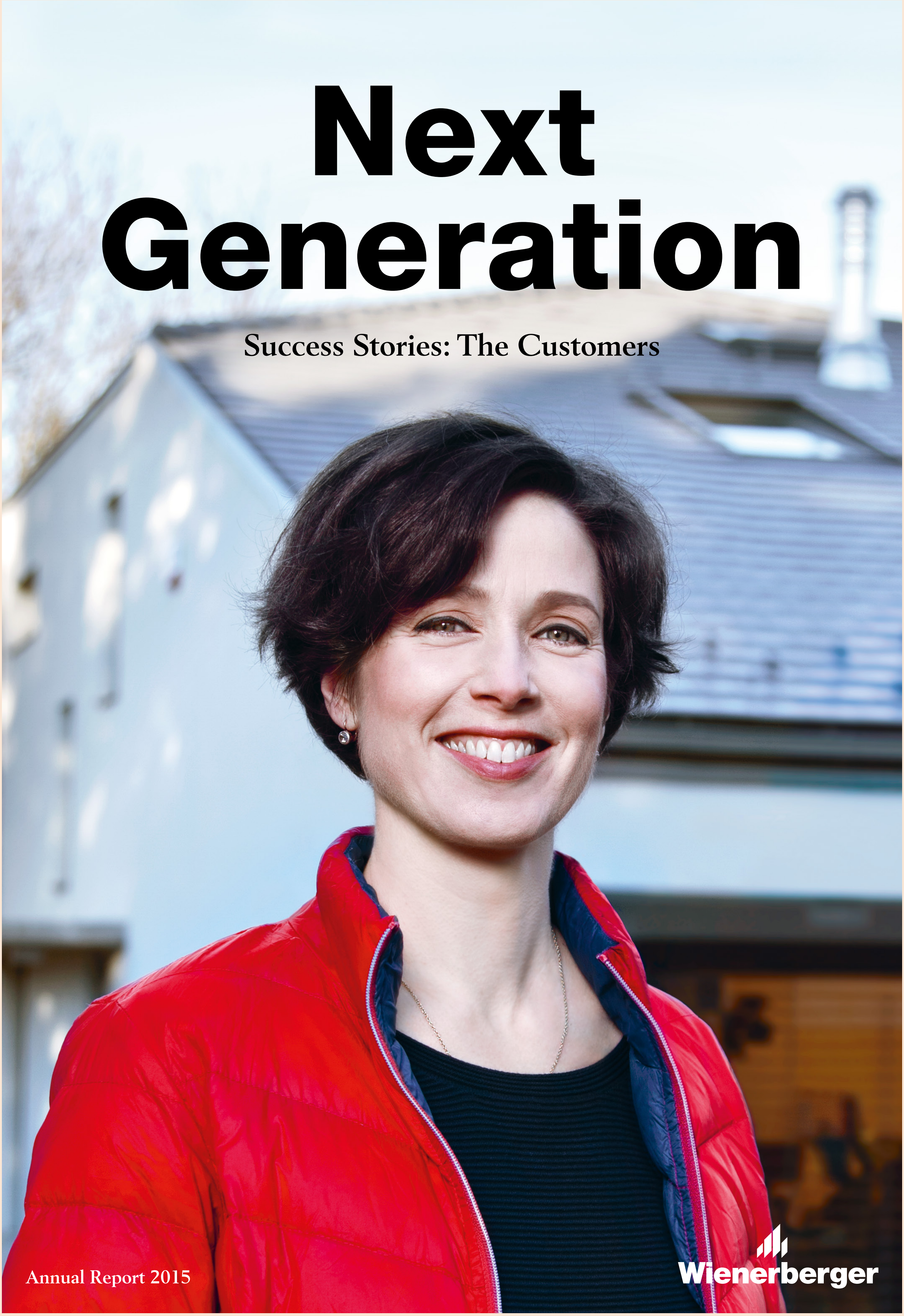
Next Generation

Success Stories: The Customers



Annual Report 2015

Wienerberger

Essentials 2015

Record revenues of € 3.0 billion

Increase of operating EBITDA for the fifth consecutive year

Result after tax back in the profit zone

Dividend for 2015 up by 33%

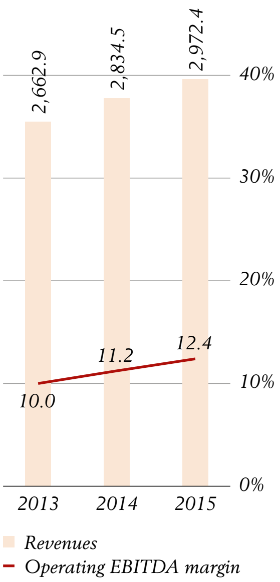
Strong stock performance: +49%

Proactive measures to enhance efficiency

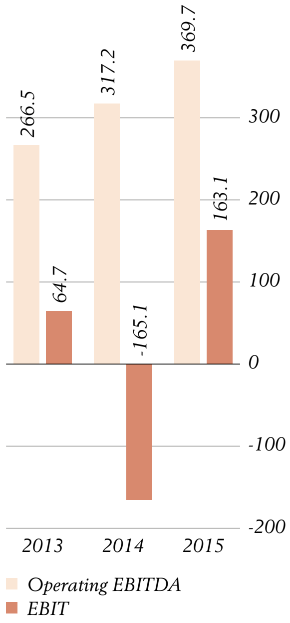
Progressive integration of Eastern European roof tile activities

37.5% share of women on the Supervisory Board

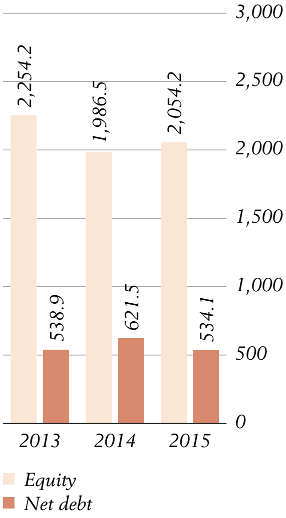
Revenues and Operating EBITDA Margin
in € mill. and %



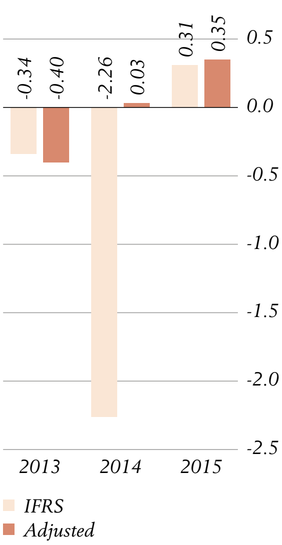
Operating EBITDA and EBIT
in € mill.



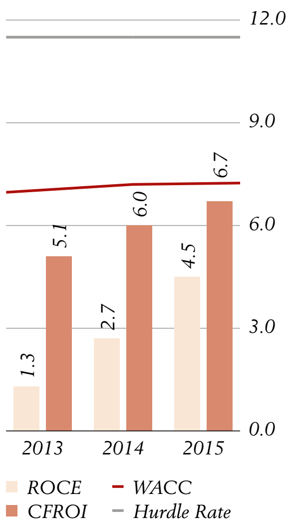
Equity and Net Debt
in € mill.



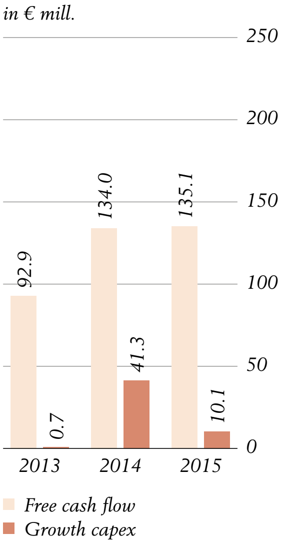
Earnings per Share
in €



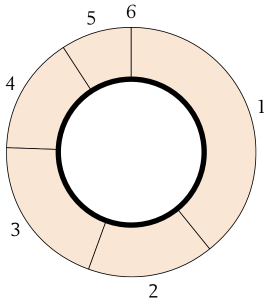
ROCE and CFROI
in %



Free Cash Flow and Growth Capex
in € mill.

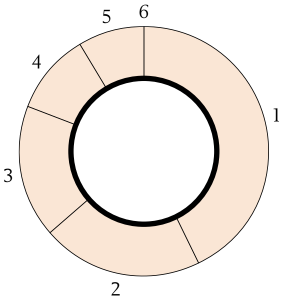


Revenues by Segment



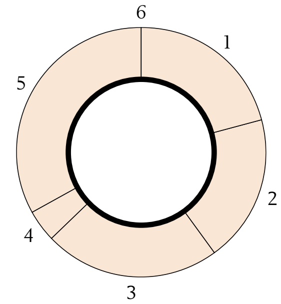
1 Clay Building Materials Western Europe 39%
2 Clay Building Materials Eastern Europe 16%
3 Pipes & Pavers Western Europe 20%
4 Pipes & Pavers Eastern Europe 15%
5 North America 9%
6 Holding & Others 0%

Operating EBITDA by Segment



1 Clay Building Materials Western Europe 45%
2 Clay Building Materials Eastern Europe 22%
3 Pipes & Pavers Western Europe 18%
4 Pipes & Pavers Eastern Europe 11%
5 North America 9%
6 Holding & Others -5%

Revenues by Product



1 Wall 21%
2 Roof 19%
3 Facade 23%
4 Surface 4%
5 Pipes 33%
6 Holding & Others 0%

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

Earnings Data		2013	2014 restated 1)	2015	Chg. in %
Revenues	in € mill.	2,662.9	2,834.5	2,972.4	+5
Operating EBITDA	in € mill.	266.5	317.2	369.7	+17
Operating EBIT	in € mill.	55.3	100.2	167.6	+67
Impairment / Reversal of impairment charges to assets	in € mill.	0.0	-102.6	-4.5	+96
Impairment charges to goodwill	in € mill.	0.0	-162.7	0.0	-100
Release of a provision for an impending antitrust penalty	in € mill.	9.4	0.0	0.0	0
EBIT	in € mill.	64.7	-165.1	163.1	>100
Profit before tax	in € mill.	-3.1	-215.3	107.0	>100
Profit after tax	in € mill.	-7.8	-229.7	69.8	>100
Free cash flow 2)	in € mill.	92.9	134.0	135.1	+1
Normal capex	in € mill.	106.0	121.8	137.7	+13
Growth capex	in € mill.	0.7	41.3	10.1	-75
ROCE 3)	in %	1.3	2.7	4.5	-
CFROI 3)	in %	5.1	6.0	6.7	-
Ø Employees		13,787	14,836	15,813	+7

Balance Sheet Data		2013	2014 restated 1)	2015	Chg. in %
Equity 4)	in € mill.	2,254.2	1,986.5	2,054.2	+3
Net debt	in € mill.	538.9	621.5	534.1	-14
Capital employed	in € mill.	2,767.6	2,591.9	2,569.9	-1
Balance sheet total	in € mill.	4,211.4	3,831.0	3,691.6	-4
Gearing	in %	23.9	31.3	26.0	-

