
WINNER AUSTRIAN PUBLIC REPORTING AWARD 2014
Wienerberger
WINNER TREND AAA AWARD 2014
PRESENTS
A SELF-MADE STORY
THE FUTURE
STARTS TODAY.
DIRECTED BY WIENERBERGER SCRIPT ANNUAL REPORT © 2014
STARRING WALL, FACADE, ROOF, PIPES, PAVERS
PRODUCED IN EUROPE, NORTH AMERICA, INDIA

The Year 2014 in Review

Residential construction in Europe was characterized by stable to slightly positive development with significant regional and seasonal differences. Despite in part substantial weakness on a number of European core markets, Wienerberger recorded sound revenue and earnings growth in the brick and roof tile business based on higher volumes in all product groups and an increase in average prices. In the European pipe business, an improvement in earnings at Steinzeug-Keramo and Semmelrock offset a slight decline at Pipelife. This earnings decline resulted primarily from the international project business, where the order volume was below the record 2013 level. Earnings in North America were slightly lower due to a year-on-year decline in average prices for the brick business and negative changes in the product mix for the plastic pipe business.

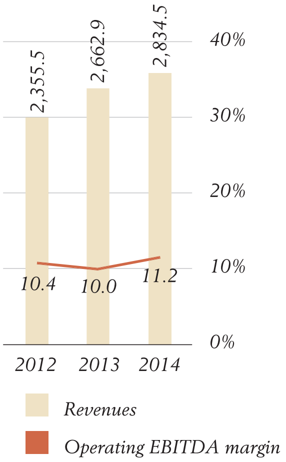
Wienerberger generated record revenues of € 2,834.5 million and operating EBITDA of € 317.2 million in this market environment. The improvement in earnings was based on sound organic growth as well as the full consolidation of the Tondach Gleinstätten Group as of July 1, 2014 and the successful conclusion of the cost reduction program. However, non-cash impairment charges of € 207.6 million prevented a return to the profit zone. The after-tax loss of € 170.0 million is contrasted by a strong increase of 41% in free cash flow to € 130.6 million. This led to an improvement in the ratio of net debt to operating EBITDA to 1.9 at year-end and underscores the strength of Wienerberger's business model. The Managing Board will therefore recommend that the Annual General Meeting approve an increase of 25% in the dividend to € 0.15 per share.

Market Positions

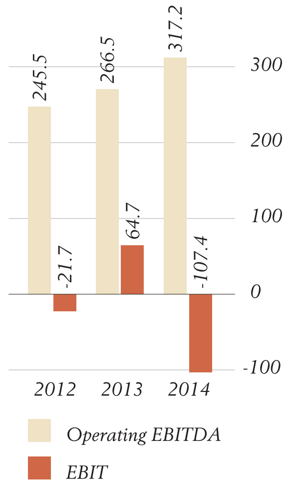
Wienerberger is the world's largest producer of clay blocks and number one in facing bricks in Europe and the USA as well as the market leader for clay roof tiles in Europe. The Group is also one of the leading suppliers of plastic pipes and ceramic pipes in Europe and concrete pavers in Central-East Europe.

Clay blocks:	**Nr. 1 worldwide**
Facing bricks:	**Nr. 1 in Europe, co-leader in the USA**
Clay roof tiles:	**Nr. 1 in Europe**
Plastic pipes:	**Leading position in Europe**
Ceramic pipes:	**Nr. 1 in Europe**
Concrete pavers:	**Nr. 1 in Central-East Europe**

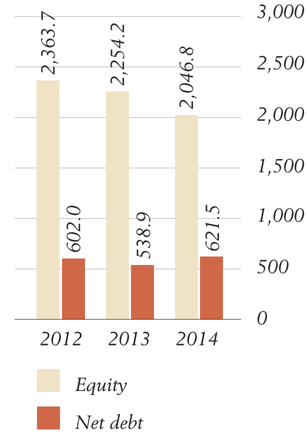
Revenues and Operating EBITDA Margin
in € mill. and %



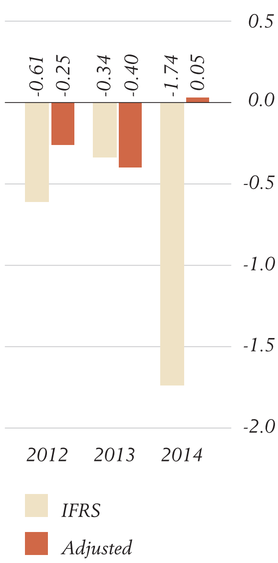
Operating EBITDA and EBIT
in € mill.



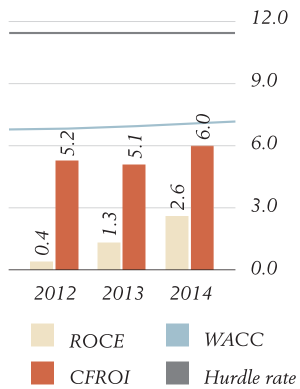
Equity and Net Debt
in € mill.



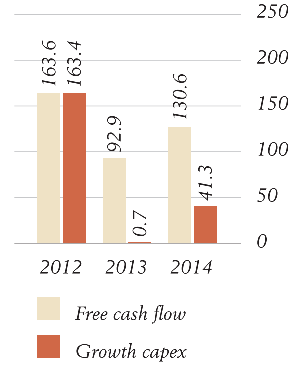
Earnings per Share
in €



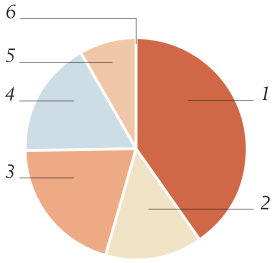
ROCE and CFROI
in %



Free Cash Flow and Growth Capex
in € mill.

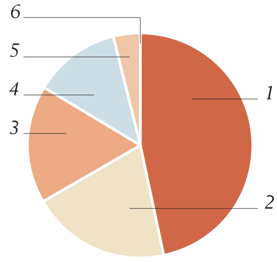


Revenues by Segment



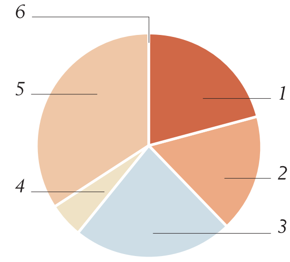
1 Clay Building Materials Western Europe 40%
2 Clay Building Materials Eastern Europe 14%
3 Pipes & Pavers Western Europe 20%
4 Pipes & Pavers Eastern Europe 17%
5 North America 8%
6 Holding & Others 0%

Operating EBITDA by Segment



1 Clay Building Materials Western Europe 49%
2 Clay Building Materials Eastern Europe 21%
3 Pipes & Pavers Western Europe 18%
4 Pipes & Pavers Eastern Europe 13%
5 North America 4%
6 Holding & Others -5%

Revenues by Product



1 Wall 21%
2 Roof 17%
3 Facade 23%
4 Surface 5%
5 Pipes 34%
6 Holding & Others 0%

Explanatory notes to the report:
- *Operating EBITDA, operating EBIT and adjusted earnings per share are adjusted for non-recurring income and expenses.*
- *ROCE and EVA® are calculated based on average capital employed (2014 and 2012 calculated on a pro-forma 12-month basis).*
- *CFROI and CVA are calculated based on average historical capital employed (2014 and 2012 calculated on a pro-forma 12-month basis).*
- *Rounding differences may arise from the automatic processing of data.*

Earnings Data

Earnings Data		2012	2013	2014	Chg. in %
Revenues	*in € mill.*	2,355.5	2,662.9	2,834.5	+6
Operating EBITDA	*in € mill.*	245.5	266.5	317.2	+19
Operating EBIT	*in € mill.*	31.0	55.3	100.2	+81
Restructuring costs and impairment charges to assets	*in € mill.*	-43.0	0.0	-100.7	<-100
Impairment charges to goodwill	*in € mill.*	-9.8	0.0	-106.9	<-100
Release of a provision for an impending antitrust penalty	*in € mill.*	0.0	9.4	0.0	-100
EBIT	*in € mill.*	-21.7	64.7	-107.4	<-100
Profit before tax	*in € mill.*	-36.2	-3.1	-157.6	<-100
Profit after tax	*in € mill.*	-40.5	-7.8	-170.0	<-100
Free cash flow 1)	*in € mill.*	163.6	92.9	130.6	+41
Normal capex	*in € mill.*	105.3	106.0	121.8	+15
Growth capex	*in € mill.*	163.4	0.7	41.3	>100
ROCE 2)	*in %*	0.4	1.3	2.6	-
CFROI 2)	*in %*	5.2	5.1	6.0	-
Ø Employees		13,060	13,787	14,836	+8

Balance Sheet Data

Balance Sheet Data		2012	2013	2014	Chg. in %
Equity 3)	*in € mill.*	2,363.7	2,254.2	2,046.8	-9
Net debt	*in € mill.*	602.0	538.9	621.5	+15
Capital employed	*in € mill.*	2,931.3	2,767.6	2,652.2	-4
Balance sheet total	*in € mill.*	4,139.7	4,211.4	3,913.4	-7
Gearing	*in %*	25.5	23.9	30.4	-

Stock Exchange Data

Stock Exchange Data		2012	2013	2014	Chg. in %
Earnings per share	*in €*	-0.61	-0.34	-1.74	<-100
Adjusted earnings per share	*in €*	-0.25	-0.40	0.05	>100
Dividend per share	*in €*	0.12	0.12	0.15	+25
Share price at year-end	*in €*	6.93	11.53	11.45	-1
Shares outstanding (weighted) 4)	*in 1,000*	115,063	115,063	116,017	+1
Market capitalization at year-end	*in € mill.*	814.3	1,354.5	1,345.1	-1

Division 2014

Division 2014 *in € mill. and % 5)*	Clay Building Materials Europe		Pipes & Pavers Europe		North America		Holding & Others		Reconciliation	
Third party revenues	1,550.5	*(+11%)*	1,041.3	*(+1%)*	236.4	*(+5%)*	5.4	*(-3%)*		
Inter-company revenues	1.6	*(-14%)*	0.9	*(0%)*	3.4	*(>100%)*	11.0	*(+20%)*	-15.9	*(-29%)*
Revenues	1,552.1	*(+11%)*	1,042.2	*(+1%)*	239.7	*(+6%)*	16.4	*(+11%)*	-15.9	*(-29%)*
Operating EBITDA	222.7	*(+30%)*	100.3	*(0%)*	11.2	*(-15%)*	-17.0	*(+7%)*		
Operating EBIT	84.5	*(>100%)*	47.8	*(-8%)*	-11.2	*(-21%)*	-20.8	*(+8%)*		
CFROI in % 2)	5.9	-	13.8	-	1.6	-	-26.0	-		
Total investments	110.0	*(+78%)*	35.5	*(+2%)*	14.1	*(+93%)*	3.6	*(+28%)*		
Capital employed	1,760.8	*(-1%)*	535.5	*(-3%)*	352.9	*(-17%)*	3.0	*(-75%)*		
Ø Employees	9,253	*(+11%)*	4,136	*(+2%)*	1,246	*(+3%)*	201	*(-1%)*		

1) Cash flow from operating activities less cash flow from investing activities plus growth capex
2) 2014 and 2012 calculated on a pro-forma 12-month basis
3) Equity including non-controlling interests and hybrid capital
4) Adjusted for treasury stock
5) Changes in % to the comparable prior year period are shown in brackets

All abbrevations and special terms are explained in the glossary on page 196.

THE WIENERBERGER ANNUAL REPORT 2014:

A DOCUMENTARY THAT TELLS IT ALL.

VALUE CREATION

Bricks for walls, facades and roofs.
Pipe systems.
Pavers.

With these products,
we design living space for generations.
Public areas as well as our own four walls.

Our vision:
To improve the quality of life.
With sustainable, high-quality
building materials and
infrastructure solutions.

Creating real added value.
For our customers,
For our shareholders,
For our employees
And, in the end, for all of us.

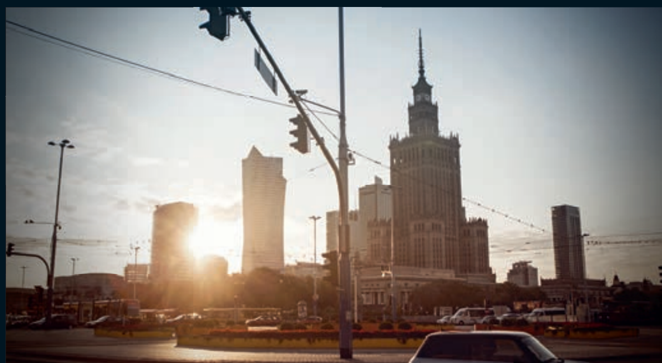
MARKETS

Strong presence in
Europe, North America and India.
Activities in major international
export markets.
Organizations in 32 countries.
204 production sites.

Wherever someone is renovating
or building, Wienerberger is there.
With innovative solutions.

With products and wide-ranging know-how
for single-family houses,
for multi-story housing
and for non-residential construction
or infrastructure projects.


M1
Budapest




Grote Markt P
Station HS
Binnenhof
Mauritshuis
Station Centraal
Oude Stadhuis
Grote Kerk
Politiebureau
Stadhuis / Bibliotheek
VVV i tourist / Uitburo


Grote Markt P
Station HS

CUSTOMERS

Whether for
private owners,
the public sector,
project planners,
architects or developers:
Wienerberger provides
professional on-site advice.

Through our local sales network.
With top products.
And, of course, with outstanding
services for all building requirements.

We, at Wienerberger, speak the customer's
language. Ensuring highly efficient,
cost effective and sustainable construction.

Living with Wienerberger provides
convenience through innovative solutions.
A healthy indoor climate and a comfortable
atmosphere. And energy efficiency
that we are proud of.




OPERATIONAL EXCELLENCE

Fit.
Efficient.
Flexible.

When you set goals like that, you can't be satisfied with past achievements.

We never stand still, we are always working to improve. In our company, we keep identifying areas for further improvement. Out of many small projects we achieve big results.

Our company's size is not only a financial dimension, but, above all, an obligation to face new challenges every day.

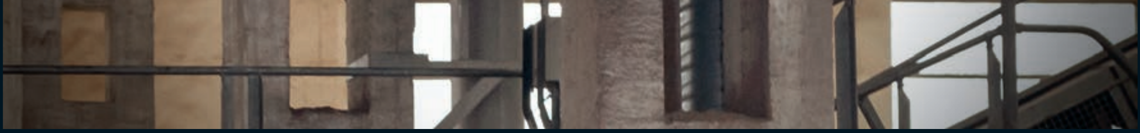
RESOURCES

Employee training.
Responsible procurement.
Environmental protection in production.
Sustainable products.
Responsibility for society.
Efficient capital allocation.

These principles define the way
we handle the resources entrusted to us.

Every day we work to optimize their use
in all areas of the company.
Simple and demanding, at the same time.


PE 12.1
PE 12




STRATEGY

We pursue our goals in line with
ecological, social and financial criteria.
Because we want to create
added value for all our stakeholders.

On this course, we have set
a number of milestones:
Focus on organic growth.
Expand the core business in
renovation and infrastructure.
Grow cash flow to finance business
operations, dividends and
value-creating growth investments.

The steady implementation of this strategy
will allow us to increase our CFROI to
11.5% in a normalized market environment.

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QUICK RESPONSE (QR) CODES

You will find QR codes at selected points in this annual report. Scan the codes with your smartphone and visit the linked websites for more detailed information.

www.wienerberger.com

CHIEF EXECUTIVE'S REVIEW

Dear Shareholders,

Strong operating performance makes 2014 a successful year

With record revenues of € 2.8 billion, the highest ever in the nearly 200-year history of the Wienerberger Group, we again realized a strong growth in 2014 despite a generally challenging market environment especially in Europe. Our operating performance improved by 19% over the previous year to € 317 million EBITDA and therefore exceeded our internal target. This positive development was essentially driven by strong organic growth and our ongoing efforts to improve operational performance.

Takeover of Tondach Gleinstätten is a strategic milestone that made a positive contribution to earnings in 2014

With the majority takeover of Tondach Gleinstätten, the leading clay tile producer in Central-East Europe, we have rounded out our profitable roof tile business in Europe and set another important milestone towards a stronger presence in the renovation segment. This acquisition provides us with additional medium- to long-term growth potential in South-East Europe. The Tondach Group, which has been fully consolidated as of July 1, 2014, has already met our expectations with a valuable contribution of more than € 15 million to operating earnings in the last year.

Exchange of the 2007 hybrid bond creates an even more balanced financing profile

Another important step taken during the past year was the exchange of € 272 million of the 2007 hybrid bond for a new 2014 hybrid bond which can be called for the first time in 2021. This exchange substantially increased our financial flexibility and made the Wienerberger Group's financing profile even more balanced. We are pleased that so many hybrid bondholders participated in the exchange offer and extended their commitment. Their decision confirms the confidence of investors in our business model.

Restructuring program concluded as planned

During 2014 we also successfully completed our restructuring program started in 2012 as planned. This program brought roughly € 50 million of cost savings, € 17 million alone in 2014. In total, we have cut costs by a total of € 250 million since 2009. Our ongoing optimization and efficiency improvement measures contributed positively to earnings. The sale of non-core property raised nearly € 14 million of additional liquidity in 2014. Normal capex in the Wienerberger Group, which covers maintenance and investments in technical upgrades, equaled € 122 million and was lower than the € 130 million budgeted at the beginning of the year. Our growth investments totaled approx. € 41 million and included the acquisition of Tondach Gleinstätten and the extension of a pipe plant in the USA. Working capital was on target at roughly 20% of Group revenues, however net debt rose from € 539 million at year-end 2013 to € 622 million at year-end 2014. This increase was due, above all, to the Tondach Gleinstätten takeover. In spite of this acquisition, the ratio of net debt to operating EBITDA improved slightly year-on-year to 1.9 as of December 31, 2014, which is clearly below our internal target of 2.5.

Operating results negatively affected by non-recurring, non-cash impairment charges

Our strong operating results were, however, negatively affected by non-recurring, non-cash impairment charges. Certain changes in the market environment required the adjustments of expectations for a number of our markets, which led to impairment charges of approx. € 208 million in the fourth quarter of 2014. Most of the impairment charges involve our business in the USA, Germany and Italy. Our long-term estimates and earnings potential for these markets remain intact, but we are reacting to price-related earnings weakness and slower recovery to a normalized market level. That means we must pay particular attention to these markets. We

»We delivered a strong performance in 2014. Our operating strength makes me optimistic for the future.«

Heimo Scheuch,
Chief Executive Officer of Wienerberger AG

therefore introduced measures to optimize our cost structures and improve earnings in the involved countries. These developments, in total, prevented our return to the profit zone in 2014.

Free cash flow of € 131 million shows the strength of the business model

The non-recurring impairment charges led to a below-the-line, after-tax loss of € 170 million for the past year. In contrast, we generated a strong free cash flow of roughly € 131 million, a significant 41% increase compared to the previous year which underscores the strength of our business model.

Clear commitment to dividends

Wienerberger has completed a successful year, and it is obvious that we want you, as our shareholders, to participate in this success. The Managing Board and the Supervisory Board will therefore recommend that the Annual General Meeting on May 22, 2015 approve a dividend of € 0.15 per share for the 2014 financial year. We believe in Wienerberger's strength to continue to generate sustainable cash flows in the future and want to set a clear sign by emphasizing our commitment to the payment of a dividend. Future dividend pay-outs shall be linked to free cash flow after the hybrid coupon payments. We see it as appropriate to distribute between 10% and 30% of such free cash flow in the ongoing market environment to our shareholders.

Growth course will continue in 2015 – goal is operating EBITDA of € 350 million

With respect to 2015, we are optimistic that we will continue our growth course based on our internal strength. Our goal is to generate Group EBITDA of € 350 million for the full year. In total, we see a stable to slightly positive market environment in Europe and growth in the USA. The Clay Building Materials Europe Division should see some moderate growth in volumes.

Our North American brick business should record higher volumes due to the market recovery. In the plastic pipe business, we are anticipating an improvement in the international project business and slight growth in the European core markets. Semmelrock and Steinzeug-Keramo set the course for earnings growth in previous years, and we expect an increase in earnings based on stable markets in 2015. Our goals for the operating business are to generate further organic growth and expand our market positions in 2015 by relying on our innovative strength, our high-quality products and system solutions and our comprehensive range of supporting services.

Optimization and efficiency improvement to continue in all areas

Moreover, we will continue our optimization and efficiency improvement programs in all business areas. In such context, we shall proceed with the roll-out of Lean Six Sigma, an internationally recognized management approach for quality improvement and process optimization, in the Pipelife Group. Another example is our Plant Improvement Program, which is based on sustainable cost savings through the comprehensive introduction of uniform production standards and the continuous improvement of processes and structures in the brick and roof tile business. Obviously, a major focus point shall be the implementation of our Health and Safety Initiative throughout all group operations.

Focus remains on financial discipline and a strong cash flow

As far as the financial structure of our group is concerned, we shall continue our financial discipline and focus on the generation of a strong cash flow, which will be used primarily for organic growth, a moderate investment policy and the reduction of debt.

Thanks to employees, management, customers, partners and shareholders

Finally, I would like to thank all of my colleagues in the Wienerberger Group. Their efforts and commitment made 2014 a successful year for our company. Together we worked hard to differentiate ourselves from the competition with innovative product solutions and comprehensive service. We increased our market shares and significantly outperformed local markets. These achievements would not have been possible without our customers and partners, who I would also like to thank for the loyalty, good working relationships and their trust in Wienerberger. I would like to thank the members of the Supervisory Board for their valuable and supportive discussions and for the efficient handling of issues. In conclusion, I would like to thank you, dear shareholders, for your continuing support during the past year. I look to the future with optimism, and I invite you to join us on this course.

Yours

Highlights 2014

31.3.

Substantial first quarter improvement in revenues and earnings

- Business development positively influenced by mild weather and ongoing optimization measures
- Group revenues: € 585 million (+19%)
- Operating EBITDA: € 28 million (>100%)

16.5.

145th Annual General Meeting

- Increase in the Supervisory Board to 7 shareholder representatives
- Additional strategic flexibility for the Group's development through approval of authorized capital equaling up to 15% of share capital

30.6.

Sound half-year results

- Positive development of new residential construction in Great Britain and organic volume growth for all business areas in first half-year
- Group revenues: € 1,349 million (+7%)
- Operating EBITDA: € 135 million (+27%)

1.7.

Wienerberger acquires Tondach Gleinstätten

- Wienerberger takes a strategic growth step and strengthens core clay roof tile business
- This value-creating transaction also generates above-average growth potential in Eastern Europe

16.7.

Wienerberger increases capacity in UK

- Positive momentum in Great Britain also continues during third quarter and leads to significant growth in new residential construction
- Two mothballed plants will be restarted to meet the high demand for building materials
- Positive earnings contribution expected beginning in 2015

29.9.

Wienerberger successfully concludes exchange offer for hybrid bond

- Wienerberger takes a further step to protect its strong capital structure and balanced financing profile
- Following substantial investor interest, the company exchanges € 272 million of the 2007 hybrid bond for the new 2014 hybrid bond

30.9.

Further revenue and earnings improvement in third quarter

- Wienerberger generates revenue and earnings growth in ongoing challenging market environment
- Restructuring program 2012-2014 concluded
- Cost savings total € 17 million in 2014
- Group revenues: € 2,148 million (+6%)
- Operating EBITDA: € 248 million (+18%)

21.11.

Wienerberger secures liquidity buffer up to 2019

- New € 400 million credit line concluded to support general corporate financing and replaces previous revolving credit lines
- Important step to further optimize financing costs

31.12.

Wienerberger meets EBITDA target

- Non-cash, non-recurring impairment charges prevent return to the profit zone
- Group revenues: € 2,835 million (+6%)
- Operating EBITDA: € 317 million (+19%)

Wienerberger at a Glance

Who we are?

Founded in 1819 as an Austrian brick manufacturer, Wienerberger has developed over the past five years into an international building materials group that combines Clay Building Materials and Pipes & Pavers businesses. Strategic milestones in the company's geographic expansion, which began in the 1980s, include market entry in North America during 1999 and the expansion of roofing systems in Western Europe starting in 2003 as well as the full takeover of the plastic pipe producer Pipelife in 2012 and the leading clay roof tile producer Tondach Gleinstätten in 2014. Today Wienerberger has a broad industrial base, high innovative strength and a strong corporate culture, and is well positioned to profit from a market recovery through organic growth.

What we do?

A **Wall.** Clay blocks are used for exterior monolithic or cavity walls, depending on local construction methods – from single-family houses to multi-story buildings with up to nine floors. They are also used for load-bearing interior walls and for non-load-bearing partition walls or fillwork.

B **Facade.** Facing bricks are used in visible brick architecture and are the esthetic calling card of a building. A wall made of facing bricks provides optimal protection from the weather, but still allows the building to "breathe".

C **Roof.** Clay roof tiles are used to cover pitched roofs and flat sloped roofs. They protect the house and the facade from the weather and moisture for many years. Durability and color stability make clay roof tiles the preferred building material, above all for renovation.

D **Pipes.** Plastic pipes can be used in a wide range of applications, above all building installations, drinking water supply, irrigation, wastewater and rainwater management, drainage, energy supply and data transfer as well as special products for industrial applications. Ceramic pipes are used to create system solutions for modern municipal wastewater disposal in open and closed sewerage networks.

E **Pavers.** Pavers made of concrete or clay are characterized by high resistance and lasting esthetics and are used in many different applications – from public areas, streets and roads to private homes and gardens.

Where we are?

Clay blocks:
Nr. 1 worldwide

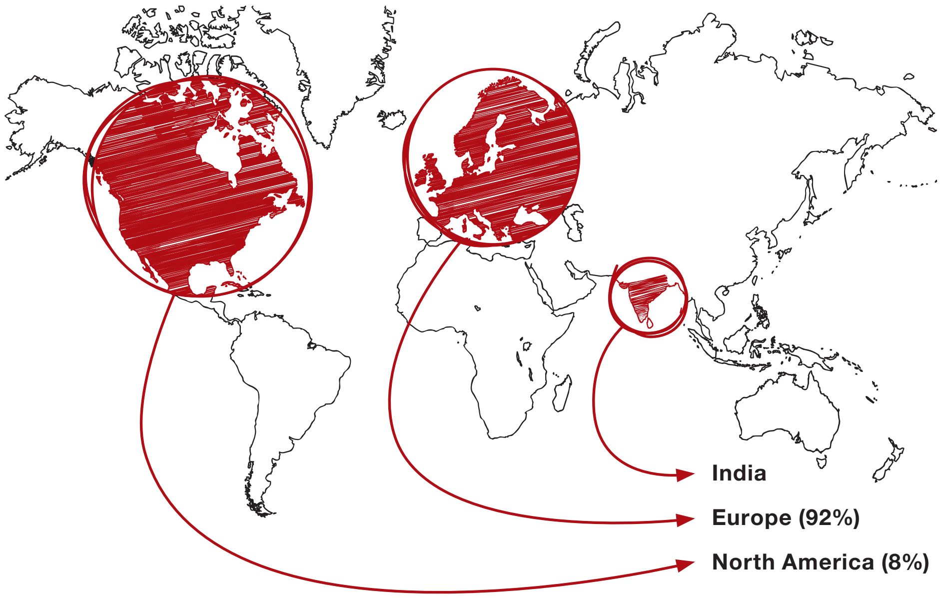
Facing bricks:
Nr. 1 in Europe,
co-leader in the USA

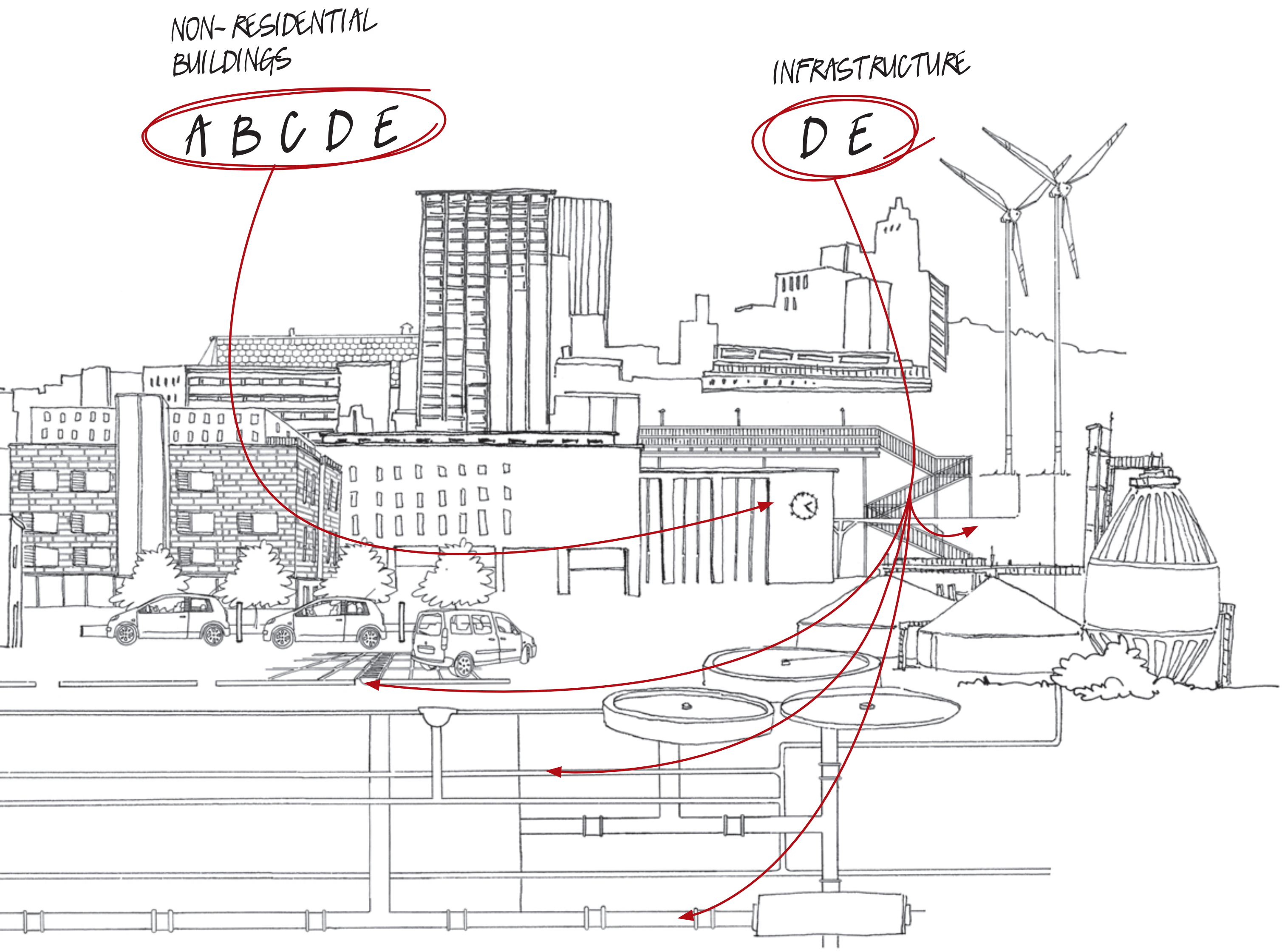
Clay roof tiles:
Nr. 1 in Europe

Plastic pipes:
Leading position in Europe

Ceramic pipes:
Nr. 1 in Europe

Concrete pavers:
Nr. 1 in Central-East Europe





Corporate Structure & Divisions

Wienerberger Group

Wienerberger generated record revenues of € 2,834.5 million and operating EBITDA of € 317.2 million in 2014, for a year-on-year increase of 6%, respectively 19%. This sound improvement in revenues and earnings was based, above all, on strong organic growth, the successful conclusion of the cost reduction program and the initial consolidation of the Tondach Gleinstätten Group.

The strong increase of 41% in free cash flow to € 130.6 million led to an improvement in the ratio of net debt to operating EBITDA to 1.9 at year-end and underscores the strength of Wienerberger's business model. The Managing Board will therefore recommend that the Annual General Meeting approve an increase of 25% in the dividend to € 0.15 per share for the 2014 financial year.

KEY FIGURES

		2014	*2013*
Revenues	*in € mill.*	2,834.5	2,662.9
Operating EBITDA	*in € mill.*	317.2	266.5
EPS adjusted	*in €*	0.05	-0.40
Dividend per share	*in €*	0.15	0.12
Balance sheet total	*in € mill.*	3,913.4	4,211.4
Equity ratio	*in %*	52.3	53.5
Net debt	*in € mill.*	621.5	538.9
Free cash flow	*in € mill.*	130.6	92.9
Ø Employees		14,836	13,787

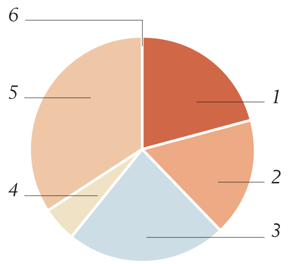
Operating EBITDA:
€ 317.2 million
+19%

Dividend per share:
€ 0.15
+25%

Free cash flow:
€ 130.6 million
+41%

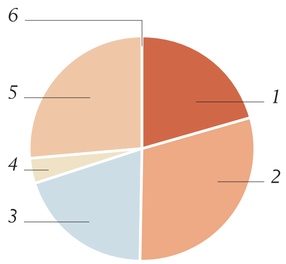
PRODUCT GROUPS

Revenues by Product



1 Wall 21%
2 Roof 17%
3 Facade 23%
4 Surface 5%
5 Pipes 34%
6 Holding & Others 0%

Operating EBITDA by Product



1 Wall 23%
2 Roof 33%
3 Facade 22%
4 Surface 4%
5 Pipes 29%
6 Holding & Others -11%

Divisions

Clay Building Materials Europe

Clay Blocks
Facing Bricks
Roof Tiles

Pipes & Pavers Europe

Plastic Pipes
Ceramic Pipes
Concrete Pavers

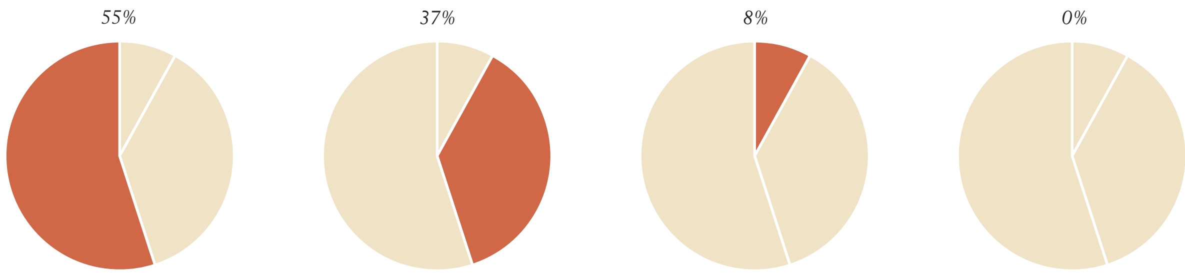
North America

Facing Bricks
Plastic Pipes
Concrete Products

Holding & Others

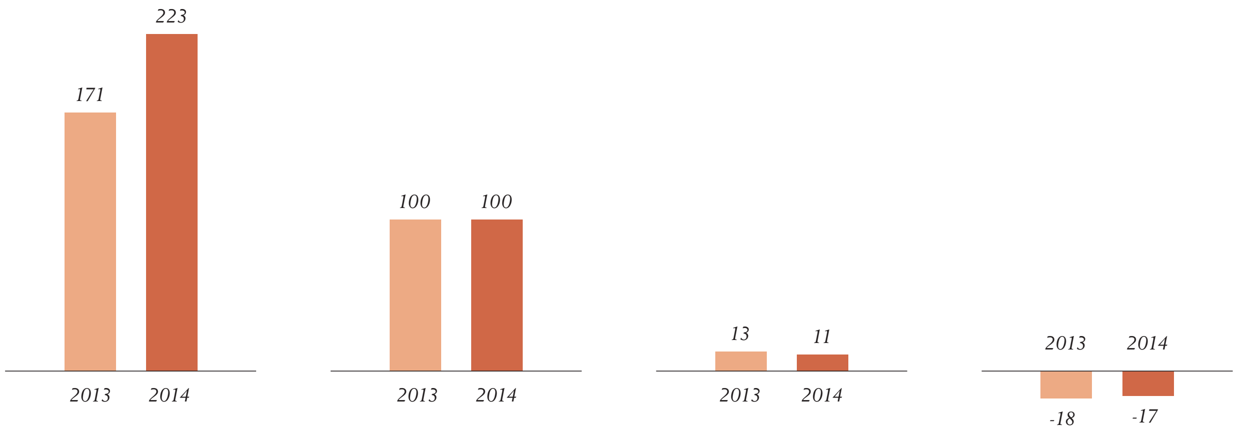
Clay Blocks

REVENUES 2014



OPERATING EBITDA

in € mill.



Strategy and Business Model

Sustainable increase in the value of the company

Sustainable creation of added value as top corporate goal

The primary goal of our entrepreneurial activities is to create and maintain a sustainable increase in the value of the company in accordance with ecological, social and economic principles. Accordingly, we want to create added value for all our stakeholders.

- Our owners participate in the sustainable increase in Wienerberger's value through higher share prices and dividends. We offer our creditors an attractive return on their capital and an appropriate return on investment.
- For our employees, the positive development of our company means stable jobs with fair and healthy working conditions and performance-based remuneration.
- Our customers benefit from sustainable, long-lasting and innovative products that guarantee energy-efficient, healthy living and supply security.
- Our products and system solutions make an important contribution to the attainment of climate protection and emission goals with their resource-efficient production and long service life. We are also well aware of our responsibility to society and provide targeted in-kind support to the needy in the form of products or training programs.

Strategic focus on growth

Extensive structural adjustments and repositioning are completed

Wienerberger has created a strong and healthy basis for future growth with extensive restructuring measures and targeted growth steps. The corporate structure was aligned with the market through a reduction of approx. € 250 million in fixed costs, a substantial decrease in working capital and the implementation of numerous efficiency improvement programs. In addition, value-creating takeovers led to the development of new business areas in the less cyclical renovation and infrastructure markets. These steps significantly reduced the dependency on cyclical new residential construction and strengthened the Group's earnings and cash flow profile. Today, Wienerberger has a modern and efficient plant network, a strong capital base, lean cost structures, durable and innovative products and committed, skilled employees. Based on these success factors, we should be able to realize the available EBITDA potential of more than € 600 million when demand in our markets normalizes at a sustainable level. The sound growth potential is reinforced by our internal financing strength in the form of high free cash flows, which will be used primarily to optimize the financing structure, to allow owners to participate in the company's success and for value-creating growth investments.

Focus on organic growth

Clear focus on organic growth

Wienerberger is a market-oriented company with a focus on growth. Our customers are the focal point of our actions – we want to create added value for them with innovative, high-quality and user-oriented system solutions. Comprehensive advising and service, starting with the project planning stage, are an important part of our improved sales activities. This allows us to develop long-standing customer relationships and integrate our detailed understanding of our customers needs in the development of new products and services. Through our customer focus and innovation power, we work to establish and extend leading positions in all markets in which we are present and to grow faster than the market. Our goal is to gradually improve capacity utilization in our strong industrial base and – together with strict price management, cost discipline and extensive measures to improve efficiency – thereby maximize the return on capital and increase CFROI to 11.5% in a normalized market environment.

Realization of value-creating growth investments

Strategic expansion of core business

Our strategic goal to reduce Wienerberger's dependence on new residential construction and expand activities in the areas of renovation and infrastructure will also be realized through value-creating growth investments. These investments include acquisitions, capacity expansion and the development of new product segments or regional markets. The strategic use of funds is based on established decision processes and strict return goals to ensure that growth steps help us to meet our CFROI target of 11.5% at the Group level. Since we have an extensive, modern plant network, sufficient capacity reserves and strong market positions in the ceramic business, potential acquisitions are found primarily in the sustainable growth opportunities and low capital intensity of the pipe business. The acquisition of Pipelife, Tondach Gleinstätten and Steinzeug-Keramo underscores the steady realization of our strategic goals. These growth steps have given us an even stronger positioning as an international system building materials supplier and reduced the dependence on cyclical new residential construction from approx. 70% to roughly 60% of revenues. In 2014, all three recent acquisitions generated CFROI of substantially more than 11.5%.

Participation of owners in the company's success

Dividend is based on free cash flow and liquidity planning

The decisive factors for the participation of owners in the company's success are free cash flows, the realization of growth projects and liquidity planning. The Managing Board has sharpened its commitment to the payment of dividends by formulating quantitative goals. Beginning with the 2014 dividend and based on the current market environment, the Managing Board plans to recommend that the annual general meeting approve an annual dividend of 10%-30% of free cash flow after the deduction of the hybrid coupon.

Optimization of the financing structure

Continuous optimization of the financing structure and financing costs

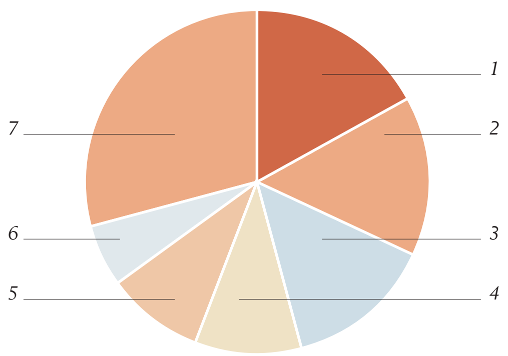
In addition to value-creating growth and a sustainable dividend policy, our strategic focus remains on financial discipline, the maintenance of a strong capital structure and a balanced maturity profile. The proactive refinancing of our maturing liabilities and a prudent investment policy will therefore remain central elements of our corporate strategy. In line with our financial discipline, we will also ensure that the ratio of net debt to operating EBITDA remains below 2.5 at year-end. We significantly increased our financial flexibility in 2014 through the exchange of € 272 million of the existing hybrid bond for a new hybrid bond. The renegotiation and increase of our revolving credit line to € 400 million also means that we will use bank lines more frequently for short-term financing in the future to further optimize our financing costs.

Overview of Clay Building Materials Europe

HIGHLIGHTS 2014

- **Sound earnings improvement in slightly growing market**
- **Higher volumes in all product groups**
- **Successful cost optimization and integration of Tondach**

REVENUES BY COUNTRY



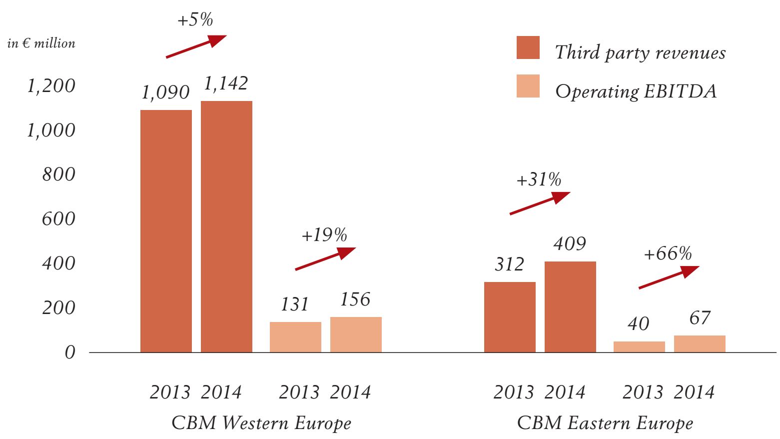
1 Great Britain 17%
2 Germany 15%
3 Belgium 14%
4 France 10%
5 Netherlands 9%
6 Poland 6%
7 Other countries 29% [1)]

1) AT, CZ, RU, CH, IT and all markets in Central-East Europe as well as smaller peripheral markets (each with <5% of division revenues)

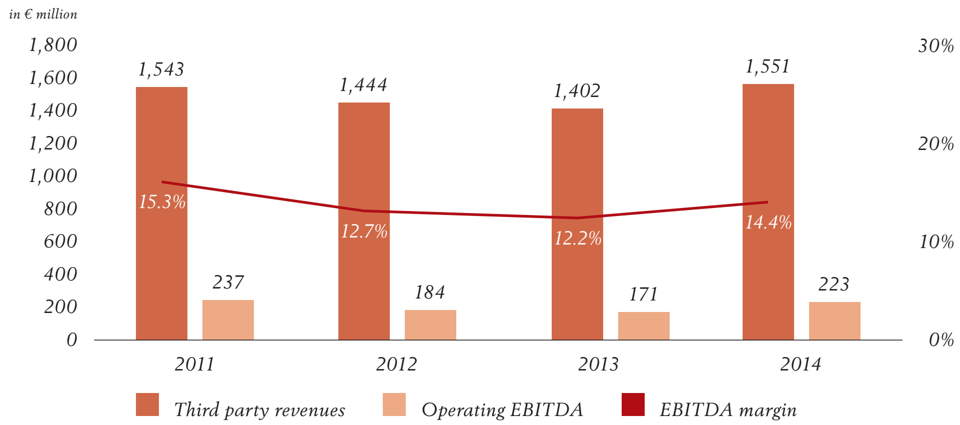
MARKET- AND BUSINESS DEVELOPMENT

- Stable to slightly positive development with regional and seasonal differences
- Strong momentum in Great Britain
- Moderate growth in Belgium and Poland
- Market weakness leads to decline in single- and two-family house construction in Germany
- Sharp drop in residential construction in the Netherlands, France, Italy, Czech Republic and Hungary
- Bottoming out in the Netherlands confirmed at year-end

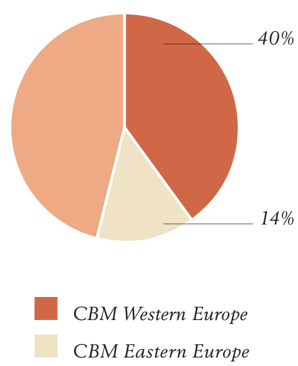
SEGMENT RESULTS



REVENUE AND EBITDA DEVELOPMENT



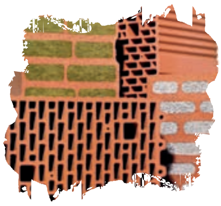
SHARE OF GROUP REVENUES IN 2014



DIVISION STRATEGY

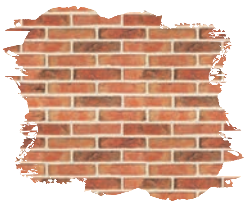
The Clay Building Materials Europe Division has completed an extensive repositioning process and now has a broad range of innovative products and system solutions, a modern industrial base with lean cost structures and an efficient plant network. However, construction in our core markets is still far below a normalized level and capacity utilization in our plants is therefore not satisfactory. This surplus capacity represents a significant organic growth potential once demand normalizes and will allow us to generate a sound increase in earnings. The improvement potential in our plant network is strengthened by € 250 million of fixed cost savings that have been realized since 2009, whereby roughly half are sustainable. Since an increase in capacity utilization would only lead to a moderate rise in normal capex and the need for growth capex is low, we can also generate strong cash flows.

Our strategic medium-term planning for the realization of organic growth is focused on market orientation, product development and operational excellence. We want to design our customer relations as an ongoing dialogue in order to optimally coordinate the development of our innovative products and system solutions for the energy-efficient and healthy construction of the future with the needs of our customers. The continuous optimization of cost structures to strengthen the division's profitability will also remain a focal point of activities after the conclusion of the extensive restructuring measures. We see an EBITDA potential of more than € 400 million for the Clay Building Materials Europe Division, assuming demand returns to a normal level.



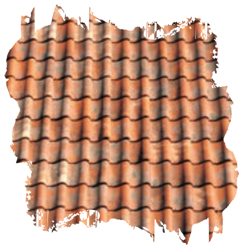
Clay blocks

- Market and innovation leadership in the European core markets
- Higher volumes based on organic growth
- Implementation of process improvement measures in the plants
- Innovative products and increased marketing activities remain priority



Facing bricks

- Focus on core markets: Belgium, the Netherlands and Great Britain
- Shift in mix to premium products
- Product innovation and continuous optimization measures to reduce energy consumption in production



Roof tiles

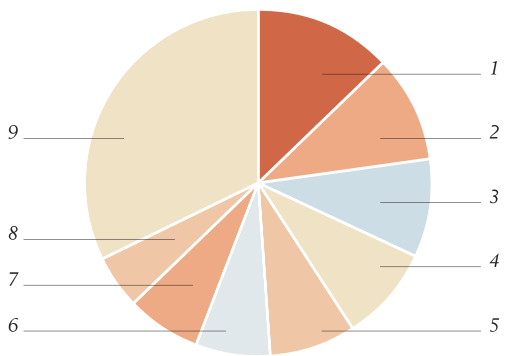
- Takeover of Tondach strengthens presence in Eastern Europe and clay roof tile positions in the European core markets
- Transaction brings above-average growth potential and synergy effects
- Launch of innovative products and efficiency improvement measures remain priority

Overview of Pipes & Pavers Europe

HIGHLIGHTS 2014

- **Stable revenue and earnings development**
- **Earnings growth at Semmelrock and Steinzeug-Keramo offsets slight decline at Pipelife**

REVENUES BY COUNTRY



1 Austria 13%
2 Norway 10%
3 Netherlands 9%
4 Poland 9%
5 Sweden 8%
6 Belgium 7%
7 France 7%
8 Germany 5%
9 Other countries 32% 1)

1) CZ, RU, GB, FIN and smaller peripheral markets (each with <5% of division revenues)

MARKET- AND BUSINESS DEVELOPMENT

PIPELIFE

- Strong development and increased market shares in Nordic markets and Eastern Europe
- Earnings in France and the Netherlands negatively affected by weak infrastructure spending
- Lower order volume leads to earnings decline for international project business after record year in 2013

STEINZEUG-KERAMO

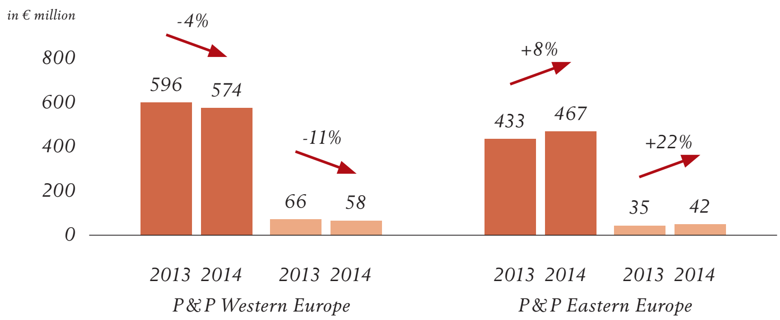
- Stable revenues and solid earnings improvement based on absence of non-recurring effects from prior year

SEMMELROCK

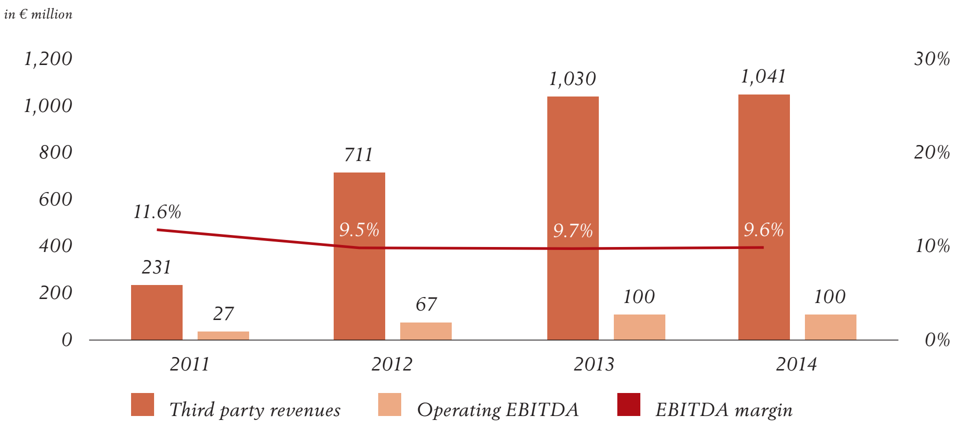
- Earnings growth through significant increase in volumes, cost reduction and improved product mix

SEGMENT RESULTS

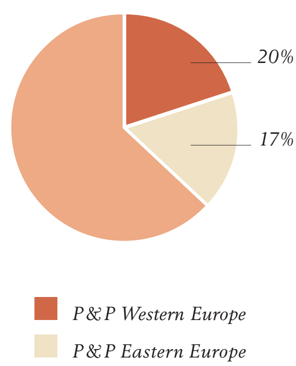
Third party revenues
Operating EBITDA



REVENUE AND EBITDA DEVELOPMENT



SHARE OF GROUP REVENUES IN 2014



DIVISION STRATEGY

The Pipes & Pavers Europe Division includes our business activities with Pipelife plastic pipes, Steinzeug-Keramo ceramic pipes and Semmelrock concrete pavers. The division's product portfolio covers system solutions for building installations, fresh water supply, irrigation, wastewater and rainwater management, drainage, energy supply and data transfer as well as special products for industrial applications and pavers. Our focus for Pipes & Pavers lies, in particular, on the continuous development and innovation of the product portfolio. In addition to developments in our own Group research centers, we continuously evaluate value-creating acquisitions to expand our range of applications and improve our geographic market coverage.

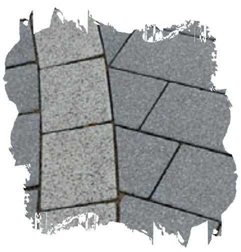
Above-average growth is expected over the coming years, above all, in the areas of fresh water and wastewater management due to the renovation backlog in Western Europe and the planned increase in supply network coverage in Eastern Europe. The growing demand for electricity and the expansion of telecommunication networks will also lead to increased demand for cable and electrical installation pipes in the future. The market shares of plastic pipes are growing steadily in comparison with competing metal and concrete products and outpacing the market. Over the medium- to long-term, we therefore see an EBITDA potential of approx. € 140 million for the Pipes & Pavers Europe Division.

Plastic pipes

- International product and system supplier with leading positions in Europe
- Focus on evaluation of smaller, value-creating transactions to complement the product portfolio and strengthen the market presence
- Operational excellence and continuous product innovation

Ceramic pipes

- Market leader in European niche market for ceramic pipe solutions in wastewater management
- Innovation leadership: climate-neutral clay pipes, Cradle to Cradle® sustainability certificate, jacking pipes for trenchless installation
- Expansion of sales activities and organic growth potential



Concrete pavers

- Market leadership for concrete pavers in Central-Eastern Europe
- Positioning as premium supplier of medium-priced and premium product solutions
- Further development of product portfolio and higher capacity utilization through organic growth

Overview of North America

HIGHLIGHTS 2014

- **Slight revenue growth despite ongoing price pressure in individual regional markets**
- **Higher start-up costs for plants and negative shifts in the plastic pipe product mix lead to earnings decline**

MARKET- AND BUSINESS DEVELOPMENT

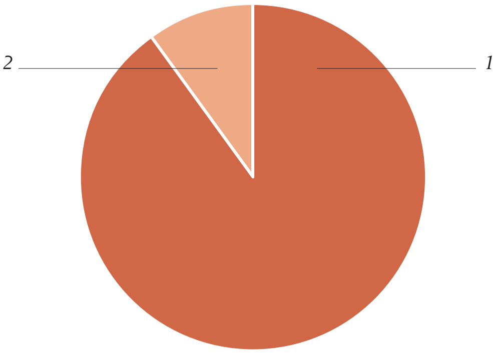
BRICK BUSINESS

- Recovery of US new residential construction and challenging market environment in Canada
- Price pressure in regional markets lead to slightly lower prices
- Increase in market shares and higher volumes for facing bricks

PLASTIC PIPE BUSINESS

- Stable demand at high level
- Negative changes in product mix lead to slight earnings decline

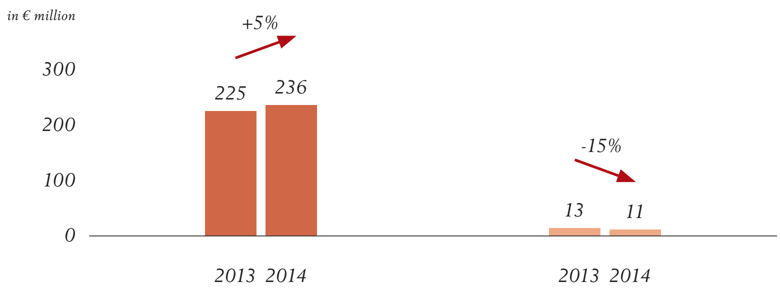
REVENUES BY COUNTRY



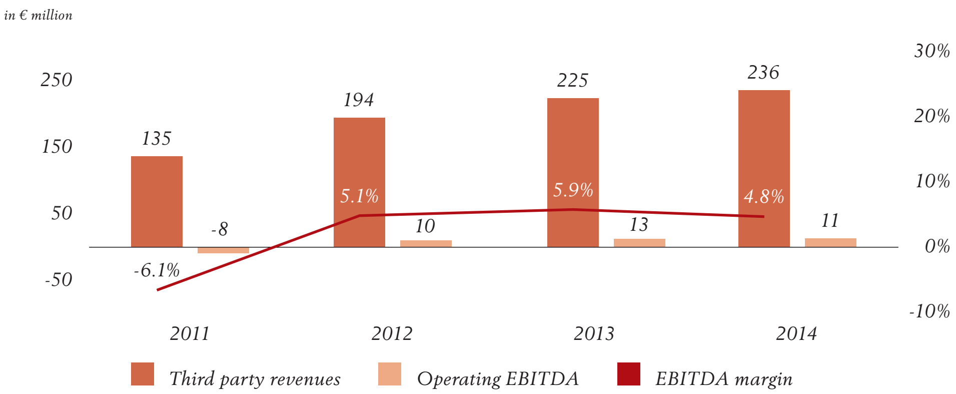
1 USA 90%
2 Canada 10%

THIRD PARTY REVENUES

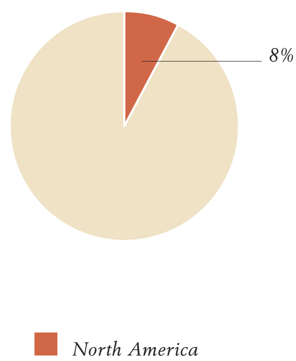
OPERATING EBITDA



REVENUE AND EBITDA DEVELOPMENT



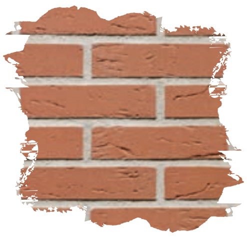
SHARE OF GROUP REVENUES IN 2014



DIVISION STRATEGY

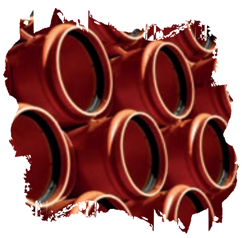
In the North American brick business, Wienerberger has a modern, highly efficient plant network and its own sales centers. Housing starts in the USA topped the one million mark in 2014 for the first time in seven years. US residential construction has recovered roughly 80% from the previous crisis low, but is still nearly 50% below a normalized market level, which we estimate at approx. 1.5 million housing starts. Our extensive structural adjustments were based on covering demand in a normalized market environment, which gives us the potential to benefit significantly from future developments. We are reacting to the increasing signs of market consolidation by examining value-creating takeovers and are prepared to use selective opportunities to expand our offering and enter new regional markets in the USA.

