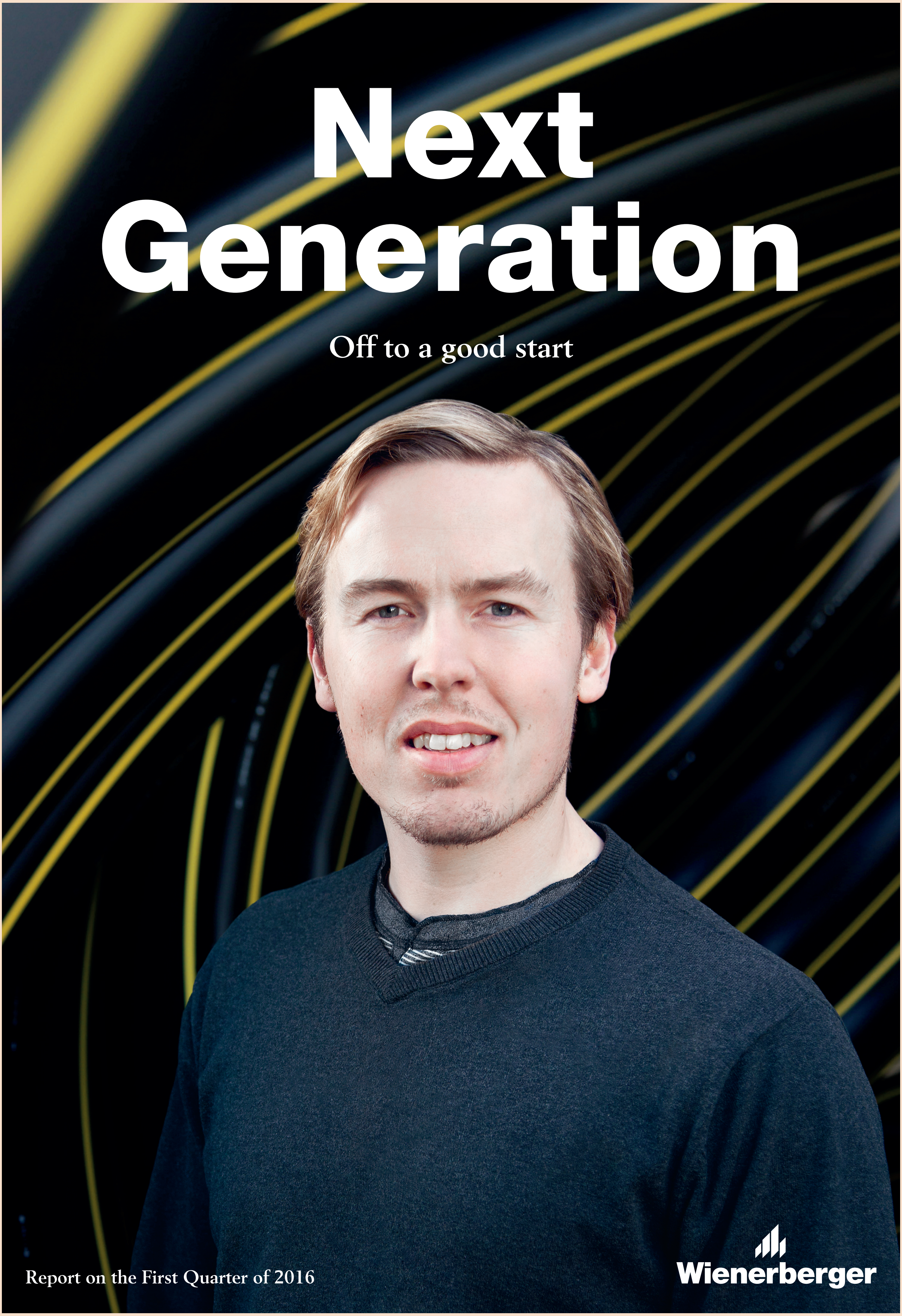
Next Generation

Off to a good start



Report on the First Quarter of 2016

Wienerberger

Earnings Data		1-3/2015	1-3/2016	Chg. in %	Year-end 2015
Revenues	*in € mill.*	612.5	610.8	0	2,972.4
Operating EBITDA	*in € mill.*	34.0	40.1	+18	369.7
Operating EBIT	*in € mill.*	-18.1	-7.4	+59	167.6
Profit before tax	*in € mill.*	-31.8	-15.8	+50	107.0
Profit after tax 1)	*in € mill.*	-34.1	-16.7	+51	69.8
Earnings per share	*in €*	-0.35	-0.20	+43	0.31
Free cash flow 2) 3)	*in € mill.*	-178.4	-211.1	-18	135.1
Normal capex	*in € mill.*	25.3	27.2	+8	137.7
Growth capex	*in € mill.*	1.6	12.5	>100	10.1

Balance Sheet Data		31.12.2015	31.3.2016	Chg. in %
Equity 4)	*in € mill.*	2,054.2	1,980.9	-4
Net debt	*in € mill.*	534.1	786.1	+47
Capital employed	*in € mill.*	2,569.9	2,751.7	+7
Balance sheet total	*in € mill.*	3,691.6	3,742.2	+1
Gearing	*in %*	26.0	39.7	-
Ø Employees	*in FTE*	15,813	15,769	0

Stock Exchange Data		1-12/2015	1-3/2016	Chg. in %
Share price high	*in €*	17.83	17.54	-2
Share price low	*in €*	11.45	12.50	+9
Share price at end of period	*in €*	17.09	16.88	-1
Shares outstanding (weighted) 5)	*in 1,000*	116,956	116,956	0
Market capitalization at end of period	*in € mill.*	2,008.5	1,983.9	-1

Divisions 1-3/2016 *in € mill. and % 6)*	Clay Building Materials Europe		Pipes & Pavers Europe		North America		Holding & Others		Reconciliation
Third party revenues	341.8	*(+3%)*	203.3	*(-9%)*	63.2	*(+18%)*	2.2	*(+15%)*	
Inter-company revenues	0.4	*(-6%)*	0.3	*(+31%)*	0.0	*(-99%)*	3.0	*(+3%)*	-3.5
Revenues	342.3	*(+3%)*	203.6	*(-9%)*	63.2	*(+13%)*	5.2	*(+8%)*	-3.5
Operating EBITDA	29.5	*(+35%)*	13.9	*(-4%)*	2.3	*(>100%)*	-5.7	*(-63%)*	
Operating EBIT	0.0	*(>100%)*	2.7	*(-11%)*	-3.9	*(+22%)*	-6.2	*(-43%)*	
Total investments	19.5	*(+33%)*	16.0	*(+79%)*	3.6	*(+28%)*	0.7	*(+41%)*	
Capital employed 3)	1,751.8	*(-3%)*	641.8	*(+4%)*	362.5	*(-10%)*	-4.4	*(<-100%)*	
Ø Employees	10,213	*(+1%)*	4,108	*(+1%)*	1,243	*(-2%)*	205	*(-1%)*	

1) Before non-controlling interests and accrued hybrid coupon
2) Cash flow from operating activities less cash flow from investing activities plus growth capex
3) Due to the correction of an error, which required additional impairments to be booked for 2014, this figure for the period from January 1 to March 31, 2015, was restated
4) Equity including non-controlling interests and hybrid capital
5) Adjusted for treasury stock
6) Changes in % to the comparable prior year period are shown in brackets

Explanatory notes to the report:
- *Operating EBITDA and operating EBIT are adjusted for non-recurring income and expenses.*
- *Rounding differences may arise from the automatic processing of data.*

Letter from the CEO

Dear Shareholders,

We have set ourselves ambitious targets for this year. Our aim is to generate consolidated operating EBITDA in the amount of € 405 million. To reach this target, we are focusing on three core action areas of strategic importance: optimization, diversification and innovation. In such context, I am particularly happy to report about a positive first quarter. From January to March, Wienerberger generated stable revenues at Group level in the amount of € 611 million. At the same time, our operating EBITDA increased significantly by 18% to € 40 million.

Heimo Scheuch,
Chief Executive Officer of Wienerberger AG

The Clay Building Materials Europe Division performed particularly well in the first three months of the year. In some of our core markets, we have observed a trend toward the use of clay blocks for monolithic walls without additional insulation in the construction of single- and two-family homes. Amongst other developments, this trend led to moderate volume growth. In combination with slightly higher prices, we were able to raise the Division's revenues by 3% to € 342 million. Operating EBITDA improved significantly by 35% to € 30 million, a success attributable to our stringent cost management and the optimization measures introduced in prior years.

The Pipes & Pavers Europe Division was unable to match the good results achieved in 2015. In our pipe businesses, we felt the negative impact of the low level of orders placed for infrastructure projects in Eastern Europe; and business in concrete pavers was affected by weather-related delays in project execution. Revenues therefore dropped by 9% to € 203 million in the first quarter. Operating EBITDA also declined slightly by 4% to € 14 million.

In the North America Division we recorded increasing revenues and earnings. The growing number of new housing starts in the single- and two-family home segment led to significantly higher sales. Our North American plastic pipe business also reported higher sales volumes. Overall, we generated revenues in the amount of € 63 million, a rise of 18%, and operating EBITDA of € 2 million, which is more than double the previous year's first-quarter figure.

