiligungsverwaltungs- ges.m.b.H.	275.0	100
Wienerberger Immobilien AG	800.0	70
BUSINESS PARK VIENNA Holding Ges.m.b.H.	5.0	70
Bauteile A + B Errichtungsges.m.b.H.	0.5	70
Bauteile C + D Errichtungsges.m.b.H.	0.5	70
Bauteil E Errichtungsges.m.b.H.	25.0	70
Bauteil H Errichtungsges.m.b.H.	0.5	70
BUSINESS PARK VIENNA Hotelbetriebsges.m.b.H.	0.5	70
WIPARK Leasing Ges.m.b.H.	100.0	100
WIPARK Garagen Ges.m.b.H.	0.5	100
Wienerberger Gesellschaft fur Feuerungstechnik Ges.m.b.H.	25.0	100
Mineralstoffverwertungs-Ges.m.b.H.	50.0	100
Forstbetrieb Scheiberhof Ges.m.b.H.	11.5	100
Forstbetrieb Schopfl Ges.m.b.H.	5.0	100
Wienerberger Ofenkachel Ges.m.b.H.	5.0	100
Wienerberger Versicherungs-Service Ges.m.b.H.	0.5	60

Company	Share capital in million	Percentage share
Abroad:		
Wienerberger Ziegelindustrie GmbH & Co.	17.5 DM	100
WZI-FinanzS.A.	12.5 DM	100
Wienerberger Ziegelindustrie Verwaltungs-GmbH	0.05 DM	100
Wienerberger Ziegelindustrie Deutschland GmbH	8.3 DM	100
Schlagmann BeteiligungsgmbH	0.05 DM	50
Schlagmann Baustoffwerke GmbH & Co KG	1.0 DM	50
Wienerberger Systemschornstein GmbH	0.13 DM	100
Hungaria-Wienerberger Teglaipari Kft.	2,840.0 HUF	65.9
BRAMAC Kft.	1,979.3 HUF	28.3
BRAMAC D.O.O.	225.0 SLT	25.3
Wienerberger Ecology Technics B.V.	3.2 HFL	100
Sulcrete International A/S	4.0 DKK	50
PIPELIFE Rohrsysteme Golzau GmbH/FRG	0.5 DM	50
Oltmanns Kunststoffwerk GmbH/FRG)	8.2 DM	50
Oltmanns S.A./Frankreich)	128.1 FF	50
Societe Mediterraneene de Plastiques AgricolesS.A.	3.85 FF	50
Societe d'Etudes de Recherche et d'Applications des Plastiques S.A.	2.2 FF	50
KERAMO Wienerberger Holding N.V.	1,015.0 BEF	50
KERAMO Wienerberger N.V.	167.0 BEF	50
KERAMO Wienerberger Immo N.V.	81.7 BEF	50
LimburgsTransportbedrijf B.V.BA	0.8 BEF	50
KERAMO Wienerberger Steinzeugwerk Zwickau GmbH	4.0 DM	50
KERAMO GmbH	0.05 DM	50
Wienerberger Beteiligungsverwaltungs- GmbH/BRD	5.0 DM	100
Wienerberger S.A./Luxemburg	30.0 DM	100

) now PIPELIFE Rohrsysteme GmbH Bad Zwischenahn/FRG

1 now PIPELIFE France S.A./France

The following domestic and foreign companies were accounted for by the equity method:

Company	Share capital in million	Percentage share
Austria:		
Garage am Beethovenplatz Ges.m.b.H.&Co. KG	4.3 AS	100
"ALWA" Guter- und Vermögens- verwaltungs-AG	49.0 AS	25
Wienerberger Fuchs UmweltmeB- technikGes.m.b.H.	4.5 AS	60
Ziegelwerke Gleinstatten Ges.m.b.H.	2.0 AS	16.7
Ang. Eustachio KG	71.4 AS	33.3
Grondmet Handelsges.m.b.H.	1.0 AS	45.3
Handelsbeteiligungsges.m.b.H.	3.0 AS	12.6
Interprom Handelsges.m.b.H.	14.5 AS	8.8
Aproad:		
LASBRA Kft.	20.0 HUF	25
BRAMAC SPOL	94.6 KCS	28.5
France Tube S.A.	2.3 FF	22.5
Pannonpipe Kunststoffindustrie Kft.	1,224.0 HUF	25
Rohr- und Umwelttechnik VertriebsgmbH	0.05 DM	100
Treibacher Corp. (USA)	0.02 US\$	50.3
TreibacherLtd.(UK)	0.2 Pfd	50.3
Prometheus Metallwerke GmbH	1.3 DM	50.3
Grondmet GmbH	0.5 DM	50.3
Societa Italiana dei Prodotti Elettrochimici di Treibach S.a.s	60.0 Lit	25.2
Eurocorundum SpA	8,500.0 Lit	25.2
General Abrasive Treibacher Inc.	9.02 US\$	50.3

Structure of the Balance Sheet

As compared with the preceding year, the balance sheet total rose by AS 2,021.6 million to AS 12,097.6 million. This 20% increase was due to the extension of the consolidation group on the one hand, and to the sales boost in almost all the business sectors on the other. The disproportionate growth of fixed assets, whose share went up from 41 % in the previous year to

47% , reflects the group's continually brisk investment activity. Current assets went up by AS 405.8 million on balance, with inventories and receivables rising by AS 581.4 million and investments and liquid funds receding by AS 175.6 million. The share of current assets in total assets came down to 53% from 59%.