In the pipe business, which operates from a base in Arkansas, we are focusing on applications in the areas of water management and high-pressure applications for the oil and gas industry. We are actively driving the substitution trend to plastic pipes in this business and working to expand our customer base, above all in the oil and gas industry. We see an EBITDA potential of approx. € 60 million in the North America Division based on normalized conditions on the new residential construction market.



Facing bricks

- Market leadership in individual regional markets
- Monitoring and evaluation of value-creating transactions and selective opportunities to complement the product portfolio and access new regional markets
- Focus on optimization measures in sales, logistics and the product portfolio



Plastic pipes

- Strong market position in Arkansas and the neighboring states
- Organic growth potential through expansion of capacity and product portfolio
- Increase in sales activities and product lines for fiber-reinforced pipes

Interview with the Managing Board

With record revenues and EBITDA that exceeded expectations, results for 2014 underscore Wienerberger's strong operating performance. However, non-cash impairment charges prevented a return to the profit zone. Can we expect another restructuring program?

Heimo Scheuch: No, definitely not. As your question indicates, we are extremely pleased with results for the 2014 financial year. We exceeded our operating goals, strengthened the Group's financing and completed an important growth step with the majority takeover of Tondach Gleinstätten. The impairment charges were necessary because of slower-than-expected recovery in a number of markets and changes in input factors for our forecasting models, but have no effect on the Group's liquidity and were related primarily to investment decisions taken in the years before the start of the financial crisis. In our report on the third quarter of 2014, we announced the completion of the restructuring program that was launched two years earlier – in other words, the end of the adjustments to our plant structures. At the same time, that doesn't mean we won't introduce further optimization measures to strengthen our positioning in markets that are currently below our return targets. This applies to all areas of the company – from cost and process optimization in production to the streamlining of management and administrative structures and the refocussing of sales. We believe in continuous improvement to protect and expand our strong market positions, to move even closer to our customers and to strengthen our competitive ability. The steady earnings improvement in recent years confirms this course and is reflected in our strong free cash flow, which forms the basis for the increase in the dividend.

Willy Van Riet, CFO

You not only raised the dividend, but also defined a target corridor that is based on free cash flow. What were the reasons behind this step?

Willy Van Riet: For many years, Wienerberger has been committed to allowing its owners to participate in the company's success. We want to distribute a steady stream of dividends, but will only do so when this is consistent with our free cash flow, liquidity planning and the realization of growth projects. When the defined conditions are met, a reasonable and continuous increase in the dividend within our target range will take priority over a fixed distribution rate. Our announced plans to distribute between 10 and 30% of free cash flow after the deduction of the hybrid coupon payment should therefore be understood primarily as clarification of our clear and unchanged position on dividends.

Your goal is to generate a further sound improvement in earnings during 2015. What are the major challenges for reaching this target?

Heimo Scheuch: The main challenge remains the successful implementation of measures to drive Wienerberger's internal growth. Although most of our core markets have bottomed out and a few are now on a recovery course, the market environment is providing only limited tailwinds for our business. That makes it even more important to intensify our focus on the research and development of future-oriented products, to strengthen our sales activities and to continue the previously mentioned optimization measures in all areas. Another important contribution to the company's success will come from the integration of Tondach Gleinstätten. This process is well underway and includes not only operational integration in the Wienerberger Group but, above all, the development of a shared corporate culture. Integration does not mean merging the structure and culture of a newly acquired company as quickly as possible into the Wienerberger Group. I am convinced it is important to understand mutual success patterns and, through a willingness to learn on both sides, to create a climate for the optimal transfer of know-how on an equal basis. At Pipelife, our plastic pipe specialist, this process is also still in progress and has made an extremely valuable contribution to the culture and working practices in the Wienerberger Group.

Heimo Scheuch, CEO

Another area I consider particularly important is employee training. One special focus of our human resources activities is the identification and development of high-potentials for future management positions – this protects our ability to fill key management positions at the right time with the right people and helps us to retain specialized know-how in the company. The success of the programs implemented in recent years confirms our intention to follow this course.

Willy Van Riet: In addition to operating challenges, we will also be dealing with a number of issues in the area of Group financing and created the basis for the necessary steps in 2014.

The increased use of our newly negotiated bank line for liquidity management will definitely improve our financing costs. Additionally, the refinancing of a € 200 million corporate bond in August 2015 will reduce interest expense for the Wienerberger Group and have a positive influence on our profitability. Restrictive working capital management and the structured sale of non-core assets in line with our expectations will also support the generation of strong free cash flow and a further reduction in debt during 2015. Based on these goals, it's easy to understand that our self-imposed commitment to financial discipline continues to form the framework for strategic decisions.

With a ratio of net debt to operating EBITDA of 1.9 at year-end 2014, you were comfortably below the internal target of 2.5 defined for financial discipline. Given this financial flexibility, what are your medium-term goals for capital allocation?

Heimo Scheuch: Our goals remain unchanged. We want to use our free cash flow to reduce debt, to allow our owners to participate in the company's success and to realize value-creating growth projects. First of all, we want to grow organically and improve capacity utilization in our plants. Strategic takeovers or investments in capacity expansion are evaluated on the basis of strict financial criteria and only realized if they meet our clearly defined return goals. The focus here is on value-creating takeovers to further optimize the portfolio in our core markets, which means: strengthening regional coverage and expanding the range of innovative products and system solutions. In addition, I want to emphasize that this ongoing portfolio optimization also includes possible divestment decisions, which will be based on the same criteria and could involve regional markets and/or product groups that do not meet our return expectations.

Willy Van Riet: The target of less than 2.5 at year-end for the ratio of net debt to operating EBITDA is dependent on the market environment and will be adjusted to reflect the recovery of operating results. For example, we announced that we would reduce this target to roughly 2.0 years when Group operating EBITDA exceeds approx. € 400 million. With this step, we want to send a signal to the capital market that an increase in earnings will not automatically be accompanied by an increase in financial

liabilities. Another point we want to confirm is that a strong balance sheet will remain an important goal for our strategic management. We only reserve the right to overstep this target on a short-term basis for the realization of growth projects.

The first call option for the remaining hybrid bond certificates issued in 2007 is set for 2017. What role did this play in your target definition?

Willy Van Riet: As your question correctly indicates, Wienerberger has the first call option – which, I would like to stress, does not represent an obligation – in 2017. It is clear that our financial flexibility for a possible buyback was substantially improved by the exchange of € 272 million from the old hybrid bond for a new hybrid bond which can be called for the first time in 2021. However, we have not issued any statements on whether or not we expect to exercise the call option in 2017. We regularly evaluate measures to optimize our capital structure and financing costs based on our earnings position, free cash flow and the macroeconomic environment. Our decision to exercise – or not to exercise – the call option will be based on these same criteria.

You just described a number of goals and activities – where do you direct most of your attention?

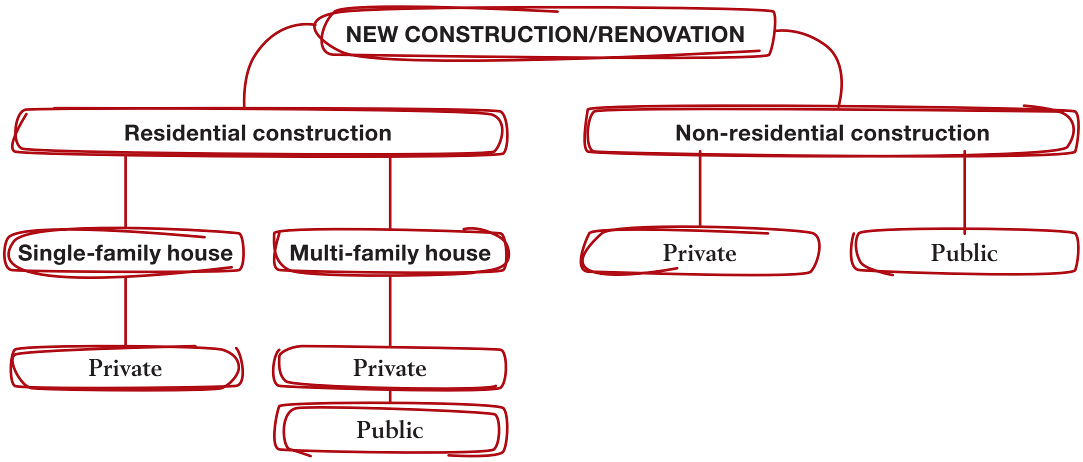
Heimo Scheuch: We not only set an ambitious goal to increase Group EBITDA to € 350 million in 2015, but are also working, as you correctly mentioned, on a number of initiatives to realize opportunities for optimization in all areas of the company.
I am convinced that this extensive bundle of measures will drive growth in the Wienerberger Group – independent of the market conditions. With full commitment and in close cooperation with all our colleagues, we are working hard to ensure the successful fulfillment of these goals.

Thank you for your time!

The interview was conducted by Klaus Ofner, Head of Investor Relations

Distribution & Sales

Solutions for Wall, Facade and Roof



The Wienerberger Group is active in numerous national markets and offers flexible, innovative products and system solutions for all types of construction projects. Depending on the market segment and product group, this results in various sales and distribution channels that are adapted to reflect the specific characteristics of the individual regional markets.

In new construction and renovation, a distinction is made between residential and non-residential construction, on the one side, and between the private and public sector on the other side. Different stakeholders and decision-makers are involved, depending on the particular project: private homebuilders, commercial or social developers, large private or public investors, architects, planners, building material retailers, construction firms, roofers, paving companies, etc.

They can be grouped along the following steps on the value chain: investment, planning, retail and logistics, and construction – and take on an influential and/or decision-making role in line with the type of project. Our sales team is therefore made up of competent experts who offer comprehensive services to meet the specific needs of the various stakeholders. In this way, Wienerberger helps its customers and decision-makers to realize their goals for optimal construction and renovation and accompanies them from the start of the planning stage to the completion of their projects.

Decision

Investments

- Private persons
- Commercial investors
- Developers
- Public sector

Planning

- Architects
- Structural engineers
- Construction physicists
- Builders/planners

Which is why…

Customers and investors

- System solutions for the healthy, energy-efficient, sustainable and affordable construction of the future
- Support for the development of administrative, construction and economic framework conditions
- Comprehensive individual consulting and services throughout the entire construction period

Planners

- Flexible, innovative products and system solutions for every construction project and for modern architecture
- Support for planning and realization
- Detailed, customized technical solutions for energy efficiency and thermal protection that include optimal interfaces between statics and acoustic and fire protection
- Technical advising with additional back-office support
- Software tools for various static and structural calculations

Retailers and logistics experts

- Marketing support through training courses, web solutions and advertising with catalogues, brochures and various social media applications
- Technical assistance for our products and system solutions
- Support for optimizing transport logistics (delivery tracking) and for ordering and warehouse processes

Building contractors

- Consulting and technical support
- On-the-job training and coaching by our experts and instructors
- One-stop-shop solutions through our diversified product portfolio

…choose us.

Retail and logistics

- Building material retailers
- Wholesalers
- Specialty retailers
- Transport companies

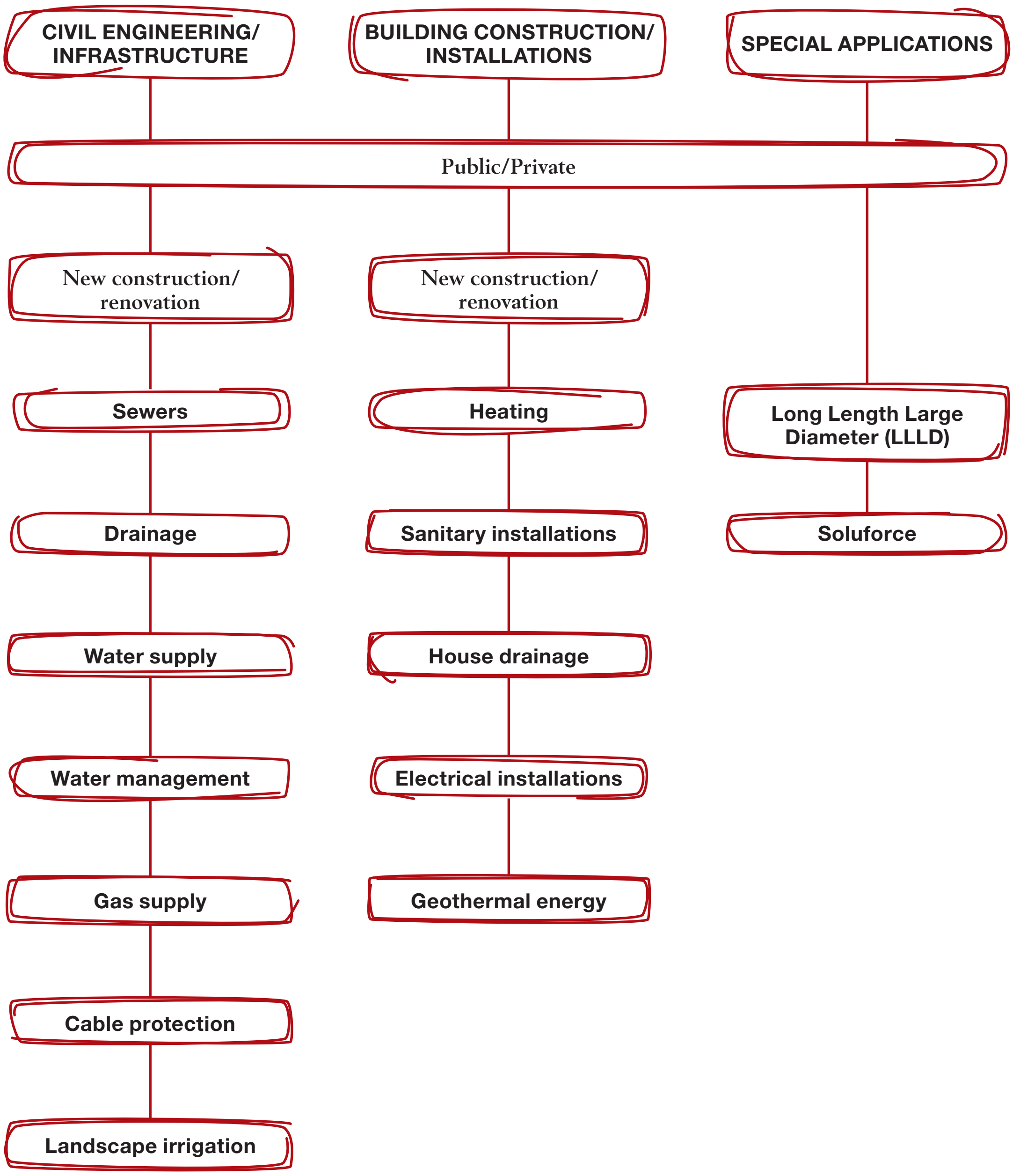
Construction

- Construction companies
- Roofers
- Facade builders and masons
- Paving companies and garden architects

Decision support

Distribution & Sales

Plastic Pipes



Decision

Investments

- Private persons
- Commercial investors
- Developers
- Public sector

Planning

- Architects
- Designers/planners
- Builders/planners
- Civil engineering firms

Everyone needs them, everyone uses them, but no one sees them. They lie deep underground, in walls, floors or shafts: networks of pipe systems that play an important role in every country. For secure supplies of energy and water. For a clean environment through the safe disposal of wastewater. With our wide-ranging product portfolio and system solutions, we start where the quality of life begins and provide the right solution for nearly every problem. We rely on different distribution channels depending on the market, the application and the customer. Infrastructure and larger residential construction projects are usually supplied through delivery straight to the installation site, but we also sell through wholesalers and specialty retailers. Customers can also collect our products directly from the plant and, in a number of countries, from our own sales offices. Our plastic pipe business is represented in a number of countries, where we offer our proven advising, planning and services to stakeholders along the entire value chain – investment, planning, retail and logistics, and construction – through our local sales and distribution organizations. Step by step for responsibility and security.

Which is why…

Customers and investors
Retailers and logistics experts
Building contractors

- Extensive product portfolio and system solutions for nearly all types of applications
- One-stop-shop solutions
- Reliable partner with long-standing experience and outstanding know-how
- High-quality advising and excellent service
- Product availability based on extensive network of building material retailers and electrical wholesalers as well as own sales offices
- Sustainable products for a good environmental footprint

Planners

- Flexible, innovative products and system solutions for all types of construction and sustainable building
- Training and support for planning and realization with software developed internally and/or specifically tailored for use with our products
- Technical advising
- Static calculation tools

…choose us.

Retail and logistics
- Building material retailers
- Wholesalers and specialty retailers
- Sales offices
- Transport companies

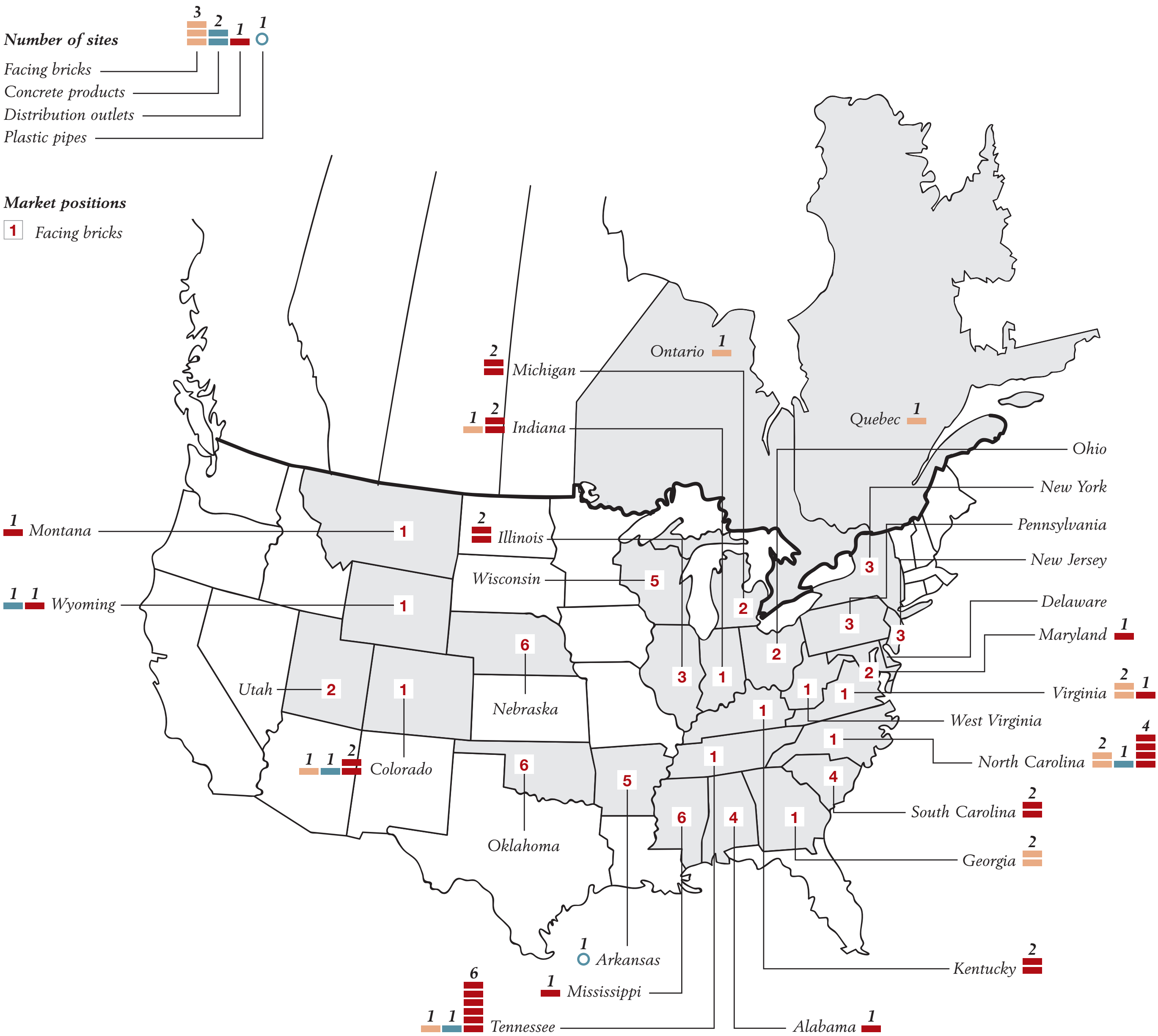
Construction
- Construction companies and general contractors
- Civil engineering specialists
- Installers
- Electricians

Decision support

Production Sites and Market Positions

Wienerberger is the only multinational producer of bricks, roof tiles, concrete pavers and pipe systems with a total of 204 production sites in 30 countries and activities in international export markets. We are the world's largest producer of bricks and number one on the clay roof tile market in Europe. Furthermore we hold leading positions in pipe systems in Europe and concrete pavers in Central-East Europe.

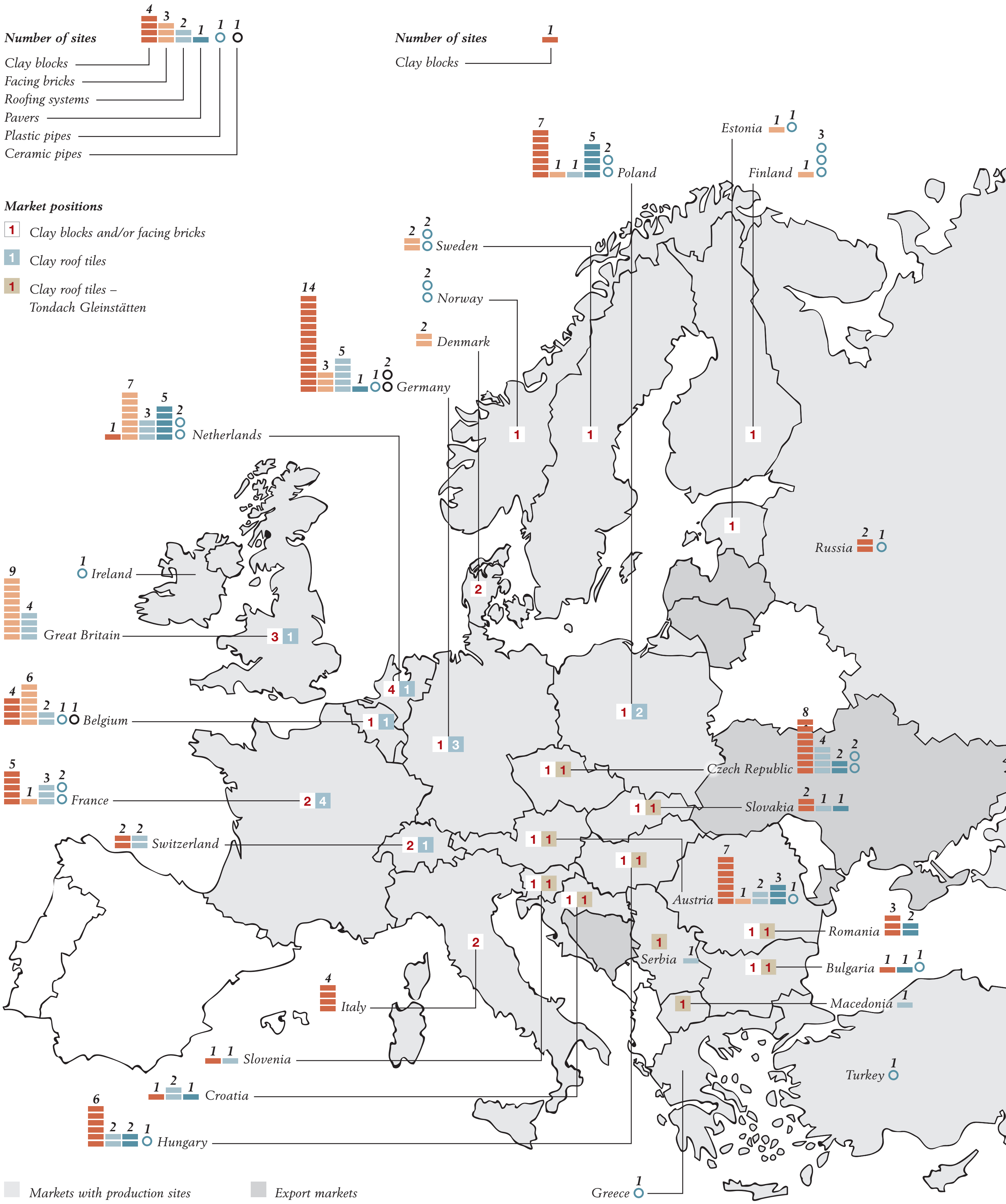
Wienerberger Markets in North America



Status December 2014

Wienerberger Markets in Europe

Wienerberger in India

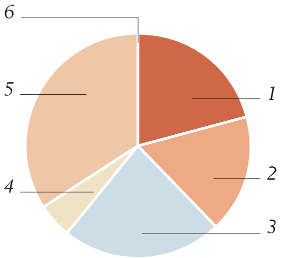


Products and System Solutions

Continuous product development as the basis for sustainable success

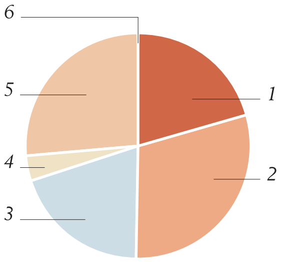
The continuous improvement of our products represents a key strategic element of Wienerberger's sustainable success. We focus on the development of innovative products and system solutions in all our application areas – from sustainable and energy-efficient buildings to environmentally compatible pavers and supply and sewerage systems. Our product management specialists work closely with the various marketing and sales departments to ensure that new developments always meet the needs of our customers. The following pages provide an overview of our products and innovations.

Revenues by Product



1 Wall 21%
2 Roof 17%
3 Facade 23%
4 Surface 5%
5 Pipes 34%
6 Holding & Others 0%

Operating EBITDA by Product



1 Wall 23%
2 Roof 33%
3 Facade 22%
4 Surface 4%
5 Pipes 29%
6 Holding & Others -11%

Clay Building Materials

Wienerberger's activities in the area of Clay Building Materials cover three product groups: solutions for wall, facade and roof.

Wall – clay blocks

Clay blocks are used for load-bearing exterior and interior walls as well as for non-load-bearing partition walls or fillwork. A wall made of clay blocks is normally not seen after completion because it is covered with plaster or paneling. In any case, the technical advantages and features of these monolithic walls are compelling: high compressive strength, excellent thermal insulation and heat accumulation, sound insulation, high fire resistance (nonflammable) and healthy moisture regulation. In short, walls made of clay blocks are sturdy and safe, and create an unmistakably pleasant and comfortable atmosphere.

Innovations for walls

One special innovation milestone is the Porotherm W.i., a clay block with integrated insulation. The voids in this product are filled with thermal insulation in the form of mineral wool, which eliminates the need for additional insulation on the outside of the house and makes construction more energy-efficient.

Wienerberger has also developed a special line of clay blocks for multi-story commercial construction. The key features of these products are efficient thermal insulation, high stress resistance, good acoustic protection and outstanding fire protection as well as low thickness. Minimizing the total thickness of the exterior wall optimizes the usable space and thereby improves the overall profitability of a project for the developer. The building users also benefit from the pleasant and healthy atmosphere created by a brick wall. For the even faster construction of brick walls, Wienerberger developed the Dryfix adhesive system (special aerosol masonry glue that speeds up construction and eliminates the need for mortar) in combination with plane ground blocks. This adhesive system reduces the cost of massive brick walls and allows for easy processing at temperatures down to -5°C.

Facade – facing bricks

Facing bricks are used in visible brick architecture: facades and interior walls are made from or covered with these bricks. The necessary functions of the load-bearing walls are provided by clay blocks or other building materials. A wall made of facing bricks is an esthetic calling card and provides optimal protection from the weather, but still allows the building to "breathe". The sturdiness of the facade bricks eliminates the need for costly maintenance or renovation in later years. Wienerberger facing bricks are sold under the Terca brand. They open up a wide range of design alternatives through the combination of colors, shapes and surface structures – a feature that is rarely found in other building materials. Especially in urban construction, brick architecture can play an important role in modern, economic building.

Innovations in facades

Terca Eco-Bricks reduce resource consumption

The Terca EcoBrick is an innovative facade solution made by Wienerberger: these thin facing bricks with a thickness of 65 mm add valuable living space in new construction. The use of Eco-Bricks in renovation also creates additional space for insulation without increasing the width of the wall or impairing the desired stability. Due to their lean form, they have a positive effect on resource consumption. In renovation, the complete line of Terca brick slips not only improves the appearance of the building, but also provides perfect protection against the weather.

Argeton ceramic facade boards are optimally suited for renovation and restoration

Argeton ceramic facade boards provide the finishing touch for new, modern buildings and give renovated structures a modern appearance. In combination with steel, glass or wood, they project elegance, simplicity and timeless perfection. ArgeLite, a special development, is ideal for renovation because it saves space and has a low weight. In addition, Argeton was the first ceramic facade board product to pass the safety test for ball impact. That makes an Argeton facade particularly well suited for buildings like schools or day care centers, which are exposed to increased mechanical stress.

Roof – clay roof tiles

Clay roof tiles are used on pitched roofs as well as for facade design

Clay roof tiles are used to cover pitched roofs, flat roofs with a slope starting at 10° and also for facade design. A roof covered with clay tiles protects the house and the facade from the weather and moisture for many years. Clay roof tiles are durable and colorfast. Wienerberger's clay roof tile product line includes a wide variety of forms, colors and shapes that allow for the creative realization of modern residential construction projects and also support traditional solutions for renovation and historical preservation. The product line ranges from modern flat tiles with engobe to the natural red flat tiles that have been used for centuries. Wienerberger has the leading brands in this area with Koramic in Western Europe and Tondach in Eastern Europe.

Innovations for roofs

Wienerberger is a full system provider for roofs

Wienerberger offers a one-stop shop solution for roofs: each model (type of tile) is accompanied by a full line of tiles as well as ceramic and technical accessories. These durable, colorfast and stable clay roof tiles are marketed together with a complete line of system components whose functions, forms and colors are perfectly coordinated to match the respective roof tile line. The introduction of overrafter insulation products for thermal renovation made Wienerberger a full system provider for roofs. Increasingly extreme wind and weather conditions have also led to growing demands on the resistance of roofs. Wienerberger has met this challenge with the patented Sturmfix system, which uses special fixation hooks to protect roof tiles from even the strongest storms.

Pipes & Pavers

Wienerberger pipes & pavers cover three product groups: plastic pipes (Pipelife), ceramic pipes (Steinzeug-Keramo) and concrete pavers (Semmelrock).

Plastic pipes

Pipelife plastic pipes cover a broad range of applications

Plastic pipes are suitable for a wide range of applications. The product portfolio of high-quality, durable pipe systems with matching fittings and accessories covers systems for rainwater and wastewater disposal, sanitary and heating technology, energy, gas and drinking water supplies as well as a wide variety of special products for private and industrial use.

Innovations in plastic pipes

The Raineo system prevents flooding in urban areas

Climate change and the increasing development of green areas have led to a growing incidence of flooding in inner city areas. With Raineo, Pipelife has developed an extremely efficient system to solve this problem. The heart of the system is the so-called "Stormbox", a plastic water storage container that is installed below ground. A sophisticated click and stack system allows for the construction of underground water storage facilities in various sizes. When the rain is heavy, the water overload is collected in the box – where it is gradually released into the connected sewerage system and, in this way, prevents flooding. A recent addition to this system is the Raineo configurator, which optimally coordinates the various Raineo components and supports the efficient and time-saving planning of functional rainwater management systems.

LLLD pipes and Soluforce as made-to order products for industrial applications

The Soluforce product line, which was developed especially for high pressure applications in the oil and gas industry, has been expanded continuously in recent years. In addition to the standard product portfolio and the steel wire-reinforced Soluforce Heavy, a pipe designed to withstand extremely high pressure, the RLP Reinforced Line Pipe was launched on the US market. An integrated layer of woven polyester fibers makes the RLP pipe not only resistant to external and internal stress, but is also a cost-efficient alternative due to its outstanding price/performance ratio. A plastic liner makes all products in the Soluforce family highly resistant to aggressive chemicals and corrosion, which creates a significant advantage over conventional steel pipes in industrial applications. Early investments in a global trend – so-called Long Length Large Diameter pipes (LLLD) for industrial facilities – make Pipelife the only producer in the world that has realized projects using pipes with a diameter of up to 2.5 meters and a length of up to 600 meters. These pipes are extruded directly into the sea and transported by barges to operating sites around the globe (e.g. Morocco, Ghana and South America).

Further development of geothermal systems to protect the environment

Pipelife is also working to support alternative and sustainable energy generation through investments in the expansion of its geothermal systems. In 2014 the company launched its own new vertical and horizontal collector systems for a large variety of applications, which are marketed under the DUETA and GEOLIFE brands. Together with Pipelife's surface heating and cooling systems (underfloor, wall, ceiling) energy generation from the earth forms an important building block for the sustainable and environmentally friendly development of heating systems.

Ceramic pipes

Steinzeug-Keramo produces glazed ceramic pipes, fittings, shafts and accessories for use in open and closed sewerage systems. These pipes are characterized by stability, easy maintenance and resistance against wastewater, and therefore meet the many demands placed on modern sewerage systems.

Steinzeug-Keramo ceramic pipes for sewerage systems

Innovations in ceramic pipes

Steinzeug-Keramo's climate-neutral pipe is a revolutionary innovation for climate and environmental protection. All emissions arising during the production process are compensated by verified and registered climate protection projects based on recognized international standards and guidelines. The company's commitment to sustainability and environmental protection is also demonstrated by its future-oriented fast firing process, technology for trenchless installation with ceramic jacking pipes and Crade to Cradle® certification.

Focus on environmental protection

A ceramic coupling – an accessory exclusively produced by Steinzeug-Keramo – optimizes the connection of ceramic pipes in new construction and subsequent installation. Another focal point of innovation is the new KERAPORT manhole program. It completes the vertical phase of ceramic system solutions and sets standards for tightness and corrosion resistance. The product line includes manhole solutions with diameters ranging from DN 600 to DN 1200 and is equipped with specially designed channel elements.

Ceramic coupling and shaft programs offer full system solution

Concrete pavers

Concrete pavers are used in many different applications – from public areas, streets and roads to private homes and gardens. The product line includes concrete pavers and slabs, wall and fencing systems, design elements such as steps, palisades and edgings as well as products for infrastructure projects that is complemented by extensive service in cooperation with market partners. Product systems with high-quality surfaces and design quality are continuously optimized and improved. Concrete pavers also represent an ecological alternative for the design of open spaces.

Semmelrock concrete pavers for high-quality design in open spaces

Innovations in concrete pavers

Innovation at Semmelrock is directed to extending the service life and improving the economy of products. Semmelrock Premium Protect, a special surface shield, seals the stones and thereby provides for easy maintenance, even on areas that are exposed to heavy soiling. Einstein, an innovative jointing system, was developed to meet the high demands on heavily trafficked areas. When installed professionally, this fully interlocking system with integrated protection against shifting prevents the paved areas from displacing, tilting or warping, even under high stress.

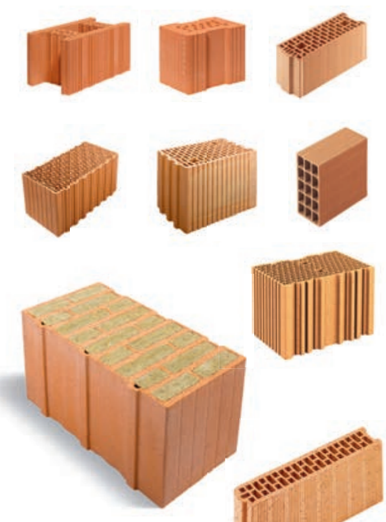
Innovative engineering and surface protection

The Wienerberger Product World

Clay Building Materials

WALL- CLAY BLOCKS

Our high-tech clay blocks are available in a wide variety of sizes with different void patterns and construction properties. High thermal insulating clay blocks for exterior walls, heavy clay blocks for improved sound insulation, seismic-resistant clay blocks and clay blocks for infill masonry: we offer the best possible solution for every construction challenge and create an unmistakably pleasant and healthy indoor climate with walls made of bricks.



FACADE- FACING BRICKS

For innovative facade solutions, we work together with architects and designers to continuously develop new shapes and colors for our facing bricks. Our ceramic Argeton facade boards and elements allow for the individual design of modern multi-story urban buildings – both horizontally and vertically.

ROOF- CLAY ROOF TILES

The Wienerberger roof tile product line includes several 100 models in various shapes, colors and surface structures as well as an extensive range of coordinated technical accessories. From traditional tiles for historical preservation to flat tiles for modern architecture – we have the right roof tile for every application.

Pipes & Pavers

PLASTIC PIPES

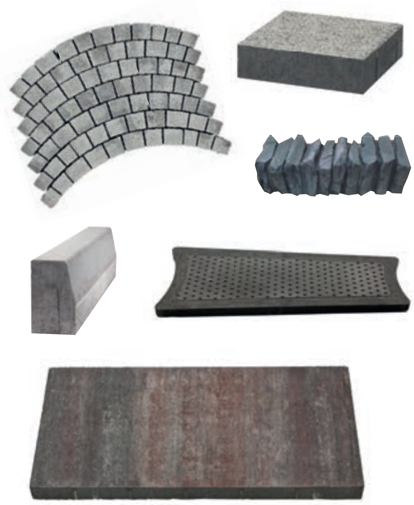
Plastic pipes (including fittings and accessories) can be used in a wide variety of applications. The product portfolio includes system solutions for building installations, drinking water supply, irrigation, wastewater and rainwater management, energy supply and drainage as well as special products for industrial applications.

CERAMIC PIPES

Ceramic pipes, fittings, shafts and accessories are used to create system solutions for modern municipal wastewater disposal in open and closed sewerage networks.

CONCRETE PAVERS

Pavers made of concrete are characterized by high resistance and lasting esthetics. They can be used in many different types of applications – from public areas, streets and roads to private homes and gardens.



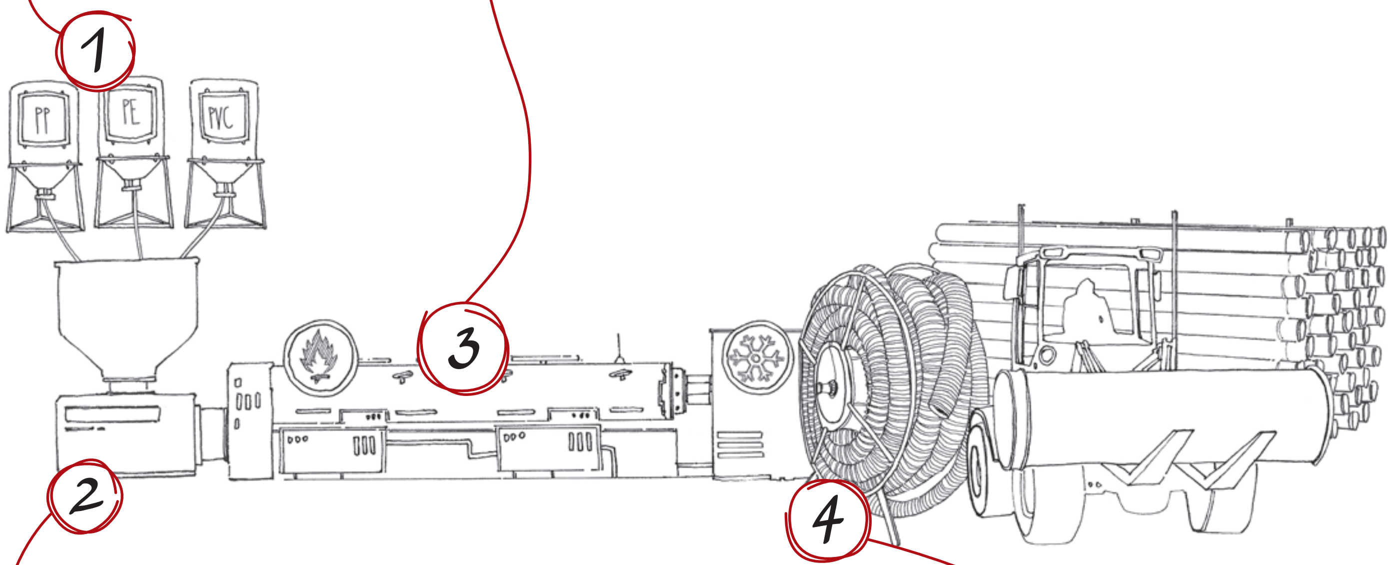
Plastic Pipe Production

RAW MATERIALS

In the plastic pipe business, our most important raw materials include PVC, PP and PE granulates. We only use materials that do not represent a risk for the environment during the production, use or disposal of the pipes. No plasticizers are used. As a member of local initiatives like Responsible Care in Austria, we regularly evaluate the health, environmental and safety impact of our raw materials and products.

SHAPING

The heating takes place directly in an extruder, which presses the moldable plastic mass through a die to shape the pipes. In the so-called casing head, a calibrator ensures the desired diameter, which can range from several millimeters up to 2.5 meters. The accessories for our pipes are shaped in forms after the raw materials are heated. After shaping, the pipes are cooled and hardened in a water bath. The continuous pipe string is then cut to the desired length, whereby a length of up to 600 meters can be produced for certain applications.



MIXING AND MELTING

The plastic raw materials are first mixed together to create the properties for a specific product group and then heated. The melting process requires a temperature of approx. 200°C, depending on the raw material mixture.

PACKAGING AND DELIVERY

The pipes are then packed and delivered to the customer. A decentralized network of 27 plastic pipe production sites in 27 countries positions us close to our customers and normally provides for short transport routes.

Ceramic Production

RAW MATERIALS MANAGEMENT

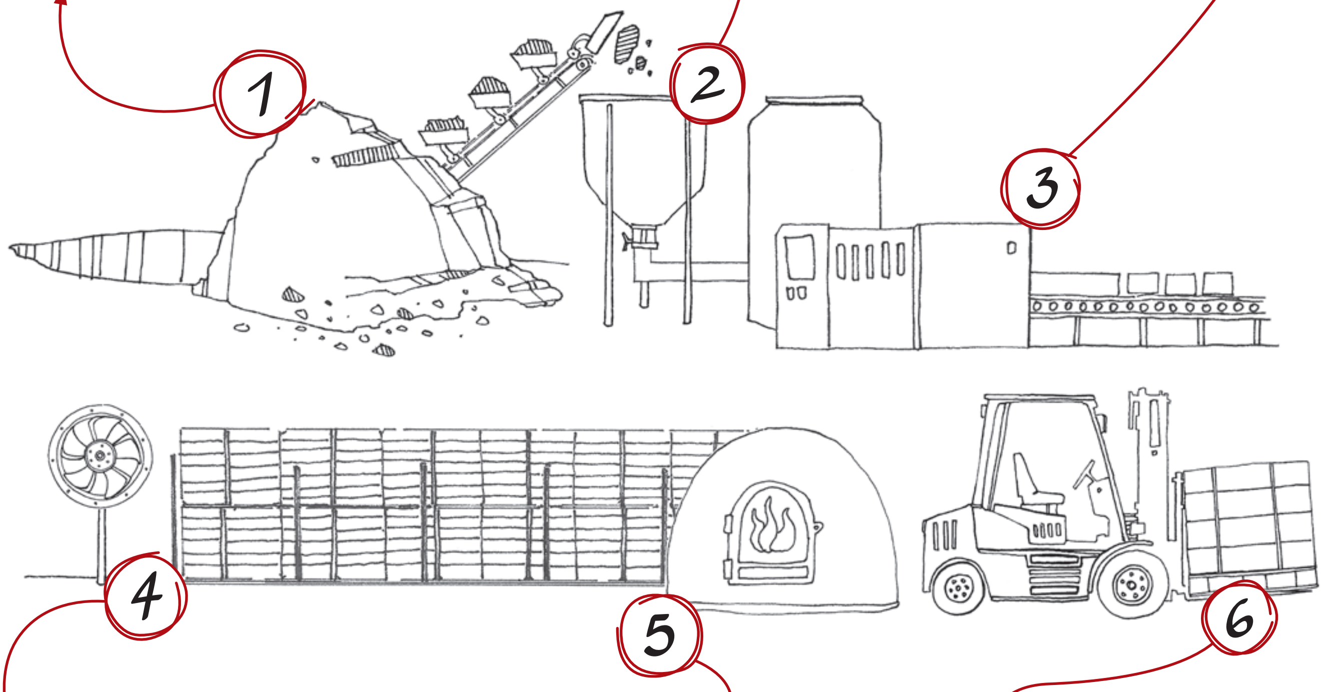
The most important raw material for our ceramic products (clay blocks, facing bricks, roof tiles and ceramic pipes) is the recyclable raw material clay. We place high value on the greatest possible conservation of resources in clay extraction and the expert restoration of former clay mining sites. Since the clay pits are usually located close to our production facilities, transport routes tend to be short.

PREPARATION

After extraction, the clay is prepared through a grinding and milling process. Water, sand and, for some products, pore-forming agents (e.g. sawdust, paper fiber) are then added.

SHAPING

After brief storage in a mud house, the clay is ready for shaping. It is pressed through dies into the desired shape by extruders and then cut into individual bricks or compressed into forms by automatic presses.



DRYING

The cut products are then transported on palettes to the dryer. The drying process removes the moisture from the soft products and prepares them for firing. Depending on the type of the product, the drying period lasts between four and 45 hours. The moisture content drops to below 2% during this time.

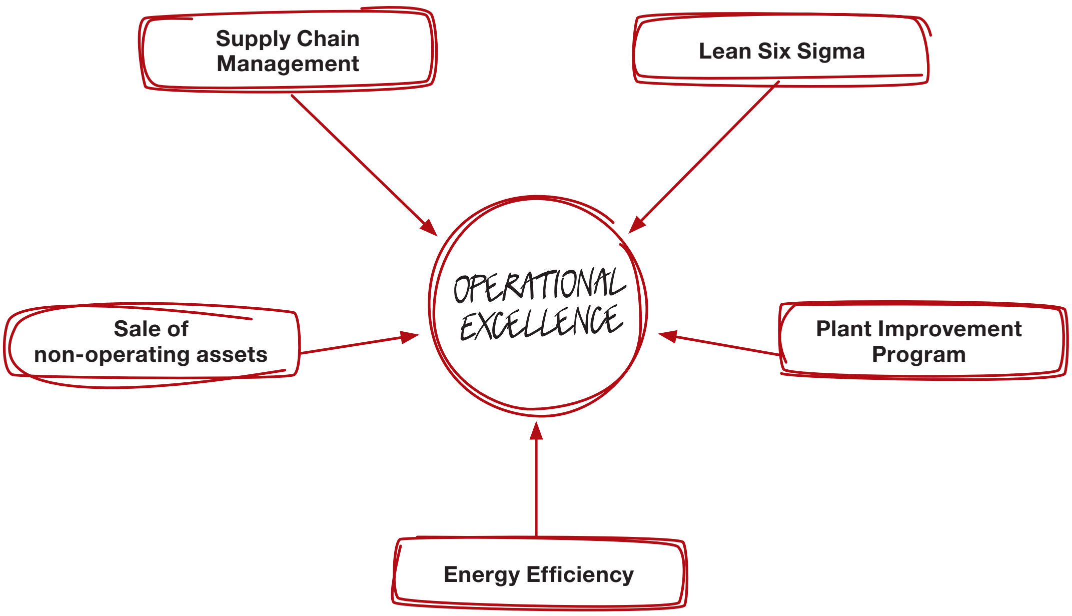
FIRING

After drying the products are transferred to a kiln, where they are fired at a temperature of 800 to 1,200°C over a period of six to 36 hours. Firing gives the products a permanent strength and makes them permanently nonflammable and fire-safe. Our engineers are working continuously to reduce energy consumption in the drying and firing process. For example, the residual heat from the cooling process is recovered and recycled in the drying process.

PACKAGING AND DELIVERY

In packaging our products, we use particularly thin foils. Transport routes to our customers are short because of our regional, decentralized plant network, which also reduces the impact of our business on the environment.

Operational Excellence



Operational excellence is part of the corporate culture

Our commitment to operational excellence is an integral part of our corporate culture. It covers all areas of our company and is illustrated by our efforts to continuously improve our structures and processes. In addition to large-scale projects, we regularly implement smaller measures to improve profitability, strengthen our competitive position, offset cost pressure and ensure the sustainable handling of our resources.

Quality improvement and process optimization through Lean Six Sigma in the plastic pipe business

Lean Six Sigma, an internationally recognized management approach for quality improvement and process optimization, was put into operation throughout our entire plastic pipe business in 2014. The implementation included more than 15,000 training hours for managers, project managers and employees from different corporate functions in 18 countries and 11 languages. The circle of participants is growing continuously, with over 270 employees certified by year-end 2014. These specially trained men and women can direct Sigma Six operational improvement projects and introduce new measures to optimize processes and structures. Various initiatives and projects were also started to increase customer satisfaction and strengthen security and sustainability. In total, more than 180 improvement projects were identified in all areas of the company.

Cost savings and improvements in our plants

The ***Plant Improvement Program (PIP)*** is directed to the realization of sustainable cost savings and the continuous improvement of processes and working conditions in our plants. The focus is on the implementation of uniform, performance-oriented production management standards in our locations by the end of 2016 as well as the implementation of measures to support the continuous improvement of processes and structures. The goals of the program are to:

- Standardize management tools and streamline the organization
- Strengthen managers' qualifications
- Improve working conditions and safety standards
- Optimize technical processes

The structured review and assessment of our plants will be followed by the definition of necessary improvement measures, which will be implemented in close cooperation with the local organizations. Forty-five plants were included in the program at year-end 2014.

Optimization of energy efficiency for sustainable, resource-saving production

We place top priority on sustainable, resource-efficient production. In this connection, we have taken various steps over a number of years to optimize ***energy efficiency*** and reduce CO_2 emissions. Our sustainability management includes a goal to reduce specific energy consumption in ceramic production by 20% until 2020. Since the 2010 reference year, we have reduced energy consumption by 2%-3% annually and have therefore already met half of our goal. We have defined the following as our most important energy efficiency measures:

- Reduction in the breakage rate in production
- Optimization of products and careful selection of raw materials
- Reduction of energy use in the drying and firing process
- Avoidance or recycling of waste heat
- Implementation of innovative process technologies and process-oriented control systems

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Structured sale of non-core assets

The closing of numerous production facilities in recent years has given us a portfolio of ***non-core real estate*** that we are selling in a structured process. This ***sale program*** is managed centrally and implemented locally. Our goal is to generate additional liquidity of up to € 100 million between 2012 and 2016. We have sold properties with a market value of nearly € 37 million since the start of the program and expect to realize a further € 63 million of sale proceeds by the end of 2016.

SCM ensures optimal inventory levels and high delivery reliability

The primary focal points of ***Supply Chain Management (SCM)*** in our European brick business are the process-oriented integration of portfolio management, forecast and inventory modeling and production planning. Our goal is a lean portfolio with optimal inventory levels and high supply reliability. The success of our efforts speaks for itself:

- SCM has reached an implementation level of 90% after three years
- The portfolio and inventories have been reduced by more than 20% and 8%, respectively
- The delivery standard is now over 95%

Plans call for an SCM implementation level of 95% in 2015, with full operational effectiveness.

Sustainability at Wienerberger

Wienerberger Principles of Sustainability

Sustainable management at Wienerberger

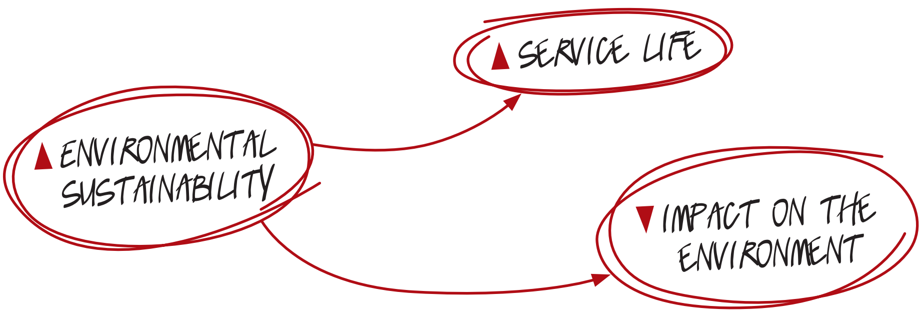
Sustainability at Wienerberger is anchored in the corporate strategy and represents an integral part of the corporate culture. This is reflected in all stages of the value creation process.

Sustainability management is anchored in the organization

In recent years our approach to sustainability management has become substantially more professional and more firmly anchored in the company. Responsibilities for sustainability have also been clearly defined. In addition to a Group-wide sustainability officer and a sustainability officer for each business unit, each of our country organizations has designated a person who is responsible for sustainability and the implementation of the related measures. Additional information on the institutionalization of sustainability management at Wienerberger is provided in the management report on page 110.

Sustainability strategy focused on products and system solutions

Our products and system solutions form the focal point of our sustainability strategy. Wienerberger produces and sells a wide variety of building material products and solutions that are used for very different applications. One of our most important goals is to create added value for our customers through our products with their long service life, technical properties, low impact on the environment over the entire lifecycle and economy. In general, we see sustainability as a function between the service life of a product and its impact on the environment during production, transport, installation, use and disposal:



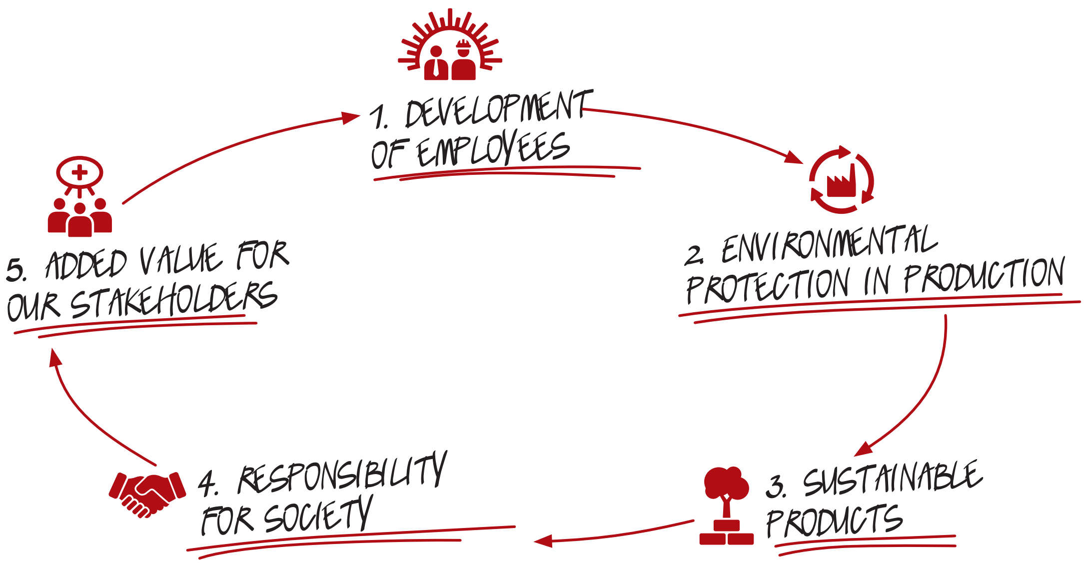
Environmental sustainability

The environmental sustainability of a product increases with its service life. Increasing the service life of a product reduces the use of resources and the effects on the environment over the entire lifecycle. In this same way, a reduction in the use of resources based on a constant lifecycle makes products more sustainable.

The Sustainable Management Cycle

At Wienerberger, sustainability is embedded in all stages of the value creation process. We see sustainability as an integrated process that creates lasting value for all our stakeholders.

Sustainability is an integrated process



Sustainability begins with our ***employees***. We place high value on their safety, health, advancement and development because our success is based on the commitment of a workforce that believes in sustainability and acts as entrepreneurs. Our focus for ***production*** lies on the conservation of resources and the recycling of materials. We produce innovative, long-lasting ***products and system solutions*** for residential construction and infrastructure that create sustainable value. Our ***commitment to society*** is demonstrated through measures that are specifically related to our business activities. In accordance with our donation guideline, we provide in-kind support for the needy with our products and also give young people an opportunity for training in sustainable construction. Our entrepreneurial actions are designed to create sustainable added value for all our ***stakeholders***, which completes the cycle.

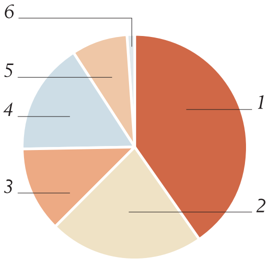
The sustainable management cycle

Sustainability report as part of a continuous process

Additional information on sustainability management at Wienerberger is provided in our 2013 sustainability update and on our website. A comprehensive sustainability report, including sustainability indicators for 2014, will be published in June 2015.

