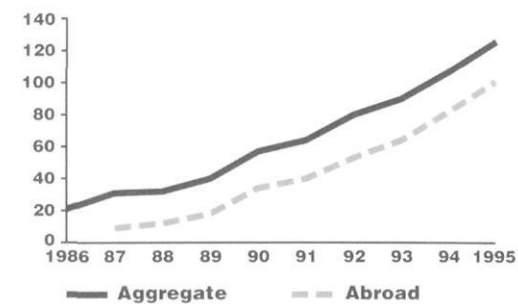
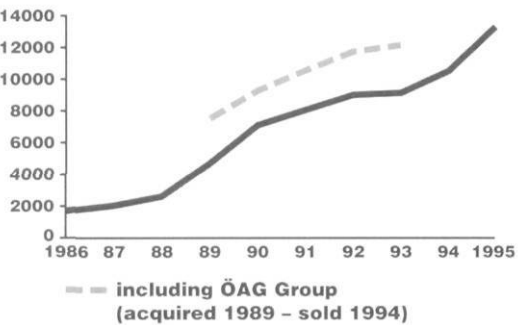




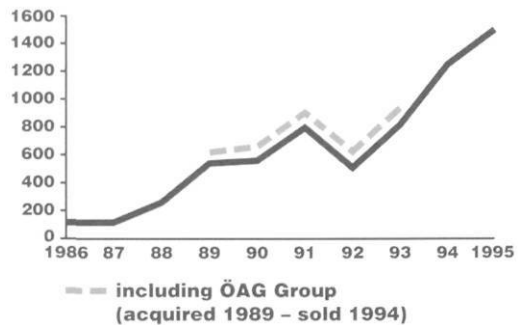
NUMBER OF PLANTS



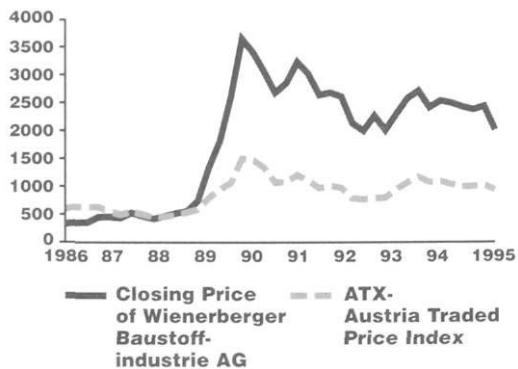
SALES
ATS million



PROFIT ON
ORDINARY ACTIVITIES
ATS million



SHARE PRICE DEVELOPMENT



KEY FIGURES OF THE WIENERBERGER GROUP

CORPORATE FIGURES

(ATS million)		1991 "	1992 ¹	1993 ¹	1994	1995
SALES	TOTAL	10,528	11,711	12,120	10,553	12,855
	DOMESTIC	5,818	6,022	5,946	2,590	2,845
	ABROAD	4,710	5,689	6,174	7,963	10,010
OPERATING PROFIT		863	669	966	1,343	1,674
PROFIT ON ORDINARY ACTIVITIES		904	626	938	1,303	1,495
CASH FLOW ²		1,201	1,147	1,411	2,048	2,102
CAPITAL EXPENDITURE ³		2,985	2,471	2,034	2,734	2,834
EMPLOYEES		5,137	5,796	5,629	4,803	6,418
DIVIDEND		105	133	146	177	292
(per ATS 100 share) ⁴		22	23	25	28	42

¹) including OAG Group (sold 1994)

²) Net profit plus Depreciation

³) Change in Tangible Fixed Assets and Investments

⁴) Adjusted for bonus share issue

STOCK EXCHANGE DATA

(ATS)		1992	1993	1994	1995
OVFA-PROFIT (mill.)		579	720	994	1,167
OVFA-CASH-FLOW (mill.)		1,124	1,454	1,840	2,240
OVFA-SHAREHOLDERS' EQUITY (mill.)		6,737	6,967	7,808	7,778
OVFA-EARNINGS PER SHARE ⁴¹		99	122	157	168
OVFA-CASH-FLOW PER SHARE ⁴¹		200	255	248	326
SHARE PRICE	HIGH ⁴¹	3,507	2,760	2,863	2,687
	LOW ⁴¹	1,867	1,893	2,292	1,855
P/E - RATIO	HIGH	29.6	22.6	18.2	16.0
	LOW	17.5	15.5	14.6	11.0
MARKET CAPITALISATION (31.12./mill.)		11,871	16,294	16,334	13,811
TURNOVER PER DAY (mill.)		41	63	64	77

CONDENSED BALANCE SHEET

	as of 31/12/1994		as of 31/12/1995	
	ATS mill.	%	ATS mill.	"a
ASSETS				
FIXED ASSETS	9,577	58	11,004	57
INVENTORIES	1,820	11	2,267	12
OTHER CURRENT ASSETS	5,157	31	6,072	31
BALANCE SHEET TOTAL	16,554	100	19,343	100
LIABILITIES				
SHAREHOLDERS' EQUITY	8,001	48	8,133	42
PROVISIONS	1,718	11	1,812	9
LIABILITIES	6,835	41	9,398	49

ANNUAL REPORT 1995

WIENERBERGER BAUSTOFFINDUSTRIE AG

Annual Report and Corporate Accounts 1995
of Wienerberger Baustoffindustrie
Aktiengesellschaft. Vienna

Presented to the
127th Annual General Meeting
May 20. 1996

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CHIEF EXECUTIVE'S REVIEW

DEAR SHAREHOLDERS,

For the building- as much as for the building materials industry 1995 was by no means an easy year. In spite of these conditions - or rather just because of them - Wienerberger succeeded in attaining the highest profits in its 176 year history.

Thus, we have reached another record result which continues the trend of the past few years: 1992: ATS 626 million, 1993: ATS 938 million, in our anniversary year 1994: ATS 1,303 million and 1995 the budgeted figure of nearly ATS 1,500 million.

This result was achieved against a strong downward trend in our core markets, Austria and Germany. As a consequence both margins and volume in our highly profitable brick business receded. Furthermore our pipe business fell prey to a combination of excess-capacities and declining prices. The consequent reduction in annual profits amounting to several ATS 100 million could only be countered by our early preparations and our quick response. Naturally these problems also affected our competitors and thus gave us the chance to reemphasize our competitive edge. As the saying goes "Only a crisis separates the men from the boys".

We gained additional strength by following our vision towards which we come closer and closer by adhering to our clear cut strategy. Our multiple portfolio demonstrated its merits. Growth rates in the new markets in the European reform countries were well above average. Also, the turnaround at Treibacher was a great help. Above all, however, the newly acquired Sturm Group brought in a substantial profit.

Our offensive cost-cutting and rationalization policy proved to be most appropriate both in its timing and impact. An essential prerequisite was our focussing strategy which applies our motto "C&C = Concentration and Consistency" and is increasingly being reflected in our employees' approach and performance.

These were the highlights of the reporting period:

- the acquisition of the Sturm Group, which consists of 15 plants; it is the largest takeover in our corporate history
- the successful industrial exploitation of our new brick making technology for which a patent is pending
- the integration of five previously Solvay-owned plastic pipe plants in Benelux, Spain and Portugal into the Pipelife Group
- the turnaround of the two Treibacher companies
- the successful letting of 100% of our real estate development Business Park Vienna as well as the preparation for the second stage, the development of a Wienerberg City
- the conferment of the Stock Exchange Award 1995, thus surpassing all other companies listed on the Vienna Stock Exchange

All in all, 1995 may best be summarised by the phrase "Wienerberger simply better" - simple in its methods, forceful in their execution. This leads to simply better results. It

makes our 6,418 employees act like entrepreneurs and gives them more self confidence. Together with our employees, my colleagues from the Managing Board and I put all our efforts into satisfying our customers.

We are proud to report that since our last annual report the number of plants has increased from 107 to 125. Of these, 114 are less than 10 years old - they were either acquired or newly constructed.

Increased industrial holdings also mean increased value for our shareholders. We think that added shareholder value does not express itself solely in increasing dividends but, above all, in a steadily rising company value. Therefore we have split our share capital 2:1 in 1995. To justify the expression "bonus share" we recommend to pay out a 1995 dividend of ATS 42 per share. Hence, our dividend payout will rise by 65%.

When looking back on 1995, I have every reason to thank our shareholders and our business partners for their continued trust and loyalty. My gratitude and appreciation also extends to our employees as they are behind every success. Internal and external harmony will therefore remain one of my personal goals for the second half of this decade.

Along with these thoughts I would like to ask you to continue to support us with the same endeavour and persistence. 1996 will probably be a difficult year, certainly a challenging one. Monetary and fiscal policies in the European Union are all directed towards meeting the Maastricht criteria. Consequently, public spending on housing and infrastructure will be scaled back. Apart from our markets in

Eastern Europe all forecasts predict a stagnant or even recessionary 1996.

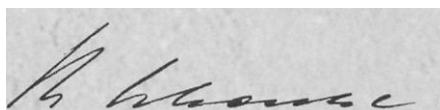
This sharp deterioration in the economic environment has had its effect on our 1996 budget. Following a decade of continued growth, during which our sales have seen a seven-fold and our profits a 15-fold increase, we anticipate constant sales and declining profits.

Nevertheless, this opens up another opportunity to distinguish ourselves still further from our competitors. Our measures therefore include further cost cutting and optimisation as well as continued expansion.

Overall, the economic landscape will lead to structural adjustments, including an acceleration of the trend towards consolidation within the building materials industry on a global scale. We want to be active participants in this process which will allow us to be even stronger and in even better shape in the future.

Therefore, "Wienerberger simply better" will be the way ahead and "Wienerberger - an Austrian Group international leader in bricks and pipes" remains our vision.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'E. Schaschl', is written on a light-colored, slightly textured background.

Erhard Schaschl



The Management Team of Wienerberger assembled on the occasion of the Wienerberger Management Conference 1995: 125 entrepreneurs from all over the world met to discuss the strategic direction of their business units.

CORPORATE PROFILE

Wienerberger is an internationally active Group with simple and clear cut management structures. Following up on our vision to be international leader in bricks and pipes, we were able to realise above-average growth in our core businesses of bricks and pipes:

Wienerberger is the European market leader in hollow bricks, our pipe production ranks also among the top European producers. The industrial portfolio is complemented by our substantial world market shares via the Treibacher companies in ferro-alloys, corundum and flints. Extensive real estate holdings providing steady cash flows support our industrial expansion.

The Wienerberger Group regards itself as an international network which encompasses customers, employees and owners. The coordination of this network is achieved by a simple management philosophy.

The hallmark of our corporate philosophy is entrepreneurship. The group consists of a multitude of small, independent units. Decentralisation was first introduced a decade ago and has since contributed towards the development of our corporate culture. This process, when applying our company motto "C&C = Concentration and Consistency", results in each employee being an entrepreneur. To lend even more support to the entrepreneurial spirit, we intend to introduce an employee share ownership programme in the current year.

Hence, many decentralised, independent units manned with entrepreneurs are currently operating in 21 countries on three continents following the same paradigm: growth and profits.

Growing industrial assets and profits are therefore the aim of our efforts and the expectation of our shareholders.



SUPERVISORY AND MANAGING BOARD

SUPERVISORY BOARD

Guido N. Schmidt-Chiari,
Chairman

Max Kothbauer,
Deputy Chairman

Josef Esterl*)
Heinz Gruber*)
Sieglinde Gruber*) (from June 20, 1995)
Gerhard Hamper)
Rupert Hatschek
Franz Lauer
Eduard Mayer (until May 24, 1995)
Alois Michielsen (from May 24, 1995)
Erich Pimmer
Georg Schwarz (from May 24, 1995)
Jean Dominique Sturm (from Sept. 18, 1995)

*) Employees¹ Representatives

MANAGING BOARD

Erhard Schaschl, Chief Executive
Wolfgang Reithofer, Deputy Chief Executive
Paul Tanos

ORGANISATION CHART

As of April 1996

WIENERBERGER BAU

WALL-, CEILING AND ROOFING SYSTEMS		PIPE SYSTEMS AND SEWAGE TECHNOLOGY	
100% WIENERBERGER ZIEGELINDUSTRIE AG		100% WIENERBERGER ROHRSYSTEME UND ABWASSTERTECHNIK GMBH	
100% Wienerberger Ziegelindustrie Deutschland GmbH (D)	50% Bramac Dachsysteme International GmbH (A)	100% Keramo Wienerberger N.V. (B)	50% Pipelife International Holding GmbH (A)
100% Wienerberger Ziegelindustrie GmbH & Co (D)	62.3% Bramac Beton- cserépgyártó és Építőanyagipari Kft. (H)	100% Keramo Wienerberger Steinzeugwerk Zwickau GmbH (D)	100% Pipelife Rohrsysteme GmbH (A)
50% Schlagmann Baustoffwerke GmbH & Co KG (D)	62.7% Bramac – Proizvodnja Betonskih Stresnikov in Gradbenega Materiala, D.O.O. (SLO)	28% Sunway Keramo SDN BHD (MAL)	100% Flexalen Fernwärmesysteme GmbH (A)
40% ZB Ziegelwerke GmbH & Co KG Baalberge (D)	74.7% Bramac spol.s r.o. (CZ)	40% HL-Wienerberger Manufacturing (S) PTE LTD. (SGP)	100% Pipelife Rohrsysteme GmbH Bad Zwischenahn (D)
100% Wienerberger Ziegelindustrie Südwest GmbH & Co (D)	25% Ziegelwerke Gleinstätten GmbH & Co KG (A)	37.5% HL-Wienerberger Plastic Pipe Manufacturing LTD. (VRC)	100% Pipelife France S.A. (F)
86.9% Hungaria-Wienerberger Téglaipari RT (H)	97.6% Jamina RT (H)	51% Chuanxi Company LTD. (VRC)	50% Pannonpipe Műanyagipari Kft. (H)
74.7% Wienerberger Cihlarsky Prumysl A.S. (CZ)	72% Csorna Beled Cserépgyarto RT (H)	90% Chuanwie Plastic LTD. (VRC)	100% Petzetakis-Pipelife S.A. (GR)
82.3% Wienerberger Slovenske-Tehelne spol.s r.o. (SK)	85% Krytina Hranice spol.s r.o. (CZ)		51% Arili Plastik Sanayii A.S. (TR)
100% Wienerberger Laterizi SpA (I)	75.6% Cihelny Slapanice a.s. (CZ)		100% Polva Pipelife B.V. (NL)
100% Cadorina Laterizi SpA (I)			100% Polva Pipelife N.V. (B)
30% Laterizi Brunori SpA (I)			100% Tubos Saenger S.A. (E)
100% Tuileries Réunies du Bas-Rhin S.A. (F)			100% Tureplastic S.A. (E)
100% Tuileries J. P. Sturm S.A. (F)			100% Maiapias LDA (P)
70% Wienerberger Ceramika Budowlana SP.ZO.O. (PL)			66.7% Pipelife-Fatra S.R.O. (CZ)

STOFFINDUSTRIE AG

TREIBACHER

REAL ESTATE/PROPERTY

100%
Treibacher
Industrie AG

A

100%
Treibacher
Schleifmittel AG

A

100%
Wienerberger
Immobilien GmbH

A

100%
Wienerberger
Ofenkachel GmbH

A

100%
Treibacher Auermet
ProduktionsgmbH.

