



Wienerberger Results FY2020

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We have mastered a challenging year



2020 was an **extremely challenging year** in our more than 200-year history.

We set our focus on the **health of our employees and stakeholders**, because at Wienerberger people come first. Through combined strength, we have successfully managed to get through this difficult year.

I would like to express my **sincere thanks** to everyone.

ESG Highlights 2020

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-20%

CO2e emissions vs
2010 in clay blocks



13%

Women in senior
management positions



33%

Group wide share of
sales from innovative
products



12%

Procurement employees
trained to become accredited
supplier auditors
(aim to get to 20%)



0

Incidents of corruption



1,136

People in need supported
with Habitat for Humanity
during the current
partnership period

Our sustainability ratings



2020: Strong results demonstrate resilience despite major challenges

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Revenues

- > **Only 3%** below record levels
- > Volume declines nearly compensated by upgrade of product mix and higher average prices to cover cost inflation



Cash flow & Profitability

- > **+39% free cash flow generation** due to strong operational performance & strict cost management
- > **Strong EBITDA margins** despite headwinds from Covid-19 impacts



Fast Forward

- > Performance enhancement program progressing well after short interruption in Q2
- > **€ 40 mn incremental EBITDA contribution**
€ 10 mn more than expected



M&A

- > Important growth step taken in North America with the **acquisition of Meridian Brick** ¹⁾



€ 566 mn

EBITDA LFL

above upper
guidance range of
€ 545 mn

1) Transaction subject to approval by competition council

FY 2020

Highly satisfactory set of results

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Revenue

€ 3,354.6 mn

(2019: € 3,466.3 mn | -3%)

EBITDA LFL ¹⁾

€ 565.6 mn

(2019: € 594.2 mn | -5%)

Free Cash Flow

€ 397.3 mn

(2019: € 286.0 mn | +39%)

EBITDA LFL margin ¹⁾

16.8%

(2019: 17.5%)

¹⁾ Adjusted for effects from consolidation, sale of core and non-core assets, FX and structural adjustments

FY 2020

Highly satisfactory set of results

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Cash inflow from net Working Capital

€ 64.1 mn

(2019: € -46.9 mn | >100%)

Net debt

€ 657.1 mn before Hybrid

(31/12/2019: € 871.4 mn)

Working Capital / Revenues

15.0%

(2019: 16.9% | -189 bps)

Net debt / EBITDA

1.2x before Hybrid

(31/12/2019: 1.4x)

Strong Q4 results almost reaching last year's record level

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Strong operational performance
across all business units



Stabilization of demand over all
markets, still below PY level



Operational excellence and
proactive margin management
leading to earnings growth

External revenues (in € mn)	10-12/ 2020	10-12/ 2019	Chg. in %
Wienerberger Building Solutions	510.4	519.2	-2
Wienerberger Piping Solutions	213.8	212.9	0
North America	82.2	78.1	+5
Wienerberger Group	806.4	810.1	0
EBITDA LFL¹⁾ (in € mn)	10-12/ 2020	10-12/ 2019	Chg. in %
Wienerberger Building Solutions	101.5	106.1	-4
Wienerberger Piping Solutions	17.4	18.7	-7
North America	15.0	6.8	>+100
Wienerberger Group	133.9	131.6	+2

1) Adjusted for effects from consolidation, sale of core and non-core assets, FX and structural adjustments

Operational excellence and improved product mix drive robust performance

in € mn	2020	2019	Chg. in %
External revenue	2,092.1	2,170.6	-4
EBITDA LFL	413.9	455.6	-9
EBITDA	415.2	468.6	-11
EBITDA LFL Margin	19.9%	21.4%	-

- › HY2: **Increased demand** for our innovative solutions, particularly in **renovation and infrastructure**
- › Efficiency enhancement measures, strict cost discipline and further improved product mix contributing to **robust performance**
- › Successfully implemented **price increases to cover cost inflation** despite challenging business environment



Strong results due to proactive margin management and good demand for infrastructure solutions

in € mn	2020	2019	Chg. in %
External revenue	932.6	959.4	-3
EBITDA LFL	103.7	99.8	+4
EBITDA	97.1	98.2	-1
EBITDA LFL Margin	10.8%	10.4%	-