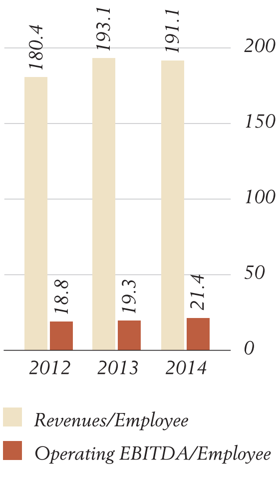
Employees

Employees by Segment



1 Clay Building Materials Western Europe 40%
2 Clay Building Materials Eastern Europe 22%
3 Pipes & Pavers Western Europe 12%
4 Pipes & Pavers Eastern Europe 16%
5 North America 8%
6 Holding & Others 1%

Development of Productivity
in TEUR



The average number of employees in the Wienerberger Group rose by 8% to 14,836 in 2014, above all due to the purchase of the remaining shares in the Tondach Gleinstätten Group during July. Revenues per employee rose by 1% to € 191,100 for the reporting year, but operating EBITDA per employee increased by an impressive 11% to approx. € 21,400 (2013: € 19,300).

Human Resources at Wienerberger

Our employees are the basis for our success and a key factor for the successful development of our company. We have therefore identified three focal points for the Group-wide support and advancement of these men and women: workplace safety, specially designed training concepts (Wienerberger Academy) and effective succession management. The appointment of the right people to key strategic positions and structured succession planning are two important factors for the protection of our competitive position. Strategic personnel issues that affect the entire Group are managed centrally by Corporate Human Resources, while local personnel issues and the related decisions are the responsibility of the country organizations. Binding standards for employee-related activities in the Wienerberger Group were also defined by Corporate Human Resources together with Group management and the local HR officers.

Health & Safety Initiative

The Health & Safety Initiative that was launched in 2010 represents an important part of our responsibility toward our employees. This program includes the definition and implementation of safety standards and measures to improve processes and structures and thereby increase the awareness for occupational safety. Substantial investments were also made and training programs and other activities implemented to improve workplace safety.

Training

Specially designed training and development programs form an important part of successful personnel development and employee advancement. In order to efficiently use our resources and know-how, we are increasing our concentration on Group-wide networks, the creation of synergies and international knowledge transfer. We also accompany high potentials on their way to management positions with individual mentoring programs.

In our ceramic business, we have created a permanent facility for various technical disciplines with the Wienerberger Engineering Academy to protect our competitive advantage in production over the long-term. The academy offers a variety of modules and programs (basic courses, the Engineering Academy Advanced and a training program for plant managers) on subjects that include plant and process optimization as well as energy and cost efficiency.

Wienerberger has also developed a special training program for the future talents identified through a structured assessment processes, which prepares the participants for key positions in the company. The Ready4Excellence program covers four modules that address skills and specialized knowhow on project communications, performance indicators, process and conflict management, product lines and intercultural competence. The participants are supported by members of Wienerberger management and external trainers in their personal and professional growth. Two Ready4Excellence programs with a total of 51 participants from 18 countries started in 2014. The graduates of the first program were invited to an alumni meeting in 2014, which focused on leadership, motivation and stress management. In this connection, they also helped to build a house for a needy family in Sofia as part of our cooperation with the international non-profit organization "Habitat for Humanity".

Ready4Excellence program to prepare future talents for key positions

Succession management and corporate culture

In order to ensure continuity in positions that are critical for Wienerberger's success, we improved the processes for structured and systematic succession management and further professionalized our succession planning in 2014. The first step involved the designation of key positions in all business units and the preparation of succession concepts. We also identified internal talents and high-potentials who will be gradually developed over the coming years as successors for these key positions through specially designed training programs. This process will protect our ability to fill key management positions at the right time with the right people. Another important element of succession management is personal assessment, which supports the focused development of our future talents. The Group-wide introduction of personality analyses with subsequent follow-up measures like team workshops, 360° feedback and coaching encourages self-examination by our managers and strengthens the feedback culture that is crucial for improving our company's performance.

Structured and systematic succession management

The corporate culture also plays a central role in the development of the Wienerberger Group. We worked intensively with and on our values at all levels of the company in 2014 to create an even greater awareness for the importance of our corporate culture. The Wienerberger values – quality, passion, customer orientation, expertise, integrity and respect, entrepreneurship, responsibility – are further anchored in the Group through platforms such as training courses and management meetings.

Active corporate culture in the Wienerberger Group

Long-term remuneration model

Wienerberger places high value on the sustainable development of the company. Consequently, the remuneration system for our top and senior management is based on the attainment of short-, medium- and long-term corporate goals. This is designed to focus the actions of managers more closely on the value-oriented viewpoint of shareholders and to strengthen their identification with corporate planning and goals. Additional information on the Wienerberger Group's remuneration system can be found on page 69.

Remuneration system focused on sustainable development of the company

Procurement

Strategic procurement departments help to realize synergies

Business activities in 30 countries and the decentralized structure of the Wienerberger Group create a wide range of challenges for the strategic procurement departments in our divisions. Our goals in this area are to identify synergies in close cooperation with the local business units and to realize these synergies through coordinated actions on procurement markets. In addition to our established lead buyer system for international procurement groups, our central procurement departments concentrate on continuous optimization to increase the efficiency and expand the range of local procurement activities. We launched a new program in 2014 to strengthen local procurement, above all in the areas of maintenance, freight and services. Tenders were also extended to cover several business units to realize additional synergy effects.

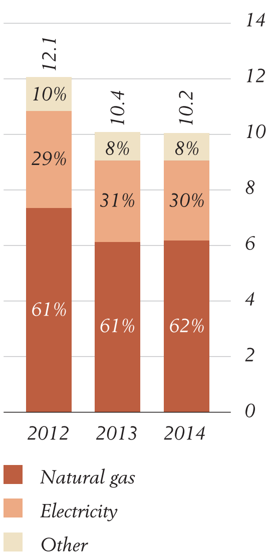
Clay supplies secured over the long-term

Our most important raw material for the production of ceramic products is clay. The strategy pursued by the Wienerberger Group is designed to ensure sufficient clay supplies over the long-term. Roughly two-thirds of required clay reserves are owned by the Group, and the rest are safeguarded through long-term mining contracts.

Strict price management for plastic pipes

In the plastic pipe business, our most important raw materials include PVC, PP and PE. These granulate prices are subject to high volatility because of their close connection with the price of crude oil. Hedging is not a common industry practice in this area because the price fluctuations are frequently short-term. However, the development of raw material prices is monitored continuously by a central procurement department and the results are reported to top management. Another focal point is the strict management of selling prices for our products.

Energy Costs
as a % of revenues



Energy is another key input factor. The strategic procurement of energy is centralized in the Clay Building Materials Europe Division because of its importance. Decisions to set volumes and prices are made centrally in close coordination with the country organizations and Wienerberger risk management. Our strategy for the non-regulated energy markets is as follows: 75% of energy demand is hedged for the next six months, 50% for the next 12 months and 25% for the next 24 months. This hedging is based on a rolling planning process, and prices for part of the required energy volumes are established for up to three years in advance depending on market trends. The goals of this process are to improve cost planning and limit price fluctuations. In accordance with this strategy, we have already hedged part of the natural gas and electricity requirements for 2015.

Energy costs for the Group rose by 4% to € 288.5 million in 2014 due to the initial consolidation of Tondach Gleinstätten. Despite the takeover of this energy-intensive clay roof tile producer, we reduced energy costs as a percentage of revenues from 10.4% in 2013 to 10.2% for the reporting year through the implementation of various optimization measures. Group expenses for energy can be classified into 62% for natural gas, 30% for electricity and 8% for other energy sources. Based on the hedged volume, we expect stable price development for our energy costs in 2015.

Investor Relations

Professional investor relations guarantee high transparency

Professional investor relations have had a high priority at Wienerberger for many years. This function reports directly to the Chief Financial Officer, but its work is also closely integrated with the Chief Executive Officer. The primary goal of our investor relations activities is to establish and maintain open and active communications with Wienerberger investors and shareholders to ensure the best possible transparency.

Regular and extensive contacts with investors throughout the world

Wienerberger also held numerous road shows and participated in investor conferences throughout Europe and the USA during 2014. The Managing Board and the Investor Relations team met roughly 700 investors and analysts personally during the past year, and discussed the company as well as its development and strategy in conference calls and video conferences. The Capital Markets Day in Brussels during September also gave management an opportunity to provide the nearly 50 international participants with detailed insight into the Wienerberger Group and its activities in Belgium. The presentation slides from this event can be found on our website.

Extensive information on the Wienerberger website

The Wienerberger website represents an important communications medium and provides a wide range of information on the company. Included here are online versions of the annual and interim reports, press releases and ad-hoc announcements, a financial calendar, current presentations, live webcasts of the Annual General Meeting, press conferences and conference calls (and recordings) and analysts' earnings estimates. A free app for iPad-users makes it possible to download the annual report, quarterly reports and the sustainability report.

National and international rankings confirm the high quality of Wienerberger's communications

Wienerberger's commitment to maximum transparency and quality in reporting was also confirmed by numerous national and international awards in 2014. Wienerberger was recognized by trend magazine at the Austrian Annual Reporting Award as the winner for "editorial design and text" and placed second in the overall ranking. At the international ARC Awards, Wienerberger received a Gold Award in the category "Illustrations". The national Austrian Public Reporting Award ranked Wienerberger second for "Best of Content Plus". In the "Annual Report on Annual Reports" – one of the most challenging international rankings – an independent expert jury rated Wienerberger's 2013 annual report 24th among 400 submitted reports. This again represents the highest ranking by an Austrian company.

Wienerberger is currently covered by 14 analysts

The coverage of our company by a large number of well-known Austrian and international investment banks maintains the visibility of the Wienerberger share in the financial community. As of March 2015, Wienerberger was covered by 14 analysts. The following brokers publish regular reports on Wienerberger and its stock (in alphabetical order): Baader Bank (Munich), Berenberg Bank (London), Citigroup (London), Davy Securities (Dublin), Deutsche Bank (Vienna), Erste Group (Vienna), Exane BNP Paribas (London), Goldman Sachs (London), HSBC Trinkhaus (Düsseldorf), Jefferies International (London), Kepler Capital Markets (Vienna), Main First Bank AG (Frankfurt), Raiffeisen Centrobank (Vienna) and UBS (London).

CORPORATE GOVERNANCE REPORT

Corporate Governance at Wienerberger

Implementation of strict principles for good management and transparency

For many years Wienerberger has followed a strategy that is designed to maximize cash flows in order to create and maintain a sustainable increase in shareholder value. Strict principles of good management and transparency as well as the continuous development of an efficient control system form the basis for meeting this goal.

Compliance code to prevent insider trading and code of conduct for lobbying activities

We give the highest priority to providing all shareholders with the same comprehensive information. To prevent insider trading, we have released a compliance guideline that implements the provisions of the Issuer Compliance Code published by the Austrian Financial Market Authority. A compliance officer and his deputy monitor the observance of these rules. A code of conduct based on the Austrian Lobbying Act covers all corporate bodies and the employees of Austrian companies in which Wienerberger AG holds a controlling interest. This code defines the principles for lobbying activities and can be reviewed on the Wienerberger website (www.wienerberger.com).

Voluntary observance of Austrian Corporate Governance Code

The Austrian Corporate Governance Code (see www.corporate-governance.at) was enacted in October 2002 and last adapted as of January 1, 2015 to reflect recommendations for the structure of the corporate governance report. Guidelines were also added for the explanation of and reasoning for any deviations from the code rules. The foundation of the code is formed by Austrian stock corporation, stock exchange and capital market law as well as the recommendations of the European Commission on the duties of the supervisory board and the remuneration of directors and the OECD guidelines for corporate governance. The code provides a framework for corporate management and control. Its guiding principles are intended to strengthen the confidence of investors in the company and in Austria as a financial marketplace, and include equal treatment for all shareholders, transparency, the independence of the supervisory board, open communication between the managing board and supervisory board, the avoidance of conflicts of interest by bodies of the corporation and efficient control by the supervisory board and auditor. The code exceeds legal requirements, and compliance is voluntary. Observance of the code also means that the failure to meet C-Rules ("comply or explain") must be explained and disclosed. Wienerberger was one of the first companies to announce its support for the Austrian Corporate Governance Code and to commit to compliance with its rules. Wienerberger met all rules and recommendations of the code during the reporting year.

Evaluation and confirmation of compliance by KPMG and the Audit Committee

The implementation and correctness of our public announcements is evaluated by the auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Wien, in connection with their review of the corporate governance report; the auditor's report on this evaluation is published on our website. The last auditor's review of the corporate governance report covered the 2014 financial year and did not lead to any objections over the compliance of our public declarations with the code. Compliance with the provisions of the code that relate to the auditor was evaluated by the Audit Committee, which reported to the Supervisory Board that no deviations from the rules of the code were identified in 2014.

Disclosure of auditor's fees

The 145th Annual General Meeting nominated KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Wien, to audit the 2014 consolidated financial statements and the annual financial statements of Wienerberger AG. In addition to this function, KPMG also provides tax and financial consulting services for the Wienerberger Group through its global network of partner offices. Consulting fees charged by KPMG, excluding the audit of financial statements, totaled € 0.7 million for the entire Group in 2014 (2013: € 0.5 million). The fees for the audit of the Wienerberger Group and related services amounted to € 1.8 million (2013: € 1.8 million).

Internal audit function further improves risk management

In order to strengthen risk management, Wienerberger has installed an internal audit department. The Managing Board and internal audit department regularly evaluate operating processes to strengthen risk management and identify opportunities for improvement, and also monitor compliance with legal regulations, internal guidelines and procedures. These activities are based on an audit plan coordinated with the Audit Committee and approved by the Managing Board as well as a Group-wide risk assessment of corporate activities. In recent years the internal control system (ICS) was extended to support the early identification and management of risks and various measures were implemented and reviewed (see pages 115 and 116). Internal audit regularly reports to the Managing Board and the Audit Committee on the audit findings and the internal audit plan for the following year. A management letter prepared by the auditor and a report by this firm on the efficiency of risk management in the Wienerberger Group were presented to the chairwoman of the Supervisory Board and discussed by the entire Supervisory Board.

"One share – one vote" applies in full

Wienerberger AG has issued 117.5 million common shares. There are no preferred shares or limitations on common shares, and the principle "one share – one vote" therefore applies in full. In accordance with the Austrian Corporate Takeover Act, each shareholder will receive the same price for his Wienerberger shares in the event of a mandatory offer. Wienerberger AG has no core shareholder. The company's shareholder structure is described on pages 112 and 113.

Disclosures required by § 243a Commercial Code, including change of control clauses

The disclosures required by § 243a of the Austrian Commercial Code can be found in the following chapters: the composition of Wienerberger capital, types of shares, limitations and rights as well as the authorization of the Managing Board to issue or buy back shares are discussed in the notes under point 24 ("Capital and reserves") beginning on page 154 and in the Management Report in the chapter Wienerberger Shares and Shareholders beginning on page 111. Furthermore, the chapter Wienerberger Shares and Shareholders contains information on direct and indirect investments in Wienerberger capital. The Remuneration Report (pages 69 to 73) explains the principles of remuneration policy, provides detailed information on the long-term incentive (LTI) program, and shows the compensation paid to each member of the Wienerberger Managing and Supervisory Boards as well as an overview of the shares held by these persons. Current updates on the purchase and sale of Wienerberger shares by members of the Managing or Supervisory Board are disclosed on the company's website under Directors' Dealings. Change of control clauses are included in the employment contracts with the members of the Managing Board, the terms of the corporate and hybrid bonds, and the syndicated loans and other loans.

Supervisory Board rules of procedure reflect the provisions of the code

In keeping with the spirit of the code, the members of the Managing Board and Supervisory Board, in particular through their chairmen, regularly confer on the development and strategy of the company above and beyond discussions conducted during the scheduled meetings of the Supervisory Board. The ***Supervisory Board*** is responsible for decisions involving issues of fundamental importance or the strategic direction of the Wienerberger Group. The duties of the Supervisory Board include: appointing and dismissing the members of the Managing Board, preparing nominations to the Supervisory Board for voting by the annual general meeting, approving the annual financial statements and reporting to the annual general meeting on the annual financial statements. The Supervisory Board also approves the acquisition or sale of real estate and investments as well as capital expenditure projects over € 30 million and authorizes the establishment or discontinuation of areas of business or major changes in the company's products and services. Depending on the significance and technical focus, the Supervisory Board also exercises its consulting and control activities through the following four committees: the ***Presidium,*** the ***Strategy Committee,*** the ***Audit Committee*** and the ***Personnel and Nominating Committee / Remuneration Committee***. The rules of procedure for the Supervisory Board are available for review on our website.

Duties and responsibilities of the Supervisory Board committees

The ***Presidium*** represents the company on all legal transactions with the members of the Managing Board. It decides on issues involving the relationship between the company and the members of the Managing Board unless the full Supervisory Board or the Personnel and Nominating Committee is responsible. In accordance with the rules of procedure for the Supervisory Board, the Presidium consists of the chairwoman and the vice-chairmen of the Supervisory Board.

The ***Strategy Committee*** evaluates the company's strategy and development and prepares strategic issues for voting by the Supervisory Board. It is also authorized to approve transactions and measures that do not require the approval of the full Supervisory Board – in particular capital expenditures, acquisitions and the sale of property between € 7.5 and 30 million – and also makes decisions in urgent cases. Peter Johnson, who has many years of experience in the building materials sector, is the chairman of the Strategy Committee.

The ***Audit Committee*** is responsible for all issues related to the annual financial statements, the audit of the Group and accounting, in preparation for the Supervisory Board. In addition, this committee monitors the effectiveness of the internal control, audit and risk management systems and evaluates the independence of the auditor and its qualifications as verified by a peer review. Harald Nograsek, a financial expert, serves as the chairman of the Audit Committee.

The ***Personnel and Nominating Committee*** is responsible for preparing nominations to the Managing and Supervisory Boards. It recommends nominations to the Supervisory Board, which are subsequently voted on by the Annual General Meeting. The Personnel and Nominating Committee establishes a description of the required qualifications prior to the nomination of persons to the Managing Board or Supervisory Board, and prepares decisions for the Supervisory Board based on a defined selection procedure and succession planning. In its function as a ***Remuneration Committee***, the Personnel and Nominating Committee deals with the remuneration of the Managing Board members and the content of their employment contracts. Karl Fink, who has many years of experience in various managing and supervisory board positions in the insurance industry, is the chairman of the Personnel and Nominating / Remuneration Committee.

Employee participation on Supervisory Board

The participation of Wienerberger employees on the Supervisory Board and its committees through their elected representatives forms a legally regulated part of the Austrian corporate governance system. The Austrian Labor Relations Act entitles employees to delegate one member from among their ranks to the supervisory board of a corporation and its committees for every two members elected by the annual general meeting (shareholder representatives).

Criteria for the independence of Supervisory Board members

The Austrian Corporate Governance Code requires the majority of shareholder representatives on a supervisory board to be independent. A supervisory board member is considered to be independent when he or she has no business or personal relationships with the company or its managing board that may lead to a material conflict of interest and subsequently influence his or her behavior. In accordance with this guideline and Appendix 1 of the Austrian Corporate Governance Code (in the version dated January 2015), the Supervisory Board of Wienerberger AG defined six criteria for the independence of its members. A member of the Supervisory Board is considered to be independent when he or she:

– did not serve as a member of the Managing Board or key employee of Wienerberger AG or a Wienerberger Group company during the past five years;
– has no business relations with Wienerberger AG or a Wienerberger Group company of a scope considered material for that member, and had no such relations in the previous year (the same also applies to business relations with a company in which the Supervisory Board member holds a significant personal economic interest);
– did not work on the audit of Wienerberger AG and was not employed by and did not hold an investment in the public accounting firm that performed the audit during the past three years;
– did not serve on the managing board of another company in which a member of the Wienerberger Managing Board serves on the supervisory board;
– has not served on the Wienerberger Supervisory Board for more than 15 years; and – is not closely related to a member of the Wienerberger Managing Board or to a person in one of the above-mentioned positions.

The criteria for independence are published in detail on the Wienerberger website. The Supervisory Board of Wienerberger AG had seven shareholder representatives as of December 31, 2014 who reconfirmed their independence in accordance with the above criteria at the beginning of 2015. None of the shareholder representatives holds an investment of more than 10% in Wienerberger AG or represents the interests of such a shareholder.

Related party transactions

No loans were granted to a member of the Supervisory Board or Managing Board. Business transactions with companies in which a member of the Supervisory Board of Wienerberger AG is active are carried out at arm's length. Information on related party transactions is provided in the notes on page 188.

Members and Committees of the Supervisory Board

7 shareholder representatives

Regina Prehofer

Chairwoman — *independent, born 1956, appointed to 146th AGM (2015), first elected: May 13, 2011*

Position and board membership: Vice-Rector for Financial Affairs and Infrastructure at the Vienna University of Economics and Business, Second Vice-Chairwoman of the Supervisory Board of AT&S Austria Technologie & Systemtechnik AG, member of the Supervisory Boards of SPAR Holding AG and SPAR Österreichische Warenhandels-AG, BAUMAX Anteilsverwaltungs AG, bauMAX AG and 6B47 Real Estate Investors AG

Previous positions: 1974-1980 Studies in business and law in Vienna, 1981-2010 Career in the Austrian banking industry; among other positions, member of the Managing Board of Bank Austria Creditanstalt AG from 2003-2008 and member of the Managing Board of BAWAG P.S.K. from 2008-2010

Karl Fink

Vice-Chairman — *independent, born 1945, appointed to 146th AGM (2015), first elected: April 27, 2006*

Position and board membership: Member of the Managing Board of Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group with supervisory board functions in the Czech Republic, Slovakia and Austria, Chairman of the Supervisory Board of VIG Re zajistovna, Prague, member of the Supervisory Board of AT&S Austria Technologie & Systemtechnik AG

Previous positions: 1965-1971 Studies at the University of International Trade in Vienna, 1971-1975 Marubeni Corporations, since 1975 career in the Austrian insurance industry; among other positions, General Director of Vienna Insurance Group AG from 2007-2009

Peter Johnson

Vice-Chairman — *independent, born 1947, appointed to 148th AGM (2017), first elected: May 12, 2005*

Position and board membership: Chairman of the Board of Directors of Electrocomponents PLC

Previous positions: 1965-1970 Studies in Economics at Oxford University,
1970-1973 Unilever PLC, 1973-1996 various senior positions at Redland PLC; among others, director responsible for the brick and roof tile business from 1988-1996, 1996-2000 CEO of Rugby Group plc, 2000-2006 CEO of George Wimpey plc, 2007-2012 Chairman of the Board of Directors of DS Smith Plc

Franz Josef Haslberger — *independent, born 1954, appointed to the 149th AGM (2018), first elected: May 16, 2014*

Position and board membership: Member of the Board of Directors of FIXIT Trockenmörtel Holding AG, member of the Supervisory Board of RÖFIX AG and Bank für Tirol und Vorarlberg Aktiengesellschaft

Previous positions: 1972-1978 Apprenticeship as logistics manager at Kühne & Nagel in Munich and training at the Academy for Foreign Trade and Business in Bremen,
1975 Entry into the family business, management of HASIT Trockenmörtel GmbH, development of the FIXIT Group

Christian Jourquin — *independent, born 1948, appointed to the 149th AGM (2018), first elected: May 16, 2014*

Position and board membership: Honorary Chairman of the Executive Committee of SOLVAY S.A., member of the Supervisory Board of Louis Delhaize, ING Belgium, Domo chemicals and Atlas/Azelis, chairman or member of the board of several non-profit organizations

Previous positions: 1966-1971 Studies in Commercial Engineering in Brussels, 1992 International Senior Management Program at Harvard Business School, 1971-2012 Various senior positions at Solvay S.A.; among others, CEO and Chairman of the Executive Committee from 2006-2012

Harald Nograsek	*independent, born 1958, appointed to the 146th AGM (2015), first elected: May 8, 2002*
Position and board membership	Chief Executive Officer of Österreichisches Verkehrsbüro AG, Chairman of the Supervisory Board of DDSG – Blue Danube Schifffahrt GmbH, member of the Supervisory Board of Motel One Austria GmbH
Previous positions	1979-1984 Studies in International Management in Vienna, 1984-1985 Assistant to the Managing Board at PAN-Records, 1985-1986 Credit auditing at BAWAG, 1986-1987 Freelance journalist for „Informationsdienst für Entwicklungspolitik“ in South America, 1987-2004 various positions in the Austrian banking industry

Wilhelm Rasinger	*independent, born 1948, appointed to 146th AGM (2015), first elected: April 27, 2006*
Position and board membership	Chairman of IVA – Interessenverband für Anleger, member of the Supervisory Boards of Erste Group Bank AG, S IMMO AG, Haberkorn Holding AG and Gebrueder Ulmer Holding GmbH, Chairman of the Supervisory Board of Friedrichshof Wohnungsgenossenschaft reg. Gen. m.b.H., Chairman of the Foundation HATEC Privatstiftung Dornbirn
Previous positions	1972-1976 Graduate degree and doctorate in Business Economics in Vienna, 1972-1977 Project manager at Hernstein Institut für Management und Leadership, 1977-1983 Consultant, 1982-2007 University lecturer at Vienna University of Technology (honorary professor), 1983-1993 Managerial position in the insurance industry (internal audit, asset management), since 1999 Lecturer at the Technical College in Krems

3 employee representatives

Claudia Schiroky	*delegated for the first time: July 2, 2002* Chairwoman of the Employees’ Council and the Central Employees’ Council of Wienerberger AG, Vice-Chairwoman of the Group Employees’ Council
Gerhard Seban	*delegated for the first time: February 3, 2006* Chairman of the Employees’ Council at the Hennersdorf plant in Austria, Chairman of the Central Employees’ Council of the Wienerberger Ziegelindustrie GmbH, of the Group Employees’ Council and the European Employees’ Council of Wienerberger AG
Gernot Weber	*delegated for the first time: May 16, 2014* Electrician and Chairman of the Employees’ Council at the Goellersdorf plant in Austria, Vice-Chairman of the Central Employees’ Council of Wienerberger Ziegelindustrie GmbH, member of the Employees’ Council of Wienerberger AG

4 committees

Presidium	Regina Prehofer (Chairwoman), Karl Fink, Peter Johnson
Strategy Committee	Peter Johnson (Chairman), Regina Prehofer, Franz Josef Haslberger, Christian Jourquin, Gerhard Seban
Audit Committee	Harald Nograsek (Chairman), Wilhelm Rasinger, Christian Jourquin, Gerhard Seban
Personnel and Nominating Committee/ Remuneration Committee	Karl Fink (Chairman), Regina Prehofer, Peter Johnson, Gerhard Seban

Organization

CEO

Heimo Scheuch

Heimo Scheuch is responsible for the strategic and operating development of the Wienerberger Group. The following Corporate Services report directly to him:

- Corporate Communications:
  Karin Steinbichler
- Corporate Sustainability/European Affairs:
  Gerhard Koch
- Corporate Development:
  Judith Ableitinger
- Corporate Human Resources:
  Wolfgang Weiss

CFO

Willy Van Riet

Willy van Riet is responsible primarily for financial matters. The following Corporate Services report directly to him:

- Corporate Reporting:
  Stefan Huber
- Corporate Treasury:
  Stefan Huber
- Corporate IT Architecture & Organisation:
  Hans Ebner
- Corporate SAP Business Applications:
  Ernst Tschach
- Corporate Investor Relations:
  Klaus Ofner
- Corporate Legal Services:
  Bernd Braunstein
- Corporate Internal Audit:
  Gerald Ettmann

Clay Building Materials Europe

Clay Blocks
Facing Bricks
Roof Tiles

Segments

Clay Building Materials Western Europe

Belgium
Denmark
Germany
Estonia
Finland
France
Great Britain
Italy
Netherlands
Norway
Sweden
Switzerland

Clay Building Materials Eastern Europe

Bosnia and Herzegovina
Bulgaria
Croatia
Macedonia
Austria
Poland
Romania
Russia
Serbia
Slovakia
Slovenia
Czech Republic
Ukraine
Hungary

50% Investment:
Schlagmann

Pipes & Pavers Europe

Plastic Pipes
Ceramic Pipes
Concrete Pavers

Segments

Pipes & Pavers Western Europe

Belgium
Germany
Estonia
Finland
France
Great Britain
Ireland
Netherlands
Norway
Sweden

Pipes & Pavers Eastern Europe

Bulgaria
Greece
Croatia
Austria
Poland
Romania
Russia
Slovakia
Slovenia
Czech Republic
Turkey
Hungary

North America

Facing Bricks
Plastic Pipes
Concrete Products

Canada
USA

Holding & Others

Clay Blocks

India

Managing Board and Management

Heimo Scheuch

Chief Executive Officer, *appointed up to April 1, 2018, born 1966, married*

After the completion of legal studies at the Universities of Vienna and Paris and studies at the Vienna University of Economics and Business Administration and École Supérieure de Commerce de Paris, he began his career with the legal firm Shook, Hardy & Bacon in Milan and London as a corporate finance specialist. In 1996 he joined Wienerberger AG as assistant to the Managing Board; in 1997 he transferred to the senior management of Terca Bricks in Belgium, where he became CEO in 1999. Heimo Scheuch was appointed to the Managing Board on May 21, 2001 and appointed Chief Executive Officer of Wienerberger AG by the Supervisory Board on August 1, 2009.

Additional functions: Vice-Chairman of the Supervisory Boards of Wiener Börse AG and CEESEG AG, Vice-President of the European Bricks and Tiles Federation, Cerame-Unie and Construction Products Europe.

Willy Van Riet

Chief Financial Officer, *appointed up to April 1, 2018, born 1957, married, one daughter, one son*

After receiving his Masters Degree in Business Economics from the University of Ghent, he started his career as an auditor and subsequently senior manager with PricewaterhouseCoopers in Belgium. He has been active in the building materials sector since 1993, first as Chief Financial Officer of Terca Brick Industries and later Koramic Building Products. In 2004 he took over the management of Wienerberger Limited in Great Britain. Willy Van Riet has been Chief Financial Officer of Wienerberger AG since April 1, 2007.

Composition of and Workflows in the Managing Board of Wienerberger AG

Wienerberger Managing Board has two members

Wienerberger AG has had a two-member Managing Board since January 2013, with Heimo Scheuch serving as CEO and Willy Van Riet as CFO. Heimo Scheuch is responsible for the strategic and operating development of the Wienerberger Group, while Willy Van Riet is in charge of financial matters.

Joint handling of strategic and operating issues

The foundation for the work of the Managing Board is formed by the joint handling of strategic and operating issues and the continuous exchange of information. The framework for these actions is formed by board meetings that are normally held once each week and through the ongoing exchange of information at the informal level. Frequent contact is also guaranteed by the set up of offices – the rooms for the board members are adjoining and connected by a common secretariat. Transactions that require the consent of the Supervisory Board are discussed in the Managing Board meetings, and the relevant proposals are submitted to the Supervisory Board after approval. The Managing Board passes its resolutions unanimously and follows the dual control principle in signing all contracts. Monthly meetings are held with the operating managers to discuss the development of business, in particular trends in demand, prices and costs as well as capacity utilization. Strategic issues are also discussed at these meetings, with a concentration on the development of markets, products and technologies. Decisions on necessary measures are taken jointly, but implemented locally by the responsible operating managers.

Willy Van Riet, Heimo Scheuch

Corporate management based on extensive reporting system

The management of the company is built on an extensive reporting system. Of special importance is the monthly report, which includes aggregated data for the Group level and detailed facts and figures on the divisions, in particular an income statement by country and product group as well as information on the development of volumes, prices and costs, working capital and capital expenditure. The Managing Board also receives standardized monthly reports on the energy and financial situation as well as the status of product and technology projects. Reports on general market and macroeconomic data in the individual countries and on SHE (Safety, Health & Education) are provided regularly.

Organizational Structure at the First Reporting Level

Organizational structure at first reporting level follows the Group's divisional structure

The organizational structure at the first reporting level was structured in four divisions following the expansion of the core business and reflects internal and external reporting: Clay Building Materials Europe, Pipes & Pavers Europe, North America and Holding & Others. Managing boards in the individual operating units are responsible for operations and the implementation of strategic projects. In the Clay Building Materials Europe Division, the country managers report to the divisional managing board. Wienerberger has also defined three product groups – wall, roof and facade – whose managers report to the divisional managing board. The Pipes & Pavers Europe Division comprises three operating units that report directly to the Wienerberger Managing Board: Pipelife, Steinzeug-Keramo and Semmelrock. The North America Division also reports directly to the Managing Board. In accordance with the responsibilities of the members of the Managing Board, the CEOs in the operating units report to the CEO and the CFOs to the CFO of the Wienerberger Group. The various corporate services in the holding company report to one of the Managing Board members in accordance with the focus of their activities.

Wienerberger Management

Division and business unit managers

DIVISION/BUSINESS UNIT	CEO	CFO
Managing Board	Heimo Scheuch	Willy Van Riet
Clay Building Materials Europe	Christof Domenig	Gerhard Hanke
Pipelife	Niels Rune Solgaard-Nielsen	Marc Vandermensbrugghe
Steinzeug-Keramo	Gernot Schöbitz	Frank Franco
Semmelrock	Robert Holzer	Christian Reingruber
Bricks North America	Charles Smith	To be appointed

Measures to Support Women

Extensive efforts to support women in management positions

The principles of sustainable human resources management at Wienerberger ensure that all employees have the same rights and opportunities. Discrimination is not tolerated in any form. Wienerberger traditionally has a high share of male employees because of its concentration on production. The Managing Board is working closely with Supervisory Board Chairwoman Regina Prehofer to promote the development of and training for women in the company. Special efforts are therefore in progress to increase the number of women, above all in administration and sales as well as mid-level and senior management. The goals for the share of women in these areas are discussed in detail in our sustainability report. By nominating an above-average number of women for our internal training and management development programs, we ensure that suitable female candidates are guided toward senior management positions. We also offer attractive part-time working time models and are developing further measures to make working hours more flexible. For example, we have created the necessary infrastructure to support home office alternatives. Our commitment to a sustainable human resources policy is communicated through increased employer branding on the labor market to address the largest possible group of candidates and to strengthen Wienerberger's positioning.

As one of its goals for succession management, the Supervisory Board has indicated that it will give preferential treatment to women among equally ranked candidates when recommendations are made to the Annual General Meeting for elections to the Supervisory Board. The appointment of a woman to the Managing Board is not feasible at the present time because there are no plans to expand this corporate body.

Remuneration Report

The remuneration report summarizes the principles that are used to determine the remuneration for the Managing and Supervisory Boards of Wienerberger AG, provides details on the amount and structure of payments to these persons and includes data on the number of shares owned by members of the Managing and Supervisory Boards.

Remuneration report explains amount and structure of payments to Managing and Supervisory Boards

Managing Board Remuneration

The goal of the remuneration system is to provide the members of the Managing Board with compensation that reflects their functions and scopes of responsibility and is appropriate in national and international comparison and in line with competitors in the building materials sector. Another important goal is to link the variable component of remuneration to a sustainable increase in the value of the company. Following the reduction in the Managing Board from three to two members at the end of 2012, the terms of office for the remaining members were extended prematurely to April 2018 and the remuneration system was redesigned. The Personnel and Nominating Committee developed the new system in close cooperation with the presidium and the support of an external consultant. In order to ensure the greatest possible goal congruency between shareholders' interests and Managing Board remuneration, the short-term component of variable remuneration is adjusted regularly to reflect the short-term goals defined jointly by the Managing and Supervisory Boards for an increase in shareholder value.

Remuneration system focused on appropriate compensation for Managing Board

Fixed Remuneration

The fixed component of remuneration reflects the scope of responsibility of the Managing Board member and, following common practice in Austria, is divided into fourteen installments and paid at the end of each month. This results in different base salaries that correspond to the specific duties as well as the related strategic and operating responsibilities of the individual board members. In 2014 fixed remuneration totaled € 700,000 for Heimo Scheuch (2013: € 700,000) and € 520,000 for Willy Van Riet (2013: € 520,000). This fixed remuneration equaled 33% of total remuneration for the Managing Board in 2014, compared with 38% in the previous year. Fixed remuneration was set at the 2013 level for the reporting year, but will be adjusted starting in 2015 based on the consumer price index 2010 issued by Statistik Austria or a subsequent index.

Fixed component of salary is based on responsibilities

Fixed Remuneration *in €*	**2013**	**2014**
Heimo Scheuch	700,000	700,000
Willy Van Riet	520,000	520,000
Total	**1,220,000**	**1,220,000**

Variable Remuneration

Variable remuneration is linked to a sustainable increase in shareholder value and consists of a short-term and a long-term component as well as a mid-term component starting in 2015. The remuneration model developed by the Supervisory Board ensures a high degree of transparency by linking the goals to clearly defined earnings and profitability indicators. The structure of the Managing Board incentive system is reviewed each year with regard to its effectiveness in promoting a sustainable increase in shareholder value, and adjustments are made if necessary.

Variable remuneration is linked to a sustainable increase in shareholder value

Short-term Variable Remuneration Component

Short-term variable remuneration is tied to the achievement of short-term corporate goals

The short-term variable remuneration component is tied to the achievement of short-term corporate goals and determined by the Supervisory Board annually for the next financial year. The targets include financial (75%) as well as strategic goals (25%). The financial goals are based equally on EBITDA and free cash flow, whereby upper and lower limits are defined and the target achievement is determined on a linear basis within this range. The short-term variable remuneration will equal 100% of fixed remuneration if the financial and strategic goals are met; the upper limit equals 150% of fixed remuneration. No short-term remuneration is paid if the minimum limit is not reached. If EBITDA does not meet the minimum level, the component that is coupled to the strategic goals is also forfeited. The earned entitlement is paid out in equal parts over two years, whereby at least 70% of the goals for the previous year must be reached in order for the second part to be paid. Under the assumption that the targets for delayed payment will be met, the entitlements to the short-term variable remuneration component in 2014 equal € 723,625 for CEO Heimo Scheuch (2013: € 427,000) and € 537,550 for CFO Willy Van Riet (2013: € 317,200).

Redesign of short-term variable remuneration component beginning in 2015

The short-term variable remuneration component will be redesigned starting in 2015, and the annual goals will be tied solely to financial indicators. Their achievement will be measured on the basis of an EBITDA target and a target for profit after tax (50% for each indicator), both of which will be defined by the Personnel and Nominating Committee in agreement with the annual budget and submitted to the full Supervisory Board for approval. The target achievement will be determined on a linear basis within the designated range, and the over-fulfillment of one target will be offset against the partial fulfilment of the second target if applicable. The maximum entitlement is limited to 100% of annual fixed remuneration and will be paid out in the following period.

Medium-term Variable Remuneration Component

Starting in 2015, the short-term variable remuneration component will be supplemented by a medium-term variable remuneration component for the period from 2015 to 2017. The medium-term target consists of two strategic goals whose achievement will be measured based on financial indicators. The earned entitlement will be determined at the end of the period, is limited to 150% of annual fixed remuneration and will be paid out in the following year. The target achievement will be determined on a linear basis within the designated corridor.

Long-term Variable Remuneration Component

Long-term incentive (LTI) program to synchronize management goals with shareholders' interests

The long-term variable remuneration component is designed as a long-term incentive (LTI) program. In 2010 it replaced the stock option plan that was discontinued in 2009. The LTI program covers the Managing Board and key Group managers. Its goal is to focus the actions of managers more on the value-oriented viewpoint of shareholders and to strengthen their identification with corporate planning and goals. With this LTI program, Wienerberger fully meets the requirements of the Austrian Corporate Governance Code for sustainable, long-term remuneration programs for managing boards and management.

The LTI program is renewed each year and involves the allocation of virtual shares, so-called performance share units (PSUs). A total of 140,000 PSUs were allocated to the Managing Board of Wienerberger AG in 2014 (Heimo Scheuch: 80,000 PSUs, Willy Van Riet: 60,000 PSUs). Special conditions for participation apply to the Managing Board: the CEO must hold at least 80,000 Wienerberger shares and a Managing Board member at least 20,000 shares. The individual shareholdings may not fall below the defined levels during the program's term. The target equals budgeted CFROI for the current financial year, whereby upper and lower limits were also defined. The monetary value of the PSUs is determined at year-end by multiplying the target achievement with the average price of the Wienerberger share during the last 20 ATX trading days in that year. The target achievement is calculated as the difference between the actual CFROI for the respective year and the defined target and is determined on a linear basis within the target corridor. There is no payout if CFROI falls below the target corridor. If the upper limit is exceeded, the payment is capped at 100% of fixed remuneration. Payouts resulting from the target achievement are not made at once, but in three equal installments over a period of two years. The installment payout will be canceled if the CFROI in the respective year falls below the actual CFROI in the year the PSUs were granted. Under the assumption that the targets fordelayed payment will be met, the entitlements to the long-term variable remuneration component in 2014 equal € 700,000 for Heimo Scheuch (2013: € 700,000) and € 520,000 for Willy Van Riet (2013: € 520,000).

LTI program based on share price development and attainment of CFROI targets

Earned Entitlements 2014 and Payments in 2015

2014 the Managing Board earned entitlements for the short-term and long-term variable remuneration totaling € 2,481,175 (2013: € 1,964,200) and payments equal € 1,816,022 (2014: € 778,766).

Remuneration entitlements earned by the Managing Board in 2014: € 2,481,175

Variable		Entitlements [1]			Payout	
Remuneration 2014 *in €*	**Bonus**	**LTI**	**Total**	**Bonus**	**LTI**	**Total**
Heimo Scheuch	723,625	700,000	**1,423,625**	575,313	466,667	**1,041,980**
Willy Van Riet	537,550	520,000	**1,057,550**	427,375	346,667	**774,042**
Total	**1,261,175**	**1,220,000**	**2,481,175**	**1,002,688**	**813,334**	**1,816,022**

1) The above amounts are based on the earned entitlements under the assumption that the targets for delayed payment will be met. The possible payment of variable remuneration based on the attainment of the medium-term strategic targets is not included.

Other Remuneration Components and Agreements

The members of the Managing Board are covered by defined contribution pension agreements that require the company to make a fixed contribution each year. The company has no obligations above and beyond these agreements. Contributions to pension funds (defined contribution commitments) on behalf of the Managing Board amounted to € 511,004 in 2014 (2013: € 502,449). Of this total, € 240,265 are attributable to Heimo Scheuch (2013: € 236,243) and € 270,739 to Willy Van Riet (2013: € 266,206).

Defined contribution pension plans for the Managing Board

Severance compensation for Managing Board reflects legal regulations in Austria

The members of the Managing Board are entitled to severance compensation on the termination of employment in accordance with legal regulations in Austria, which is based on total compensation as well as the length of service with the company. In 2014 expenses of € 298,857 were recognized for additions to the provision for severance compensation (2013: € 181,476). Payments of € 853,694 were made to former members of the Managing Board and their surviving dependents during the reporting year (2013: € 836,318).

Payments limited for premature termination of board contracts following a change of control

The employment contracts with the members of the Managing Board include change of control clauses, which regulate payment obligations in the event a board member is terminated prematurely following a change in the control of the company. The articles of association of Wienerberger AG define a change of control as an increase in a shareholding to over 20% that triggers a mandatory takeover offer to all other shareholders. The change of control clauses limit the total payments in such cases to a maximum of three years' remuneration, depending on the remaining term of the employment contract.

Conclusion of D&O insurance with coverage of € 100 million

Wienerberger has concluded directors and officers insurance with coverage of € 100 million for the members of the Managing Board, operational bodies, control bodies and key employees. This policy also covers damages to the company that arise from the failure of these parties to act conscientiously (without any intentional or conscious violation of their responsibilities). There is no deductible for the insured corporate bodies and employees of the Wienerberger Group.

Other activities require Supervisory Board approval

The members of the Managing Board require the approval of the Supervisory Board before they may enter into any activities outside the scope of their work with Wienerberger. This guarantees that neither the time required nor the related compensation could lead to a conflict with their duties for the company. All outside activities that involve seats on supervisory boards or comparable positions for publicly traded companies are listed on page 66 and also disclosed on the Wienerberger website. No compensation is provided for positions in Group companies.

Supervisory Board Remuneration

Supervisory Board remuneration system remains unchanged since 2011

The remuneration system for the Supervisory Board was approved in 2011 by the 142nd Annual General Meeting: Until further notice, each elected member of the Supervisory Board will receive annual fixed remuneration of € 15,000. The fixed remuneration for the vice-chairmen and chairwoman equals € 22,500 and € 30,000, respectively. For work on a committee, the annual fixed remuneration equals € 7,500 for an ordinary member, € 11,250 for the vice-chairmen and € 15,000 for the chairwoman. The fixed remuneration is limited to one committee membership per person and is paid only once, even if a Supervisory Board member is active on several committees. Each elected member of the Supervisory Board also receives an attendance fee of € 5,000 per meeting day, or € 2,500 for a committee meeting that is not held on the same day as a Supervisory Board meeting. This fee is only paid for meetings actually attended. The fixed remuneration is adjusted on the basis of the Statistik Austria consumer price index for 2005 or a subsequent index. Increases and decreases up to and including 5% will not be compensated, but an adjustment will be made for the full change if this corridor is exceeded. The first index adjustment was made in 2014 and equaled 5.5%. The Supervisory Board remuneration for 2014 (payment in 2015) totaled € 446,641 (2013: € 429,021) and is distributed as follows:

Supervisory Board Remuneration *in €*	2013	2014
Regina Prehofer, Chairwoman	60,000	75,169
Karl Fink, Vice-Chairman	56,250	76,488
Peter Johnson, Vice-Chairman	67,120	65,938
Franz Josef Haslberger 1)	-	41,333
Christian Jourquin 1)	-	38,695
Harald Nograsek	60,000	76,488
Wilhelm Rasinger	65,000	72,531
Friedrich Kadrnoska, Chairman 2)	75,000	-
Christian Dumolin, Vice-Chairman 3)	24,890	-
Claus J. Raidl 3)	20,760	-
Total	**429,021**	**446,641**

1) Member of the Supervisory Board since May 16, 2014
2) Died on December 9, 2013
3) Member of the Supervisory Board up to May 14, 2013

No compensation is paid for services outside the above-mentioned Supervisory Board duties, in particular for consulting or arranging services. The salaries received by the employee representatives as part of their employment contracts represent exceptions to this rule. No pension commitments were made to the members of the Wienerberger Supervisory Board.

No pension commitments or additional compensation for Supervisory Board

Shareholdings

The members of the Managing and Supervisory Boards have voluntarily agreed to disclose their holdings in shares of Wienerberger AG. In accordance with § 48 of the Austrian Stock Exchange Act, the purchase or sale of shares by the members of these boards is reported to the Austrian Financial Market Authority and also disclosed on the Wienerberger website (see "Directors' Dealings"). In 2014 members of the Supervisory Board and Managing Board purchased a total of 33,000 Wienerberger shares; no sales of Wienerberger shares were reported. The number of Wienerberger shares held by the members of the Managing and Supervisory Boards totaled 295,272 at the end of 2014.

Managing and Supervisory Boards voluntarily disclose holdings in Wienerberger shares

Number of shares owned		1.1.2014	Purchase	Sale	31.12.2014
Managing Board	Heimo Scheuch	101,252	20,000	0	121,252
	Willy Van Riet	22,142	10,000	0	32,142
Supervisory Board	Regina Prehofer	0	0	0	0
	Karl Fink	0	0	0	0
	Peter Johnson	0	0	0	0
	Franz Josef Haslberger 1)	-	0	0	97,154
	Christian Jourquin 1)	-	0	0	0
	Harald Nograsek	1,400	0	0	1,400
	Wilhelm Rasinger	40,324	3,000	0	43,324
Total		**165,118**	**33,000**	**0**	**295,272**

1) Member of the Supervisory Board since May 16, 2014

Report of the Supervisory Board

Wienerberger generated a record revenue in 2014

Dear Shareholders,

Wienerberger can look back on a successful year in 2014, when the Group generated record revenues and exceeded its internal EBITDA target. However, impairment charges of € 208 million prevented a return to the profit zone. These non-recurring, non-cash effects were related to our brick business in the USA, Germany, Italy, Russia and smaller peripheral markets as well as the plastic pipe business in France. The Supervisory Board discussed this situation in detail with the Managing Board in a telephone conference on February 16, 2015 and agreed to the adjustment of medium-term planning. The measures to improve earnings in the involved countries were considered to be reasonable and appropriate. The Managing Board will provide the Supervisory Board with regular reports on the success and progress of these measures. Free cash flow for the reporting year was not affected by these non-recurring, non-cash effects. Together with the optimistic outlook on 2015, it forms the basis for our recommendation to the Annual General Meeting to increase the dividend 25% over the previous year to € 0.15 per share.

Focal points in 2014: Group strategy and strategic personnel development

The Supervisory Board and Managing Board held seven meetings during the reporting year, which focused on the company's financial situation and on important events, investments and other measures. Key focal points of this work in 2014 were the strategic positioning of the Group and its most important operating units as well as the evaluation of projects for the further development of the Wienerberger Group and the generation of sustainable growth. In connection with this focus, the Supervisory Board worked closely with the Managing Board on the takeover of the Tondach Group, which represents an important step for the strategic positioning of the Wienerberger Group. The Supervisory Board also dealt with the issues of succession management and strategic human resources development as a means of filling most management positions internally. Measures to support an increase in the share of women in management positions are an important element of human resources policies.

Extensive coordination between Supervisory and Managing Boards

In addition to its advisory functions, the activities of the Supervisory Board focused, above all, on monitoring the legality, propriety and appropriateness of management. The Managing Board provided the Supervisory Board with detailed information at all meetings, and also supplied regular written reports on the business and financial condition of the company and its holdings as well as the personnel situation and planned acquisitions and investments. The committee chairmen and I met regularly with the CEO to discuss Wienerberger's strategy, business development and risk management. The committees examined a range of specialized subjects in detail and reported to the Supervisory Board on the results of these discussions. The responsibilities of the individual committees are described in the chapter "Corporate Governance at Wienerberger" on page 60, and the members of the committees are listed on page 62 and 63. The Personnel and Nominating Committee, which also serves as a Remuneration Committee, met three times during 2014 and the Audit Committee met four times. Strategic issues were regularly discussed at the Supervisory Board meetings and also examined in detail by the Strategy Committee, which met four times. The Presidium, which decides in all matters involving the relationship between the company and the members of the Managing Board, unless the full Supervisory Board or Personnel and Nominating Committee is responsible, received

Supervisory Board of Wienerberger AG (left to right): Wilhelm Rasinger, Peter Johnson, Franz Josef Haslberger, Regina Prehofer, Karl Fink, Harald Nograsek, Christian Jourquin
Supervisory Board visit in Hranice, Czech Republic, November 2014

regular information from the Managing Board on the development of business. Since all relevant Supervisory Board decisions were taken in the plenary sessions, the Presidium did not meet during the reporting year. No member of the Supervisory Board was absent from more than half of the meetings, and all committee meetings registered full attendance.

Audit Committee examines annual financial statements, risk management and internal audit

The Audit Committee consulted the auditor in its meetings on February 20 and March 20, 2014, which covered the examination of the consolidated financial statements for 2013, the annual financial statements of Wienerberger AG, the management reports for the company and the Group, the corporate governance report and the Managing Board's recommendation for the distribution of profit. In order to provide the capital market with timely information, audited results for the 2013 financial year were published in the form of a short report on February 27, 2014. The full annual report was released on March 28, 2014. On February 20, 2014 the Audit Committee discussed a report by the auditor on the status of risk management at Wienerberger. This report concluded that the Group's active risk management system permits the effective identification, evaluation and monitoring of risk factors as well as fast reaction to these risks. At the meeting on March 20, 2014 the auditor submitted a statement that covered the legal relations of the audit firm with the Wienerberger Group and the members of its corporate bodies for 2014. Based on a tender, a recommendation was made to the Supervisory Board on March 27, 2014 for the election of the auditor. Regular subjects dealt with by the Audit Committee included reports on the scheduled work by internal audit, the results of these audits and further steps taken during follow-up audits.

Confirmation of independence by Supervisory Board members

In advance of the first Supervisory Board meeting in February 2014, the members of the Supervisory Board reconfirmed their independence in accordance with the Austrian Corporate Governance Code. The independence criteria defined by the Supervisory Board are summarized on page 61 and disclosed in detail on the Wienerberger website. Discussions at several meetings of the Supervisory Board, among others as part of the annual self-evaluation, also focused on the efficiency of its working procedures, cooperation between the Supervisory Board and its committees, succession planning for this corporate body and opportunities for optimization.

Supervisory Board now has seven shareholder representatives

The 145th Annual General Meeting (AGM) elected two new members to the Supervisory Board, Christian Jourquin and Franz Josef Haslberger, which increased the number of shareholder representatives from five to seven. Both nominations were the result of an intensive candidate search that concentrated on wide-ranging branch expertise and an international orientation as the main selection criteria. I would like to thank these new colleagues for their extremely professional teamwork and valuable contribution to the Supervisory Board. At the Supervisory Board meeting following the 145th AGM on May 16, 2014, I was confirmed as chairwoman and Karl Fink and Peter Johnson as vice-chairmen of the Supervisory Board. Christian Jourquin and Franz Josef Haslberger were appointed to the Strategy Committee in order to optimally use their industrial know-how, and Christian Jourquin also joined the Audit Committee. Karl Fink subsequently resigned from the Strategy Committee. At that same meeting the Supervisory Board followed the AGM authorization and, in accordance with § 270 (1) of the Austrian Commercial Code, formally engaged KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Wien, to audit the financial statements for 2014.

Supervisory Board conference concentrates on strategic focus and evaluation of growth projects

The Supervisory Board held a two-day closed conference on June 5 and 6, 2014, which dealt primarily with the strategic focus and evaluation of growth opportunities for the Wienerberger Group. The CEOs of the operating units in the Pipes & Pavers Europe Division and the CEO of the Clay Building Materials Europe Division reported on their respective market positions, business development and efficiency improvement measures and on the evaluation of growth projects in their areas of responsibility. A detailed examination of the strategy then followed with the Supervisory and Managing Boards. In addition, the focal points for the Group's financing and strategic human resources development were discussed with the heads of corporate services.

Supervisory Board visits Czech Republic

The Supervisory Board meeting on November 6, 2014 took place during a two-day visit to the Czech Republic. This trip gave the Supervisory Board an opportunity for extensive discussions with local management on operating and strategic issues in the Czech country organization as well as tours of the Pipelife plastic pipe plant in Otrokovice, the clay block plant in Jezernice and Tondach Gleinstätten Group's clay roof tile plant in Hranice.

Redesign of the short-term variable remuneration

At the meetings on November 6 and December 10, 2014, the Personnel and Nominating Committee, which also serves as a Remuneration Committee, discussed the variable remuneration for the Managing Board. This variable remuneration is designed to achieve a sustainable increase in shareholder value and consists of a short-term and a long-term component. The remuneration model developed by the Supervisory Board guarantees a high degree of transparency by connecting the goals with clearly defined earnings and profitability targets. The structure of the Managing Board incentive system is also reviewed each year with regard to its effectiveness in promoting a sustainable increase in shareholder value, and adjustments are made if necessary. In close cooperation with the Presidium, the decision was taken to base the short-term variable remuneration solely on financial targets starting in 2015 and to add a medium-term strategic component for the period from 2015 to 2017. Detailed information on the criteria for variable remuneration, the underlying principles for pensions and entitlements at the end of employment is provided in the Remuneration Report (pages 69 to 73).

Auditor's report on annual financial statements for 2014

The annual financial statements and the management report of Wienerberger AG as well as the IFRS consolidated financial statements for 2014 were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Wien; this audit did not give rise to any objections. The Audit Committee discussed the documentation for the annual financial statements, the Managing Board's recommendation for the distribution of profit and the auditor's reports in detail with the auditor and presented this information to the Supervisory Board. The Supervisory Board examined this information as required by § 96 of the Austrian Stock Corporation Act and agreed with the results of the audit. The Supervisory Board approved the annual financial statements, ratifying them in accordance with § 96 (4) of the Austrian Stock Corporation Act, and, after an analysis of the company's financial position, agreed with the Managing Board's recommendation for the use of profit.

Thanks to employees and management

On behalf of the Supervisory Board, I would like to thank the Managing Board, management and all employees for their outstanding dedication during the 2014 financial year. Wienerberger has a strong and diversified industrial base, a healthy capital structure as well as innovative products and system solutions for energy-efficient and sustainable construction and the infrastructure of the future. The strong personal commitment and success-oriented actions of employees as well as their readiness to pursue continuous development places the Wienerberger Group in an excellent position to expand its strong market positions and to generate sustainable growth.

Vienna, March 30, 2015

Regina Prehofer, Chairwoman

The Economy and Capital Markets

Disillusionment over medium-term outlook for global growth

The initial optimism surrounding the global economy was diminished by actual developments in 2014. Hopes of accelerated growth were frustrated by reserved investment behavior on the part of consumers, businesses and the public sector as well as geopolitical tensions, distortions on the foreign exchange and raw material markets and renewed fears of deflation in the euro zone. These developments led to a downward revision in the forecasts for short- and medium-term global growth, with the exception of improved expectations for the US economy.

US economy continues to gain speed

In contrast to the leading euro zone economies, the USA generated significantly higher growth of 2.4% in 2014. The US economy followed a weather-related decline in the first three months with annualized growth rates of 2.6% to 5.0% in the subsequent quarters. This stronger development brought about a decline in the unemployment rate to 5.6% at year-end, the lowest level since June 2008 and very close to the 5.2% to 5.5% level defined by the US Federal Reserve (FED) for natural unemployment. The regular communications by the FED also made repeated reference to the significant improvement in the labor market and the economy in general. This increasingly positive outlook led the FED to terminate its quantitative easing program in October 2014 after a series of gradual reductions and marked the end of the expansive monetary policy. Since key interest rates have been held near zero since December 2008, market participants are now expecting a cycle of interest rate hikes beginning in mid-2015. The International Monetary Fund (IMF) is forecasting growth of 3.6% for the US economy in the coming year.