Stock Exchange Data		2013	2014 restated 1)	2015	Chg. in %
Earnings per share	in €	-0.34	-2.26	0.31	>100
Adjusted earnings per share	in €	-0.40	0.03	0.35	>100
Dividend per share	in €	0.12	0.15	0.20	+33
Share price at year-end	in €	11.53	11.45	17.09	+49
Shares outstanding (weighted) 5)	in 1,000	115,063	116,017	116,956	+1
Market capitalization at year-end	in € mill.	1,354.5	1,345.1	2,008.5	+49

Divisions 2015 *in € mill. and % 6)*	Clay Building Materials Europe		Pipes & Pavers Europe		North America		Holding & Others		Reconciliation	
Third party revenues	1,643.0	(+6%)	1,043.6	(0%)	277.5	(+17%)	7.6	(+40%)		
Inter-company revenues	1.5	(-11%)	1.2	(+28%)	3.7	(+10%)	13.2	(+20%)	-18.8	(-18%)
Revenues	1,644.4	(+6%)	1,044.7	(0%)	281.2	(+17%)	20.8	(+27%)	-18.8	(-18%)
Operating EBITDA	249.3	(+12%)	107.9	(+8%)	32.2	(>100%)	-19.7	(-16%)		
Operating EBIT	121.5	(+44%)	61.4	(+29%)	7.7	(>100%)	-23.1	(-11%)		
CFROI in % 3)	6.4	-	14.1	-	4.0	-	-30.0	-		
Total investments	84.9	(-23%)	48.3	(+36%)	12.2	(-14%)	2.4	(-34%)		
Capital employed 1)	1,667.7	(-3%)	543.7	(+2%)	364.8	(+6%)	-6.3	(<-100%)		
Ø Employees	10,219	(+10%)	4,125	(0%)	1,272	(+2%)	197	(-2%)		

1) The figures for the year 2014 were restated in accordance with IAS 8
2) Cash flow from operating activities less cash flow from investing activities plus growth capex
3) 2014 calculated on a pro-forma 12-month basis
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

All abbreviations and special terms are explained in the glossary on page 211.

Next Generation

Success Stories: The Customers

We count on a special kind of success – the success of our customers. If they use our products to realize their ideas, if they trust our solutions for their problems, and if they rely on our employees to make the seemingly impossible possible – the outcome will be unique and ground-breaking projects.

Success Story #1
Office building “2226” in Lustenau

A breathing office building

A view of the inside of office building "2226"
© Wienerberger AG, photographer: Eduard Hueber

Driving on Lustenauer street, along the Rhine Valley toward the Swiss border, you will notice an unusual building on your right: the office of Architects be baumschlager eberle. A compact white cube that catches the eye. And it is not only its architecture that stands out. The office building is also a model of "next generation" design in terms of energy efficiency. The innovative building combines bricks as a building material with a sustainable climate concept.

The building as an organism

Right from the design phase, principal Dietmar Eberle's approach was an unusual one. "I wanted a building with as little technology as possible", emphasizes Dietmar Eberle. "For me, the most important resource is the human being; next comes the quality of ambient air, plus light, windows and space." The result proves him right. The office building, which was completed in 2013, does not need any conventional heating, cooling or ventilation. Instead, the existing sources of energy are utilized in the best possible way.

In winter, there is a high energy input from the heat generated by people, lighting, office machines and computers. The sensor-controlled ventilation wings only open when the CO_2 concentration in the room increases. In hot summer weather, the wings open over night for natural cooling. The average temperature inside the building is between 22 and 26°C all year round – and it is this that gave the project its name: "2226". The rooms are between 3.40 and 4.50 m high, which is another feature of the sophisticated climate concept. High rooms and open floor plans ensure an ideal distribution of sunlight.

Bricks for a pleasant indoor atmosphere

It is thanks to the use of bricks as a building material that the people working in this six-story building feel so comfortable in their offices. The solid brick walls contribute significantly to the pleasant and natural indoor climate. Exterior and interior walls, as well as staircases and elevator shafts, are masonry structures. The structural design is unusual: The building envelope consists of cavity walls made of Porotherm bricks from Wienerberger. The inner layer provides the necessary high compressive strength, while the outer layer serves as insulation. A top layer of lime plaster absorbs moisture and carbon dioxide.

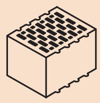
A total of 1,000 pallets of bricks were used for the building. Besides their load-bearing and heat-storage capacity, bricks have numerous other advantages: They create a comfortable and stable indoor climate, prevent rapid heat loss in winter and protect the building from overheating in summer. On top of that, they can be combined very well with other materials, an important factor for Mr. Eberle, who wanted the building materials for floors and ceilings as well as interior and exterior walls to form a harmonious whole. Moreover, as a pollutant-free and durable building material, bricks ranked first in terms of cost efficiency when the bids submitted for the project were evaluated.

A sustainable concept with minimum technology

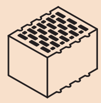
As this office building in the Province of Vorarlberg demonstrates, the energy-efficient buildings of the future do not need to be sophisticated (residential) machines. While the energy consumption of many modern buildings is diminishing, the operation and maintenance of such buildings is getting more and more complicated. Not so with this example from Vorarlberg: The principal opted for a proven building material and traditional methods, combined in an innovative way. And the decision paid off. With technical services and facilities kept to a minimum, capital expenditure and operating costs were relatively moderate.

The office building is one of the pioneering modern brick construction projects in Europe. The building is well accepted by its users. People meet at exhibitions in the art gallery on the ground floor, have lunch together in the staff canteen, and work on the upper floors. At least, this is what happens today. The design of the building is not specific to any particular usage – which is yet another innovative feature of the project.

Number of bricks used > 50,000

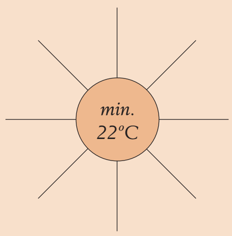


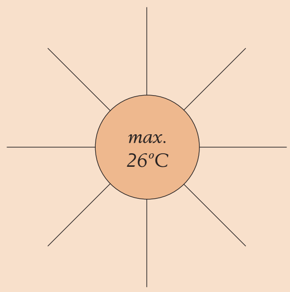
Porotherm 38 N+F
Inner layer for high compressive strength and insulation



Porotherm 38 H.i N+F
Outer layer for insulation

Average room temperature





Location Lustenau

The underlying idea for this office building was to translate the fundamental principles of sustainability into reality. We started out with the following question: How can we manage the resources we have in such a way as to enhance and increase their useful value in the long run?

Dietmar Eberle, principal and architect

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Chief Executive's Review

We have repositioned the Wienerberger Group – Today we take an innovative approach, set high standards and develop products and solutions that are fit for the future.

Heimo Scheuch

Chief Executive Officer of Wienerberger AG

Dear Shareholders,

Over the past few years, we have repositioned the Wienerberger Group and are now well prepared to address "next generation" challenges. The requirements placed on building materials for new build, renovation and infrastructure are changing continuously. Being a responsible economic operator, we set high standards and therefore develop products and solutions that are fit for the future. This is our way of responding to the major challenges confronting our societies, such as the energy and climate issue, demographic change and the densification and expansion of urban agglomerations, while ensuring that affordability and quality of life are preserved. Our results for 2015 prove that we are on the right track.

We generated revenues of almost € 3 billion, the highest ever in the history of our company. For the fifth consecutive year, we succeeded in increasing our operating EBITDA, which amounted to a total of € 370 million in 2015. This corresponds to a 17% increase over 2014. With a profit after tax of approximately € 70 million, we reached our goal of returning to the profit zone. This extremely satisfactory development is the result of a clear strategy and its consistent implementation.

Based on our strategy of diversification, Wienerberger has evolved from a pure brick producer into one of the world's leading suppliers of building materials. The expansion of our pipe activities and our roof tile business were important steps forward in the renovation and infrastructure sectors. Together with our brick business, they provide the basis for our strong organic growth. With a view to safeguarding the future growth potential of the individual business units, we regularly review their performance on the basis of stringent financial criteria.

At the same time, we are making every effort to further optimize our processes. This involves consistent improvements in the efficiency of our production systems as well as our sales and administration structure. To this end, we have implemented tailor-made internal programs, such as the Production Excellence Program and our Plant Improvement Program. In the interest of sustainability we also want to reduce our resource input, and particularly our consumption of energy. The introduction of shared service centers for our business units helps us to streamline our internal procedures and establish uniform standards.

—

This extremely satisfactory development is the result of a clear strategy and its consistent implementation.

Our strong focus on innovation is another important pillar of our success. We are continually improving our offer for our clients and developing new, innovative products and services for all fields of applications, ranging from energy-efficient building solutions, to eco-friendly pavers, to durable and safe utility networks. Areas of innovation in product management include raw material input, new materials and application methods, as well as the recyclability of our products. In marketing and sales, the focus is on tailoring our activities and services to the needs of individual customer groups. This should enable us to respond even more effectively to their specific requirements. Besides traditional communication channels, our main focus is on the development of digital solutions.

In view of the above, we look to the future with optimism. We see a great potential for further substantial growth of the Wienerberger Group. Our target for 2016 is to increase the Group's operating EBITDA to € 405 million, including a contribution from the sale of non-core real estate of approximately € 15 million. By 2020, we aim to increase our revenues to well above € 4 billion and our operating EBITDA to well above € 600 million. Besides our financial targets, we have set ourselves specific non-financial goals within the framework of our Sustainability Roadmap 2020. These reflect our clear commitment to sustainable development of our company. Taken together, these goals represent the milestones on our road to the future.

—

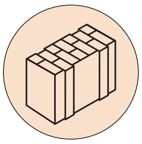
We will continue on our growth trajectory and stay focused on our three strategic core issues – innovation, optimization and diversification.

Our highly motivated and well trained employees and our strong corporate culture are crucial factors in our success. Day after day, we join forces to address "next generation" challenges in line with the principles of responsible, forward-looking corporate governance. We will continue on our growth trajectory and stay focused on our three strategic core issues – innovation, optimization and diversification. I invite you, our shareholders, to join us on our journey and look forward to your continued support.

Yours

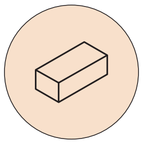
Regions & Divisions

Where we are?