Our industrial portfolio constitutes a sound basis for future organic growth. Should we identify a potential for development beyond its current scope, we shall not fail to take the necessary steps. We intend to continue the optimization of our processes and further enhance the efficiency of production, sales and administration throughout 2016. Offering our customers an even broader range of innovative products and services is another priority for us. In operational terms, we are well positioned and on track for further growth. Therefore, I am confident that we will reach our targets for 2016.

Yours

Interim Management Report

FINANCIAL REVIEW

Earnings

Stable Group revenues and improved operating result

During the first three months of 2016, Wienerberger's revenues at Group level were stable at € 610.8 million (2015: € 612.5 million). While the Clay Building Materials Europe Division and North America reported increases in revenues and earnings, the Pipes & Pavers Europe Division experienced a significant decline in revenues, which was, however, reflected in merely a slight reduction of the operating result. Foreign exchange effects decreased revenues by € 8.1 million (2015: € +10.7 mn), the strongest negative effects being due to the British pound, the Norwegian krone and the Turkish lira and only partly offset by positive effects from the US dollar.

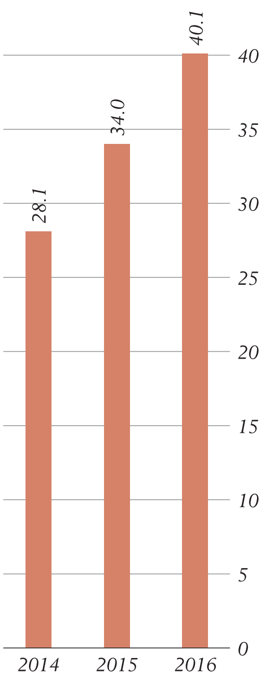
Clay Building Materials Europe

For the Clay Building Materials Europe Division, the first quarter was marked by a moderate increase in sales volumes at slightly improved prices, although with differences in performance observed at regional level. While business in Eastern Europe picked up significantly, revenues in Western Europe remained at the previous year's level. Overall, third party revenues grew by 3% to € 341.8 million in the first three months of the year. Thanks to optimization measures taken in 2015 and a strict cost management regime, operating EBITDA increased by 35% to € 29.5 million in comparison to the first quarter of 2015.

Pipes & Pavers Europe

In the Pipes & Pavers Europe Division, third party revenues dropped to € 203.3 million in the reporting period (2015: € 224.3 million). Lower first-quarter sales of plastic pipes resulted in a significant decline in revenues, while EBITDA showed an improvement. A decline in volumes of ceramic waste-water pipe sales also translated into reduced third party revenues. Due to unfavorable weather conditions, the concrete paver business remained below the level of the comparable quarter of the previous year. Overall, operating EBITDA reported by the Pipes & Pavers Europe Division dropped by 4% year on year to € 13.9 million (2015: € 14.5 million).

Operating EBITDA Q1
in € mill.



Against the background of an increasing number of new housing starts in the single- and two-family home segment, brick sales in North America increased significantly at slightly higher average prices. The volume of plastic pipe sales increased as a consequence of higher demand. Altogether, the Division's operating EBITDA grew significantly to € 2.3 million (2015: € 1.1 million).

Operating EBITDA of the Wienerberger Group rose by 18% from € 34.0 million to € 40.1 million in the first three months of the year. This was primarily due to the positive development of the brick business in a number of European core markets and in North America, as well as the increases in earnings in the plastic pipe business in the Netherlands and France.

Operating earnings before interest and tax (operating EBIT) improved to € -7.4 million in the first three months of 2016 (2015: € -18.1 million). An earnings contribution of € 0.5 million (2015: € 1.6 million) was generated through the sale of non-core real estate in the first quarter.

The financial result of € -8.4 million (2015: € -13.7 million) mainly comprises net interest expenses of € -8.2 million (2015: € -10.4 million), income from investments in associates and joint ventures recognized in the amount of € 1.2 million (2015: € -1.7 million). Moreover, positive exchange rate differences in the amount of € 1.1 million were contrasted by other valuation effects and bank charges in the amount of € -2.4 million.

The first-quarter result before tax improved notably to € -15.8 million (2015: € -31.8 million). After tax, Wienerberger closed the first quarter with a loss of € -16.7 million (2015: € -34.1 million). Earnings per share amounted to € -0.20, up from € -0.35 in the reporting period of the year before. Accrued interest on hybrid capital was included in the calculation of earnings per share on a pro-rata basis.

Cash flow

Positive gross cash flow

Gross cash flow was positive in the reporting period at € 32.4 million, up by € 10.6 million from the previous year, a development due to the significantly improved pre-tax result. Owing to the seasonal increase of working capital, cash flow from operating activities was negative at € -177.3 million.

During the first three months of the year, a total amount of € 39.7 million (2015: € 26.8 million) was spent on maintenance and technological improvements of production processes as well as growth investments. Proceeds from real estate sales and the disposal of other non-current assets amounted to € 4.0 million (2015: € 2.1 million).

Cash flow from financing activities came to € 167.8 million in the first three months of the year, mainly due to the utilization of a bank line. In February, the hybrid coupon was paid out in the amount of € 32.5 million. Furthermore, we bought back a portion of the 2007 hybrid bond in a nominal value of € 6.0 million at an average price of 99.5% and paid out the accrued coupon.

Assets and financial position

As at 31.3.2016, the Group's equity was € 73.3 million lower than at the end of 2015, the main contributing factors being the negative total comprehensive income after tax, the distribution of the hybrid coupon and the partial buy-back of the hybrid capital. For seasonal reasons, the Group's net debt increased by € 252.0 million to € 786.1 million, which corresponded to a gearing of 39.7%.

OPERATING SEGMENTS

Clay Building Materials Europe

Good start into the construction season

The Clay Building Materials Europe Division reported a good start into the construction season during the first three months of 2016. Average prices improved slightly, clay block sales increased, and we succeeded in further strengthening our market position in individual regions. One of the factors accounting for the favorable development of sales was the trend, observed in several core markets, toward monolithic clay block walls without additional insulation for single- and two-family homes. Favored by mild weather conditions in large parts of Europe, roof tile sales increased, while the volume of facing bricks sold declined slightly, the latter development being mainly due to muted demand in Great Britain and Belgium. Altogether, revenues in the first quarter increased by 3% year on year to € 341.8 million, and operating EBITDA improved from € 21.9 million to € 29.5 million.

Clay Building Materials Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	332.5	341.8	+3
Operating EBITDA	*in € mill.*	21.9	29.5	+35
Operating EBIT	*in € mill.*	-11.8	0.0	>100
Total investments	*in € mill.*	14.6	19.5	+33
Capital Employed [1)]	*in € mill.*	1,807.2	1,751.8	-3
Ø Employees	*in FTE*	10,138	10,213	+1

1) Due to the correction of an error, which required additional impairments to be booked for 2014, capital employed as at March 31, 2015 was restated.

Outlook for 2016

For the business year 2016, we are maintaining our market projections from the beginning of the year and expect a slightly positive development of residential construction in Europe. While we foresee a continuation of the positive trend in the Netherlands, Hungary, Romania, Bulgaria and Poland, we assume that Belgium will see a slowdown of activities, compared with the current satisfactory level. Despite a generally positive market environment in Great Britain, we have been observing some spending restraint, which may be due to uncertainty in the run-up to the referendum on UK membership in the European Union. In Germany and Austria, we expect a slightly positive development in new housing construction. Given the low level of activity in the French market, we foresee an increase in the number of housing starts. A downward trend in the construction of new single- and two- family homes is to be expected in Italy and Switzerland, while the market is declining in Russia. Overall, we expect higher sales volumes across all product groups and a significant improvement of revenues and earnings in 2016. The consistent implementation of ongoing efficiency-enhancing and cost-optimizing measures will contribute to this positive development.

Clay Building Materials Western Europe

Improved results in Western Europe

The Clay Building Materials Western Europe segment reported a slight increase in revenues from € 251.9 million in the first quarter of 2015 to € 255.0 million in the reporting period. During the same period, operating EBITDA increased significantly by 14% to € 23.6 million. The positive development of the Dutch market continued throughout the first quarter of 2016, as reflected in higher sales volumes. In Great Britain, the continuing depletion of inventories in the supply chain, combined with weaker market growth than expected, led to a slight drop in the volume of facing brick sales. In Germany, we succeeded in improving our operating result, mainly thanks to structural adjustments that were successfully implemented last year and a slight increase in the construction of single- and two-family homes. While market growth in France, starting from a low level, allowed us to increase our sales volumes, we saw the opposite trend in Belgium, mainly due to subdued demand both in new housing construction and in the renovation market. Alongside continuous measures aimed at optimizing our cost structure and improving internal processes, our main focus in Western Europe continues to be on introducing innovative products and stepping up our marketing, distribution and sales activities.

Clay Building Materials Western Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	251.9	255.0	+1
Operating EBITDA	*in € mill.*	20.8	23.6	+14
Operating EBIT	*in € mill.*	-0.2	5.5	>100
Total investments	*in € mill.*	10.7	12.7	+18
Capital Employed [1)]	*in € mill.*	1,255.8	1,225.4	-2
Ø Employees	*in FTE*	5,977	5,969	0

1) Due to the correction of an error, which required additional impairments to be booked for 2014, capital employed as at March 31, 2015 was restated.