End of recession in euro zone

The decisive issues for Europe in 2014 were the continued sluggish economy, the sovereign debt crisis in Greece and the measures implemented by the European Central Bank (ECB). Economic development stagnated at quarterly growth rates of 0.1% to 0.3% and, at a constant level under 1%, the core inflation rate clearly demonstrated the failure of the ECB's monetary policy to create the hoped-for impulses. These factors and additional announcements by the ECB led to expectations of a further expansion of monetary policy, which were reinforced by the dramatic drop in energy prices and continued decline in inflation. In addition to steps that included negative interest on commercial bank deposits with the ECB, the anticipated introduction of a securities purchase program similar to the US model was announced in January 2015. The ECB plans to purchase € 60 billion of euro-denominated securities each month from March 2015 to September 2016, mostly in the form of government bonds. These wide-ranging measures led to a sharp drop in the yields on government bonds issued by the euro zone countries, above all the peripheral states. The exception here is Greece, where a government crisis that led to new elections triggered renewed speculations over an exit from the euro zone. Rumors were fueled by the victory of parties that are demanding an end to the strict austerity course. There were also an increasing number of statements by former exit opponents who were no longer prepared to exclude a "Grexit" scenario, i.e. the exit of Greece from the euro zone. Great Britain, the largest non-euro European economy, again outperformed the euro zone with growth of 2.6% in 2014.

Positive economic indicators lead to gains on US stock indexes

Positive US economic indicators and, above all, an improvement in the economic outlook for 2015 were reflected in an upturn on key US stock indexes. The Dow Jones Industrial Average closed 2014 with an increase of 7.5% to 17,823.1 points after reaching a new all-time high of 18,046.6 points shortly before year-end. The broader S&P 500 (+11.4%) and the NASDAQ Composite (+13.4%) also reported new all-time highs and sound growth for the year. Europe presented a mixed picture due to the weaker-than-expected growth and less optimistic outlook. The German DAX recorded one of the strongest annual results among the leading European indexes with a plus of 2.7% and closed at 9,805.5 points. The EURO STOXX 50, a blue-chip index of the 50 largest publicly traded companies in the euro zone, reflected the economic stagnation in this region and ended 2014 at 3,146.4 points (+1.2%). Declines were reported by the British FTSE 100 (-3.0%) and the French CAC40 (-0.5%). The Austrian ATX was one of the lowest ranking stock indexes in Europe with a 15.2% year-on-year decline to 2,160.1 points. This performance resulted primarily from the weak development of the heavily weighted banking and insurance and utility sectors. The Asian Hang Seng, the leading stock index in Hong Kong, moved sideward due to the significant reduction in the outlook for the Chinese economy and closed with a plus of 1.3% at 23,605.0 points. The +53.0% jump in the Shanghai Composite Index was detached from economic fundamentals because this market was partly opened for international investors in mid-November 2014. The Japanese NIKKEI 225 rose by 7.1% to 17,450.8 points despite the relapse of the country's economy into a technical recession.

Slight growth of residential construction in Europe during 2014

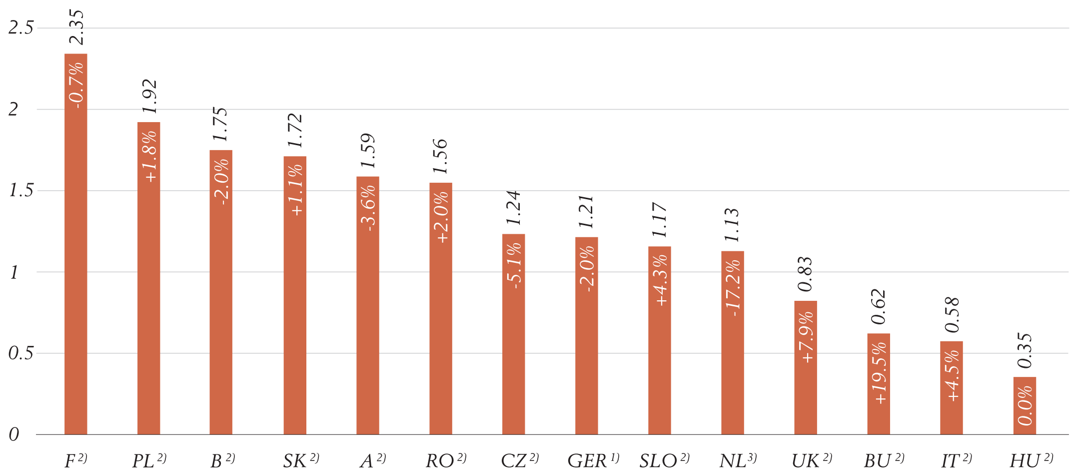
After two years of declining expenditures, residential construction in Europe made little progress in 2014 with an increase of only 0.9% and slower growth than forecasted at the beginning of the year. The weather-related early start into the construction season only led to a shift in the timing of housing starts and failed to provide the additional hoped-for impulses. The general economic slowdown in Europe during the summer months was followed by lower-than-expected construction activity in the third quarter. The low net increase in the outstanding volume of euro zone mortgage loans underscores the continued substantial reservation in private residential construction and the absence of positive effects from the ECB's expansive money market policy. Euroconstruct initially forecasted a slight 1.7% improvement in residential construction output for 2014 on Wienerberger's relevant markets in its December 2013 report, but reduced this estimate to +1.1% at year-end. New construction expenditures stagnated with a slight plus of 0.3%, or substantially lower than the 2.6% increase projected at the beginning of the year 2014. In contrast, renovation spending was higher than originally forecasted (+1.2%) with a plus of 1.6%. The four East European countries under monitoring (Poland, Slovakia, Czech Republic and Hungary) outpaced Western Europe with stronger growth in both new construction and renovation. Construction on a number of markets fell below the crisis year 2009 in 2014. For 2015, Euroconstruct is projecting an improvement in the market environment with growth of 1.7% in residential construction output on Wienerberger's relevant markets.

Stagnation in housing starts per 1,000 residents

The number of housing starts for single- and two-family houses per thousand residents is another important indicator of construction activity. In year-on-year comparison, only Germany, Great Britain, Bulgaria and Slovenia recorded positive development in 2014. The weighted average for Western Europe fell by 0.5%, while Eastern Europe recorded a slight increase of 1.1%. In Europe, construction activity per thousand residents stagnated at the prior year level.

Housing Starts Single and Two Family Houses in 2014
per 1,000 Residents yoy in %

Source: Management estimates



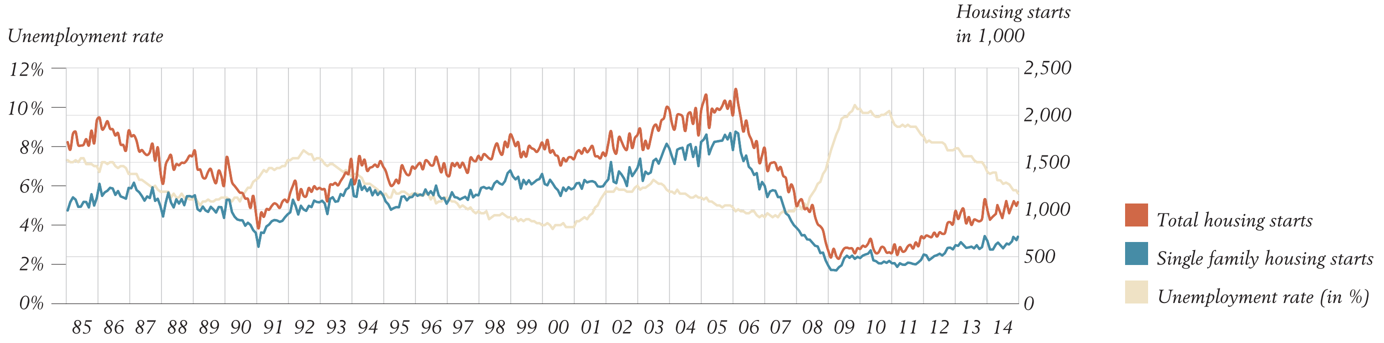
1) Housing permits
2) Housing starts
3) Completions

Infrastructure spending rises slightly in 2014

The pressure on public sector authorities to cut spending led to a decline in infrastructure investments during 2013, but 2014 brought a trend reversal with a 1.4% rise for infrastructure projects in Europe. This increase was slightly higher than projected at the beginning of the year (+1.2%) and was based on very different regional developments. Wienerberger's relevant markets in Western Europe recorded only slight 0.6% growth and remained clearly below the originally forecasted plus of 1.7%, but momentum on the markets in Eastern Europe was unexpectedly positive. Financing provided by the European Union's Cohesion Fund provided support for tenders and investments and led to an increase of 9.9%, compared with the 4.4% projected at the beginning of the year. This positive trend is expected to continue in 2015 with an increase of 2.0% in infrastructure spending on Wienerberger's relevant markets. The waterworks subsegment, which represents nearly 12% of infrastructure spending, fell by 1.8% in the Group's markets during 2014. This subsegment also includes fresh water and wastewater systems, which are an important part of Wienerberger's pipe business. The decline is attributable to Western Europe, where construction output dropped by 3.8%, while Eastern Europe generated growth of 12.3%. These regional developments are expected to continue in 2015 with generally stable market growth of 0.4%. The telecommunications segment recorded slight 1.0% growth in Wienerberger's relevant markets during 2014, while the energy segment increased 6.9%. Both areas are expected to grow in 2015, with a plus of 0.5% for telecommunications and 4.9% for energy. Construction output in the non-residential and residential segments rose by 1.2% in Wienerberger's relevant markets during 2014 and a further increase of 2.5% is expected in 2015.

Annualized US housing starts in 1,000 per month versus US unemployment Rate

Source: U.S. Census Bureau



Continued recovery on US housing market

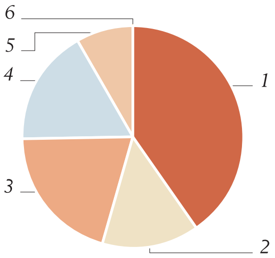
According to the U.S. Census Bureau, housing starts in the USA rose by 8.8% to 1.006 million units in 2014. That represents the first year for residential construction over the one million mark since 2008. Housing completions increased 15.5% to 883,000 units. Building permits totaled 1.033 million and exceeded the previous year by 4.2%. The National Association of Home Builders (NAHB) expects an increase of 15.6% in housing starts to 1.162 million in 2015. The volume-weighted growth forecasts for Wienerberger's US core markets point to an expected 9% increase in total house construction. The NAHB/Wells Fargo Housing Market Index, which measures current estimates of house sales by builders and developers as well as their expectations for the next six months, was unchanged in year-on-year comparison at 57 points in December 2014. The index remained above 50 for six months after a weather-related weak start in 2014, which indicates that more market participants see the outlook as positive. Although the US Federal Reserve has started to terminate its expansive money market policy, the fixed interest rates for 30-year mortgage loans fell from 4.5% in December 2013 to 3.9% in December 2014 – the lowest level since May 2013. This sharp drop in financing costs has had a very positive influence on the demand for mortgage loans, in both the home-buying and refinancing segments, according to a report by the Mortgage Bankers Association. Selling prices rose by 4.5% in the 12 months up to and including December 2014, according to the S&P/Case-Shiller 20-City Composite Home Price Index. In total, the large number of positive indicators on the US housing market points to a continuation of the upward trend in 2015.

Sources: IMF, ECB, US Census Bureau, St. Louis Federal Reserve, Euroconstruct, ThomsonOne, Freddie Mac Primary Mortgage Market Survey, NAHB, NAHB/Wells Fargo Housing Market Index, Federal Reserve Board, Bureau of Economic Analysis, MBAA, S&P/Case Shiller 20-City Composite Home Price Index

Financial Review

Earnings

Revenues by Segment



1 Clay Building Materials Western Europe 40%
2 Clay Building Materials Eastern Europe 14%
3 Pipes & Pavers Western Europe 20%
4 Pipes & Pavers Eastern Europe 17%
5 North America 8%
6 Holding & Others 0%

The development of the Wienerberger Group in 2014 was influenced by a weather-related early start into the construction season in Europe that was followed by slowing momentum during the third quarter and a sound finish at year-end. Great Britain generated the strongest growth. Belgium and Poland recorded modest increases, while Germany, France, the Netherlands, Czech Republic and Hungary saw in part substantial declines in new construction. The European plastic pipe business was stable apart from the project business, which only started to improve in the second half-year. The decline in this business was, however, offset by higher earnings from Semmelrock and Steinzeug. In North America, new residential construction remained on a recovery course supported by a general improvement in the economy. We used this environment to increase volumes and extend our market shares. The hoped-for price stabilization did not materialize in North America, above all during the second six months. Therefore, average prices declined slightly for the full year. Our North American plastic pipe business remained stable at a high level in 2014. As of July 1, 2014 Wienerberger increased its 50% investment in the Tondach Gleinstätten Group, the leading clay roof tile producer in Central-East Europe, to 82% and holds call options for the remaining 18% of the shares, which can be exercised in 2017 or 2018. The initial consolidation of the Tondach Gleinstätten Group contributed € 87.3 million to revenues and € 15.4 million to operating EBITDA in 2014.

Group revenues rose by 6% year-on-year to € 2,834.5 million, whereby slightly more than half of this increase is attributable to the initial consolidation of Tondach as of July 1. After an adjustment for changes in the consolidation scope and foreign exchange effects, organic revenues rose by 4%. Prices were increased to cover cost inflation for the Wienerberger Group as a whole and volumes were 3% higher. The development of the euro reduced revenues by € 29.4 million, whereby the largest positive foreign exchange effects from the British pound were offset by negative effects from the Russian ruble, Norwegian krone and Czech krone.

Strong earnings growth in the Clay Building Materials Europe Division

The Clay Building Materials Europe Division generated third party revenues of € 1,550.5 million, for an increase of 11% over the previous year. The weather-related early start into the construction season in Europe was followed by a significant slowdown, especially during the third quarter, and satisfactory performance at year-end. Operating EBITDA rose by 30% year-on-year to € 222.7 million. This sound improvement in revenues and earnings was supported, on the one hand, by the initial consolidation of Tondach Gleinstätten and, on the other hand, by solid operating performance, above all in Great Britain, but also in Belgium and Poland. The positive revenue trend in the Netherlands that started during the fourth quarter indicates a bottoming out of construction in this country. The disappointing business development in Germany resulted from weaker demand for private single- and two-family house construction in comparison with multi-story, urban residential construction.

Stable earnings development in the Pipes & Pavers Europe Division

Third party revenues in the Pipes & Pavers Europe Division increased slightly by 1% to € 1,041.3 million (2013: € 1,029.5 million) and operating EBITDA remained stable. The Pipelife Group recorded a decline in the international project business and was confronted with a difficult market environment in the Netherlands and France. In spite of market weakness, the concrete paver business generated sound earnings growth due to an increase in volumes and strict cost savings. Steinzeug-Keramo recorded an improvement in earnings due to the absence of non-recurring restructuring costs from 2013 and based on higher margins, despite a slight decline in volumes.

Accelerating recovery in North America

Business development in the North America Division was supported by the steady recovery of US residential construction, which also led to an increase in volumes for Wienerberger. Third party revenues in North America rose by 5% to € 236.4 million in 2014. Higher start-up costs for the commissioning of plants during the reporting year, the addition of new shifts and negative changes in the plastic pipe product mix led to a 15% year-on-year decline in operating EBITDA.

Earnings Development	2013	Disposals 1)	Purchases 1)	F/X 2)	Organic	2014
	in € mill.	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*
Revenues	2,662.9	0.0	87.3	-29.4	113.6	2,834.5
Cost of goods sold	-1,887.4	0.0	-60.7	22.8	-58.5	-1,983.8
Selling expenses	-522.9	0.0	-16.0	2.0	-11.2	-548.1
Administrative expenses	-161.4	0.0	-5.6	1.5	-5.7	-171.1
Other operating expenses and income	-36.1	-0.3	0.6	0.7	3.2	-31.3
Operating EBITDA	266.5	0.1	15.4	-4.7	40.1	317.2
Operating EBIT	55.3	-0.3	5.5	-2.4	41.6	100.2
Non-recurring items 3)	9.4	0.0	0.0	2.2	-219.2	-207.6
Financial results 4)	-67.8	0.0	19.4	0.5	-2.4	-50.2
Profit/loss before tax	-3.1	-0.3	24.9	0.2	-179.9	-157.6
Profit/loss after tax	-7.8	-0.3	25.1	0.9	-188.4	-170.0

1) Effects from changes in the consolidation range
2) Foreign exchange effects
3) Impairment charges to assets as well as goodwill and income from the reversal of a provision for an impending antitrust penalty
4) Including income from investments in associates

Operating EBITDA 19% over previous year at € 317.2 million

Group operating EBITDA rose by 19% year-on-year to € 317.2 million, whereby € 15.4 million represented consolidation effects from Tondach's earnings contribution in the second half-year. A further € 4.7 million involved negative foreign exchange differences from the Russian ruble, Norwegian krone and Swedish krone that were only partly offset by positive foreign exchange differences from the British pound. The organic increase in operating EBITDA for the Wienerberger Group amounted to 15%.

Operating EBITDA	2013	2014	Chg.
	in € mill.	*in € mill.*	*in %*
Clay Building Materials Europe	171.3	222.7	+30
Pipes & Pavers Europe	100.3	100.3	0
North America	13.2	11.2	-15
Holding & Others	-18.2	-17.0	+7
Wienerberger Group	**266.5**	**317.2**	**+19**

€ 4.2 million organic decline in energy costs

Energy costs rose by € 10.3 million year-on-year to € 288.5 million, above all due to the takeover of the Tondach Gleinstätten Group. Excluding changes in the consolidation range, energy costs would have been € 4.2 million lower than 2013. Energy costs as a share of revenues fell slightly from 10.4% in 2013 to 10.2% in 2014.

Profitability Ratios	2013	2014
	in %	*in %*
Gross profit to revenues	29.1	30.0
Administrative expenses to revenues	6.1	6.0
Selling expenses to revenues	19.6	19.3
Operating EBITDA margin	10.0	11.2
Operating EBIT margin	2.1	3.5

Improvement in operating EBITDA margin from 10.0% to 11.2%

The operating EBITDA margin rose from 10.0% to 11.2% in 2014. This improvement resulted from the increase in earnings and from the takeover of the Tondach Gleinstätten Group, which has a higher margin and earnings that are normally stronger in the second half-year.

Depreciation and amortization total € 203.3 million

Depreciation and amortization totaled € 203.3 million for the reporting year (2013: € 198.0 million). The depreciation ratio declined from 7.4% in 2013 to 7.2% in 2014. This value, which is relatively high in international comparison, reflects the strong pace of investment activity in prior years and is an indicator of the capital-intensive nature of the business and the technical potential of the Wienerberger Group.

Operating EBIT rises from € 55.3 million in 2013 to € 100.2 million in 2014

Operating EBIT increased significantly to € 100.2 million in 2014 (2013: € 55.3 million). After the deduction of € 207.6 million in non-recurring impairment charges to assets and goodwill, Wienerberger generated EBIT of € -107.4 million for the reporting year (2013: € 64.7 million).

Financial Results and Taxes

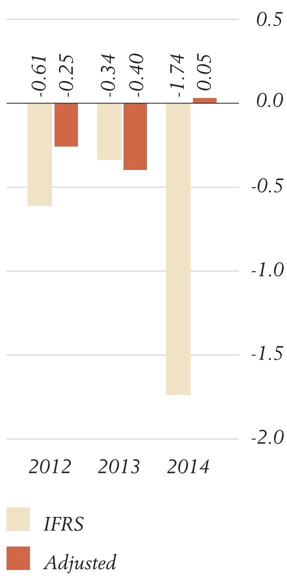
Impairment charges lead to decline in profit before tax

The interest result shows a slight decline in financing costs following the redemption of a bond in July 2014, which led to an improvement from € -56.0 million in 2013 to € -52.9 million in 2014. Other financial results were positive at € 5.5 million and include a positive special effect of € 23.3 million from the valuation of the previously held 50% stake in Tondach Gleinstätten in connection with the initial consolidation that was contrasted by negative foreign exchange differences of € 14.3 million. The impairment charges led to a substantial decline in profit before tax from € -3.1 million in the previous year to € -157.6 million.

Income Statement	**2013**	**2014**	**Chg.**
	in € mill.	*in € mill.*	*in %*
Revenues	2,662.9	2,834.5	+6
Cost of goods sold	-1,887.4	-1,983.8	-5
Selling and administrative expenses [1]	-684.2	-719.2	-5
Other operating expenses	-79.5	-68.4	+14
Other operating income	43.5	37.1	-15
Operating EBIT	**55.3**	**100.2**	**+81**
Impairment charges to assets	0.0	-100.7	<-100
Impairment charges to goodwill	0.0	-106.9	<-100
Release of a provision for an impending antitrust penalty	9.4	0.0	-100
EBIT	**64.7**	**-107.4**	**<-100**
Financial results [2]	-67.8	-50.2	+26
Profit/loss before tax	**-3.1**	**-157.6**	**<-100**
Income taxes	-4.8	-12.4	<-100
Profit/loss after tax	**-7.8**	**-170.0**	**<-100**

1) Including freight costs
2) Including income from investments in associates

Earnings per Share
in €



Year-on-year increase in tax expense

Income tax expense rose to € 12.4 million in 2014 due to the increase in pre-tax operating profit (2013: € 4.8 million). This reflects the regional distribution of the Group's earnings, with a higher share generated in West European countries that have higher nominal tax rates.

Earnings per share equal € -1.74

The non-recurring effects led to a decline in profit after tax from € -7.8 million in the previous year to € -170.0 million. Earnings per share are computed after deducting the share of net profit attributable to non-controlling interests and the € 32.5 million annual hybrid coupon payment. Based on a weighted average of 116.0 million shares outstanding (2013: 115.1 million shares), earnings per share declined to € -1.74 (2013: € -0.34).

Impairment of Assets and Goodwill

Year-end testing leads to impairment charges of € 207.6 million to assets and goodwill

Wienerberger tests its assets and goodwill for indications of impairment as part of its corporate planning process and as required by so-called triggering events. These impairment tests can lead to the partial write-down or complete write-off of the involved items when the results are negative. An impairment charge is recognized when the carrying amount of an asset is higher than its value in use or the fair value that could be realized on sale less the cost of disposal. Wienerberger tests its property, plant and equipment and working capital at country level. Goodwill is allocated to the Group's 15 cash-generating units and tested at this level.

The impairment tests based on corporate planning for the period from 2015 to 2018 led, in some countries, to the recognition of impairment charges to property, plant and equipment and real estate and, in individual cash-generating units, to the recognition of impairment charges to goodwill. These impairment charges were triggered by the following factors: the negative development of markets like Germany and Italy, the expected slower recovery of the price level on the North American market and the political crisis related to the Russia-Ukraine conflict and the resulting change in the underlying conditions and input factors for the impairment tests. The impairment charges of € 100.7 million to assets were related, above all, to property, plant, equipment and real estate in the cash-generating units Germany, Italy, India, Estonia, Russia and North America. A possible positive change in the underlying conditions could lead to an increase in the carrying amount of these production assets in the future. Impairment charges to goodwill of € 106.9 million were also recognized to the cash-generating units Italy, India and North America. The remaining impairment charges to intangible assets were related primarily to the customer base of Pipelife France.

The impairment tests for the Wienerberger Group were based on a 7.20% after-tax cost of capital. Different regional cost of capital rates were applied to the United States (7.16%), Great Britain (7.78%), India (13.19%), Norway (6.80%), Sweden (6.35%), Poland (8.75%), Russia (14.99%) and Turkey (13.46%).

Asset and Financial Position

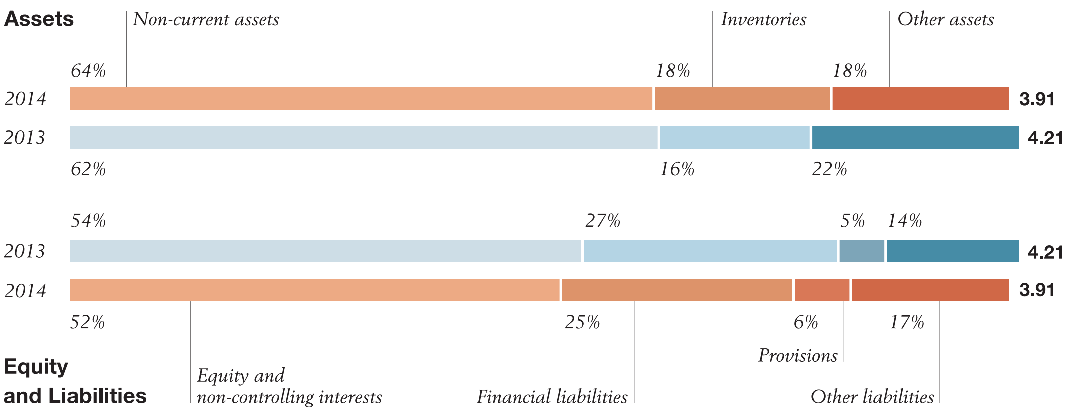
Balance sheet total of € 3,913.4 million is 7% below prior year

The balance sheet total declined by 7% year-on-year to € 3,913.4 million. This development resulted primarily from the € 207.3 million decrease in equity as well as a reduction of € 168.4 million in financial liabilities. The balance sheet structure of the Wienerberger Group is typical for the industry, and is characterized by a high fixed asset component and long-term financing.

Working Capital to revenues reflects target with year-end level of approx. 20%

Non-current assets were slightly higher than the previous year at 64% of total assets (2013: 62%), whereby property, plant and equipment represented 62% (2013: 60%) of capital employed at year-end. Inventories rose from € 666.0 million in the previous year to € 701.4 million primarily due to the Tondach takeover. Working capital (inventories + net trade receivables - trade payables) increased slightly to € 565.0 million in 2014 (2013: € 541.9 million). This represents roughly 20% (2013: 20%) of revenues and reflects our target. Wienerberger had cash and cash equivalents, securities and other financial assets totaling € 337.1 million at year-end 2014 (2013: € 588.1 million). In accordance with our proactive financing strategy, these strong liquidity reserves will be used to repay a bond that is scheduled to mature in August 2015 and to finance the seasonal build-up of working capital.

Development of Balance Sheet Structure
in € billion



Group equity equals € 2,046.8 million

Group equity declined by 9% to € 2,046.8 million in 2014 (2013: € 2,254.2 million). Equity was reduced by the impairment charges to assets and goodwill that resulted in an after-tax loss of € 170.0 million, the € 44.1 million hybrid coupon payment and the € 13.8 million dividend. In addition, € 4.1 million of foreign exchange differences and changes in hedging reserves as well as € 19.3 million for actuarial losses connected with defined benefit pension plans and severance compensation obligations were recognized under other comprehensive income.

Significant reduction of € 168.4 million in gross debt during 2014

Deferred taxes increased to € 112.5 million (2013: € 104.0 million). As a result of the low interest rate environment, employee-related provisions rose from € 116.2 million in the previous year to € 151.7 million in 2014. Since Wienerberger has not granted any new defined benefit pension commitments and is converting existing commitments into defined contribution plans wherever possible, the provisions for pensions will tend to decrease independent of any changes in parameters. Current provisions decreased to € 41.6 million (2013: € 57.4 million) due to the absence of provisions for non-recurring effects at Steinzeug and the conclusion of product liability proceedings involving the Pipelife Group in 2014. Non-current and current provisions rose to 6% (2013: 5%) of the balance sheet total. Total interest-bearing loans (financial liabilities) declined by € 168.4 million to € 958.6 million as a result of the Tondach takeover and the repayment of a bond in July 2014 and include € 937.0 million due to banks, bondholders and other parties, € 21.3 million of derivatives with negative market values and € 0.3 million of Group liabilities. These liabilities are contrasted by liquid funds and securities of € 337.1 million and committed credit lines of € 400.0 million that were not drawn as of the balance sheet date. Of the € 958.3 million in interest bearing liabilities (excluding Group liabilities), 58% (2013: 74%) are long-term and 42% (2013: 26%) short-term in nature.

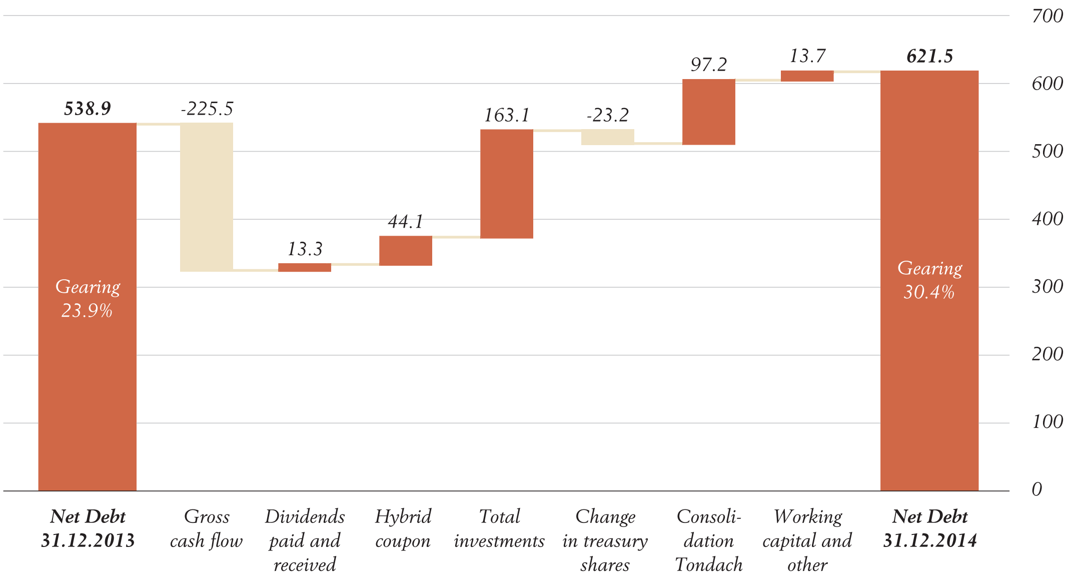
Calculation of Net Debt [1]	2013	2014	Chg.
	in € mill.	*in € mill.*	*in %*
Long-term interest-bearing financial liabilities	836.1	556.5	-33
Short-term interest-bearing financial liabilities	290.7	401.7	+38
Financial leases	0.0	0.1	>100
- Intercompany receivables and payables from financing	-27.6	-20.5	-26
- Securities and other financial assets	-63.7	-41.2	-35
- Cash and cash at bank	-496.7	-275.2	-45
Net debt	**538.9**	**621.5**	**+15**

1) Excluding the hybrid bond, which is reported under equity in accordance with IFRS

Net debt rises from € 538.9 million in 2013 to € 621.5 million at year-end 2014

Net debt rose by 15% year-on-year to € 621.5 million. This change is explained by the substantial increase in cash flow from operating activities to € 215.5 million and proceeds of € 24.9 million from the disposal of assets, primarily non-core real estate. These items were contrasted by cash outflows of € 12.5 million for acquisitions and € 127.5 million for investments as well as the € 13.8 million dividend and the € 44.1 million hybrid coupon cash payment. Due to the partial exchange of the hybrid bond in 2014, this payment included the annual regular coupon of € 32.5 million plus the accrued coupon as of the exchange date. Gearing equaled 30.4% at the end of the reporting year (2013: 23.9%). Long-term financing such as equity, non-current provisions and long-term liabilities covered 118% of fixed and financial assets at year-end 2014 (2013: 129%). The ratio of net debt to operating EBITDA equaled 1.9 as of December 31, 2014 (2013: 2.0), and the EBITDA interest coverage ratio was 5.8 (2013: 4.8).

Development of Net Debt
in € mill.



Balance Sheet Development	2013	Disposals [1]	Purchases [1]	F/X [2]	Organic	2014
	in € mill.	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*
Fixed assets	1,663.3	0.8	168.4	-3.7	-180.9	1,646.3
Intangible assets and goodwill	842.9	0.0	18.6	14.7	-123.0	753.2
Other non-current assets	156.3	0.0	-9.0	0.2	10.5	158.0
Inventories	666.0	0.0	43.2	-0.8	-7.0	701.4
Other current assets	882.8	0.3	5.4	-3.8	-229.6	654.5
Balance sheet total	**4,211.4**	**1.1**	**226.6**	**6.6**	**-530.2**	**3,913.4**
Equity [3]	2,254.2	0.0	67.5	19.3	-294.2	2,046.8
Provisions	224.5	0.0	29.5	4.5	-5.0	253.5
Liabilities	1,732.7	1.1	129.7	-17.2	-231.0	1,613.1

1) Effects from changes in the consolidation range
2) Foreign exchange effects
3) Including non-controlling interests and hybrid capital

The organic decline in the balance sheet total is attributable primarily to the decrease in equity that resulted from the impairment charges to assets and goodwill as well as the reduction in financial liabilities.

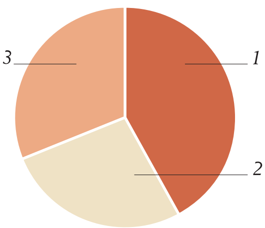
Balance Sheet Ratios		2013	2014
Capital employed	*in € mill.*	2,767.6	2,652.2
Net debt	*in € mill.*	538.9	621.5
Equity ratio	*in %*	53.5	52.3
Gearing	*in %*	23.9	30.4
Asset coverage	*in %*	86.4	82.3
Working capital to revenues	*in %*	20.3	19.9

Treasury

Successful exchange offer for 2007 hybrid bond

The financial markets were characterized by strong demand for attractive investment opportunities and a corresponding short supply in 2014. This market climate led to a reduction in credit risk premiums and increased interest by investors in long-term bonds. In view of this development, Wienerberger decided to issue an exchange offer to existing owners of the 2007 hybrid bond. The offer covered the exchange of up to € 300 million (nominal value) of the existing hybrid bond for a new hybrid bond with a perpetual term and a call option for Wienerberger on February 9, 2021. The coupon was set at the existing level of 6.5% for the first three years and at 5% for the following four years. This offer was very well received by the market, and the exchange of € 272.2 million was concluded in October 2014. The 2007 hybrid bond remains unchanged with a reduced nominal value of € 227.8 million. The total nominal value of both hybrid bonds also remains unchanged at € 500.0 million.

Term Structure of Interest-bearing Financial Liabilities
in %



1 <1 year 42%
2 1–5 years 27%
3 >5 years 31%

In autumn 2014 Wienerberger used the strong capital market environment to proactively refinance the main revolving credit lines of € 350 million that were scheduled to mature in 2016. The new syndicated credit line has a term extending to 2019 and was increased to € 400 million to also support the financing of Pipelife and the Tondach Group. The bank consortium was reduced to ten long-standing bank partners. The new credit agreement also includes covenants that set an upper limit of 3.5 for the ratio of net debt to operating EBITDA and a minimum level of 3.75 for the ratio of operating EBITDA to net interest result. These indicators will be tested semi-annually on June 30 and December 31.

Net debt / operating EBITDA declines to 1.9 in 2014

Net debt / operating EBITDA equaled 1.9 as of December 31, 2014 and was therefore far below the external limit of 3.5 and the internal target of 2.5 at year end. The interest cover reached 5.8, which is also comfortably above the defined threshold of 3.75.

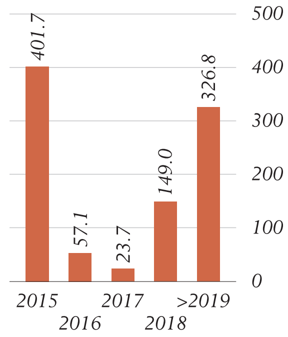
Treasury Ratios 1)	31.12.2013	31.12.2014 2)	Threshold
Net debt / operating EBITDA	2.0	1.9	<3.50
Operating EBITDA / interest result	4.8	5.8	>3.75

1) Calculated on the basis of 12-month operating EBITDA and 12-month interest results
2) Pro-forma calculation, including 12 months of EBITDA and interest results for Tondach Gleinstätten

The Tondach companies that were acquired in July 2014 have, for the most part, already been integrated into the Wienerberger treasury system. The remaining companies will be included in this system in accordance with regulatory restrictions.

As of December 31, 2014, 82% of liabilities carried fixed interest rates. The remaining 18% of liabilities have variable interest rates and are contrasted by variable interest deposits. This practically eliminates the Group's interest rate risk. The reporting year was characterized by in part strong foreign exchange fluctuations, which were reflected primarily as translation risks on Wienerberger's balance sheet because the Group hedges transaction risks. Most of the financing is denominated in euros, but Wienerberger monitors the exchange rate risk connected with balance sheet items based on the net risk position in its most important currencies (USD, CHF, GBP, PLN) and hedges part of this risk with interest rate-currency swaps based on monthly sensitivity tests. In keeping with the respective economic restrictions, interest rate-currency swaps are used to hedge foreign currency financial receivables due from Wienerberger subsidiaries. The Group held derivative positions in the Canadian dollar, Czech koruna, Danish krone, British pound, Polish zloty, US dollar and Swiss franc as of December 31, 2014.

Term Structure of Interest-bearing Financial Liabilities
in € mill.



Cash Flow

Cash flow from operating activities rises by 13%

Cash flow from operating activities rose by 13% year-on-year to € 215.5 million, in particular due to a substantial increase in gross cash flow.

Increased cash outflows for investments due to Tondach acquisition

Cash outflows for investments and acquisitions totaled € 139.9 million in 2014 (2013: € 106.7 million) and included the payment for the acquisition of the remaining 50% stake in Tondach and the expansion of Pipelife's production capacity in North America. Investments for the maintenance and improvement of technical equipment rose by 20% year-on-year to € 127.5 million. This increase resulted primarily from a € 15.8 million rise in normal capex, which includes maintenance as well as investments in technical upgrades. In addition, € 5.6 million was invested in the expansion of production capacity. Cash flow from investing activities included an increase in the proceeds from the sale of property, plant and equipment to € 24.9 million, whereby € 14.3 million resulted from Wienerberger's program to divest non-core assets. The sale of short-term securities generated liquidity of € 12.0 million.

Sound growth in operating earnings leads to free cash flow of € 130.6 million

Wienerberger generated free cash flow (cash flow from operating activities less cash flow from investing activities plus growth capex) of € 130.6 million in 2014, compared with € 92.9 million in the previous year. These funds were used for the € 44.1 million hybrid coupon cash payment, the € 13.8 million dividend and the repayment of liabilities. Cash flow from financing activities included the above payments and cash inflows of € 3.4 million in the form of dividends from associated companies and joint ventures.

Cash Flow Statement	2013	2014	Chg.
	in € mill.	in € mill.	in %
Gross cash flow	**164.6**	**225.5**	**+37**
Change in working capital and other	26.2	-10.1	<-100
Cash flow from operating activities	**190.9**	**215.5**	**+13**
Normal capex (maintenance, rationalization, environment)	-106.0	-121.8	-15
Growth capex [1]	-0.7	-18.1	<-100
Divestments and other	8.0	36.9	>100
Cash flow from investing activities	**-98.7**	**-103.0**	**-4**
Growth capex [1]	0.7	18.1	>100
Free cash flow	**92.9**	**130.6**	**+41**

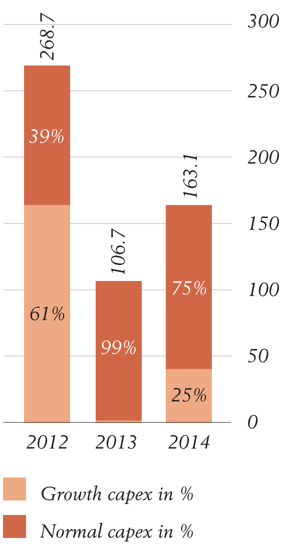
1) Growth investments in 2014 adjusted for the € 23.2 million portion of the purchase price for Tondach Gleinstätten paid in the form of treasury shares.

Investments

Product line improvements lead to increase in normal capex

Investments totaled € 163.1 million for the reporting year (2013: € 106.7 million) and include normal capex, acquisitions and the plant extension at Pipelife USA. The difference between growth capex and normal capex is based primarily on whether an investment leads to the development of new markets or product segments or the expansion of capacity. Maintenance, investments for technical upgrading and production equipment for premium products are reported under normal capex. Growth investments totaled € 41.3 million in 2014 (2013: € 0.7 million) and include the purchase of the 50% stake in Tondach Gleinstätten and the expansion of production capacity for Pipelife in the USA. Normal capex amounted to € 121.8 million (2013: € 106.0 million) and equaled 60% of depreciation for the reporting year (2013: 54%). The investments made in 2014 were distributed among the divisions as follows: 67% in Clay Building Materials Europe, 22% in Pipes & Pavers Europe, 9% in North America and 2% in Holding & Others.

Total Investments
in € mill.



Development of Non-current Assets	Intangible	Tangible	Financial	Total
	in € mill.	in € mill.	in € mill.	in € mill.
31.12.2013	**842.9**	**1,741.7**	**25.4**	**2,610.0**
Capital expenditure [1]	6.2	123.7	0.0	129.9
Changes in the consolidation range	18.6	167.6	-9.3	176.9
Depreciation and amortization	-129.6	-293.8	-1.2	-424.6
Disposals	0.0	-13.2	-3.5	-16.7
Currency translation and other	15.1	-3.0	-1.8	10.3
31.12.2014	**753.2**	**1,723.0**	**9.6**	**2,485.8**

1) Additions as per schedule of fixed and financial assets

Total Investments [1)]	**2013**	**2014**	**Chg.**
	in € mill.	*in € mill.*	*in %*
Clay Building Materials Europe	61.7	110.0	+78
Pipes & Pavers Europe	34.9	35.5	+2
North America	7.3	14.1	+93
Holding & Others	2.8	3.6	+28
Wienerberger Group	**106.7**	**163.1**	**+53**

1) Additions to property, plant and equipment, intangible assets and financial assets, including working capital and changes in the consolidation range, or normal capex plus growth capex

Wienerberger Value Management

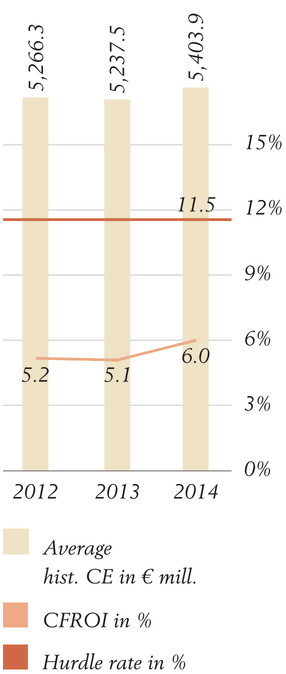
CFROI and CVA are key indicators for management

One of the key elements for our internal strategic management is a cash-based pre-tax return, which is calculated for all corporate levels and shows the value added by the Group and its business units. The key ratios are cash flow return on investment (CFROI = Operating EBITDA / average historical capital employed) and cash value added (CVA). The CFROI model allows us to compare the various segments of the Group, independent of the age structure of their plants. Our minimum sustainable target for CFROI, after an adjustment for non-recurring income and expenses, is 11.5% (= hurdle rate) in all segments. For the calculation of CVA, the CFROI of the individual segments is compared with this hurdle rate and then multiplied by average historical capital employed (CE). CVA shows the absolute operating cash value added by the individual segments.

Calculation of Group CFROI		**2013**	**2014** [1)]
Operating EBITDA	*in € mill.*	**266.5**	**324.7**
Average capital employed	*in € mill.*	2,849.5	2,796.4
Average accumulated depreciation	*in € mill.*	2,388.0	2,607.5
Average historical capital employed	*in € mill.*	**5,237.5**	**5,403.9**
CFROI	*in %*	**5.1**	**6.0**

1) 2014 calculated on a pro-forma 12-month basis

CFROI vs. hist. CE and Hurdle Rate



CFROI 2014 by Divisions [1)]	**Operating EBITDA**	**Average historical CE**	**CFROI**	**CVA**
	in € mill.	*in € mill.*	*in %*	*in € mill.*
Clay Building Materials Europe	230.2	3,896.0	5.9	-217.9
Pipes & Pavers Europe	100.3	729.1	13.8	16.5
North America	11.2	713.2	1.6	-70.8
Holding & Others	-17.0	65.6	-26.0	-24.6
Wienerberger Group	**324.7**	**5,403.9**	**6.0**	**-296.8**

1) Calculated on a pro-forma 12-month basis

CFROI improved to 6.0% in 2014 (2013: 5.1%), but is still substantially below the 11.5% hurdle rate.

After-tax WACC of 7.20%

In addition to CFROI, return on capital employed (ROCE) is also calculated at the Group level. This indicator is computed by comparing net operating profit after tax (NOPAT) to average capital employed for the entire Group. The ratio indicates the extent to which Wienerberger meets the yield required by investors. The average cost of capital for the Group is based on the minimum return expected by investors for funds they provide in the form of equity and debt. The weighted average cost of capital (WACC) is determined by adding an appropriate risk premium for stock investments to the actual cost of debt for Wienerberger. The after-tax WACC equaled 7.20% in 2014.

NOPAT amounted to € 73.9 million for the reporting year (2013: € 37.0 million). ROCE rose to 2.6% (2013: 1.3%) and resulted in EVA® of € -127.5 million (2013: € -161.4 million).

Calculation of Group ROCE		2013	2014 [1]
Operating EBIT	*in € mill.*	55.3	100.1
Income taxes	*in € mill.*	-4.8	-13.2
Adjusted income taxes	*in € mill.*	-13.5	-13.1
NOPAT	*in € mill.*	**37.0**	**73.9**
Equity and non-controlling interests	*in € mill.*	2,254.2	2,046.8
Financial liabilities and financial leases	*in € mill.*	1,126.8	958.3
Intercompany receivables and payables from financing	*in € mill.*	-27.6	-20.5
Cash and financial assets	*in € mill.*	-585.8	-332.5
Capital employed	*in € mill.*	**2,767.6**	**2,652.2**
Average capital employed	*in € mill.*	**2,849.5**	**2,796.4**
ROCE	*in %*	**1.3**	**2.6**

ROCE of 2.6% and EVA® of € -127.5 million

Value Ratios		2013	2014 [1]
ROCE	*in %*	1.3	2.6
EVA® [2]	*in € mill.*	-161.4	-127.5
CFROI	*in %*	5.1	6.0
CVA	*in € mill.*	-335.8	-296.8

1) 2014 calculated on a pro-forma 12-month basis
2) EVA® is a registered brand name of Stern Stewart & Co.

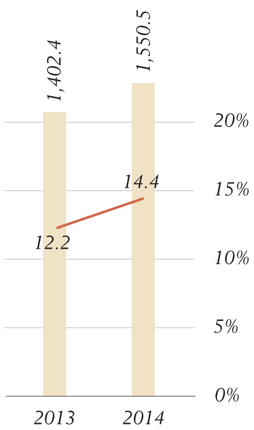
Operating Segments

Clay Building Materials Europe

Stable to slightly positive development for residential construction in Europe during 2014

Residential construction in Europe was stable to slightly positive in 2014 with substantial regional and seasonal differences. The weather-related early start into the construction season and strong first half-year were followed by a significant slowdown in individual markets during the third quarter and satisfactory performance in the last three months. Great Britain recorded the strongest momentum with double-digit growth, while Belgium and Poland reported moderate development. The German market weakened slightly during the summer months, which led to a decline in single- and two-family house construction for the full year. The Netherlands, France, Italy, Czech Republic and Hungary registered in part substantial declines in residential construction, whereby the expected bottoming out in the Netherlands was confirmed at year-end. We increased volumes in all product groups and offset cost inflation with an improvement in average prices. We increased prices over cost inflation in Western Europe, helped by strong development in Great Britain, and offset the declining cost inflation in Eastern Europe with moderate price increases and an improved product mix.

Clay Building Materials Europe



Clay Building Materials Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	1,402.4	1,550.5	+11
Operating EBITDA	*in € mill.*	171.3	222.7	+30
Operating EBIT	*in € mill.*	35.0	84.5	>100
Total investments	*in € mill.*	61.7	110.0	+78
Capital employed	*in € mill.*	1,776.3	1,760.8	-1
Ø Employees		8,323	9,253	+11

Takeover of Tondach Gleinstätten and completion of cost reduction program in 2014

The reporting year milestones for the Clay Building Materials Europe Division are the strong operating development, the majority takeover of the Tondach Gleinstätten Group and the conclusion of the cost reduction program that was launched in mid-2012. Wienerberger acquired the remaining 50% of Tondach Gleinstätten at the beginning of July 2014 and now holds 82% of the leading clay roof tile producer in Central-East Europe. The remaining 18% are held by banks. Tondach's earnings have improved as expected since the initial consolidation on July 1, 2014, with revenues equaling € 87.3 million and operating EBITDA € 15.4 million for this six-month period. In the third quarter of 2014, we concluded the cost reduction program that has cut fixed costs by € 50 million since 2012 - including € 17 million during the reporting year alone. The implemented measures were related primarily to our clay block and facing brick businesses in the Netherlands, Belgium, Germany and France, and most of the Group-wide savings were therefore realized in the Clay Building Materials Western Europe Segment. Continuous optimization measures will remain a top priority after the conclusion of this program and opportunities will be identified, evaluated and implemented in all areas of the Group as part of our commitment to operational excellence. The Clay Building Materials Europe Division recorded an increase of 11% in revenues to € 1,550.5 million and 30% in operating EBITDA to € 222.7 million in 2014.

Higher revenues and earnings expected in 2015

For 2015, we expect a continuation of the stable to slightly positive development in European residential construction. Great Britain and Poland are forecasted to generate further growth. There are signs of a trend reversal and recovery from a weak level in the Netherlands and Hungary after the substantial declines registered in recent years. Romania should see a slight increase in housing starts, and Bulgaria should return to a growth course after the end of political uncertainty. We are expecting stable to slightly positive development in Belgium, the Czech Republic and Slovakia, but a slight decline from a good level in our German-speaking markets. There are no indications of a trend reversal in France or Italy during 2015, and preliminary indicators point to further weakness in residential construction. In view of the generally stable but slow market development, our focus for 2015 will remain on measures to optimize our cost structures and internal processes and on our sales activities to protect and expand our strong positions. Our goal is to grow faster than the market and to generate a sound increase in earnings. Together with the adjustment of average prices to cover cost inflation and the contribution from the consolidation of Tondach Gleinstätten in the first half-year, we expect a solid improvement in revenues and earnings for 2015.

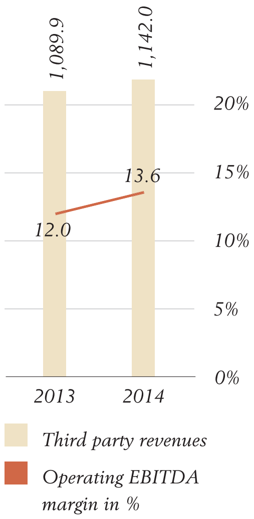
Clay Building Materials Western Europe

Better capacity utilization and higher prices; optimization program completed in 2014

The reporting segment Western Europe was characterized by generally stable market development with significant regional differences in 2014. We recorded an increase in facing brick and roof tile volumes, above all due to the good momentum in Great Britain and our intensive sales efforts. In contrast, clay block volumes were lower because of the market decline in Italy and the weakness in single- and two-family house construction that took hold in Germany during the summer months. Better capacity utilization, price adjustments in excess of cost inflation and the successful conclusion of the cost reduction program led to an increase of 5% in revenues to € 1,142.0 million and 19% in operating EBITDA to € 155.9 million for the Clay Building Materials Western Europe Segment. The operating margin rose from 12.0% in the previous year to 13.6% in 2014.

Clay Building Materials Western Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	1,089.9	1,142.0	+5
Operating EBITDA	*in € mill.*	131.1	155.9	+19
Operating EBIT	*in € mill.*	34.4	64.7	+88
CFROI	*in %*	4.8	5.7	-
Total investments	*in € mill.*	44.6	58.8	+32
Capital employed	*in € mill.*	1,357.1	1,241.5	-9
Ø Employees		5,940	5,950	0
Sales volumes clay blocks	*in mill. NF*	2,060	1,977	-4
Sales volumes facing bricks	*in mill. WF*	1,262	1,332	+6
Sales volumes roof tiles	*in mill. m²*	22.76	23.12	+2

Clay Building Materials Western Europe



Great Britain has seen strong momentum in single- and two-family house construction since the introduction of the "Help to Buy" stimulus program in 2013, which also led to double-digit growth in 2014. In this market environment, we generated a sound increase in volumes and realized a substantial improvement in average prices. We not only covered cost inflation during 2014, but offset part of the cost increases that were not passed on in full to the market in previous years. Capacity utilization was increased to meet the rising demand, and additional volumes were imported from Belgium and the Netherlands. In addition, we began to restart the last mothballed plants during the second half-year and expect a sound earnings contribution from these measures in 2015. We increased revenues and earnings significantly in 2014 and – in a market that is growing rapidly, but still roughly 20% below a sustainable level – also proved that we could significantly strengthen earnings through the cost savings realized in the past years.

Earnings improvement and slight market growth

Belgium reported modest growth in residential construction during 2014, which we used to increase volumes and adjust prices to cover cost inflation. We not only introduced new and innovative solutions to the market and improved our product mix, but also restructured our marketing activities through the extensive reorganization of sales and the related activities. The increase in capacity utilization through exports to Great Britain also had a positive effect on production costs. These factors, in total, led to a substantial improvement in revenues and earnings over the previous year.

Weaker single- and two-family house construction in Germany

Germany followed the weather-related good first half-year with noticeable weakness on the residential construction market during the summer months and a slight drop in single- and two-family housing starts for the full year. These developments were reflected in slightly lower volumes that led to a decline in revenues and earnings. We are therefore increasing our focus on innovative and value-added products and system solutions and expanding our sales activities. These measures should reinforce our position in the single- and two-family house segment and, above all, increase our market penetration in multi-family residential construction to drive growth in this segment.

Decline in new residential construction in France and the Netherlands in 2014

France and the Netherlands reported significant declines in single- and two-family housing starts during 2014. The stabilization in the Netherlands that was reflected in an increase in building permits during the second half-year did not yet have a decisive effect on our business development in 2014. However, our cost optimization measures had a positive impact on earnings in both countries and our business in the Netherlands benefited from exports to Great Britain.

Difficult markets in Italy and Switzerland

Italy recorded a sharp drop in single- and two-family house construction below the prior year level, while Switzerland weakened slightly. As a result, lower volumes and increasing competitive pressure in both countries led to a decline in earnings.

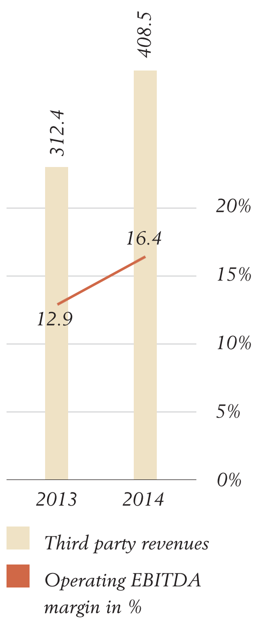
Higher revenues and earnings and slow market growth expected in 2015

For 2015, we expect stable to slight growth on the residential construction market in Western Europe. Our forecasts show an increase in construction output in Great Britain and full operations of our plants, also after the start-up of mothballed capacity. Belgium should see a slight rise in housing starts and a further improvement in earnings. In the Netherlands, preliminary indicators for the second half of 2014 pointed to further market recovery and we are therefore expecting moderate growth in housing starts from a low level in 2015. A steady decline in single- and two-family house construction is projected, above all, for France and Italy. Switzerland and Germany should record slight declines from a good level. Our goals are to improve revenues and earnings and cover cost inflation through price increases, whereby the optimization of our cost structures and strengthening of our sales efforts will also make a decisive contribution in 2015.

Clay Building Materials Eastern Europe

In the reporting segment Eastern Europe, we increased clay block volumes and improved our regional positions in a stable market environment during 2014. Tondach Gleinstätten realized the expected earnings improvement after the initial consolidation and contributed € 87.3 million to segment revenues and € 15.4 million to operating EBITDA. The Clay Building Materials Eastern Europe Segment recorded an increase of 31% in revenues to € 408.5 million and 66% in operating EBITDA to € 66.8 million for 2014. Negative foreign exchange effects and cost inflation were offset by better capacity utilization, continuous process improvements, a slight increase in average prices and the contribution from the initial consolidation of Tondach Gleinstätten.

Clay Building Materials Eastern Europe



Clay Building Materials Eastern Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	312.4	408.5	+31
Operating EBITDA	*in € mill.*	40.2	66.8	+66
Operating EBIT	*in € mill.*	0.7	19.7	>100
CFROI	*in %*	3.9	6.5	-
Total investments	*in € mill.*	17.1	51.2	>100
Capital employed	*in € mill.*	419.2	519.3	+24
Ø Employees		2,383	3,303	+39
Sales volumes clay blocks	*in mill. NF*	2,738	2,915	+6
Sales volumes roof tiles	*in mill. m²*	2.57	10.98	>100

Slight growth in Poland

Single- and two-family house construction in Poland was characterized by a weather-related strong start in 2014. Although the market slowed slightly during the second six months, housing starts were marginally higher for the full year and led to an increase in earnings.

Market decline in Czech Republic and Slovakia

The markets in the Czech Republic and Slovakia weakened during 2014. We held volumes in the Czech Republic constant and increased average prices through intensive sales efforts and higher market shares for our mineral wool-filled clay blocks, which have been produced locally since the beginning of the year. In Slovakia, volumes were lower and earnings fell below the prior year level.

Improvement in earnings despite market decline in Hungary

New residential construction in Hungary declined further to a historical low in 2014. However, we outperformed the market and strengthened our position based on stable average prices. Leaner cost structures and process optimization supported an improvement in earnings.

Revenue and earnings growth in stable Austrian market

In Austria, we generated substantially higher revenues and earnings in a stable market environment. We benefited from an improved market position, selected optimization measures and the start of production for our mineral wool-filled clay blocks. This innovative special product led to sound growth rates. Cost inflation was covered by a shift in the mix to premium products and the resulting increase in average prices.

Higher earnings in Romania and Bulgaria

Romania recorded slightly positive development in 2014, as anticipated. In Bulgaria, the political uncertainty had a lower-than-expected impact on construction. We increased clay block volumes in both countries and recorded an increase in earnings due to higher capacity utilization.

Still no signs of market slowdown in Russia

Business development in Russia was strong during the reporting year, with solid volume growth leading to an increase in revenues and earnings. In the Moscow and Kazan regions, which are our relevant markets, there have been no direct signs to date of negative effects from the economic sanctions or the decline in oil prices.