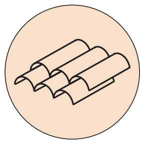
Clay Blocks

Nr. 1 worldwide



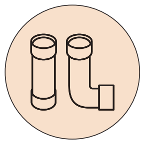
Facing Bricks

Nr. 1 in Europe, co-leader in the USA



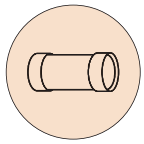
Clay Roof Tiles

Nr. 1 in Europe



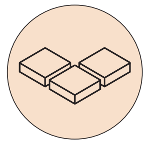
Plastic Pipes

Leading positions in Europe



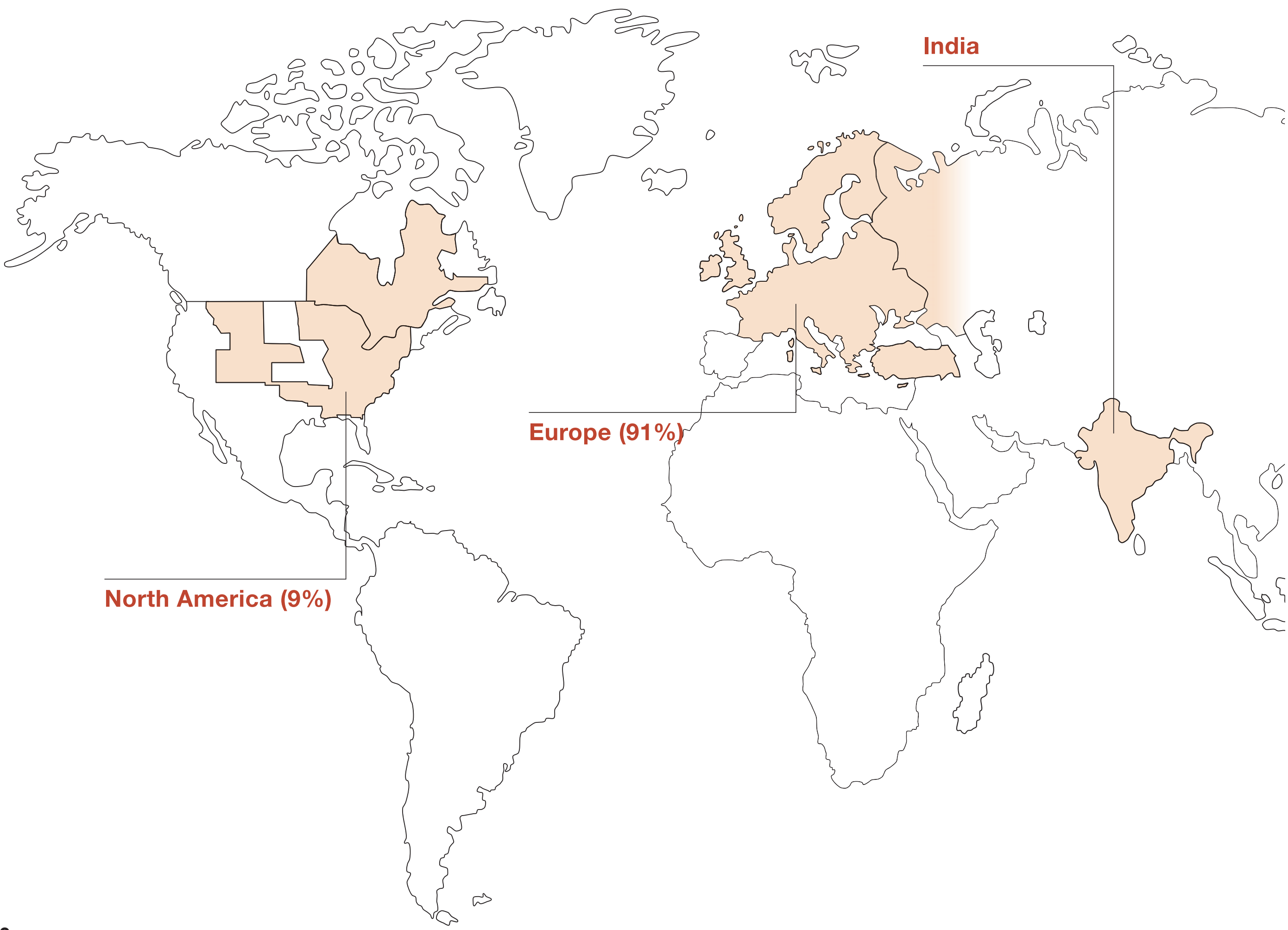
Ceramic Pipes

Nr. 1 in Europe

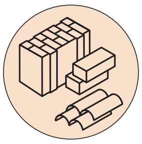


Concrete Pavers

Nr. 1 in Central-East Europe



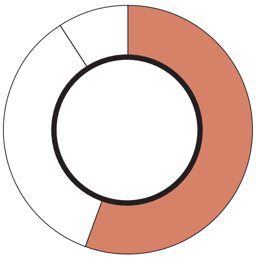
Our Divisions



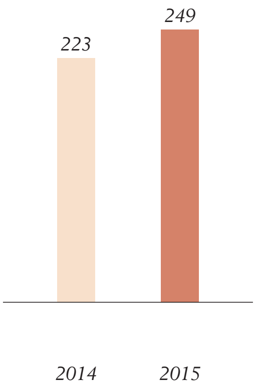
Clay Building Materials Europe

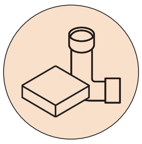
Clay Blocks
Facing Bricks
Roof Tiles

Revenues 2015
55%



Operating EBITDA
in € mill.

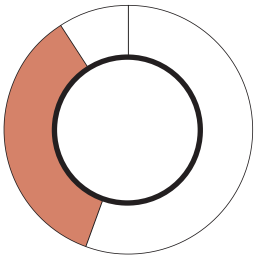




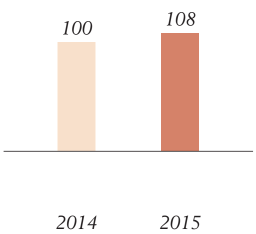
Pipes & Pavers Europe

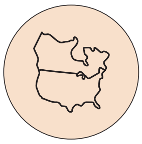
Plastic Pipes
Ceramic Pipes
Concrete Pavers

Revenues 2015
35%



Operating EBITDA
in € mill.

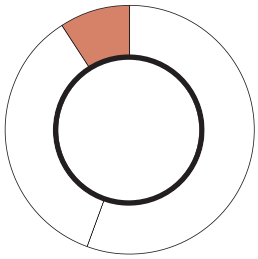




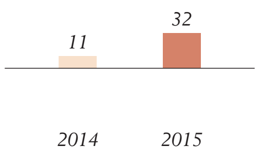
North America

Facing Bricks
Plastic Pipes
Concrete Products

Revenues 2015
9%



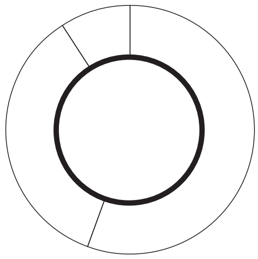
Operating EBITDA
in € mill.



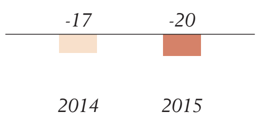
Holding & Others

Clay Blocks

Revenues 2015
0%

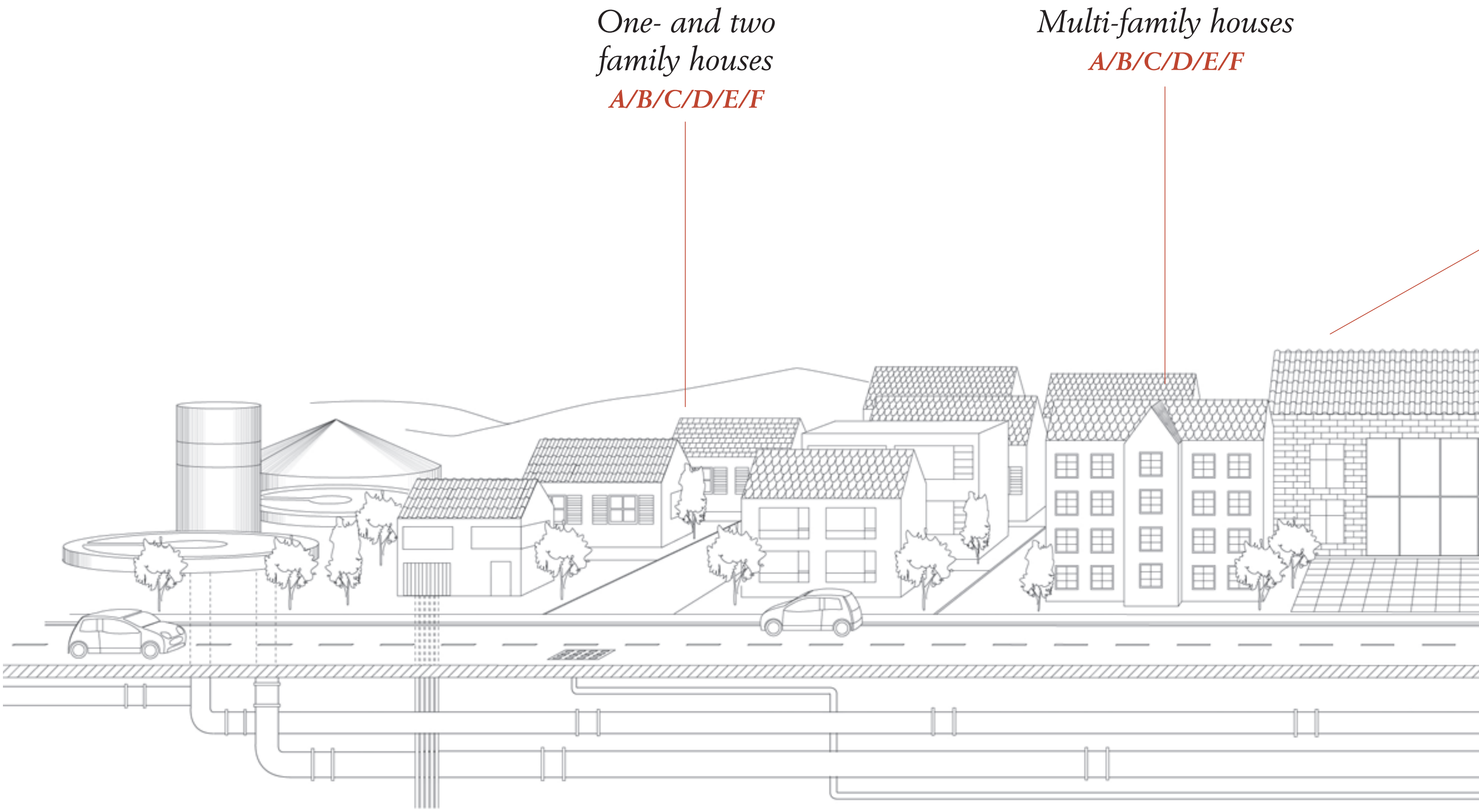


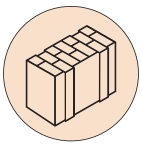
Operating EBITDA
in € mill.



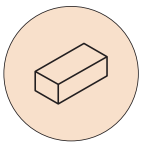
Wienerberger at a Glance

What we do?