- › **Excellent business performance** above 2019 record level
- › Stabilization of demand for infrastructure projects, continuous satisfactory development of **electro in-house solutions**
- › **Gradual increase of raw material prices** starting in Q4 was mostly offset through **proactive margin management**



Strict cost discipline and consequent portfolio upgrade leading to excellent results

in € mn	2020	2019	Chg. in %
External revenue	325.0	335.7	-3
EBITDA LFL	48.0	38.9	+23
EBITDA	45.7	43.2	+6
EBITDA LFL Margin	14.5%	12.7%	-

- › **Strict cost discipline** and **consistent portfolio upgrade** drive excellent results
- › **USA: core markets register growth** in single-family home segment; pricing to cover cost inflation successfully implemented
- › **Canada:** continuous product upgrade and stabilization of demand in 2nd half of the year leading to satisfactory performance





Strategic Highlights 2020

Fast Forward program successfully concluded

Fast Forward performance

- › **EBITDA enhancement of € 110 mn achieved in 2018-2020**, € 10 mn more than expected
- › Additional **€ 10 mn** will be delivered in **2021**
- › **Fast Forward methodology will stay** and be applied to our continuous performance enhancement efforts

Significant earnings enhancement
through Operational Excellence measures
to continue



Organic Growth

In 2020, we continued to build on our innovative strength

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Photovoltaic roof solutions



- > **First PV integrated roof tiles launched**
- > **Sustainable** and **easy** to apply

Advanced cistern systems



- > First **prefabricated cistern system** launched
- > **Technical functionality** combined with **ease of installation**

Automated 3D Printing applied in mass production



- > **First mass 3D production of customized manholes** for storm- and wastewater networks
- > Saves time, upgrades performance and increases safety

Kept high level of innovative products at 33% in our portfolio

Value creating acquisitions and continuous optimization of our portfolio

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Acquisition of Meridian Brick - USA ¹⁾



- > Create a new **#1** in core regions
- > More than **double our revenue in North America**
- > Generate **strong EBITDA enhancement** including **significant synergies**

Acquisition of Inter Act - Netherlands



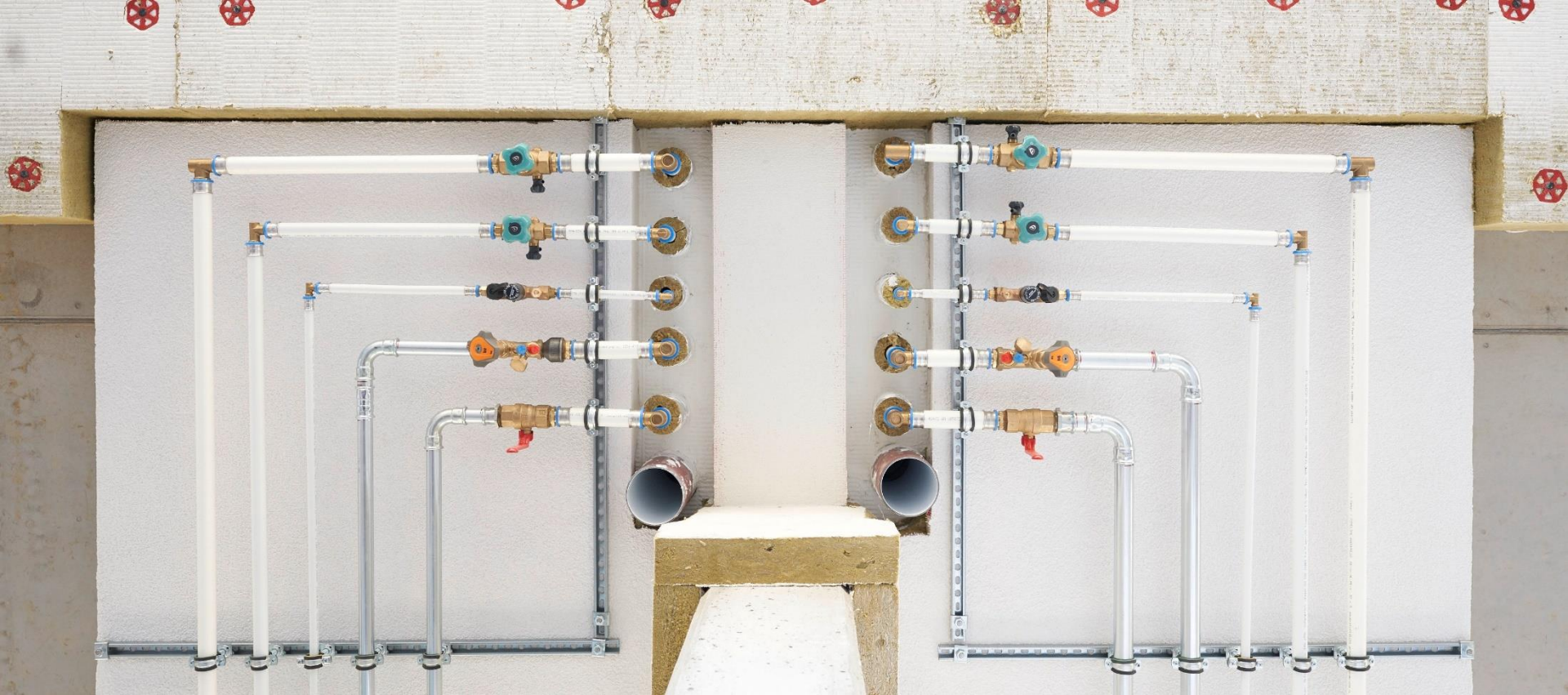
- > Inter Act offers **web & cloud-based technologies**
- > Monitor, predict, remotely control & learn from data
- > Together, we turn infrastructure networks into **smart water management solutions**