A

100%
Treibacher Schleif-
mittel Corporation

USA

100%
Wipark Garagen GmbH

A

60%
Wienerberger
Versicherungs-
Service-GmbH

A

49%
Aktivsauerstoff GmbH

A

100%
Treibacher
Schleifmittel SpA

I

50.1%
„Alwa“ Güter- und
Vermögensverwaltungs-AG

A

100%
Treibacher
Schleifmittel D.O.O.

SLO

- bricks
- pipes
- Treibacher
- others

NORTH AMERICA

EUROPE

INDUSTRIAL RESOURCE

125 PLANTS IN 21 COUNTRIES IN THREE CONTINENTS
- OF WHICH 100 ABROAD
- OF WHICH 114 LESS THAN TEN YEARS OLD

PRODUCTION SITES IN AUSTRIA

Bricks: Hennersdorf Gollersdorf Laa/Thaya Mauthausen Neckenmarkt Uttendorf Barnbach Gasselsdorf Mitterdorf Fürstenfeld Haiding/Wels	Clinkers: Rotenturm Ceilings: Leopoldsdorf Civil Engineering Products: Leopoldsdorf Stove Tiles: Walbersdorf Plastic Pipes: Krems Wr. Neudorf	Roofing Tiles: Pochlarn Gaspolthofen Gleisdorf Clay Tiles: Gleinstatten*) Pinkafeld*) Unterpremstätten*) Corundum: Seebach Metallurgy: Treibach
--	--	--

SOUTH-EAST ASIA

PRODUCTION SITES IN EUROPE

BELGIUM Clay Pipes Hasselt <u>Plastic Pipes:</u> Kalmthout	Steinbourg Mondelange Uckange Vandières Besancon Pontarlier <u>Plastic Pipes:</u> Chateauroux Gailion Vedene Compiègne St. Gilles	SPAIN <u>Plastic Pipes:</u> Granollers Zaragoza La Carlotta
GERMANY Bricks: Jeddeloh Rietberg Sittensen Schoningen Völkmar Lanhöfen I + II Wefensleben Buldern Gränsen Reuden*) Königsau*) Speyer**) Facing Bricks: Buchhorst Hude Petershagen Baalberge*) Buchwaldchen*) Ceilings: Lanhöfen III + IV Dollstein Rosenau Chimneys: Osterwald Eize <u>Plastic Pipes:</u> Ekern Goltau Zwickau	<u>Plastic Pipes:</u> Enkhuizen NETHERLANDS Plastic Pipes Enkhuizen ITALY <u>Bricks:</u> Belluno Feltre Imola I + II*) Corundum: Domodossola CROATIA Clay tiles Bedekovcina POLAND Bricks: Lebork PORTUGAL Plastic Pipes Main SLOVAKIA Bricks: Zlate Moravce SLOVENIA Roofing Tiles: Dravograd*) Skocjan*) Corundum: Ruse	CZECH REPUBLIC <u>Bricks:</u> Novosedly Tyrňov*) Lety*) Cíčenice*) Jivno) Lisov*) Hostomice Roofing Tiles: Chrudim*) Olbramovice*) Clay Tiles: Hranice*) Slapanice*) <u>Plastic Pipes:</u> Otrokovice TURKEY Plastic Pipes: Istanbul*) HUNGARY Bricks: Solyvár Sopron Köszeg 1 Orbottyan Mezőtúr Bátaszék Békéscsaba III*) Csabai Ceilings: Köszeg II Roofing Tiles: Veszprém*) Kecskemét*) <u>Clay Tiles:</u> Békéscsaba I*) Békéscsaba II*) Csorna*) Plastic Pipes: Csepel*) Debrecen*)

PRODUCTION SITES IN AMERICA AND ASIA

CHINA Plastic Pipes: Chengdu Chengdu II Nansha*)	MALAYSIA Clay Pipes: Kuala Lumpur*) SINGAPORE <u>Plastic Pipes:</u> Singapore*)	USA Corundum: Niagara Falls Chester (Mass.)
--	--	--

CANADA
Corundum:
Niagara Falls

*) Minority Stakes
**) Leased

THE WIENERBERGER SHARE

The Wienerberger share was unable to detach itself from the predominant downward trend seen on the Vienna Stock Exchange in 1995. Our share price followed the building materials basket but declined even further than the ATX (Austrian Traded Price Index), from ATS 2,563 to ATS 2,000.

Wienerberger is one of the most liquid stocks on the Vienna Stock Exchange. Total

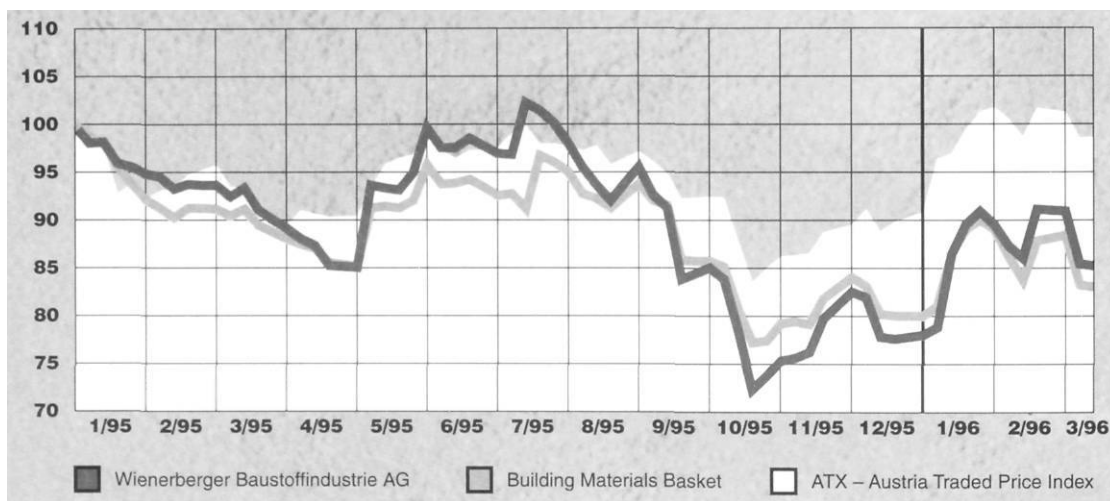
turnover reached ATS 18.9 billion, thus placing it at number six.

Supported by Austria's political and economic stability and the resulting investor confidence, the Vienna Stock Exchange has managed to recover somewhat since the beginning of the year. Also, our share price rose slightly during the first quarter of 1996.

THE WIENERBERGER STOCK

in %

Source: Datastreet



SHARE SPLIT. On August 21, 1995 our capital was adjusted 2:1 by a share split. For every two existing shares, our shareholders received one bonus share. Consequently our share price was adjusted from ATS 3,600 to ATS 2,400. Thus the liquidity of Wienerberger shares was improved.

Therefore, maintaining our dividend at ATS 42 per share - as recommended by the Managing Board - translates into an increase of 50%. Total dividend payout, including three

contributions in kind during 1995, rises by 65%.

INVESTOR RELATIONS. The ongoing comprehensive information of our shareholders is one of our objectives. The transparency and efforts which were demonstrated have contributed to Wienerberger winning the two most sought after Austrian awards:

- WINNER OF THE STOCK EXCHANGE AWARD 1995

This prize is awarded annually by a specialist's jury composed of analysts, journalists and investors. This decision was based on the further improved information policy. Analysts were very content with the informative annual report. The press release of the Vienna Stock Exchange stated: "Additionally, this award

expresses the appreciation by analysts of the high level of willingness of the Managing Board to cooperate, the policy of providing frequent and timely information, and the reliability of the Investor Relations representatives."

- BEST ANNUAL REPORT 1994

The Austrian economic monthly "Trend" justified this prize with the clarity and the comprehensive information of the Wienerberger Annual Report 1994.

Besides many road shows in Europe and the US, we also increased the number of events for our Austrian shareholders: A shareholder day during which we presented our new Haiding, Upper Austria, brick work was held as well as a Wienerberger News Room on the occasion of the "Gewinn" fair in Vienna. We would like to take this opportunity to thank all our shareholders and analysts within Austria and abroad for accompanying us along our way and for their expressed interest in our Investor Relations activities.

If you have any questions regarding the Wienerberger share, feel free to contact us via our

investors' hotline:
0043/1/60 192/419
or via e-mail:
investor@wienerberger.com

Erhard Schaschl, CEO, Adolf Jessner, Executive Vice President, or Gerhard Bachmaier, IR Manager, will be pleased to provide assistance.

REVIEW OF OPERATIONS

ECONOMY 1995

In 1995 the GLOBAL ECONOMY was characterized predominantly by cooling off tendencies: In the US the tightening of monetary policy and the resulting increase in bond yields had - with a certain delay - the expected negative consequences. In Japan the extremely low interest level was unable to prevent a stagnation. South East Asia remained a growth region albeit one which has lost some momentum as well. In EASTERN EUROPE the transformation continued and the recovery, from a very low level, was gaining strength. Towards the end of the year, the political crisis on the Balkans seems to have lost intensity.

In WESTERN EUROPE, the attempts at reducing the budget deficits to meet two of the criteria set out in the Maastricht treaty, proved to be an effective vehicle to stifle demand. On top, the declining value of the USS deteriorated the competitive position of the hard currency countries, whose exports were also affected by fundamental changes within the European Exchange Rate mechanism. The steady decline of bond yields and the expansive monetary policy of most European Central Banks were a welcome counterbalance but proved to be insufficient to fully outweigh these negative trends.

AUSTRIA was not yet able to benefit to the full extent from membership of the European Union. Confirming this trend is the rate of inflation, which receded toward the end of the year to less than 2%, and the level of exports, which remained distinctly favourable until autumn. A significant number of international companies has announced that they intend to make Austria the seat of their Eastern European activities, a step which is usually associated with a certain level of greenfield-site investments.

Following an unusually strong first half, the Austrian economy cooled off markedly in the second half. Real GDP increased by only 1.8%, the total number of employees remained constant while unemployment started to rise to 6.6%.

Domestic industry has contributed to this development which is all the more impressive in the light of international trends. Output increased by 5.5% and productivity grew even stronger by 6.5%. The combination of a hard-currency, the opening up of Eastern Europe and the free transfer of goods in the Common Market necessitated - above all in previously protected industries - painful adjustments which in turn led to an unheard of level of insolvencies.

At the same time it became all the more obvious that the Austrian economy was drifting away from the criteria set out in the Maastricht treaty. Political discord regarding the steps to counter this trend led ultimately to a break-up of the coalition government and to early elections. In the meantime it has been possible to re-establish political consensus and to set out on a path towards restoring the public finances.

BUILDING INDUSTRY. In WESTERN EUROPE the building industry has significantly lost momentum. Real growth amounted to just 1.6% and thus fell behind overall economic growth for the first time in ages.

On the one hand, non-residential construction staged a comeback but in itself was unable to counterbalance the lacklustre trend which resulted from the careful attitude of local authorities regarding public works in either construction or civil engineering and the declining dynamic in residential construction, on the other hand.

Also, regional trends showed different pictures: While construction activity gained in Scandinavia, Portugal and Ireland, it slowed down in the hard-currency countries, in particular in Germany and Switzerland but also in the UK.

In the transition economies of Eastern Europe, the building cycle booked - from a very low level - a remarkable increase. In particular infrastructural and new developments gained whilst residential construction was still held back by a lack of funding and an underdeveloped subsidization system.

In AUSTRIA the incessant upward trend in the building industry which had started in the mid-1980s came to an end in 1995. Total building volume remained at last year's level. Residential construction (+5%) and renovation (+2%) were the sectors which registered above-average growth. New housing starts however, declined disproportionately. In particular, public sector construction and civil engineering saw significant declines. This trend was aggravated yet further by the relatively early onset of winter.

BUILDING VOLUME IN EUROPE

COUNTRY	real change in %				
	1991	1992	1993	1994	1995 e
GERMANY	3.5	9.5	2.8	7.8	1.9
FRANCE	0.2	-3.0	-6.0	-0.2	1.0
ITALY	1.6	0.8	-5.7	-3.0	0.7
GREAT BRITAIN	-7.0	-3.7	-1.8	3.2	0.7
SPAIN	4.0	-6.0	-8.1	1.2	2.8
BELGIUM	3.0	3.5	-1.5	1.5	1.8
NETHERLANDS	0.6	1.4	-3.3	3.1	1.8
PORTUGAL	4.5	2.5	0.0	1.0	6.5
SWITZERLAND	-5.6	-2.3	-2.0	2.0	-3.6
HUNGARY	-12.0	-3.0	-1.5	16.0	1.0
CZECH REPUBLIC	-23.9	19.7	-7.4	3.1	7.4
SLOVAKIA	-31.6	7.8	-26.8	-5.3	0.0
POLAND	1.6	-0.6	4.3	2.0	4.0
AUSTRIA	5.1	4.9	2.3	4.7	0.7

BUILDING VOLUME IN AUSTRIA

SECTOR	1991	1992	1993	1994	1995 e
NEW RESIDENTIAL CONSTRUCTION	4.7	8.5	10.5	15.0	5.0
PRIVATE NON-RESIDENTIAL CONSTRUCTION	10.0	6.5	-10.0	-8.0	-4.5
PUBLIC NON-RESIDENTIAL CONSTRUCTION	3.0	1.6	2.0	0.5	-3.0
CIVIL ENGINEERING	3.7	1.0	1.0	3.0	-5.0
RENOVATION/ MODERNISATION	4.0	4.0	3.0	4.5	2.0

HIGHLIGHTS 1995

WALL-, CEILING- AND ROOFING SYSTEMS

- Industrial exploitation of the new brick technology at two further plants:
 - Gransee, near Berlin, annual capacity 100 million bricks
 - Lanhofen, Bavaria, jointly owned with Schlagmann, annual capacity 100 million bricks
- Acquisition of the Sturm Group in France which consists of 15 plants manufacturing bricks and concrete products
- Start of operations of the reconstructed brick plants Tyn, Cicenice and Lety - the South Bohemian Brick Works, annual capacity 240 million bricks
- Acquisition of the Czech brick plant Hostomice, annual capacity 45 million bricks
- Market entry in Poland, by acquiring the Lebork brick work near Gdansk
- Acquisition of a 30% stake in Laterizi Brunori which comprises two plants in Imola, Italy

PIPE SYSTEMS AND SEWAGE TECHNOLOGY

- Start of operations of a Pipelife plant in Fatra, Czech Republic
- Integration of five Solvay plastic pipe plants in Benelux. Spain and Portugal into the Pipelife Group
- Increase of the Pipelife stake in Petzetakis Pipelife in Greece from 66.6% to 100%
- Increase of the Pipelife stake in Eurotub in France from 50% to 100%
- Start of operations of a new plastic pipe plant in Nansha, PRC
- Start of construction of a plastic pipe plant in Chengdu. PRC

TREIBACHER

- Acquisition of a corundum plant in Ruse. Slovenia
- Start of operations of a further furnace in Domodossola, Italy
- Start of construction of a new sieving facility in Niagara Falls, USA
- Start of construction of a new micro-graining facility in Villach, Austria
- Swap of polishing powders and vacuum carbides with London and Scandinavian Metallurgical Co., UK

REAL ESTATE/PROPERTY

- Restructuring of the real estate division and delisting of Wienerberger Immobilien AG
- Opening of the Holiday Inn hotel in the Business Park Vienna
- 100% letting out of the Business Park Vienna
- Realisation of real estate developments resulting in a profit of ATS 184 million
- Acquisition of a car park in Vienna
- Increase of our stake in Aiwa from 35.5% to a total of 50.1%
- Acquisition of an agricultural property of 903 ha in Hungary by Aiwa

STURM - A SUCCESSFUL ACQUISITION

In July 1995, Wienerberger acquired the two companies Tuileries Reunies du Bas Rhin and Tuileries Jean Philippe Sturm from the entrepreneur Jean Dominique Sturm.