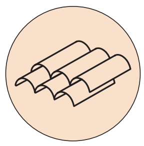




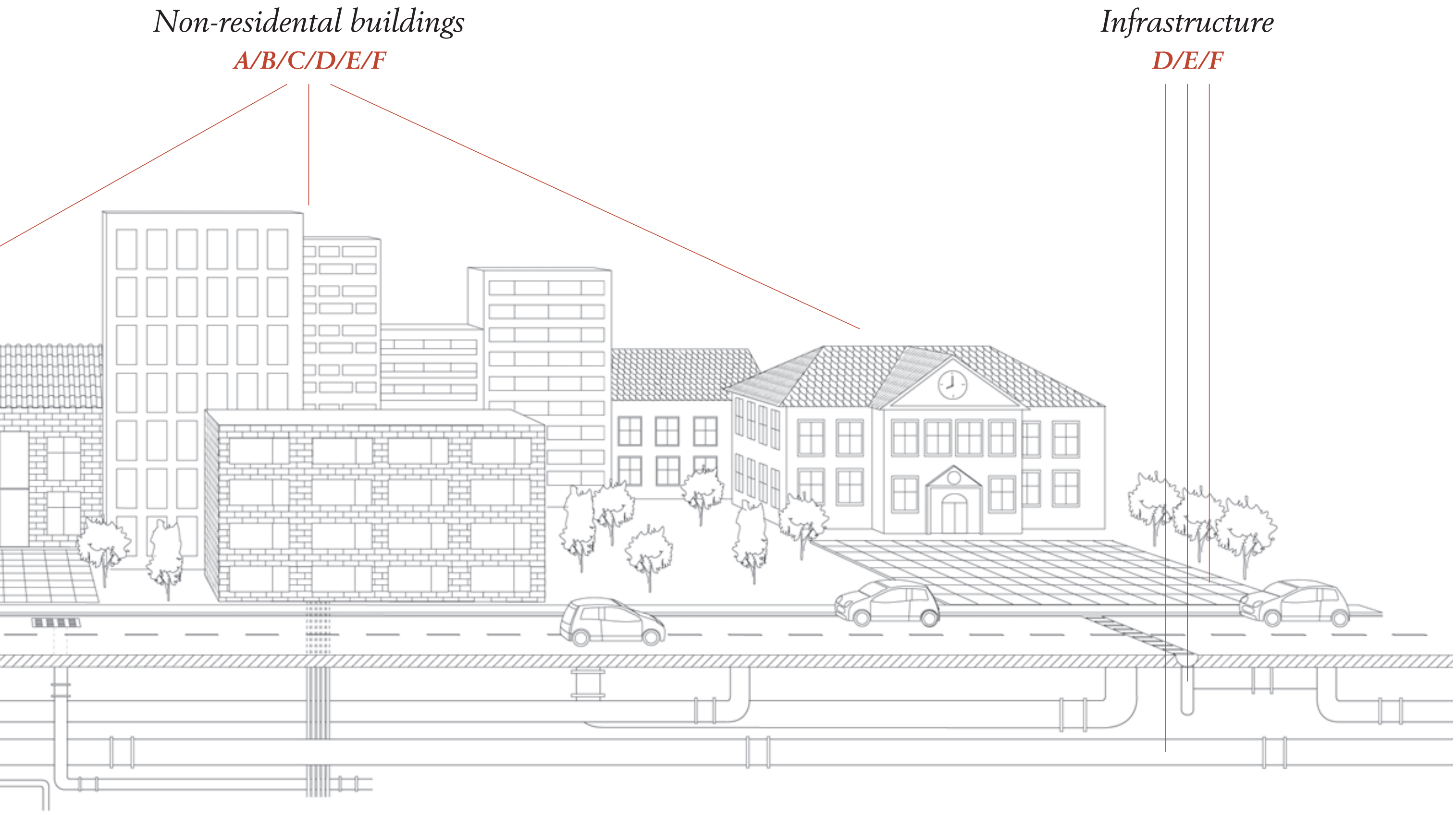
***Wall** (A)*
Depending on local building traditions, clay blocks are used for load-bearing exterior monolithic or cavity walls of single-family homes as well as multi-story buildings with up to nine floors. They are also used for load-bearing interior walls and for non-load-bearing partitions or infill walls.

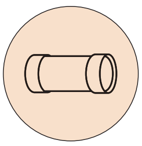


***Facade** (B)*
Facing bricks are used, above all, in visible brick architecture as the most striking esthetic feature of a building. A facing brick wall provides optimal protection from harsh weather conditions, but still allows the building to breathe. Thanks to the durability of facing bricks, there is no need for costly renovation or maintenance as the building gets older.

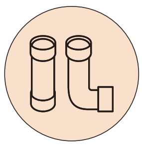


***Roof** (C)*
Clay roof tiles are used for pitched roofs and low slope roofs, but also as design elements on facades. They protect the house and its facade from weather influences and moisture for many years. Available in many different colors and formats, clay roof tiles are an important design feature for architects. Moreover, on account of their durability and color fastness they are the preferred building material for renovation works.

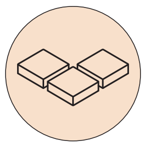




Ceramic Pipes *(D)*
Ceramic pipes are used in trenchless and open-trench construction of sewage systems. The pipes offer the advantages of high stability, low maintenance requirements and resistance to effluents. Thanks to these properties, they are well suited to the requirements of modern sewage systems.



Plastic Pipes *(E)*
Plastic pipes (including fittings and accessories) are suitable for a wide variety of applications for the private and industrial use, including building services installations, drinking water supply systems, irrigation, waste water and rain water management, drainage, energy supply, data transmission and special industrial products.



Pavers *(F)*
Pavers made of concrete or clay offer outstanding advantages in terms of durability and lifetime esthetics. They are used for a great variety of applications – from public spaces, roads and walk-ways to private buildings and gardens.

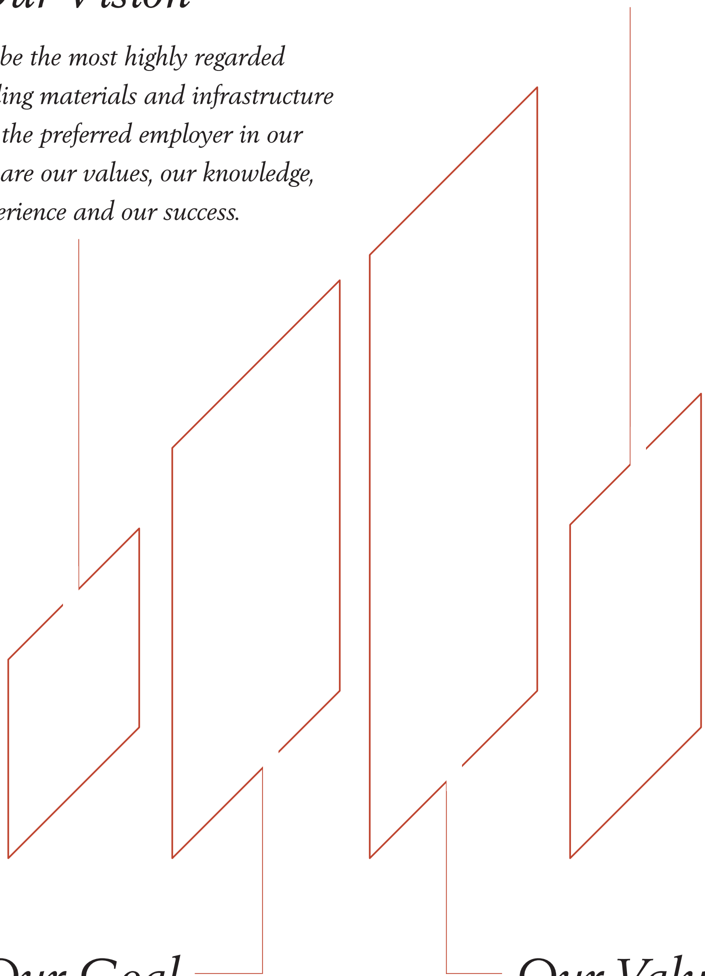
Mission Statement

Our Mission

We improve people's quality of life by providing outstanding, sustainable building material and infrastructure solutions.

Our Vision

We want to be the most highly regarded producer of building materials and infrastructure solutions and the preferred employer in our markets. We share our values, our knowledge, our experience and our success.



Our Goal

The primary goal of our entrepreneurial activities is to achieve a sustainable increase in the value of the company in accordance with ecological, social and economic principles.

Our Values

Expertise – Passion – Integrity and Respect – Customer Orientation – Entrepreneurship – Quality – Responsibility

Our values form the basis of our entrepreneurial activities. We live by our values and share them in our day-to-day cooperation.

Targets for 2020

Financial targets

Revenues
~ € 4 bn

The revenue target set at Group level for 2020 comprises two components. First of all, we want to increase the Group's revenues by 3-4% annually through organic growth. This target corridor includes both volume growth and improvements in average prices. Our targets are based on the assumption that our markets will continue to grow at a moderate pace, but will not yet be back to normalized levels by the end of the target period. In the event of market growth exceeding our expectations, we will still be able to meet the rising demand and gain additional market shares thanks to our industrial base and our strategic capacity reserves. As regards our pricing policy, we intend to at least pass on the cost inflation effect to our end markets. The second component of our growth target consists in value-creating acquisitions; given our strong capital structure, we have the necessary financial headroom for such acquisitions.

EBITDA
> € 600 mn

The consolidated EBITDA target and the Group's revenue target are based on contributions to earnings from both organic growth and acquisitions. These two components are being supplemented by continuous optimization measures, which will enable us to permanently reduce our fixed costs by approx. € 50 million by 2020. These measures range from process optimization in production and the reduction of raw material and energy consumption to the streamlining of our structures in administration and sales.

CFROI
11.5%

Our cash flow return on investment (CFROI) target is defined as the ratio of the consolidated operating EBITDA to the average historical capital employed and, as such, is closely linked to the Group's EBITDA target. The CFROI target also serves as the most important parameter for replacement and growth investments.

Net Debt / EBITDA
< 2.0

The financial framework for the strategic development of the Group is set by strict internal criteria for financial discipline. These require that the repayment period, expressed as the ratio of net debt to operating EBITDA, be less than 2.0 years at the end of the financial year. For the implementation of value-creating growth projects, this target value may be exceeded on a short-term basis, but it must never be in excess of 2.5 years.

Dividend
10-30% of free cash flow
post hybrid coupon

The fact that we set quantitative targets underlines our clear commitment to the participation of our owners in the success of the company. The dividend to be paid out depends on the business development, the economic outlook as well as potential growth projects and is within a range of 10-30% of the free cash flow generated after the coupon on the hybrid bond.

Strategy

Process

The Group's strategy is defined and further developed in a continuous process led by the Managing Board in dialog with the Supervisory Board and the top management of the business units. In semiannual strategy meetings, as well as in monthly meetings held for the discussion of both operational and strategic issues, the strategic orientations of the business units are discussed with their top management and the measures adopted are examined for their adequacy and effectiveness and, where necessary, adjusted to changing conditions. This process is based on economic analyses of the markets, forecasts of market opportunities and market trends, the annual budget process, materiality analyses, and our catalog of criteria to be considered in decisions on strategic investments. Decisions are taken collectively and implemented by the management of the operating unit concerned.

Decisions on fundamental questions regarding the strategic orientation of the Group and its long-term capital allocation are reserved for the Managing Board. In the decision-making process, the Managing Board is supported by Corporate Development, a staff unit reporting to the CEO. Moreover, the Managing Board engages in continuous exchange with the Strategy Committee and the Presidium of the Supervisory Board, two bodies that exercise an important advisory function in addition to their monitoring function. Strategic issues are discussed with the full Supervisory Board, in particular within the framework of the annual Strategy Retreat, if necessary in the presence of the top management of the business units. All major strategic projects are discussed and agreed upon during the meetings of the full Supervisory Board.