Tondach: € 15.4 million contribution to operating EBITDA in 2014

Tondach Gleinstätten, the leading supplier of clay roof tiles in Central-East Europe, was fully consolidated as of July 1, 2014 following an increase in our investment from 50% to 82%. Tondach recorded positive development in 2014 and generated the expected earnings contribution in a challenging market environment.

Sound revenue and earnings growth expected for 2015

For 2015, we expect moderate growth on our markets in Eastern Europe. Single- and two-family house construction in Poland should remain strong, and we anticipate a further moderate increase in Romania. Hungary, Bulgaria and the Czech Republic should see a trend reversal after the challenging previous year, with growth from a low level especially in Hungary and Bulgaria. Slovakia is forecasted to record stable development, while new residential construction in Austria appears to be weakening slightly from a good level. We are expecting a substantial decline in Russia after the strong prior year due to the ruble devaluation, the sharp drop in the oil price and the economic sanctions – but the resulting effects cannot be reliably estimated at this moment. In total, we are forecasting an increase in earnings for the Clay Building Materials Eastern Europe Segment in 2015. Our expectations are based on moderate market growth and the consolidation of Tondach Gleinstätten and, above all, on our internal efficiency improvement and cost optimization measures.

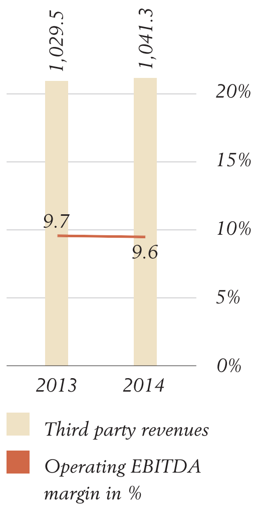
Pipes & Pavers Europe

In the Pipes & Pavers Europe Division, an increase in earnings by Steinzeug-Keramo and Semmelrock was able to offset an earnings decline at Pipelife. This expected decline resulted primarily from the international project business, where the order volume was substantially lower than the record year in 2013. Division revenues rose by 1% to € 1,041.3 million and operating EBITDA was stable at € 100.3 million. The EBITDA margin equaled 9.6% and nearly reached the prior year level of 9.7%.

Stable revenue and earnings development for Pipes & Pavers Europe

Pipes & Pavers Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	1,029.5	1,041.3	+1
Operating EBITDA	*in € mill.*	100.3	100.3	0
Operating EBIT	*in € mill.*	52.1	47.8	-8
Total investments	*in € mill.*	34.9	35.5	+2
Capital employed	*in € mill.*	552.6	535.5	-3
Ø Employees		4,047	4,136	+2

Pipes & Pavers Europe



Pipelife, our specialist for plastic pipe systems, used the market recovery in Eastern Europe to generate strong earnings growth in this region and recorded stable earnings development in the Nordic core markets despite the devaluation of the Norwegian and Swedish krone. Performance was sound in a declining market environment, above all in Finland, and market shares increased. In Western Europe, Pipelife was unable to repeat prior year results, primarily due to lower activity in the international project business and difficult markets in the Netherlands and France. The international project business, which is exposed to greater fluctuations due to its dependence on major projects, recorded an expected substantial year-on-year decline in operating EBITDA because of a lower order volume. A reduction in public sector investments in the Netherlands and France led to a market decline and increased competitive pressure. In total, Pipelife recorded stable revenue development and lower EBITDA in 2014.

Higher earnings for Steinzeug-Keramo and Semmelrock in 2014

Steinzeug-Keramo, our specialist for ceramic wastewater systems, reported nearly stable volumes on its European core markets, but a reduction in exports to the Middle East. However, we were able to increase prices to offset cost inflation and improve the product mix by increasing the share of revenues from premium products. Steinzeug-Keramo recorded a sound improvement in operating earnings for the full year due to the absence of non-recurring restructuring costs from 2013. Semmelrock, our specialist for concrete pavers in Central-East Europe, followed strong volume growth in the first six months with satisfactory development in the second half-year and recorded a double-digit volume increase for the full year. The resulting better capacity utilization as well as ongoing cost optimization measures and a substantial increase in the share of revenues from premium products led to a sound improvement in earnings.

Revenues and earnings slightly over prior year in fourth quarter

In the fourth quarter, the Pipes & Pavers Europe Division recorded an increase of 1% in revenues to € 239.7 million and a 1% improvement in operating EBITDA to € 19.8 million. Semmelrock reported further moderate revenue and earnings growth, while Steinzeug-Keramo registered a sound increase in earnings over the fourth quarter of the previous year due to the absence of non-recurring costs. Pipelife was unable to repeat the prior year results, in particular due to an earnings decline in the Netherlands and France.

Moderate earnings growth expected for Pipes & Pavers Europe in 2015

For 2015, we expect generally stable markets for the Pipes & Pavers Europe Division. Pipelife should see flat development at a good level in its Nordic markets and, despite strong operating results, a slight decline in earnings from this region due to the weakness of the Norwegian and Swedish krone. Our forecasts for Western Europe point to development at the prior year level. There are signs that the Netherlands have bottomed out at a low level, but the difficult market situation in France is expected to continue. We have already introduced extensive measures to strengthen our earnings in Western Europe, which are focused primarily on cost savings and efficiency improvement in internal processes. The positive effects of the EU subsidies are projected to continue in Eastern Europe, and we therefore expect the good prior year results will be repeated in this region. The international project business should record a substantial improvement in earnings for the full year based on contracts signed at the end of 2014. In total, Pipelife should record slight year-on-year earnings growth. Steinzeug-Keramo is expected to record moderate earnings growth based on stable development in the European core markets and recent contract conclusions that will increase exports to the Middle East. We are also forecasting an improvement in earnings for Semmelrock which, in view of the generally unchanged market environment, will be based primarily on the continuation of cost optimization measures. Our activities are also focused on increasing the share of revenues from premium products in line with our positioning as a premium supplier. In total, we are forecasting a slight improvement in earnings for the Pipes & Pavers Europe Division during 2015.

Pipes & Pavers Western Europe

Steinzeug-Keramo unable to offset earnings decline at Pipelife

The Pipes & Pavers Western Europe Segment recorded a decline of 4% in revenues to € 574.3 million and 11% in operating EBITDA to € 58.3 million in 2014. Steinzeug-Keramo generated a sound improvement in operating EBITDA, but the Pipelife Group registered an earnings decline in Western Europe. This development resulted, above all, from the weak market environment in the Netherlands and France. It was also caused by an expected lower order volume in the international project business, where we were unable to duplicate the record 2013 results.

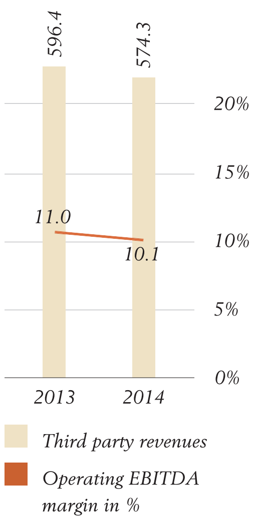
Revenue and earnings decline for Pipelife

Pipelife generated earnings growth in the Nordic core markets, despite the devaluation of the local currencies. Infrastructure spending in Norway and Sweden was stable at a good level, and we performed well in a declining Finnish market and increased our market shares. Public sector investments in the Netherlands and France were substantially lower, which led to an earnings decline and increased competitive pressure. We implemented cost reduction measures in both markets during the reporting year, which should have a positive effect on earnings in 2015. The international project business, which operates from Western Europe, recorded an expected decline in revenues and earnings due to a lower order volume. However, we received a number of new project orders during the fourth quarter, above all for our LLLD pipes, and increased our capacity utilization. In total, our West European plastic pipe business recorded a decline in revenues and earnings for 2014.

Pipes & Pavers Western Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	596.4	574.3	-4
Operating EBITDA	*in € mill.*	65.7	58.3	-11
Operating EBIT	*in € mill.*	39.7	27.5	-31
CFROI	*in %*	19.8	16.3	-
Total investments	*in € mill.*	30.3	22.3	-26
Capital employed	*in € mill.*	296.2	296.1	0
Ø Employees		1,780	1,768	-1

Note: Export sales by the Steinzeug-Keramo Group to Poland were reclassified to the Pipes & Pavers Western Europe Segment (previously: Pipes & Pavers Eastern Europe); all indicators were adjusted accordingly.

Pipes & Pavers Western Europe



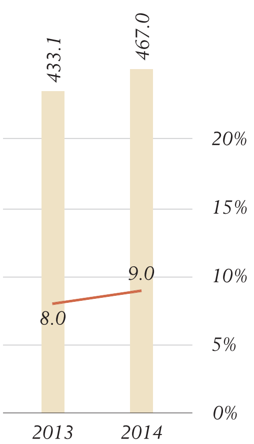
Steinzeug-Keramo, our specialist for ceramic wastewater systems, reported stable revenue development in 2014. Average prices were slightly higher in year-on-year comparison, and we increased prices to offset cost inflation. Volumes on the European core markets nearly reached the prior year level. Germany, the largest single market, recorded flat development, while Poland, Romania and the Czech Republic generated sound growth. In contrast, lower public sector infrastructure spending led to substantial volume declines in Belgium, France and Hungary, and the anticipated approvals for major projects in Italy were again delayed. Steinzeug-Keramo recorded a moderate year-on–year volume decline, in part due to lower exports to the Middle East. Operating earnings improved significantly, as expected, due to the absence of non-recurring costs related to structural production adjustments in the previous year.

Slight improvement in earnings expected for 2015

For 2015, we expect a stable market environment for the plastic pipe business and an improvement in the international project business based on successful tender offers. Earnings in the Netherlands and France should improve substantially following the introduction of extensive optimization measures. In the Nordic markets earnings are forecasted to decline slightly despite a solid market level and our strong operating performance due to the strong devaluation of the local currencies. In total, we see moderate earnings improvement for Pipelife in this reporting segment. Our ceramic pipe solutions business should record slightly higher volumes and an increase in earnings during 2015, above all in Eastern Europe and the export business. In addition to the impulses provided by European subsidies for public sector investments in Eastern Europe, the successful conclusion of contracts with our local partner should support a sound increase in exports to the Middle East during the second half-year. We expect stable development at a high level in Germany, but a continuation of the difficult market environment in Belgium and France. In total, we expect a slight increase in earnings for the Pipes & Pavers Western Europe Segment in 2015.

Pipes & Pavers Eastern Europe

Pipes & Pavers Eastern Europe



In Eastern Europe, our plastic pipe and concrete paver businesses generated an increase in revenues and earnings during 2014. Segment revenues rose by 8% to € 467.0 million and operating EBITDA by 22% to € 42.1 million.

Pipes & Pavers Eastern Europe		2013	2014	Chg. in %
Third party revenues	*in € mill.*	433.1	467.0	+8
Operating EBITDA	*in € mill.*	34.6	42.1	+22
Operating EBIT	*in € mill.*	12.4	20.2	+63
CFROI	*in %*	9.3	11.3	-
Total investments	*in € mill.*	4.6	13.2	>100
Capital employed	*in € mill.*	256.5	239.4	-7
Ø Employees		2,267	2,368	+4

Note: Export sales by the Steinzeug-Keramo Group to Poland were reclassified to the Pipes & Pavers Western Europe Segment (previously: Pipes & Pavers Eastern Europe); all indicators were adjusted accordingly.

In the plastic pipe business, we increased revenues and earnings and strengthened our market shares with double-digit volume growth. Earnings benefited from the stimulating effects of earmarked subsidies from the European Union as well as the structural adjustments implemented in recent years. Pipelife profited, above all, from the recovery in Greece, Bulgaria and Hungary and significantly increased volumes in these markets. Earnings also improved in Turkey, despite the devaluation of the Turkish lira. In Austria, the largest single market in the region, Pipelife recorded volume growth from a good level. Pipelife was unable to duplicate the good prior year results in Russia, and the devaluation of the ruble amplified the earnings decline. Revenues and earnings in Poland increased year-on-year based on sound volume growth, despite slight market weakness in the second six months.

Semmelrock generates earnings growth

Semmelrock, our specialist for concrete pavers in Central-East Europe, generated sound revenue and earnings growth in 2014. After a weather-related good first six months, the company recorded satisfactory development for the second half-year in spite of substantial market weakness in the third quarter. Poland, Romania, Bulgaria and Slovakia registered the strongest market development, while the Czech and Slovenian markets declined. The demand in Austria remained stable. Semmelrock recorded a double-digit increase in volumes for the reporting year as well as higher market shares in spite of the limited market growth. The company followed the conclusion of the restructuring program with the implementation of further profitability improvement measures, which are focused mainly on production, sales and administration. Semmelrock also made substantial progress in improving its positioning as a premium supplier with a significant year-on-year increase in the share of revenues from premium products.

Stable to slightly positive earnings development expected in 2015

For 2015, we expect stable to slightly positive market development in Eastern Europe. Our concrete paver business is forecasted to record a moderate increase in earnings. Poland, the largest single market for the Semmelrock Group, should see a slight improvement in the market environment and earnings growth. Projections for Austria point to a stable environment and an improvement in earnings based on internal structural adjustments to strengthen profitability. We expect further market growth in Romania, but current information shows that Hungary and Bulgaria will not be able to duplicate the good prior year results. Above all in Hungary, the end of the election period has brought a decline in public projects. Pipelife should record stable earnings growth in the coming year. The Polish market should remain on a growth course and support an increase in revenues and earnings, while a slight earnings decline from a good level is expected for Austria. The other markets in the region should see generally stable development. We want to repeat the good prior year results in this environment, but individual large projects could have a significant influence on actual results. In total, we expect stable to slightly positive revenue and earnings development for the Pipes & Pavers Eastern Europe Segment in 2015.

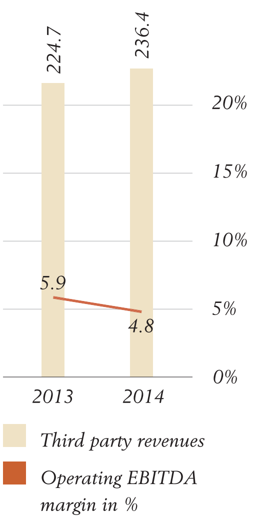
North America

Continued recovery in US residential construction

New residential construction in the USA remained on a recovery course in 2014, which was supported by the positive development of the economy. We utilized this favorable environment to increase facing brick volumes and subsequently extend our market shares. The stable price trend expected at the beginning of the year did not materialize during the second six months, and market pressure led to a year-on-year decline in prices. In Canada, the generally difficult market conditions were responsible for a decrease in volumes. Our Canadian business was also influenced by increased competition and the resulting higher pressure on prices. However, strict cost management allowed us to hold operating margins constant in the North American brick business. Facing brick volumes rose by 11% over the previous year. Our plastic pipe business in North America was characterized by stable demand at a high level in 2014, but negative changes in the product mix led to a slight decline in operating earnings.

Third party revenues in the North America Division rose by 5% to € 236.4 million despite continuing price pressure in individual regional markets and the decline in Canada. Higher start-up costs for the commissioning of plants at the beginning of the year, the addition of new shifts and negative changes in the plastic pipe product mix led to a 15% year-on-year decline in operating EBITDA.

North America



North America		2013	2014	Chg. in %
Third party revenues	*in € mill.*	224.7	236.4	+5
Operating EBITDA	*in € mill.*	13.2	11.2	-15
Operating EBIT	*in € mill.*	-9.3	-11.2	-21
CFROI	*in %*	1.9	1.6	-
Total investments	*in € mill.*	7.3	14.1	+93
Capital employed	*in € mill.*	426.6	352.9	-17
Ø Employees		1,213	1,246	+3
Sales volumes facing bricks	*in mill. WF*	333	369	+11

For 2015, the National Association of Home Builders (NAHB) is forecasting a 15.6% increase in housing starts to 1,162,000 units. Volume-weighted growth forecasts for our US core markets based on this estimate lead to expectations of a 9% increase in residential construction. We are therefore anticipating further steady recovery in single- and two-family house construction in the USA and an increase in the demand for bricks. The Canadian market should stabilize, but will be influenced by ongoing price pressure. The market environment for our plastic pipe business should remain stable in 2015, and the start of operations on our newly built production lines will give us the added capacity to meet the high demand. In total, we expect a sound improvement in revenues and earnings for our brick and plastic pipe businesses in North America during 2015.

Holding & Others

Improvement in EBITDA despite negative foreign exchange effects in India

The Holding & Others Division includes the costs for the corporate headquarters as well as our brick activities in India. Wienerberger is the only supplier of industrially manufactured bricks in India and operates one plant in Bangalore, which has an established middle class. Volumes remained nearly stable in 2014, but the devaluation of the Indian rupee led to a 3% year-on-year decline in revenues. In contrast, operating EBITDA in the Holding & Others Division improved from € -18.2 million in 2013 to € -17.0 million in 2014. This slight improvement was supported, above all, by earnings contributions from the Indian business and the sale of a property in Austria.

Holding & Others		2013	2014	Chg. in %
Third party revenues	*in € mill.*	5.6	5.4	-3
Operating EBITDA	*in € mill.*	-18.2	-17.0	+7
Operating EBIT	*in € mill.*	-22.6	-20.8	+8
Total investments	*in € mill.*	2.8	3.6	+28
Capital employed	*in € mill.*	12.1	3.0	-75
Ø Employees		204	201	-1

Slight increase in revenues and earnings expected in 2015

For 2015, we expect continued high capacity utilization and stable market development in India based on positive growth forecasts. Revenues and earnings should improve slightly in spite of the negative currency fluctuations.

Outlook and Goals

Slight market growth in Europe and continued recovery in North America

We expect slight growth for residential construction in Europe during 2015. Construction should further increase in Great Britain and Poland, while the Netherlands, Hungary and Bulgaria should return to growth. Our forecasts also point to generally stable development in Central Europe and Belgium, but further declines in France and Italy. The market recovery in North America is proceeding, but more slowly than anticipated. For the Pipes & Pavers Europe Division, we are expecting stable to slightly positive market development in the coming year.

Sound earnings improvement expected for 2015

Our goal for 2015 is to generate a sound improvement in earnings and operating Group EBITDA of € 350 million in spite of the overall unsatisfying market development. For the Clay Building Materials Europe Division, we are assuming moderate volume growth and our goal is to pass on cost inflation to the market. The measures to strengthen our earnings and the integration of Tondach Gleinstätten are decisive for such improvement. In the plastic pipe business, we are expecting slight growth in the European core markets and will benefit from an increase in the international project business. We have also implemented a package of measures at Pipelife, which are focused primarily on structural improvements in Western Europe. Semmelrock and Steinzeug-Keramo have set the course for earnings growth in stable markets. Our North American brick business should produce substantial volume growth, and we have introduced extensive optimization measures that should support an improvement in earnings this year. Group-wide sales of real estate will contribute approx. € 10 million to earnings, and normal capex should lead to cash outflows of € 140 million in 2015.

Focus remains on generation of strong cash flows

The generation of strong cash flows remains the focal point of our medium-term goals. These funds will be used, above all, to repay debt and to finance organic growth, investments and value-creating acquisitions. We are also reinforcing our commitment to dividend payments and plan to distribute 10% - 30% of our free cash flow, after the deduction of the hybrid coupon payments, to our shareholders, but will only do so when this is consistent with our free cash flow, liquidity planning and the realization of growth projects. Strict financial discipline with the goal of holding the ratio of net debt to operating EBITDA below the targeted 2.5 years forms our strong framework for the use of funds. Our goals for the operating business are to generate further organic growth and expand our market positions by focusing on innovative, high-quality products and a comprehensive range of supporting services. We will also evaluate value-creating acquisitions in the future, whereby the strategic focus will be to expand our industrial base and increase the share of revenues of our renovation business.

Events after the balance sheet date

On January 9, 2015 Wienerberger exercised the option to purchase the remaining shares in Sandtoft Roof Tiles Limited.

This annual report includes information and forecasts that are based on the future development of the Wienerberger Group and its member companies. These forecasts represent estimates, which were prepared based on the information available at this time. If the assumptions underlying these forecasts are not realized or risks – as described in the risk report – should in fact occur, actual results may differ from the results expected at this time. This annual report is not connected with a recommendation to buy or sell Wienerberger AG securities.

Additional Information on the Company

Research and Development

R&D is one of the key points in strategic planning

Research and development (R&D) form an integral part of strategic planning at Wienerberger and represent key activities for the Group. In these areas we work to optimize production processes and to continuously improve and develop our products and system solutions in all our application areas – from energy-efficient construction to environmentally compatible pavers and supply and sewerage systems. Our goal is to protect and further expand our market positions through cost and technology leadership and product innovation.

R&D is managed centrally, but implemented locally

Our R&D activities are managed centrally, but generally implemented at the local level. Wienerberger operates several research centers in Europe that are specialized by product group. Our product management specialists work closely with the various marketing and sales departments to ensure that new developments always meet the needs of our customers. The international roll-out of new products is managed centrally, but the products are adapted by our local specialists to meet the requirements of their respective markets. This ensures the fast and efficient rollout of successful developments throughout the Group. R&D expenditures rose from € 11.4 million in the previous year to € 17.0 million in 2014, which represents 0.6% of revenues.

Process optimization for ceramic products in the interest of sustainability

Wienerberger's commitment to sustainability is reflected in the continuous improvement of its production processes. The projects related to our energy-intensive ceramic production (bricks and ceramic pipes) concentrate on reducing energy consumption in the drying and firing process and on optimizing the technical properties for fire protection, acoustic and thermal insulation and statics to meet the steadily rising demands on residential and commercial construction. Other research focal points include resource conservation in production and the responsible processing of raw materials. As a leader in the recycling of products through the raw materials mix, we have been able to use up to 60% of ceramic recycling materials in the production for certain vitrified pipes. Our clay pipes are made of 100% natural, recyclable raw materials and meet the demanding criteria for Cradle to Cradle® certification.

Continuous optimization of production and finishing processes for plastic pipes and concrete pavers

In addition to the optimization of production processes, our research projects for plastic pipes are directed to conserving raw materials by reducing the product weight and increasing the use of recycled materials. Our new product developments meet these criteria as well as the increasing technical requirements on plastic pipes and fittings. We develop solutions that allow for efficient, fast and easy installation at the construction site. The projects for concrete pavers are designed to improve the raw material mixtures and optimize our production and finishing processes. Another focal point is the development of new surface structures and innovative product solutions for the design of high-quality open spaces. Additional information on our product innovations can be found on pages 42 to 47.

Sustainability Management

Organization manual for standardized Group-wide procedures

Sustainability management at Wienerberger was raised to a new level in 2014. In order to optimize existing processes, we installed fixed sustainability management structures in all Group units, defined the related responsibilities more precisely and recorded this information in an organization manual. The manual serves as a guideline for structures, processes and responsibilities in our sustainability management and is designed to ensure the efficient implementation of goals and measures by way of standardized procedures throughout the Group.

Reorganization of sustainability management at Wienerberger

The sustainability management department was established as an international coordination office in autumn 2014 under the direction of the corporate sustainability officer (CSO). This person is responsible for the Group-wide coordination of sustainability management and reports directly to the CEO of Wienerberger AG. Each business unit has also designated a sustainability officer who oversees the implementation of sustainability measures defined for the Group and reports to the CSO. This structure is designed to strengthen the areas of responsibility and scope of influence for the integration of our sustainability strategy in the individual business units.

SSC meets at least twice each year

A Sustainability Steering Committee (SSC) is responsible for Wienerberger's sustainability strategy and for the definition of goals, schedules and measures related to the sustainability program. The members of the SSC are in regular contact and meet at least twice each year. The Chief Executive Officer of Wienerberger AG, Heimo Scheuch, serves as the chairman of the SSC and carries primary responsibility for the sustainability strategy. The other members of the SSC include the CFO of the Wienerberger Group, the CEOs of the individual business units and the CSO, who exercises a non-voting consultative function in the SSC. In order to make our commitment to the sustainability program transparent, we publish the related developments in the Wienerberger Group in a full sustainability report every two years and in a sustainability update on the Wienerberger homepage in the interim period.

Sustainability report as part of a continuous process

The Wienerberger sustainability report transforms our commitment into an obligation. It is based on the standards defined by the Global Reporting Initiative (GRI) and includes information on the current status and further measures in the areas of employees, production, products, social responsibility and stakeholder management. To create the basis for sustainability reporting in accordance with GRI G4, an extensive internal and external stakeholder survey was carried out by independent experts and a materiality analysis along the value chain was prepared for relevant sustainability indicators. This represents the basis for the further development and orientation of Wienerberger's sustainability program. The results will be presented in our 2014 sustainability report, which will be published in June 2015.

Centralized data management

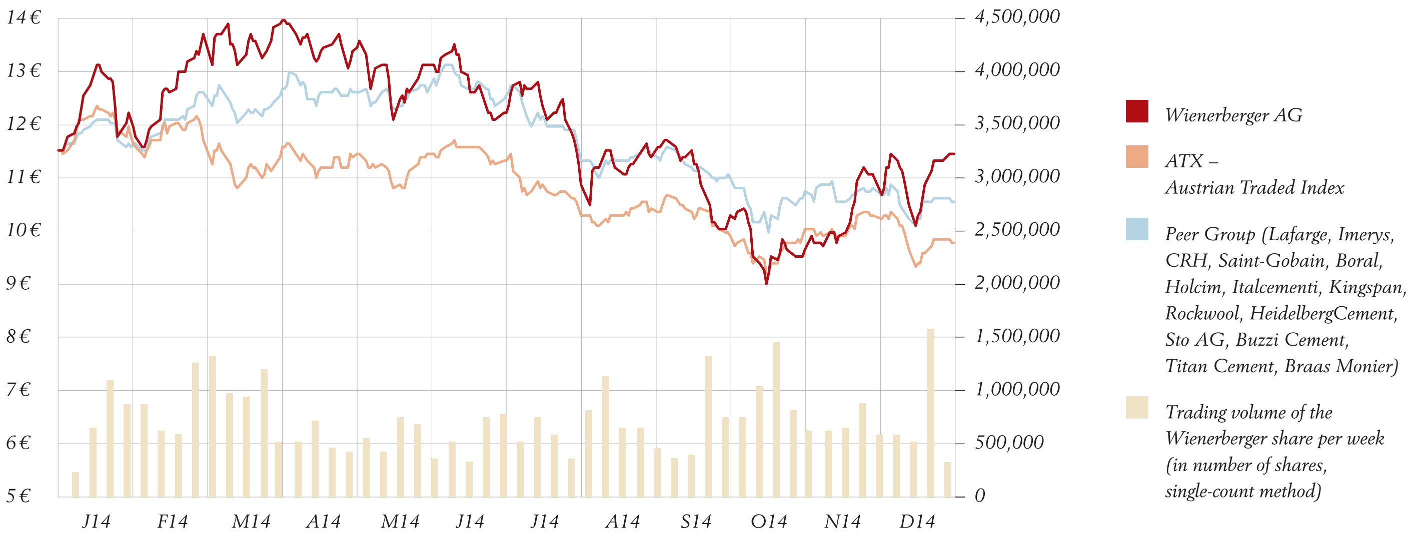
Our data management was reorganized to reflect the introduction of Sustainability Group Reporting (SGR), which is responsible for the consolidation of all sustainability indicators at the Group level. This data will be collected from the individual business units monthly, quarterly or annually depending on the requirements of the SSC. It will then be summarized in quarterly reports and form the basis for further strategic decisions by the SSC.

Wienerberger Share and Shareholders

Wienerberger share with flat development in 2014

The Wienerberger share followed a sideways trend in 2014. After strong growth of 66.3% in 2013, the share started the reporting year at € 11.53. The particularly mild weather at the beginning of the year led to nearly uninterrupted construction in our European markets. This was also reflected on the capital markets, and the Wienerberger share reached its annual high of € 13.98 at the beginning of the second quarter. A less optimistic outlook for economic development in our core markets during the summer months led to a decline in the share price to the annual low of € 9.01 in October. Following a recovery at year-end, the Wienerberger share closed 2014 at € 11.45 with annual performance of -0.7%. The difficult market climate also had a negative effect on the ATX, which fell by 15.2% for the year, and on the share prices of comparable companies which, in total, declined by 8.2%.

Development of the Share Price



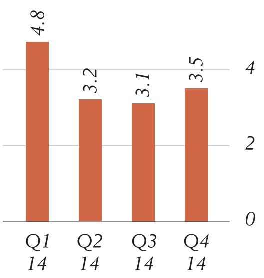
13.5% decline in ATX Prime

In the broader ATX Prime, the value-based turnover and trading volume (purchases and sales, double-count method in both cases) rose by 24% and 27%, respectively, year-on-year in 2014. This development was influenced, above all, by larger capital increases in the banking, industrial and telecommunications sectors. In spite of the increased liquidity in share trading, the ATX Prime fell by 13.5% in 2014.

Value-based turnover of Wienerberger share falls by 10%

The Wienerberger share saw contrary developments in 2014. The value-based turnover and trading volume fell by 10% and 24%, respectively (purchases and sales, double-count method in both cases). The number of shares traded totaled 76.4 million (double-count method), which represents a turnover factor of 0.3 for Wienerberger's outstanding share capital on the Vienna Stock Exchange in 2014. Over-the-counter sales in Vienna amounted to € 93.0 million (single-count method), or 18% less than the € 113.4 million recorded in 2013.

Liquidity
in € mill.



Ø Stock exchange turnover of the Wienerberger share per day (double-count method)

Key Data per Share		**2013**	**2014**	**Chg. in %**
Earnings	*in €*	-0.34	-1.74	<-100
Adjusted earnings	*in €*	-0.40	0.05	>100
Dividend	*in €*	0.12	0.15	+25
Free cash flow [1]	*in €*	0.81	1.13	+39
Equity [2]	*in €*	15.31	13.41	-12
Share price high	*in €*	13.21	13.98	+6
Share price low	*in €*	7.13	9.01	+26
Share price at year-end	*in €*	11.53	11.45	-1
P/E ratio high		-38.9	-8.0	-
P/E ratio low		-21.0	-5.2	-
P/E ratio at year-end		-33.9	-6.6	-
Shares outstanding (weighted) [3]	*in 1,000*	115,063	116,017	+1
Market capitalization at year-end	*in € mill.*	1,354.5	1,345.1	-1
Ø Stock exchange turnover/day [4]	*in € mill.*	4.1	3.7	-100

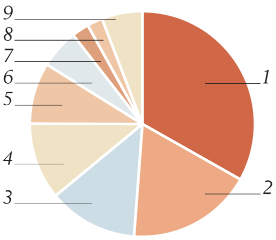
1) Cash flow from operating activities less cash flow from investing activities plus growth capex
2) Equity including non-controlling interests, excluding hybrid bond
3) Adjusted for treasury shares
4) Double-count method

Recommended dividend of € 0.15 per share

Subject to further market developments and the best possible use of financial resources, the Managing Board will make a recommendation to the 146th Annual General Meeting on May 22, 2015, calling for the payment of a € 0.15 dividend per share. This represents an increase of 25% over the previous year. The amount of future dividends will depend on the market development and the availability of profitable growth projects. In addition, the Managing Board is reinforcing its commitment to dividends and plans to distribute 10% - 30% of free cash flow, after the deduction of payments for the hybrid coupon, to owners in the future.

Shareholder Structure

Shareholder Structure by Country (Institutional Investors)



1 USA 33%
2 Great Britain 18%
3 Austria 13%
4 Canada 11%
5 Germany 9%
6 France 6%
7 Norway 2%
8 Switzerland 2%
9 Other 6%

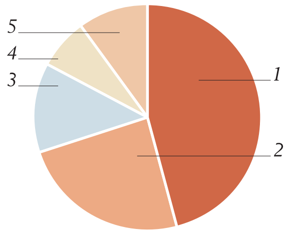
Wienerberger AG is listed with 117.5 million shares of zero par value common stock (bearer shares) in the Prime Market segment of the Vienna Stock Exchange. There are no preferred or registered shares and no restrictions on the common shares. The principle of "one share – one vote" therefore applies in full. In the USA Wienerberger AG trades on the OTC market through an ADR Level 1 Program der Bank of New York. With market capitalization of € 1,345.1 million and a weighting of 4% in the ATX at year-end 2014, Wienerberger is one of the largest publicly traded companies in Austria.

Wienerberger is a pure free float company and has no core shareholder. All of the shares represent free float, which is held by Austrian and international investors. In accordance with § 91 of the Austrian Stock Exchange Act, which requires the reporting of changes in significant holdings, we received the following notifications: Black Creek Investment Management Inc., which is headquartered in Canada, has held more than 5% of Wienerberger shares since September 19, 2012. Investments of more than 4% in Wienerberger shares are held by the following companies: Marathon Asset Management LLP, which is based in the United Kingdom (since April 9, 2014); First Eagle Investment Management, LLC, which is based in the USA (since March 5, 2014); and TIAA, which is also based in the USA (since February 6, 2015).

There are no other reports of shareholdings that exceed 4%. Wienerberger holds 570,289 treasury shares, which represent 0.5% of the total shares issued.

Wienerberger has a widely diversified shareholder structure, which is typical for an international publicly traded company. A January 2015 survey of the shareholder structure showed the majority of institutional investors in North America (44%) and the UK (18%). Most of Wienerberger's shares are held by institutional investors (78%), while the share of private investors equals 18%. An analysis of the various investor strategies shows value-oriented investors with a share of nearly 46%, followed by GARP investors (24%) and growth-oriented investors (13%).

Shareholder Structure by Investor Type (Institutional Investors)



1 Value 46%
2 GARP 24%
3 Growth 13%
4 Index 7%
5 Other 10%

Information on Capital, Shares, Voting and Control Rights

The capital measures approved by the 140th Annual General Meeting in 2009 expired on May 13, 2014. These measures included the creation of authorized capital for the issue of new shares as well as the authorization of the Managing Board to issue convertible bonds, to carry out a conditional capital increase for the issue of new shares to the holders of the convertible bonds and to issue participation rights.

New authorized capital for strategic development

The 145th Annual General Meeting in 2014 approved new authorized capital of € 17.6 million (15% of share capital) through the issue of up to 17.6 million new shares for a period of five years. The legal subscription rights of shareholders can be excluded under certain circumstances, but the number of shares issued under the exclusion of subscription rights may not exceed 5,876,338.

Share buyback

The Managing Board was also authorized to repurchase the company's shares, up to the legally defined limit, during a period of 30 months and to withdraw or sell the repurchased shares without further approval by the Annual General Meeting. Since Wienerberger has already repurchased 0.5% of the issued shares, 9.5% are still available for possible repurchase under the current legal regulations.

Change of control clauses in Managing Board contracts, corporate bonds and loans

Change of control clauses are included the employment contracts with the members of the Managing Board, in the terms of the corporate and hybrid bonds and in the syndicated term loans and other loans. Further information on the composition of Wienerberger capital, types of shares, limitations and rights as well as the authorization of the Managing Board to issue or buy back shares are discussed in the notes under note 24 ("Capital and reserves") starting on page 154.

Risk Management

Identification and analysis of 15 major risks as part of risk management process

Our international operations are associated not only with opportunities, but also with a variety of risks. We have implemented a risk management system to identify risks at an early stage and implement suitable measures to minimize any divergence from corporate goals. The related procedures require the identification, assessment, management and monitoring of risks, and represent an integral part of our activities in this area. In this context the prior year's **risk identification** is updated annually by top and senior management. Based on the probability of occurrence and the potential impact on the Group, the identified risks are weighted according to their significance and the 15 major **risks are analyzed and assessed** in detail. The major risks include: *market, production and price risks, financial risks, procurement risks and legal risks*. Detailed information on all risks to which the Wienerberger Group is exposed can be found in the risk report beginning on page 181 of the notes.

Risks only taken on in operating business

The most important instruments for the **monitoring and management of risk** are planning and controlling processes, Group guidelines, regular reporting and the internal control system (ICS). Key factors for the analysis of risks and the development of measures to **avoid or counter risks** are the difference between recurring and external risks and Wienerberger's decentralized organizational structure. Most of the identified risks are monitored as part of established internal management processes. The local companies deliberately take on risks only as part of their operating activities, whereby these risks are analyzed by the respective business unit risk-owners in relation to the potential gains or opportunities. Any speculative actions outside the scope of operating activities are prohibited. Risks related to other areas, including Group financing, IT and compliance, are managed, monitored and minimized by the business units and centrally by the Group's headquarters. A limited number of the identified risks represent external risks that are regularly monitored and evaluated; countermeasures have been defined for these situations and can be implemented on a timely basis if necessary.

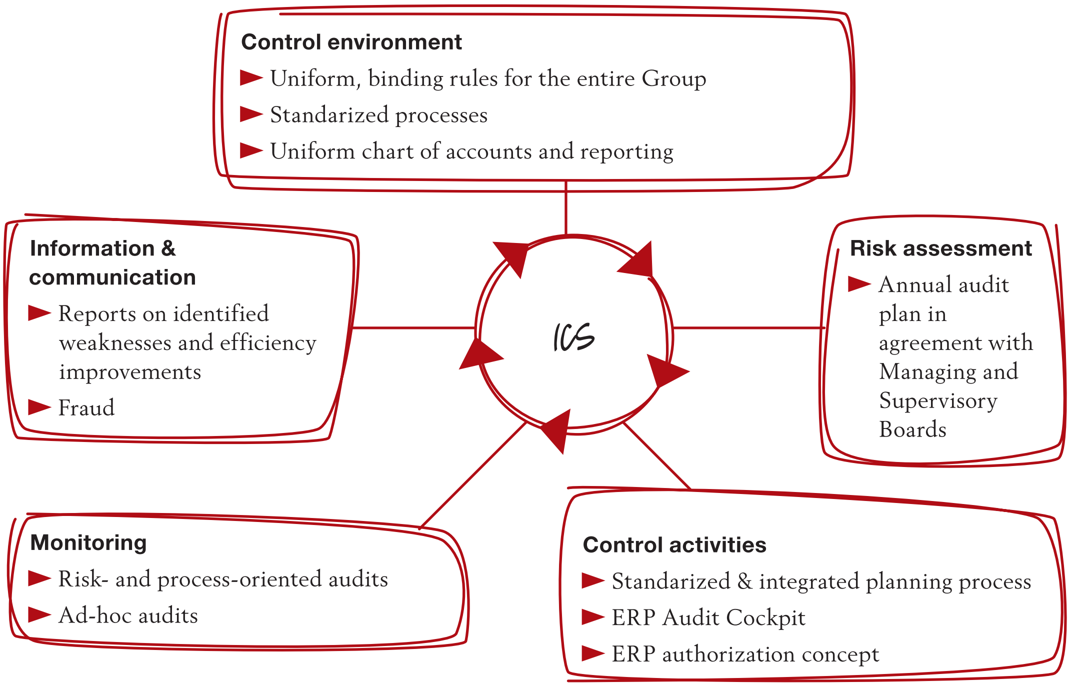
Internal Control System

The internal control system (ICS) of Wienerberger AG plays an important role in risk management. The ICS is based on the standards defined in the COSO, a recognized international guideline for internal control procedures. It provides management with a comprehensive tool for analyzing and managing the uncertainties and risks arising from business activities. In keeping with the decentralized structure of the Wienerberger Group, local management is responsible for the implementation of the internal control system. Internal audit, which is organized as a staff function reporting to the Managing Board is responsible for communication and monitoring.

ICS is implemented locally, but compliance monitored centrally by internal audit

The ICS consists of various systematic measures and processes, which can be divided into the following areas:

The ICS covers five interconnected areas



The ICS **control environment** forms the basis for the standardization and unification of processes throughout the Group. The Managing Board issues mandatory accounting rules in the form of a guideline, which must be followed by all Group companies in preparing their annual and interim financial statements. Business transactions are recorded through standardized processes based on a uniform Group chart of accounts. Wienerberger's consolidated financial statements and interim financial statements are prepared in accordance with IFRS based on a fast-close process. The financial statements of all subsidiaries are reviewed by the finance and controlling departments of the respective business units and the corporate reporting department in a two-step process, consolidated and subsequently released by the Managing Board of Wienerberger AG for distribution to the Supervisory Board.

Control environment as the basis for standardization and unification

Annual planning process as key part of the ICS

Control activities include business forecasting that is designed as integrated planning in a bottom-up process. Included here are the preparation of budgets for the income statement, balance sheet and cash flows for the following financial year and medium-term planning for a four-year horizon. An important element of the internal control and risk management system is the monthly comparison of actual results with the forecast for the respective period. In addition, the subsidiaries prepare a revised projection of expected annual results three times each year. The ERP Audit Cockpit was recently introduced as an additional control instrument. This software tool is integrated throughout the Group and supports local management in the implementation, documentation and monitoring of control measures. In this connection, the ERP authorization concept was revised together with external auditors, authorization conflicts were identified and eliminated, and control reports were developed. As integral parts of the Audit Cockpit, they reduce risk in the ERP control environment through the clear definition of duties and responsibilities.

Process-oriented audits at regular intervals

To support **risk assessment** and as preparation for internal activities, a risk-based audit schedule is prepared annually together with the Managing Board and Supervisory Board. In accordance with this schedule, the internal audit department reviews all Group companies at least every three years to monitor compliance with the ICS and evaluate operating processes for their risk potential and opportunities for improvement. The internal audit department is also responsible for monitoring compliance with legal directives and internal guidelines and, in this way, serves as the **monitoring body** for the internal control system. This department is also responsible for ad-hoc audits as requested by management.

The ICS as an information and communication instrument

The results of the audits, including the related recommendations and measures, are summarized in an audit report which is submitted to local management, the business unit CFO, the Group CFO and the external auditor. In connection with the other ICS **information and communication requirements**, internal audit and corporate reporting provide the Audit Committee with regular reports on major accounting and valuation procedures, the effects of revisions to IFRS on the consolidated financial statements, significant changes in accounting processes and the results of risk management analysis. The Audit Committee is also regularly informed of audit results and relevant measures as well as the improvement of weaknesses identified by the ICS.

Effectiveness of risk management audited and confirmed by KPMG

The Group auditor evaluates the effectiveness of Wienerberger risk management each year, and reports to the Supervisory and Managing Boards on the results of this analysis. The functional capability of Wienerberger risk management was examined and confirmed by the auditor in 2014. In addition, the control systems of individual corporate functions are tested as part of the annual year-end audit.

Contents

Consolidated Income Statement

Notes		2014 in TEUR	2013 in TEUR
	Revenues	2,834,472	2,662,943
(9-11, 13-15)	Cost of goods sold	-1,983,753	-1,887,362
	Gross profit	**850,719**	**775,581**
(9-11, 13-15)	Selling expenses	-548,063	-522,881
(9-11, 13-15)	Administrative expenses	-171,132	-161,355
(14, 15)	Other operating income:		
	Release of a provision for an impending antitrust penalty	0	9,387
	Other	37,071	43,484
(10, 13, 15)	Other operating expenses:		
(10)	Impairment charges to assets	-100,685	0
(10)	Impairment charges to goodwill	-106,924	0
	Other	-68,352	-79,548
	Operating profit/loss (EBIT)	**-107,366**	**64,668**
(2)	Income from investments in associates and joint ventures	-2,760	-2,553
(16)	Interest and similar income	8,118	7,817
(16)	Interest and similar expenses	-61,060	-63,810
(16)	Other financial results	5,465	-9,207
	Financial results	**-50,237**	**-67,753**
	Profit/loss before tax	**-157,603**	**-3,085**
(17)	Income taxes	-12,370	-4,750
	Profit/loss after tax	**-169,973**	**-7,835**
	Thereof attributable to non-controlling interests	-462	-1,399
	Thereof attributable to hybrid capital holders	32,500	32,500
	Thereof attributable to equity holders of the parent company	**-202,011**	**-38,936**
(18)	**Earnings per share (in EUR)**	**-1.74**	**-0.34**
(18)	**Diluted earnings per share (in EUR)**	**-1.74**	**-0.34**

Consolidated Statement of Comprehensive Income

Notes		2014 *in TEUR*	2013 *in TEUR*
	Profit/loss after tax	**-169,973**	**-7,835**
(24, 33)	Foreign exchange adjustments	19,310	-68,992
	Foreign exchange adjustments to investments in associates and joint ventures	-38	-2,257
(22, 24)	Changes in the fair value of available-for-sale financial instruments	606	164
(24)	Changes in hedging reserves	-15,215	10,319
	Items to be reclassified subsequently to profit or loss	**4,663**	**-60,766**
(24, 26)	Actuarial gains/losses	-19,319	5,999
	Actuarial gains/losses from investments in associates and joint ventures	-22	-608
	Items not to be reclassified subsequently to profit or loss	**-19,341**	**5,391**
	Other comprehensive income	**-14,678**	**-55,375**
	Total comprehensive income after tax	**-184,651**	**-63,210**
	Thereof comprehensive income attributable to non-controlling interests	-685	-1,485
	Thereof attributable to hybrid capital holders	32,500	32,500
	Thereof comprehensive income attributable to equity holders of the parent company	**-216,466**	**-94,225**

Consolidated Cash Flow Statement

Notes		2014 in TEUR	2013 in TEUR
	Profit/loss before tax	-157,603	-3,085
(10)	Depreciation and amortization	203,324	197,961
(10)	Impairment charges to goodwill	106,924	0
(10)	Impairment charges to assets	132,886	13,368
(25-27)	Increase/decrease in long-term provisions and deferred taxes	-10,560	-24,138
(2)	Income from investments in associates and joint ventures	2,760	2,553
	Gain/loss from the disposal of fixed and financial assets	-34,987	-15,861
(16)	Interest result	52,942	55,993
	Interest paid	-60,110	-53,465
	Interest received	5,848	7,105
	Income taxes paid	-15,894	-15,784
	Gross cash flow	**225,530**	**164,647**
	Increase/decrease in inventories	-6,248	34,899
	Increase/decrease in trade receivables	-4,578	-4,301
	Increase/decrease in trade payables	10,051	15,185
	Increase/decrease in other net current assets	-12,522	-17,015
	Changes in non-cash items resulting from foreign exchange translation	3,240	-2,519
	Cash flow from operating activities	**215,473**	**190,896**
	Proceeds from the sale of assets (including financial assets)	24,863	19,930
	Payments made for property, plant and equipment and intangible assets	-127,459	-106,619
	Payments made for investments in financial assets	-4	-103
	Increase/decrease in securities and other financial assets	12,003	-11,900
	Net payments made for the acquisition of companies	-12,476	0
	Net proceeds from the sale of companies	50	0
(19)	**Cash flow from investing activities**	**-103,023**	**-98,692**
	Increase/decrease in long-term financial liabilities	4,062	237,315
	Increase/decrease in short-term financial liabilities	-278,573	-30,316
(24)	Dividends paid by Wienerberger AG	-13,808	-13,808
(24)	Hybrid coupon paid	-44,085	-32,500
	Dividends paid to and other changes in non-controlling interests	-2,852	0
	Dividend payments from associates and joint ventures	3,401	3,169
(24)	Change of hybrid capital Wienerberger AG	-2,336	0
	Cash flow from financing activities	**-334,191**	**163,860**
	Change in cash and cash equivalents	**-221,741**	**256,064**
	Effects of exchange rate fluctuations on cash held	246	-1,662
	Cash and cash equivalents at the beginning of the year	496,690	242,288
	Cash and cash equivalents at the end of the year	**275,195**	**496,690**

Consolidated Balance Sheet

Notes		31.12.2014 in TEUR	31.12.2013 in TEUR
	Assets		
(20)	Intangible assets and goodwill	753,184	842,897
(20)	Property, plant and equipment	1,646,275	1,663,283
(20)	Investment property	76,683	78,377
(20)	Investments in associates and joint ventures	8,925	24,454
(20, 23)	Other financial assets and non-current receivables	12,257	6,869
(27)	Deferred tax assets	60,163	46,633
	Non-current assets	**2,557,487**	**2,662,513**
(21)	Inventories	701,398	666,026
(22)	Trade receivables	221,070	203,467
(23)	Receivables for current taxes	14,331	17,920
(23)	Other current receivables	81,959	73,295
(22, 31)	Securities and other financial assets	61,910	91,449
(19)	Cash and cash equivalents	275,195	496,690
	Current assets	**1,355,863**	**1,548,847**
	Total Assets	**3,913,350**	**4,211,360**
	Equity and Liabilities		
	Issued capital	117,527	117,527
	Share premium	1,086,025	1,083,973
	Hybrid capital	490,560	492,896
	Retained earnings	575,850	803,254
	Other reserves	-235,526	-221,071
	Treasury stock	-4,862	-24,324
	Controlling interests	**2,029,574**	**2,252,255**
	Non-controlling interests	17,256	1,911
(24)	**Equity**	**2,046,830**	**2,254,166**
(27)	Deferred taxes	112,453	103,980
(26)	Employee-related provisions	151,670	116,172
(25)	Other non-current provisions	60,285	50,899
(28, 30)	Long-term financial liabilities	556,521	836,121
(28)	Other non-current liabilities	3,742	8,237
	Non-current provisions and liabilities	**884,671**	**1,115,409**
(25)	Current provisions	41,561	57,396
(28)	Payables for current taxes	8,184	12,359
(28, 30, 31)	Short-term financial liabilities	402,085	290,897
(28)	Trade payables	285,844	268,334
(28)	Other current liabilities	244,175	212,799
	Current provisions and liabilities	**981,849**	**841,785**
	Total Equity and Liabilities	**3,913,350**	**4,211,360**

Consolidated Statement of Changes in Equity

Notes	*in TEUR*	Issued capital	Share premium	Hybrid capital	Retained earnings
	Balance on 31.12.2012	**117,527**	**1,083,973**	**492,896**	**855,998**
	Profit/loss after tax				-6,436
(24, 33)	Foreign exchange adjustments				
	Foreign exchange adjustments to investments in associates and joint ventures				
	Changes in hedging reserves				
	Changes in other reserves				
	Total comprehensive income				**-6,436**
(24)	Dividend payment/hybrid coupon				-46,308
	Balance on 31.12.2013	**117,527**	**1,083,973**	**492,896**	**803,254**
	Profit/loss after tax				-169,511
(24, 33)	Foreign exchange adjustments				
	Foreign exchange adjustments to investments in associates and joint ventures				
	Changes in hedging reserves				
	Changes in other reserves				
	Total comprehensive income				**-169,511**
(24)	Dividend payment/hybrid coupon				-57,893
(24)	Change in hybrid capital			-2,336	
(24)	Increase/decrease in non-controlling interests		-1,676		
(24)	Changes in treasury stock		3,728		
	Balance on 31.12.2014	**117,527**	**1,086,025**	**490,560**	**575,850**

1) AfS (available-for-sale) financial instruments

Other reserves							
Actuarial gains/losses	AfS reserve [1]	Hedging reserve	Translation reserve	Treasury stock	Controlling interests	Non-controlling interests	Total
-51,734	**1,135**	**47,896**	**-163,079**	**-24,324**	**2,360,288**	**3,396**	**2,363,684**
					-6,436	-1,399	-7,835
			-68,972		-68,972	-20	-68,992
			-2,257		-2,257		-2,257
		10,319			10,319		10,319
5,457	164				5,621	-66	5,555
5,457	**164**	**10,319**	**-71,229**		**-61,725**	**-1,485**	**-63,210**
					-46,308		-46,308
-46,277	**1,299**	**58,215**	**-234,308**	**-24,324**	**2,252,255**	**1,911**	**2,254,166**
					-169,511	-462	-169,973
			19,413		19,413	-103	19,310
			-38		-38		-38
		-15,215			-15,215		-15,215
-19,221	606				-18,615	-120	-18,735
-19,221	**606**	**-15,215**	**19,375**		**-183,966**	**-685**	**-184,651**
					-57,893		-57,893
					-2,336		-2,336
					-1,676	16,030	14,354
				19,462	23,190		23,190
-65,498	**1,905**	**43,000**	**-214,933**	**-4,862**	**2,029,574**	**17,256**	**2,046,830**

Notes to the Consolidated Financial Statements

General Information

1. Basis for the preparation of the consolidated financial statements

Wienerberger AG, which is headquartered in Vienna, Austria, is the parent company of an international building materials group whose business activities are classified into six segments according to management responsibilities: Clay Building Materials Eastern Europe, Clay Building Materials Western Europe, Pipes & Pavers Eastern Europe, Pipes & Pavers Western Europe, North America and Holding & Others. The address of Wienerberger AG is Wienerbergstrasse 11, 1100 Vienna, Austria.

The consolidated financial statements were prepared pursuant to § 245a of the Austrian Commercial Code and in accordance with the International Financial Reporting Standards (IFRSs) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were valid as of the balance sheet date and had been adopted by the European Union (EU). Wienerberger applied all International Financial Reporting Standards that were announced by the IASB and required mandatory application in 2014. Independent auditors have examined the annual financial statements of all major Austrian and foreign companies to confirm their agreement with International Financial Reporting Standards. The consolidated financial statements were released for publication by the Managing Board of Wienerberger AG on February 25, 2015.

The annual financial statements were principally based on amortized acquisition and production costs, and prepared as of the balance sheet date. An exception to this policy is the accounting treatment applied to financial instruments held for trading (derivatives) and available-for-sale financial instruments, which are recorded at fair value. Deferred taxes are determined on the basis of temporary differences and are reevaluated at every balance sheet date. In addition, defined benefit pension and severance compensation plans are recognized and measured according to the projected unit credit method. The income statement is prepared in accordance with the cost of sales method; the reconciliation to the total cost method is provided in the notes.

The consolidated financial statements are presented in thousand euros. The results of the sensitivity analysis required by IAS 36 and individual disclosures in the risk report are presented in million euros.

2. Consolidated companies

The list of companies at the end of the notes provides an overview of the fully consolidated subsidiaries, joint ventures included at equity, associates and investments that are not fully consolidated for materiality reasons. The following table shows the changes in the consolidation range of the Wienerberger Group during the reporting year and comprises subsidiaries as well as associates and joint ventures accounted for at equity:

Consolidated Companies	Full consolidation	Equity consolidation
Balance on 31.12.2013	**144**	**5**
Change in consolidation method	1	-2
Included during reporting year for the first time	12	0
Merged/liquidated during reporting year	-2	0
Divested during reporting year	-1	0
Balance on 31.12.2014	**154**	**3**
Thereof foreign companies	129	3
Thereof domestic companies	25	0

Subsidiaries

In addition to Wienerberger AG, the 2014 consolidated financial statements include 25 (2013: 23) Austrian and 129 (2013: 121) foreign subsidiaries over which Wienerberger AG exercises control. Subsidiaries are fully consolidated as of the date control is obtained and deconsolidated when control ceases to exist. In accordance with IFRS 10, control is considered to exist when Wienerberger has power over the subsidiary and can use this power to influence the company's financial and operating policies. Fifteen subsidiaries were not consolidated in 2014 (2013: 12) because their influence on the Group's financial position and financial performance is immaterial.

Investments in associates and joint ventures

The 2014 consolidated financial statements of Wienerberger AG include three investments in associates or joint ventures that are accounted for at equity (2013: five). In accordance with IFRS 11, Schlagmann and Silike keramika, spol. s.r.o. are classified as joint ventures because these companies are managed jointly with an equal partner. The results of the Tondach Gleinstätten Group are included at equity for the first half-year and are fully consolidated as of July 1, 2014. The following table shows the proportional values resulting from the aggregation of the joint ventures:

in TEUR	2014	2013
Revenues	67,797	110,809
Operating EBITDA	8,281	15,761
Operating EBIT	2,112	4,895
Profit after tax	-1,775	-2,553
Total comprehensive income after tax	-1,970	-4,275

Assets			**Equity and Liabilities**		
in TEUR	31.12.2014	31.12.2013	*in TEUR*	31.12.2014	31.12.2013
Non-current assets	21,822	93,544	Equity	8,924	22,443
Current assets	14,196	46,132	Non-current provisions and liabilities	3,284	50,694
			Current provisions and liabilities	23,810	66,539
	36,018	**139,676**		**36,018**	**139,676**

The income from associates also contains an impairment charge of TEUR 985 that was recognized to the investment in Fornaci Giuliane S.p.A.

A detailed analysis of the associates' income and balance sheet totals is not provided because these amounts are immaterial for the Wienerberger Group.

3. Acquisitions and disposals

The following companies were initially consolidated in 2014:

Company	Headquarters	Share capital	Currency	Interest in %
Aberson SmartBuild BV	Zwolle	1	EUR	100.00%
Tondach Group				
Tondach Beteiligungs GmbH	Vienna	200,000	EUR	100.00%
Tondach Gleinstätten AG	Gleinstätten	500,000	EUR	82.19%
Tondach Slovensko spol. s.r.o.	Nitrianske Pravno	14,937,263	EUR	82.19%
Tondach Slovenija d.o.o.	Krizevci pri Ljutomeru	5,195,293	EUR	82.19%
Potisje Kanjiza d.d.	Kanjiza	605,394,000	RSD	82.19%
Tondach Makedonija d.o.o.	Vinica	349,460,010	MKD	82.19%
Tondach Bulgaria EOOD	Sofia	298,400	BGN	82.19%
Tondach Česká republika s.r.o.	Hranice	250,100,000	CZK	82.19%
Tondach Magyarország Rt.	Csorna	11,683,550,000	HUF	82.19%
Tondach Romania SRL	Sibiu	36,137,155	RON	82.19%
Tondach Hrvatska d.d.	Bedekovcina	116,715,500	HRK	82.19%
Tondach Bosna i Hercegovina d.o.o.	Sarajevo	200,000	BAM	65.75%

Wienerberger announced the purchase of additional shares in Tondach Gleinstätten at the beginning of July 2014. This transaction was carried out to strengthen the ceramic core business and the Group's presence on the markets in the Clay Building Materials Eastern Europe Segment. Wienerberger is now positioned as a complete supplier for ceramic building material solutions throughout Europe. The transaction led to a change from the inclusion of the previous 50% investment in the Tondach Group at equity to full consolidation as of July 1, 2014. The previous joint venture investment of TEUR 9,308 reported up to June 30, 2014 is shown under the change in the consolidation range for joint ventures on page 150 in the notes. The purchase price for 50% of the shares totaled TEUR 41,847 and was paid in the form of 1,893,849 treasury shares with a value of TEUR 23,190 and TEUR 18,657 in cash. After the deduction of TEUR 6,181 in cash and cash equivalents taken over, the net payments made for the acquisition totaled TEUR 12,476. The revalued net assets, including a 15% control premium, amounted to TEUR 78,236. The transaction resulted in a valuation effect of TEUR 23,286 and includes the reclassification of foreign exchange differences totaling TEUR -3,781 from other comprehensive income.