On the liabilities side the net worth jumped by AS 1,331.8 million to AS 6,391.9 mil-

lion, its share rising to 53% from 50% in the year under review. Borrowed funds, including deferred items, went up by AS 689.8 million. With an amount of AS 5,705.7 million it reached a share of 47% of the total capital, after 50% in the year before. It should be noted that the untaxed profit reserves contain no dormant tax burdens. The difference between the book values of the holdings in the consolidated and associated companies and the book value of their proportionate net worth was deducted from the reserves. This consolidation equalisation item went up to AS 1,282.6 million from AS 980.8 million.

Earnings

The earnings structure further improved as compared with 1990. With sales rising by

13.7%, the regular business result soared disproportionately by 36.8% to AS 904 million. Of the extraordinary expenses, which also went up considerably to AS 103.7 million, about AS 40 million are expenditures in connection with capital increases, which must be debited to the current result under the provisions of the Accounting Act. The other extraordinary expenses constitute expenditures not attributable to the regular business activity. The expenditures for taxes, likewise up considerably, contain dormant taxes to the extent of AS 40 million. The surplus of the year increased by AS 60.5 million to AS 648.6 million.

The consolidated cash flow, comprising the consolidated profit, the allocations to reserves and the depreciation of fixed assets, rose by 15% to AS 1,201.5 million.

STOCK SPLIT 1992

REPORT OF THE MANAGING BOARD

In the course of the past four years Wienerberger Baustoffindustrie AG increased its share capital in several stages from AS 192 million to AS 319 million. This was always done by tapping the capital market, which is by inviting the shareholders. In due consideration of the successful business development of the past few years a capital increase is now to be effected out of the company's resources in accordance with the provisions of the Stock Split Act, Federal Gazette no. 171/1967. This is to allow the shareholders to participate direct in the appreciation of the company in addition to the annual dividend payment.

Therefore, the Managing Board proposes to the Annual General Meeting a stock split at the ratio of 5 : 1. The share capital will thus rise from a nominal of AS 319,124,000 to a nominal amount of AS 382,948,800 through conversion of a partial amount of the earmarked capital reserves to the extent of AS 63,824,800.

This stock split is based on the Annual Financial Statement as at December 31, 1991, which bears the unconditional attestation by the auditors of KPMG Austria Wirtschaftsprüfungs-

Ges.m.b.H., Certified Public Accountants and Tax Consultants of Vienna, and which was adopted by the Supervisory Board on April 27, 1992. A resolution on the profit distribution is due to be adopted at the 123rd Annual General Meeting scheduled for May 26, 1992. Pursuant to the Stock Split Act the Annual Financial Statement evidences the following convertible reserves in addition to the share capital of AS 319,124,000:

a) legal reserve	AS 3,861,285,566
b) reserves pursuant to Sec. I Structural Improvements Act (StruktVG)	AS 430,481,106
c) profit reserve	AS 95,898,436

The Managing Board therefore proposes to withdraw AS 63,824,800 from the earmarked capital reserves, leaving the other reserves and the profit carried toward unchanged.

The comparison between the net worth before and after the capital increase from the company's resources shows the following situation:

	Status as at December 31, 1991	
	AS before the stock split	AS after the stock split
Share capital	319,124,000	382,948,800
Capital reserves		
1. legal reserves	3,861,285,566	3,797,460,766
2. reserves pursuant to Sec. I (StruktVG)	430,481,106	430,481,106
	4,291,766,672	4,291,766,672
Profit reserve		
1. other reserves	95,898,436	95,898,436
Accounting profit		
1. profit brought forward from the previous year	317,481	317,481
2. profit for the year	105,324,348	105,324,348
	105,641,829	105,641,829
Net worth, not including untaxed reserves	4,812,430,937	4,812,430,937

When proposing a 5 :1 split of the company's share capital, the Managing Board also took into account the anticipated development of the earning power. The Managing Board therefore proposes that the new shares are entitled to a dividend payment as from January 1, 1992, and is convinced that it will be able to pay a reasonable dividend on the increased share capital also in the future.

Currently the share capital of Wienerberger Baustoffindustrie AG is subdivided into 283,124 shares with a nominal amount of AS 1,000.- each, and 360,000 shares with a nomi-

nal amount of AS 100.- each. The Managing Board proposes to divide the amount of the increase of AS 63.824,800 into AS 638,248 shares with an amount of AS 100.- each. This means that one new share will be allocated for five old shares with a nominal amount of AS 100.-each.

This stock split requires an amendment of Section 4 of the Articles of Association (Share Capital and Shares).

THE MANAGING BOARD

Vienna, April 1992

REPORT OF THE SUPERVISORY BOARD

The Report of the Managing Board relative to the stock split was examined by KPMG Austria Wirtschaftsprüfungsgesellschaft mit beschränkter Haftung, Certified Public Accountants and Tax Consultants of Vienna, which were appointed to act as the auditors by resolution of the Annual General Meeting on May 22, 1991. These auditors have stated that the Managing Board's proposal is in agreement with the legal provisions.

The Supervisory Board has likewise examined the Report of the Managing Board and found it in order. The Supervisory Board hereby concurs.

Guido Schmidt-Chiari
Chairman

Vienna, April 1992

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