Realization of value-creating growth investments

Based on a continuous analysis of the financial performance and the development potential of our business units, as well as a close observation of markets and trends, we take clearly structured investment decisions that are guided by strict profitability targets. This means that the same financial and non-financial criteria are applied to all capital expenditure projects, be they investments in technological improvements of our existing industrial base or in growth and research projects, or decisions to withdraw from a particular area of business. If a subsidiary does not generate a satisfactory return on investment, and a reasonable input of capital is unlikely to improve the situation sustainably, we consider possible exit scenarios. Capital thus released can then be employed in other business units or returned to our owners. Value-creating growth investments supplement our organic growth potential. Such investments encompass corporate acquisitions or the selective take-over of individual plants as well as capacity extensions through the construction of new plants and technological improvements. Growth investments serve our strategic objectives of expanding our activities in the fields of renovation and infrastructure, entering into new product segments and improving our presence as well as our market penetration in existing businesses.

Implementation

Product innovation and new sales channels

The continuous enhancement and further development of our products is a strategic cornerstone of Wienerberger's sustainable success. Above all, we focus on innovative products and system solutions for all fields of application – from sustainable and energy-efficient buildings to eco-friendly pavers to secure utility networks. Key priorities of our development efforts include the sparing use of raw materials, experiments with new materials and more efficient production processes, and innovations in practical applications as well as in the use, reuse and recycling of our products. In order to align our developments as closely as possible with the needs of our customers, our production management specialists interact intensively with our marketing and sales departments. Given the great variety of new communication channels, the rising demand for tailor-made solutions and the growing complexity of the processes involved in the planning and implementation of construction projects, we are continually confronted with new challenges in marketing and sales. Depending on the construction project, different stakeholders and decision-makers play a role along the value chain. This is why we are adopting new approaches in marketing, addressing the individual needs of specific customer groups, and upgrading our online activities. Our sales team consists of highly qualified experts who provide comprehensive, customized advisory and support services for decision-makers at all levels. By supporting projects from the design phase to execution, we build long-term relations with customers, design engineers, dealers and logistic experts as well as building contractors.

Production processes and efficiency increase

As an industrial manufacturer, we see ourselves as a company that continuously strives to develop innovative production processes and to simplify and standardize existing ones. This approach enables us to cut costs and reduce our consumption of resources. We verify the success of our optimization measures through regular benchmarking. Currently, in all business units, we are implementing programs to optimize our production processes and organizational structures and to evaluate the possibilities of employing novel technologies. In addition, we are working on projects aimed at reducing the consumption of primary energy and professionalizing our supply chain management, above all in ceramic production. In our plastic pipe business, the Lean Six Sigma management approach is being rolled out to further areas of production and intensified. Shared service centers have been established in order to streamline administrative processes and achieve a uniform, high level of quality throughout the Group. In the core countries of the Wienerberger Group, responsibility for corporate services, such as IT, financial accounting, reporting and human resources, is centralized in the hands of these central service units.

Interview with the Managing Board

Heimo Scheuch & Willy Van Riet
Managing Board of Wienerberger AG

We delivered a strong performance in 2015. Considering our operational strength, I look to the future with optimism.

Heimo Scheuch

2015 closed with an operating result that significantly exceeded your original expectations for the business year, and the Group delivered on its promise to return to the profit zone. Apart from the steep increase in earnings, what would you say were the most important developments in 2015?

Heimo Scheuch: We are very satisfied with what we achieved in 2015, but we remain extremely cautious in view of the high volatility of the markets. If you simply wait for tailwind from the markets, you are bound to be disappointed and will fall behind in the long run. At the end of the day, you will succeed only if you face up to the continually evolving requirements of our fast-changing times and offer your customers and business partners the right solutions. Therefore, we are proud of the fact that the Wienerberger Group generated record revenues of almost € 3 billion in 2015 and increased its EBITDA for the fifth consecutive year. In other words, we not only returned to the profit zone, as promised, but are in a position to propose to our shareholders a dividend that is 33% higher than last year. I take this as a clear confirmation of the successful reorientation of the Wienerberger Group. Today, our company is fitter for the future than it was seven years ago. We have diversified considerably and now offer new products and applications in a large number of new markets. We are better able to meet our customers' expectations, we have positioned ourselves as an expert and partner right along the value chain, and we use our innovative strength to our best advantage. Having streamlined our structures and processes, we are very well prepared for future growth. My thanks are due to our employees, who are joining us on this road to the future with great energy, commitment and professionalism.

Willy Van Riet: In my capacity as Chief Financial Officer, I am happy to add that we were able to achieve this comprehensive reorientation, which was partly driven by acquisitions, without making any concessions on our balance sheet. On the contrary, we have again succeeded in reducing our net debt and further improved our balance sheet ratios in 2015. At the end of February, this fact was recognized and confirmed through a rating upgrade by Moody's. The essential prerequisite for this positive development and our sound financing structure is our strong free cash flow. Let me use this occasion to underline, once again, that Wienerberger generated a positive free cash flow each year throughout the financial crisis. In the future too, the sustainable growth of the company will continue to be reflected in the increase of its free cash flow.

You mentioned a dividend of € 0.20 per share. Like last year, this corresponds to a distribution of 20% of the free cash flow after payment of the hybrid coupon. Should the market interpret this as an indication of your future approach to dividend distribution?

Willy Van Riet: Our statements on dividends are both unequivocal and unchanged. The Managing Board of the Wienerberger Group has expressed a clear commitment to paying out a dividend, but with due consideration given to the economic environment and the plans of the company. The amount of the dividend depends on the free cash flow generated and the outlook for the current business year, as well as on our financing needs, should we decide to implement growth projects. The dividend to be paid out for 2015 is a very good example. Our result exceeded our expectations and we foresee substantial growth for the current business year. This is why we are able to increase the dividend, even though we are stepping up our growth investments and making every effort to deleverage and thus strengthen our balance sheet. The target corridor of 10-30% of free cash flow after payment of the hybrid coupon is merely intended for orientation, because I want to make it absolutely clear that Wienerberger will only distribute dividends from the cash flow generated by the company. With this Managing Board in place, dividends will never be paid out from borrowed money.

Willy Van Riet
Chief Financial Officer of Wienerberger AG

The financial market has cooled off noticeably since the beginning of the year. Volatility is increasing and economists have revised their forecasts downward. Despite this trend, you have set yourselves ambitious growth targets for 2016. What are the assumptions underlying this outlook?

Heimo Scheuch: Apart from the fact that we see a considerable potential to increase our earnings on the basis of structural adjustments and ongoing optimization programs, we expect to achieve organic revenue growth at the lower end of our medium-term target of 3-4% annually. Adjusted for the increase of average prices to cover cost inflation, this represents a moderate growth of our sales volumes. Tailwind from the markets will be as weak in 2016 as it was the year before. We will therefore continue to consistently pursue our strategy: development and marketing of innovative products and system solutions, tailor-made offers for our partners along the value chain, and continuous optimization of our cost structure. We are making every effort to grow organically, even if market conditions remain as challenging as they are today. If you add the expected € 15 million contribution from real estate sales to our organic EBITDA target of € 390 million, we will not only increase our earnings substantially, but also exceed the € 400 million mark for the first time since 2008.

Willy Van Riet: High volatility has become a fact of life. This is true not only of the financial markets, but also of demand in our end markets. Just take a look at developments during the past business year: the first half of the year, marked by substantial growth, was followed by a weaker third quarter, before activities picked up again and resulted in a strong year-end finish. Therefore, the reorientation of the Wienerberger Group was focused not only on diversification into the infrastructure and renovation sectors, but also on making our processes and cost structures more flexible. This was a fundamental change in the culture of our organization, a process that has taken time, as it means a departure from familiar, long-established practices. Today, however, having gone through this process, we are able to react to changing market conditions much faster than before.

Heimo Scheuch
Chief Executive Officer of Wienerberger AG

Last year was the first time you communicated medium-term targets. By 2020, you want to increase the Group's revenues to € 4 billion and generate an operating EBITDA of more than € 600 million. Could you elaborate on the background to these targets?

Heimo Scheuch: Essentially, our medium-term targets are based on three areas in which we have already prepared the ground in recent years. First of all, we have begun to implement a set of measures aimed at optimizing our structures and processes, the scope of which is continually being extended. Altogether, we intend to reduce our fixed costs by € 50 million. As regards organic revenue growth, we are aiming at an increase of 3-4% annually, as already mentioned. Let me make one thing quite clear: this assumption does not mean that all markets will have recovered by 2020. In fact, we think that demand will still be below the normalized level supported by fundamental data, even more than ten years after the beginning of the financial crisis. In addition to our organic growth potential, there will be value-creating growth projects. Based on our financial discipline, we have a firm framework for the implementation of such projects and we evaluate any opportunity on the basis of a set of strict financial and non-financial criteria. These criteria not only govern the evaluation of possible acquisitions, but are also applied in regular reviews of our existing fields of business and provide the basis for decisions on possible divestments. This is our way of ensuring disciplined capital allocation.

In which areas of business or regions should we expect growth-oriented investments? Are you considering the possibility of entering into new product groups?

Heimo Scheuch: Wienerberger is a European company with a strong presence in North America. We want to grow in the markets in which we operate today and which we know best. We see a substantial, sustainable growth potential in these core markets of the Wienerberger Group. For the time being, entering new markets in other geographic regions is not a priority for us. As regards an expansion of our industrial portfolio, we are equally cautious. Nevertheless, should an opportunity for growth arise, I will not categorically rule out such a move, provided there is a convincing potential for strategic further development and the creation of sustainable added value for the company. However, we are not actively exploring the market, in this regard, at this point in time. Our clear focus is on broadening and deepening our range of activities in our existing markets and product groups.

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

Success Story #2
e4 house in Budapest

A home for generations

In a quiet, peaceful neighborhood in the north-western part of Budapest you will find a trend-setting single-family home. The modern, grayish-white building with the prominent pitched roof blends in beautifully with its surroundings. It is only at second glance that the particularities of the house reveal themselves: the nearly zero-energy building already meets "next generation" standards in residential construction. This project was the first in Hungary to use Wienerberger's time-tested e4 brick house concept.

A sophisticated design helps save energy

The architect has adapted the concept to the residents' needs and also introduced his own ideas to save energy. The house has a compact shape and, thanks to its airtight building envelope, optimum insulation. The exterior walls are built with 44-centimeter bricks for high thermal insulation, protecting the interior from outside heat in summer and keeping the building warm in winter. The elongated pitched roof creates natural shade for the large south-facing windows that let in the sunlight in wintertime. Clay roof tiles were used instead of lightweight elements to further maximize the heat storage capacity.

"With this house we have built ourselves a refuge – a place of peace and tranquility. At the same time we have demonstrated how you can bring down energy costs while creating affordable housing," explains homeowner Réka. Throughout the entire process, from planning to completion, all e4 criteria have been incorporated: energy efficiency, renewable energy sources, affordable construction and, last but not least, a unique quality of life. Apart from environmental protection and the cost aspect, the latter was the main reason why the family opted for this type of house.

Comfortable heat with biomass

An air-to-water heat pump keeps the under-floor heating and ceiling cooling systems running. The energy required for their operation may later be produced by a photovoltaic system for which the necessary pre-installations have already been provided. The mechanical ventilation system with heat recovery saves energy and thus has a positive effect on the indoor climate. A geothermal heat exchanger has been installed to pre-heat the air, and at the request of the family a chimney was built to allow for the subsequent addition of a wood-burning stove.