The origins of the Sturm Group date back to the 16th century. In 1925, through the merger of seven small brick works the foundations for the industrial manufacture of bricks were laid. Since the 1950s, Sturm has been the market leader in Alsace.

Besides bricks, Jean Dominique Sturm successfully built up a second product line, concrete products. Consequently, Sturm became the leading building materials producer in Eastern France. In the past year, 525 employees generated a turnover in excess of ATS 1 billion.

Apart from its home-market France, Sturm exports significant volumes to Germany, Belgium, Luxemburg and Switzerland. For Wienerberger, the integration of the Sturm Group entails the following advantages:

- Market entry into Eastern France
- Market leadership in South-West Germany
- Lean corporate structure
- State-of-the-art plants
- Low production costs
- Above-average earnings

Furthermore, there are significant synergies in ceiling elements, girders and lintels.

Soon after the take-over by the Wienerberger Group one of the most efficient brick works in Europe, Betschdorf, annual capacity 150 million bricks, was completed. It is scheduled to start production during the first quarter of 1996. Hence, Sturm will be among the leading Southwest German brick suppliers, too.

As part of the consideration, Mr Sturm received Wienerberger shares. This confirms the large trust he places in the future of his group within Wienerberger. Not only did he thus become one of our largest shareholders, but also became an experienced and active member of our Supervisory Board.

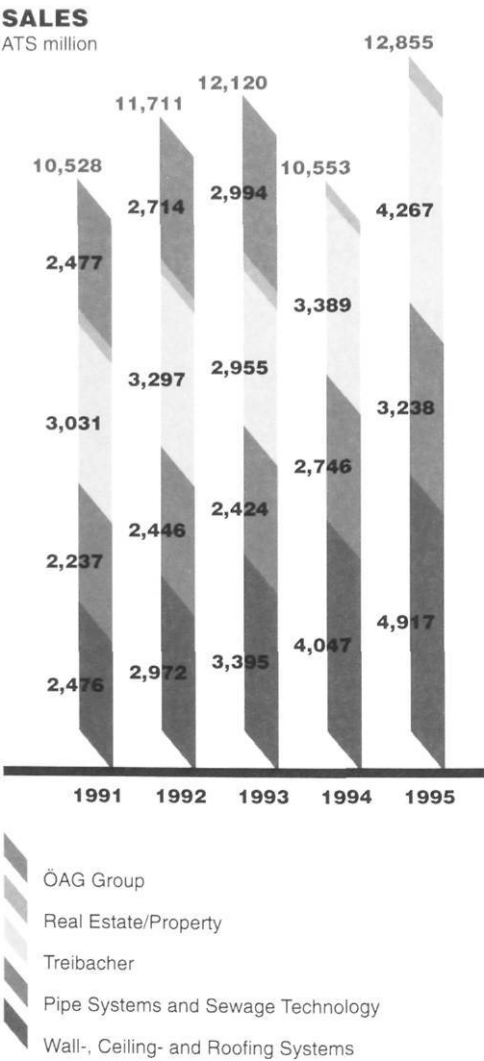
RESULTS 1995

In 1995 we were able, in spite of steadily worsening business conditions, to increase our profits once more. The industrial expansion of the group was continued.

SALES. Buoyant growth in all divisions, supported by the acquisition of Sturm, the integration of five Solvay plants into the Pipe-life Group and better trading conditions for Treibacher Industries were the main reasons for our strong sales growth.

Consolidated sales increased by 22% to ATS 12.9 billion. All four divisions contributed to this growth in approximately similar proportions - which is yet another proof of the validity of the portfolio principle.

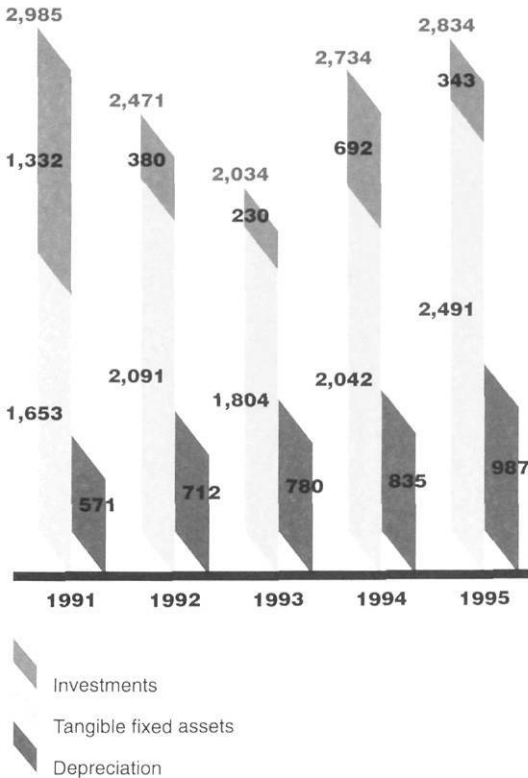
	% of Sales	Change 1995
Wall-, Ceiling- and Roofing Systems	38%	+ 21%
Pipe Systems and Sewage Technology	25%	+18%
Treibacher Group	33%	+26%
Real Estate/Property	4%	+16%



CAPITAL EXPENDITURE. Additions to fixed assets amounted to ATS 2,834 million in 1995. Of these ATS 2,491 million were tangible fixed assets and ATS 343 million investments. Furthermore ATS 2,356 million were spent on acquisitions. This corresponds with a cash flow of ATS 2,102 million.

CAPITAL EXPENDITURE AND DEPRECIATION

ATS million



ACQUISITIONS. In the Wall-, Ceiling- and Roofing Systems division, the major event was the acquisition of the Sturm Group, which was partly financed via a contribution in kind. Further steps to extend our geographic presence were the acquisition of our first brick work in Poland, and of a controlling minority stake in the Italian company Laterizi Brunori. Bramac was also able to continue its dynamic growth by establishing sales outlets in Croatia and Slovakia.

The Pipe Systems and Sewage Technology division focused its energies on continuing its forays into South East Asia, the successful integration of the Solvay plants which were acquired last year, and the consolidation of Keramo Wienerberger.

Treibacher Abrasives has bought another production plant in Ruse, Slovenia, in 1995. At the same time, production facilities in Austria, Italy and North America were expanded. Treibacher Industries swapped its polishing powders with vacuum carbides of the London based London & Scandinavian Metallurgical Co.

The publicly traded shares of Wienerberger Immobilien were taken over and the public shareholders received Wienerberger Baustoffindustrie shares instead. Our minority stake in Aiwa was increased to just over 50% - held directly and indirectly.

PROFITS. Profit on ordinary activities increased from ATS 1,303 million to ATS 1,495 million, an increase of 15 %.

Again, the largest contribution came from the Wall-, Ceiling- and Roofing division. We were successful in counterbalancing the decline in our core markets Austria and Germany by acquiring the Sturm Group. Furthermore, the positive development of the Eastern European brick industry continued. Thus, benefiting from careful expansion and permanent cost reductions, we were able to keep profits at last years' record level.

The Pipe Systems and Sewage Technology division was characterised by two distinct trends: The Pipelife Group was successful in securing its position in Europe and in maintaining the good earnings level. Keramo, on the other hand, was a victim of public spending cutbacks. Expansion in South East Asia proceeded as planned.

For the Treibacher Group, 1995 turned out to be a good year. The figures mirror the effectiveness of our rationalisation measures. Treibacher Industries and Treibacher Abrasives were both able to significantly improve their results even in the light of the weak US\$. Last year's loss of ATS 65 million was turned around into a profit of ATS 155 million.

Profits at the Property division were positively influenced by two factors:

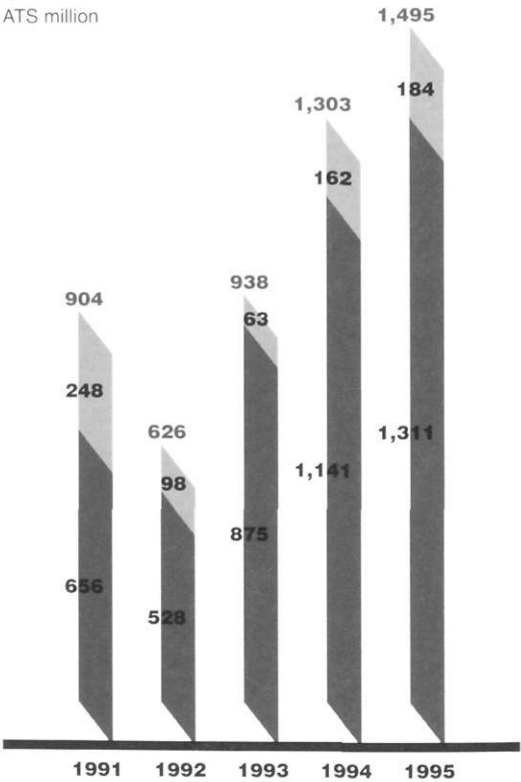
- 100% letting of the Business Park Vienna and the
- restructuring of our real estate holdings by merging them with Wienerberger Immobilien

Our reaction to the strong profit increases of the Wienerberger Group in the past few years was the issue of bonus shares in the

ratio one-for-two. Moreover, we propose to keep the nominal dividend constant. Hence, our dividend payout jumps - including last year's capital increases - from ATS 177 million to ATS 292 million, up by 65%.

PROFIT ON ORDINARY ACTIVITIES

ATS million



Real Estate related
From operations

RESEARCH, DEVELOPMENT AND THE ENVIRONMENT

Higher efficiency, improved product quality and responsible treatment of the environment were the focal issues of our R&D efforts. These three aims were met by the Wienerberger engineering team after ten years of research into the "new brick technology". This new process introduces the individual (as opposed to the multi-layered) drying and burning process. This results in a significant reduction in the amount of facilities required to handle and control the two processes mentioned above. This individual, brick by brick treatment not only significantly increases the quality of the bricks produced, it also lowers the operating costs by approximately 20%. The drying and burning process are both shortened from between 18-30 hours each to under six hours each. This new technology has been submitted for patent protection.

For the time being, the new technology will only be introduced in newly constructed plants. Currently, our high expectations have been met in three plants in Upper Austria, Bavaria and the Berlin area:

1. **HIGHER EFFICIENCY:** Capital expenditure requirements are 20% lower. Production costs are reduced by 20% as a result of lower energy consumption, lower maintenance costs and lower personnel expenses. One of these new brick plants requires only two workers per shift, whose job is exclusively devoted to supervision.
2. **IMPROVED PRODUCT QUALITY:** Single stone treatment not only improves the product's quality but opens up new perspectives for future product development.
3. **ENVIRONMENTAL AWARENESS:** Smaller kiln-volume and the thermal treatment of exhaust fumes allow us to out-perform stringent Austrian environmental standards by

90%. Thus, we are in a position to produce the environmentally friendly product brick in a similarly considerate manner.

Rationalisation, affordability and improvements in housebuilding are both a macro- and microeconomic challenge which Wienerberger is facing as one of Europe's leading building materials groups. A first step in this direction in wall systems was the groove and tongue solution. Our latest development, the plane brick, represents a further milestone in our quest for more affordable housing: This new system requires hardly any mortar; additionally it is cheaper to lay. Thus, walls made from the plane brick are not only cheaper but also more homogeneous and, hence, simply better.

R&D activities within the Pipelife Group are concentrated in Krems, Austria, and Enkhuizen, Netherlands. At the centre of Pipelife's product development stood the improvement of our safety product "Gas-stop", a new product development for sewage applications and the coextrusion process. After several years of successful operation of a plastic recycling system in the Netherlands, this concept was introduced in Austria where it proved to be an astonishing success, as is evidenced by the collection of 300 tons of old plastic pipes through 120 collection points. In the Belgium clay pipe plant Hasselt, the installation of a smoke absorption system allowed us to set new environmental standards which are far below the maximum levels permitted. A new development in the sealing of sleeves will be introduced shortly.

Our plant in Treibach, which - as a chemicals factory - is always in the limelight of public attention, succeed in gaining the public's trust through a bundle of environmental measures, transparency and awareness to citizens' concerns and was honoured

HUMAN RESOURCES

by the award of the title "Transparent Factory". Again, in 1995, more than 5,000 neighbours visited the plant to gain first hand information. Apart from environmental improvements, Treibacher Industries also continued its innovative tradition in product development: the recovery of vanadium from hydro-demetalization-catalysts from refineries, the recovery and separation of vanadium and nickel from combustion residues in petrol refineries, process engineering to allow the cheaper production of ferro-molybdenum and ferro-vanadium were the main R&D topics. Treibacher Auermet, a 100% subsidiary of Treibacher Industries successfully conducted research into the EURAM project which searches for cheaper battery alloys for use in electric vehicles. Treibacher Abrasives developed a new corundum product characterized by micro-crystalline graining. The newly gained insights are scheduled to be applied at other product qualities.

The operation of ecologically watertight landfills in which we offer the monitored disposal of residues, closes the circle around business and the environment within the Wienerberger Group. We have proved on many occasions that economy and ecology are not by their very nature mutually exclusive.

The 1995 Wienerberger Management Conference was held under the slogan "Competing for the future". We thus gave expression to the importance which we attach to Wienerberger's future.

Within the framework of this meeting, a comprehensive series of seminars was organised for our internationally minded managers. The dynamisation of our corporate strategies, successful development of lean management, leadership with cultural awareness and, most importantly, the optimisation of the customers' utility were the individual topics which mirror the strategic and cultural imperatives of the Wienerberger Group.