Divestment of Swiss activities



- > Swiss business **did not meet our requirements** for **further growth potential & value creation**
- > 2019 revenue: **€ ~50 mn**
- > **Sale of operations** in September for **very attractive multiple**

1) Transaction subject to approval by competition council

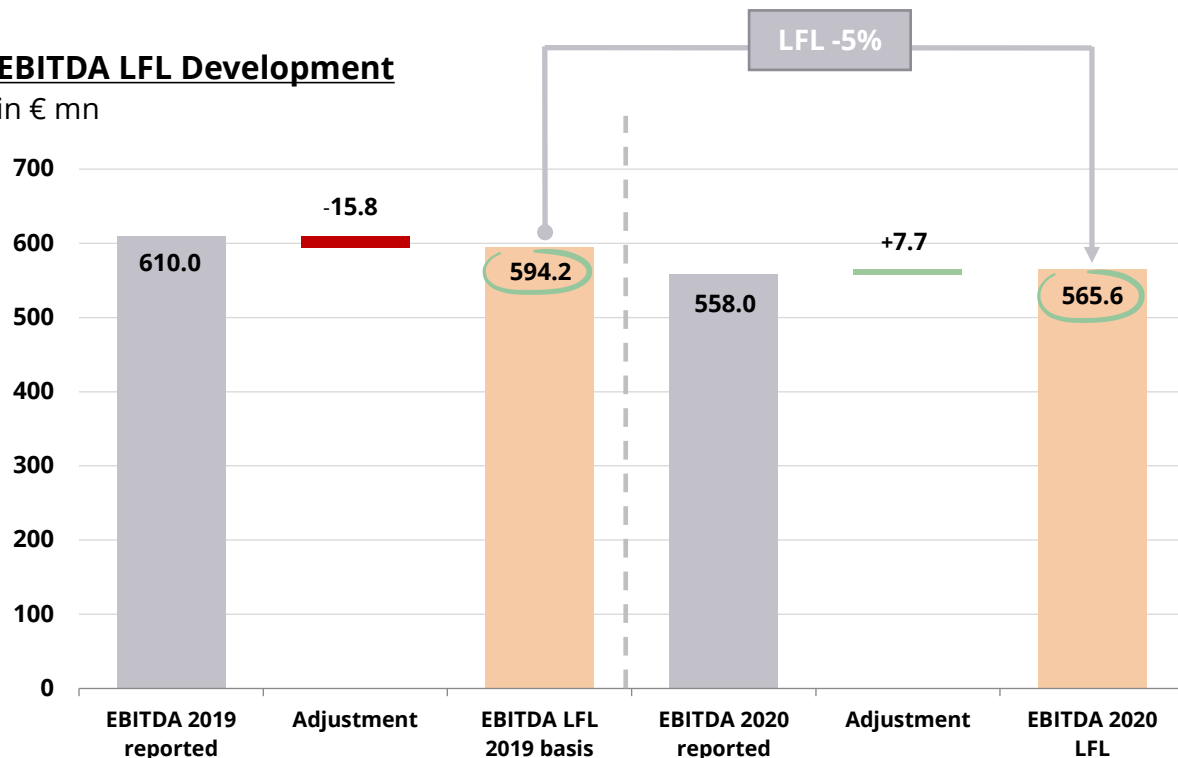


Financial Results 2020

Solid operational performance despite Covid-19 impact wienerberger

EBITDA LFL Development

in € mn



EBITDA adjustments

(in € mn)

	2020	2019
EBITDA reported	558.0	610.0
FX	11.0	-
Consolidation	-6.7	-7.1 ¹⁾
Sale of assets ²⁾	-9.8	-8.7
Structural adjustments ³⁾	13.3	0.0
Total adjustment	7.7	-15.8
EBITDA LFL	565.6	594.2

1) Includes one-off effect (Badwill, deconsolidation of Swiss operations)

2) Sale of non-core and non-operating assets

3) Costs related to repositioning and restructuring of selected businesses

Note: Rounding differences may arise from automatic processing of data

Income statement

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in € mn	31.12.2020	31.12.2019	Chg. in %
Revenue	3,354.6	3,466.3	-3
EBITDA LFL	565.6	594.2	-5
EBITDA	558.0	610.0	-9
Operating EBIT	305.1	362.7	-16
Impairment charges to assets	-22.3	0.0	<-100