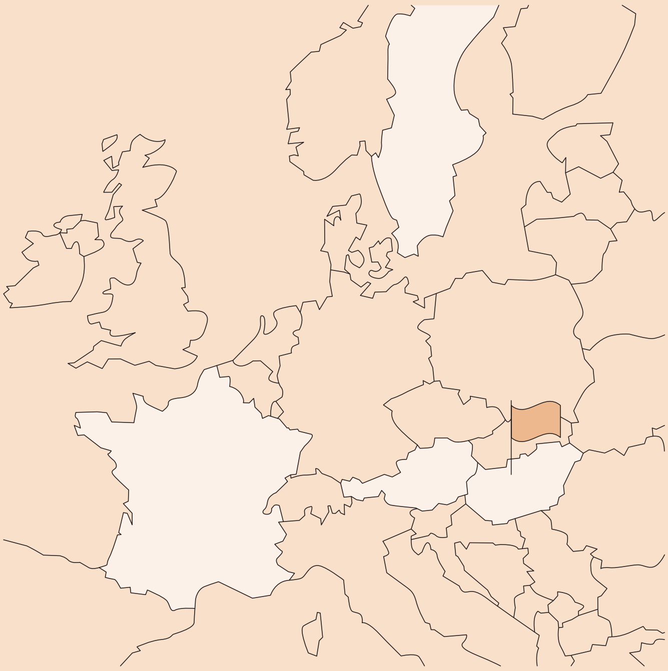
"Pleasant room temperatures and a healthy indoor environment were important concerns right from the outset. I do believe that we have achieved these goals in our house, and we love living here," says Réka. The architect has done his part with the design of the interior: the living room is connected with the upper story, giving the house a beating heart that encourages people to linger. The natural materials used, first and foremost bricks, allow the house to breathe. Another feel-good factor is provided by the light flooding in through the skylight windows.

Environment-friendly and cost-efficient

Thanks to the use of bricks, a building material that has been used for many generations, monthly overheads are moderate given the 147 m² floor space. The building envelope stores heat and the clay roof tiles protect the facade from weather and humidity, making it durable and colorfast. This is a great benefit for the residents, as construction costs were relatively low to begin with and maintenance and energy expenses are kept to a minimum as well.

Wienerberger's e4 brick house has set new standards for the future in terms of affordable energy efficiency, already

Location Budapest



The diversity of e4 houses in Europe: ❶ ***Nursery school in Heidenau, Germany*** © Deutsche Poroton, photographer: Gerhard Zwickert ❷ ***Multi-story residential building in Vitry-sur-Seine, France*** © Photographer: Luc Boegly ❸ ***e4 brick house in Zwettl, Austria*** © Wienerberger AG, photographer: Andi Bruckner

exceeding the requirements of the EU Energy Performance of Buildings Directive 2020. From that date onward all new buildings must be nearly zero-energy buildings and cover their energy requirements from renewable sources, such as solar power or biomass, to a substantial degree. This successful concept has been rolled out in many European countries, and is being applied in multi-story residential and non-residental construction as well as in single-family dwellings and duplexes.

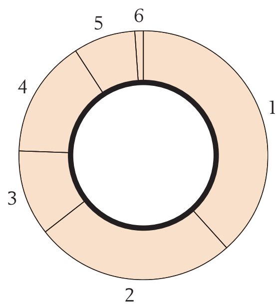
e4 construction is widely used, ranging from a nursery school in Heidenau, Saxony, and a family home in Zwettl, Lower Austria, to Vitry-sur-Seine in France, where a multi-story complex houses 29 apartments and features tailor-made building solutions, including a roof-top garden with greenhouses and a playground with a patio.

We wanted to build a house that not only meets our expectations but is environmentally friendly and economically efficient at the same time. This has been our personal response to climate change and high energy costs.

Réka, homeowner

Employees

Employees by Segment



1 *Clay Building Materials Western Europe 38%*
2 *Clay Building Materials Eastern Europe 26%*
3 *Pipes & Pavers Western Europe 11%*
4 *Pipes & Pavers Eastern Europe 15%*
5 *North America 8%*
6 *Holding & Others 1%*

We owe our success to the experience and the untiring energy and dedication of our staff of approximately 16,000 people. Our excellent cooperation is based on a firmly rooted, living corporate culture, which is characterized by our shared values – expertise, passion, integrity and respect, customer orientation, entrepreneurship, quality and responsibility. Our employees' commitment to these values plays a central role in the further development of the Group and provides the foundation for our organization.

Principles of our human resources management

The primary objective of our human resources management is to create the best possible conditions for the health, safety and satisfaction of our employees and to foster and encourage a culture of open communication. We have defined the following principles as integral components of our Group-wide human resources management:

- Safe and healthy workplaces
- Equal opportunities regardless of age, gender, culture, religion, origin or political orientation
- Advancement and development of each employee through appropriate initial and further training programs
- Willingness to pursue demanding targets and assume personal responsibility
- Entrepreneurial spirit and action

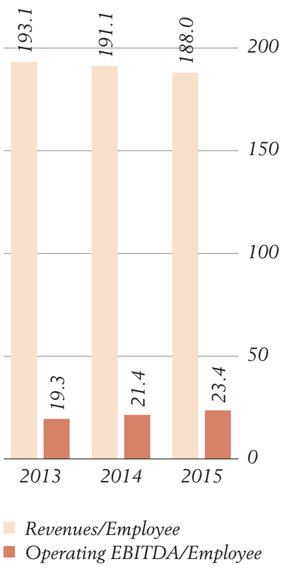
In 2001, Wienerberger signed a social charter and undertook to comply with the relevant conventions and recommendations of the International Labor Organization (ILO). Thus, within the framework of its worldwide operations, Wienerberger commits itself to respect human rights, ensure adequate working conditions and fair remuneration, prohibit excessive working hours, encourage fixed-term employment, and respect the freedom of association and the right to engage in collective bargaining. Approx. 80% of all Wienerberger employees are covered by collective bargaining agreements.

Processes and instruments of human resources management

The counseling and development of all employees in line with the Group's strategic goals is the top priority of human resources (HR) management. The core tasks of HR are the recruitment of new employees, the promotion of cross-border know-how transfer, occupational safety, employee communication and succession planning. Other priorities include the organization of training and learning platforms, the design of appropriate compensation and bonus systems, industrial relations, and socially responsible headcount reduction measures within the framework of restructuring programs. The following HR instruments are employed to support human resources management at Wienerberger:

- *Wienerberger Safety Initiative:* Mandatory safety standards and continuous activities to ensure maximum occupational safety at all production sites of the Wienerberger Group.
- *Safety, Health and Education (SHE) Reporting:* Data on developments in the fields of occupational health and safety as well as initial and further training are gathered and used as a basis for targeted management measures.
- *Employee Survey:* Employee surveys are conducted in cooperation with external experts in order to actively promote a feedback culture within the company; the results can then be used as a basis for measures to increase employee satisfaction.
- *Management Review:* Annual appraisal of senior management and succession planning for senior management positions to ensure well-structured and transparent career and succession planning.
- *Succession Management:* Key positions are defined in all business units of the Group and succession plans are drawn up to ensure continuity and timely appointments to vacant positions.

Development of Productivity
in TEUR



Employment trends

In 2015, Wienerberger employed an average workforce of 15,813 people, 7% more than in the year before. The increase was due, above all, to the acquisition of the majority of the Tondach Gleinstätten Group in July 2014. While revenue per employee declined slightly by 2% to approx. € 188,000, operating EBITDA per employee increased by 9% to approx. € 23,400 (2014: € 21,400).

The rate of employee turnover in the Wienerberger Group was 9.2% in 2015. The average length of service remains high at 13 years. We regard this as a strong vote of confidence by our employees for the Wienerberger Group. The long average length of service is also reflected in the age structure of the workforce. In 2015, 54% of Wienerberger's employees were between 30 and 49 years of age. 10% of the employees were younger than 30 and 36% older than 50.

Of the total workforce employed by the Wienerberger Group as at 31 December 2015, 92% worked full-time and 3% part-time. Temporary and agency workers as well as employees under term contracts accounted for 5% of the total workforce. An insignificantly small part of activities at Wienerberger is performed by staff legally defined as self-employed.

Core areas of human resources management

Occupational health and safety

As a company of the building materials industry, we regard the health and safety of our employees as absolute priorities. All normal capital expenditure and other standard maintenance activities in our plants are always carried out with the health and safety needs of our employees in mind.

As a visible documentation of the fact that we take responsibility for the health and safety of our employees, the Health & Safety Initiative was launched in 2010. It defined safety standards and specified measures to improve processes and structures and to raise awareness for occupational safety among employees. Since then, these measures have been implemented step by step. Investments in protective equipment were the first step in the implementation of the Health & Safety Initiative and continue to be an important part of ongoing production optimization measures. The program is intended to strengthen employee and management involvement and to place greater emphasis on the direct accountability of the business units. To this end, specific targets are defined for each business unit. Based on the safety targets defined, e.g. reduction of accident frequency, specific steps and timelines are agreed upon with each plant manager. Developments in the field of safety also have an influence on the variable salary components, especially for employees in executive positions.

The Wienerberger safety standards call for the installation of occupational safety committees, the assignment of responsibilities and the introduction of comprehensive training. Moreover, every accident is documented in detail and communicated within the division concerned to ensure that the causes of the accident are understood, that lessons are learned and corrective measures are taken. These analyses are primarily intended to build awareness for occupational safety among all employees. A toolbox of best practice examples is available to help plant managers select the measures best suited to reaching their goals.

Besides the Health & Safety Initiative, which is targeted, in particular, at employees working in production, we offer regular health screenings, vaccination campaigns, medical care provided by the company physician, and ergonomic workplace analyses for all our employees. Moreover, we encourage a healthy lifestyle by offering health and fitness activities, some of them free of charge, for our employees. The offers vary according to regional demand and seasonal conditions.

Training and personnel development

Targeted training and development programs as well as measures to promote cross-border knowledge exchange are essential components of successful personnel development and employee advancement. All Wienerberger training programs are designed to foster networking and an international transfer of know-how. The programs provide tailor-made training for specific areas of work and support long-term succession management.

Ready4Excellence is a cross-divisional further training program intended to prepare high-potential employees identified in a structured nomination process for key positions at Wienerberger. Within the framework of this program, the participants acquire skills and competencies in the fields of project communication, performance indicators, process and conflict management, product mix and intercultural relations.

At the *Pipelife University* the well-known Lean Six Sigma management approach was further advanced in 2015. Managers, project managers and staff attended professional training sessions and were certified. On account of their specialized training, they are now qualified to lead operational Six Sigma improvement projects and to introduce new measures aimed at the optimization of processes and structures. The *Pipeschool* is an online learning platform that offers lessons on Pipelife in general, Pipelife products, 5S (methods to keep workplaces and their environment safe, clean and well organized) and visual management (organization and communication concept).

The *Wienerberger Leadership Journey* is intended for executives playing a key role in the design and evolution of Wienerberger's corporate culture. It encompasses workshops and 360° feedback processes on issues such as coaching, emotional intelligence and team management.