Outlook for 2016

For 2016 as a whole, we expect to see stable to slightly growing markets in the Western European region. In the Netherlands, we expect continued growth and rising sales volumes; in Great Britain, residential construction is projected to pick up slightly, although this may be overshadowed by market turmoil in view of the forthcoming EU referendum. Belgium, currently at a satisfactory level, will probably see a certain decline. However, we are confident of being able to compensate the resulting drop in sales volumes through higher average prices based on improvements in the product mix. For France, we foresee a positive development of demand. In Italy and Switzerland, the construction of new single- and two-family homes is likely to slow down over the year. Overall, we expect that moderate volume growth and price increases covering cost inflation will result in increases in revenues and earnings in the Clay Building Materials Western Europe segment in 2016.

Clay Building Materials Eastern Europe

Significant earnings growth in Eastern Europe

The Eastern European region was marked by positive developments of markets and business in almost all countries in the first quarter of 2016. In this environment, we were able to increase our sales of roof tiles and clay blocks compared to the first quarter of 2015 and to improve our market position in the region. Altogether, the Clay Building Materials Eastern Europe segment reported an increase in revenues by 8% over the comparable value of the previous year to € 86.8 million. At the same time, operating EBITDA rose from € 1.1 million to € 5.9 million.

Clay Building Materials Eastern Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	80.5	86.8	+8
Operating EBITDA	*in € mill.*	1.1	5.9	>100
Operating EBIT	*in € mill.*	-11.6	-5.5	+53
Total investments	*in € mill.*	3.9	6.8	+75
Capital employed	*in € mill.*	551.3	526.4	-5
Ø Employees	*in FTE*	4,161	4,244	+2

Outlook for 2016

For 2016 as a whole, we expect to see notable increases in revenues and earnings in the moderately growing market environment of the Eastern European region. The construction of single- and two-family homes is likely to continue at a dynamic pace in Poland, Romania, Bulgaria and Hungary, boosting our sales volumes. In the region Austria, the Czech Republic and Slovakia, we foresee a slightly positive development of the market environment, whereas the Russian market is expected to shrink under the conditions of persistent recession. Overall, we expect significant growth of revenues and earnings in the Clay Building Materials Eastern Europe segment due not only to growth in our core markets, but also to internal measures aimed at efficiency enhancements and cost optimization.

Pipes & Pavers Europe

Operating EBITDA of the Division down by 4%

The Pipes & Pavers Europe Division reported a 9% reduction of its revenues to € 203.3 million and a moderate decline of its operating EBITDA by 4% to € 13.9 million. In contrast, our plastic pipe business generated an increase in operating EBITDA despite a downward trend in sales that resulted in lower revenues compared to the previous year. The most important factor accounting for this achievement was the successful management of the persistently volatile raw materials market. In regional terms, higher earnings in Western Europe compensated the downturn in Eastern Europe.

Our business in ceramic pipe systems and concrete pavers was unable to match the previous year's results in terms of revenues and earnings. As expected, our ceramic pipe activities suffered from delays in the award of projects in Poland; moreover, we felt the negative impact of projects in Italy that were affected by unfavorable weather conditions, and a slowdown of activities in Eastern European project business. Weather-related delays in project execution in some markets resulted in lower concrete paver sales; at the same time, special offers encouraging advanced purchases of concrete pavers meant that plants were temporarily left with an unfavorable product mix and therefore booked lower revenues and earnings.

Pipes & Pavers Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	224.3	203.3	-9
Operating EBITDA	*in € mill.*	14.5	13.9	-4
Operating EBIT	*in € mill.*	3.0	2.7	-11
Total investments	*in € mill.*	9.0	16.0	+79
Capital Employed [1)]	*in € mill.*	619.5	641.8	+4
Ø Employees	*in FTE*	4,055	4,108	+1

1) Due to the correction of an error, which required additional impairments to be booked for 2014, capital employed as at March 31, 2015 was restated.

Outlook for 2016

Based on our projections for the full year, we expect a slight improvement of revenues and earnings in the Pipes & Pavers Europe Division. In our plastic pipe business, we foresee stable demand at the previous year's level in the Nordic core markets. Moreover, we will benefit from the structural adjustments being implemented in France and aimed at optimizing the cost structure, and we also are seeing some growth in the Netherlands. The takeover of a competitor in Finland should result in contributions to earnings in the lower single-digit million range. In international project business, which is reported under the Western Europe segment, we have observed an increase in the number of projects tendered. Nevertheless, we do not expect to reach the record result of the previous year. In Eastern Europe, higher earnings in Romania, Poland and Austria should make up for the depressed market environment in Russia and sluggish tendering activities in Hungary. In our ceramic pipe business, we are confident of covering cost inflation through price increases. Sales are expected to remain stable in the German core market and in Belgium, and we also foresee positive developments in Italy and France. At the same time, however, delays in the award of projects in Poland, and fewer subsidized projects in several Eastern European markets, are resulting in lower sales volumes. As regards our concrete paver business, we expect to maintain the previous year's level in a market environment that remains challenging. Therefore, consistent cost management, the strengthening of our position as a supplier of premium products, and the continuous improvement of our product mix in the medium- to high-value segment are at the focus of our strategic management.

Pipes & Pavers Western Europe

Operating EBITDA of the segment up by 10% year on year

The Pipes & Pavers Western Europe segment reported a 7% reduction of its revenues to € 131.1 million in the first three months of the year. Nevertheless, we succeeded in generating a 10% increase in operating EBITDA to € 14.8 million.

Our plastic pipe business continued to grow in the Netherlands in the first three months of the year, and in the French market, where the structural adjustments announced last year are being consistently implemented, we generated better results than in 2015. Although our Nordic core markets experienced a slower start of business than in the comparable period of the previous year, we expect stable to slightly increasing growth in the region. Negative foreign exchange effects from the Norwegian krone further depressed the result shown in the reporting currency. In international project business, which is conducted from locations in Norway and the Netherlands, we succeeded in improving the operating result, despite lower volumes and fewer incoming orders. Altogether, we have achieved a higher result than in the previous year.

In our ceramic pipe business, conducted from plant locations in Germany and Belgium, revenues and earnings declined significantly in the first three months of the year; this was due to the slow start of the construction season. The German home market turned out to be stronger than originally expected and sales almost reached the previous year's level. Supported by growth in the Netherlands and France, we generated a moderate increase in volumes in Western Europe. The significant drop in sales volumes in Poland was due to continued major delays in project implementation in the wake of the change of government and the introduction of new rules governing the allocation of EU funding. In combination with a temporary slowdown of project business in other Eastern European export markets, the total volume of sales in Eastern Europe was noticeably lower than in the previous year. As expected, cooperation with our local partner in the Middle East, which has been broadened in scope since mid-2015, led to a significant increase in exports to that region.

Pipes & Pavers Western Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	140.8	131.1	-7
Operating EBITDA	*in € mill.*	13.5	14.8	+10
Operating EBIT	*in € mill.*	7.2	8.7	+21
Total investments	*in € mill.*	4.5	9.1	>100
Capital Employed [1)]	*in € mill.*	341.9	354.3	+4
Ø Employees	*in FTE*	1,709	1,833	+7

1) Due to the correction of an error, which required additional impairments to be booked for 2014, capital employed as at March 31, 2015 was restated.

Outlook for 2016

In our plastic pipe business, we expect stable demand at a satisfactory level in the Nordic core markets and continued growth in the Netherlands for the remainder of the year. The majority take-over of a competitor in Finland should generate a contribution to earnings in the lower single-digit million range. The structural adjustments in France ought to be successfully completed in the second quarter. With no more costs incurred for the measures implemented, the resulting cost savings will provide the basis for a sustainable increase in earnings. Our ceramic pipe business will continue to suffer from substantial delays in project implementation caused by the re-allocation of funding in Poland. In other Eastern European markets as well, we have noticed a decline in the number of projects tendered and qualifying for EU support. In Western Europe, we foresee moderate growth and expect the pace of project implementation to pick up after a slow start at the beginning of the year. With regard to our exports to the Middle East, we are continuously analyzing the possible impact of the low oil price on demand. Overall, we expect the Pipes & Pavers Western Europe segment to generate a moderately improved operating result in 2016.

Pipes & Pavers Eastern Europe

Operating EBITDA decreased to € -0.9 million

The Pipes & Pavers Eastern Europe segment reported a 14% drop in first-quarter revenues to € 72.1 million and notably lower operating EBITDA of € -0.9 million, compared with € 1.0 million in the same quarter of the previous year.

Our Eastern European plastic pipe business experienced a slow start into the year, mainly due to wet weather conditions in some markets, and therefore reported a noticeable drop in volumes and earnings compared with the previous year. Moreover, tenders for EU-funded projects in the region have been fewer than expected since the beginning of the new programming period. While earnings generated in markets such as Austria, Romania and Slovakia were stable in the first three months of the year, reductions were reported in Poland, Bulgaria and Hungary, as fewer projects qualifying for EU support were tendered. Despite negative foreign exchange effects, higher earnings were reported in Turkey, where large-scale projects contracted in 2015 were being executed.

After a reasonably good start into the year, our concrete paver activities were negatively affected by wet weather conditions in March, which hindered the implementation of projects in several markets. Moreover, new distribution partnerships had to be established in Central Europe as a result of structural changes in the DIY segment, which led to a temporary slowdown of business. Altogether, lower sales than in 2015 resulted in a reduction of earnings. In a market environment that we assess as stable, though at a low level, we are making every effort to resist the regional pressure on prices by positioning ourselves as a premium supplier. In order to increase our earnings strengths, measures are being taken to improve the product mix, supported by a strict cost management regime.