Impairment charges to goodwill	-90.4	0.0	<-100
EBIT	192.5	362.7	-47
Financial result	-43.7	-47.4	+8
Profit before tax	148.7	315.3	-53
Income taxes	-48.8	-52.5	+7
Profit/loss after tax	99.9	262.8	-62
Hybrid coupon and non-controlling interests	11.4	13.7	-17
Net result	88.5	249.1	-64

Impairment allocated to full write-off of goodwill in North America **already booked in Q1**

Note: Rounding differences may arise from automatic processing of data

Cash flow development

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in € mn	2020	2019	Chg. in € mn	Chg. in %
Gross cash flow	440.6	476.7	-36.1	-8
Change in working capital ¹⁾	64.1	-46.9	+111.0	>+100
Maintenance capex	-125.9	-140.1	+14.2	+10
Divestments and other	63.7	39.3	+24.4	+62
Lease payments	-45.2	-42.9	-2.3	-5
Free cash flow	397.3	286.0	+111.3	+39
Special capex	-75.2	-115.4	+40.2	+35
M&A	-10.5	-47.9	+37.4	+78
Dividend & share buyback ²⁾	-87.5	-87.0	-0.5	-1
Hybrid coupon & buyback	-45.7	-41.4	-4.3	-10
Net cash flow	178.4	-5.7	+184.1	-32

1) Adjusted for changes in the consolidation range, FX, reclassifications and other non-cash transactions // 2) Including dividends paid to non-controlling interests
 Note: Rounding differences may arise from automatic processing of data