Entrepreneurship, which is the desired and fostered attitude of our employees is not only part of our corporate identity but also one of the main reasons for our success. This way of thinking is guided by a clear cut, simple strategy. The strategy is embodied in two letters, "C&C = Concentration and Consistency" which may be translated as: Do only a few things but do them simply better.

According to this paradigm, every employee is expected to define discrete targets for his or her particular job. As our employees are not expected to follow somebody else's standards, this method yields superior motivation. This thinking has set free a momentum of its own, which is continuously gaining strength. Wienerberger is a company where the WE is firmly placed on top of egocentricity. Hierarchies are flat, decisions quickly reached. These attitudes promote courage, speed and harmony.

In 1995 the group employed on average 6,418 persons. Currently, more than two-thirds of these entrepreneurs work outside Austria.

PERFORMANCE OF STRATEGIC BUSINESS UNITS

ATS MILLION	1994	1995
SALES	4,047	4,917
OPERATING PROFIT	898	1,000
PROFIT ON ORDIN. ACT.	859	882
CASH FLOW	1,219	1,169

	1994	1995
CAPEX	1,089	1,656
EMPLOYEES	1,985	3,285
CASH FLOW/SALES	30.1%	23.8%
SALES/EMPLOYEE	2.0	1.5

In 1995 the traditional core business of the Wienerberger Group was able to increase sales and to maintain last years' earnings level.

The Wall- and Ceiling division and our investments in roof-tile manufacturers showed the following developments:

WIENERBERGER ZIEGELINDUSTRIE.

More than any other division, Walls and Ceilings benefited in the past few years from the unusually strong expansion of building volume. As a consequence of market declines and excess capacities, 1995 saw lower sales and profits in Germany, which were offset by the acquisition of Sturm.

In AUSTRIA, as a result of intensive market penetration we were able to defend our market dominance as the new Porotherm plane brick was introduced successfully. In particular in the second half of 1995, we felt strong pressure on prices, which we expect to continue in 1996.

In GERMANY, the exceptional boom in housebuilding which lasted for the past few years, came to an end in 1995 and resulted in a dramatic decline, mainly in Western Germany. Concurrently, a number of plants began operations in the eastern part of the country, which led to vast overcapacities thus heating up competition in an otherwise interesting market. Naturally, pressure on prices was the outcome. Wienerberger was prepared for this scenario, although it came earlier than expected, by establishing a network of low-cost production plants. In the Berlin area, our Gransee plant, which uses our new technology, started operations. In Buldern, North Rhine Westfalia, and Muhlhausen, Thuringia. new developments will be started shortly, thus replacing older, non-competitive plants. In this way we are improving our cost structure and our competitive position. Our 50% joint venture, Schlagmann, also constructed a new plant in Lanhofen,

Bavaria, in which our new technology was tested. All in all, we still managed to achieve a respectable result in Germany even though we had to deal with a changed environment and extraordinary capital expenditure charges and hence could not repeat the 1994 performance.

By acquiring the Sturm Group we entered the FRENCH market in Alsace. This Group consists of three hollow brick works, a fourth plant started operations in the first quarter of 1996, one roof tile plant and eleven concrete plants for hollow blocks and pavers. A large proportion of sales - especially in bricks - is derived from Germany. In spite of declining prices in the last few months of 1995, the Sturm Group was able - strongly helped by concrete operations in Eastern France - to improve its earnings from last year's record level.

Our ITALIAN operations in Feltre and Belluno which we acquired at the end of 1994, were subject to capital expenditure programs to lower production costs. As a result of extraordinary charges relating to the acquisition and the capex programme, as well as difficult trading conditions resulting from excess capacities, we did not yet see a positive earnings contribution. To extend the market base further, we acquired a 30% stake in Laterizi Brunori, which comprises two brick works and has a strong regional position in Imola.

In HUNGARY the dominant event in 1995 was the introduction of the groove and tongue product line. Capacity in girders and lintels was raised to satisfy higher demand. Overall, 1995 demonstrated for the first time Hungaria Wienerberger's full earnings potential. Even after some painful devaluations of the Hungarian Forint results in terms of Austrian Schillings are markedly higher than last year.

At the beginning of 1995 we acquired the brick works in Hostomice, CZECH REPUBLIC which soon thereafter underwent reconstruc-

PRODUCTS: Wall Systems: Hollow Bricks, Facade Bricks, Clinkers and Facing Bricks. Ceiling Systems: Brick Based Ceilings, Ceiling Elements. Roofing Systems: Clay Tiles, Concrete Tiles. Chimney Systems. Paving Bricks. Concrete Products. **GROUP COMPANIES:** Wienerberger Ziegelindustrie (100%), Bramac Dachsysteme International (50%), Ziegelwerke Gleinstatten (25%). **PLANTS:** 89 plants in Austria, Germany, France, Italy, Hungary, Croatia, Czech Republic, Slovakia, Slovenia and Poland.

tion. Further investment projects were aimed at modernising the South Bohemian Brick Works. Resulting standstills and unforeseen expenses had a negative effect on the operating result. In the second half of 1995, our majority stakes in different companies in the Czech Republic were merged into "Wienerberger Cihlarsky Prumysl", thus paving the way for the exploitation of synergies and rationalisation potentials.

In SLOVAKIA, output from our brick plant, which started operations in 1994, was raised as scheduled and subsequently sold on the domestic market. To further strengthen Wienerberger's position we prepared the introduction of the Porotherm groove and tongue system. Our expectations for 1995, which were rather modest in the light of high interest expenses, were fully met.

BRAMAC. The leading concrete roof tile producer in the Danube area, in which Wienerberger has a 50% stake, further improved its market position in 1995. New markets in Slovakia and Croatia and new products in Austria, e.g. the contour tile and the roof window permitted a further sales increase. Our results were held back somewhat by exceptional costs associated with the opening up of new markets in Eastern Europe.

In AUSTRIA, Bramac was able to claim for the first time market leadership in roofing following a significant volume increase. As a result of Bramac's reliance upon the housing sectors modernisation/renovation the company was largely unaffected by the stagnant building volume in Austria in 1995.

In HUNGARY, we secured our market position following an increase in sales of our local subsidiary. As a result of some structural changes the gravel producer Lasbra managed to achieve a turnaround in 1995. In SLOVENIA, we consolidated our market leadership and increased volumes significantly by exporting

to Croatia. A 65% sales increase in the CZECH REPUBLIC surpassed even our most optimistic forecasts. Our SLOVAKIAN sales outlet managed to triple sales in its second year of operations.

CLAY TILES GLEINSTATTEN. Our 25% subsidiary Ziegelwerke Gleinstatten increased both sales and profits in the reporting period.

In AUSTRIA, all our plants were working at or near full capacity. Especially encouraging was the volume increase in pressed interlocking tiles.

In HUNGARY, both Jamina and Csorna were able to improve sales and earnings. Investment programmes to stabilise quality and to expand capacity all proved highly effective.

In the CZECH REPUBLIC, construction started in autumn for a new pressed interlocking tile plant in Hranice. We expect to start production in the third quarter of 1996. As a consequence of this new development, production of bricks was terminated in Hranice. Slapanice was able to increase sales decisively, thereby nearly breaking even.

In December 1995, Ziegelwerke Gleinstatten signed the contracts to acquire the tile producer Zagorka in Bedekovcina near Zagreb, which was originally founded by Wienerberger in the 19th century. We intend to build up a new clay roof tile plant at this strategically important location, from which we could supply the CROATIAN-BOSNIAN market.

ATS MILLION	1994	1995
SALES	2,745	3,238
OPERATING PROFIT	245	226
PROFIT ON ORDIN. ACT.	213	168
CASH FLOW	232	307

	1994	1995
CAPEX	252	312
EMPLOYEES	1,229	1,483
CASH FLOW/SALES	8.5%	9.5%
SALES/EMPLOYEE	2.2	2.2

With a 25% share in total group sales, Pipe Systems and Sewage Technology has transformed itself into the second core business of the Group within only five years.

Our strategic objectives are straight forward:

- Cost leadership
- Closeness to our markets
- International expansion
- Innovation

In 1995 the division was able to compete successfully, despite a tougher economic environment and declining building volume in its main markets, volatile PVC prices and intensified competition as a result of excess capacity.

Declining volume in waste water treatment in our principal market, Germany, and the extremely intense competition, which resulted from overcapacities, obliged us to introduce stringent cost-cutting programmes at Keramo Wienerberger whose full effect will first be felt during the running year. Temporary standstills of a few factories were intended to adjust production capacity to market demand.

For the Pipelife Group, our 50:50 joint venture with the Belgian Solvay Group, 1995 was the most successful year in its history. In spite of a declining housing market, we were again able to increase last year's excellent results. Pipelife's expansion was continued.

In China, the expansion of our plastic pipe activities was forcefully pushed ahead. At present the group owns majority stakes in four plastic pipe plants in Singapore, Brunei and China as well as a clay pipe plant in Malaysia. One plant in China is currently under construction; another one, in Shanghai, is in the development stage.

The business unit Pipe Systems and Sewage Technology currently operates 28 plants and numerous sales outlets in 17 countries. Consolidated sales were ATS 3.2 billion thus setting a new record. Profits on the other hand, which were affected by closure expenses and a dramatic reduction in prices and quantities, amounted to ATS 168 million, representing an unexpected decline compared with last year.

We do not expect any improvement in trading conditions in 1996. However, the ongoing rationalisation and cost-cutting programme should yield constant sales and improved earnings.

PIPE SYSTEMS AND SEWAGE TECHNOLOGY. Our domestic activities were concentrated on the development of new fields for Duroton products.

In South East Asia, our new Nansha plant, PRC, commenced operations during 1995. Despite cultural differences, cooperation with our Chinese joint venture partners is satisfactory. 1996 will see further expansion of our activities in China.

PIPELIFE. After acquiring 50% stakes in previously Solvay owned plastic pipe plants in Belgium, the Netherlands, Spain and Portugal, we successfully integrated these plants into the Pipelife Group during 1995.

Towards the end of the year, Pipelife increased its stake in the French plastic pipe manufacturer Eurotub and in the Greek plastic pipe company Petzetakis Pipelife, from 50% and 66.67%, respectively, to 100% each. Our geographic expansion was continued by establishing a sales outlet in Poland and by building up a distribution affiliate in Slovenia.

Even under the pretext of a declining building volume, which is caused by public spending cuts, the Pipelife Group managed to increase both sales and profits.

In AUSTRIA, the building industry as a whole lost momentum. This led to a consider-

PRODUCTS: Clay Pipes for Waste-Water Disposal. Plastic Pipes for Water Supply and Disposal, Irrigation, Gas-Supply, Cables, Drainage, Electric Installations and District Heating. Duroton-Prefabricated Parts. **COMPANIES:** Wienerberger Rohrsysteme und Abwassertechnik (100%), Keramo Wienerberger (100%), Pipelife International Holding (50%). **PLANTS:** 28 plants in Austria, Belgium, Czech Republic, France, Germany, Greece, Hungary, Netherlands, Portugal, Spain, Turkey, China, Malaysia and Singapore.

able reduction in quantities. Still, some product lines such as sprinklers were able to report gains.

In GERMANY, excess capacities were exercising strong pressure on quantities and prices. Well-targeted cost-saving measures, the introduction of trading products as well as new developments in waste water disposal helped to improve profitability.

Also in FRANCE, competition heated up and Pipelife experienced volume declines in several products which were nevertheless countered by cost reduction programmes.

The austerity budget in HUNGARY took a heavy toll on our business with public authorities. This was partly offset by extending the product range.

In the NETHERLANDS, DrakaPolva was brought into the Pipelife Group and subsequently changed its name to PolvaPipelife. Favourable trading conditions allowed a slight sales and profit increase.

In BELGIUM, a difficult economic environment resulted from domestic excess supply and overcapacities in neighbouring countries. Permanent rationalisation measures and cost cutting as well as product innovation allowed us to increase both sales and profits.

In SPAIN, the groundwork has been laid for the merger between Tubos Saenger and Tureplastic into Pipelife Hispania. Compared with 1994 profitability increased.

Production in the CZECH REPUBLIC began towards the middle of 1995. Until now, the performance of Pipelife Fatra met our expectations.

In spite of a testing economic environment in TURKEY with an inflation rate of 82% a record result was achieved in 1995.

At the end of 1995, the Pipelife Group had 20 plants in 11 European countries which are complemented by sales outlets in Slovakia, Slovenia, Poland and Romania.

KERAMO WIENERBERGER. This company which is a 100% subsidiary since the beginning of the year was able to defend its position in the European sewage market in

spite of the most adverse economic conditions.

It was characterized in the past year by intensified competition, a declining building industry and completely unsatisfactory prices. The country that was hardest hit was GERMANY, which is the main market for Keramo Wienerberger. We assume that the drying-up of public funds was responsible for the 20% collapse of the waste water market. Keramo Wienerberger was one of the victims of this development.

Keramo Wienerberger was early in preparing for such a scenario: it introduced rationalization measures and restructured the company. Partial standstills adjusted capacity, our product range was streamlined and logistics were optimised. At the same time a painful cost cutting programme was started, whose full effect will be seen in 1996. Thus we were able to contain the negative consequences which would inevitably have resulted following volume and price declines.

Our cooperation with the leading CZECH clay pipe manufacturers, which operates a joint distribution company, further cemented the grip of clay pipes on the Czech sewage market.

In BELGIUM, Keramo Wienerberger exploits its advantages as a domestic producer and is the clear market leader. Our successful cooperation with Vlario and Hydrobel allowed us further to improve this position.

As the AUSTRIAN market leader, Keramo Wienerberger was able to improve the market share of clay pipes for public works and to increase the volume sold.

Our Kuala Lumpur plant, MALAYSIA, increased productivity by lowering the rejection rate.

ATS MILLION	1994	1995
SALES	3,389	4,267
OPERATING PROFIT	-15	192
PROFIT ON ORDIN. ACT.	-65	155
CASH FLOW	107	241

	1994	1995
CAPEX	142	259
EMPLOYEES	1,455	1,512
CASH FLOW/SALES	3.2%	5.7%
SALES/ EMPLOYEE	2.3	2.8

Treibacher is the venture field in the Wienerberger portfolio. As opposed to building materials, its business is a global one.

Managing the volatilities in this business requires special efforts in terms of product innovation and cost minimisation. With this in mind, an ambitious cost cutting and restructuring programme was started two years ago. Two lean companies, Treibacher Industries and Treibacher Abrasives were the result of the reorganisation.

Both companies benefited from an improved economic climate; this, together with the cost reductions, resulted in a turnaround.

TREIBACHER INDUSTRIES. Following the trend at our major customers for ferro-alloys, the European steel industry, worldwide special steel sales started to experience significant growth again. Also, hard metals showed some favourable developments.

In the reporting period the following divisions, Alloymet, Powdermet and the Treibacher subsidiaries Auermet and Aktivsauerstoff were ISO 9001 or ISO 9002 certified.