Pipes & Pavers Eastern Europe		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	83.6	72.1	-14
Operating EBITDA	*in € mill.*	1.0	-0.9	<-100
Operating EBIT	*in € mill.*	-4.2	-6.0	-43
Total investments	*in € mill.*	4.4	6.9	+55
Capital employed	*in € mill.*	277.5	287.5	+4
Ø Employees	*in FTE*	2,346	2,275	-3

Outlook for 2016

For our plastic pipe business, we expect largely stable market development over the remainder of the year. We foresee a stable to slightly positive market trend in Austria and a favorable environment in Poland, unchanged from the previous year. Volume growth has been forecast for Greece, where the market came to a standstill for several weeks last summer due to the sovereign debt crisis, but activities have stabilized in the meantime. While we expect stable development in all the other markets of the region, the Russian market for infrastructure projects is in decline. As regards our concrete paver activities, we expect a stable market environment, comparable to last year, and therefore foresee that the slow start will be compensated by higher sales in the course of the year. Nevertheless, the projected improvement of our earnings power primarily depends on our continuous improvements of the product mix, as well as market share gains and strict cost management. The newly built plant in Austria will start trial operation in a few weeks and go into full production step by step in the second half of the year. Overall, we expect stable development of revenues and earnings in the Pipes & Pavers Eastern Europe segment.

North America

Improved revenues and earnings

Unlike the first quarter of 2015, which suffered from harsh weather conditions, the first three months of 2016 offered a favorable climate for housing construction in North America. The expected increase in new housing starts in the single- and two-family home segment also had a positive impact on our core business in facing bricks. In this environment, we were able to significantly increase our sales at slightly improved average prices. Higher sales volumes in Canada resulted in improved revenues and earnings. Our North American plastic pipe business benefited from a positive development of demand in the first three months of the year. Altogether, compared to the first quarter of 2015, the North America Division reported an 18% increase in revenues to € 63.2 million and a significant improvement of operating EBITDA from € 1.1 million to € 2.3 million.

North America		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	53.5	63.2	+18
Operating EBITDA	*in € mill.*	1.1	2.3	>100
Operating EBIT	*in € mill.*	-5.0	-3.9	+22
Total investments	*in € mill.*	2.8	3.6	+28
Capital Employed [1]	*in € mill.*	401.3	362.5	-10
Ø Employees	*in FTE*	1,273	1,243	-2

1) Due to the correction of an error, which required additional impairments to be booked for 2014, capital employed as at March 31, 2015 was restated.

Outlook for 2016

For the business year 2016, we expect a continuation of the positive trend in American residential construction and a significant increase in demand for bricks. Although the price situation remains challenging in some regional markets, we expect a stable to slightly positive development of average prices. We foresee higher demand for plastic pipes and as regards our Canadian business volume growth. Overall, we expect the North America Division to generate a significant organic increase in revenues and earnings in 2016.

Holding & Others

Improved revenues through higher sales volumes in India

Besides the holding company of the Group, the Holding & Others Division also includes our brick activities in India. Higher sales volumes and improved average prices for clay blocks resulted in a 15% increase in revenues to € 2.2 million in the first quarter of 2016. Owing to higher holding costs and the earnings contribution from a real estate sale in the comparable prior year period, operating EBITDA declined from € -3.5 million to € -5.7 million. Revenues and earnings in India are expected to increase further in 2016.

Holding & Others		1-3/2015	1-3/2016	Chg. in %
Third party revenues	*in € mill.*	1.9	2.2	+15
Operating EBITDA	*in € mill.*	-3.5	-5.7	-63
Operating EBIT	*in € mill.*	-4.4	-6.2	-43
Total investments	*in € mill.*	0.5	0.7	+41
Capital employed	*in € mill.*	9.6	-4.4	<-100
Ø Employees	*in FTE*	208	205	-1

Condensed Interim Financial Statements (IFRS) Wienerberger Group

Consolidated Income Statement

in TEUR	1-3/2016	1-3/2015
Revenues	610,765	612,547
Cost of goods sold	-434,922	-448,411
Gross profit	**175,843**	**164,136**
Selling expenses	-131,364	-130,505
Administrative expenses	-48,394	-45,241
Other operating income	8,015	4,931
Other operating expenses	-11,500	-11,442
Operating profit/loss (EBIT)	**-7,400**	**-18,121**
Income from investments in associates and joint ventures	1,173	-1,653
Interest and similar income	1,312	1,815
Interest and similar expenses	-9,509	-12,224
Other financial results	-1,379	-1,588
Financial results	**-8,403**	**-13,650**
Profit/loss before tax	**-15,803**	**-31,771**
Income taxes	-899	-2,291
Profit/loss after tax	**-16,702**	**-34,062**
Thereof attributable to non-controlling interests	-888	-1,396
Thereof attributable to hybrid capital holders	8,046	8,014
Thereof attributable to equity holders of the parent company	**-23,860**	**-40,680**
Earnings per share (in EUR)	**-0.20**	**-0.35**
Diluted earnings per share (in EUR)	**-0.20**	**-0.35**

Consolidated Statement of Comprehensive Income

in TEUR	1-3/2016	1-3/2015 restated
Profit/loss after tax	**-16,702**	**-34,062**
Foreign exchange adjustments	-30,478	99,840
Foreign exchange adjustments to investments in associates and joint ventures	-1	8
Changes in the fair value of available-for-sale financial instruments	125	-1,065
Changes in hedging reserves	12,266	-20,817
Other comprehensive income [1]	**-18,088**	**77,966**
Total comprehensive income after tax	**-34,790**	**43,904**
Thereof comprehensive income attributable to non-controlling interests	-911	-1,270
Thereof attributable to hybrid capital holders	8,046	8,014
Thereof comprehensive income attributable to equity holders of the parent company	**-41,925**	**37,160**

1) The components of other comprehensive income are reported net of tax and will be recycled in future periods.

Consolidated Balance Sheet

in TEUR	31.3.2016	31.12.2015
Assets		
Intangible assets and goodwill	697,429	701,425
Property, plant and equipment	1,592,948	1,614,874
Investment property	87,629	91,613
Investments in associates and joint ventures	8,352	11,371
Other investments and non-current receivables	11,934	11,779
Deferred tax assets	21,105	18,492
Non-current assets	**2,419,397**	**2,449,554**
Inventories	788,804	753,271
Trade receivables	285,529	202,767
Receivables from current taxes	14,847	12,195
Other current receivables	68,691	60,551
Securities and other financial assets	67,290	58,426
Cash and cash equivalents	97,661	154,878
Current assets	**1,322,822**	**1,242,088**
Total assets	**3,742,219**	**3,691,642**
Equity and liabilities		
Issued capital	117,527	117,527
Share premium	1,086,026	1,086,026
Hybrid capital	484,592	490,560
Retained earnings	498,420	546,754
Other reserves	-217,954	-199,889
Treasury stock	-4,862	-4,862
Controlling interests	**1,963,749**	**2,036,116**
Non-controlling interests	17,192	18,103
Equity	**1,980,941**	**2,054,219**
Deferred taxes	84,227	84,336
Employee-related provisions	156,590	160,575
Other non-current provisions	69,955	71,783
Long-term financial liabilities	507,105	507,530
Other non-current liabilities	4,261	4,343
Non-current provisions and liabilities	**822,138**	**828,567**
Current provisions	45,037	57,916
Payables for current taxes	12,813	11,698
Short-term financial liabilities	443,993	239,890
Trade payables	234,153	276,316
Other current liabilities	203,144	223,036
Current provisions and liabilities	**939,140**	**808,856**
Total equity and liabilities	**3,742,219**	**3,691,642**

Consolidated Statement of Changes in Equity

in TEUR	Issued capital	Share premium/ treasury stock	Hybrid capital	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1.1.2016	**117,527**	**1,081,164**	**490,560**	**546,754**	**-199,889**	**2,036,116**	**18,103**	**2,054,219**
Total comprehensive income				-15,814	-18,065	**-33,879**	-911	**-34,790**
Hybrid coupon				-32,520		**-32,520**		**-32,520**
Change of hybrid capital			-5,968			**-5,968**		**-5,968**
Balance on 31.3.2016	**117,527**	**1,081,164**	**484,592**	**498,420**	**-217,954**	**1,963,749**	**17,192**	**1,980,941**

in TEUR	Issued capital	Share premium/ treasury stock	Hybrid capital	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1.1.2015 restated	**117,527**	**1,081,163**	**490,560**	**516,173**	**-236,194**	**1,969,229**	**17,256**	**1,986,485**
Total comprehensive income				-32,666	77,840	**45,174**	-1,270	**43,904**
Hybrid coupon				-20,916		**-20,916**		**-20,916**
Balance on 31.3.2015 restated	**117,527**	**1,081,163**	**490,560**	**462,591**	**-158,354**	**1,993,487**	**15,986**	**2,009,473**