Capex 2020

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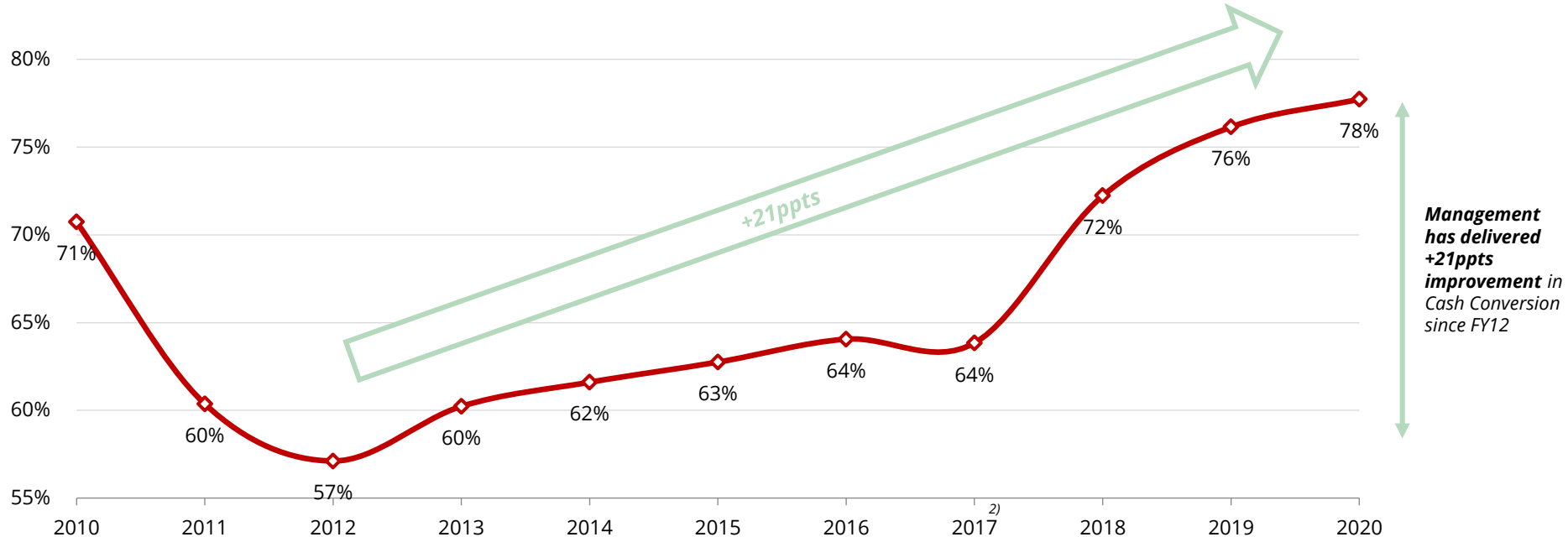
in € mn	2020	2019	Chg. in %
Maintenance capex	125.9	140.1	-10

- > **Strict financial discipline** over the entire year
- > **Maintenance capex in line** with new guidance

Strong track record of improving our cash conversion – reaching a record high in 2020

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(EBITDA¹) - Maintenance Capex) / EBITDA



Note: (1) Adjusted, before exceptionals, calculated on a pre-IFRS16 basis before FY19

2) Wienerberger changed its definition from "Normal Capex" to "Maintenance Capex" in FY19 to exclude investments in technological innovations or production facilities for premium products (FY18 shown on a restated basis, per FY19 reporting)

Growth investments

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in € mn	2020	2019	Chg. in %
M&A	10.5	47.9	-78
Special	75.2	115.4	-35
Total growth investments	85.7	163.3	-48

- **Growth investments in special significantly reduced** due to cash preservation during Q2 lockdowns

Strong balance sheet despite reclassification of hybrid bond

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in € mn	31.12.2020	31.12.2019	Chg. in %
Equity ¹⁾	1,749.0	2,076.8	-16
Equity ratio	40.0%	50.3%	-
Net debt	882.1	871.4	+1
Net debt / EBITDA ²⁾	1.6	1.4	-
Gearing	50.4%	42.0%	-

- › Reclassification of **Hybrid bond to financial liabilities** leading to lower equity ratio
- › **Net debt almost on 2019 level** despite repayment of hybrid bond
- › **Strong net debt / EBITDA** ratio of **1.6x after hybrid**

1) 2020: hybrid capital was reclassified as short-term financial liability, equity includes non-controlling interest, 2019: Including non-controlling interest and hybrid capital (100% equity according to IFRS) // 2) Based on 12 months rolling EBITDA; Note: Rounding differences may arise from automatic processing of data