In close cooperation with independent experts and the Carinthian Authorities, the nickel roasting plant started a trial period for the extended disposal of hazardous waste. As a result, emissions and immissions were shown to be well below all thresholds permitted by law. Thus, we are optimistic that permission to operate the plant will be granted during the second quarter of 1996. In ferro-alloys, new market positions were built up and important customers were linked with us via long-term contracts. In metallic alternatives, our purchase marketing was continued successfully.

Towards the end of 1995 we agreed with London & Scandinavian Metallurgical (LSM) to swap vacuum carbides and polishing powders. As a result of this agreement,

Treibacher Auermet transferred its polishing powders business to LSM and our Powdermet division received LSM's hard metal business. Hence, Treibacher Industries will be the world's number two supplier of vacuum carbides. To fully exploit resulting opportunities, capacity in tungsten carbides was increased and rationalisation and enlargement programmes in vacuum carbides were introduced.

In the future Treibacher Auermet will concentrate on its core activity flints and the growth area of battery alloys as well as the potentially large market of rare earth compounds.

Our Aktivsauerstoff joint venture with our long-term business partner Degussa Austria, in which we hold 49%, started operations at the beginning of 1995 and met all expectations of synergies.

Together with its subsidiaries, Treibacher Industries managed to increase its sales - following last year's strong increase - by yet another 37%. One precondition for this success was quantity increases in ferro-vanadium, ferro-molybdenum and tungsten carbides as well as higher prices for our most important alloys. Already at the end of 1994, a strong price increase in molybdenum and vanadium set in, which led to record prices in the first quarter of the reporting period. Subsequently, prices gradually started to decline and then picked up again in the second half of the year. Vanadium oxide and ferro-alloys both reached their highest production output ever, and thus a highly satisfactory capacity utilisation. Additionally, productivity was further increased. Production capacities for hard metals and peroxides were used to the full.

Treibacher Industries was able to achieve a highly satisfactory profit level. Thus, the desired effect of the restructuring of Treibacher Chemicals was fully exploited.

TREIBACHER INDUSTRIES

PRODUCTS: Ferro-Alloys. Hard-Metal Base Materials. Flints, Misch-Metals and Rare Earth Alloys. Peroxide. One **PLANT** in Austria.

TREIBACHER ABRASIVES

PRODUCTS: Corundum and Silicium-Carbide. **PLANTS:** Six plants in Austria, Italy, Slovenia, Canada and USA.

Capital expenditure for tangible fixed assets amounted to ATS 27 million.

At year-end Treibacher Industries employed 450 people, 6% less than in the preceding period. Treibacher Auermet's employment total declined by 7% to 102.

TREIBACHER ABRASIVES. The first half of 1995 saw a strong increase in demand, which allowed all our plants to operate at a very high level of capacity utilisation. However, towards the end of the second quarter, we noticed first signs of a slackening in demand.

Our restructuring efforts were concentrated on optimizing product allocation. This refers to the bundling of product lines at one select plant to ensure economies of scale while on the other hand meeting the imperative of being close to our customers.

One of the most important events of 1995 was the acquisition of a corundum plant in Ruse, Slovenia. Another project of paramount strategic importance was the preparation of a joint venture with H.C Starck, a Bayer subsidiary, which leads to the merger of the corundum activities of the two companies.

Our capital expenditure budget was unusually large, amounting to ATS 154 million. It consists of one micro-powder plant in Villach, Austria, the upgrading of the Domodossola plant, Italy, and the Ruse plant, Slovenia, and the construction of a new crushing and sieving facility for brown regular in Niagara Falls, Canada.

In Villach, Austria, our restructuring measures have resulted in a significant increase in profitability in spite of the still depressed price level. Our new plant in Slovenia achieved all its targets. Also, in our Italian plant in Domodossola we had good earnings which were derived from high capacity utilisation combined with strong

exports and optimised production costs. The operations in North America have not yet started to feel the effects of the rationalisation and optimisation steps taken during the second half of 1995; results remained negative. The new construction of the crushing and milling facility for brown regular should, however, improve results.



ATS MILLION	1994	1995
SALES	372	433
OPERATING PROFIT	215	256
PROFIT ON ORDIN. ACT.	296	290
CASH FLOW	490	385

	1994	1995
CAPEX	1,251	607
EMPLOYEES	134	138
CASH FLOW/SALES	-	-
SALES/EMPLOYEE	2.8	3.1

Wienerberger owns extensive real estate, whose origin lies in the brick production. Our aggregate holdings have greatly expanded in the past few years - a byproduct of our industrial expansion, both domestically and abroad. It is composed of factory sites, raw material sites, agricultural land, building land and potential building land.

In the reporting period, this division underwent important structural changes by merging three sectors, namely:

- waste treatment, comprising the landfills of Mineralstoffverwertung,
- car parks, organised in WIPARK Garagen, and
- property development, whose major project is the Business Park Vienna,

under one roof, the newly structured Wienerberger Immobilien.

WIENERBERGER IMMOBILIEN. In spite of good business conditions, the share price of the listed company was lagging behind, trading volume was low and rather high regulatory costs could not be justified in the light of a free float of just 7%; hence we decided to merge Wienerberger Immobilien with a subsidiary of Wienerberger Baustoffindustrie.

To further exploit potential synergies, it was decided to merge Wienerberger Baustoffindustrie's operating real estate activities into our 100% subsidiary Wienerberger Immobilien.

Our extensive raw materials sites and our remaining property will not be affected by this restructuring.

WASTE TREATMENT. Our landfill in Baden, Lower Austria, which was opened in 1994, recorded good trading conditions. All in all, revenues in the operation of landfills are satisfactory. For 1996 we expect the inauguration of another waste-dump near Vienna.

CAR PARKS. Wipark Garagen currently runs 19 car parks, comprising some 7,000 parking spaces. One car park in Graz, Styria, is let. Another car park, near the Sudbahnhof train station in Vienna, which will have 600 parking spaces is currently under construction. For two further projects in Vienna, planning is nearly finished. The decision to continue will be taken as soon as the full effects of the new parking law in Vienna, which we expect will entail important changes for this business, are fully analysed.

PROPERTY DEVELOPMENT. As a result of the general economic decline, the aggregate supply of newly built office space declined from 300,000 m² in 1994 to 100,000 m² in 1995. The vacancy rate of offices receded somewhat to 7%. A majority of the unused office space of some 400,000 m² is situated in older buildings, whose infrastructure and technical equipment does not satisfy today's standards. However, larger office space of over 2,000 m² is in short supply, which we expect to last for the time being.

In 1995 our efforts focused on the Business Park Vienna development, whose final completion took place in March 1995. The unusually high acceptance of the project among tenants is the result of the "living office" concept, which offers tenants and their employees a wholistic working environment which provides facilities and amenities to meet everyday's needs. Hence, we were able to let 100%.

For 1996 we anticipate that demand will outpace new construction and thus will lead to a decline in the vacancy rate. In our opinion, the trend towards first rate office space will continue.

The next stage envisages the transformation of the Business Park Vienna into a Wienerberg City, a local centre, comprising offices, apartments, shops, a school, a home for the elderly and a nursery. In this context

SERVICES: Acquisition and Management of Property to Secure the Supply of Raw Materials and the Investment in Real Estate. Property Development. Construction and Management of Car Parks. Construction and Management of Landfills and Hazardous Waste Disposal Sites. Stove-Tile Manufacture. Treasury and Procurement of Funds. Insurance-Services. **COMPANIES:** Wienerberger Immobilien (100%). Wipark Garagen (100%). Wienerberger Ofenkachel (100%). Wienerberger Versicherungs-Service (60%). "Aiwa" (50,1%).

we realised an architectural competition in 1995 to explore possibilities for the redesignation of a 60,000 m² plot of land.

ALWA. Is one of Austria's ten largest private owners of agricultural land and forests. Its land holdings were further increased to 25,000 ha (62,000 acres) by acquiring 903 ha in Hungary. Profitability is satisfactory. In the reporting period Wienerberger acquired 25% of Grundstücks- und Gebaudeverwaltung, which in turn owns 62% of Aiwa. Thus, our stake in Aiwa increased - directly and indirectly - from approximately 35% to just over 50%.

WIENERBERGER OFENKACHEL. In 1995, the Walbersdorf stove-tile plant, Pannonia, continued to be successful with its well-focused product range. Business was highly satisfactory.

WIENERBERGER VERSICHERUNGS-SERVICE offers insurance services to the subsidiaries and other companies of the Wienerberger Group. As a consequence of high insurance sums, premium income was further raised.

TREASURY AND INVESTMENT. This area which is administered by the parent company's controlling department, invests the groups' excess liquidity. Returns were above average, in spite of generally lower interest rates.

OUTLOOK

SCENARIO - STRATEGY - MEASURES - BUDGET - VISION. The economic **SCENARIO** is characterised by opposing trends in Western and Eastern Europe. On the one hand, in Western Europe the negative trend will almost certainly be further exacerbated while, on the other hand, economic recovery in the East will gain momentum. To make matters in Western Europe worse, public spending cutbacks to reduce public deficits with a view to meeting the Maastricht criteria will - if anything - increase.

The long-lasting growth of the housing market in Austria and Germany has already started to lose strength in the second half of 1995 and will certainly recede further in 1996. Another sword of Damocles is the strong increase in production capacity built up during the latest economic boom. The obvious consequences will be price wars with their subsequent pressure on margins.

The bright spot, however, is the Transition Economies, namely Hungary, the Czech Republic, Slovakia, Poland and the successor states of Yugoslavia which have a lot of catching up in housing construction lying ahead. 1996 should see strong demand from these countries. Furthermore, our markets in South East Asia will remain a growth area with vast as yet untapped potential.

The problems in our core markets, which were presented earlier on, make 1996 a challenging year. Declining demand and excess capacities will result in pronounced pricing competition. This trend was aggravated yet further by the unusually long and severe winter which practically halted all building activity between November 1995 and mid April 1996.

Our common ground with our competitors is that we are all operating under the same sky. thus we expect to be able to distinguish us from them.

Wienerberger's **STRATEGY** in this challenging year will be focused on three main aspects:

- Continued cost reduction programmes
- Further concentration on our core businesses
- Continued expansion and strengthening of our leading position

According to the portfolio principle, Wienerberger's activities are spread over different products and markets. The result not only opens up new opportunities but also minimises risk. Currently our industrial activities are spread over 125 production plants in 21 countries. Our strategic imperative is accordingly: GLOCAL - global thinking and local acting.

- Our traditional core business, Wall-, Ceiling- and Roofing Systems, anticipates a material decline in profitability. Pressure on our margins in Germany and Austria will not be offset by encouraging trends in our newly developed markets in Eastern Europe. We are prepared to react in a regionally differentiated manner:
 - In our major markets - Austria, Germany and France - we can rely on modern, low-cost factories. To exploit their manufacturing cost advantages we intend to switch production from older plants. Each and every resulting competitive advantage will be used to secure and extend our market share.
 - In our recently developed markets - Hungary, the Czech Republic, Slovakia and Italy - we will fully exploit the remaining potential for improvements and our expansion will be prolonged.
 - Market entry in future markets such as Poland and Croatia will complement our geographical reach.
- In our second core business, Pipe Systems and Sewage Technology, we expect a slight

increase in profits. Cost reductions on a massive scale in our clay pipe subsidiary are expected to lead to a friendlier result in the running year. Pipelife will continue its expansion and we expect again a satisfactory profit level. Target markets for the group are Eastern Europe - in particular Poland - and Italy. Regarding South East Asia we intend to expand our activities first and foremost in China.

- Treibacher Industries is expected to repeat last year's strong performance. In the medium term, however, double-digit growth rates in the steel industry will not be sustainable. Therefore a consolidation of the earnings level, even under worse trading conditions for the steel industry, remains our objective.

Treibacher Abrasives will continue the expansion of its relatively low-margin corundum activities. Towards this aim, the joint venture with H.C. Starck promises increased competitive strength and the use of considerable synergies.

- Our newly structured property division is expected to report significantly higher earnings in 1996 and should thus help to offset the current pressure on margins in the brick division. On the agenda for 1996 are: further development of the Business Park Vienna into a Wienerberg City and the realisation of real estate developments.

During the first quarter of 1996 the following **MEASURES** were taken:

- Lease of the Speyer brick plant in South-West Germany from Erlus
- Production of the first brick in the new Betschdorf plant which is part of the Sturm Group and has an annual capacity of 150 million bricks, making it one of the largest plants in the Wienerberger Group

- Market entry of Wienerberger Ziegelindustrie in Croatia by concluding the first joint venture agreements

- Participation of Ziegelwerke Gleinstatten in Zagorka, a clay tile plant near Zagreb which was founded in the last century by Wienerberger

- Completion of a new plastic pipe plant in Chengdu, PRC

- Joint venture agreement with H.C. Starck, a 100% subsidiary of the German Bayer Group which brought its Laufenburg plant into our subsidiary Treibacher Abrasives

- Acquisition of a 114 ha property in Austria through Aiwa

- Finishing of the international architectural competition to develop the second stage of the Business Park Vienna, which will then be known as Wienerberg City as it will consist of 1,000 apartments, a school, a home for the elderly and two further high-rises which will accommodate offices.

Our 1996 **BUDGET** anticipates stagnant sales and a slight earnings decrease. In realising our budget we were strongly affected by the severe winter in continental Europe, which brought housing and in particular civil engineering practically to a halt. As a consequence, sales and profits in the first quarter were far behind last years' figures. It will be an uphill struggle trying to catch up during the remaining three quarters. Nevertheless, we remain confident that the challenging year 1996, though not bringing another record result, will see, judged by its own merits, an above average performance. These expectations are further amplified by our intention to differentiate ourselves from our competitors and that we will be even stronger in the future.

Our **VISION** remains unaltered: Wienerberger - an Austrian Group international leader in bricks and pipes.