Consolidated Statement of Cash Flows

in TEUR	1-3/2016	1-3/2015 restated
Profit/loss before tax	-15,803	-31,771
Depreciation and amortization	47,430	51,942
Impairment charges to assets and other valuation effects	5,517	722
Increase/decrease in non-current provisions	-3,220	-1,424
Income from investments in associates and joint ventures	-1,173	1,653
Gain/loss from the disposal of fixed and financial assets	-940	-1,406
Interest result	8,197	10,409
Interest paid	-2,412	-2,726
Interest received	225	604
Income taxes paid	-5,386	-6,211
Gross cash flow	**32,435**	**21,792**
Increase/decrease in inventories	-43,522	-41,748
Increase/decrease in trade receivables	-85,352	-77,711
Increase/decrease in trade payables	-39,828	-39,203
Increase/decrease in other net current assets	-41,026	-12,647
Cash flow from operating activities	**-177,293**	**-149,517**
Proceeds from the sale of assets (including financial assets)	3,960	2,138
Payments made for the purchase of property, plant and equipment and intangible assets	-31,709	-26,831
Payments made for investments in financial assets	0	-13
Dividend payments from associates and joint ventures	4,191	1,394
Increase/decrease in securities and other financial assets	-14,705	-7,174
Net payments made for the acquisition of companies	-7,990	0
Cash flow from investing activities	**-46,253**	**-30,486**
Cash inflows from the increase in short-term financial liabilities	240,421	232,105
Cash outflows from the repayment of short-term financial liabilities	-37,244	-146,113
Cash inflows from the increase in long-term financial liabilities	3,121	210
Cash outflows from the repayment of long-term financial liabilities	-33	-2
Hybrid coupon paid	-32,520	-20,916
Buyback hybrid capital	-5,968	0
Cash flow from financing activities	**167,777**	**65,284**
Change in cash and cash equivalents	**-55,769**	**-114,719**
Effects of exchange rate fluctuations on cash held	-1,448	3,732
Cash and cash equivalents at the beginning of the period	154,878	275,195
Cash and cash equivalents at the end of the period	**97,661**	**164,208**

Operating Segments

1-3/2016 *in TEUR*	Clay Building Materials Eastern Europe	Clay Building Materials Western Europe	Pipes & Pavers Eastern Europe	Pipes & Pavers Western Europe	North America	Holding & Others [1]	Reconciliation [2]	Wienerberger Group
Third party revenues	86,819	255,020	72,133	131,143	63,182	2,193		610,490
Inter-company revenues	1,804	1,421	2,548	2,084	31	2,981	-10,594	275
Total revenues	88,623	256,441	74,681	133,227	63,213	5,174	-10,594	610,765
Operating EBITDA	5,915	23,612	-863	14,800	2,288	-5,660		40,092
Operating EBIT	-5,459	5,497	-6,030	8,709	-3,877	-6,240		-7,400
EBIT	-5,459	5,497	-6,030	8,709	-3,877	-6,240		-7,400
Profit/loss after tax	-7,753	-1,634	-7,071	5,955	-6,361	-495	657	-16,702
Total investments	6,788	12,670	6,873	9,103	3,576	689		39,699
Capital employed	526,449	1,225,354	287,509	354,266	362,477	-4,373		2,751,682
Ø Employees	4,244	5,969	2,275	1,833	1,243	205		15,769
1-3/2015 restated								
Third party revenues	80,543	251,929	83,581	140,755	53,504	1,910		612,222
Inter-company revenues	1,944	1,534	2,804	2,197	2,303	2,881	-13,338	325
Total revenues	82,487	253,463	86,385	142,952	55,807	4,791	-13,338	612,547
Operating EBITDA	1,134	20,791	1,043	13,467	1,060	-3,469		34,026
Operating EBIT	-11,566	-191	-4,205	7,201	-4,992	-4,368		-18,121
EBIT	-11,566	-191	-4,205	7,201	-4,992	-4,368		-18,121
Profit/loss after tax	-13,474	-9,260	-5,023	3,645	-7,260	-3,342	652	-34,062
Total investments	3,880	10,722	4,443	4,507	2,802	490		26,844
Capital employed	551,320	1,255,845	277,539	341,949	401,301	9,561		2,837,515
Ø Employees	4,161	5,977	2,346	1,709	1,273	208		15,674

1) The Holding & Others segment includes the costs for the corporate headquarters and business activities in India.
2) The 'reconciliation' column includes eliminations between Group companies.

Condensed Notes to the Interim Financial Statements

Basis of Preparation

The interim financial report as of March 31, 2016 was prepared in accordance with the principles set forth in the International Financial Reporting Standards, Interim Financial Reporting (IAS 34). The major judgements and estimates used to prepare the consolidated financial statements for 2015 as well as the accounting and valuation methods in effect on December 31, 2015 remain unchanged, with the exception of the IFRS that require mandatory application as of January 1, 2016.

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

Standards/Interpretations		Published by IASB	Mandatory first-time adoption
IAS 19	Employee Benefits: Amendments	November 2013	1.2.2015[1)]
	Annual Improvements to IFRSs 2010 - 2012 Cycle	December 2013	1.2.2015[1)]
IFRS 14	Regulatory Deferral Accounts	January 2014	1.1.2016
IAS 16	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortization	May 2014	1.1.2016[1)]
IAS 38	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortization	May 2014	1.1.2016[1)]
IFRS 11	Joint Arrangements: Accounting for Acquisition of Interests in Joint Operations	May 2014	1.1.2016[1)]
IAS 16	Property, Plant and Equipment: Bearer Plants – Amendments	June 2014	1.1.2016[1)]
IAS 41	Agriculture: Bearer Plants – Amendments	June 2014	1.1.2016[1)]
IAS 27	Separate Financial Statements: Equity Method in Separate Financial Statements – Amendments	August 2014	1.1.2016[1)]
	Annual Improvements to IFRSs 2012 - 2014 Cycle	September 2014	1.1.2016[1)]
IAS 1	Presentation of Financial Statements: Disclosure Initiative	December 2014	1.1.2016[1)]
IFRS 10, IFRS 12 and IAS 28	Consolidation of Investment Entities	December 2014	1.1.2016
IAS 12	Income Taxes: Recognition of Deferred Tax Assets for Unrealized Losses – Amendments	January 2016	1.1.2017
IAS 7	Statement of Cash Flows: Disclosure Initiative	January 2016	1.1.2017
IFRS 9	Financial Instruments	July 2014	1.1.2018
IFRS 9	Financial Instruments: Hedge Accounting – Amendments to IFRS 9, IFRS 7 and IAS 39	November 2013	1.1.2018
IFRS 15	Revenue from Contracts with Customers	May 2014/ September 2015	1.1.2018
IFRS 16	Leases	January 2016	1.1.2019
IFRS 10, IAS 28	Sale of Assets between an Investor and its Associate or Joint Venture – Amendments	September 2014/ December 2015	-

1) Mandatory effective date according to European Union regulation

New and amended standards and interpretations published that were adopted by the EU

The amendments to IAS 19 Employee Benefits clarify the conditions under which employee contributions can be treated as a reduction of service cost. The additional clarification has no effect on Wienerberger's consolidated financial statements.

The IFRS 2010 – 2012 improvement cycle comprises additional clarifications on IFRS 8 Operating Segments: clarification on disclosures relating to the aggregation of operating segments, IAS 16 Property, Plant and Equipment, and IAS 38 Intangible Assets: clarification on the proportionate restatement of accumulated depreciation and amortization according to the revaluation method, and IAS 24 Related Party Disclosures: clarification of the definition of a "related party" with regard to services in the management of the entity. The following standards amend existing requirements: IFRS 2 Share-based Payment:

additional explanation on the definition of "performance conditions" and "service conditions", and IFRS 3 Business Combinations: recognition of contingent consideration at fair value at each reporting date. None of these amendments are of relevance to Wienerberger's consolidated financial statements.

The clarification on IAS 16 and IAS 38 regarding acceptable methods of depreciation and amortization includes the prohibition of revenue-based depreciation of tangible assets and the refutable assumption that such method of amortization is appropriate for intangible assets. Given the fact that Wienerberger applies a straight-line depreciation/amortization method or a method based on the specific usage of the asset, this clarification is not relevant.

The clarifications on IFRS 11 Joint Arrangements, entitled Accounting for Acquisition of Interests in Joint Operations, state that all principles governing the accounting treatment of business combinations according to IFRS 3 apply to the acquisition of joint operations representing a business according to IFRS 3, as long as they are not in conflict with the guidelines of IFRS 11. These amendments have no effect on the consolidated financial statements of the Wienerberger Group.

Amendments to IAS 16 and IAS 41 on Bearer Plants are of no relevance for the Wienerberger Group.

The amendments to IAS 27 regarding the equity method in separate financial statements are of no relevance for the Wienerberger Group.

The IFRS 2012 – 2014 improvement cycle contains clarifications on IFRS 5 regarding the classification of assets held for sale and additional guidelines on disclosures relating to the netting of financial assets and financial liabilities in accordance with IFRS 7 in conjunction with IAS 34. IAS 19 clarifies that the discount rate used is to be derived from first-rate corporate or government bonds denominated in the currency in which the payments are to be made. IAS 34 Interim Financial Reporting clarifies that the disclosures required by IAS 34 can be made anywhere in the interim report. These clarifications have no material effects on Wienerberger's consolidated financial statements.

The amendments within the framework of the Disclosure Initiative regarding disclosures according to IAS 1 Presentation of Financial Statements are aimed at addressing the issue of materiality in respect of the extent and the degree of detail of the disclosures required. This amendment has no material effect on Wienerberger's consolidated financial statements.

New and amended standards and interpretations published, but not yet adopted by the EU

IFRS 14 Regulatory Deferral Accounts governing the accounting treatment of price-regulated business transactions only applies to first-time adopters of IFRS and is not yet adopted by the European Union for the time being; therefore, the standard has no effect on the consolidated financial statements of the Wienerberger Group.