Returning capital to investors

Investors benefit from resilient cash generation

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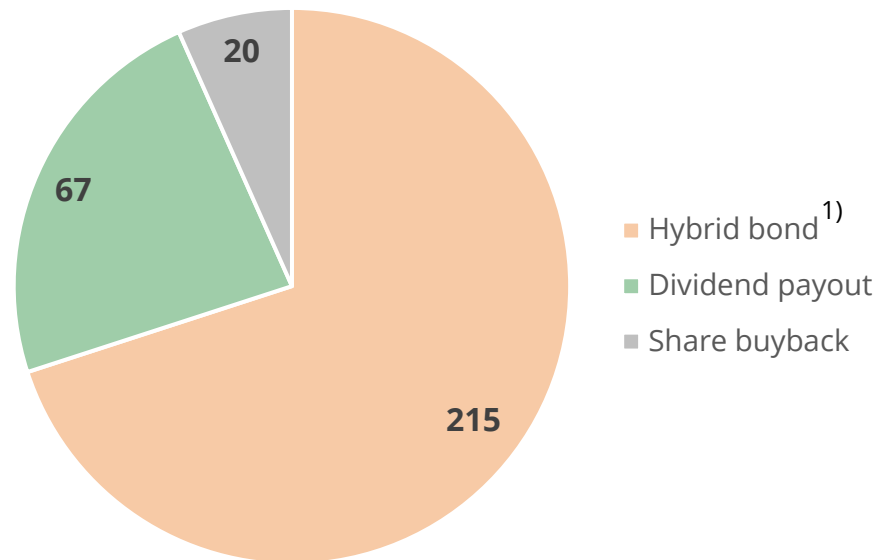
- > Even in challenging 2020 our resilient business model allows for attractive payouts to our investors
 - > **€ 67 mn dividend** (60 Eurocent / share)
 - > **€ 20 mn share buyback**
 - > **€ 215 mn hybrid payback** ¹⁾
- > **Clear dividend policy:** Distribution of **20-40% of free cash flow** by means of a progressive dividend and share buybacks

Total payout to investors:

€ 300 mn

Attractive payouts to investors

in € mn



1) Date of hybrid repayment: Feb. 9, 2021



Outlook 2021

Overall healthy environment in our end markets

New build



- > **Healthy environment;** no overbuilt markets
- > **Flat to slightly decreasing** activities

Renovation



- > **Sustained demand** for renovation solutions to **continue**
- > Furthermore, **EU Green Deal** to **maintain positive sentiment** for renovation activities

Infrastructure



- > **Continuation of stable demand** in European core markets
- > Infrastructure to **benefit from** potential implementation of **government subsidies**

North America



- > **Slightly growing new build activities to continue in H1 2021**
- > Potential increased **government spending** to **positively influence infrastructure business**

Overall healthy environment in our core regions

- Market growth (>2%)
- Stable development
- Market decline (<-2%)



Western Europe



Central & Eastern Europe



Nordics



North America

Newbuild



Renovation



Infrastructure



Q1 2021

Severe winter marks year start 2021

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- › Despite our overall positive market expectations for 2021, **Q1 will be impacted by cold weather**
- › Strong winter causes **slower start** into 2021



2021 Guidance

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ASSUMPTIONS

- › **Market developments according to previous slides**
- › No further lockdowns assumed

COSTS & PRICES

- › Overall **goal** is to fully **cover cost inflation** in 2021
- › Potential risk
 - › **Price increase of plastic granulates**
 - › Earnings effect of up to € 20mn is **reflected in our guidance**

CAPEX

- Maintenance capex**
- › € 120 mn

DIVIDEND PROPOSAL FOR 2020

60 Eurocent / share

2021 Guidance

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GROWTH

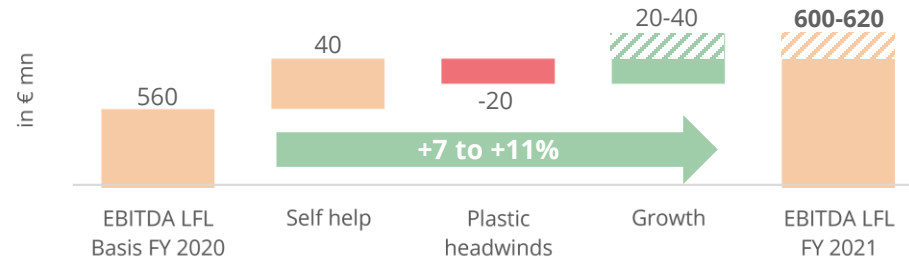
- › In 2021 we foresee an **EBITDA growth of 7 to 11%** ¹⁾ driven by our self help program and a healthy market environment
- › Growth investment 2021: **Special & ESG 140-160mn**