Negotiations with the financing banks in connection with the acquisition led to an agreement at the beginning of September 2014, whereby outstanding financial liabilities were converted into a stake of 17.81%. This increased the non-controlling interests in the Group by TEUR 17,236, which represented the share of identifiable net assets at that time. The purchase of 50% of the shares and the transaction with the lenders were treated as a linked transaction and the entire amount of goodwill was disclosed (full goodwill method). The initial consolidation also included the recognition of a further TEUR -30 in non-controlling interests, which are held by management in the Bosnian company Tondach Bosnia i Hercegovina d.o.o.

Wienerberger holds purchase options for the non-controlling interests of 17.81% which can be exercised in 2017 or 2018. The options for the purchase of the remaining non-controlling interests were valued at zero and therefore have no influence on the purchase price.

The allocation of the purchase price of the acquired assets and liabilities led to a positive difference (goodwill) of TEUR 5,996, which reflects the synergy potential of the transaction. The following table shows the reconciliation of the carrying amounts of the Tondach Group to the included IFRS values after the purchase price allocation.

in TEUR	Carrying amount	Adjustments	Total
Intangible assets	259	11,622	11,881
Property, plant and equipment and financial assets	137,365	31,021	168,386
Deferred tax assets	1,597	-1,336	261
Non-current assets	**139,221**	**41,307**	**180,528**
Inventories	44,803	-1,564	43,239
Trade receivables	15,276	-12	15,264
Other current receivables	9,029	-204	8,825
Current assets	**69,108**	**-1,780**	**67,328**
Deferred taxes	5,589	5,107	10,696
Non-current provisions	16,262	1,953	18,215
Long-term financial liabilities	68,617	-24,550	44,067
Non-current provisions and liabilities	**90,468**	**-17,490**	**72,978**
Current provisions	2,043	-1,500	543
Short-term financial liabilities	66,320	-9,450	56,870
Trade payables	7,490	0	7,490
Other current liabilities	21,154	-625	20,529
Current provisions and liabilities	**97,007**	**-11,575**	**85,432**
Net assets	**20,854**	**68,592**	**89,446**
Non-controlling interests			-17,206
Goodwill			5,996
Cash and cash equivalents			-6,181
Fair value of disposed investment in associates			-36,389
Purchase price for 50% stake in Tondach			**35,666**
Sale of treasury stock for acquisitions			-23,190
Net payments made for the acquisition of Tondach			**12,476**

Tondach generated revenues of TEUR 150,010 and operating EBITDA of TEUR 22,908 from January 1, 2014 to December 31, 2014. Since the initial consolidation, Tondach contributed TEUR 87,271 to revenues and TEUR 15,420 to operating EBITDA.

The transaction costs included under administrative expenses amount to TEUR 968, whereby TEUR 666 were spent during the reporting year.

Aberson SmartBuild BV was founded in the Netherlands on September 2, 2014 as a specialist for facade systems and included in the consolidation range. MR Erwerbs GmbH & Co KG, which was previously included through full consolidation, was sold to Schlagmann and deconsolidated at the beginning of January 2014.

General Shale Inc. was merged into the parent company, General Shale Brick Inc. as of December 31, 2014. Furthermore, Wienerberger Lanaken NV, a wholly owned subsidiary of Wienerberger NV, was liquidated during the reporting year.

The effects of the above-mentioned changes in the consolidation range on the consolidated income statement and the consolidated balance sheet for 2014 (respectively, as of the initial consolidation or deconsolidation date) are as follows:

in TEUR	**2014**
Revenues	87,271
Operating EBITDA	15,311
Operating EBIT	5,723

Assets		**Equity and Liabilities**	
in TEUR	**31.12.2014**	*in TEUR*	**31.12.2014**
Non-current assets	177,134	Equity	67,477
Current assets	48,414	Non-current provisions and liabilities	72,978
		Current provisions and liabilities	85,093
	225,548		**225,548**

4. Basis of consolidation

The acquisition method of accounting is applied to all companies included through full consolidation. Under this method, the compensation transferred in exchange for the investment is compared with the revalued net assets (shareholders' equity) on the date of purchase. All identifiable assets, liabilities and contingent liabilities are initially recognized at fair value in accordance with IFRS 3; any remaining positive difference between the purchase price and revalued equity is recognized in local currency as goodwill in the relevant segment. Negative differences are recognized to the income statement under other operating income. Goodwill and intangible assets with an indefinite useful life are tested for impairment at least once each year together with the cash-generating unit to which they are allocated and reduced to the lower applicable recoverable amount in the event of impairment. Impairment tests are also performed more frequently if there are indications of a lasting decline in the value of a cash-generating unit (see note 5. Significant accounting policies and note 20. Non-current assets).

All revenues, income and expenses as well as receivables and liabilities arising between subsidiaries are eliminated. Intercompany gains and losses on the sale of goods or services between Group companies that affect current or non-current assets are eliminated unless they are immaterial.

The basic methodology of consolidation applies to associates and joint ventures consolidated at equity, whereby local valuation methods are retained if the variances are immaterial.

5. Significant accounting policies

The accounting policies that form the basis for these consolidated financial statements remain unchanged in comparison with the prior year and were expanded to include the new IFRSs that require mandatory application for 2014 (see note 7. Effects of new and revised standards). A detailed description of the accounting policies can be found beginning on page 174.

6. Assumptions and estimates

In preparing the consolidated financial statements, management must estimate certain figures and make assumptions that influence the recognition and measurement of assets and liabilities, the disclosure of other obligations as of the balance sheet date, and the recognition of revenues and expenses during the reporting period. The actual figures that become known at a later date may differ from these estimates.

The valuation of pension plans and severance claims by actuaries include assumptions concerning the expected discount rate, increase in salaries and pensions, employee turnover rates and the development of the costs for medical care. Detailed information on the parameters used is provided under note 26. Employee benefits. This note also includes a sensitivity analysis of the defined benefit obligations.

The useful life of property, plant and equipment is also determined on the basis of estimates which, in this case, are derived from the operation of comparable equipment. A table showing the ordinary useful economic lives of these assets can be found on page 175.

The provisions for site restoration are based on the best possible estimate of the expected costs to restore clay pits as well as a long-term discount rate that also reflects the respective national inflation rate.

The measurement of deferred tax assets requires assumptions for the estimation of future taxable income and the timing for the realization of the deferred tax assets. However, the valuation of deferred taxes is connected with uncertainty because the future development of business cannot be predicted with certainty and cannot be influenced completely by the Wienerberger Group.

The Wienerberger Group issues various types of product guarantees, which are based on the respective product segment and market conditions. The recognition and measurement of the provisions for guarantees are principally connected with estimates for the frequency and the amount of damages. These estimates are based on historical records for the occurrence and scope of guarantee cases as well as the best possible estimates by management for the expected performance in guarantee cases. The provisions are adjusted regularly to reflect new information.

In particular, the impairment testing of goodwill and other assets involves estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital for the Wienerberger Group and its cash-generating units during the planning period. The estimates made during the preparation of these consolidated financial statements reflect the best knowledge and belief of management in accordance with the going concern principle. They are based on experience and incorporate the remaining uncertainty in an appropriate form. A sensitivity analysis was performed to show the influence of changes in macroeconomic parameters on forecasts for the income statement. This analysis is explained in detail under note 20. Non-current assets.

7. Effects of new and revised standards

The following table provides an overview of the new standards and interpretations that were adopted by the EU as of the balance sheet date.

Standards/Interpretations		Published by IASB	Mandatory first-time adoption
IAS 27	Separate Financial Statements (2011)	May 2011	1.1.2014
IAS 28	Investments in Associates and Joint Ventures (2011)	May 2011	1.1.2014
IFRS 10	Consolidated Financial Statements	May 2011	1.1.2014
IFRS 11	Joint Arrangements	May 2011	1.1.2014
IFRS 12	Disclosures of Interests in Other Entities	May 2011	1.1.2014
IAS 32	Offsetting Financial Assets and Financial Liabilities	December 2011	1.1.2014
IFRS 10	Consolidated Financial Statements: Transition Guidance	June 2012	1.1.2014
IFRS 11	Joint Arrangements: Transition Guidance	June 2012	1.1.2014
IFRS 12	Disclosure of Interests in Other Entities: Transition Guidance	June 2012	1.1.2014
IFRS 10	Consolidated Financial Statements: Investment Entities	October 2012	1.1.2014
IFRS 12	Disclosure of Interests in Other Entities: Investment Entities	October 2012	1.1.2014
IAS 27	Separate Financial Statements (2011): Investment Entities	October 2012	1.1.2014
IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	May 2013	1.1.2014
IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	June 2013	1.1.2014
IFRIC 21	Levies	May 2013	1.7.2014
	Annual Improvements to IFRSs 2011 – 2013 Cycle	December 2013	1.1.2015

The new consolidation standards IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other Entities were adopted by the EU on December 11, 2012 and require mandatory retrospective application as of January 1, 2014. The application of these standards also requires the concurrent application of IAS 27 Separate Financial Statements (2011) and IAS 28 Investments in Associates and Joint Ventures (2011). One major effect is the change in the accounting treatment of joint ventures under IFRS 11, which generally requires the presentation of proportionately consolidated companies at equity. The application of the new consolidation standards had no major effect on the consolidated financial statements because Wienerberger prematurely adopted the equity method in 2012 for the Schlagmann joint venture and the 50% investment in Tondach Gleinstätten, which was accounted for as a joint venture up to June 30, 2014.

The change to IAS 36 concerns disclosures on the recoverable amount of non-financial assets in connection with IFRS 13 and clarifies that fair value must only be disclosed for assets or cash-generating units carried at fair value less cost of disposal when the respective carrying amounts were reduced through impairment charges. This change was reflected in the notes to the 2014 financial statements and is discussed in detail under note 20. Non-current assets.

The change to IAS 32 concerning the offsetting of financial receivables and liabilities clarifies that offsetting is only permitted when there is a legal right to set-off and the intention to settle net in the ordinary course of business. IAS 39 was changed with regard to the conversion of derivatives and the continuation of hedge accounting and describes the requirements for maintaining the hedge relationships when hedging instruments are transferred to a central counterparty. These changes are not relevant for Wienerberger and therefore have no effect on the consolidated financial statements.

IFRIC 21 Levies includes rules for the accounting treatment of obligations to pay public duties that are not regulated in another IAS/IFRS. This interpretation has no relevance for Wienerberger's consolidated financial statements.

The IFRS 2011 – 2013 improvement cycle includes clarifications on IFRS 1, IFRS 3 and IFRS 13. IFRS 1 clarifies that standards which do not require mandatory application as of the balance sheet date can – but must not – be applied. IFRS 3 indicates that the founding of joint ventures and joint operations are excluded from application. Further clarifications state that IFRS 3 and IAS 40 are not mutually exclusive and an acquisition must, in any event, be accounted for in accordance with IFRS 3. IFRS 13 explains that the portfolio valuation is permitted for all contracts covered by the scope of application of IAS 39. All these changes have no effect on the consolidated financial statements.

8. Operating segments

The definition of business segments and the presentation of segment results are based on the management approach prescribed in IFRS 8, and follow internal reports to the Managing Board of Wienerberger AG as the chief operating decision maker who decides on the allocation of resources to the individual segments.

The business activities of the Wienerberger Group are managed on a regional basis, whereby the segmentation also reflects the different business areas. The Clay Building Materials Europe Division covers activities in the areas of clay blocks, facing bricks and roof tiles in two segments: Clay Building Materials Eastern Europe and Clay Building Materials Western Europe. The Pipes & Pavers Europe Division contains the activities of the plastic pipe producer Pipelife, the ceramic pipe producer Steinzeug-Keramo and the concrete paver producer Semmelrock, and includes the Pipes & Pavers Eastern Europe and Pipes & Pavers Western Europe Segments. Activities in North America are reported together under the North America Segment. The Holding & Others Segment consists primarily of Wienerberger's brick business in India and activities at the corporate headquarters.

Reports to the responsible chief operating decision maker include operating EBITDA as the key indicator for the management of the business segments as well as revenues, EBIT, interest result and profit/loss after tax. Accordingly, these indicators are also presented in the segment report. The allocation of revenues, operating EBITDA, operating EBIT, EBIT, interest result, income taxes, profit/loss after tax, assets, liabilities, capital employed and capital expenditure is based on the headquarters of the individual companies.

The reconciliation of segment results to Group results only includes the elimination of revenues, income and expenses as well as receivables and liabilities arising between the operating segments. Wienerberger does not generate more than 10% of revenues with any single external customer.

Consolidated revenues rose by 6% to TEUR 2,834,472 in 2014. An adjustment for changes in the consolidation range and currency translation effects resulted in an organic revenue increase of TEUR 113,644. Revenues were reduced by currency translation effects of TEUR 29,386, but increased by TEUR 87,271 from changes in the consolidation range. Group revenues include TEUR 23,358 (2013: TEUR 41,270) of revenues from construction orders. Detailed information on revenues by region is provided in the presentation of operating segments on pages 132 and 133.

Operating Segments	**Clay Building Materials Eastern Europe**		**Clay Building Materials Western Europe**		**Pipes & Pavers Eastern Europe**	
in TEUR	**2014**	**2013**	**2014**	**2013**	**2014**	**2013** [5]
Third party revenues	408,473	312,434	1,141,997	1,089,936	467,020	433,128
Inter-company revenues [1]	5,916	5,861	11,830	9,498	11,457	11,729
Total revenues	414,389	318,295	1,153,827	1,099,434	478,477	444,857
Operating EBITDA [2]	66,827	40,192	155,855	131,125	42,070	34,608
Depreciation and amortization	47,113	39,502	91,116	96,771	21,844	22,164
Operating EBIT [2]	19,714	690	64,739	34,354	20,226	12,444
Impairment charges to assets	9,000	0	65,000	0	0	0
Impairment charges to goodwill	0	0	20,788	0	0	0
Release of a provision for an impending antitrust penalty	0	0	0	9,387	0	0
EBIT	10,714	690	-21,049	43,741	20,226	12,444
Income from investments in associates and joint ventures	-2,575	-5,935	-185	3,382	0	0
Investments in associates and joint ventures	1,065	13,169	7,860	11,285	0	0
Interest result	-10,991	-9,665	-36,533	-38,850	-7,992	-7,929
Income taxes	-2,582	4,592	-7,459	-2,180	715	475
Profit/loss after tax	16,405	-11,286	-69,358	6,380	11,910	3,896
Liabilities	367,531	247,184	1,210,974	1,217,731	215,620	213,167
Capital employed	519,304	419,216	1,241,515	1,357,130	239,416	256,463
Assets	765,730	609,216	1,805,863	1,895,774	392,046	396,716
Normal capex	15,498	17,104	58,793	44,487	13,106	4,625
Growth capex [3]	35,666	0	0	76	82	0
Ø Employees	3,303	2,383	5,950	5,940	2,368	2,267

Products	**Revenues**		**Operating EBITDA** [2]		**Capital employed**	
in TEUR	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Wall [4]	601,206	606,635	71,372	70,025	689,396	812,743
Facade	638,218	574,158	69,522	42,416	757,570	870,844
Roof	490,478	398,026	106,155	83,285	681,249	531,338
Pavers	129,554	110,599	13,606	10,930	118,803	123,923
Pipes	974,273	972,623	91,354	95,908	433,166	442,797
Other	743	902	-34,812	-36,041	-27,948	-13,998
Wienerberger Group	**2,834,472**	**2,662,943**	**317,197**	**266,523**	**2,652,236**	**2,767,647**

Revenues	**Clay Building Materials Eastern Europe**		**Clay Building Materials Western Europe**		**Pipes & Pavers Eastern Europe**	
in TEUR	**2014**	**2013**	**2014**	**2013**	**2014**	**2013** [5]
Austria	69,025	46,185			138,269	133,362
Czech Republic	58,848	38,585			29,099	29,720
Poland	95,837	98,683			93,443	81,097
Russia	51,100	47,166			23,515	32,903
Germany			236,446	250,232		
Switzerland			63,259	66,681		
Belgium			221,394	215,641		
Netherlands			138,582	138,010		
France			154,099	155,436		
Great Britain			256,788	183,051		
Sweden			6,309	6,643		
Norway			11,502	10,139		
Finland			9,193	12,678		
USA						
Other	133,933	82,033	44,914	51,840	182,697	156,046
Wienerberger Group	**408,743**	**312,652**	**1,142,486**	**1,090,351**	**467,023**	**433,128**

1) Inter-company revenues represent the revenues between fully consolidated, at-equity consolidated and unconsolidated Group companies.
2) Adjusted for impairment charges to assets and goodwill as well as income from the release of a provision for an impending antitrust penalty
3) Including investments in other financial assets

	Pipes & Pavers Western Europe		North America		Holding & Others [4]		Reconciliation [6]		Wienerberger Group	
	2014	2013 [5]	2014	2013	2014	2013	2014	2013	2014	2013
	574,266	596,362	236,355	224,699	5,398	5,589	0	0	**2,833,509**	**2,662,148**
	8,378	11,684	3,368	1,243	10,971	9,123	-50,957	-48,343	**963**	**795**
	582,644	608,046	239,723	225,942	16,369	14,712	-50,957	-48,343	**2,834,472**	**2,662,943**
	58,257	65,688	11,227	13,158	-17,039	-18,248	0	0	**317,197**	**266,523**
	30,712	25,993	22,438	22,440	3,731	4,372	0	0	**216,954**	**211,242**
	27,545	39,695	-11,211	-9,282	-20,770	-22,620	0	0	**100,243**	**55,281**
	3,992	0	14,693	0	8,000	0	0	0	**100,685**	**0**
	0	0	85,243	0	893	0	0	0	**106,924**	**0**
	0	0	0	0	0	0	0	0	**0**	**9,387**
	23,553	39,695	-111,147	-9,282	-29,663	-22,620	0	0	**-107,366**	**64,668**
	0	0	0	0	0	0	0	0	**-2,760**	**-2,553**
	0	0	0	0	0	0	0	0	**8,925**	**24,454**
	-6,769	-6,965	-24,530	-28,490	33,873	35,906	0	0	**-52,942**	**-55,993**
	-6,909	-9,023	-741	-2,387	4,606	3,773	0	0	**-12,370**	**-4,750**
	18,279	31,855	-137,370	-41,063	454,449	32,445	-464,288	-30,062	**-169,973**	**-7,835**
	429,203	487,371	186,892	524,406	1,196,136	1,367,130	-1,739,836	-2,099,795	**1,866,520**	**1,957,194**
	296,111	296,159	352,850	426,554	3,040	12,125	0	0	**2,652,236**	**2,767,647**
	742,221	800,860	444,351	487,244	4,505,523	4,671,089	-4,742,384	-4,649,539	**3,913,350**	**4,211,360**
	22,281	30,315	8,739	7,314	3,412	2,159	0	0	**121,829**	**106,004**
	4	0	5,384	0	164	642	0	0	**41,300**	**718**
	1,768	1,780	1,246	1,213	201	204	0	0	**14,836**	**13,787**

	Total investments	
	2014	2013
	30,474	32,882
	35,764	21,952
	52,538	14,612
	6,354	4,643
	35,217	30,315
	2,782	2,318
	163,129	**106,722**

	Pipes & Pavers Western Europe		North America		Holding & Others [4]		Wienerberger Group [5]	
	2014	2013 [5]	2014	2013	2014	2013	2014	2013
	304	257			321	295	**207,919**	**180,099**
							87,947	**68,305**
							189,280	**179,780**
							74,615	**80,069**
	49,977	50,253					**286,423**	**300,485**
							63,259	**66,681**
	76,651	80,017					**298,045**	**295,658**
	94,010	100,924					**232,592**	**238,934**
	72,596	79,693					**226,695**	**235,129**
	10,292	7,575					**267,080**	**190,626**
	78,527	78,042					**84,836**	**84,685**
	103,268	110,448					**114,770**	**120,587**
	43,671	39,508					**52,864**	**52,186**
			213,495	199,137			**213,495**	**199,137**
	44,970	49,645	22,860	25,562	5,278	5,456	**434,652**	**370,582**
	574,266	**596,362**	**236,355**	**224,699**	**5,599**	**5,751**	**2,834,472**	**2,662,943**

4) India is assigned to the Holding & Others Segment, but reported under the wall product segment.
5) Export sales by the Steinzeug-Keramo Group to Poland were reclassified to the Pipes & Pavers Western Europe Segment (previously: Pipes & Pavers Eastern Europe).
6) The 'reconciliation' column includes eliminations between Group companies.

Notes to the Consolidated Income Statement

9. Material expenses

The cost of goods sold, selling and administrative expenses and other operating expenses include expenses for materials, maintenance, merchandise and energy totaling:

in TEUR	2014	2013
Cost of materials	540,731	542,168
Maintenance expenses	118,525	107,420
Cost of merchandise	329,819	312,097
Cost of energy	288,498	278,158
Total	**1,277,573**	**1,239,843**

The reported expenses were increased by a change of TEUR 53,770 in inventories of semi-finished and finished goods (2013: TEUR 34,713). Income of TEUR 637 (2013: TEUR 1,485) was recorded from the capitalization of own work and a proportional share of borrowing costs related to the construction of qualified plant and equipment.

The cost of materials consists mainly of expenses for clay, sand, plastics, sawdust and other additives, pallets and other packaging materials. Maintenance expenses involve the use of maintenance materials, other low-value spare parts and third party services.

10. Depreciation, amortization and impairment of assets

The cost of goods sold, selling and administrative expenses and other operating expenses for the reporting year include TEUR 203,324 of scheduled depreciation and amortization (2013: TEUR 197,961) as well as special write-downs of TEUR 13,631 (2013: TEUR 13,281) from the mothballing of plants in prior periods. The impairment tests carried out in December 2014 (see note 20. Non-current assets) led to the recognition of impairment charges totaling TEUR 106,924 (2013: TEUR 0) to goodwill and TEUR 99,450 to intangible assets and property, plant and equipment (2013: TEUR 0).

in TEUR	2014	2013
Depreciation of property, plant and equipment and amortization of intangible assets	**203,324**	**197,961**
Special write-downs	13,631	13,281
Depreciation and special write-downs of property, plant and equipment and amortization of intangible assets	**216,955**	**211,242**
Impairment charges to property, plant and equipment and intangible assets	99,450	0
Impairment charges to goodwill	106,924	0
Impairment charges	**206,374**	**0**
Depreciation, amortization and impairment charges to property, plant and equipment, goodwill and other intangible assets	**423,329**	**211,242**

11. Personnel expenses

The cost of goods sold, selling and administrative expenses include the following personnel expenses:

in TEUR	2014	2013
Wages	280,119	257,954
Salaries	240,305	235,095
Leased personnel (permanently)	11,828	7,219
Expenses for long term incentive programs	2,856	2,884
Expenses for severance payments	4,672	3,708
Expenses for pensions	13,728	12,822
Expenses for mandatory social security and payroll-related taxes and contributions	112,587	105,723
Other employee benefits	13,030	11,947
Personnel expenses	**679,125**	**637,352**

The remuneration for the members of the Managing Board totaled TEUR 3,701 in 2014 (2013: TEUR 3,184). Of this total, TEUR 1,220 (2013: TEUR 1,220) represent fixed components and TEUR 2,481 (2013: TEUR 1,964) variable components. Included here are expenses of TEUR 1,220 (2013: TEUR 1,220) for a long-term remuneration component, which will be paid out in three equal instalments over two years if the defined targets are met. For the active members of the Managing Board, pension expenses in the form of contributions to pension funds (defined contribution plans) totaled TEUR 511 (2013: TEUR 502). A provision of TEUR 299 (2013: TEUR 181) was created for severance compensation claims. Payments of TEUR 854 (2013: TEUR 836) were made to former members of the Managing Board and their surviving dependents.

The members of the Supervisory Board received remuneration of TEUR 429 in 2014 for their activities during the 2013 financial year (2013: TEUR 452). The reporting year entitlements total TEUR 447.

The company has not provided any guarantees for loans, and no companies in the Wienerberger Group have granted loans to the members of the Managing Board or Supervisory Board.

12. Employees

The average number of employees in 2014 and 2013 is shown on the following table:

	2014	2013
Production	10,015	9,185
Administration	1,315	1,241
Sales	3,506	3,361
Total	**14,836**	**13,787**
Thereof apprentices	96	98

The year-on-year changes resulted primarily from changes in the consolidation range.

13. Other operating expenses

The cost of goods sold, selling and administrative expenses include the following other operating expenses:

in TEUR	2014	2013
Non-income based taxes	24,613	22,940
Loss on the disposal of fixed assets, excluding financial assets	1,620	535
Transportation costs for deliveries	183,174	168,685
Internal transport	49,417	51,574
Environmental protection measures	4,089	6,364
Uncollectible receivables	2,239	2,018
Services	109,377	108,885
Rental and leasing charges	37,905	37,601
Miscellaneous	143,901	144,435
Other operating expenses	**556,335**	**543,037**

A reconciliation of expenses under the total cost method to expenses under the cost of sales method is provided on page 137. Transport expenses for deliveries and expenses for internal transports were adjusted in 2013 to reflect the harmonized allocation of transportation costs, but other operating expenses remained unchanged in total.

The cost of services is comprised primarily of expenses for business trips and travel, legal advising and miscellaneous consulting, advertising, insurance and telecommunications. Expenses for the auditor and members of the auditor's network totaled TEUR 1,825 for the audit of the consolidated financial statements in 2014 (2013: TEUR 1,831), TEUR 351 (2013: TEUR 124) for assurance services, TEUR 89 (2013: TEUR 92) for tax advising and TEUR 281 (2013: TEUR 314) for other services.

Miscellaneous other expenses consist mainly of commissions, patent and trademark rights, business entertainment, customer claims and research and development. Research expenses amounted to TEUR 16,982 for the reporting year (2013: TEUR 11,361).

14. Other operating income

The cost of goods sold, selling and administrative expenses include the following other operating income:

in TEUR	2014	2013
Income from the disposal of tangible assets, excluding financial assets	13,309	16,424
Income from rental and leasing contracts	4,684	4,897
Subsidies	2,159	1,553
Insurance compensation	789	7,321
Release of a provision for an impending antitrust penalty	0	9,387
Miscellaneous	26,716	26,845
Other operating income	**47,657**	**66,427**

Miscellaneous other operating income represents sales-like revenues that are not part of the direct business activities of the Wienerberger Group.

15. Reconciliation of results according to the cost of sales and total cost method

In the income statement prepared according to the cost of sales method, expenses are classified by functional area. Under the total cost method, the amounts for each individual category of expenses are shown and then adjusted to reflect the increase or decrease in finished and semi-finished goods, own work capitalized and the proportional share of construction-related borrowing costs. The relationship of these two methods is explained below, whereby changes in inventories and the capitalization of costs relating to the construction of qualified fixed assets are included under the cost of materials:

2014 *in TEUR*	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Depreciation**	**Cost of energy**	**Personnel expenses**	**Other income**	**Other expenses**	**Total**
Cost of goods sold	0	693,846	328,869	161,588	280,188	394,788	-4,533	129,007	**1,983,753**
Selling expenses	183,174	18,543	950	7,578	4,848	176,443	-1,017	157,544	**548,063**
Administrative expenses	0	0	0	9,504	1,017	107,894	-5,036	57,753	**171,132**
Other operating expenses	0	0	0	244,659	2,445	0	0	28,857	**275,961**
Other operating income	0	0	0	0	0	0	-37,071	0	**-37,071**
	183,174	**712,389**	**329,819**	**423,329**	**288,498**	**679,125**	**-47,657**	**373,161**	**2,941,838**

2013 *in TEUR*	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Depreciation**	**Cost of energy**	**Personnel expenses**	**Other income**	**Other expenses**	**Total**
Cost of goods sold	0	664,400	311,134	153,748	269,560	367,374	-6,768	127,914	**1,887,362**
Selling expenses	168,685	18,416	963	7,061	5,127	170,638	-3,594	155,585	**522,881**
Administrative expenses	0	0	0	9,181	1,226	99,340	-3,194	54,802	**161,355**
Other operating expenses	0	0	0	41,252	2,245	0	0	36,051	**79,548**
Other operating income	0	0	0	0	0	0	-52,871	0	**-52,871**
	168,685	**682,816**	**312,097**	**211,242**	**278,158**	**637,352**	**-66,427**	**374,352**	**2,598,275**

Other operating income was adjusted in 2013 to reflect the harmonized presentation of other operating expenses and other operating income.

16. Interest and other financial results

In accordance with the categories defined by IAS 39, interest and other financial results comprise the following items:

2014 *in TEUR*	Total	Loans and receivables	FLAC [1]	AfS [2]	Derivatives
Interest and similar income	8,118	6,384	0	1,132	602
Interest and similar expense	-57,155	0	-55,447	0	-1,708
Net interest result from defined benefit pension and severance obligations	-3,905				
Interest result	**-52,942**	**6,384**	**-55,447**	**1,132**	**-1,106**
Income from third parties (dividends)	131	0	0	131	0
Income from subsidiaries	-27	0	0	-27	0
Income from investments	**104**	**0**	**0**	**104**	**0**
Result from the disposal of financial instruments	-99	0	0	-99	0
Result from the disposal of joint ventures	27,081				
Valuation of derivative instruments	-1,780				-1,780
Impairment of financial instruments	-1,672	-1,493	0	-179	0
Foreign exchange differences	-14,302				
Net result	**9,228**	**-1,493**	**0**	**-278**	**-1,780**
Banking fees	-3,867				
Other financial results	**5,465**	**-1,493**	**0**	**-174**	**-1,780**
Total	**-47,477**	**4,891**	**-55,447**	**958**	**-2,886**

2013 *in TEUR*	Total	Loans and receivables	FLAC [1]	AfS [2]	Derivatives
Interest and similar income	7,817	5,909	0	1,276	632
Interest and similar expense	-59,415	0	-57,354	0	-2,061
Net interest result from defined benefit pension and severance obligations	-4,395				
Interest result	**-55,993**	**5,909**	**-57,354**	**1,276**	**-1,429**
Income from third parties (dividends)	131	0	0	131	0
Income from investments	**131**	**0**	**0**	**131**	**0**
Result from the disposal of financial instruments	-438	0	-200	-238	0
Valuation of derivative instruments	-1,699				-1,699
Impairment of financial instruments	-914	-827	0	-87	0
Foreign exchange differences	-3,622				
Net result	**-6,673**	**-827**	**-200**	**-325**	**-1,699**
Banking fees	-2,665				
Other financial results	**-9,207**	**-827**	**-200**	**-194**	**-1,699**
Total	**-65,200**	**5,082**	**-57,554**	**1,082**	**-3,128**

1) Financial liabilities at amortized cost
2) Available-for-sale financial instruments

The sale of available-for-sale financial instruments during the reporting year generated TEUR -99 (2013: TEUR -238). In 2014 the purchase of the remaining 50% of the shares in the Tondach Group and the related adjustment of the consolidation range led to a net valuation effect of TEUR 23,286 in the original at-equity investment. This amount also includes the reclassification of TEUR -3,781 in accumulated foreign exchange differences from other comprehensive income. Loans and receivables include impairment charges of TEUR 1,493 (2013: TEUR 827) to receivables from subsidiaries. Available-for-sale financial instruments also include impairment charges of TEUR 179 (2013: TEUR 87) that were recognized to profit or loss and resulted from lasting impairment. The market valuation of derivatives resulted in a negative contribution of TEUR 1,780 (2013: TEUR -1,699) to net profit.

17. Income taxes

This item includes income taxes paid and owed by Group companies as well as provisions for deferred taxes.

in TEUR	2014	2013
Current tax expense	19,938	11,858
Deferred tax income	-7,568	-7,108
Income taxes	**12,370**	**4,750**

The difference between the applicable Austrian corporate tax rate of 25% (2013: 25%) and the Group tax rate shown in these statements is due to the following factors:

in TEUR	2014	2013
Profit/loss before tax	**-157,603**	**-3,085**
Tax expense at tax rate of 25%	39,401	771
Other foreign tax rates	22,813	4,932
Tax income and expense from prior periods	1,334	2,865
Effect of tax free income from investments in associates and joint ventures	-727	-410
Change in valuation allowance for deferred tax assets	-369,527	-203,591
Non-temporary differences	294,863	186,812
Changes in tax rates	-527	3,871
Effective tax expense	**-12,370**	**-4,750**
Effective tax rate in %	-7.8	-154.0

The change in impairment charges to deferred tax assets and non-temporary differences was adjusted to reflect the harmonized presentation of deferred tax assets.

Deferred taxes are calculated on the basis of the tax rates that were enacted or substantively enacted in the individual countries. In Austria, the corporate tax rate of 25% is applied. For foreign companies, deferred taxes are calculated on the basis of the respective country-specific tax rates. These tax rates ranged from 0% to 39% in 2014.

Changes in tax rates led to deferred tax expenses of TEUR 527 in 2014 (2013: income of TEUR 3,871).

18. Earnings per share, recommendation for the distribution of profit/loss

The number of shares issued totaled 117,526,764 as of December 31, 2014. Wienerberger held 570,289 shares as treasury stock as of this same date (2013: 2,464,138). The calculation of earnings per share for 2014 was based on a weighted average of 116,017,333 shares outstanding, and reflects the deduction of treasury shares. The year-on-year change in the weighted average number of shares reflects the use of treasury shares for the purchase of the remaining 50% of the Tondach Group.

Number of shares	2014	2013
Outstanding	117,526,764	117,526,764
Treasury stock	570,289	2,464,138
Weighted average	116,017,333	115,062,626

Earnings per share of EUR -1.74 were calculated by dividing the results of the parent company by the weighted average number of shares outstanding. Diluted earnings per share of EUR -1.74 represent basic earnings per share for 2014.

In accordance with the provisions of the Austrian Stock Corporation Act, the financial statements of Wienerberger AG as of December 31, 2014 form the basis for the dividend payment.

These financial statements show net profit of EUR 23,446,813.61. The Managing Board will ask the Annual General Meeting to approve a dividend payment of EUR 0.15 per share, for a total payment of EUR 17,629,014.60 on issued capital of EUR 117,526,764.00, less a proportional amount of EUR 85,543.35 for treasury stock, or a total distribution of EUR 17,543,471.25. The Managing Board also recommends that the Annual General Meeting approve the carryforward of the remaining EUR 5,903,342.36.

Notes to the Consolidated Statement of Comprehensive Income

The statement of comprehensive income provides a reconciliation of profit after tax to comprehensive income as defined in IAS 1. The reconciliation items consist primarily of foreign exchange adjustments, actuarial gains and losses from the measurement of defined benefit pension plans and other long-term employee benefits, the change in the hedging reserve and the results from the valuation of available-for-sale securities. The components of comprehensive income are presented after tax.

Positive currency translation differences of TEUR 19,272 were recorded in 2014 (2013: negative differences of TEUR -71,249) and resulted primarily from the US dollar and the British pound. Differences of TEUR 14,499 (2013: TEUR 0) previously included in the translation reserve were reclassified to the income statement. These differences resulted from the reclassification of accumulated negative currency translation differences totaling TEUR 10,718 after the repayment of long-term Group financing and from the realization of accumulated currency translation differences totaling TEUR 3,781 following the change in the consolidation method applied to the Tondach Group, which was reported at equity as a joint venture under financial assets prior to its initial consolidation.

Gains of TEUR 606 on the sale of available-for-sale financial assets were recorded under other comprehensive income without recognition through profit or loss in 2014 (2013: TEUR 164). The market valuation of hedges reduced the hedging reserves by a total of TEUR -15,215 after tax (2013: increase of TEUR 10,319). Of this total, TEUR -2,957 (2013: TEUR 2,333) were related to hedges of the investments in foreign operations and TEUR -12,258 (2013: TEUR 7,986) to hedges for future transactions (cash flow hedges). Market value changes of TEUR 949 (2013: TEUR 0) in cash flow hedges and TEUR 2 (2013: TEUR 119) in available-for-sale financial instruments were reclassified from other comprehensive income to the income statement.

Based on the after-tax loss of TEUR 169,973 recorded in 2014 (2013: TEUR -7,835), total comprehensive income after tax led to a decrease of TEUR 184,651 in equity (2013: TEUR -63,210).

Deferred tax assets of TEUR 6,442 (2013: TEUR 267) were recognized under other comprehensive income for actuarial gains and losses arising from the valuation of defined benefit pension plans and other similar post-employment benefits (IAS 19). Tax effects were not calculated on the other components of comprehensive income, e.g. on the fair value measurement of hedging instruments in the hedging reserve. These transactions only involve Wienerberger AG and Wienerberger Finanzservice GmbH, which are headquartered in Vienna, and presently have an effective tax rate of 0% due to tax loss carryforwards from prior periods.

Notes to the Consolidated Cash Flow Statement

The cash flow statement for the Wienerberger Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. Cash and cash equivalents (liquid funds) include cash on hand and deposits with banks. Securities and current liabilities owed to financial institutions are not part of cash and cash equivalents. The effects of company acquisitions are eliminated and shown separately under net payments made for the acquisition of companies. Data from foreign Group companies are generally translated at the average exchange rate for the year. In contrast to this practice, cash and cash equivalents are valued at the exchange rate in effect on the balance sheet date.

19. Cash flow from investing activities

The acquisition of property, plant and equipment and intangible assets resulted in an outflow of funds totaling TEUR 127,459 (2013: TEUR 106,619). This amount includes TEUR 121,829 (2013: TEUR 106,004) of normal capex, maintenance and investments in technical upgrades. A total of TEUR 18,106 (2013: TEUR 615) was spent on acquisitions, plant expansion and environmental investments (growth investments). Also included here is the TEUR 35,666 purchase price for the remaining 50% of the Tondach Gleinstätten Group, which was paid with TEUR 18,657 in cash and TEUR 23,190 of treasury shares. After the deduction of TEUR 6,181 in cash and cash equivalents taken over, the net payments made for the acquisition totaled TEUR 12,476. Investments of TEUR 4 (2013: TEUR 103) were made in financial assets.

Cash inflows from the disposal of fixed and financial assets amounted to TEUR 24,863 (2013: TEUR 19,930) and include the disposal of property, plant and equipment and intangible assets as well as the sale of financial assets. These disposals generated net gains of TEUR 11,701 (2013: TEUR 15,861). The gains from the disposal of assets also include the TEUR 23,286 gain from the revaluation of the Tondach joint venture, which was valued at equity before the initial consolidation. The sale of companies generated net cash inflows of TEUR 50 (2013: TEUR 0).

The reconciliation of total investments to normal capex and growth capex in the Wienerberger Group is as follows:

in TEUR	2014	2013
Payments made for investments in tangible and intangible assets	127,459	106,619
Net payments made for the acquisition of companies	12,476	0
Payments made for investments in financial assets	4	103
Total investments including financial assets	**139,939**	**106,722**
Maintenance and investments in technical upgrades	121,829	106,004
Normal capex	**121,829**	**106,004**
Payments made for plant expansions and environmental investments	5,630	615
Net payments made for the acquisition of companies	12,476	0
Growth capex	**18,106**	**615**
Investments in financial assets	4	103
Growth capex including financial assets	**18,110**	**718**

Notes to the Consolidated Balance Sheet

20. Non-current assets

The development of non-current assets is shown on pages 150 and 151. The figures shown for foreign exchange rate increases and decreases represent amounts arising from the use of different exchange rates to translate the assets of foreign companies at the beginning of the year and year-end.

Wienerberger defines its cash-generating units (CGUs) as plants and aggregates these plants by division and region. Intangible assets with an indefinite useful life such as goodwill and trademark rights that are not amortized on a scheduled basis are tested at least once each year for signs of impairment in accordance with IAS 36. The intangible assets are allocated to CGUs for the purpose of impairment testing. The goodwill of TEUR 141 (2013: TEUR 141) reported under the Holding & Others segment cannot be allocated to individual CGUs and is therefore tested at the Group level.

	Goodwill		Trademark rights	
in TEUR	**2014**	**2013**	**2014**	**2013**
Clay Building Materials Eastern Europe	48,288	42,999	11,622	0
Clay Building Materials Western Europe	344,156	358,496	4,050	3,784
Pipes & Pavers Eastern Europe	17,035	17,086	13,891	13,891
Pipes & Pavers Western Europe	44,047	45,329	30,055	30,055
North America	94,375	165,996	2,536	2,536
Holding & Others	141	988	0	0
Goodwill and trademark rights	**548,042**	**630,894**	**62,154**	**50,266**

Other intangible assets consist primarily of an acquired customer base totaling TEUR 101,675 (2013: TEUR 118,517), acquired trademark rights of TEUR 62,154 (2013: TEUR 50,266) and patents and concessions. Internally generated intangible assets of TEUR 537 were capitalized during the reporting year (2013: TEUR 484).

The Wienerberger Group has been organized in divisions (business units) since the integration of Pipelife. This organizational structure also led to changes in the aggregation of the cash-generating units and reduced the number of CGUs from 59 in 2013 to 15 in 2014.

The adjustments were related primarily to the brick business in Western Europe, where Wienerberger reacted to the changed market environment and plants now service entire regions instead of individual countries. In particular, the production and product portfolio of roof tiles and facing bricks was optimized for the entire region, which led to a substantial increase in revenues across national borders. The changes also involved the optimization of the clay block plant network, whereby deliveries of these products are generally only efficient over shorter distances than in the roof tile and facing brick businesses. In any event, plants close to the German and French borders can also cover most of the Benelux region. The exceptions in this region are Italy, which has not yet been integrated in the optimization process, as well as Finland and the Baltic States, which produce for export markets in Eastern Europe and Russia, but are part of the Western Europe organization.

The brick and roof tile business in the Clay Building Materials Eastern Europe Segment was fragmented into even more local markets than in Western Europe during 2014. The following CGUs were defined for this region: Bricks and Roof Eastern Europe North, comprising Poland and Ukraine; Bricks Eastern Europe Central with Austria, Slovakia and the Czech Republic; and Bricks Eastern Europe South with Hungary, Romania, Bulgaria and the countries on the Balkan peninsula. In addition, Bricks Russia and Tondach represent independent CGUs. The continuing integration of Tondach Gleinstätten will also reduce the number of CGUs in this region.

The changes in the Pipes & Pavers Division involved the plastic pipe business, where the CGUs are now defined by region: Pipes Pipelife West, Pipes Pipelife East and Pipes Pipelife North America. The European plastic pipe business is characterized by a high share of deliveries between the country organizations, above all for fittings, which are produced in the Netherlands for the West European market and in Poland for the East European market. Semmelrock was also involved in this division: the delivery of concrete pavers over longer distances is limited, but the forms used by Semmelrock in production are exchanged between the individual plants as part of a cross-regional strategy and product development.

The differentiation between CGUs in the North America Division is based on product groups: Bricks North America for the North American brick business and Pipes Pipelife North America for the plastic pipe business.

The carrying amounts of the allocated goodwill and operating assets are compared with the recoverable amounts and, if necessary, reduced to the lower value in use or possible fair value less cost of disposal. The value in use of a CGU is generally determined on the basis of an income approach by discounting the related cash flows at the weighted average cost of capital after tax (WACC) to develop the present value.

For the determination of the value in use, the after-tax WACC is derived from external sources on the basis of recognized financial methods. The values in use are translated at the exchange rate in effect on the balance sheet date. An after-tax WACC of 7.20% (2013: 6.97%) was used for impairment testing in the Wienerberger Group, whereby different costs of capital were applied to key markets: the USA and Canada 7.16% (2013: 7.05%), Great Britain 7.78% (2013: 6.58%), Russia 14.99% (2013: 12.02%) and India 13.19% (2013: 11.83%). In line with the importance of the plastic pipe business, a WACC of 6.80% was used for Norway and 6.35% for Sweden. A WACC of 8.75% was applied to Poland, which is a key market for all product segments.

The following after-tax costs of capital and growth rates were used for these impairment tests:

	WACC		Growth rate	
in %	2014	2013	2014	2013
Bricks Eastern Europe Central	7.21	6.99	1.29-2.95	1.71-2.40
Bricks and Roof Eastern Europe North	8.75	6.99	3.65-4.50	3.46
Bricks Russia	14.99	12.02	2.00	3.50
Bricks Eastern Europe South	7.21	6.99	1.80-4.00	1.61-3.53
Tondach	7.21	-	1.29-4.00	-
Clay Building Materials Eastern Europe	**7.21-14.99**	**6.99-12.02**	**1.29-4.50**	**1.61-3.53**
Bricks and Roof Western Europe West	6.35-7.78	6.58-6.99	1.20-2.45	1.53-2.36
Bricks and Roof Western Europe Finland and Baltics	7.21	6.99	1.82-3.57	1.71
Bricks Italy	7.21	6.99	1.05	1.71
Clay Building Materials Western Europe	**6.35-7.78**	**6.58-6.99**	**1.05-3.57**	**1.53-2.36**
Pavers Semmelrock	7.21-8.75	6.99	1.29-3.65	1.61-3.53
Pipes Pipelife East	7.21-14.99	6.99-12.02	1.29-3.65	1.61-4.47
Pipes & Pavers Eastern Europe	**7.21-14.99**	**6.99-12.02**	**1.29-3.65**	**1.61-4.47**
Pipes Steinzeug	7.21	6.99	1.28	1.71
Pipes Pipelife West	6.35-7.21	6.99	1.20-3.75	1.71-3.81
Pipes & Pavers Western Europe	**6.35-7.21**	**6.99**	**1.20-3.75**	**1.71-3.81**
Bricks North America	7.16	7.05	2.01-2.56	2.20-3.07
Pipes Pipelife North America	7.16	7.05	2.56	3.07
North America	**7.16**	**7.05**	**2.01-2.56**	**2.20-3.07**
Bricks India	13.19	11.83	6.72	6.72
Holding & Others	**13.19**	**11.83**	**6.72**	**6.72**
Wienerberger Group	**7.20**	**6.97**	**1.05-6.72**	**1.53-6.72**

The expected future cash surpluses are based on the latest internal forecasts prepared by top management and approved by the Managing and Supervisory Boards for the period from 2015 to 2018. These forecasts do not include the earnings potential of future strategic growth investments such as possible acquisitions. Smaller planned growth and expansion investments that involve individual production lines as well as the related contributions to income are eliminated for the determination of the value in use.

The quality of these forecasts is evaluated on a regular basis through a variance analysis that compares the data with actual figures, and the results of the analysis are incorporated into the subsequent planning process. The calculation is based on four detailed planning periods (2015 – 2018), whereby the surplus cash inflows in the following planning period are assumed to be sustainable over the long-term based on the going concern principle and form the basis for determining the present value of the perpetual yield. These perpetual cash flows include a country-specific growth rate that is derived from an external source (IMF, 2014, World Economic Outlook Database). Wienerberger tests its assets for impairment at least once each year in connection with the corporate planning process. If interim forecasts or analyses show a possible negative variance from the original plan, the involved cash-generating unit is tested again for impairment. In such cases, the impairment tests are recalculated on the basis of updated planning data and expanded to include stress tests.

The decisive factor for determining the value in use is formed by assumptions for the future development of the local market, sales volumes and prices. Therefore, the value in use is determined on the basis of forecasts published by statistical agencies and international organizations as well as management's experience. The estimates for cost structures are based primarily on the extrapolation of values from past experience and also incorporate macroeconomic forecasts for the most important production factors such as energy prices, plastic granulate prices, wage and salary trends etc.

The impairment tests carried out in December 2014 based on the latest approved medium-term planning for 2015 – 2018 led to the recognition of impairment charges to goodwill totaling TEUR 106,924 (2013: TEUR 0) in the CGUs Bricks North America, Bricks Italy and Bricks India.

Of the impairment charges to goodwill, TEUR 85,243 were recognized to the CGU Bricks North America. Management still sees a sustainable market level of 1.5 million housing starts per year for the United States, but reacted to the ongoing price pressure in 2014 and adjusted the forecasts accordingly. These forecast adjustments also led to a change in the regional plant portfolio: a previously mothballed plant was permanently closed and written down to the recoverable amount. The weaker regional demand for industrial properties also led to the write-down of a previously closed plant to the lower recoverable amount. These impairment charges to assets totaled TEUR 14,693. The recoverable amount of the CGU Bricks North America was recorded at MEUR 367.

The difficult conditions on the Italian market and the absence of positive signals for residential construction in that country were reflected in the recognition of TEUR 43,788 in impairment charges to the CGU Bricks Italy to the recoverable amount of MEUR 34. Of this total, TEUR 20,788 represented impairment charges to goodwill and TEUR 23,000 impairment charges to property, plant and equipment.

In the CGU Bricks India, the entire goodwill of TEUR 893 and property, plant and equipment of TEUR 8,000 were written off. These impairment charges were recognized to reflect the sustainable cash flows expected from the Indian market with the plant in Bangalore.

For the CGU Bricks Russia, the sharp rise in the cost of capital led to a decline in the value in use below the fair value less cost of disposal. The latter was determined by a multiplier method, which used the EBITDA multiplier of a building materials company listed on the Moscow stock exchange and normal selling costs for the Russian market. The resulting estimated proceeds on sale of MEUR 44 led to the recognition of TEUR 9,000 in impairment charges to property, plant and equipment.

The devaluation of the Russian ruble also resulted in impairment testing for property, plant and equipment in Estonia because roughly two-thirds of the local production are exported to Russia. The increase in the price of euro-based exports invoiced to the Russian market led to the recognition of TEUR 8,000 in impairment charges to property, plant and equipment in the Estonian plant to a recoverable amount of MEUR 16.

Operating earnings in Germany, above all in the roof tile business, were substantially below expectations in 2014, and the carrying amounts of property, plant and equipment were therefore tested for indications of impairment. Impairment charges of TEUR 34,000 to a recoverable amount of MEUR 155 were subsequently recognized, above all, to three roof tile plants and, to a lesser extent, to three clay block plants. If the earnings situation in Germany improves and the reasons for the impairment charges cease to exist, the carrying amounts of the involved assets will be increased to an amount that does not exceed depreciated cost. Wienerberger has already launched the necessary measures to improve earnings through product innovations, in particular for urban areas, and has also implemented a new sales concept.

Impairment charges of TEUR 3,992 were also recognized to intangible assets in France because of the difficult market situation.

The following table shows the combined recoverable amounts of the CGUs that were determined with the given parameters:

	Recoverable Amount	
in MEUR	**2014**	**2013**
Clay Building Materials Eastern Europe	885	850
Clay Building Materials Western Europe	1,757	2,124
Pipes & Pavers Eastern Europe	420	644
Pipes & Pavers Western Europe	620	832
North America	448	759
Holdings & Others	9	28
Recoverable amount Wienerberger Group	**4,139**	**5,237**

The impairment tests were also supplemented by stress tests in which the major parameters, WACC and growth rate, were varied individually and together as part of a sensitivity analysis. The following table summarizes the results of the stress tests and shows a risk of impairment to goodwill and other assets based on an increase in the WACC and lower growth rates.

Impairment Risk	**WACC + 50 BP**		**Growth rate cut to half**		**WACC + 50 BP Growth rate cut to half**		**WACC + 50 BP Zero growth rate**	
in MEUR	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Bricks Eastern Europe Central	0	0	0	0	0	0	0	0
Bricks and Roof Eastern Europe North	0	0	0	0	0	0	0	0
Bricks Russia	7	0	7	0	9	4	10	7
Bricks Eastern Europe South	0	0	0	0	0	0	0	0
Tondach	0	0	11	0	23	0	42	0
Clay Building Materials Eastern Europe	**7**	**0**	**18**	**0**	**32**	**4**	**52**	**7**
Bricks and Roof Western Europe West	0	0	0	0	0	0	29	0
Bricks and Roof Western Europe Finland and Baltics	0	0	0	0	0	0	0	0
Bricks Italy	3	2	3	4	5	10	7	15
Clay Building Materials Western Europe	**3**	**2**	**3**	**4**	**5**	**10**	**36**	**15**
Pavers Semmelrock	0	0	4	0	12	0	26	0
Pipes Pipelife East	0	0	0	0	0	0	0	0
Pipes & Pavers Eastern Europe	**0**	**0**	**4**	**0**	**12**	**0**	**26**	**0**
Pipes Steinzeug	0	0	0	0	0	0	0	0
Pipes Pipelife West	0	0	0	0	0	0	0	0
Pipes & Pavers Western Europe	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Bricks North America	38	0	70	15	95	51	133	89
Pipes Pipelife North America	0	0	0	0	0	0	0	0
North America	**38**	**0**	**70**	**15**	**95**	**51**	**133**	**89**
Bricks India	1	0	2	0	3	0	4	3
Holdings & Others	**1**	**0**	**2**	**0**	**3**	**0**	**4**	**3**
Wienerberger Group	**49**	**2**	**97**	**19**	**147**	**65**	**251**	**114**

Non-current assets include land with a value of TEUR 396,577 (2013: TEUR 374,725). Borrowing costs and foreign exchange differences capitalized up to the completion of new plant construction amounted to TEUR 86 (2013: TEUR 268).

The Wienerberger Group also uses ***finance leases***, but only to a limited extent. All major finance leases have expired or been terminated by the exercise of the related purchase options. The remaining carrying amounts totaled TEUR 218 as of December 31, 2014 (2013: TEUR 632) and are reported under fixtures, fittings, tools and equipment.

in TEUR	**2014**	**2013**
Acquisition costs	226	632
Depreciation (accumulated)	8	0
Carrying amount	218	632

Obligations arising from operating leases, license agreements and rental contracts for the use of property, plant and equipment not shown on the balance sheet represent liabilities of:

in TEUR	**2014**	**2013**
For the following year	31,974	26,393
For the next two to five years	67,360	57,252
Over five years	31,145	28,314

Payments arising from operating leases, license and rental agreements totaled TEUR 37,905 (2013: TEUR 37,601).

The balance sheet item ***investment property*** includes real estate and buildings with a carrying amount of TEUR 76,683 (2013: TEUR 78,377), which are not used in current business operations. These assets are scheduled for sale over the medium- to long-term and are therefore classified as investment property. The fair values of these assets based on comparable transactions are allocated to level two in the valuation hierarchy according to IFRS 13 and estimated at TEUR 133,537 (2013: TEUR 142,042). The investment properties generated rental and other income of TEUR 2,114 in 2014 (2013: TEUR 1,047). Wienerberger sold investment property with a carrying amount of TEUR 4,788 during the reporting year (2013: TEUR 10,265). Of the total non-current assets, property, plant and equipment with a combined carrying amount of TEUR 3,402 (2013: TEUR 3,651) and a fair value of TEUR 3,405 (2013: TEUR 3,653) is designated for sale; the majority of these items represent land and buildings at plant locations that have been permanently closed. Management does not expect to conclude any sales within the next 12 months because of the generally unfavorable situation on the industrial property market, and the assets were therefore not classified as non-current assets held for sale and discontinued operations in accordance with IFRS 5.

in TEUR	Acquisition or Production Costs Balance on 1.1.2014	Change in consolidation range	Foreign exchange incr./decr.	Additions	Disposals	Transfers	Balance on 31.12.2014
Goodwill	**787,633**	6,719	33,911	0	0	0	**828,263**
Other intangible assets	**290,042**	11,881	-2,064	6,178	3,187	354	**303,204**
Intangible assets and goodwill	**1,077,675**	**18,600**	**31,847**	**6,178**	**3,187**	**354**	**1,131,467**
Land and buildings	**1,197,239**	101,773	-2,335	15,503	-2,518	-2,577	**1,312,121**
Machinery and equipment	**2,419,548**	59,511	4,294	51,224	54,574	33,425	**2,513,428**
Fixtures, fittings, tools and equipment	**99,414**	4,622	-1,266	8,947	6,497	1,067	**106,287**
Assets under construction	**50,845**	1,144	76	47,901	1,370	-45,813	**52,783**
Property, plant and equipment	**3,767,046**	**167,050**	**769**	**123,575**	**59,923**	**-13,898**	**3,984,619**
Investment property	**155,915**	**-81**	**876**	**124**	**18,210**	**13,544**	**152,168**
Investments in associates and joint ventures	**25,540**	**-14,969**	**-105**	**0**	**0**	**0**	**10,466**
Investments in subsidiaries	**150**	24	0	0	40	0	**134**
Other investments	**5,225**	0	-21	4	21	0	**5,187**
Other financial assets	**5,375**	**24**	**-21**	**4**	**61**	**0**	**5,321**
	5,031,551	**170,624**	**33,366**	**129,881**	**81,381**	**0**	**5,284,041**

in TEUR	Acquisition or Production Costs Balance on 1.1.2013	Change in consolidation range	Foreign exchange incr./decr.	Additions	Disposals	Transfers	Balance on 31.12.2013
Goodwill	**807,606**	-3,109	-16,864	0	0	0	**787,633**
Other intangible assets	**304,443**	0	-9,606	5,299	9,255	-839	**290,042**
Intangible assets and goodwill	**1,112,049**	**-3,109**	**-26,470**	**5,299**	**9,255**	**-839**	**1,077,675**
Land and buildings	**1,218,949**	250	-22,469	15,225	7,795	-6,921	**1,197,239**
Machinery and equipment	**2,466,116**	0	-46,919	46,407	71,703	25,647	**2,419,548**
Fixtures, fittings, tools and equipment	**102,432**	5	-2,363	7,930	8,894	304	**99,414**
Assets under construction	**52,232**	0	-1,673	34,658	340	-34,032	**50,845**
Property, plant and equipment	**3,839,729**	**255**	**-73,424**	**104,220**	**88,732**	**-15,002**	**3,767,046**
Investment property	**174,600**	**0**	**-3,084**	**16**	**31,458**	**15,841**	**155,915**
Investments in associates and joint ventures	**29,478**	**0**	**-2,292**	**1**	**1,647**	**0**	**25,540**
Investments in subsidiaries	**606**	-203	-1	100	352	0	**150**
Other investments	**5,223**	0	6	2	6	0	**5,225**
Other financial assets	**5,829**	**-203**	**5**	**102**	**358**	**0**	**5,375**
	5,161,685	**-3,057**	**-105,265**	**109,638**	**131,450**	**0**	**5,031,551**

Note: Rounding differences may arise from the automatic processing of data.