FINANCIAL STATEMENTS 1995
WIENERBERGER BAUSTOFFINDUSTRIE
AKTIENGESELLSCHAFT

Balance Sheet as at December 31. 1995

Profit and Loss Account

for the Year ended December 31, 1995

Changes in Fixed Assets

Changes in Untaxed Reserves

BALANCE SHEET AS AT DECEMBER 31, 1995

ASSETS

	Status as at Dec.31,1995 ATS	Status as at Dec. 31, 1994 ATS
A. Fixed Assets		
1. Intanaible Fixed Assets		
Concessions, patens, licences and similar rights	19,808,482	56,995,103
II. Tangible Fixed Assets		
1. Freehold and leasehold land and buildings	266,484,215	273.985,310
2. Undeveloped property	231,208,463	146,446,818
3. Plant and machinery	17,089	10,809,754
4. Fixtures, fittings, tools and equipment	9,877,606	9,837,143
5. Prepayments and plants in the course of construction	1,348,795	0
	508,936,168	441,079,025
III. Investments		
1. Subsidiaries and related companies	6,625,410,098	4,459,104,229
2. Other investments	541,417,807	533,522,979
	7,166,827,905	4.992.627.208
	7,695,572,555	5,490,701,336
B. Current Assets		
I. Debtors		
1. Trade debtors	2,002,866	22,039,057
2. Amounts owed by group companies	1,015,331,298	1.888,800,517
3. Amounts owed by related companies	30,323	948.634
4. Other debtors	212,658,855	303,215,050
	1,230,023,342	2,215,003,258
II. Investments		
Other investments	1,505,385,079	966,258,130
III. Cash at bank and in hand	182,735,019	60,124,617
	2,918,143,440	3,241,386,005
C. Accrued Expenses	1,912,667	1,061,568
	10,615,628,662	8,733,148,909
Contingent Claims	4,265,213,275	2,264,433,778

WIENERBERGER BAUSTOFFINDUSTRIE AG

	LIABILITIES	
	Status as at Dec. 31, 1995 ATS	Status as at Dec. 31. 1994 ATS
A. Shareholders Equity		
1. Called-up share capital	694,553,100	422,078,200
II. Capital reserves		
1. Share premium account	6,177,425,628	4,893.731,714
2. Additional capital paid in	434,177,419	434,177,419
	6,611,603,047	5,327,909,133
III. Retained earnings	769,449,345	614,402,774
IV. Profits		
1. Profit brought forward	252,822	213,594
2. Net profit	292,021,590	177,312,072
	292,274,412	177,525,666
	8,367,879,904	6,541,915,773
B. Untaxed Reserves		
1. Reserves under Income Tax Act 1972	739,897,210	701.242.747
2. Reserves under Sect. 10 Income TaxAct1988	2,760,511	2.294,588
3. Reserves under Sect. 12 Income TaxAct1988	226,698,334	223,264,230
	969,356,055	926,801,565
C. Provisions		
1. Provisions for severance payments	15,667,000	12,775.314
2. Provisions for pensions	64,713,000	59,882,070
3. Provisions for taxes	5,478,000	28,380,000
4. Other provisions	72,477,365	74,574,773
	158,335,365	175,612,157
D. Creditors		
1. Bank loans and overdrafts	500,004,167	8.502,093
2. Trade creditors	3,980,949	5,172,148
3. Amounts owed to group companies	500,239,944	1,052,004,163
4. Amounts owed to related companies	72,600	0
5. Other creditors	115,579,678	22,961,010
	1,119,877,338	1,088,639,414
E. Deferred Income	180,000	180,000
	10,615,628,662	8,733,148,909
Contingent Liabilities	4,265,213,275	2,264,433,778

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1995

	1995		1994	
	ATS	ATS	ATS	ATS
1. Sales		68,008,731		68,295,919
2. Other operating income				
a) Profits on the disposal of fixed assets	192,311,695		162,488,218	
b) Profit on the release of provisions	2,337,189		478,788	
c) Other income	10,893,678	205,542,562	14,498,583	177,465,589
3. Personnel expenses				
a) Wages	1,366,996		1,313,445	
b) Salaries	40,552,759		40,341,518	
c) Severance payments and pensions	12,717,581		9,224,960	
d) Mandatory social security contributions	6,799,115		6,684,518	
e) Voluntary social security contributions	1,466,731	-62,903,182	1,327,006	-58,891,447
4. Depreciation		-23,810,332		-34,663,018
5. Other operating expenses				
a) Taxes	1,902,118		2,587,056	
b) Other	48,333,654	-50,235,772	39,992,701	-42,579,757
6. Subtotal 1. to 5.		136,602,007		109,627,286
7. Income from investments		223,210,013		262,908,356
8. Interest income, securities- and similar income		233,467,995		165,275,758
9. Profits on the disposal of investments		125,010		15,775,522
10. Provisions against investments		-762,096		-1,982,583
54 11. Expenses relating to fixed and current investments		-608,767		-21,576,597
12. Interest and similar expenses		-76,705,627		-39,436,700
13. Subtotal 7. to 12.		378,726,528		380,963,756
14. Profits on ordinary activities		515,328,535		490,591,042

WIENERBERGER BAUSTOFFINDUSTRIE AG

	1995		1994	
	ATS	ATS	ATS	ATS
brought forward		515,328,535		490,591,042
15. Extraordinary expenses		-19,828,387		-11,552,341
16. Income taxes		-2,420		-52,205
17. Costs of capital increase				
a) Capital taxes	3,130,379		15,703,076	
b) Others	2,745,223	-5,875,602	407,925	-16,111,001
18. Surplus for the year		489,622,126		462,875,495
19. Release of untaxed reserves		9,675,002		39,580,206
20. Additions to untaxed reserves		-52,229,492		-153,213,343
21. Additions to retained earnings		-155,046,046		-171,930,286
22. Profit for the year		292,021,590		177,312,072
23. Profit brought forward		252,822		213,594
24. Net Profit		292,274,412		177,525,666

Vienna, March 1996

The Managing Board

Wolfgang Reithofer

Erhard Schaschl
Chief Executive

Paul Tanos

As the result of our due audit we can certify that the accounting records and the financial statements comply with the legal regulations. The financial statements give a true and fair view of the company's assets, the liabilities, financial position and profit or loss in conformity with generally accepted accounting principles. The management report corresponds with the financial statements.

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Vienna, April 2, 1996
KPMG Austria
Wirtschaftsprüfungs-Gesellschaft m.b.H.

(signed) Hruschka

Certified Public
Accountants

(signed) Zochling

CHANGES IN FIXED ASSETS

	Cost at Jan.1, 1995 ATS	Additions ATS
Fixed Assets		
1. Intangible Fixed Assets		
Concessions, licences, patents, trade marks and similar rights	74,480,291	362,041
II. Tanaible Fixed Assets		
1. Freehold and leasehold land and buildings		
a) Real estate	146,207,773	0
b) Freehold buildings	84,536,598	0
c) Leasehold buildings	61,211,105	0
	291,955,476	0
2. Undeveloped properties	147,378,022	92,268,461
3. Plant and machinery	47,162,814	0
4. Fixtures, fittings, tools and equipment	24,419,109	3,160,912
5. Prepayments and plants in the course of construction	0	1,348,795
	510,915,421	96,778,168
III. Investments		
1. Investments in related companies	4,459,104,229	2,167,880,868
2. Other investments	533,796,966	7,937,028
	4,992,901,195	2,175,817,896
	5,578,296,907	2,272,958,105

WIENERBERGER BAUSTOFFINDUSTRIE AG

Disposals ATS	Accumulated Depreciation ATS	Net Book Value at Dec. 31, 1995 ATS	Net Book Value at Jan. 1, 1995 ATS	Depreciation 1995 ATS
47,605,417	7,428,433	19,808,482	56,995,103	7,674,199
1,087,400	0	145,120,373	146,207,773	0
2,288,689	14,738,011	67,509,898	70,774,720	2,419,756
0	7,357,161	53,853,944	57,002,817	3,148,873
3,376,089	22,095,172	266,484,215	273,985,310	5,568,629
7,506,816	931,204	231,208,463	146,446,818	0
47,097,564	48,161	17,089	10,809,754	7,455,406
10,961,121	6,741,294	9,877,606	9,837,143	3,112,098
0	0	1,348,795	0	0
68,941,590	29,815,831	508,936,168	441,079,025	16,136,133
1,525,000	49,999	6,625,410,098	4,459,104,229	49,999
42,200	273,987	541,417,807	533,522,979	0
1,567,200	323,986	7,166,827,905	4,992,627,208	49,999
118,114,207	37,568,250	7,695,572,555	5,490,701,336	23,860,331

CHANGES IN UNTAXED RESERVES

WIENERBERGER BAUSTOFFINDUSTRIE AG

Valuation Reserve under Section 12 Income Tax Act

	Status as at Jan. 1. 1995 ATS	Provision ATS	Release ATS	Status as at Dec. 31, 1995 ATS
Fixed Assets				
1. Intangible assets				
Concessions, patents, licences, trade marks and similar rights	0	0	0	0
II. Tangible assets				
1. Freehold real estate and leasehold buildings				
a) Real estate	144,012,132	0	0	144,012,132
b) Freehold buildings	63,183,350	0	1,403,860	61,779,490
c) Leasehold buildings	49,792,524	0	2,118,831	47,673,693
	256,988,006	0	3,522,691	253,465,315
2. Undeveloped properties	110,782,503	47,713,819	5,577,665	152,918,657
3. Plant and machinery	0	0	0	0
4. Fixtures, fittings, tools and equipment	0	0	0	0
	367,770,509	47,713,819	9,100,356	406,383,972
III. Investments				
Investments in related companies	333,472,238	541,000	500,000	333,513,238
	701,242,747	48,254,819	9,600,356	739,897,210

FINANCIAL STATEMENTS 1995
WIENERBERGER GROUP

Consolidated Balance Sheet
as at December 31, 1995

Consolidated Profit and Loss Account
for the Year ended December 31, 1995

Changes in Fixed Assets

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1995

ASSETS

	Status as at Dec. 31, 1995 ATS 1,000	Status as at Dec. 31, 1994 ATS 1,000
A. Fixed Assets		
1. Intangible fixed assets		
1. Concessions, patents, licences, trade marks and similar rights	88,905	240,219
2. Goodwill	76,159	19,360
	165,064	259,579
II. Tanaible fixed assets		
1. Freehold and leasehold land and buildings	4,920,201	4,637,612
2. Undeveloped property	852,258	424,547
3. Plant and machinery	2,624,850	2,362,561
4. Fixtures, fittings, tools and equipment	486,797	371,782
5. Prepayments and plants under construction	741,898	480,670
	9,626,004	8,277,172
III. Investments		
1. Shares in associates	490,643	349,731
2. Advances	35,877	18,348
3. Other investments	683,923	639,141
4. Prepayments	2,176	32,651
	1,212,619	1,039,871
	11,003,687	9,576,622
B. Current Assets		
I. Inventories		
1. Raw materials and consumables	536,929	489,966
2. Work in Progress	266,071	247,278
3. Finished goods and merchandise	1,414,190	1,014,573
4. Prepayments	49,491	68,367
	2,266,681	1,820,184
II. Debtors		
1. Trade debtors	2,337,571	2,157,691
2. Amounts owed by related companies	209,650	98,840
3. Other debtors	813,790	1,014,326
	3,361,011	3,270,857
III. Other investments	1,640,142	1,018,913
IV. Cash at bank and in hand	1,000,833	826,543
	8,268,667	6,936,497
C. Accrued Expenses	70,308	40,828
TOTAL ASSETS	19,342,662	16,553,947

WIENERBERGER GROUP

	LIABILITIES	
	Status as at Dec. 31, 1995 ATS 1,000	Status as at Dec. 31, 1994 ATS 1,000
A. Shareholders' Equity		
1. Called-up share capital	694,553	422,078
II. Capital reserves	1,921,881	2,725,247
III. Retained earnings	5,091,909	4,067,509
IV. Negative goodwill	153,657	198,613
V. Minority interests	270,581	587,812
	8,132,581	8,001,259
B. Provisions		
1. Provisions for severance payments	270,086	216,107
2. Provisions for pensions	174,550	155,911
3. Provisions for taxes	527,102	548,610
4. Other provisions	840,218	797,677
	1,811,956	1,718,305
C. Creditors		
1. Debentures	81,713	88,849
2. Bank loans and overdrafts	6,295,102	3,681,270
3. Payments received on account	27,975	45,622
4. Trade creditors	1,004,001	1,176,645
5. Bills of exchange payable	104,440	55,621
6. Due to related companies	137,502	48,857
7. Other creditors	1,511,247	1,465,244
	9,161,980	6,562,108
D. Deferred Income	236,145	272,275

TOTAL LIABILITIES

19,342,662 16,553,947

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1995

	1995 ATS 1,000	1994 ATS 1,000
1. Sales	12,854,990	10,553,475
2. Change in stocks of finished goods and work in progress	157,786	54,893
3. Own work capitalised	47,277	53,294
4. Other operating income	746,922	487,697
Operating performance (1. to 4.)	13,806,975	11,149,359
5. Raw materials and consumables	-6,612,758	-5,098,280
6. Personnel expenses	-2,737,444	-2,325,891
7. Depreciation on tangible and intangible fixed assets	-986,544	-834,592
8. Other operating charges	-1,795,878	-1,547,943
9. Operating profit (1. to 8.)	1,674,351	1,342,653
10. Income from investments	65,644	35,590
11. Interest and securities income	276,713	214,892
12. Income from the disposal of investments	600	7,630
13. Expenses relating to fixed and current investments	-111,442	-40,982
14. Depreciation of other investments	-649	-22,807
15. Interest payable and similar expenses	-409,717	-234,221
16. Financial results (10. to 15.)	-178,851	-39,898

WIENERBERGER GROUP

	1995 ATS 1,000	1994 ATS 1,000
17. Profit on ordinary activities	1,495,500	1,302,755
18. Extraordinary items	-102,209	245,572
19. Income taxes	-277,760	-335,394
20. Profit for the year	1,115,531	1,212,933
21. Minority interests	-10,127	-24,871
22. Profit for the year excluding minority interests	1,105,404	1,188,062

Vienna, April 1996

The Managing Board

Wolfgang Reithofer

Erhard Schaschl
Chief Executive

Paul Tanos

As the result of our due audit we can certify that the Group's accounting records and the consolidated financial statements comply with the legal regulations. The consolidated financial statements give a true and fair view of the Group's assets, the liabilities, financial position and profit or loss in conformity with generally accepted accounting principles. The management report corresponds with the consolidated financial statements.

Vienna, April 9, 1996
KPMG Austria
Wirtschaftsprüfungs-Gesellschaft m.b.H.