The amendments to IFRS 10, IFRS 12 and IAS 28 under the title of Investment Entities clarify certain issues relating to the consolidation of investment entities. The amendments clarify that the consolidation exception applies also when the investment entity itself is a subsidiary. Moreover, the method of measurement of participations in investment entities depends on whether the parent itself is an investment entity or not. The amendments, which entered into force on January 1, 2016, subject to adoption by the European Union, are of no relevance for the Wienerberger Group.

The amendments to IAS 12 clarify the accounting treatment of deferred tax assets for unrealized losses on debt instruments. Write-downs to the lower market value of debt instruments measured at fair value, resulting from a change in the prevailing market interest rate, result in deductible temporary differences. Wienerberger is currently investigating the impact of these amendments on its consolidated financial statements.

The amendments to IAS 7 Statements of Cash Flows are intended to improve the disclosures regarding the company's level of debt. Additional information is to be provided on changes in the company's financial liabilities, cash receipts and cash payments from financing activities, as well as the related financial assets. These disclosures can be presented in the form of reconciliation and should comprise changes in cash positions, changes from the acquisition or sale of companies, changes resulting from foreign currency translation, changes in fair values, and other changes.

In November 2009, the project of replacing IAS 39 Financial Instruments by IFRS 9 Financial Instruments resulted in a first publication dealing with the recognition and measurement of financial instruments. Further IFRS 9 rules followed in 2010 and 2013, and the final version was published in July 2014. A major change concerns the classification of financial instruments in the categories of financial instruments measured at amortized cost and financial instruments recognized at fair value. In the future, certain equity instruments are permitted to be classified at fair value in the other comprehensive income under certain circumstances. Moreover, the rules on hedge accounting were revised. Proof of effectiveness is no longer subject to the range of 80% to 125% specified by the standard setter, but can be reasoned by the entity in qualitative terms. Subject to adoption by the European Union, the new IFRS is to be applied for the first time for financial years beginning on or after January 1, 2018. Wienerberger is currently investigating the effects on its consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers was published in May 2014 and will replace IAS 18 Revenue, IAS 11 Construction Contracts, IFRIC 13 Customer Loyalty Programs, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers, and SIC 31 Revenue – Barter Transactions Involving Advertising Services. The standard defines the timing and the amount of revenue realized, regardless of the type of contract and service. The standard provides for a five-step framework for the determination of revenue, according to which the contract and the performance obligations of the contract are to be identified first. After the determination of the transaction price and its allocation to the individual performance obligations, the time of performance to realize the revenue must be identified. The new standard, subject to adoption by the European Union, is mandatory for financial years starting after January 1, 2018. Wienerberger is currently investigating the effects on its consolidated financial statements.

IFRS 16 Leases was published in January 2016 and will replace IAS 17 Leases, IFRIC 4 Determining whether an Arrangement Contains a Lease, SIC 15 Operating Leases – Incentives, and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The new standard is to ensure that all leasing transactions and the related contractual rights and obligations are recognized on the balance sheet of the lessee. Thus, the classification of leases as either operating leases or finance leases will be eliminated. The lessee will recognize the liability arising under the lease and, at the same time, capitalize the right to use the underlying asset, which corresponds to the present value of the future lease payments plus directly allocated costs. For the lessor, the rules are similar to those of IAS 17. Wienerberger is currently investigating the impact on the consolidated financial statements, assuming that the new accounting rule will result in an extension of the balance sheet.

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates, entitled Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, provide for the effect on the result to depend on whether or not a business operation is transferred. In the event of loss of control of a business operation, the result is to be recognized in its entirety. The date of first adoption has been deferred indefinitely by the IASB.

For additional information on major judgements and estimates as well as accounting and valuation principles, see the financial statements as of December 31, 2015, which form the basis for these interim financial statements.

The business activities of the Wienerberger Group are managed on a regional basis; at the same time, their 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 encompasses our activities in the production of plastic pipes, ceramic pipes and concrete pavers, and includes the Pipes & Pavers Eastern Europe and Pipes & Pavers Western Europe segments. All activities in North America are grouped in the North America segment. The Holding & Others segment consists primarily of Wienerberger's brick business in India and activities at the corporate headquarters.

Changes in the methods of consolidation and correction of errors

In 2015, Wienerberger AG was audited, for no particular reason, by the Austrian Enforcement Authority for IFRS Accounting (OePR) pursuant to § 2 (1) it.2 of the Act on the Establishment of an IFRS Enforcement Process (*Rechnungslegungs-Kontrollgesetz*). The audit covered the interim financial statements as at 30.6.2014 and 30.6.2015 as well as the consolidated financial statements as at 31.12.2014. As a result of the audit, an error was identified, which was accepted by Wienerberger AG.

Completion of the audit was communicated by administrative notice dated April 12, 2016 issued by the Austrian Financial Market Authority. The errors to be corrected, the reasoning underlying the identification of the errors, and the impacts on the first-quarter financial statements as at 31.3.2015 are explained in the following:

Wienerberger regards individual plants as cash-generating units (CGUs), which are aggregated into groups of CGUs for the purpose of allocation of goodwill. Up to 31.12.2013, each country constituted a group of CGUs per product group according to IAS 36.80. In the business year 2014, Wienerberger AG reduced the number of groups of cash-generating units, on the basis of which goodwill and intangible assets with an indefinite useful life were tested for impairment, from 59 to 15. According to IAS 36.12 (f), the fact that groups of CGUs are aggregated is taken as an indication of an impairment, which requires the performance of an impairment test of the individual groups of CGUs prior to their aggregation. No such impairment test was performed when Wienerberger reduced the groups of CGUs. Therefore, the procedure followed by Wienerberger AG was in violation of IAS 36.80 in conjunction with IAS 36.72. On the basis of the CGU structure in place in the business year 2013, an additional impairment of goodwill in a total amount of TEUR 55,772 had to be booked, which was recognized as a correction of the error identified. Of this total, TEUR 30,987 was accounted for by goodwill in Germany and TEUR 17,612 by goodwill in France in the Bricks and Roof Western Europe West CGU in the Clay Building Materials Western Europe segment. An additional goodwill impairment of TEUR 7,173 was identified in the USA in the Bricks North America CGU. Subsequently, this correction of goodwill led to an adjustment of the currency translation differences in the first quarter of 2015 by TEUR 1,008. Moreover, in the Pipes Pipelife West CGU an impairment of TEUR 1,932 of the Pipelife brand in France was recognized in the Pipes & Pavers Western Europe segment.

On account of the additional impairments in the business year 2014, as described above, the capital employed of the Clay Building Materials Western Europe, Pipes & Pavers Western Europe, and North America segments was restated as at 31.3.2015.

In accordance with IAS 12.35, an entity with a history of recent losses can recognize a deferred tax asset only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available for the utilization of the entity's unused tax losses. Wienerberger was unable to produce such evidence for Pipelife France. To correct the error identified, deferred tax assets in the amount of TEUR 1,973 were retroactively not recognized as at 31.12.2014.

Moreover, IAS 12.74 was fully applied by retroactively offsetting deferred tax assets and deferred tax liabilities in the amount of TEUR 22,030 as a result of the audit.

In accordance with IAS 7.33, dividend payments from associates and joint ventures are to be classified as cash flows from operating activities or cash flows from investing activities. Wienerberger therefore reclassified dividends received from associates and joint ventures, which had erroneously been recognized as cash flows from financing activities, as cash flows from investing activities and restated the prior period accordingly.

Moreover, the changes in long-term and short-term financial liabilities, erroneously reported on a net basis as cash flows from financing activities, were broken down into their major classes of gross cash inflows and gross cash outflows in accordance with IAS 7.21. The comparable period of the prior year was restated accordingly.

According to IAS 7.28, unrealized gains and losses from changes in foreign currency exchange rates are not to be recognized as cash flows. Accordingly, changes in non-cash positions resulting from foreign currency translation shown in the Consolidated Statement of Cash Flows were allocated to changes in trade receivables and trade payables, changes in inventories and net current assets, and changes in non-current provisions. The prior period was restated accordingly.

Overall, the cash flow from financing activities reported as at 31.3.2015 was TEUR 1,394 too high and the cash flow from investing activities too low by the same amount.

As at 30.6.2014, valuation-related changes in securities and other financial assets in the amount of TEUR 2,922 were reported as transactions of a cash nature in the cash flow from investing activities, which is in violation of IAS 7.18, according to which transactions of a non-cash nature have to be eliminated.

Besides the corrections of errors required as a consequence of the audit, non-cash changes of deferred taxes were eliminated from the gross cash flow. The figures for the prior period were restated accordingly, which resulted in a reduction of gross cash flow by TEUR 10,938 as at 31.3.2015, whereas cash flow from operating activities remained unchanged.

Consolidated Companies

The consolidated financial statements include all major Austrian and foreign companies in which Wienerberger AG directly or indirectly holds the majority of shares. In accordance with IFRS 11, Schlagmann Poroton GmbH & Co KG and Silike keramika, spol. s.r.o. are classified as joint ventures, because they are managed jointly with an equal partner. Consequently, these two companies are accounted for at equity (50%).