Depreciation and Amortization

Balance on 1.1.2014	Change in consolidation range	Foreign exchange incr./decr.	Depreciation/ Amortization	Impairments	Write-ups	Disposals	Transfers	Balance on 31.12.2014	Carrying amount 31.12.2014
156,739	0	16,558	0	106,924	0	0	0	**280,221**	**548,042**
78,039	0	569	18,584	4,055	0	3,183	-2	**98,062**	**205,142**
234,778	**0**	**17,127**	**18,584**	**110,979**	**0**	**3,183**	**-2**	**378,283**	**753,184**
449,786	-469	-1,307	35,963	32,235	0	-5,397	-4,697	**516,908**	**795,213**
1,585,081	0	6,484	133,974	73,967	0	50,220	-1,231	**1,748,055**	**765,373**
68,891	-38	-693	9,969	850	0	5,875	142	**73,246**	**33,041**
5	0	3	600	382	0	855	0	**135**	**52,648**
2,103,763	**-507**	**4,487**	**180,506**	**107,434**	**0**	**51,553**	**-5,786**	**2,338,344**	**1,646,275**
77,538	**-81**	**-163**	**4,234**	**1,591**	**0**	**13,422**	**5,788**	**75,485**	**76,683**
1,086	**-5,661**	**-67**	**0**	**985**	**-1,797**	**-3,401**	**0**	**1,541**	**8,925**
13	0	0	0	31	0	0	0	**44**	**90**
4,418	0	-22	0	148	0	0	0	**4,544**	**643**
4,431	**0**	**-22**	**0**	**179**	**0**	**0**	**0**	**4,588**	**733**
2,421,596	**-6,249**	**21,362**	**203,324**	**221,168**	**-1,797**	**64,757**	**0**	**2,798,241**	**2,485,800**

Depreciation and Amortization

Balance on 1.1.2013	Change in consolidation range	Foreign exchange incr./decr.	Depreciation/ Amortization	Impairments	Write-ups	Disposals	Transfers	Balance on 31.12.2013	Carrying amount 31.12.2013
160,640	0	-3,901	0	0	0	0	0	**156,739**	**630,894**
69,349	0	-1,677	18,987	253	0	9,043	170	**78,039**	**212,003**
229,989	**0**	**-5,578**	**18,987**	**253**	**0**	**9,043**	**170**	**234,778**	**842,897**
426,693	83	-5,363	36,582	3,001	0	7,116	-4,094	**449,786**	**747,453**
1,538,880	0	-24,374	133,338	8,408	0	71,147	-24	**1,585,081**	**834,467**
70,763	5	-1,420	8,460	39	0	8,470	-486	**68,891**	**30,523**
326	0	-1	14	0	0	69	-265	**5**	**50,840**
2,036,662	**88**	**-31,158**	**178,394**	**11,448**	**0**	**86,802**	**-4,869**	**2,103,763**	**1,663,283**
93,303	**0**	**-1,431**	**580**	**1,580**	**0**	**21,193**	**4,699**	**77,538**	**78,377**
-3,561	**0**	**-35**	**0**	**0**	**-3,161**	**-1,521**	**0**	**1,086**	**24,454**
175	-162	0	0	0	0	0	0	**13**	**137**
4,325	0	6	0	87	0	0	0	**4,418**	**807**
4,500	**-162**	**6**	**0**	**87**	**0**	**0**	**0**	**4,431**	**944**
2,360,893	**-74**	**-38,196**	**197,961**	**13,368**	**-3,161**	**115,517**	**0**	**2,421,596**	**2,609,955**

21. Inventories

in TEUR	2014	2013
Raw materials and consumables	124,477	114,973
Semi-finished goods	86,926	86,660
Finished goods and merchandise	488,702	463,370
Prepayments	1,293	1,023
Inventories	**701,398**	**666,026**

Palettes are included under raw materials and consumables. Clay purchased from third parties is shown together with clay extracted from Group pits under semi-finished goods. Impairment losses of TEUR 14,115 (2013: TEUR 10,895) were recognized to products in cases where the net realizable value (selling price less selling and administrative expenses) was less than the acquisition or production cost. Inventories written down to net realizable value totaled TEUR 55,325 as of December 31, 2014 (2013: TEUR 62,132).

22. Receivables, securities and other financial assets

Loans and receivables

	2014			2013		
in TEUR	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Trade receivables from third party	219,570	219,570	0	202,305	202,305	0
Trade receivables from subsidiaries	1,500	1,500	0	1,162	1,162	0
Trade receivables	**221,070**	**221,070**	**0**	**203,467**	**203,467**	**0**
Financial receivables from subsidiaries	20,704	20,704	0	27,760	27,760	0
Receivables arising from loans	4,082	3,793	289	4,584	3,583	1,001
Loans granted	**24,786**	**24,497**	**289**	**32,344**	**31,343**	**1,001**
Loans and receivables	**245,856**	**245,567**	**289**	**235,811**	**234,810**	**1,001**

Loans and receivables are carried at amortized cost, which is adjusted to reflect any necessary individual valuation adjustments. Any necessary individual valuation adjustments to receivables and other assets are deducted directly from the carrying amount. In 2014 individual valuation adjustments totaled TEUR 2,239 (2013: TEUR 2,018). Individual valuation adjustments to receivables during the reporting year equaled 0.9% of trade receivables and originated loans as well as less than 1% of total receivables, and are therefore not shown separately. Sold receivables (factoring) are derecognized as required by IAS 39. As of December 31, 2014, trade receivables totaling TEUR 78,259 (2013: TEUR 85,007) had been sold to third parties. The receivables due from Group companies in connection with financing activities reflect loans granted to companies included in the consolidation at equity and loans granted to other investments. Trade receivables totaling TEUR 1,384 (2013: TEUR 2,185) are secured by notes payable.

Available-for-sale financial instruments

	2014				2013			
	Carrying amount	Market value	Market value changes recog. to equity	Ø Effective interest rate	Carrying amount	Market value	Market value changes recog. to equity	Ø Effective interest rate
	in TEUR	*in TEUR*	*in TEUR*	*in %*	*in TEUR*	*in TEUR*	*in TEUR*	*in %*
Shares in funds	6,857	6,857	410	0.85	7,290	7,290	-98	0.71
Corporate bonds	17,494	17,494	125	6.80	19,470	19,470	262	6.83
Stock	6,452	6,452	0	-	6,452	6,452	0	-
Other	1,877	1,877	71	-	11,416	11,416	0	-
Available-for-sale financial instruments	**32,680**	**32,680**	**606**		**44,628**	**44,628**	**164**	

In addition to the available-for-sale financial instruments, other non-current financial assets include TEUR 733 (2013: TEUR 944) that are also assigned to this category. The resulting total of available-for-sale financial instruments is TEUR 33,413 (2013: TEUR 45,572).

Financial instruments held for trading

	2014		2013	
in TEUR	Carrying amount	Market value	Carrying amount	Market value
Derivatives from cash flow hedges	1,316	1,316	9,675	9,675
Other derivatives	9,568	9,568	4,802	4,802
Derivatives with positive market value	**10,884**	**10,884**	**14,477**	**14,477**

The balance sheet position ‘securities and other financial assets’ includes the following:

in TEUR	2014	2013
Loans granted	24,786	32,344
Available-for-sale financial instruments – short-term	26,240	44,628
Derivatives with positive market value	10,884	14,477
Securities and other financial assets	**61,910**	**91,449**

The non-current financial instruments classified as available for sale total TEUR 6,440 and are reported under other financial assets and non-current receivables.

23. Other receivables

in TEUR	2014 Total	2014 Remaining term < 1 year	2014 Remaining term > 1 year	2013 Total	2013 Remaining term < 1 year	2013 Remaining term > 1 year
Receivables for current taxes	**14,331**	**14,331**	**0**	**17,920**	**17,920**	**0**
Market value of plan assets in excess of pension obligations	0	0	0	61	61	0
Prepaid expenses and deferred charges	13,226	12,957	269	13,093	13,093	0
Miscellaneous receivables	73,819	69,002	4,817	66,066	58,393	7,673
Other receivables, prepaid expenses and deferred charges	**87,045**	**81,959**	**5,086**	**79,220**	**71,547**	**7,673**

Miscellaneous receivables consist primarily of receivables due from tax authorities and social security carriers. The main component of miscellaneous non-current receivables is a receivable of TEUR 3,083 from the sale of land, which is due and payable over the medium-term.

24. Capital and reserves

The development of capital and reserves in 2014 and 2013 is shown on pages 122 and 123.

The Annual General Meeting on May 16, 2014 approved authorized capital of EUR 17,629,014. This approval covers an ordinary capital increase in exchange for contributions in cash or in kind within a period of five years, contingent upon the consent of the Supervisory Board. Share capital can be increased by a maximum of EUR 17,629,014 through the issue of up to 17,629,014 new bearer shares, whereby the subscription rights can be excluded for peak amounts. The capital increase can also be carried out in several segments. The Managing Board is authorized to determine the type of shares, the issue price and the issue conditions, contingent upon the approval of the Supervisory Board. The legal subscription rights of shareholders are given, but the Managing Board is authorized to exclude these subscription rights in two special cases with the approval of the Supervisory Board: first, for contributions in kind for the granting of shares to acquire companies, segments of companies or investments in companies; and second, for multiple allotments in connection with the placement of new shares by the company (greenshoe). This authorization is valid until June 25, 2019.

The 145th Annual General Meeting of Wienerberger AG on May 16, 2014 also authorized the Managing Board to repurchase the company's shares, up to the legally defined limit, during a period of 30 months beginning on the day the resolution was passed. The price for these share purchases may not exceed twice the stock market quotation on May 16, 2014 and may not be lower than € 1.00 per share. The Managing Board was also empowered, without obtaining further authorization from the Annual General Meeting, to withdraw or resell these shares and to sell treasury shares in another manner than over the stock exchange or through a public offer. This authorization replaced the authorization for the repurchase of treasury shares that was granted by the Annual General Meeting on May 11, 2012.

Group equity totaled TEUR 2,046,830 as of December 31, 2014, compared to TEUR 2,254,166 in the previous year. The changes resulted primarily from the loss recorded for the year as well as the decrease in retained earnings due to the hybrid coupon and dividend payment. The components of other comprehensive income – e.g. foreign currency translation differences, the hedging reserve, the measurement of available-for-sale financial instruments and actuarial gains and losses related to post-employment benefits as defined in IAS 19 (2011) - reduced equity by TEUR 14,678 (2013: reduction of TEUR 55,375) after the deduction of deferred taxes.

The number of treasury shares declined by 1,893,849 in 2014. These treasury shares had a value of TEUR 23,190 and represented the non-cash portion of the purchase price for the further shares in Tondach Gleinstätten. The difference to the original purchase price for the treasury shares was offset in equity and recorded under the share premium. As of December 31, 2014, Wienerberger held 570,289 treasury shares with a value of TEUR 4,862.

Non-controlling interests increased equity by TEUR 16,030. Of this total, TEUR 17,206 represent non-controlling interests in Tondach: TEUR -30 held by management in the Bosnian Tondach Bosnia i Hercegovina d.o.o. and TEUR 17,236 transferred as part of a debt-equity swap at the beginning of September 2014.

The following table shows the development of the non-controlling interest in Tondach after the inclusion of results of TEUR -38 attributable to non-controlling interests and other components of comprehensive income totaling TEUR -220.

Assets			**Equity and Liabilities**		
in TEUR	**31.12.2014**	**30.6.2014**	*in TEUR*	**31.12.2014**	**30.6.2014**
Non-current assets	173,993	186,524	Controlling interests	78,408	78,236
Current assets	76,055	67,328	Non-controlling interests	16,948	17,206
			Equity	**95,356**	**95,442**
			Non-current provisions and liabilities	119,439	72,978
			Current provisions and liabilities	35,253	85,432
	250,048	**253,852**		**250,048**	**253,852**

Non-controlling interests were reduced in 2014 by the purchase of the remaining shares in the Semmelrock Group and Wienerberger Ilovac d.o.o. in Croatia. The resulting difference was recorded under the share premium.

The share capital of Wienerberger AG totaled EUR 117,526,764 as of December 31, 2014 and is divided into 117,526,764 zero par value shares that all carry the same rights. All shares are fully paid in. A dividend of EUR 0.12 per share was paid in 2014, i.e. TEUR 14,103 less TEUR 295 for treasury shares, or TEUR 13,808.

On February 10, 2014 Wienerberger AG paid the TEUR 32,500 annual coupon for the hybrid bond that was issued on February 9, 2007 and is reported as hybrid capital in the balance sheet. This hybrid bond is subordinated to all other creditors and is a perpetual bond with a volume of TEUR 500,000 and a coupon of 6.5%, which can also be suspended if no dividend is paid. After ten years Wienerberger AG may call the hybrid bond or extend the term at a variable interest rate (3-month EURIBOR +325 bps). In September 2014, Wienerberger announced an offer to investors to exchange up to TEUR 300,000 of the existing hybrid bond for a new hybrid bond, which was accepted with a volume of TEUR 272,188 at the beginning of October. The new hybrid bond has a fixed interest rate of 6.5% up to 2017 which then changes to a fixed rate of 5% up to 2021, when the issuer is entitled to call the bond for the first time. The accrued interest of TEUR 11,585 on the exchanged hybrid bonds was paid when the transaction was concluded. The exchange of the hybrid bond resulted in fees of TEUR 2,336, which were recorded under equity.

Both hybrid bonds meet the criteria defined by IAS 32 for classification as equity, and the coupons are therefore shown as part of the use of earnings on the changes in equity statement. In accordance with IAS 32, this data is presented after tax. Wienerberger AG has an effective tax rate of 0% due to loss carryforwards from prior periods, and the distribution after tax therefore equals TEUR 32,500. In 2014 the coupon interest reduced earnings per share by EUR 0.28.

Retained earnings of TEUR 575,850 (2013: TEUR 803,254) include the retained earnings of Wienerberger AG and the retained earnings of subsidiaries not eliminated during the capital consolidation. Group results for 2014, excluding the share of profit or loss due to non-controlling interests, are shown under retained earnings.

The translation reserve includes all differences from foreign currency translation that are recognized under other comprehensive income, whereby the differences from companies accounted for at equity are shown separately. The hedging reserve includes changes in the value of hedges that are reported under other comprehensive income. These instruments comprise hedges of net investments in foreign operations (net investment hedges) as well as hedges for foreign currency transactions (cash flow hedges).

Change of control clauses are included in the employment contracts with the members of the Managing Board, in the terms of the 2011, 2012 and 2013 corporate bonds, in the 2007 and 2014 hybrid bonds and in various syndicated term loans and other loans.

Free float is distributed among Austrian and international investors, whereby Black Creek Investment Management Inc. (Canada) holds more than 5%, and Marathon Asset Management LLP (United Kingdom) and First Eagle Investment Management, LLC (USA) hold more than 4% of Wienerberger's shares as of December 31, 2014. The Wienerberger share is traded in the Prime Market Segment of the Vienna Stock Exchange as well as an ADR Level 1 Program of the Bank of New York on the OTC market in the USA.

25. Provisions

in TEUR	**1.1.2014**	**Foreign exchange incr./decr.**	**Change in consolidation range**	**Reversal**	**Use**	**Addition**	**31.12.2014**
Provisions for warranties	13,146	2	8,174	1,894	1,695	6,376	24,109
Provisions for site restoration	34,653	-534	567	255	4,359	3,290	33,362
Provisions for environmental measures	3,100	50	0	144	620	428	2,814
Other non-current provisions	**50,899**	**-482**	**8,741**	**2,293**	**6,674**	**10,094**	**60,285**
Provisions for current taxes	3,555	-3	195	1,148	258	870	3,211
Other current provisions	53,841	22	348	13,411	19,952	17,502	38,350
Current provisions	**57,396**	**19**	**543**	**14,559**	**20,210**	**18,372**	**41,561**
Other provisions	**108,295**	**-463**	**9,284**	**16,852**	**26,884**	**28,466**	**101,846**

26. Employee benefits

The obligations for employee benefits are as follows:

in TEUR	1.1.2014	Foreign exchange incr./decr.	Change in consolidation range	Reversal	Use	Addition	31.12.2014
Provisions for severance payments	20,959	1	7,374	164	4,489	8,031	31,712
Provisions for pensions	88,379	4,976	1,875	648	14,997	32,834	112,419
Provisions for service anniversary bonuses	6,834	-34	351	121	388	897	7,539
Employee-related provisions	**116,172**	**4,943**	**9,600**	**933**	**19,874**	**41,762**	**151,670**

The obligations for post-employment benefits total TEUR 144,131 (2013: TEUR 109,338) and comprise pension obligations of TEUR 112,419 (2013: TEUR 88,379) and severance compensation obligations of TEUR 31,712 (2013: TEUR 20,959). The relevant accounting principles are described on page 178.

The company is exposed to various risks in connection with the plans for post-employment benefits. In addition to general actuarial risks such as an increase in the life expectancy and interest rate risk, the company is also exposed to foreign exchange risks or investment risks on the capital markets.

Pension obligations

Wienerberger has made pension commitments to selected managers as well as employees in the Netherlands, Great Britain, Scandinavia, the USA, Canada, Germany, Belgium and Switzerland. Defined contribution plans represent the goal for future pension agreements. In 2004 a number of ***defined benefit*** pension agreements with active managers were converted to ***defined contribution*** pension models through the transfer of previously earned claims to a pension fund. Wienerberger has also made a number of defined pension commitments mainly to former managers, which are not tied to plan assets; the length of service forms the basis for retirement benefits under these plans. The employees of General Shale Inc. (USA) have a funded defined benefit pension plan as well as non-funded health insurance. An offer was made to a number of employees during the reporting year to terminate the defined benefit plan, which led to settlement payments of TEUR 8,476. ZZ Wancor (Switzerland) has a defined benefit pension plan through an external pension fund, whereby the company is de facto obliged to make additional contributions if the collective foundation should become insolvent. Claims earned by Dutch employees are satisfied through a defined contribution pension plan, primarily through contributions to an industry-wide pension fund in the Netherlands. In Great Britain, a defined contribution pension plan covers all employees. The member companies of thebrickbusiness, which was acquired during 2004, had a defined benefit model up to the end of 2003; a provision was created to reflect these obligations. The acquisition of Baggeridge in 2007 also led to the takeover of a defined benefit pension plan. The employees of the Steinzeug-Keramo Group have three defined benefit pension plans. The acquisition of the Pipelife Group in 2012 added a further nine defined benefit pension plans to the provision, whereby two of the Dutch plans were dissolved in 2014 and resulted in settlement payments and effects from plan reductions totaling TEUR 1,236. The Pipelife Group now has seven defined benefit pension plans for individual members of management in the Netherlands, Belgium, Norway, Austria, France and Germany. The takeover of the remaining shares in Tondach Gleinstätten added a further defined benefit plan through changes in the consolidation range.

The calculations are based on the following weighted average parameters:

	2014	2013
Discount rate	3.0%	3.7%
Expected salary increases	1.3%	1.4%
Expected pension increases	1.2%	1.3%
Average fluctuation rates	0.1%	0.1%
Mortality tables		
Austria	AVÖ 2008-P	AVÖ 2008-P
Germany	Heubeck 2005 G	Heubeck 2005 G
Switzerland	BVG 2010 GT	BVG 2010 GT
USA	RP-2000 Generational BB	RP-2000 Generational BB
Great Britain	105% of SAPS Normal Tables with allowance (CMI 2011)	105% of SAPS Normal Tables with allowance (CMI 2011)
Belgium	MR-3/FR-3	MR-3/FR-3
Canada	CIA Private Sector Mortality Table	CIA Private Sector Mortality Table
Norway	K2013 BE Mortality Table	K2013 BE Mortality Table
France	Insee 9 11	THTF 00-02
Netherlands	AG Prognosetafel 2014	AG Prognosetafel 2010-2062

The country-specific discount rate is based on the average return on first-rate, fixed-interest industrial bonds with a term that reflects the average term of the obligations to employees.

Total pension expenses for 2014 cover both defined contribution and defined benefit pension plans. The current and past service cost and the effects of plan settlements are reported under operating results and the net interest effect under interest result.

in TEUR	2014	2013
Defined contribution plans		
Expenses for defined contribution pension plans	**13,631**	**13,279**
Defined benefit plans		
Service cost for defined benefit pension plans	4,079	3,900
Past service cost	-1,047	-1,473
Effects of settlements and curtailments	-2,935	-2,884
Net interest cost	3,275	3,693
Expenses for defined benefit plans	**3,372**	**3,236**
Total expenses for pensions	**17,003**	**16,515**

The gross pension obligations can be reconciled with net obligations as shown on the balance sheet by deducting the fair value of plan assets. Of the total net obligations, TEUR 11,947 (2013: TEUR 9,992) are related to the US (retirement) health insurance program. A change in the cost trend for medical services would not have any major impact on the interest cost or the defined benefit pension obligation.

The components of pension obligations and their coverage through plan assets are shown below:

in TEUR	Defined benefit obligations 2014	Defined benefit obligations 2013	Fair value of plan assets 2014	Fair value of plan assets 2013
Value as of 1.1.	**345,043**	**350,242**	**256,725**	**248,340**
Changes in consolidation range	1,875	0	0	0
Transfers	218	0	0	0
Foreign exchange increase/decrease	19,189	-7,003	14,214	-5,415
Service cost for defined benefit pension plans	4,079	3,900	0	0
Interest cost	12,822	12,405	0	0
Expected income from plan assets	0	0	9,547	8,712
Effects of plan curtailments	-65	-2,884	0	0
Actuarial gains/losses	41,339	8,094	19,519	14,394
Past service cost	-1,047	-1,473	0	0
Payments to retirees	-17,771	-17,523	-16,761	-16,485
Payments received from employees	1,688	1,785	1,688	1,785
Settlements	-9,863	-2,500	-6,993	-2,500
Payments received from employers	0	0	7,149	7,894
Value as of 31.12.	**397,507**	**345,043**	**285,088**	**256,725**
Fair value of plan assets	-285,088	-256,725		
Present value of unfunded obligations	**112,419**	**88,318**		
thereof: provision for pensions	**112,419**	**88,379**		
thereof: market value of plan assets in excess of pension obligations	**0**	**61**		
Actuarial gains/losses resulting from pension plans				
Actuarial gains/losses from changes in demographic assumptions	-5,509	1,056		
Actuarial gains/losses from changes in financial assumptions	46,848	7,038		
Return on plan assets greater than expected	-19,519	-14,394		
Actuarial gains (-)/losses (+) in other comprehensive income	**21,820**	**-6,300**		

Pension plan assets consist mainly of the assets from the fund-linked defined contribution pension plans in the USA, Great Britain, Switzerland and Pipelife's plan in the Netherlands. The plan assets are invested in stocks (40%; 2013: 36%), bonds (48%; 2013: 32%) and other assets (12%; 2013: 32%).

The sensitivity of the gross pension obligation was tested by modifying the major actuarial assumptions individually while holding all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

	Change of parameter *in basis points (bp)/years*	**Increase of parameter** *in TEUR*	**Decrease of parameter** *in TEUR*
Discount rate	+/-25 bp	-15,002	15,619
Salary increase	+/-100 bp	3,936	-3,512
Employee turnover	+/-100 bp	-3,887	1,308
Mortality rate	+/-1 year	13,329	-13,296

The contributions to pension plans are expected to total TEUR 7,807 in 2015. As of December 31, 2014, the weighted average duration of the pension obligations was 15 years (2013: 15 years).

Severance compensation obligations

Legal regulations grant Austrian employees the right to a lump-sum payment at retirement or termination by the employer, whereby the amount of the payment is dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations in France, Italy and Poland.

The country-specific discount rate used to calculate the severance compensation obligations under the projected unit credit method was based on the same interest rate curve used to calculate the pension obligations. The calculations are based on the following weighted average parameters: an interest rate of 1.7%, an expected increase of 1.8% in wages and salaries, and average employee turnover of 2.3%.

The current and past service cost and the effects of settlement payments from defined benefit severance compensation plans is reported under operating results, while the net interest effect is included under interest result.

in TEUR	2014	2013
Defined contribution plans, voluntary severance payments and similar expenses	**3,382**	**2,676**
Defined benefit plans		
Service cost for defined benefit pension plans	1,385	1,027
Past service cost	-103	0
Effects of settlements	8	5
Net interest cost	630	702
Expenses for defined benefit plans	**1,920**	**1,734**
Expenses for severance payments	**5,302**	**4,410**

The severance compensation obligations in France are covered by plan assets, which are held in stocks (1%; 2013: 8%), bonds (8%; 2013: 0%) and other assets (91%; 2013: 92%).

The following table shows the composition of the severance compensation obligations and their coverage through plan assets:

	Defined benefit obligation		Fair value of plan assets	
in TEUR	**2014**	**2013**	**2014**	**2013**
Value as of 1.1.	**22,930**	**24,412**	**1,971**	**0**
Changes in consolidation range	7,374	0	0	0
Transfers	68	464	0	1,971
Foreign exchange increase/decrease	1	-166	0	0
Service cost for defined benefit severance obligations	1,385	1,027	0	0
Interest cost	692	702	0	0
Expected income from plan assets	0	0	62	0
Effects of settlements	8	5	0	0
Actuarial gains/losses	3,941	642	0	0
Past service cost	-103	0	0	0
Payments	-2,551	-4,156	0	0
Value as of 31.12.	**33,745**	**22,930**	**2,033**	**1,971**
Fair value of plan assets	-2,033	-1,971		
Present value of unfunded obligations	**31,712**	**20,959**		
Actuarial gains/losses resulting from severance payment plans				
Actuarial gains/losses from changes in demographic assumptions	1,561	-158		
Actuarial gains/losses from changes in financial assumptions	2,380	800		
Actuarial gains (-)/losses (+) in other comprehensive income	**3,941**	**642**		

The sensitivity of the gross severance obligation was tested by modifying the major actuarial assumptions individually while holding all other conditions constant. A negative amount represents a reduction of the obligation, while a positive amount indicates an increase.

	Change of parameter *in basis points (bp)*	**Increase of parameter** *in TEUR*	**Decrease of parameter** *in TEUR*
Discount rate	+/-25	-950	990
Salary increase	+/-100	3,816	-3,301
Employee turnover	+/-100	-2,875	1,859

The contributions to severance compensation plans are expected to total TEUR 1,205 in 2015. As of December 31, 2014, the weighted average duration of the severance compensation obligations was 12 years (2013: 8 years).

27. Deferred taxes

Deferred tax assets and deferred tax liabilities as of December 31, 2014 and December 31, 2013 are the result of the following temporary valuation and accounting differences between carrying amounts in the consolidated financial statements and the respective tax bases:

	2014		2013	
in TEUR	**Assets**	**Equity and Liabilities**	**Assets**	**Equity and Liabilities**
Intangible assets	20,961	-38,665	7,440	-54,275
Property, plant and equipment	23,147	-115,802	11,055	-114,097
Inventories	2,034	-5,976	2,743	-6,683
Receivables	9,034	-8,992	10,437	-9,208
Other receivables	83,461	-58	62,112	-57
	138,637	**-169,493**	**93,787**	**-184,320**
Untaxed reserves	1,286	-22,409	1,378	-21,067
Provisions	32,060	-3,893	27,002	-3,251
Liabilities	13,283	-4,710	8,325	-2,950
Deferred income	841	-284	473	-32
	47,470	**-31,296**	**37,178**	**-27,300**
Tax loss carryforwards	803,430		494,819	
Deferred tax assets/liabilities	**989,537**	**-200,789**	**625,784**	**-211,620**
Unrecognized tax assets	-841,038		-471,511	
Offset within legal tax units and jurisdictions	-88,336	88,336	-107,640	107,640
Recognized tax assets/liabilities	**60,163**	**-112,453**	**46,633**	**-103,980**

The tax loss carryforwards and unrecognized deferred tax assets from 2013 were adjusted to reflect the harmonized presentation of deferred tax assets.

Wienerberger GmbH (Germany) capitalized deferred taxes on loss carryforwards of TEUR 4,408 in 2014 despite the fact that non-recurring effects led to a tax loss in Germany for that year. Tax planning for the period from 2015 to 2018 shows sufficient positive taxable income because Wienerberger GmbH (Germany) concluded a contract for the transfer of profit and loss with Steinzeug-Keramo GmbH (Germany) and is also entitled to the transfer of income from the joint venture Schlagmann Poroton GmbH & Co. KG.

In the consolidated financial statements, deferred tax assets were not calculated on deductible temporary differences and tax loss carryforwards (including impairment charges to investments) of TEUR 1,524,753 (2013: TEUR 968,059) because medium-term planning did not reliably demonstrate their use as tax relief. This represents deferred tax assets totaling TEUR 841,038 (2013: TEUR 471,511), whereby the initial consolidation of the Tondach Group reduced deferred tax assets by TEUR 2,819.

The deductible temporary partial write-down of investments held by Wienerberger AG was calculated in accordance with Austrian tax law and amounted to TEUR 336,082 (2013: TEUR 161,125). Deferred tax assets were not recognized for this amount in 2014 or 2013.

In accordance with IAS 12.39, deferred taxes were not calculated on temporary differences related to shares owned in subsidiaries. The cumulative value of shares in subsidiaries exceeds the proportional share of equity owned in these subsidiaries by TEUR 901,494 (2013: TEUR 615,947).

28. Liabilities

Liabilities are generally measured at amortized cost. An exception is formed by derivatives with negative market values, which are measured at fair value.

The remaining terms of the various categories of liabilities are shown in the following tables:

2014 *in TEUR*	**Total**	**Remaining term < 1 year**	**Remaining term 1-5 years**	**Remaining term > 5 years**	**Thereof secured by collateral**
Interest-bearing loans	958,211	401,690	259,380	297,141	17,075
Finance leases	133	133	0	0	0
Financial liabilities owed to subsidiaries	262	262	0	0	0
Financial liabilities	**958,606**	**402,085**	**259,380**	**297,141**	**17,075**
Trade payables owed to third parties	285,195	285,195	0	0	0
Trade payables owed to subsidiaries	649	649	0	0	0
Trade payables	**285,844**	**285,844**	**0**	**0**	**0**
Payables for current taxes	**8,184**	**8,184**	**0**	**0**	**0**
Prepayments received on orders	5,623	5,613	10	0	0
Amounts owed to tax authorities and social security carriers	48,087	48,067	20	0	0
Deferred income	11,649	8,246	866	2,537	0
Miscellaneous liabilities	182,558	182,249	272	37	0
Other liabilities	**247,917**	**244,175**	**1,168**	**2,574**	**0**
Total liabilities	**1,500,551**	**940,288**	**260,548**	**299,715**	**17,075**

2013 *in TEUR*	Total	Remaining term < 1 year	Remaining term 1-5 years	Remaining term > 5 years	Thereof secured by collateral
Interest-bearing loans	1,126,809	290,688	488,443	347,678	1,543
Finance leases	13	13	0	0	0
Financial liabilities owed to subsidiaries	196	196	0	0	0
Financial liabilities	**1,127,018**	**290,897**	**488,443**	**347,678**	**1,543**
Trade payables owed to third parties	267,318	267,318	0	0	19
Trade payables owed to subsidiaries	1,016	1,016	0	0	0
Trade payables	**268,334**	**268,334**	**0**	**0**	**19**
Payables for current taxes	**12,359**	**12,359**	**0**	**0**	**0**
Prepayments received on orders	2,392	2,383	9	0	0
Amounts owed to tax authorities and social security carriers	47,725	47,725	0	0	0
Deferred income	12,716	8,860	1,077	2,779	0
Miscellaneous liabilities	158,203	153,831	4,332	40	215
Other liabilities	**221,036**	**212,799**	**5,418**	**2,819**	**215**
Total liabilities	**1,628,747**	**784,389**	**493,861**	**350,497**	**1,777**

Current financial liabilities include put options of TEUR 12,118 (2013: TEUR 10,701), whose exercise would result in the transfer of non-controlling interests in Group companies to Wienerberger (see note 32. Information on financial instruments).

Other liabilities include TEUR 57,418 (2013: TEUR 50,856) due to employees and TEUR 65,153 (2013: TEUR 56,733) of accruals for bonuses and other sales deductions due to customers. Deferred income includes TEUR 1,939 (2013: TEUR 2,334) of subsidies and investment allowances granted by third parties, which are released to the income statement over the useful life of the related assets. The amounts owed to tax authorities and social security carriers include tax liabilities of TEUR 34,246 (2013: TEUR 38,258).

Financial liabilities include the following derivative financial instruments with negative market values:

Financial instruments held for trading

in TEUR	2014	2013
Derivatives from cash flow hedges	6,371	775
Derivatives from net investment hedges	10,191	9,001
Other derivatives	4,764	190
Derivatives with negative market value	**21,326**	**9,966**

Total liabilities include TEUR 1,475,911 of financial liabilities at amortized cost, TEUR 3,315 of financial liabilities at fair value, TEUR 16,562 of derivatives in hedges and TEUR 4,764 of other derivatives.

Financial liabilities are expected to result in the following cash flows:

Analysis of contractual cash flows

2014 *in TEUR*	**Carrying amount per 31.12.2014**	**Total**	**< 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**> 5 years**
Bonds	611,288	-703,000	-12,000	-215,250	-17,250	-146,500	-312,000
Commercial paper	6,240	-6,250	-6,250	0	0	0	0
Liabilities to banks	313,456	-325,039	-147,892	-11,746	-59,008	-106,393	0
Liabilities to non-banks	6,296	-10,533	-9,336	-1	-1,000	-196	0
Original financial instruments	**937,280**	**-1,044,822**	**-175,478**	**-226,997**	**-77,258**	**-253,089**	**-312,000**
Interest rate derivatives	5,290	5,804	-657	2,012	1,485	2,964	0
Forward exchange contracts and interest rate swaps	16,036	32,847	30,224	-2,017	13,180	-8,540	0
Derivative financial instruments	**21,326**	**38,651**	**29,567**	**-5**	**14,665**	**-5,576**	**0**
Carrying amount/Contractual cash flows	**958,606**	**-1,006,171**	**-145,911**	**-227,002**	**-62,593**	**-258,665**	**-312,000**

2013 *in TEUR*	**Carrying amount per 31.12.2013**	**Total**	**< 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**> 5 years**
Bonds	859,903	-986,411	-11,967	-271,444	-227,250	-151,750	-324,000
Liabilities to banks	245,488	-261,303	-9,827	-11,157	-141,718	-58,936	-39,665
Liabilities to non-banks	11,661	-11,680	-3,070	-7,882	-448	-280	0
Original financial instruments	**1,117,052**	**-1,259,394**	**-24,864**	**-290,483**	**-369,416**	**-210,966**	**-363,665**
Interest rate derivatives	338	7,222	-671	1,968	1,476	4,449	0
Forward exchange contracts and interest rate swaps	9,628	-3,697	6,254	3,261	-10,902	-2,310	0
Derivative financial instruments	**9,966**	**3,525**	**5,583**	**5,229**	**-9,426**	**2,139**	**0**
Carrying amount/Contractual cash flows	**1,127,018**	**-1,255,869**	**-19,281**	**-285,254**	**-378,842**	**-208,827**	**-363,665**

29. Contingent liabilities and guarantees

Contingent liabilities result from obligations to third parties, and include the following:

in TEUR	31.12.2014	31.12.2013
Sureties	0	49
Guarantees	28,172	23,247
Other contractual obligations	3,075	2,947
Contingent liabilities	**31,247**	**26,243**

All events recorded under contingent liabilities reflect possible future obligations whose existence can only be confirmed by the occurrence of a future event that is completely uncertain as of the balance sheet date.

30. Financial instruments

Interest-bearing financial liabilities comprise the following items:

	Currency	Nominal value	Market value	Carrying amount per 31.12.2014	Effective interest rate
2014		*in 1,000 local currency*	*in TEUR*	*in TEUR*	*in %*
Long-term loans	*EUR*	58,956	62,768	59,268	2.77
Short-term loans	*EUR*	97,483	97,196	97,586	6.15
	TRY	12,385	4,369	4,373	-
Fixed interest loans due to financial institutions			**164,333**	**161,227**	

	Currency	Nominal value	Market value	Carrying amount per 31.12.2013	Effective interest rate
2013		*in 1,000 local currency*	*in TEUR*	*in TEUR*	*in %*
Long-term loans	*EUR*	125,990	138,898	126,396	5.62
Roll-over	*TRY*	500	200	169	5.25
Short-term loans	*EUR*	1,269	1,269	1,269	-
Fixed interest loans due to financial institutions			**140,367**	**127,834**	

2014	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount per 31.12.2014 *in TEUR*	Effective interest rate *in %*
Long-term loans	*EUR*	101,162	105,379	101,184	1.81
			105,379	**101,184**	
Short-term loans	*EUR*	47,774	47,562	48,019	2.18
	CAD	417	297	297	-
	HRK	13,498	1,989	1,980	0.05
	HUF	10	0	0	-
	TRY	767	274	271	-
	USD	581	478	478	-
			50,600	**51,045**	
Derivatives	*other in EUR*	343,688	**21,326**	**21,326**	-
Variable interest loans due to financial institutions			**177,305**	**173,555**	

2013	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount per 31.12.2013 *in TEUR*	Effective interest rate *in %*
Long-term loans	*EUR*	109,002	114,012	109,005	2.28
			114,012	**109,005**	
Roll-over	*EUR*	149	148	149	0.41
	HRK	13,907	1,808	1,823	3.97
			1,956	**1,972**	
Short-term loans	*EUR*	5,849	5,863	5,858	0.70
	CAD	182	124	124	-
	HRK	201	26	26	-
	USD	920	668	668	-
	other in EUR	32	1	1	-
			6,682	**6,677**	
Derivatives	*other in EUR*	157,296	**9,966**	**9,966**	-
Variable interest loans due to financial institutions			**132,616**	**127,620**	

2014	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount per 31.12.2014 *in TEUR*	Effective interest rate *in %*
Bonds – fixed interest	*EUR*	600,000	632,379	596,060	4.54
	EUR	15,228	15,228	15,228	-
Long-term loans – fixed interest	*EUR*	965	1,026	965	0.16
	USD	222	174	183	-
Short-term loans – variable interest	*GBP*	2,582	3,315	3,315	-
Short-term loans – fixed interest	*EUR*	1,438	1,470	1,438	0.61
Commercial paper – fixed interest	*EUR*	6,221	6,210	6,240	0.72
Finance leases	*EUR*	133	133	133	-
Financial liabilities owed to subsidiaries	*EUR*	262	262	262	-
Financial liabilities due to non-banks			**660,197**	**623,824**	

2013	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount per 31.12.2013 *in TEUR*	Effective interest rate *in %*
Bonds – fixed interest	*EUR*	844,300	863,582	838,933	4.64
	EUR	20,970	20,970	20,970	-
Long-term loans – fixed interest	*EUR*	505	511	505	2.00
	USD	296	201	214	-
Long-term loans – variable interest	*GBP*	1,877	2,251	2,251	-
Short-term loans – fixed interest	*EUR*	5,818	5,933	5,820	4.00
	TRY	7,880	2,662	2,662	-
Finance leases	*EUR*	13	13	13	-
Financial liabilities owed to subsidiaries	*EUR*	196	196	196	-
Financial liabilities due to non-banks			**896,319**	**871,564**	

Interest rates (variable, fixed) can be exchanged through the conclusion of interest rate swaps. The structure of financial liabilities (variable and fixed interest rates), including the effects of interest rate swaps, is shown on page 186.

31. Derivative financial instruments and hedge accounting

The market value of derivative financial instruments represents the value the company would receive or be required to pay on settlement as of the balance sheet date. Current market conditions – above all current interest rates, foreign exchange rates and the credit standing of the counterparty – are taken into account. These valuation parameters can be monitored on the market and are available to all market participants. The resulting fair value of the respective derivative instrument reflects the market valuation by the bank with which Wienerberger contracted the derivative and is expanded to include IFRS 13 factors (credit value and debit value adjustments - CVA/DVA).

As of December 31, 2014, Wienerberger held forward exchange contracts that were concluded to hedge transaction risks for a period of up to 12 months. The risk positions covered by these hedges are documented in the Group's foreign currency-based liquidity planning. These derivatives are classified as cash flow hedges of future transactions, whereby changes in their market value during the term are recognized to the hedging reserve. The effectiveness of the individual hedges is measured quarterly based on the hypothetical derivative method. The ineffective portion of the change in market value is recognized to profit or loss and consists primarily of the CVA/DVA as defined in IFRS 13. At the end of the derivative term, the cumulative market value differences are reclassified from other comprehensive income to profit or loss.

The Wienerberger Group also holds currency swaps that are used to hedge cash pool balances in foreign currencies. The foreign currency differences on the bank account balances that are hedged with these instruments are recognized to profit or loss and, consequently, the market value differences of the hedges are also recognized to profit or loss. Therefore, hedge accounting is not applied to these instruments.

Two interest rate swaps were in effect as of December 31, 2014. One of these swaps hedges the interest rate of a transaction planned for 2015 and is therefore accounted for as a cash flow hedge in hedge accounting. The effectiveness of the hedge is measured quarterly based on the hypothetical derivative method. The effective portion of the market value differences on this instrument is therefore recognized to the hedging reserve. The ineffective portion of the market value differences is recognized to profit or loss and consists primarily of the CVA/DVA as defined in IFRS 13. The second interest rate swap is used to reduce the interest expense on the bond that will mature in 2018 and is measured through profit or loss without the application of hedge accounting.

The cross currency swaps used by Wienerberger represent derivatives that hedge the Group's net investment in Swiss francs and are therefore classified as hedges of a net investment in a foreign operation. The effectiveness of these instruments is measured quarterly by comparing the cumulative market changes with the cumulative currency differences of the hedged position. The effective portion of the hedge is recorded in the hedging reserve, and the ineffective portion is recognized to profit or loss. The effectiveness of these hedges ranged from 98.8 to 99.8% as of December 31, 2014.

Cross currency swaps are also used to hedge intergroup loans. Hedge accounting was terminated for these instruments in 2014 and the derivatives previously held as cash flow hedges were reclassified to the category 'other derivatives'. The market value differences of TEUR 936 recorded in the hedging reserve up to that time were reclassified to financial results.

	2014			2013		
	Currency	**Nominal value** *31.12.2014 in 1,000 local currency*	**Market value** *31.12.2014 in TEUR*	**Currency**	**Nominal value** *31.12.2013 in 1,000 local currency*	**Market value** *31.12.2013 in TEUR*
Forward exchange contracts	*EUR*	79,298	-324	*EUR*	28,632	137
	CAD	2,000	-33	*CAD*	0	0
	CZK	96,530	12	*CZK*	60,000	-12
	DKK	32,000	-6	*DKK*	10,000	-2
	GBP	18,408	-489	*GBP*	34,128	-506
	HUF	3,101,722	269	*HUF*	1,914,912	-27
	NOK	15,000	-33	*NOK*	0	0
	PLN	18,837	228	*PLN*	6,274	-3
	RUB	189,000	664	*RUB*	0	0
	SEK	109,223	168	*SEK*	12,510	0
	USD	0	0	*USD*	12,000	-17
Interest rate swaps	*EUR*	150,000	97	*EUR*	73,000	4,326
Cross currency swaps	*CAD/EUR*	37,000	1,359	*CAD/EUR*	40,000	2,498
	CHF/EUR	75,000	-10,324	*CHF/EUR*	75,000	-9,043
	CZK/EUR	750,000	1,246	*CZK/EUR*	800,000	2,058
	DKK/EUR	78,000	-10	*DKK/EUR*	108,000	0
	GBP/EUR	75,000	-4,179	*GBP/EUR*	58,000	1,284
	PLN/EUR	50,000	780	*PLN/EUR*	52,350	508
	USD/EUR	0	0	*USD/EUR*	80,000	3,311
Foreign currency option	*RUB/EUR*	35,000	133	*RUB/EUR*	0	0
			-10,442			**4,511**

32. Information on financial instruments

Financial instruments are classified in three levels that reflect the degree of valuation certainty. Wienerberger uses the following hierarchy to classify financial instruments at fair value to a valuation method:

Level 1: Valuation based on the market price for a specific financial instrument

Level 2: Valuation based on the market prices for similar instruments or on valuation models that only use parameters that can be monitored on the market

Level 3: Valuation based on models with significant parameters that cannot be monitored on the market

The financial instruments carried at fair value by the Wienerberger Group are generally classified under level 1 (shares in funds, corporate bonds and stock; see note 22) or level 2 (other available-for-sale financial instruments and derivative financial instruments; see note 31). No items were reclassified between hierarchy levels during the reporting year.

The following table shows the financial assets and financial liabilities carried at fair value:

Financial assets and financial liabilities carried at fair value

in TEUR	Level 1	Level 2	Level 3	Carrying amount per 31.12.2014
Shares in funds	6,857			6,857
Corporate bonds	17,494			17,494
Stock	6,452			6,452
Other	1,877			1,877
Available-for-sale financial instruments	**32,680**			**32,680**
Derivatives from cash flow hedges		1,316		1,316
Other derivatives		9,568		9,568
Derivatives with positive market value		**10,884**		**10,884**
Derivatives from cash flow hedges		6,371		6,371
Derivatives from net investment hedges		10,191		10,191
Other derivatives		4,764		4,764
Derivatives with negative market value		**21,326**		**21,326**
Financial liabilities due to non-banks			**3,315**	**3,315**

in TEUR	Level 1	Level 2	Level 3	Carrying amount per 31.12.2013
Shares in funds	7,290			7,290
Corporate bonds	19,470			19,470
Stock	6,452			6,452
Other	1,381	10,035		11,416
Available-for-sale financial instruments	**34,593**	**10,035**		**44,628**
Derivatives from cash flow hedges		9,675		9,675
Other derivatives		4,802		4,802
Derivatives with positive market value		**14,477**		**14,477**
Derivatives from cash flow hedges		775		775
Derivatives from net investment hedges		9,001		9,001
Other derivatives		190		190
Derivatives with negative market value		**9,966**		**9,966**
Financial liabilities due to non-banks			**2,251**	**2,251**

In connection with the acquisition of Sandtoft Ltd. in 2008, the sellers were given a put option which entitles them to transfer the remaining non-controlling interests to Wienerberger. The fair value of this put option was calculated on the basis of budgeted EBITDA and the agreed multiple, and discounted with the country-specific WACC for Great Britain (7.78%); the put option is classified under level three in the valuation hierarchy. The position “reclassification” includes the valuation effects, which must be reported as an adjustment to the opening balance sheet and not under financial results in accordance with the transition rules defined by IFRS 3 (2008). The item is reported under current financial liabilities.

The valuation of financial instruments classified under level three is shown in the following table:

in TEUR	2014
Balance on 31.12.2013	**2,251**
Results from valuation	342
Reclassification	722
Balance on 31.12.2014	**3,315**

Wienerberger generally carries loans and receivables as well as liabilities at amortized cost. The fair value of these liabilities can either be monitored on the market, which permits classification under level 1 (bonds), or can be derived by means of an income approach, which permits classification under level 2 (loans).

Trade receivables and trade payables, originated loans and other receivables and liabilities normally have a term of less than one year. The respective carrying amounts generally represent fair value and are therefore not reported separately.

Financial assets and financial liabilities at amortized cost

in TEUR	Level 1	Level 2	Level 3	Carrying amount per 31.12.2014
Other non-current receivables		**5,086**		**5,086**
Long-term loans		168,147		160,452
Short-term loans		152,165		153,004
Financial liabilities due to financial institutions		**320,312**		**313,456**
Bonds	647,607			611,288
Long-term loans		1,200		1,148
Commercial paper		6,210		6,240
Short-term loans		1,470		1,438
Finance leases		133		133
Financial liabilities owed to subsidiaries		262		262
Financial liabilities due to non-banks	**647,607**	**9,275**		**620,509**

in TEUR	Level 1	Level 2	Level 3	Carrying amount per 31.12.2013
Other non-current receivables		**7,673**		**7,673**
Long-term loans		252,910		235,401
Roll-over		2,156		2,141
Short-term loans		7,951		7,946
Financial liabilities due to financial institutions		**263,017**		**245,488**
Bonds	884,552			859,903
Long-term loans		712		719
Short-term loans		8,595		8,482
Finance leases		13		13
Financial liabilities owed to subsidiaries		196		196
Financial liabilities due to non-banks	**884,552**	**9,516**		**869,313**

Significant Accounting Policies

Revenues: Revenue arising from the provision of goods or services is realized when all major risks and opportunities arising from the delivered objects have been transferred to the buyer. In addition, a reliable measurement of the amount of the revenues and the costs related to the sale must be possible. Revenues are presented net of rebates, discounts and bonuses.

Costs of goods sold: The cost of goods sold includes direct material and production costs as well as a proportional share of overhead expenses for production equipment. Other components of the cost of goods sold are fixed production costs that cannot be capitalized due to the underutilization of capacity, impairment charges to inventories and the procurement cost of sold merchandise.

Construction contracts: When the results of construction contracts can be reliably estimated, the respective revenues and costs are recognized in accordance with the percentage of completion method. Construction contracts are found in Pipelife's business and involve the production of LLLD (long length large diameter) pipes. The percentage of completion is based on the number of tons produced. If the costs for a specific contract are expected to exceed the agreed revenues, a provision for impending losses is recognized.

Government grants: Wienerberger records government grants at their fair value under liabilities. Their release is reported under other income during the relevant accounting period when there is reasonable assurance that all conditions attached to the grant have been met.

Earnings per share: The calculation of earnings per share is based on Group profit after tax less non-controlling interests and the planned component of earnings attributable to hybrid bondholders, divided by the weighted number of shares outstanding (less treasury shares).

Intangible assets: Identifiable intangible assets purchased by the Group are recorded at acquisition cost less straight-line amortization and any necessary impairment charges. Intangible assets with an indefinite useful life e.g. trademark rights are tested annually for signs of impairment.

Goodwill: In accordance with IFRS 3, goodwill arising through a business combination is allocated to cash-generating units and not reduced through scheduled amortization, but tested at least once each year for indications of impairment.

Property, plant and equipment: Property, plant and equipment are recorded at acquisition cost less straight-line depreciation or usage-based depletion (clay pits). The recognition of internally generated plant or equipment includes an appropriate component of material and production overheads, but excludes general administrative and selling expenses. In accordance with IAS 23, borrowing costs incurred during the production of qualified assets are capitalized as part of acquisition cost and depreciated over the applicable useful life. Research and development expenses at Wienerberger also include the costs for product development, process technology, the improvement of environmental standards and laboratory activities. The development costs for successful research programs are generally capitalized under the related asset category.

The Group-wide depreciation rates are based on the useful economic lives of the respective assets (component approach) as shown in the following table:

Production plants (incl. warehouses)	40 years	Other machinery	5 – 15 years
Administrative and residential buildings	40 – 50 years	Fittings, furniture and office equipment	3 – 10 years
Building infrastructure	15 – 30 years	Customer bases	5 – 15 years
Kilns and dryers	8 – 20 years	Other intangible assets	3 – 10 years

Repairs that do not increase the presumed useful life of assets are expensed as incurred. In accordance with IFRS 5, scheduled depreciation is discontinued when assets are classified as held for sale.

When plant or equipment is sold or retired, the gain or loss arising from the difference between the net proceeds on sale and the remaining carrying amount or impairment charge is recorded under other operating income or expenses if the transaction reflects similar annually recurring events.

In accordance with IAS 17 Leases, leased fixed assets that represent purchases with long-term financing (finance leases) are recorded at the price that would have been paid if the asset had been purchased. Depreciation is calculated over the lesser of the useful life of the asset or the term of the lease.

Impairment of non-financial assets: In accordance with IAS 36, assets are tested regularly if there are any indications of lasting impairment. Assets are tested separately for impairment when it is possible to allocate distinct cash flows to the individual asset. Impairment testing involves comparing the carrying amount of an asset with its recoverable amount, which represents the higher of fair value less costs to sell and the value in use. An impairment loss is recognized when the recoverable amount is lower than the carrying amount. Fair value less costs to sell is the price that would be received on the sale of an asset, after the deduction of selling costs. The value in use is determined on the basis of an income approach and represents the present value of expected future cash flows to be derived from the asset or cash-generating unit.

Independent cash flows cannot be allocated to intangible assets with an indefinite useful life. These assets are tested for impairment as part of a cash-generating unit at least once each year in accordance with IAS 36.

The carrying amount of a fixed asset that was previously written down is increased to the recoverable amount if the reasons for impairment cease to exist or a possible use is found for the item. In accordance with IFRS 36 and IFRIC 10, previously recognized impairment losses to goodwill are not reversed.

Investment property is carried at depreciated cost and, with the exception of land, is depreciated on a straight-line basis.

Investments in associates, joint ventures and other companies: Investments in associates over which Wienerberger exercises a significant influence (as a rule, between 20% and 50% of the shares) and joint ventures are carried at equity. Other investments include companies that are not consolidated for materiality reasons and investments in which Wienerberger does not have a significant influence. These investments are recognized at cost and only written down to fair value in the event of lasting impairment. Impairment losses and revaluations are included under financial results.

Inventories: Inventories are carried at the lower of cost or net realizable value, whereby valuation is based on the moving average method. Cost includes direct expenses as well as allocated overhead and depreciation based on normal capacity usage (between 85 and 100% of capacity). Interest charges as well as selling and administrative expenses are not included in the production cost of current assets. Risks resulting from the length of storage or other impairments in value are reflected through appropriate write-downs.

Emission certificates: In accordance with IAS 20 and IAS 38, Wienerberger uses the acquisition cost of zero to record the emission certificates allocated free of charge based on EU Emission Trading Directives 2003/87/EC and 2009/29/EC. If actual emissions exceed the free certificates, the additional certificates required are recognized at their market price on the balance sheet date. Purchased certificates are recorded at cost or the lower market price on the balance sheet date.

Financial instruments: A financial instrument is a contract that gives rise to a financial asset in one company and a financial liability or equity instrument in another company. IAS 39 distinguishes between the category of loans and receivables, financial instruments held to maturity, financial instruments available for sale and financial instruments at fair value through profit or loss which, in turn, are classified further into financial assets/liabilities held for trading and financial instruments designated as at fair value through profit or loss upon initial recognition.

Cash transactions relating to financial assets are recognized as of the settlement date. A financial asset is derecognized when the contractual rights to receive the related cash flows expire.

Loans and receivables are carried at amortized cost, whereby recognizable individual risks are reflected in appropriate valuation adjustments. Non-interest bearing receivables with a remaining term in excess of one year are recorded at their discounted present value. Foreign exchange receivables are translated at the exchange rate in effect on the balance sheet date.

Wienerberger has no ***held-to-maturity financial instruments***.

Financial instruments carried at fair value through profit or loss are measured at fair value, with any gains and losses resulting from changes in fair value recognized to profit or loss. Wienerberger holds no primary financial instruments for trading purposes.

Wienerberger has not elected to use the option provided by IAS 39, which permits the initial recognition of financial assets at fair value through profit or loss. Therefore, the primary financial instruments held by the Group that are not classified as liquid funds and cash equivalents or loans and receivables are recognized as ***available-for-sale financial instruments***. Included here, above all, are short-term investments in the form of shares in funds, debt issued by corporations and shares that are measured at fair value, and any gains and losses resulting from changes in fair value are recorded under other comprehensive income without recognition to profit or loss up to the date of derecognition. An exception to this procedure is formed by impairment losses that are recognized to reflect significant and lasting impairment; these losses are recognized to profit or loss and reported under financial results. The fair value of listed securities is based on the relevant market prices, whereby non-quoted financial assets are carried at cost less any changes in market value. When a financial instrument is derecognized, all gains and losses accumulated in other comprehensive income are immediately recognized to profit or loss.

Derivative financial instruments: Derivative financial instruments are concluded only to hedge the risks arising from business operations. Foreign exchange futures are used to hedge transaction risks, and interest rate swaps to optimize the fixed, respectively variable interest rate component of financial liabilities. Cross currency swaps are used to hedge the net investments in foreign subsidiaries that maintain their accounting in a currency other than the euro. All derivative financial instruments are recorded at fair value when the contract is concluded in accordance with IFRS 13, whereby the counterparty default risk is taken into account. The fair value of quoted financial instruments is based on the actual market price. The fair value of non-quoted interest instruments is based on the discounted value of future payments and is calculated using a current market interest rate. Derivative financial instruments that are not included in a hedge are classified as held for trading in keeping with IAS 39.

Hedge Accounting: Wienerberger applies the IAS 39 rules for hedges to transactions that serve as hedges for translation risk as well as the transaction risk associated with future cash flows. A cash flow hedge is defined as an instrument that provides protection against fluctuations in the future cash flows attributable to recognized assets or liabilities. Changes in the market value of an effective hedge are recognized directly in other comprehensive income (hedging reserve), while the non-effective components are recognized to profit or loss and shown under financial results. The accounting treatment applied to a hedge of a net investment in a foreign operation is similar: changes in the effective portion of the hedge are charged or credited to the hedging reserve. The hedged risk, i.e. the gain or loss on the foreign currency translation of the hedged instrument, is recorded under equity through other comprehensive income. The accounting treatment applied to fair value hedges differs in that changes in the value of the derivative used as a hedging instrument and any gain or loss on the hedged item attributable to the hedged risk are recognized to profit or loss.

Non-current assets held for sale: Wienerberger owns land and buildings that are not used in business operations and intends to realize the value of these assets through a sale. In accordance with IFRS 5, non-current assets held for sale must be reclassified to current assets when they are available for immediate sale in their present condition and their sale is highly probable within one year. If these requirements are met, the items are reported under current assets and measured at the lower of the carrying amount and fair value less costs to sell. Scheduled depreciation is not recognized on assets held for sale.

Cash and cash equivalents include cash on hand, checks received, demand deposits and short-term investments as well as deposits with financial institutions that have a fixed term of up to three months.