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(signed) Hruschka

Certified Public
Accountants

(signed) Zochling

CHANGES IN FIXED ASSETS

	Cost at Jan.1, 1995 ATS 1,000	Depreciations ATS 1,000	Disposals ATS 1,000
Fixed Assets			
1. Intangible Fixed Assets			
1. Concessions, licences, patents, trade marks and similar rights	251,066	16,805	-67,452
2. Goodwill	95,511	16,680	0
3. Prepayments	69	0	-100
	346,646	33,485	-67,552
II. Tangible Fixed Assets			
1. Freehold and leasehold land and buildings of which:			
Real estate	1,210,417	67,032	-5,072
Buildings	4,670,733	505,604	-95,994
2. Undeveloped real estate	560,844	109,330	-36,254
3. Plant and machinery	6,572,912	717,169	-342,253
4. Fixtures, fittings, tools and equipment	1,315,607	180,932	-114,412
5. Prepayments and plants in the course of construction	520,341	878,266	-109,489
	14,850,854	2,458,333	-703,474
III. Investments			
1. Investments in related companies	414,079	258,018	-155,079
2. Advances	47,467	16,611	-27,417
3. Securities	626,535	68,006	-7,405
4. Prepayments	2,315	0	-106
	1,090,396	342,635	-190,007
	16,287,896	2,834,453	-961,033
Of which initial consolidation:	2,428,245		

WIENERBERGER GROUP

Account transfers ATS 1,000	Revaluations ATS 1,000	Accumulated depreciation ATS 1,000	Net Book Value at Dec. 31, 1995 ATS 1,000	Net Book Value at Jan. 1, 1995 ATS 1,000	Depreciation 1995 ATS 1,000
2,288	168	-113,970	88,905	240,219	24,520
0	0	-36,032	76,159	19,360	18,004
31	0	0	0	0	0
2,319	168	-150,002	165,064	259,579	42,524
-270,511	41	-18,283	983,624	1,159,147	3,174
295,606	169	-1,439,541	3,936,577	3,478,465	212,492
271,065		-52,727	852,258	424,546	8,334
292,394	2,382	-4,617,754	2,624,850	2,362,561	618,645
3,448	675	-899,454	486,797	371,782	160,447
-547,823	607	-4	741,898	480,671	239
44,179	3,874	-7,027,763	9,626,004	8,277,172	1,003,331
0	0	-26,375	490,643	349,731	9,994
-317	35	-502	35,877	18,348	7
0	0	-3,213	683,923	639,141	39
-33	0	0	2,176	32,651	0
-350	35	-30,090	1,212,619	1,039,871	10,040
46,148	4,077	-7,207,855	11,003,687	9,576,622	1,055,895
		1,390,629			

NOTES TO THE ACCOUNTS
WIENERBERGER BAUSTOFFINDUSTRIE AG
AND WIENERBERGER GROUP

Accounting Policies

Principles of Consolidation

Consolidation Range

Notes to the Balance Sheet

Notes to the Profit and Loss Account

ACCOUNTING POLICIES. The accounts have been prepared according to Austrian Accounting Standards, thus by adhering to the overriding principle of giving a true and fair view of the state of affairs of the parent company and the Group.

Intangible assets are valued at cost and depreciated over their useful lives (5-15 years). Tangible assets are valued at acquisition or production cost, depreciation of tangible fixed assets is based on useful lives and is provided on a straight-line basis. The principal useful lives are:

Buildings	10-50 years
Machinery	5-15 years
Fixtures, Fittings, Tools and Equipment	4-10 years

In principle, for domestic companies full annual depreciation is applied to additions during the first half of the accounting period, half the annual depreciation rate for those effected in the second half.

Small ticket items bought by domestic companies are fully depreciated in the year of acquisition.

Additional depreciation is provided if a reduction in value is believed to be permanent.

Investments - with the exception of equity consolidated enterprises - have been stated at their acquisition cost in the Consolidated Balance Sheet. Lower values are used, if a permanent diminution in value is anticipated.

Stocks are valued at the lower of production cost or net realisable value. Production costs are computed including direct and pro-rata indirect costs. Debtors and other assets are recorded at their nominal value; additionally general and specific provisions against bad and doubtful debts were made. Other current investments are quoted at the lower of cost and market value at December 31,1995.

Provisions for current and future pensions resulting from individual agreements at domestic companies are provided on a

systematic basis. The costs are calculated using actuarial methods (Ettl-Pagler) and applying an interest rate of 6%. Any amounts exceeding the limits of section 14 Income Tax Code have been taxed.

Provisions for severance payments at domestic companies are discounted applying an interest rate of 6%. Other provisions take into account the accruals concept and the concept of prudence by putting aside reserves for risks and liabilities whose value has not yet been determined.

Liabilities are stated at the higher of nominal value or redemption price. Debtors and creditors denominated in foreign currency are translated into ATS at the bid, respectively offer rate of exchange prevailing at the balance sheet date, if these exceed their book-values.

The Profit and Loss Accounts use the expenditure format.

PRINCIPLES OF CONSOLIDATION.

The consolidation of accounts applies the book-value method, goodwill is accounted for at the point of acquisition or of first-consolidation. Goodwill arising on the acquisition of a subsidiary is written off capital reserves in the year of acquisition. According to Austrian law (sect. 261 (2) Companies Act) a minor portion of goodwill is allocated to real estate whereas the major portion is offset against capital reserves. Negative Goodwill appears under shareholders' equity.

Companies over which Wienerberger has significant influence, but less than 50% of the voting rights are equity consolidated (sect. 264, Companies Act). The basis for inclusion in the Consolidated Accounts are their latest published informations. Initial consolidation takes place at the time of acquisition. Goodwill arising on equity consolidation is written off capital reserves in the year of first consolidation.

Retained earnings in the Consolidated Balance Sheet include untaxed reserves, whose distribution would result in additional tax expense (sect. 253 (3) Companies Act); relevant provisions are included in "Provisions for Taxes".

Within the framework of debt consolidation, amounts receivable and other debtors have been set against corresponding liabilities and provisions. Inter-company results from the transfer of fixed assets within the Group have, if material, been eliminated with corresponding effect on the income statement. The same applies to inter-company profits resulting from group inventories.

Provisions have been made according to sect. 258, Companies Act for deferred taxes arising on the consolidation of debts, expenses, income and the elimination of inter-company profits. These are included in provisions for taxes.

Minority interest denotes the share of outsiders in companies which are included in the Consolidated Accounts.

The financial statements of foreign companies are translated using the year-end mean rate of exchange.

CONSOLIDATION RANGE

The consolidation range of Wienerberger Baustoffindustrie AG comprises the following domestic and foreign companies:

Fully consolidated:	Share capital ATS million	%-held Dec. 31, 1995
Austria:		
Wienerberger Ziegelindustrie AG, Wien	300.00	100.00
Steirische Ziegelwerke GmbH, Barnbach	0.50	74.00
Ziegelwerk Hostomice		
Beteiligungsgesellschaft mbH, Wien	10.00	98.00
WZI BeteiligungsverwaltungsgmbH, Wien	1.50	100.00
Wienerberger Rohrsysteme und Abwassertechnik GmbH, Wien	350.00	100.00
Treibacher Industrie AG, Treibach	100.00	100.00
Treibacher Auermet ProduktionsgmbH, Treibach	5.00	100.00
Treibacher Schleifmittel AG, Villach	100.00	100.00
WIPARK Garagen GmbH, Wien	100.00	100.00
Garage am Beethovenplatz GmbH & Co KG, Wien	1.73	100.00
Tiefgarage Freyung Errichtungs- u. VerwaltungsgmbH, Wien	0.50	100.00
Tiefgarage Freyung Errichtungs- u. VerwaltungsgmbH & Co KG, Wien	1.00	100.00
Wienerberger Immobilien GmbH, Wien	275.00	100.00
Wienerberger Ofenkachel GmbH, Wien	5.00	100.00
Wienerberger Versicherungs-Service GmbH, Wien	0.50	60.00
Business Park Vienna Holding GmbH, Wien	5.00	100.00
Bauteile A + B ErrichtungsgmbH, Wien	0.50	100.00
Bauteile C + D ErrichtungsgmbH, Wien	0.50	100.00
Bauteil E ErrichtungsgmbH, Wien	25.00	100.00
Bauteil H ErrichtungsgmbH, Wien	0.50	100.00

Fully consolidated:	Share capital million	%-held Dec. 31, 1995
Abroad:		
Wienerberger Ziegelindustrie Deutschland GmbH, Hannover	9.50 DEM	100.00
Wienerberger Ziegelindustrie Verwaltungs-GmbH, Hannover	0.05 DEM	100.00
Wienerberger Ziegelindustrie GmbH & Co, Hannover	17.50 DEM	100.00
Wienerberger Systemschornstein GmbH, Hannover	0.13 DEM	100.00
WZI-Finanz S.A., Luxemburg	25.00 DEM	100.00
Hungaria-Wienerberger Teglaipari RT, Budapest	3,295.00 HUF	86.85
Alfoldi Wienerberger Teglaipari KFT, Mezotur	679.28 HUF	90.80
Bataszeki Wienerberger Teglaipari KFT, Bataszek	1,564.07 HUF	90.80
Wienerberger Bohemia Cihelny spol.s r.o.	71.55 CZK	64.99
Wienerberger-Slovenska-Tehlaren spol.s r.o., Prag	0.10 CZK	100.00
Wienerberger Slovenske Tehelne spol.s r.o., Zlate Moravce	401.00 SKK	82.29
Wienerberger Cihlarsky Prumysl a.s., Budweis	879.67 CZK	74.28

FPK Corporation BV, Rotterdam	0.04 NLG	100.00
Cadorina Laterizi SpA, Belluno	563.00 ITL	100.00
Wienerberger Laterizi SpA, Belluno	2,500.00 ITL	100.00
Wienerberger Ziegelindustrie France S.A., Schiltigheim	477.25 FRF	100.00
Tuileries Reunies du Bas-Rhin S.A., Schiltigheim	3.06 FRF	100.00
Tuileries J. P. Sturm S.A., Eguisheim	2.02 FRF	100.00
Etablissements Heinrich Bock et Cie S.A., Steinbourg	1.00 FRF	100.00
Tubagglo S.A., Dannemarie	0.45 FRF	100.00
Klein Agglomerates S.A., Mondelange	0.53 FRF	100.00
FTS E.u.r.l., Eguisheim	1.00 FRF	100.00
Wienerberger S.A., Luxemburg	27.00 DEM	100.00
Wienerberger Beteiligungsverwaltungs-GmbH, Oldenburg	5.00 DEM	100.00
Wienerberger N.V., Hasselt	1,300.00 BEF	100.00
Keramo Wienerberger Holding N.V., Hasselt	1.015.00 BEF	100.00
Keramo Wienerberger N.V., Hasselt	167.02 BET	100.00
Keramo Wienerberger Steinzeugwerk Zwickau GmbH, Zwickau	4.00 DEM	100.00
Limburgs Transportbedrijf B.V. BA, Hasselt	0.76 BEF	100.00
Keramo Wienerberger VertriebsgmbH, Aachen	0.05 DEM	100.00
Keramo Wienerberger Immo NV, Hasselt	81.69 BEF	100.00
Chuanlu Plastic Sales & Service Ltd., Chengdu	4.22 CNY	51.00
Chuanxi Company Ltd., Chengdu	21.53 CNY	51.00
Treibacher Schleifmittel SpA, Domodossola	5,106.00 ITL	100.00
Societa Italiana dei Prodotti Elettrochimici di Treibach „Sipet“ S.a.s., Mailand	60.00 ITL	50.00
American Treibacher Corp., Delaware	0.02 USD	100.00
Treibacher Schleifmittel Corp., Niagara Falls	0.04 USD	100.00
Treibacher Schleifmittel D.O.O., Selnica	129.19 SIT	100.00

Proportionately consolidated:	Share capital ATS million	%-held Dec. 31, 1995
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Austria:

Wienerberger Ziegelindustrie AG & Braas Austria GmbH OEG, Wien	7.00	50.00
Wibra Tondachziegel Beteiligungs-GmbH, Wien	0.50	50.00
Bramac Dachsysteme International GmbH, Pochlarn	40.00	50.00
Pipelife International Holding GmbH, Wr. Neudorf	9.00	50.00
Pipelife Rohrsysteme GmbH, Wr. Neudorf	0.50	50.00
Pipelife Rohrsysteme GmbH & Co Nfg. KG, Wr. Neudorf	60.00	50.00
Flexalen Fernwärmesysteme GmbH & Co Nfg. KG, Wien	2.00	50.00
Flexalen Fernwärmesysteme GmbH, Wien	0.50	50.00

Proportionately consolidated:	Share capital million	%-held Dec. 31, 1995
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Abroad:

Schlagmann BeteiligungsgmbH, Lanhofen	0.05 DEM	50.00
Schlagmann Baustoffwerke GmbH & Co KG, Lanhofen	10.00 DEM	50.00
Bramac Pokrovni Sistemi D.O.O., Zagreb	0.25 HRK	50.00
Bramac Dachsteinproduktion und Baustoffindustrie KFT, Veszprem	1,831.88 HUF	31.14

Proportionately consolidated:	Share capital million	%-held Dec. 31, 1995
Bramac Dachsteinproduktion und Baustoffindustrie D.O.O., Skocjan	614.92 SIT	31.35
Bramac spol.s r.o., Chrudim	628.43 CZK	37.36
Bramac Stresne Systemy spol.s r.o., Bratislava	0.10 SKK	50.00
Pipelife Rohrsysteme GmbH, Bad Zwischenahn	8.20 DEM	50.00
Pipelife Rohrsysteme Golzau GmbH, Golzau	0.50 DEM	50.00
Pipelife Elektrorohr GmbH, Bad Zwischenahn	0.05 DEM	50.00
Pipelife France S.A., Chateauroux	128.10 FRF	50.00
France Tube S.A., Gaillon	2.30 FRF	50.00
Tubes de la Seine S.A., Gaillon	1.20 FRF	50.00
Eurotub S.A., Avignon	2.00 FRF	50.00
Societe Mediterraneenne de Plastiques Agricoles, Saint-Gilles	3.85 FRF	50.00
Societe d'Etudes de Recherche et d'Applications des Plastiques, Compiegne	2.18 FRF	50.00
Pannonpipe Kunststoffindustrie KFT, Budapest	1,224.00 HUF	25.00
Polva Pipelife BV, Enkhuizen	35.00 NLG	50.00
Polva Pipelife S.A., Kalmthout	19.50 BEF	50.00
Tubos y Repuestos de Plastico S.A., Zaragoza	1,200.00 ESP	50.00
Tubos Saenger S.A., Granollers	800.00 ESP	50.00
Pipelife-Fatra spol.s r.o., Otrokovice	177.77 CZK	33.33
Pipelife-Fatra Slovakia s r.o., Piestany	0.10 SKK	33.33
Equity consolidated:	Share capital ATS million	%-held Dec. 31, 1995
<u>Austria:</u>		
„Alwa“ Guter- und Vermögensverwaltungs-AG, Wien	56.95	35.50
Wienerberger Ziegelindustrie AG & Braas Austria GmbH OEG & Co KEG, Wien	10.50	33.35
Grundstucke- und Gebaudeverwaltungs-AG, Wien	215.00	25.01
Aktivsauerstoff Gesellschaft mbH, Treibach	0.50	49.00
Equity consolidated:	Share capital million	%-held Dec. 31, 1995
ZB Ziegelwerke Verwaltung GmbH, Sinning	0.05 DEM	40.00
ZB Ziegelwerke GmbH & Co KG Baalberge, Baalberge	5.00 DEM	40.00
Ferrari S.A., Pontalier	0.70 FRF	49.00
Laterizi Brunori SpA, Imola	5,300.00 ITL	30.00
Lasbra homok kavics kitermelő KFT, Budapest	251.48 HUF	25.00
HL-Wienerberger Manufacturing (S) PTE Ltd., Singapur	6.00 SGD	40.00
Keramo Wienerberger Kamenina s r.o., Borovany	2.00 CZK	50.00
Petzetakis-Pipelife Polyethylene Pipe Systems S.A., Piraeus	1,515.85 GRD	50.00
Arili Plastik Sanayii A.S., Istanbul	37,400.00 TRL	25.50
Maiaplas Plasticos da Maia Lda., Maia	180.00 PTE	50.00
Pipelife (D.O.O.) Ljubljana	1.50 SIT	50.00
Treibacher Schleifmittel Deutschland GmbH, Essen	0.05 DEM	50.00

Changes in the Consolidation Range:

	Fully	Proportionately consolidated	Equity
Status as at Dec. 31, 1994	52	26	11
Additions	12	5	8
Disposals	5	0	3
Status as at Dec. 31, 1995	59	31	16

26 non-consolidated Group affiliates have not been included as they are of minor importance in giving a true and fair view of the state of affairs of the company. The combined sales of these companies amount to less than 3% of total sales.