Wienerberger acquired a clay block plant in Poland at the beginning of January 2016 and a 51% stake in Talokaivo Oy, the Finnish producer of plastic pipes, at the beginning of February. Less cash and cash equivalents taken over, the net amount paid for the two transactions was TEUR 7,990. For the remaining fully consolidated shares of 49% of Talokaivo Oy, Wienerberger has a call option in the amount of TEUR 4,851 that can be exercised between October 1, 2016 and November 30, 2016; the seller has a put option that can be exercised between December 1, 2016 and January 31, 2017. The discounted put option is shown under financial liabilities.

Transaction costs for the two transactions, recognized under general administrative expenses, amounted to a total of TEUR 222.

Moreover, Wienerberger Management Service Szolgáltató és Tanácsadó Kft. (in liquidation) was wound up in the first quarter of 2016.

Seasonality

Due to the impact of weather conditions on construction activity, the sales volumes reported by Wienerberger for the first and last months of the year are lower than at mid-year. These seasonal fluctuations are reflected in the figures reported for the first and fourth quarters of the year, which generally are lower than those reported for the second and third quarters.

Wienerberger Hybrid Capital

The hybrid capital is reported as a component of equity, while the coupon payment is shown as part of the use of earnings in the Statement of Changes in Equity. The issue costs and the discount were deducted from retained earnings. Wienerberger AG paid a coupon of TEUR 32,500 on February 9, 2016. Moreover, a portion of the 2007 hybrid capital in a nominal value of TEUR 6,000 was bought back at an average price of 99.5% and the accrued coupon of TEUR 20 was paid out. The remaining nominal value of the hybrid capital amounts to TEUR 494,000. The proportionate share of the accrued coupon for the first three months of 2016 equaled TEUR 8,046; this amount was taken into account in the calculation of earnings per share and led to a reduction of this ratio by EUR 0.07.

Notes to the Consolidated Income Statement

Group revenues amounted to TEUR 610,765 for the first three months of 2016 (2015: TEUR 612,547), more or less unchanged from the comparable period of the previous year. Operating EBITDA amounted to TEUR 40,092, which is TEUR 6,066 higher than the comparable prior year value of TEUR 34,026. Operating EBIT amounted to TEUR -7,400 for the reporting period, compared with TEUR -18,121 in 2015.

As at March 31, 2016, Wienerberger held 570,289 treasury shares, which were deducted for the calculation of earnings per share. The weighted number of shares outstanding from January 1, 2016 to March 31, 2016 was 116,956,475. The number of shares issued remained unchanged at 117,526,764 as at March 31, 2016.

Notes to the Consolidated Statement of Comprehensive Income

Negative foreign exchange differences of TEUR -30,479 (2015: positive differences of TEUR 99,848) resulted, above all, from the US dollar and the British pound. The hedging reserve increased equity by TEUR 12,266 (2015: reduction of TEUR 20,817) after tax. Positive changes in the fair value of available-for-sale financial instruments totaled TEUR 125 (2015: negative changes of TEUR 1,065). Profit after tax reported for the first three months of 2016 decreased equity by TEUR -16,702 (2015: decrease of TEUR 34,062). Total comprehensive income after tax decreased equity by TEUR -34,790 for the reporting period (2015: increase of TEUR 43,904).

Notes to the Consolidated Statement of Cash Flows

Cash flow from operating activities of TEUR -177,293 was TEUR 27,776 lower than in the prior period (2015: TEUR -149,517). Cash outflows of TEUR 39,699 (2015: TEUR 26,844) for investments in non-current assets (incl. financial assets) and acquisitions included TEUR 27,207 (2015: TEUR 25,289) of normal capex for maintenance and investments in technical upgrades as well as TEUR 12,492 (2015: TEUR 1,555) of growth capex for acquisitions and plant expansion. Proceeds from the disposal of non-current assets totaled TEUR 3,960 (2015: TEUR 2,138) and were generated primarily by the sale of investment property.

Notes to the Consolidated Balance Sheet

Normal and growth capex for the first three months of 2016 increased non-current assets by TEUR 31,709 (2015: TEUR 26,831). Net debt rose by TEUR 252,031 over the level of December 31, 2015 to TEUR 786,147 due to the seasonal increase in working capital. Commitments for the purchase of property, plant and equipment totaled TEUR 17,163 as at the balance sheet date.

Disclosures on Financial Instruments

The following table shows the financial assets and liabilities carried at fair value or at amortized cost by Wienerberger and their classification under the three hierarchy levels defined by IFRS 13. No items were reclassified between hierarchy levels during the reporting period.

in TEUR	Accounting method [1]	Level 1	Level 2	Level 3	Carrying amount as at 31.3.2016
Assets					
Shares in funds	FV	6,798			6,798
Corporate bonds	FV	9,352			9,352
Stock	FV	12			12
Other	FV		42	1,243	1,285
Available-for-sale financial instruments		**16,162**	**42**	**1,243**	**17,447**
Other non-current receivables	**AC**		**4,879**		**4,879**
Derivatives from cash flow hedges	FV		2,736		2,736
Derivatives from net investment hedges	FV		10,527		10,527
Other derivatives	FV		5,185		5,185
Derivatives with positive market value			**18,448**		**18,448**
Liabilities					
Derivatives from cash flow hedges	FV		431		431
Derivatives from net investment hedges	FV		2,897		2,897
Other derivatives	FV		7,528		7,528
Derivatives with negative market value			**10,856**		**10,856**
Long-term loans	AC		114,022		109,689
Roll-over	AC		248,005		249,194
Short-term loans	AC		112,614		113,111
Financial liabilities owed to financial institutions			**474,641**		**471,994**
Bonds - long-term	AC	427,681			397,267
Bonds - short-term	AC	15,336			15,336
Long-term loans	AC		139		139
Commercial Paper - short-term	AC		49,139		49,429
Short-term loans	AC		916		927
Finance leases	AC		46		46
Financial liabilities owed to subsidiaries	AC		291		291
Financial liabilities owed to non-banks		**443,017**	**50,531**		**463,435**
Other current liabilities	**AC**		**4,813**		**4,813**

1) FV (Fair Value): financial assets and financial liabilities carried at fair value
AC (Amortized Cost): financial assets and financial liabilities carried at amortized cost

in TEUR	Accounting method [1)]	Level 1	Level 2	Level 3	Carrying amount as at 31.12.2015
Assets					
Shares in funds	FV	6,611			6,611
Corporate bonds	FV	9,449			9,449
Stock	FV	12			12
Other	FV		43	1,244	1,287
Available-for-sale financial instruments		**16,072**	**43**	**1,244**	**17,359**
Other non-current receivables	**AC**		**4,712**		**4,712**
Derivatives from cash flow hedges	FV		1,263		1,263
Derivatives from net investment hedges	FV		6,021		6,021
Other derivatives	FV		5,306		5,306
Derivatives with positive market value			**12,590**		**12,590**
Liabilities					
Derivatives from cash flow hedges	FV		594		594
Derivatives from net investment hedges	FV		13,467		13,467
Other derivatives	FV		5,545		5,545
Derivatives with negative market value			**19,606**		**19,606**
Long-term loans	AC		113,979		110,278
Roll-over	AC		89,767		90,685
Short-term loans	AC		115,841		116,254
Financial liabilities owed to financial institutions			**319,587**		**317,217**
Bonds - long-term	AC	419,614			397,089
Bonds - short-term	AC	11,063			11,063
Long-term loans	AC		162		164
Commercial Paper - short-term	AC		987		1,000
Short-term loans	AC		1,018		999
Financial liabilities owed to subsidiaries	AC		282		282
Financial liabilities owed to non-banks		**430,677**	**2,449**		**410,597**

1) FV (Fair Value): financial assets and financial liabilities carried at fair value
AC (Amortized Cost): financial assets and financial liabilities carried at amortized cost

The fair value of shares in funds, corporate bonds, stocks and the bonds issued by Wienerberger was determined on the basis of market prices (Level 1). Other securities recognized at fair value as available-for-sale financial instruments are classified mainly in level 3 of the valuation hierarchy. They serve as reinsurance for pension obligations and netting against the provision is not permitted. Derivatives were valued with net present value methods based on input factors observable in the market, e.g. yield curves and foreign exchange parities (Level 2). The fair value of other non-current receivables and non-quoted financial liabilities carried at amortized cost was also determined with net present value methods based on current yield curves (Level 2). Fair value adjustments to the financial liabilities reported in the above table are made by modifying the counterparty risk.

Risk Report

Wienerberger focuses on the early identification and active management of risks in its operating environment within the context of the principles defined by the Managing Board. The major risks identified by the Group during the first three months of 2016 were the slow recovery of the construction industry in individual markets and the resulting pressure on prices as well as competition from substitution products like concrete, steel, wood, limestone, glass or aluminum. Management sees further relevant risks in higher input costs and volatile raw material prices for plastics. Wienerberger regularly monitors the risks in its operating environment as part of its corporate risk management program and takes appropriate actions to counter these risks. The development of the construction industry and major indicators of the demand for building materials are watched closely to permit the timely adjustment of capacity in the plant network to reflect changing market conditions. The price levels on local markets are also monitored regularly, and pricing strategies are adjusted, if necessary. Wienerberger counters the risk of rising input costs by establishing fixed procurement prices at an early point in time and by concluding long-term supply contracts. The risks associated with rising energy costs are reduced through the Group's hedging strategy. The risks expected by Wienerberger during the remaining nine months of this year are linked to higher input costs, uncertainty over further developments in the construction industry and continued pressure on prices in individual markets.