SELF HELP PROGRAM 2021-2023

- › Continuous **Operational Excellence** measures
- › **Special** investments in *recyclability, new product design, expanding solutions*
- › **ESG investments** to *reduce CO2 emissions, expand green energy & enhance biodiversity*
- › Self help program leading to **significant EBITDA enhancement**

2021: € 40 mn
2021-2023: € 135 mn

GUIDANCE 2021 ¹⁾



**Guidance 2021:
EBITDA LFL ¹⁾**

€ 600 – 620 mn

¹⁾ No contribution from Meridian considered



Group Strategy

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All activities are subject to clear ESG objectives

Organic growth through



Innovation & Digitalization

Self help through



Operational Excellence

Inorganic growth through



M&A and Portfolio Optimization

Growth areas

1 End markets

New build

Renovation

Infrastructure

2 Geographies

Europe

North America

All our activities need to be in line with our ambitious 2023 ESG targets

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ENVIRONMENT



Climate Protection

-15% CO_{2e}¹⁾ emissions vs. 2020



Circular Economy

100% Of new products will be designed in a way that they are recyclable or reusable



Biodiversity

Biodiversity program for all our sites in place

SOCIAL



Diversity

>15% Female employees in senior management

>30% Female employees in white collar positions



Training and Development

+10% More training hours per employee



CSR Projects

200 Housing units built with our products per year for people in need in our local markets

GOVERNANCE



Committed to highest national and international governance standards and with focus on:



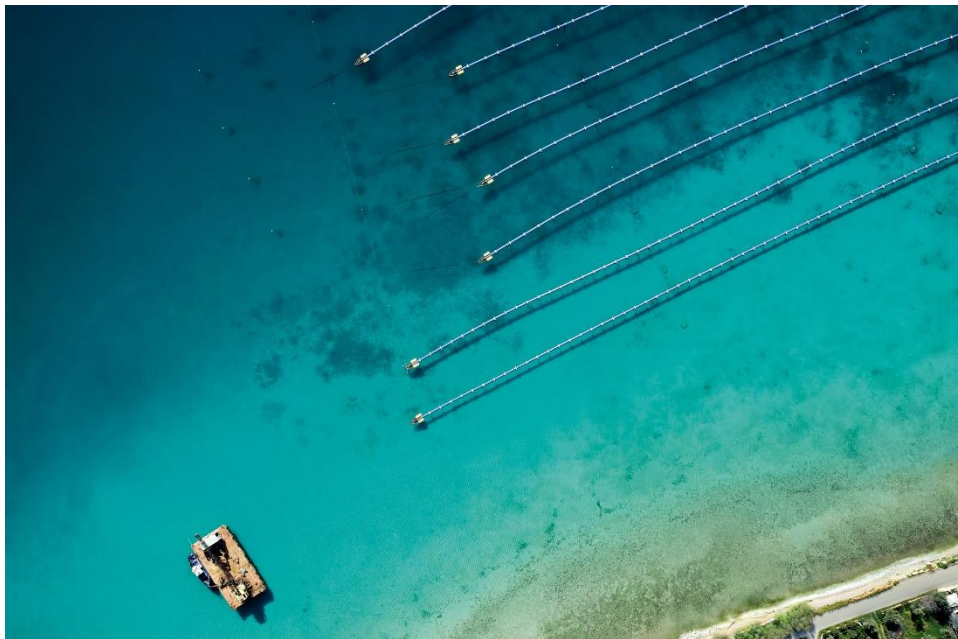
- > Business strategy
- > Board diversity and composition
- > Executive compensation
- > Succession management

1) "Carbon dioxide equivalents" or "CO_{2e}" is a term used to describe the global warming potential (GWP) of various greenhouse gases in a single unit

Note: All goals are set vs. the reference year 2020.

Strong foundations for sustainable growth

- 1 Clear commitment to ESG**
- 2 Maintain strong balance sheet**
- 3 Enhance organic growth through innovation and M&A**
- 4 Strong cash generation due to consistent execution of our growth strategy**



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