NOTES TO THE BALANCE SHEET/ CONSOLIDATED BALANCE SHEET.

The Consolidated Balance Sheet total rose by ATS 2,789 million, i.e. 17% to ATS 19,343 million on December 31st, 1995. Fixed Assets recorded an increase of ATS 1,427 million, thus amounting to ATS 11,004 million at the balance

sheet date. Current assets increased by ATS 1,362 million to ATS 8,339 million. The share of fixed assets as a percentage of total assets amounts to 57%, consequently, current assets represent 43%.

Shareholders' equity stood at ATS 8,133 million, ATS 132 million higher than last year, amounting to 42% of the balance sheet total. Provisions and liabilities increased by ATS 2,657 million to ATS 11,210 million. They represent 58% of the balance sheet total.

FIXED ASSETS

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Intangible Assets	19,809	56,995	165,064	259,579
Tangible Assets	508,936	441,079	9,626,004	8,277,172
Investments	7,166,828	4,992,627	1,212,619	1,039,871
	7,695,573	5,490,701	11,003,687	9,576,622

The changes in fixed assets in the year under review have been outlined on pages 56 + 57 and 66 + 67, respectively, for the parent company and the Group.

Of the investments valued at ATS 6,625 million in the balance sheet of the parent company, ATS 6,224 million are shares of consolidated enterprises.

The Consolidated Balance Sheet includes investments amounting to ATS 491 million, ATS 44 million of which relate to associated companies valued at acquisition costs, ATS 294 million of which relate to companies

accounted for by the equity method, ATS 101 million of which relate to proportionately consolidated companies and ATS 52 million which comprise other investments.

At the balance sheet date, Wienerberger Baustoffindustrie AG held interests in the following principal Austrian and foreign companies:

Company	Share capital ATS 1,000	Holdings ATS 1,000	%	Shareholders' Equity ¹⁾ ATS 1,000	Profits ²⁾ 1995 ATS 1,000	Profits ²⁾ 1994 ATS 1,000
<u>Domestic:</u>						
Wienerberger Ziegelindustrie AG, Wien	300,000	275,000	91.7	4,176,975	+368,402	+200,291
Wienerberger Rohrsysteme und Abwassertechnik GmbH, Wien	350,000	350,000	100.0	1,349,507	+ 138,297	+ 136,831
Wienerberger Ofenkachel GmbH, Wien	5,000	5,000	100.0	19,297	+ 3,993	+ 3,627
Grundstuecke- und Gebaudeverwaltungs-AG, Wien	215,000	53,772	25.01	456,839	+ 4,384	+ 4,301
Wienerberger Immobilien GmbH, Wien	275,000	275,000	100.0	1,889,891	+187,403	+ 63,783
Garage am Beethovenplatz GmbH & Co KG, Wien	1,734	29	1.6	10,680	- 2,499	- 2,389
Wienerberger Versicherungs-Service GmbH, Wien	500	300	60.0	1,960	+ 1,452	+ 946
„Alwa“ Guter- und Vermögensverwaltungs-AG, Wien	56,950	20,200	35.5	248,978	+ 9,428	+ 15,245
<u>Abroad:</u>						
WZI-Finanz S.A., Luxemburg	TDM 25,000	TDM 50	% 0.2	TDM 32,280	TDM + 2,387	TDM + 4,346
Laterizi Brunori SpA, Italien	TLire 5,300,000	TLire 1,588,400	% 29.97	TLire 6,288,578	TLire -2,973,640	TLire + 105,432

¹⁾ incl. untaxed reserves

²⁾ net profit + profits brought forward

CURRENT ASSETS

ATS1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Stocks	-	-	2,266,681	1,820,184
Debtors	1,230,023	2,215,003	3,361,011	3,270,857
Investments	1,505,385	966,258	1,640,142	1,018,913
Cash at bank and in hand	182,735	60,125	1,000,833	826,543
	2,918,143	3,241,386	8,268,667	6,936,497

DEBTORS AND OTHER ASSETS MATURING WITHIN ONE YEAR

ATS1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Trade debtors	2,003	22,039	1,415,300	1,207,925
Amounts owed by group companies	1,015,331	1,705,300	26,664	-
Amounts owed by related companies	30	949	182,986	-
Other debtors and assets	125,615	244,593	707,860	1,006,055
	1,142,979	1,972,881	2,332,810	2,213,980

DEBTORS AND OTHER ASSETS MATURING AFTER MORE THAN ONE YEAR

ATS1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Trade debtors			922,271	949,766
Amounts owed by group companies		183,500		
Other debtors and assets	87,044	58,622	105,930	107,111
	87,044	242,122	1,028,201	1,056,877

Of the Group's debtors, ATS 91 million are bills of exchange.

General Provisions of ATS 14 million against doubtful debts have been made.

SHAREHOLDERS' EQUITY

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Called-up share capital	694,553	422,078	694,553	422,078
Capital reserves	6,611,603	5,327,909	1,921,881	2,725,247
Retained earnings	769,450	614,403	5,091,909*)	4,076,509*)
Net profit	292,274	177,526	-	-
Negative goodwill	-	-	153,657	198,613
Minority interests	-	-	270,581	587,812
	8,367,880	6,541,916	8,132,581	8,001,259

*) including profit for the year

DEVELOPMENT OF CALLED-UP SHARE CAPITAL

Opening balance 1/1/1995	ATS 422,078,200
+ Bonus share issue one-for-two	ATS 211,039,100
+ Contribution in kind Wienerberger Immobilien	ATS 20,106,400
+ Contribution in kind Sturm Group, France	ATS 37,302,600
+ Contribution in kind of controlling minority stake in Brunori, Italy	ATS 4,026,800
Closing balance 31/12/1995	ATS 694,553,100

Called-up share capital consists of:
 - 283,124 ATS 1,000 shares, and
 - 4,114,291 ATS 100 shares

The share premium of ATS 1,495 million was transferred to capital reserves.

The Extraordinary General Meeting held on September 18, 1995 authorized capital increases of ATS 100 million each against payment in cash and contributions in kind, respectively. Of the authorized capital which is to be consumed by contributions in kind ATS 4,026,800 was used so far, leaving a remainder of ATS 95,973,200.

In the reporting period, goodwill amounting to ATS 1,914 million was set off against capital reserves. It arose mainly as a result of the acquisition of the Sturm Group. Negative goodwill, which arose in 1995, amounted to ATS 66 million.

UNTAXED RESERVES. The untaxed reserves of the fully and proportionately consolidated companies have been allocated to retained earnings with an amount of

ATS 2,206 million (last year ATS 2,245 million) after having deducted deferred taxes.

The changes in the revaluation reserve of Wienerberger Baustoffindustrie AG, the parent company, are listed on page 59 of this annual report.

Changes of other untaxed reserves of Wienerberger Baustoffindustrie AG are set out below.

CHANGES OF THE OTHER UNTAXED RESERVES OF WIENERBERGER BAUSTOFFINDUSTRIE AG

ATS 1,000	Jan. 1, 1995	Provision	Release	Dec. 31, 1995
Capital Expenditure allowance under Sect. 10 Income Tax Act for 1991	75	0	75	0
1992	95	0	0	95
1993	65	0	0	65
1994	2,060	0	0	2,060
1995	0	541	0	541
	2,295	541	75	2,761
Revaluation Reserve under Sect. 12/7 Income Tax Act				
1992	47,714	0	47,714	0
1993	24,397	0	0	24,397
1994	151,153	0	0	151,153
1995	0	51,148	0	51,148
	223,264	51,148	47,714	226,698
	225,559	51,689	47,789	229,459

PROVISIONS

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Provisions for severance payments	15,667	12,775	270,086	216,107
Provisions for pensions	64,713	59,882	174,550	155,911
Provisions for taxes	5,478	28,380	527,102	548,610
Other provisions	72,477	74,575	840,218	797,677
	158,335	175,612	1,811,956	1,718,305

Provisions for taxes include deferred taxes, pursuant to sect. 253(3) of the Companies Act amounting to ATS 113 million (1994: ATS 132 million) and pursuant to sect. 258 of the Companies Act ATS 308 million (1994: ATS 259 million).

"Other Provisions" of Wienerberger Baustoffindustrie AG include ATS 54 million for the restoration of waste disposal sites.

CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Bank loans and overdrafts	4	8,502	3,894,698	1,683,268
Prepayments	—	-	27,425	16,116
Trade creditors	3,981	5,172	1,004,001	1,124,475
Bills of exchange payable	-	-	85,226	55,621
Due to group companies	500,240	1,052,004	-	-
Due to related companies	73	-	137,502	48,857
Other liabilities	29,457	22,961	941,619	515,499
	533,755	1,088,639	6,090,471	3,443,836

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

ATS1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Loans	-	-	81,713	88,849
Bank loans and overdrafts	500,000	-	2,400,404	1,998,002
Prepayments	-	-	550	29,506
Trade creditors	-	-	-	52,170
Bills of exchange payable	-	-	19,214	-
Other liabilities	86,122	-	569,628	949,745
	586,122	-	3,071,509	3,118,272

Of these long-term creditors, ATS 1,627 million have residual maturities of more than

five years. For creditors in the amount of ATS 614 million security has been provided.

GUARANTEES

ATS1,000	Wienerberger Group	
	1995	1994
Bills of exchange	50,336	85,121
Warranties	25,756	25,979
Guarantees	212,530	22,823
Others	-	5,951
	288,622	139,874

Contingent liabilities resulting from guarantees for creditors of group companies are shown in the accounts of Wienerberger Baustoffindustrie AG; they amount to ATS 4,265 million, of which ATS 4,258 million refer to consolidated enterprises. Contingent liabilities correspond with contingent claims.

Payments to be made by the group for the lease of tangible assets which are not shown in the balance sheet, will total ATS 29 million in 1995 and ATS 127 million within the next five years. Leasing payments of Wienerberger Baustoffindustrie AG will amount to ATS 9 million for next year, ATS 45 million for the next 5 years.

**NOTES TO THE PROFIT AND LOSS ACCOUNT AND TO THE
CONSOLIDATED PROFIT AND LOSS ACCOUNT**

SALES

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Domestic	68,009	68,296	2,844,732	2,589,951
Abroad			10,010,258	7,963,524
	68,009	68,296	12,854,990	10,553,475

OTHER OPERATING INCOME

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Profit on disposal of fixed assets	192,312	162,488	260,291	211,882
Release of provisions	2,337	479	84,834	41,666
Other income	10,894	14,499	401,797	234,149
	205,543	177,466	746,922	487,697

PERSONNEL EXPENSES

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Wages	1,367	1,313	1,130,655	974,501
Salaries	40,553	40,342	887,049	766,666
Severance and pension payments	12,717	9,225	81,370	65,162
Mandatory social security	6,799	6,684	584,151	474,504
Other social expenditure	1,467	1,327	54,219	45,058
	62,903	58,891	2,737,444	2,325,891

EXPENDITURE FOR SEVERANCE PAYMENTS AND PENSIONS

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Managing Board	8,982	7,512	15,646	14,837
Management and other employees	3,736	1,713	65,724	50,325
	12,718	9,225	81,370	65,162

OTHER OPERATING EXPENSES

ATS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1995	1994	1995	1994
Taxes	1,902	2,587	63,852	45,743
Other	48,334	39,993	1,732,026	1,502,200
	50,236	42,580	1,795,878	1,547,943

Group extraordinary expenses relate with ATS 66 million to restructuring measures at Treibacher Schleifmittel Corporation, Niagara Falls. Furthermore this item includes expenses arising with capital increases.

The parent company recorded income from investments of ATS 223 million; ATS 220 million of which are accounted for by consolidated companies. Expenditure relating to consolidated companies amounts to ATS 1 million. Interest income from consolidated companies reached ATS 93 million while other debtors contributed ATS 140 million. Interest expenditure includes ATS 21 million which was paid to deposits held by consolidated entities with the parent company.

DIRECTORS, PERSONNEL. In 1995 the Group employed on average 6,418 persons. 33 employees worked for the parent company, Wienerberger Baustoffindustrie AG.

Emoluments to the Managing Board amounted to ATS 22,893,096. ATS 2,441,137 was paid as pensions to former members of the Managing Board and their surviving dependants. Emoluments to the Supervisory Board totalled ATS 650,000.

The members of the Supervisory Board and the Managing Board are listed on page 11.

DIVIDEND PROPOSAL.

We propose to the Annual General Meeting,
to distribute the net profit of ATS 292,274,412
as follows:

Payment of a dividend of
ATS 42 per ATS 100 share,
i.e. on 6,945,531
outstanding shares
a total of ATS 291,712,302
and to carry forward
the remainder of ATS 562,110

THE MANAGING BOARD

Vienna, April 1996

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board has, among other things, in its meetings fulfilled its obligations under the law and the articles of association. The Managing Board has reported regularly on the direction and situation of the companies' business.

The Annual Accounts and the Report of the Managing Board were examined by KPMG Austria Wirtschaftsprüfungs-Gesellschaft m.b.H., Vienna. The findings of this audit showed no cause for qualification. The Supervisory Board endorses the findings of the audit.

The findings of the examination undertaken by the Supervisory Board pursuant to section 96 of the Companies Act, the report of the Managing Board, the proposal for the distribution of profits and of the conduct of business show no cause for objection.

The Supervisory Board has approved the Annual Accounts which are thereby - section 125 (2) Companies Act - adopted.



Guido N. Schmidt-Chiari
Chairman

Vienna, April 1996

Publisher:
Wienerberger Baustoffindustrie
Aktiengesellschaft
A-1102 Vienna,
Business Park Vienna,
Wienerbergstrasse 7

Translation:
Tassilo Mayer,
A-1014 Vienna,
Kohlmarkt 9

Concept and Layout:
Kerbler GrafikDesign, 1180 Vienna,
Vinzengasse 18

Photos: Studio Gotschim, Studio Christine

Typeset and Lithos:
Grafo Zeitschriftendruckges.m.b.H.,
1160 Vienna

Printed by: Agens-Werk Geyer + Reisser
1051 Vienna, Arbeitergasse 1-7

Printed on Offsetkarton, 150 g
100% chlorine free