Diversity and equal opportunities

Wienerberger ensures that all employees, regardless of age, gender, culture, religion, origin or political orientation, have the same rights and opportunities. Based on this commitment, Wienerberger does not tolerate any form of discrimination.

As an international group of companies operating in the building materials sector, we regard regionally recruited teams as a crucial factor of our success. In our human resources planning we therefore make every effort to employ local staff, plant managers and managing directors, which enables us to gain a better understanding of the local market and to consider the specificities of the region in decisions taken at Group level. The international character of the company is strengthened through a system of job rotation, which allows people to gain new insights in various fields of work. Wienerberger's corporate and cultural identity is positively marked by cultural diversity and decentralized structures.

As a company in the building materials industry, Wienerberger traditionally has a high percentage of male employees. As at 31 December 2015, 13.5% of the Group's employees were women. To increase the number of women in middle and senior management positions, female employees identified to have a potential for career advancement are nominated for international internal training and further training programs on a preferential basis.

Enabling our employees to reconcile work and family life, regardless of gender, is a matter of high priority for us. Human resources management at Wienerberger therefore attempts to be as flexible as possible with regard to re-entry after parental leave. At the same time, we want to offer our male employees the same opportunities as their female colleagues as regards the reconciliation of work and family life. We therefore offer attractive part-time models and home office schemes. We have already created the necessary infrastructure for home office work and are continually developing further measures with a view to providing working-time models that meet the needs of our employees. The percentage of men and women working part-time is one of the essential indicators in this context. Based on this indicator, we can fine-tune our HR management and become even more family-friendly as a company. As at 31 December 2015, the share of women and men working part-time was 15.3% and 1.5%, respectively.

Communication and employee involvement

It is our goal to highlight the importance of our shared values as part of our corporate identity and to actively involve our employees through continuous communication measures. In this context, an internal survey on employee satisfaction was conducted in the holding company of the Group in 2015. With a return rate of almost 90% we achieved distinctly better results than external industry benchmarks and comparable companies. This result confirms the high motivation of our staff to join forces in further developing and advancing our company.

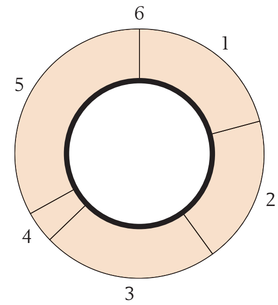
We use a variety of communication channels and platforms to inform our employees about corporate targets and strategies as well as current developments, and to promote cooperation between different departments and business units. Besides Group-wide communication tools, our business units and their local companies produce their own, specialized newsletters and other multilingual information media covering specific product groups and topics.

Via *social media*, such as our employer branding profile on XING and LinkedIn, we regularly publish information about events and success stories as well as corporate news and career options. In our *Newsletters*, which are sent to all business unit headquarters and, if relevant, transmitted to the local companies, we inform our employees about organizational changes. Quarterly *video messages*, in which the CEO addresses all employees to explain current changes and provide background information on the operating results achieved, are broadcast throughout the Group. On the information platform *"ideas & more"* our employees can contribute their own ideas which, if implemented, are also rewarded. Our *Intranet*, which is being relaunched in 2016, serves as a central access portal that facilitates efficient working and offers Group-wide dialog and networking functionalities.

Product Management

Wienerberger's goal is to create lasting value for all customers by supplying them with durable, flexible and innovative building materials and infrastructure solutions. The strategic orientation of the Wienerberger Group provides the framework for continuous efforts to maintain and enhance the quality of our products and to develop innovative products and system solutions, which are managed centrally by the product management departments of the individual business units. New developments are adapted to customer requirements through close cooperation between product management on the one hand, and the local marketing and sales departments on the other. Based on our customer relations and our innovative strength, we strive to maintain or consolidate our leading position and to outperform the market in all the markets we operate in.

Revenues by Product



1 *Wall 21%*
2 *Roof 19%*
3 *Facade 23%*
4 *Surface 4%*
5 *Pipes 33%*
6 *Holding & Others 0%*

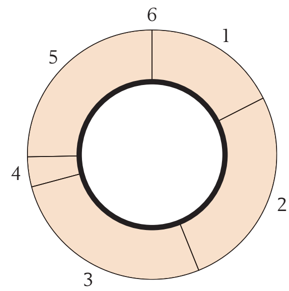
Innovation priorities

Our research and development activities cover all areas of application – from sustainable and energy-efficient buildings to eco-friendly pavers to plastic and ceramic pipes for supply networks and sewage systems. The priorities of our innovation processes are derived not only from a set of desirable product properties, but also from external factors, such as quality of life, health and safety, climate protection and regulatory requirements. For further information on research and development at Wienerberger, please refer to page 120 of the Management Report.

Energy efficiency and climate protection

Climate change is a central challenge for the future. We support the transition to a "low-carbon economy" with our energy-saving building materials and infrastructure solutions and our energy-efficient building design concepts. In our opinion, the building materials of the future must contribute to the goal of slowing down climate change and facilitate adjustments to the consequences of climate change.

Operating EBITDA by Product



1 *Wall 19%*
2 *Roof 28%*
3 *Facade 29%*
4 *Surface 4%*
5 *Pipes 27%*
6 *Holding & Others -6%*

In order to promote alternative and sustainable forms of energy generation, Pipelife, for instance, invested in the improvement of its geothermal energy system and launched its own probing system. Ground probe systems and collectors for almost all applications are sold under the brand names DUETA and GEOLIFE. In combination with Pipelife's underfloor, wall and ceiling heating and cooling systems, geothermal energy generation is an important component in the sustainable and environment-friendly development of heating systems.

As a result of global climate change, extreme weather events are occurring more and more frequently in many parts of the world. We are experiencing excessive rainfall, long periods of drought, extreme heat and floods. Raineo®, Pipelife's innovative rain water management system, helps to prevent flooding and water pollution, especially in urban areas. The Stormbox is a sophisticated modular system of plastic containers that serves as an underground water reservoir. It holds large quantities of rain water, which can later be used in the household or for irrigation purposes.

The energy consumption of buildings also plays an important role in the fight against climate change. The European Union has therefore adopted a Directive requiring that, from 1 January 2021, all new buildings meet the standard of a "nearly zero-energy building". Clay Building Materials Europe offers building material solutions to meet these future requirements. A clay block filled with insulating material is an innovative combination of a brick with high-quality insulating material in the perforations, which ensures excellent thermal insulation of exterior walls. Clay blocks without infill material also have excellent thermal insulation properties, as their heat conductivity is extremely low on account of the special ceramic material used and the block geometry. When external walls are made of such innovative products, the facade does not require an additional insulating layer.

Tightness and avoidance of leakage

Our plastic and clay pipes have excellent mechanical properties, such as high compressive strength, abrasion resistance, tensile bending strength, resistance to biological and chemical substances, and frost resistance, and meet the most stringent tightness requirements. Moreover, they are absolutely corrosion-proof and guaranteed to be leak-free. Thanks to these properties, plastic pipes as well as ceramic pipes are suited for a broad range of applications, such as rain and waste water disposal, sanitary and heating installations, sewage systems, and gas and drinking water supply systems.

All products of Pipelife's Soluforce family come with an inner layer made from pure plastic material, which makes them extremely resistant to aggressive chemicals and corrosion, a major advantage compared to conventional steel pipes. Soluforce Heavy, a steel-mesh-reinforced pipe of extremely high compressive strength, was developed for high-pressure applications in the oil and gas industry. Pipelife has continuously enlarged the Soluforce product range in recent years.

Health and safety

Creating a healthy indoor environment is one of the most important issues for the future of modern residential construction. In western industrialized countries, people spend about 90% of their time indoors. Pollutants, dry air, dust and mold have a negative impact on the indoor climate and constitute substantial health risks. It is for good reasons that bricks have been in use as a building material for thousands of years – brick buildings have excellent properties and guarantee a good quality of life for their inhabitants.

Bricks qualify as a particularly healthy building material. Bricks are open to vapor diffusion, which means that air humidity in the room is ideally balanced and the indoor climate is both healthy and comfortable. Due to their high accumulation capacity, brick walls keep rooms pleasantly cool in summer and warm in winter. Thus, our bricks score high in terms of indoor air quality and indoor climate; they create ideal prerequisites for comfortable and healthy dwellings.

Damage to gas supply lines in the course of civil-engineering work, incorrect installation of gas pipes in buildings, and natural disasters are the most frequent causes of gas leaks. Gas-Stop by Pipelife, a self-actuated, fast-closing valve for gas supply lines, makes gas supply lines safer.

Near-natural materials in a closed cycle

All Wienerberger products can be recycled. The percentage of recycled materials used in production depends on the material and the technical maturity of the recovery process. Therefore, the actual rate of recycling depends on the product group concerned.

Clay, a recyclable raw material, is the most important input material in ceramic production (clay blocks, facing bricks, roof tiles and ceramic pipes). This results in a high rate of recyclability of our ceramic products. Internal production residues, such as broken products or scrap, are fed back into the production process after the necessary preparation. For certain product groups, recycled materials from external sources are used as additives to the raw material mix in the preparation process. Such materials include saw dust, straw, sunflower husks, paper fiber and stone meal from gravel production.

Polyvinyl chloride (PVC), polypropylene (PP) and polyethylene (PE) granulates are the most important raw materials used in the production of plastic pipes. Increasing the percentage of recycled materials in the raw material mix and, at the same time, maintaining the high level of product quality are among our research priorities.

Environmental aspects during construction

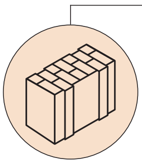
Various environmental aspects have to be taken into account during the construction phase. A high quality of work increases the durability of the product, minimizes the need for repairs, and helps to save natural resources. For example, trenchless methods of installing Steinzeug-Keramo products avoid excavation and earth-moving work, which reduces the carbon footprint over the entire life cycle of the products. Integrated planning of construction work reduces the amount of scrap and the quantity of products to be returned, which in turn improves the efficiency of construction site logistics and diminishes the environmental impact of transport.

Durability, cost-effectiveness and preservation of the cultural heritage

Wienerberger products are particularly durable, strong and easy to maintain in good condition. Thanks to their long service life, the products are highly cost-effective. Their durability helps to preserve natural resources and reduces the carbon footprint. Moreover, some of our products actively contribute to the preservation of historical monuments and classified buildings.

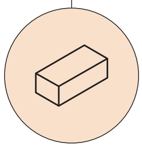
The Wienerberger Product World

Clay Building Materials



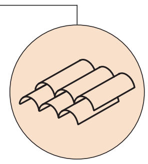
Wall – Clay Blocks

Our innovative brick products today fulfil the demanding standards of building physics that will have to be met by the buildings of tomorrow. Whatever the application – exterior walls for high thermal insulation, partitions for increased sound insulation, walls for earthquake-prone regions or cost-effective infill masonry – we offer solutions of outstanding quality that ensure a pleasant and healthy indoor climate.



Facade – Facing Bricks

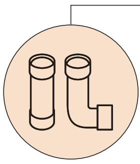
Our facing bricks cover a broad range of formats, colors and patterns. Be it for single- and two-family homes or for multi-story buildings for commercial, private or public use, we offer efficient, cost-effective and sustainable facade solutions.