The plastic pipe business is substantially influenced by the development of raw material prices. Synthetic polymers comprise a major part of the production costs for plastic pipes. The volatility of raw material prices has increased considerably in recent years. Strong fluctuations within individual month require flexible pricing to limit the effects of these price changes and/or pass them on to the market. Fast 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. Possible shortages on the raw materials market are countered by extensive measures in procurement, production and sales as well as price management.

Wienerberger is exposed to legal risks in connection with increasingly strict environmental, health and safety regulations, which could result in the Group being liable for penalties or claims to compensation for damages in the event of non-compliance.

Related Party Transactions

The following companies and persons are considered to be related parties: 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.

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 from Wienerberger's 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 total assets of the ANC Private Foundation amounted to TEUR 27,215 as at March 31, 2016 (31.12.2015: TEUR 26,782) and consists primarily of land and buildings totaling TEUR 12,039 (31.12.2015: TEUR 12,035) and securities and liquid funds of TEUR 13,726 (31.12.2015: TEUR 13,645). As at March 31, 2016, the foundation had no financial liabilities.

Wienerberger AG and its subsidiaries finance associated companies, joint ventures and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding receivables due from associated companies and joint ventures amounted to TEUR 14,013 as at March 31, 2016 (31.12.2015: TEUR 11,124), while the comparable amount for non-consolidated subsidiaries was TEUR 7,621 (31.12.2015: TEUR 7,536). Revenues of TEUR 195 were recognized with joint ventures in the first three months of 2016 (2015: TEUR 325).

Significant Events after the Balance Sheet Date

A clay block plant in Romania was taken over on April 26, 2016.

Waiver of Audit Review

This interim report by Wienerberger AG was neither audited nor reviewed by a certified public accountant.

Statement by the Managing Board

We confirm to the best of our knowledge that these interim financial statements (interim financial report according to IFRS) present 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 presents a true and fair view of the important events that occurred during the first three months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining nine months of the financial year and of the major related party transactions to be disclosed.

The Managing Board of Wienerberger AG
Vienna, May 4, 2016

Heimo Scheuch	Willy Van Riet
Chief Executive Officer	Chief Financial Officer

Financial Calendar

January 25, 2016	*Start of the quiet period*
February 24, 2016	Results of 2015: Press and Analysts Conference in Vienna
March 25, 2016	Publication of the 2015 Annual Report on the Wienerberger website
April 18, 2016	*Start of the quiet period*
May 4, 2016	Results for the First Quarter of 2016
May 12, 2016	147th Annual General Meeting in the Austria Center Vienna
May 17, 2016	Deduction of dividends for 2015 (ex-day)
May 18, 2016	Record date
May 19, 2016	Payment day for 2015 dividends
June 2016	Publication of the Sustainability Update 2015
August 1, 2016	*Start of the quiet period*
August 17, 2016	Results for the First Half-Year of 2016: Press and Analysts Conference in Vienna
September 15, 2016	Capital Markets Day 2016
October 24, 2016	*Start of the quiet period*
November 9, 2016	Results for the First Three Quarters of 2016

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

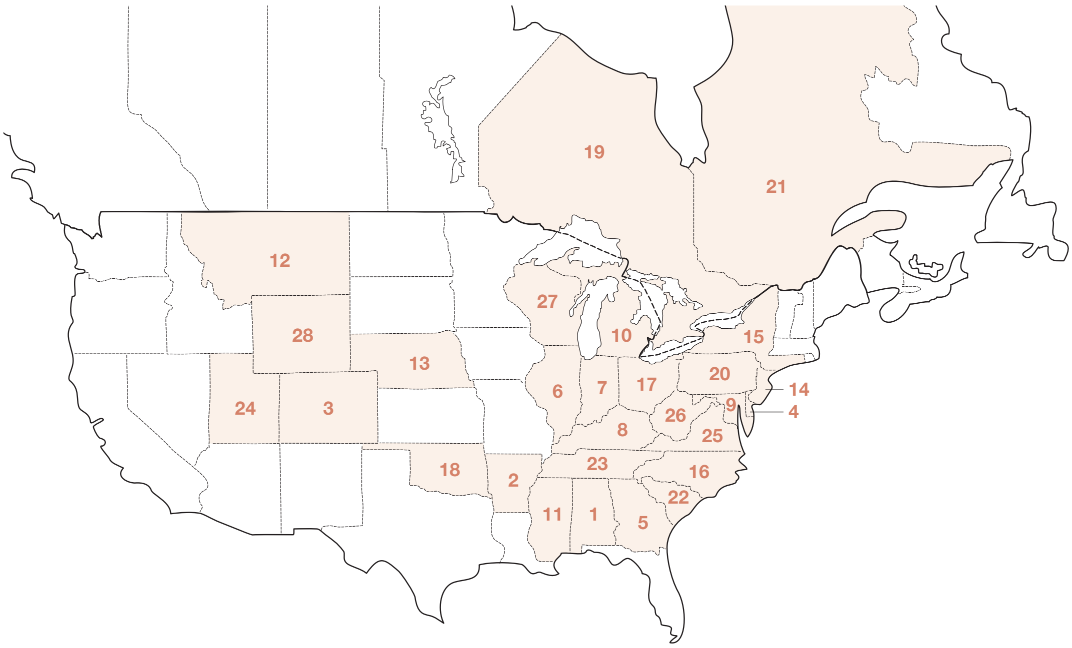
Wienerberger Online Annual Report 2015:

http://annualreport.wienerberger.com

Production Sites and Market Positions

Wienerberger is the only multinational producer of bricks, roof tiles, concrete pavers and pipe systems with a total of 202 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



Market positions

1 *Facing Bricks*

Number of sites

1 *Facing Bricks*

1 *Concrete Products*

1 *Distribution Outlets*

1 *Plastic Pipes*

1 *Calcium silicate*

1	*Alabama*	4			1			15	*New York**	3					
2	*Arkansas**	5				1		16	*North Carolina*	1	2	1	4		
3	*Colorado*	1	1	1	2			17	*Ohio**	2					
4	*Delaware**	5						18	*Oklahoma**	6					
5	*Georgia*	1	2					19	*Ontario*						1
6	*Illinois*	3			2			20	*Pennsylvania**	3					
7	*Indiana*	1	1		2			21	*Quebec*						1
8	*Kentucky*	1			2			22	*South Carolina*	4			1		
9	*Maryland**	2						23	*Tennessee*	1	1	1	6		
10	*Michigan*	2			2			24	*Utah**	2					
11	*Mississippi**	6						25	*Virginia*	1	2		1		
12	*Montana*	1			1			26	*West Virginia**	1					
13	*Nebraska**	6						27	*Wisconsin**	5					
14	*New Jersey**	3						28	*Wyoming*	1		1	1		

** Markets are served through exports from neighboring states.*

Status March 2016

Wienerberger in India

Number of sites
1 Clay Blocks

Wienerberger Markets in Europe

Markets with production sites

Export markets

Market positions
1 *Clay Blocks and/or Facing Bricks*
1 *Clay Roof Tiles*

Number of sites
1 *Clay Blocks*
1 *Facing Bricks*
1 *Roofing Systems*
1 *Pavers*
1 *Plastic Pipes*
1 *Ceramic Pipes*

1	*Belgium*	1	1	3	6	2		1	1
2	*Bulgaria*	1	2	1			1	1	
3	*Denmark**				2				
4	*Germany*	1	4	14	3	4	1	1	2
5	*Estonia*	1			1			1	
6	*Finland**				1			4	
7	*France*	2	4	5	1	3		1	
8	*Greece*							1	
9	*Great Britain*	2	1		9	4			
10	*Ireland*							1	
11	*Italy*	1		4					
12	*Croatia*	1	1	1		2	1		
13	*Macedonia*		1			1			
14	*Netherlands*	1	1	1	7	3	5	2	
15	*Norway**							2	
16	*Austria*	1	1	7	1	2	3	1	
17	*Poland*	1	2	8	1	1	5	2	
18	*Romania*	1	1	3			2		
19	*Russia*	1		2				1	
20	*Sweden**				2			2	
21	*Switzerland*	3	1	2		2			
22	*Serbia*		1			1			
23	*Slovakia*	1	1	2		1	1		
24	*Slovenia*	1	1	1		1			
25	*Czech Republic*	1	1	8		4	1	2	
26	*Turkey*							1	
27	*Hungary*	1	1	6		2	2	1	

* *In the clay business the Nordic markets (Denmark, Finland, Norway and Sweden), in which we hold a Nr. 2 market position, are managed by a regional management.*

Status March 2016

Success Story: High voltage underground

Henrik Bolinder, project manager at Otera Ratel AB

Power outages caused by gales? Not if the cables are installed underground. Vattenfall, one of the biggest utility companies in Sweden, wants its power lines to be well protected and therefore embedded in the soil. For the Järfälla pilot project near Stockholm, they have chosen to use a "next generation" cable protection system from Wienerberger's subsidiary Pipelife. This increases the security of supply and frees up land for construction that previously had to be kept clear for power poles.

The main component of this cable protection installation is the "Optimal SRS" pipe. It is extremely robust and can even be installed in icy climate. It helps to save time and costs, since installation and maintenance are much simpler compared to conventional systems. Altogether, more than 80 kilometers of pipes with a total weight of 355 tons will be installed underground – and not a trace will be visible above ground by the end of May 2016.

More Success Stories in the Annual Report 2015 and on annualreport.wienerberger.com

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