Provisions for pensions: The Wienerberger Group has both defined contribution and defined benefit pension plans. Defined contribution plans carry no further obligation for the employer after the payment of premiums. The employer's contributions to these pension plans are reported under expenses for pensions. Under defined benefit plans, the employee is promised a certain retirement benefit. The risk related to the actual retirement benefit is carried by the company up to the point of payment. The provisions for defined benefit pension plans are calculated according to the projected unit credit method. The valuation of pension commitments includes future increases in wages/salaries and pensions. The provisions for pensions are calculated by independent actuaries.

The provisions for pensions are netted out with the pension plan assets that are held to cover commitments. In accordance with IAS 19, actuarial gains and losses are recognized under other comprehensive income as incurred after the deduction of deferred taxes. The interest component of post-employment benefits is reported separately under financial results. Expenses for additions to the provisions for pensions are allocated to the various functional areas.

Commitments by US companies to cover medical costs for retired employees are recorded under provisions for pensions because of their pension-like character.

Provisions for severance compensation: Legal regulations grant Austrian employees the right to a lump-sum payment at retirement or termination by the employer, whereby the amount of the payment is dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations, among others, in France, Italy and Poland. The provisions for severance compensation are calculated according to actuarial principles based on the projected unit credit method.

For Austrian employees whose employment started after December 31, 2002, the employer contributes 1.53% of the gross wage or salary each month to an employee severance compensation fund. This fund represents a defined contribution plan in accordance with IAS 19, and the related employer contributions are reported under severance compensation expense.

Provisions for service anniversary bonuses: A number of employees in the Wienerberger Group are entitled to long-service bonuses when they reach a specified number of years of employment with the company. Provisions were recognized for these obligations based on the projected unit credit method. Any actuarial gains or losses are recognized immediately to profit or loss.

Provisions for site restoration: In accordance with IAS 16, a provision for site restoration is created when a clay pit is purchased and is reported as an addition to non-current assets. The underlying assumptions for these obligations are generally based on the regulations applicable in the respective countries. The provisions for site restoration on clay pits purchased before 2005 are based on depletion and reflect the transition rule to IAS 16. Long-term provisions that are expected to be used after 12 months are discounted and recorded at their present value.

Provisions for guarantees: Wienerberger provides manufacturer's guarantees, above all for clay products, which lead to the recognition of provisions for guarantees on the balance sheet. These provisions are calculated on the basis of individual risks and on the overall risk resulting from past experience. This involves the analysis of actual damage cases and the estimation of potential obligations through stochastic methods.

Other provisions: Other current obligations which result from a past event and are expected to lead to an outflow of resources, but whose timing or amount are uncertain, are recognized at their full cost in accordance with IAS 37 and reported as provisions.

Deferred taxes: In accordance with IAS 12, the provision for deferred taxes includes all temporary valuation and accounting differences arising between the financial statements prepared for tax purposes and the IFRS financial statements as well as loss carryforwards whose future use is probable. Deferred tax assets also include tax credit entitlements which arise from the expected use of existing loss carryforwards in future years and whose realization is probable. These entitlements are calculated on the basis of planned operating results and the earnings effects from the reversal of taxable temporary differences. Deferred taxes are calculated using the tax rate expected to be in effect when these differences reverse in the future, and is based on the local tax rate applicable to the individual Group company. Future changes in tax rates are included if the relevant legal amendment has been enacted as of the balance sheet date.

Financial liabilities: Liabilities are stated at the actual amount received, less transaction costs. Any premium, discount or other difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method and recorded under financial results. Therefore, the measurement of these items reflects amortized cost. Foreign currency liabilities are translated at the exchange rate in effect on the balance sheet date. Wienerberger has not elected to use the option provided by IAS 39, which permits the initial recognition of a financial liability at fair value through profit or loss.

Transfer prices: There are several regional supply and delivery relationships between the individual operating segments. Prices for the sale of goods between Group companies are established at arm's length based on the resale price method. Prices for the provision of services between Group companies are established at arm's length based on the cost-plus method.

33. Foreign exchange translation

The accounts of foreign companies are translated into the euro based on the functional currency method. The relevant local currency is the functional currency in all cases since these companies operate independently from a financial, economic, and organizational standpoint. All balance sheet positions, with the exception of equity, are translated at the closing rate at the end of the reporting year (i.e. December 31, 2014). Goodwill is recorded as an asset in local currency and is also translated at the closing rate on the balance sheet date for the financial statements. Expense and revenue items are translated at the average exchange rate for the year.

Unrealized currency translation differences arising from non-current Group loans are offset against the translation reserve without recognition to profit or loss. Currency translation differences arising from the use of the closing rate for the balance sheet and the average exchange rate for the income statement are also reported under other comprehensive income.

Foreign currency swaps are used to limit the translation risk arising from the Group's brick activities in the USA, Switzerland, Great Britain and certain countries in Eastern Europe. These transactions involve the conclusion of a foreign currency-euro swap equal to the value of the foreign currency assets to be hedged.

The major exchange rates used for foreign currency translation developed as follows during the reporting year:

	Closing rate on		Average rate for the year	
	31.12.2014	31.12.2013	2014	2013
British Pound	0.77890	0.83370	0.80584	0.84926
Bulgarian Lev	1.95580	1.95580	1.95580	1.95580
Danish Krone	7.44530	7.45930	7.45469	7.45792
Canadian Dollar	1.40630	1.46710	1.46552	1.36837
Croatian Kuna	7.65800	7.62650	7.63470	7.57862
Norwegian Krone	9.04200	8.36300	8.36239	7.80671
Polish Zloty	4.27320	4.15430	4.18555	4.19749
Romanian Lei	4.48280	4.47100	4.44415	4.41899
Russian Ruble	72.33700	45.32460	51.17152	42.33696
Swedish Krone	9.39300	8.85910	9.10316	8.65154
Swiss Franc	1.20240	1.22760	1.21448	1.23106
Czech Koruna	27.73500	27.42700	27.53808	25.97972
Turkish Lira	2.83200	2.96050	2.90573	2.53354
Hungarian Forint	315.54000	297.04000	308.78008	296.87298
US Dollar	1.21410	1.37910	1.32720	1.32812

Risk Report

Principles of risk management

The conduct of global operations exposes the Wienerberger Group to a variety of risks that are inseparable from entrepreneurial activities. These risks have an effect on the business segments of the Group and on its assets, liabilities and planned commercial decisions.

The Wienerberger Group follows a policy that is designed to identify and actively manage risks in the operating environment. This policy is based on principles, which are defined by the Managing Board and monitored by the Supervisory Board. The implementation of the risk strategy and the use of hedging instruments are coordinated centrally for the entire Group.

Risk situation and operating risks relating to the Group's markets

As a producer of building materials, Wienerberger operates in a cyclical branch and belongs to the group of late cyclical companies that usually follow general economic cycles with a delay. These companies are dependent on developments in the economies that form the backdrop for their activities, in particular macroeconomic developments, construction activity in both the residential and public (infrastructure) sectors and renovation. The development of business is also influenced by consumer confidence, the unemployment rate, long-term interest rates, the availability of financing, tax policies, building regulations and subsidies for housing construction as well as other factors outside the Group's control. The economic cycles in the construction industry that influence Wienerberger's business are considerably longer than in other areas, with timing delays that also differ by market.

The unfavorable development of any or all of these factors can have a negative influence on the demand for Wienerberger products, both in terms of the volumes sold and the price levels. Cyclical fluctuations in demand lead to a risk of excess capacity, which may result in increased pressure on prices as well as a decline in margins and/or revenues that fails to cover production costs. The building materials industry – and, as a part of this industry, also Wienerberger – is characterized by a high share of fixed costs as a percentage of total costs due to its capital-intensive nature, and active capacity management therefore represents a central instrument for corporate management. Production capacity is analyzed on a continuous basis, and adjusted to reflect market demand through medium-term measures that include temporary or permanent plant closings as well as the relocation of production to more efficient facilities.

Wienerberger views the markets in Central and Eastern Europe – including Hungary, the Czech Republic, Poland, Slovakia, Slovenia, Croatia and above all Bulgaria, Romania and Russia – as long-term growth markets due to the high pent-up demand for new residential construction. Weaker demand and increased pressure on prices in these growth markets can lead to increased risk for the Wienerberger Group.

Furthermore, Wienerberger competes with other building materials such as concrete, wood, limestone, glass, steel or aluminum, which exposes the Group to a risk of substitution. Our strong position as a quality leader and investments in the development of premium products should allow us to minimize substitution risks. In particular, these developments involve improvements in the physical properties as well as the economy of our products.

The building materials industry is subject to seasonal fluctuations, whereby substantially higher volumes are sold during the months from April to October than in the rest of the year. Similar to the building materials industry, the earnings of the Wienerberger Group are in part dependent on the weather, since long frost and rain periods have a negative influence on demand through a decline in construction activity.

In order to avoid earnings fluctuations wherever possible, Wienerberger pursues a strategy of geographical diversification with parallel concentration on the core business. This core business covers bricks and roof tiles as well as pavers and pipe systems, and positions Wienerberger as a supplier of building material solutions for residential construction and infrastructure projects. Our activities are subject to the usual risks inherent in local markets, where positions must be repeatedly defended against competitors and substitute products. The Group's most important customer group is the building materials sector, and further market adjustments in this branch are expected to increase pressure on prices in the future. Specific market situations can also have a negative impact on price levels, and Wienerberger therefore monitors its price strategy on a continuous basis.

As a multinational corporation, Wienerberger operates in countries that are in different stages of economic and social development. Unfavorable changes in political or economic conditions therefore represent additional sources of risk. The activities of the Wienerberger Group could also be materially affected by the following factors: changes in tax laws on individual markets, in the taxation of energy sources or in labor law; the effect of language and cultural differences on the coordination of international activities; the limitation of opportunities for the repatriation of profits; an increase in legal requirements for the utilization of raw materials; product standards and product liability law; and environmental and safety standards. The growth markets of Russia and India also carry a risk that production equipment may be expropriated without proper compensation. Especially in these markets, Wienerberger is additionally exposed to tax risks that could arise from a change in tax laws or the interpretation of existing tax laws. However, the company is not able to quantify the probability of occurrence or the extent of these potential risks at the present time.

The plastic pipe business is substantially influenced by the development of raw material prices, which correlates closely with the price of crude oil. Synthetic polymers comprise a major part of the production cost for plastic pipes. The volatility of raw material prices has increased considerably in recent years. Strong fluctuations within individual months require flexible pricing to limit the effects of these price changes and/or pass them on to the market. Fast, coordinated price management is also a decisive factor for the sustainable protection of earnings. In addition to price risk, this business is exposed to a raw material supply risk. Any interruption in supplies would invariably disrupt production. This risk is met, with few exceptions, by developing alternative suppliers for raw materials.

Procurement, production, investment and acquisition risks

Wienerberger has a modern and efficient plant network. Therefore, the risk of operating breakdowns or a longer loss of production due to technical problems is low. Supplies of clay raw materials for the production of bricks and clay roof tiles are guaranteed on a lasting basis by sufficient deposits and long-term supply contracts.

The cost of energy for the firing of bricks represents a significant percentage of the Group's cost structure. In 2014 energy costs for the Wienerberger Group totaled TEUR 288,498 (2013: TEUR 278,158) or 10.2% (2013: 10.4%) of revenues. These expenses consist of 62% for natural gas, 30% for electricity and 8% for other materials. Energy prices are dependent on international and local market developments, and are subject to fluctuations.

Wienerberger works to minimize the risk connected with rising energy prices in liberalized markets (in total, roughly 90% of energy costs) by concluding futures contracts or fixed-price agreements with national and international suppliers. These prices are in part established for longer periods of time. In a limited number of East European countries (in total, roughly 10% of energy costs) the prices for natural gas are regulated by the federal government and contracts with local suppliers are negotiated each year.

Wienerberger was again awarded carbon leakage status for its European brick activities in 2014 and expects the resulting allocation of CO_2 certificates will be sufficient to cover emissions. This status will be reviewed in 2019.

In addition to price risk Wienerberger is also exposed to an energy supply risk, in particular with respect to natural gas and electricity. Any disruption of energy supplies would invariably lead to the standstill of production, and could therefore have a negative effect on operating profit if demand cannot be met from inventories.

Continuing optimization (operational excellence) and product innovations as well as internal and external growth projects are required to increase the value of Wienerberger. The future profitability of these projects is dependent to a large degree on the investment volume and/or acquisition price as well as the development of the market. For this reason, all growth projects must meet the defined return on investment criteria for the Group's bolt-on and strategic projects. The entry into new markets is also connected with risks involving competition, planning accuracy and the evaluation of the political situation as well as the successful, profitable development of business. New projects are therefore analyzed extensively in advance, both from a qualitative and quantitative standpoint.

Financial risks

In addition to financing risk, operating activities expose Wienerberger to interest rate and exchange rate risks. Derivative financial instruments, in particular forward exchange contracts and interest rates swaps, as well as operational measures are used to limit and manage this risk. All cash flow hedges and hedges of investments in foreign operations are classified as highly effective in accordance with IAS 39.88 as a means of offsetting the hedged risks in keeping with risk management objectives. No derivatives are held for speculative purposes.

The refinancing sources open to Wienerberger are determined by numerous financial, macroeconomic and other factors beyond the control of management. These factors include covenants in the existing and future debt arrangements as well as the maintenance of the current rating. According to these covenants, the ratio of net debt to operating EBITDA may not exceed 3.5 years; this indicator equaled 1.9 years as of December 31, 2014. Moreover, operating EBITDA/net interest result equaled 5.8 for the reporting year and substantially exceeded the threshold of 3.75 that was defined in 2011. Part of earnings is used for the payment of interest on debt and is therefore not available for other purposes. If the Group's rating should deteriorate or covenants are not met, interest expense could rise due to an increase in the credit risk premium and lead to higher financing costs and lower cash flow. The failure to comply with covenants could also result in a loan becoming due immediately.

Exchange rate risks

A significant portion of the revenues and earnings of the Wienerberger Group are generated by subsidiaries whose headquarters are not located in the euro zone. Wienerberger recorded 49% of its revenues for the reporting year in currencies other than the euro, predominately East European currencies (21%) and the US dollar (8%). The exchange rate risk connected with cash flows is immaterial due to the local nature of the building materials business. Cash flows into or out of the euro region are almost entirely related to Group dividends or loans. The foreign exchange risk on these intragroup cash flows is managed by the holding company.

Credit financing for the purchase of current assets is concluded in the local currency of the individual companies because of the decentralized structure of the Wienerberger Group. Foreign exchange risk in the financing area is therefore reduced to a minimum, since the Group companies generally issue their invoices in local currency and these transactions form a natural hedge. The exposure of financial liabilities to foreign exchange risk is discussed in note 30.

However, the translation of foreign company financial statements into the euro results in currency translation differences (translation risk), which are recorded in other comprehensive income under foreign exchange adjustments. The revenues, earnings, and balance sheet items of companies not headquartered in the euro region are therefore dependent on the relevant euro exchange rate.

The Wienerberger risk strategy calls for minimizing the translation risk arising from net investments in foreign subsidiaries to a certain extent through hedging. The following table shows Group revenues and capital employed by currency, whereby the calculation of capital employed includes the effects of forward exchange contracts and foreign currency swaps.

	2014		2013	
Revenues	*in € mill.*	*Share in %*	*in € mill.*	*Share in %*
Euro	1,445.9	51	1,439.7	54
East European currencies	605.2	21	506.0	19
US Dollar	213.5	8	199.1	8
Other	569.9	20	518.1	19
Revenues	**2,834.5**	**100**	**2,662.9**	**100**

	2014		2013	
Capital employed	*in € mill.*	*Share in %*	*in € mill.*	*Share in %*
Euro	1,583.8	60	1,691.1	61
East European currencies	551.0	21	523.2	19
US Dollar	307.3	11	314.0	11
Other	210.1	8	239.3	9
Capital employed after hedging effect	**2,652.2**	**100**	**2,767.6**	**100**

The effects of a hypothetical change in foreign exchange rates on earnings and equity are shown in the form of sensitivity analyses. For the purpose of this presentation, change is defined as the year-on-year increase or decrease in the relevant exchange rate versus the euro as of the balance sheet date. As of December 31, 2014, an increase of one annual volatility calculated on the basis of daily changes in the relevant exchange rates against the euro would have led to a decrease of MEUR 84.4 (2013: MEUR 85.1) in equity, primarily from the US dollar (MEUR 29.4), Polish zloty (MEUR 13.5) and British pound (MEUR 13.7), and to a decrease of MEUR 1.5 (2013: MEUR 1.5) in profit after tax, mainly due to the changes in the Polish zloty, Czech krone and Swiss franc. A decline in the euro compared with the major currencies would have led to a similar increase in equity and profit after tax.

Interest rate risks

Interest rate risk is comprised of two components: the relevant value (minimum or maximum) of the average term for the Group's financing and the separation into fixed and variable interest rates. The risk associated with fixed interest rates lies in a possible decline in interest rate levels, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. A parallel upward shift of 100 basis points in interest rates would have decreased profit after tax by MEUR 0.4 (2013: MEUR 0.2) and, through this change in the income statement, also decreased equity by the same amount. A decrease of 100 basis points in interest rates would have increased profit after tax and equity by a similar amount.

The risk position of Wienerberger AG with respect to the interest rate risks arising from liabilities with fixed and variable interest rates is explained below.

In order to analyze interest rate risk (fixed and variable interest rates), financial liabilities (see pages 166 to 168) are adjusted for the effects of derivative instruments (hedging) and short-term fixed-interest financial liabilities are treated as variable interest items. Sensitivity analyses were carried out on fixed interest and variable interest financial liabilities to estimate the impact on earnings and equity.

in TEUR	2014 Fixed interest rate	2014 Variable interest rate	2013 Fixed interest rate	2013 Variable interest rate
Interest-bearing loans	781,341	176,870	996,938	129,871
Reclassification of short-term fixed interest rate loans	-309,497	309,497	-248,684	248,684
Effects of derivative instruments (hedging)	50,000	-50,000	-27,000	27,000
Interest-bearing loans after hedging effects	**521,844**	**436,367**	**721,254**	**405,555**

Credit risks

Wienerberger has established strict requirements for the credit standing of its financial partners, which are defined in internal financial and treasury guidelines. The credit risk connected with the investment of liquid funds and securities is limited because Wienerberger works only with financing partners whose credit rating leads to expectations of a sound financial standing and sets counterparty limits based on this credit rating. However, financial partners with an excellent rating can also pose a credit risk and Wienerberger therefore continuously monitors developments on financial markets and adjusts credit limits accordingly.

The following table shows the maximum exposure of trade receivables and miscellaneous receivables to credit risks as of December 31, 2014, classified by region:

Credit risk	2014 *in € mill.*	2014 *Share in %*	2013 *in € mill.*	2013 *Share in %*
Western Europe	118.2	38	135.2	47
Central-East Europe	101.2	33	93.3	32
North America	39.8	13	19.9	7
Other	50.0	16	39.1	14
Credit risk for the Group	**309.2**	**100**	**287.5**	**100**

Trade receivables, of which MEUR 130.5 are insured against default, consist primarily of receivables due from building material retailers and large customers. Impairment charges to receivables equaled less than 1% of trade receivables, originated loans and other current receivables in 2014, and were not classified separately for this reason.

The following table shows the ageing of trade receivables:

in € mill.	2014	2013
Not due	171.4	134.0
Up to 30 days overdue	26.3	43.3
31 to 60 days overdue	9.9	12.8
61 to 90 days overdue	4.2	2.6
More than 90 days overdue	9.3	10.8
Trade receivables	**221.1**	**203.5**

Liquidity risks

The protection of liquidity and the preservation of a healthy financial base represent the focal points of the Wienerberger strategy. Accordingly, Wienerberger strengthened its financial position with the partial exchange of the 2007 hybrid bond for a new hybrid bond. The new bond has an interest rate of 6.5% up to 2017 which then changes to a fixed rate of 5% up to 2021, when the issuer is entitled to call the bond for the first time. The most important instruments in this respect are the maximization of free cash flow through cost reduction, active working capital management and a cutback in investments to the necessary minimum. Liquidity risks arise, above all, when cash flows from revenues fall below expectations because of weaker demand and the measures to reduce working capital and cash outflows for fixed costs (active capacity management) are not sufficient or can only be implemented with a delay.

Liquidity is managed on a regular basis, among others, on rolling monthly liquidity forecasts as well as a regular analysis of the cash conversion cycle, which is based on average accounts payable turnover, inventory turnover and receivables conversion. The receivables conversion period averaged 33 days (2013: 34), the inventory turnover period averaged 96 days (2013: 106) and the payable turnover period averaged 40 days (2013: 41). This resulted in a cash conversion cycle of 89 days in 2014 compared with 98 days in the prior year.

An analysis of the liquidity risks arising from liabilities is provided on page 165 (Analysis of contractual cash flows).

Legal risks

Business combinations may be subject to the approval of antitrust authorities, depending on the market position in individual countries and/or the size of the planned acquisition. These approval procedures could lead to delays or, in individual cases, to the prohibition of specific acquisitions or mergers. Wienerberger evaluates the antitrust risk associated with an acquisition together with national and international legal and business experts during the early stages of work on a project in order to minimize this risk. No acquisitions planned by the Group have ever been prohibited.

The pricing policies of Group subsidiaries are actively monitored by competition authorities because of Wienerberger's position on individual regional markets. In June 2012 the EU Commission ordered searches at the offices of plastic pipe and fitting producers in connection with alleged agreements in violation of cartel law, which also included Pipelife International GmbH. The responsible authorities have not issued any findings to date. It should be noted that price-fixing agreements are not part of business policies in the Wienerberger Group; internal guidelines expressly prohibit such activities and call for sanctions in the event of violations.

In connection with real estate transactions carried out in earlier years, Wienerberger AG is liable for possible contamination and the resulting damages during its ownership.

Other risks

Wienerberger is subject to extensive and increasingly strict environmental, health and safety laws in many countries, which can lead to investments for compliance with these regulations. The failure to comply with these regulations could result in administrative fines, the assessment of damages or the suspension of operating permits. In Italy the authorities have launched an investigation into possible environmental pollution at the Wienerberger locations, which has not produced any results.

Wienerberger plants exceed current legal requirements for the prevention of environmental damage, but the intensification of environmental standards presents the Group with a continuous range of new challenges. Legal commitments are identified and met through knowledge of current legal and contractual requirements as well as cooperation with experts and external consultants. Risks arising from the restoration of clay pits are part of the company's operating risk and are monitored continuously.

The risks associated with a breakdown of our centralized Group data processing system as the result of natural disasters have been minimized through the installation of redundant systems at facilities in different locations.

In recent years, a number of building materials companies with operations in the USA became the subject of class action suits from patients with asbestos-related diseases. After an examination of our US activities, we have classified this risk as minimal because none of our American subsidiaries has ever produced or sold asbestos products.

The Wienerberger Group also competes with other firms on the labor market. In order to train future managers and prepare these persons for management positions, Wienerberger has developed curricula that include the Sales Academy, the Plant Manager Program and the Ready4Excellence Program. Wienerberger uses these programs and personalized training measures to optimally train its employees and to also strengthen their ties to the company (see the Wienerberger Sustainability Report for additional information).

Other Information

34. Related party transactions

The following companies and persons are considered to be related parties of Wienerberger: the members of the Supervisory and Managing Boards, associated companies, joint ventures and non-consolidated subsidiaries of Wienerberger AG as well as the ANC private foundation and its subsidiaries. Transactions with companies in which members of the Supervisory Board of Wienerberger AG are active reflect third-party conditions. Business relationships between the company and related parties, in particular members of the Managing and Supervisory Boards of Wienerberger AG, are disclosed in note 11 if any payments to these persons are involved. In 2013 transactions between companies included in the consolidated financial statements and one former member of the Supervisory Board of Wienerberger AG were related primarily to clay deliveries of TEUR 88, rentals of TEUR 2,103 and license payments of TEUR 2,934 for the use of brand names.

The ANC private foundation operates landfill activities in Austria that were transferred by Wienerberger AG in 2001 and owns a limited amount of assets (in particular real estate). On April 18, 2014 Wienerberger announced a change in the managing board of the ANC Private Foundation through the appointment of two members of Wienerberger top management, which allows Wienerberger to exercise control over the foundation. In accordance with IFRS 10, the ANC Private Foundation cannot be consolidated because the shareholders of Wienerberger AG, and not the company itself, are entitled to the variable cash flows from the foundation. The balance sheet total of the ANC Private Foundation amounted to TEUR 25,849 as of December 31, 2014 (2013: TEUR 24,740) and consists primarily of operating land and buildings totaling TEUR 12,994 (2013: TEUR 13,145) and securities and liquid funds of TEUR 11,567 (2013: TEUR 9,333), including commercial paper of TEUR 2,990 issued by Wienerberger. The foundation had no financial liabilities as of December 31, 2014.

Wienerberger AG and its subsidiaries finance associates, joint ventures and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding receivables due from joint ventures amounted to TEUR 11,987 as of December 31, 2014 (2013: TEUR 20,403), while the comparable amount for non-consolidated subsidiaries was TEUR 8,742 (2013: TEUR 7,344). Revenues of TEUR 961 were recorded with joint ventures in 2014 (2013: TEUR 793).

35. Share-based payments

A share-based remuneration program for the members of the Managing Board and key managers has been in effect since May 11, 2010. The long-term incentive (LTI) program is a remuneration plan with cash settlement. It is designed to meet the requirements of the Austrian Corporate Governance Code, which call for a sustainable increase in the value of a company. Accordingly, the model is linked to the development of CFROI in the Wienerberger Group as well as the development of the Wienerberger share. The calculation basis for the LTI is formed by virtual shares, so-called performance share units (PSUs), which are allocated to the program participants in accordance with their position in the company. The average price of the Wienerberger share on the last 20 ATX trading days of the performance period is used as a multiplier. The resulting variable remuneration is paid out in three tranches, if CFROI equals or exceeds the 2014 level within the following two years. A condition for participation by the members of the Managing Board is an investment in Wienerberger shares.

In 2014, an LTI plan was approved for the allocation of virtual shares to the Managing Board and management. This plan covered the distribution of 140,000 virtual shares to the Managing Board (CEO: 80,000, CFO: 60,000) and 196,000 virtual shares to management. The related provision amounted to TEUR 3,365.

36. Significant events after the balance sheet date

The option for the purchase of the remaining shares in Sandtoft Roof Tiles Limited was exercised on January 9, 2015. After the purchase price is determined, the liability will be adjusted through goodwill in accordance with the transition guidance to IFRS 3 (2008).

The Managing Board of Wienerberger AG released the consolidated financial statements on February 25, 2015 for distribution to the Supervisory Board. The Supervisory Board is responsible for examining and approving the consolidated financial statements.

Vienna, February 25, 2015

The Managing Board of Wienerberger AG

Heimo Scheuch
Chief Executive Officer

Willy Van Riet
Chief Financial Officer

Statement by the Managing Board

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, February 25, 2015

The Managing Board of Wienerberger AG

Heimo Scheuch
Chief Executive Officer

Willy Van Riet
Chief Financial Officer

Group Companies

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger International N.V.	**Zaltbommel**	**50,000**	**EUR**	**100.00%**	**VK**	
Wienerberger Ziegelindustrie GmbH	Hennersdorf	5,000,000	EUR	100.00%	VK	
Salzburger Ziegelwerk GmbH & Co KG	Uttendorf	438,000	EUR	100.00%	VK	
Wienerberger zRt.	Budapest	2,140,000,000	HUF	100.00%	VK	
Wienerberger Management Service Szolgáltató és Tanácsadó Kft.	Budapest	3,000,000	HUF	100.00%	OK	1)
Wienerberger cihlarsky prumysl, a. s.	České Budějovice	50,000,000	CZK	100.00%	VK	
Cihelna Kinsky, spol. s r.o.	Kostelec nad Orlici	2,000,000	CZK	68.80%	VK	
Wienerberger cihelna Jezernice, spol. s r.o.	České Budějovice	200,000	CZK	100.00%	VK	
Wienerberger cihelna Hodonín, spol. s.r.o.	České Budějovice	50,000,000	CZK	100.00%	VK	
Wienerberger eurostroj, spol. s r.o.	České Budějovice	32,100,000	CZK	100.00%	VK	
Wienerberger Bohemia cihelny, spol. s r. o.	České Budějovice	44,550,000	CZK	100.00%	VK	
Silike keramika, spol. s.r.o.	České Budějovice	100,000	CZK	50.00%	EQ	
Wienerberger slovenské tehelne, spol. s r. o.	Zlate Moravce	3,319,392	EUR	100.00%	VK	
Wienerberger Ceramika Budowlana Sp. z o.o.	Warszawa	374,324,808	PLN	100.00%	VK	
Handel Ceramika Budowlana Sp. z o.o.	Warszawa	50,000	PLN	40.00%	OK	1)
Zeslawice Sp.z.o.o.	Warszawa	29,490,000	PLN	99.81%	VK	
Wienerberger Ilovac d.o.o.	Karlovac	8,988,000	HRK	100.00%	VK	
Wienerberger Cetera d.d.	Karlovac	359,240	HRK	99.71%	VK	
IGM Ciglana d.o.o. Petrinja	Petrinja	12,756,900	HRK	100.00%	VK	
WIENERBERGER Industrija opeke d.o.o.	Sarajevo	2,000	BAM	100.00%	VK	
Wienerberger Opekarna Ormoz d.o.o.	Ormož	951,986	EUR	100.00%	VK	
Opekarna Pragersko d.o.o.	Pragersko	1,022,743	EUR	100.00%	VK	
Wienerberger Backa d.o.o	Mali Idos	651,652	EUR	100.00%	VK	
WIENERBERGER Sisteme de Caramizi S.R.L.	Bucuresti	39,147,100	RON	100.00%	VK	
WZI FINANZ-S.à.r.l.	Luxembourg	73,963,917	USD	100.00%	VK	
Wienerberger TOV	Kyiv	3,000,000	UAH	100.00%	VK	
Semmelrock International GmbH	**Wien**	**3,000,000**	**EUR**	**100.00%**	**VK**	
Semmelrock Baustoffindustrie GmbH	Klagenfurt am Wörthersee	1,000,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH	Klagenfurt am Wörthersee	35,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH & CoKG	Klagenfurt am Wörthersee	100,000	EUR	100.00%	VK	
Semmelrock Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Semmelrock Stein & Design Kft.	Ócsa	983,100,000	HUF	100.00%	VK	
SEMMELROCK STEIN + DESIGN Dlazby s.r.o.	Sered	3,027,286	EUR	100.00%	VK	
Semmelrock Stein & Design d.o.o.	Ogulin	22,870,000	HRK	100.00%	VK	
Semmelrock Stein & Design Sp. z o.o.	Kolbiel	42,070,000	PLN	100.00%	VK	
Semmelrock Stein + Design S.R.L.	Bolintin-Vale	55,151,300	RON	100.00%	VK	
Semmelrock Tlakovci d.o.o.	Ormož	8,763	EUR	100.00%	OK	1)
Semmelrock Stein + Design Dlazby a.s.	Ledcice	2,000,000	CZK	100.00%	VK	
Semmelrock Stein und Design EOOD	Sofia	13,785,500	BGN	100.00%	VK	
Wienerberger GmbH	**Hannover**	**9,500,000**	**EUR**	**100.00%**	**VK**	
Schlagmann Beteiligungs GmbH	Zeilarn	26,000	EUR	50.00%	OK	1)
Schlagmann Poroton GmbH & Co KG	Zeilarn	10,300,000	EUR	50.00%	EQ	
Tongruben Verwaltungs GmbH	Hannover	26,000	EUR	100.00%	OK	1)
RM 2964 Vermögensverwaltungs GmbH	Hannover	25,000	EUR	100.00%	OK	1)
MR Erwerbs GmbH & Co. KG	Hannover	100	EUR	100.00%		4)
ZZ Wancor AG	**Regensdorf**	**1,000,000**	**CHF**	**100.00%**	**VK**	
Wienerberger S.p.A.	**Mordano**	**10,000,000**	**EUR**	**100.00%**	**VK**	
Fornaci Giuliane S.p.A.	Cormons	1,900,000	EUR	30.00%	EQ	

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger NV	**Kortrijk**	**47,557,745**	**EUR**	**100.00%**	**VK**	
Wienerberger Asset Management NV	Zonnebeke	13,240,053	EUR	100.00%	VK	
Deva-Kort NV	Kortemark	247,894	EUR	100.00%	VK	
EUCOSO Sp. z o.o. (in Liquidation)	Zlotorya	60,000	PLN	100.00%	OK	1)
Wienerberger B.V.	**Zaltbommel**	**36,778,680**	**EUR**	**100.00%**	**VK**	
Van Hesteren & Janssens B.V.	Zaltbommel	363,024	EUR	100.00%	VK	
Desimpel AK1 B.V.	Zaltbommel	70,000	EUR	100.00%	VK	
BrickTrading Holland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
German Brick Trading B.V.	Zaltbommel	249,700	EUR	100.00%	VK	
Oostergrachstwal Holding B.V.	Zaltbommel	45,378	EUR	100.00%	VK	
Feikema B.V.	Zaltbommel	45,378	EUR	100.00%	VK	
Gelsing Oosterhout B.V.	Zaltbommel	18,200	EUR	100.00%	VK	
Wienerberger Steenvisie B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
Bos & Vermeer B.V.	Zaltbommel	22,689	EUR	100.00%	VK	
Aberson B.V.	Zwolle	60,000	EUR	100.00%	VK	
Aberson SmartBuild BV	Zwolle	1	EUR	100.00%	VKE	
Steencentrale Neerbosch B.V.	Deest	45,400	EUR	100.00%	VK	
Leeuwis B.V.	Deest	91,210	EUR	100.00%	VK	
Steinzentrale Nord Leeuwis GmbH	Rellingen	52,500	EUR	100.00%	VK	
Straatsbaksteen Nederland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
Wienerberger Limited	**Cheshire**	**81,120,552**	**GBP**	**100.00%**	**VK**	
Galileo Brick Limited	Cheshire	2,000,000	GBP	100.00%	VK	
Chelwood Group Unlimited	Cheshire	5,975,506	GBP	100.00%	VK	
The Brick Business Limited	Cheshire	900,002	GBP	100.00%	VK	
Building Trade Products Limited	Cheshire	1	GBP	100.00%	VK	
Galileo Trustee Limited	Cheshire	1	GBP	100.00%	VK	
Sandtoft Roof Tiles Limited	Cheshire	11,029	GBP	94.96%	VK	
Sandtoft Trading Limited	Cheshire	1,000	GBP	94.96%	VK	
Baggeridge Brick Limited	Cheshire	10,326,404	GBP	100.00%		
Rudgwick Brick Limited	Cheshire	2	GBP	100.00%		
WIENERBERGER PARTICIPATIONS SAS	**Achenheim**	**36,000,000**	**EUR**	**100.00%**	**VK**	
WIENERBERGER SAS	Achenheim	75,000,000	EUR	100.00%	VK	
Briqueterie de Rouffach SAS	Rouffach	336,120	EUR	100.00%	VK	
Wienerberger A/S	**Helsinge**	**107,954,000**	**DKK**	**100.00%**	**VK**	
Wienerberger AS	Oslo	43,546,575	NOK	100.00%	VK	
Wienerberger AB	Malmö	17,550,000	SEK	100.00%	VK	
General Shale Brick Inc.	**Johnson City**	**1,000**	**USD**	**100.00%**	**VK**	
General Shale Finance S.à.r.l.	Luxembourg	12,500	EUR	100.00%	OK	1)
General Shale Building Materials, Inc.	Johnson City	1,000	USD	100.00%	VK	
General Shale Canada Acquisitions Inc.	**Halifax**	**28,500,000**	**CAD**	**100.00%**	**VK**	
Arriscraft International LP	Cambridge	1	CAD	100.00%	VK	
General Shale Canada GP Inc.	Halifax	1	CAD	100.00%	OK	1)
Wienerberger EOOD	**Sofia**	**12,500,000**	**BGN**	**100.00%**	**VK**	
Uspeh AD	Sofia	2,141,220	BGN	99.66%	VK	

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
OOO „Wienerberger Kirpitsch“	**Moskva**	**612,694,577**	**RUB**	**81.94%**	**VK**	
OOO „Wienerberger Kurkachi“	Kurkachi	650,036,080	RUB	81.94%	VK	
OOO „Wienerberger Investitions- und Projektmanagement“	Kiprewo	356,000	RUB	99.82%	VK	
Wienerberger OY AB	**Helsinki**	**1,000,000**	**EUR**	**100.00%**	**VK**	
Wienerberger AS	**Aseri**	**1,540,736**	**EUR**	**100.00%**	**VK**	
UAB Wienerberger Statybine Keramika Sp. Z o.o.	**Vilnius**	**10,100**	**LTL**	**100.00%**	**VK**	
Wienerberger India Private Limited	**Bangalore**	**990,000,000**	**INR**	**100.00%**	**VK**	
PIPELIFE International GmbH	**Wien**	**29,000,000**	**EUR**	**100.00%**	**VK**	**2)**
Pipelife Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
PIPELIFE Austria GmbH & Co KG	Wiener Neudorf	4,360,370	EUR	100.00%	VK	
PIPELIFE Austria GmbH	Wiener Neudorf	36,337	EUR	100.00%	VK	
Pipelife Belgium NV	Kalmthout	10,890,000	EUR	100.00%	VK	
Pipelife Bulgaria EOOD	Botevgrad	30,000	BGN	100.00%	VK	
Pipelife Czech s r.o.	Otrokovice	202,971,000	CZK	100.00%	VK	
PIPELIFE Deutschland Asset Management GmbH	Bad Zwischenahn	26,000	EUR	100.00%	VK	
PIPELIFE Deutschland GmbH & Co. KG Bad Zwischenahn	Bad Zwischenahn	5,000	EUR	100.00%	VK	
PIPELIFE Deutschland Verwaltungs-GmbH Bad Zwischenahn	Bad Zwischenahn	5,726,469	EUR	100.00%	VK	
Pipelife Eesti AS	Harjumaa Eesti Vabariik	25,024	EUR	100.00%	VK	
Pipelife Finland OY	Oulu	33,637	EUR	100.00%	VK	
Pipelife France SNC	Aubevoye	10,008,000	EUR	100.00%	VK	
Pipelife Hellas S.A.	Thiva	24,089,735	EUR	100.00%	VK	
Pipelife Hrvatska d.o.o.	Sveta Nedelja	47,171,500	HRK	100.00%	VK	
Pipelife Hungaria Kft.	Debrecen	3,123,520,000	HUF	100.00%	VK	
QUALITY PLASTICS HOLDINGS LTD	Cork	635,000	EUR	100.00%	VK	
PIPELIFE IRELAND LTD	Cork	254	EUR	100.00%	VK	
Quality Plastics Sales Limited (in Liquidation)	Cork	127	EUR	100.00%	VK	
Dromalour Plastics Limited (in Liquidation)	Cork	3	EUR	100.00%	VK	
Kenfern Investments Ltd	Cork	508	EUR	100.00%	OK	1)
Pipelife UK Ltd	Corby	244,001	GBP	100.00%	VK	
AB Pipelife Lietuva	Vilnius	1,600,000	LTL	100.00%	VK	
Pipelife Latvia SIA	Riga	426,600	EUR	100.00%	VK	
Pipelife Nederland B.V.	Enkhuizen	11,344,505	EUR	100.00%	VK	
Pipelife Finance B.V.	Enkhuizen	18,000	EUR	100.00%	VK	
Pipelife Norge AS	Surnadal	50,000,000	NOK	100.00%	VK	
Pipelife Polska S.A.	Krokowa	112,243,963	PLN	100.00%	VK	
Pipelife Romania S.R.L.	Bucuresti	7,323,115	RON	100.00%	VK	
Pipelife Serbia d.o.o.	Beograd	168,493,895	RSD	100.00%	VK	
Pipelife RUS LLC	Zhukov	104,458,072	RUB	100.00%	VK	
Pipelife Hafab AB	Haparanda	3,000,000	SEK	100.00%	VK	
Pipelife Nordic AB	Ölsremma	167,000,000	SEK	100.00%	VK	
Pipelife Sverige AB	Ljung	3,600,000	SEK	100.00%	VK	
Pipelife Slovenija d.o.o.	Trzin	843,258	EUR	100.00%	VK	
Pipelife Slovakia s r.o.	Piestany	6,700	EUR	100.00%	VK	
Arili Plastik Sanayii A.S.	Pendik/Istanbul	30,590,000	TRY	100.00%	VK	
Pipelife Jet Stream, Inc.	Siloam Springs	0	USD	100.00%	VK	
PJSC Pipelife Ukraine (in Liquidation)	Kyiv	30,000	USD	100.00%	OK	1)

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger Dach Beteiligungs GmbH	**Wien**	**500,000**	**ATS**	**100.00%**	**VK**	
WIBRA Tondachziegel Beteiligungs-GmbH	Wien	500,000	ATS	100.00%	VK	
Tondach Beteiligungs GmbH	**Wien**	**200,000**	**EUR**	**100.00%**	**VKE**	
TONDACH GLEINSTÄTTEN AG	Gleinstätten	500,000	EUR	82.19%	VKE	3)
TONDACH SLOVENSKO, s.r.o.	Nitrianske Pravno	14,937,263	EUR	82.19%	VKE	
Tondach SLOVENIJA d.o.o.	Krizevci pri Ljutomeru	5,195,293	EUR	82.19%	VKE	
POTISJE KANJIZA d.d.	Kanjiza	605,394,000	RSD	82.19%	VKE	
Tondach Makedonija d.o.o.	Vinica	349,460,010	MKD	82.19%	VKE	
TONDACH BULGARIA EOOD	Sofia	298,400	BGN	82.19%	VKE	
TONDACH Česká republika, s.r.o.	Hranice	250,100,000	CZK	82.19%	VKE	
Tondach Magyarország Rt.	Csorna	11,683,550,000	HUF	82.19%	VKE	
Tondach Romania SRL	Sibiu	36,137,155	RON	82.19%	VKE	
TONDACH HRVATSKA d.d.	Bedekovcina	116,715,500	HRK	82.19%	VKE	
Tondach Bosna i Hercegovina d.o.o.	Sarajevo	200,000	BAM	65.75%	VKE	
STAVMIX plus, s.r.o.	Stupava	33,194	EUR	82.19%	OK	1)
DACHMARKET LTD	Uzhgorod	1,058,943	UAH	82.19%	OK	1)
Wienerberger Beteiligungs GmbH	**Wien**	**1,000,000**	**ATS**	**100.00%**	**VK**	
Wienerberger Anteilsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Tondach Holding GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Finance Service B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
Wienerberger Finanz Service GmbH	Wien	25,435,492	EUR	100.00%	VK	
Wienerberger West European Holding GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger ZZ Holding GmbH	Wien	35,000	EUR	100.00%	VK	
WK Services NV	Kortrijk	32,226,158	EUR	100.00%	VK	
Wienerberger Beteiligungs GmbH	Hannover	26,000	EUR	100.00%	OK	1)
Dryfix GmbH	Hennersdorf	35,000	EUR	100.00%	VK	
Wienerberger Gamma Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Steinzeug-Keramo GmbH	**Frechen**	**18,408,000**	**EUR**	**100.00%**	**VK**	
Steinzeug - Keramo NV	Hasselt	9,400,000	EUR	100.00%	VK	
Keramo-Wienerberger Immo NV	Hasselt	14,068,558	EUR	100.00%	VK	
SOCIETA DEL GRES S.p.A.	Sorisole	2,000,000	EUR	100.00%	VK	
Steinzeug Keramo s.r.o.	České Budějovice	40,000,000	CZK	100.00%	OK	1)
Steinzeug - Keramo B.V.	Belfeld	2,722,680	EUR	100.00%	VK	
Steinzeug - Keramo SARL	Cergy	38,125	EUR	100.00%	VK	
Steinzeug-Keramo Sp. z.o.o.	Piekary Slaskie	2,000,000	PLN	100.00%	VK	

VK ...... Full consolidation
VKE .... First time full consolidation
EQ ...... At Equity consolidation
EQE .... First time at equity consolidation
OK ...... No consolidation
OKE ... No consolidation (first time)

1) Immaterial
2) Holding company of the Pipelife Group
3) Holding company of the Tondach Group
4) Subsidiary of Schlagmann Poroton GmbH & Co KG

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Wienerberger AG, Vienna, for the year from ***1 January 2014 to 31 December 2014***. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the fiscal year 2014 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to § 245a UGB (Austrian Commercial Code). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria as well as in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2014 and of its financial performance and its cash flows for the year from 1 January to 31 December 2014 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, February 25, 2015

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by

Lieve Van Utterbeeck	pp Mag. Dominik Zacherl
Wirtschaftsprüferin	Wirtschaftsprüfer

(Austrian Chartered Accountants)

Glossary

Acquisition Expenditure for the purchase of a company or share in a company (vs. investment – see below)

ADR American Depository Receipt: deposit certificates that confirm ownership of a foreign stock and are traded on US stock exchanges or over-the-counter as shares; US banks buy stock and issue ADR's in order to give foreign companies access to the US capital market

Asset coverage Equity divided by non-current assets; indicates to what percent land, buildings, machinery etc. are covered by equity

ATX Abbreviation for the "Austrian Traded Price Index" of the Vienna Stock Exchange

Bearer shares Shares that are not issued to a specific person; the rights to these securities accrue to the person who holds them

CAGR Compound Annual Growth Rate

Capital Employed (CE) Equity plus interest-bearing debt (incl. net inter-company balance) less liquid funds and financial assets; the sum of capital engaged in a company

Capital Employed, historical Capital employed at historical purchase prices; capital employed plus accumulated depreciation

CFROI Cash Flow Return on Investment; ratio of operating EBITDA to average historical capital employed

Clay blocks Bricks made of burned clay, which are normally used as perforated bricks under plaster

Clay roof tiles Roof tiles made of burned clay in various shapes and colors

Common shares Shares that carry full rights in a stock corporation (including participation in the Annual General Meetings, voting rights and dividend rights)

Corporate governance Rules for the responsible management and control of companies that are set forth in the Austrian Corporate Governance Code

Covenant (financial) A clause in a credit agreement that obliges the borrower not to exceed or fall below a specific indicator

Cross currency swap Agreement between contract partners to exchange cash flows in two different currencies over a certain period of time; a hedge against foreign currency fluctuations

CVA Cash Value Added; operating EBITDA - (average historical capital employed x hurdle rate)

Deferred taxes The result of timing differences in the valuation of individual company financial statements prepared according to IFRS and tax law

Depreciation, economic The value that must be earned each year in order to cover expenses for replacement investments at the end of an asset's useful life

Depreciation ratio Depreciation (excluding impairment charges to goodwill and assets) as a percentage of revenues

EBIT Earnings before interest and taxes, or operating profit

EBITDA Earnings before interest, taxes, depreciation and amortization, or operating profit before depreciation and amortization = gross cash flow

EBITDA margin EBITDA divided by revenues

Equity method Valuation method used for the consolidation of investments between 20% and 50% in other companies

Equity ratio Equity divided by total assets

EVA Economic Value Added, or the difference between the return on capital employed and cost of capital; average capital employed x (ROCE - WACC)

Facing brick External brick layer of two-layer non-load bearing exterior walls for buildings (face wall – air layer below/above insulation – rear wall)

Forward exchange contract Foreign exchange transaction that is not realized at conclusion of the relevant contract, but at a later point in time; a hedge against exchange rate fluctuations

Free cash flow Cash flow from operating activities less cash flow from investing activities + growth capex; the amount of cash earned in the current year that is available for expansion projects, dividends and the repayment of debt or share buy-backs

Free float company Publicly traded corporation with a majority share of free float

GARP investor Growth at a reasonable price; investor who aims to identify only those growth stocks that meet his/her criteria for buying at reasonable prices

Gearing Debt indicator; financial liabilities less liquid funds (securities, cash on hand and in banks, net intra-Group receivables/liabilities) divided by equity including non-controlling interests; an indicator of financial security

Goodwill Surplus of the price paid for a company over the net assets acquired

Hedging Measures used in the management of financial risk to limit or avoid negative market changes in the areas of interest rates, foreign currency, market values or raw materials

Hurdle rate Return that must be earned to cover the cost of capital and economic depreciation; WACC before tax + economic depreciation (see above)

Hybrid capital Subordinated perpetual corporate bond, which is ranked between equity and debt as mezzanine capital

IFRS International Financial Reporting Standards

Interest cover operating EBIT divided by interest result; indicates the number of times operating income will cover interest result

Interest rate swap Agreement to exchange cash flows with different terms over a specific period of time; these cash flows are based on fixed and variable interest rates; provides security against interest rate fluctuations

Investments Additions to plant, property and equipment and intangible assets (vs. acquisitions – see above)

Joint venture Agreement by two or more companies to jointly operate a business enterprise

Long-term incentive (LTI) program A long-term variable remuneration program for the Managing Board and key Group managers to synchronize management goals with shareholders' interests

Net debt Net sum of financial liabilities less cash and cash at bank and securities

NF Abbreviation for "Normalformat", the standard size for clay blocks (250 x 120 x 65 mm)

NOPAT Net operating profit after tax, or operating profit less taxes and adjusted taxes (tax effects from financial results)

Operating EBIT EBIT adjusted for non-recurring income and expenses

Operating EBITDA EBITDA adjusted for non-recurring income and expenses

Paver Product made of clay or concrete, which is used in the design of gardens and public areas

PE Polyethylene, a synthetic material

PP Polypropylene, a synthetic material

Preferred shares Shares that are senior to common shares based on special rights conveyed by the articles of association

PVC Polyvinyl chloride, a synthetic material

P/E ratio Price/earnings ratio; an indicator for the market valuation of a stock

Rating Standardized evaluation of the credit standing of a company, which indicates the probability of insolvency or delayed payments

Registered shares Shares issued in the name of the shareholder; the owner is listed in the company's share register

Return on equity Net profit divided by equity, or the rate of return on shareholders' investments

ROCE Return on capital employed, or NOPAT divided by average capital employed = net yield on capital employed

Translation risk Arises from the conversion of foreign currency items on the balance sheet; these foreign exchange fluctuations are not offset by balance sheet items in the same currency

Treasury Staff function to safeguard the financing, cash management and financial risk management of a company

UGB "Unternehmensgesetzbuch" (the Austrian Corporate Code)

WACC Weighted average cost of capital, or the average price a company must pay on financial markets for equity and debt

WF Abbreviation for "Waalformat", the standard size for a facing brick (210 x 100 x 50 mm)

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Financial Calendar

January 29, 2015	*Start of the quiet period*
February 26, 2015	Results of 2014: Press and Analysts Conference in Vienna
February 27, 2015	Analysts Conference in London
March 31, 2015	Publication of the 2014 Annual Report on the Wienerberger website
April 17, 2015	*Start of the quiet period*
May 7, 2015	Results for the First Quarter of 2015
May 22, 2015	146th Annual General Meeting in the Austria Center Vienna
May 27, 2015	Deduction of dividends for 2014 (ex-day)
May 29, 2015	Payment day for 2014 dividends
June 25, 2015	Publication of the Sustainability Report 2014
July 24, 2015	*Start of the quiet period*
August 18, 2015	Results for the First Half-Year of 2015: Press and Analysts Conference in Vienna
August 19, 2015	Analysts Conference in London
September 2015	Capital Markets Day 2015
October 23, 2015	*Start of the quiet period*
November 12, 2015	Results for the First Three Quarters of 2015

Information on the Company and the Wienerberger Share

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Thomson Reuters	WBSV.VI; WIE-VI
Bloomberg	WIE AV
Datastream	O: WNBA
ADR Level 1	WBRBY
ISIN	AT0000831706

Wienerberger Online Annual Report 2014:
http://annualreport.wienerberger.com

Ten Year-Review

Corporate Data		2005	2006	2007	2008
Revenues	*in € mill.*	1,954.6	2,225.0	2,477.3	2,431.4
EBITDA	*in € mill.*	429.3	476.6	551.2	396.6
Operating EBITDA	*in € mill.*	428.4	471.9	551.2	440.1
Operating EBITDA margin	*in %*	21.9	21.2	22.3	18.1
EBIT	*in € mill.*	269.6	297.5	353.1	158.1
Operating EBIT	*in € mill.*	270.3	303.1	353.1	239.8
Profit before tax	*in € mill.*	251.3	277.3	358.4	123.1
Profit after tax	*in € mill.*	196.4	218.3	295.8	103.3
Free Cashflow	*in € mill.*	212.5	272.1	293.8	195.4
Total investments	*in € mill.*	338.7	530.4	645.6	505.6
Net debt	*in € mill.*	934.4	1,159.8	566.8	890.2
Capital employed	*in € mill.*	2,289.4	2,598.2	3,060.2	3,252.2
Gearing	*in %*	63.0	72.9	21.2	35.6
Interest cover [2) 4)]		6.2	6.2	8.2	5.7
Return on equity [3)]	*in %*	13.2	13.7	11.1	4.1
ROCE [4)]	*in %*	9.4	9.4	10.1	6.2
EVA ® [4)]	*in € mill.*	41.5	45.7	72.8	-27.8
CFROI [4)]	*in %*	12.9	12.6	13.0	9.3
CVA [4)]	*in € mill.*	28.7	23.8	42.8	-103.0
Ø Employees		13,327	13,639	14,785	15,162

Stock Exchange Data		2005	2006	2007	2008
Earnings per share	*in €*	2.66	2.95	3.46	0.81
Adjusted earnings per share	*in €*	2.67	3.02	3.46	1.69
Dividend per share	*in €*	1.18	1.30	1.45	0.00
Dividend	*in € mill.*	86.4	95.3	120.5	0.0
Equity per share [5)]	*in €*	20.3	21.7	28.9	24.2
Share price at year-end	*in €*	33.80	45.00	37.93	11.90
Shares outstanding (weighted) [6)]	*in 1,000*	73,196	73,309	75,491	82,895
Market capitalization at year-end	*in € mill.*	2,506.9	3,337.6	3,184.1	999.0

Condensed Balance Sheet		2005	2006	2007	2008
Non-current assets	*in € mill.*	2,232.1	2,531.6	2,915.8	3,011.0
Inventories	*in € mill.*	445.9	509.8	669.8	720.0
Other assets	*in € mill.*	591.6	632.9	744.3	652.9
Balance sheet total	*in € mill.*	3,269.6	3,674.3	4,329.9	4,383.9
Equity [7)]	*in € mill.*	1,483.1	1,591.4	2,672.7	2,497.2
Provisions	*in € mill.*	168.4	177.5	188.4	190.0
Liabilities	*in € mill.*	1,618.1	1,905.4	1,468.8	1,696.7

1) The data were adjusted to reflect a change in accounting policy
2) Operating EBIT / Interest result
3) Profit after tax / Equity
4) 2014 and 2012 calculated on pro-forma 12-month basis
5) Equity including non-controlling interests; excluding hybrid capital
6) Adjusted for treasury stock
7) Equity including non-controlling interest and hybrid capital

2009	2010 1)	2011 1)	2012	2013	2014	CAGR 2005 - 2014
1,816.9	1,663.6	1,915.4	2,355.5	2,662.9	2,834.5	4%
157.5	198.3	240.4	216.7	275.9	317.2	-3%
208.6	198.3	240.4	245.5	266.5	317.2	-3%
11.5	11.9	12.6	10.4	10.0	11.2	
-258.1	4.6	37.5	-21.7	64.7	-107.4	-190%
19.0	4.6	40.0	31.0	55.3	100.2	-10%
-295.6	-42.5	47.4	-36.2	-3.1	-157.6	-195%
-258.7	-35.4	39.4	-40.5	-7.8	-170.0	-198%
250.8	170.5	135.0	163.6	92.9	130.6	-5%
134.2	143.5	151.7	268.7	106.7	163.1	-8%
408.0	362.3	358.8	602.0	538.9	621.5	-4%
2,816.8	2,718.4	2,652.1	2,931.3	2,767.6	2,652.2	2%
16.0	14.5	14.8	25.5	23.9	30.4	
0.5	0.1	1.1	0.6	1.0	1.9	
-10.2	-1.4	1.6	-1.7	-0.3	-8.3	
0.2	0.0	0.9	0.4	1.3	2.6	
-207.3	-183.8	-163.3	-192.2	-161.4	-127.5	
4.3	4.2	5.0	5.2	5.1	6.0	
-353.8	-348.6	-313.7	-331.8	-335.8	-296.8	
12,676	11,296	11,893	13,060	13,787	14,836	1%

2009	2010 1)	2011 1)	2012	2013	2014	CAGR 2005 - 2014
-3.17	-0.58	0.07	-0.61	-0.34	-1.74	-195%
-0.34	-0.58	0.09	-0.25	-0.40	0.05	-36%
0.00	0.10	0.12	0.12	0.12	0.15	-20%
0.0	11.7	13.8	13.8	13.8	17.5	-16%
22.5	17.3	16.6	16.3	15.3	13.4	-4%
12.78	14.29	6.97	6.93	11.53	11.45	-11%
91,297	116,528	116,762	115,063	115,063	116,017	5%
1,502.0	1,679.5	819.2	814.3	1,354.5	1,345.1	-7%

2009	2010 1)	2011 1)	2012	2013	2014	CAGR 2005 - 2014
2,726.0	2,708.1	2,611.4	2,800.8	2,610.0	2,485.8	1%
552.4	555.9	576.6	700.9	666.0	701.4	5%
809.0	737.3	803.4	638.0	935.4	726.2	2%
4,087.4	4,001.3	3,991.4	4,139.7	4,211.4	3,913.4	2%
2,547.0	2,503.3	2,430.8	2,363.7	2,254.2	2,046.8	4%
187.9	205.3	197.2	265.9	224.5	253.5	5%
1,352.5	1,292.7	1,363.4	1,510.1	1,732.7	1,613.0	0%

If you want to learn more about Wienerberger and there is no order card attached, you can ask for our annual or quarterly reports or add your name to our mailing list by contacting us at T +43 1 601 92 10221 or investor@wienerberger.com

THE FUTURE STARTS TODAY.

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CONCEPT AND REALIZATION
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