Roof – Clay Roof Tiles

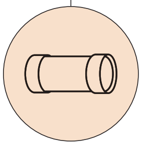
Innovative developments and a great variety of colors are the distinguishing features of our roof tile segment. Roof tiles of the new generation open up exciting possibilities for architects, as they can be used both on the roof and on the facade. An extended set of accessories further broadens the range of application for roof tiles. We have the right product for every purpose – from historic roof tile models for classified buildings to trendy flat tiles.

Pipes & Pavers



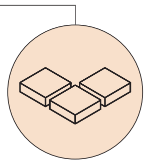
Plastic Pipes

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



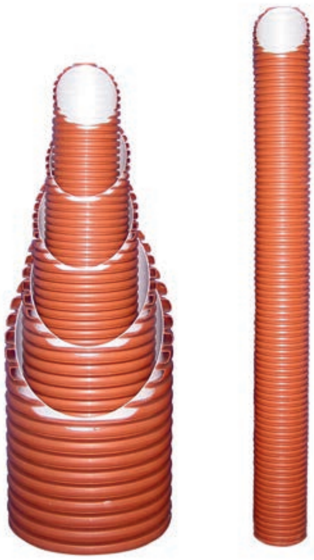
Ceramic Pipes

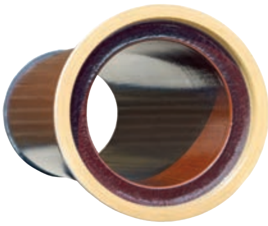
Ceramic pipes, fittings, shafts and accessories are used in open-trench and trenchless construction of sewage systems. System solutions are available for modern municipal waste water management.



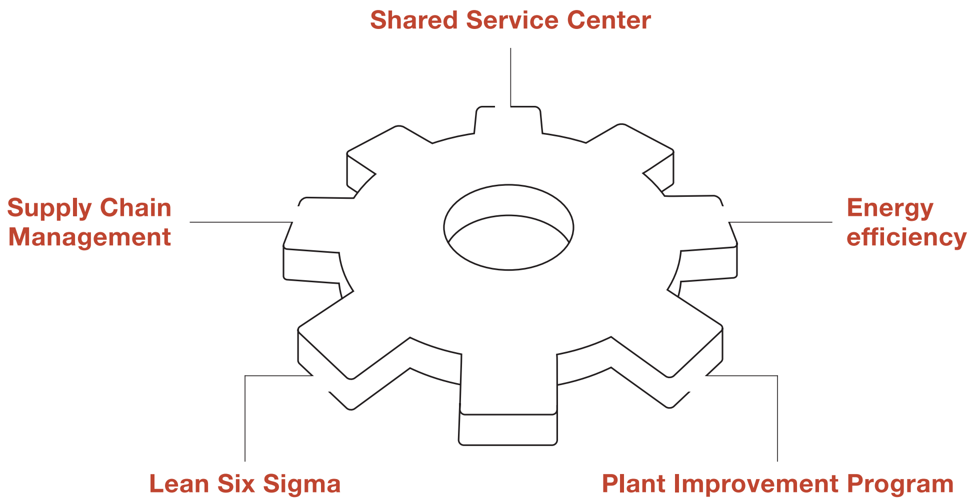
Concrete Pavers

Pavers made of concrete offer outstanding advantages in terms of durability and lifetime esthetics. They are used for a great variety of applications – from public spaces, roads and walkways to private buildings and gardens.





Operational Excellence



Our commitment to operational excellence is an integral part of our corporate culture. It extends to all areas of our company and is characterized by efforts to continuously improve our structures and processes. It encompasses a large number of measures taken to improve profitability, strengthen our competitiveness, counteract cost pressure and ensure a responsible way of using our resources.

Shared Service Centers

A Group-wide initiative aimed at the establishment of *shared service centers* in our core markets was launched in 2014. The idea is to group together and centralize similar processes in IT, finance and accounting, HR management and other corporate services. The objectives pursued through the introduction of shared service centers are:

- Increase the efficiency and quality of services and achieve a higher level of customer satisfaction
- Create a platform for standardized processes and uniform service provision
- Promote and exchange expertise and best practice examples
- Save costs while providing adequate and efficient services

By the end of 2015, shared service centers were implemented in five core markets. The roll-out to other countries and the expansion of the existing shared service portfolios remain high on the agenda within the framework of our commitment to operational excellence.

Energy efficiency

A sparing use of resources and *energy efficiency* in production are top priorities for us. Over the years, we have taken various measures to reduce energy consumption in our plants and to improve our carbon footprint. Our target is to reduce specific energy consumption in ceramic production by 20% by 2020. Since 2010, which is our reference year, we have reduced energy consumption by 2-3% annually and thus have already met more than half of our target. The most important energy efficiency measures include:

- Reduction of energy consumption in the drying and firing processes
- Avoidance or recovery of waste heat
- Development and implementation of innovative process and automation technologies
- Optimization of products and careful selection of raw materials

Plant Improvement Program

The *Plant Improvement Program (PIP)* is aimed at the continuous improvement of production processes, result-oriented communication and the introduction of a proactive management style in our plants. The goal pursued is to ensure sustainable plant and process optimization and cost-efficient production. The primary focus is on implementing uniform and performance-oriented production standards in order to facilitate the efficient integration of new production sites. The priorities of the program are:

- Standardize and optimize technical processes
- Recruit the right people for key positions and ensure well-structured succession planning
- Introduce software tools for uniform production control and maintenance management
- Improve working conditions and safety standards

Ninety-seven plants were included in the program at year-end 2015.

Lean Six Sigma

Lean Six Sigma, an internationally recognized management approach for quality improvement and process optimization in companies, was further advanced in our plastic pipe business in 2015. Managers, project managers and staff from various fields of work and countries underwent professional training. The number of participants is increasing steadily, with over 310 employees certified by year-end 2015. On account of their specialized training, they are qualified to lead operational Six Sigma improvement projects and to introduce new measures aimed at the optimization of processes and structures. Moreover, a number of initiatives and projects were launched to reduce working capital, increase customer satisfaction and improve safety and sustainability. Overall, more than 280 improvement projects were identified in all parts of the company.

Supply Chain Management

The primary goals of *Supply Chain Managements (SCM)* in our European brick business are the process-oriented integration of portfolio management, stock forecasting and management, and production planning. This enables us to keep a lean product portfolio at optimal stock levels, while maintaining our ability to reliably meet agreed delivery deadlines. After four years, the success of our efforts speaks for itself:

- SCM implemented at 95% of our sites
- Delivery reliability of over 95%

In 2016, we intend to implement additional projects and roll out supply chain management to the production sites of our Eastern European roof tile activities.

Financing

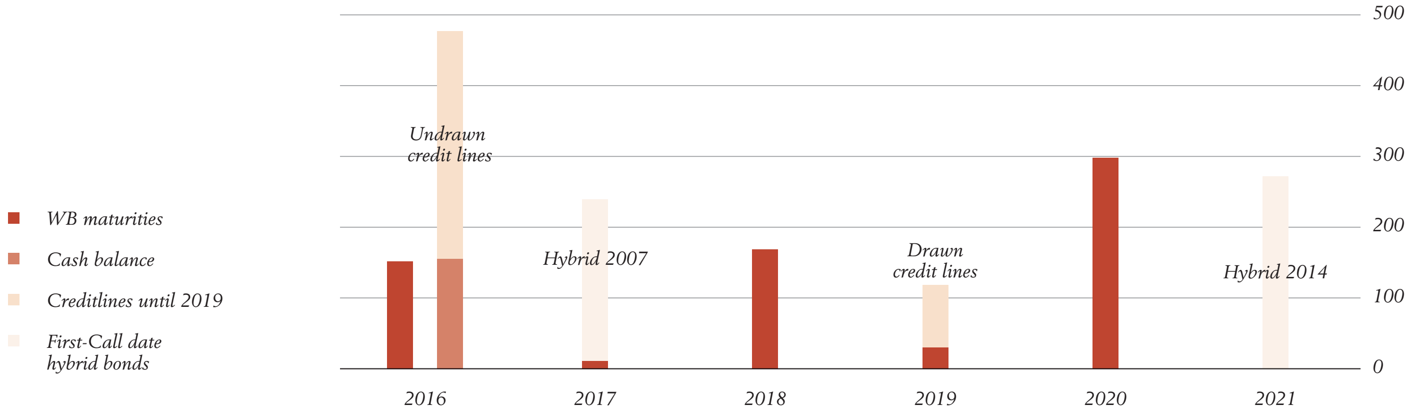
Wienerberger's financing policy is based on clear internal rules and pursues transparent objectives: to ensure an adequate liquidity position, build a strong capital structure and maintain unlimited access to the capital and credit markets.

The financial framework for the strategic development of the Group is set by our strict internal rule on financial discipline. According to this rule, the repayment period, expressed as the ratio of net debt to operating EBITDA, must be less than 2.5 years at the end of the year. If consolidated EBITDA exceeds € 400 million, the target is reduced to 2.0 years. In that case, however, we allow the target to be exceeded for the implementation of value-creating growth projects, but only for a short period of time and never beyond 2.5 years. Thus, we can always be sure of remaining below 3.5 years, which is the maximum value allowed by the bank covenants.

Financing structure

To preserve and optimize our strong capital structure and to safeguard our liquidity position, we keep our equity at an adequate level and regularly explore financing possibilities that will allow us to adjust our financing structure to the conditions of our operational business, reduce our financing costs and balance our maturity profile. Moreover, we take proactive financing measures in order to ensure that our liquidity reserves at least correspond to the financing requirements for the coming 12 months and the seasonal demand for liquidity.

Term structure
in € mill.



Note: Term structure of gross debt; cash position and financial liabilities as of 31.12.2015

As an industrial company, Wienerberger carries a high proportion of long-term assets on its balance sheet. In our Group financing policy, we take account of this fact by issuing debt securities with medium to long maturities and by maintaining a strong equity base. Our corporate bonds are non-subordinated, unsecured pari-passu liabilities.

Corporate bonds	Coupon	Volume	Term	Due date	Rating
Bond 2013	4.00%	€ 300 mn	7 years	April 2020	Ba1/stable
Bond 2011	5.25%	€ 100 mn	7 years	July 2018	Ba1/stable

Our hybrid bonds, however, are subordinated debt securities without fixed maturity and with the option of a suspension of interest payment. On account of this design, hybrid bonds are recognized as equity in our consolidated balance sheet according to IFRS. Wienerberger has the right to redeem the hybrid bonds on contractually agreed dates, but is under no obligation to do so. If we do not exercise this right on the first call date, the fixed coupon will be converted into variable interest at an agreed reference rate and spread (hybrid bond 2007), or a new fixed coupon will be calculated for another five years on the basis of the swap rates applicable at that time with a defined spread (hybrid bond 2014). Through its regular activities on the bond market, Wienerberger is well established as an issuer and therefore favorably positioned to access this market segment.

Hybrid bonds	Coupon		First call option	Volume	Maturity	Rating
Hybrid bond 2007	up to 2017	6.50%	February 2017	€ 228 mn	Perpetual	Ba3/stable
	after 2017	EURIBOR 3M + 325bp				
Hybrid bond 2014	up to 2017	6.50%	February 2021	€ 272 mn	Perpetual	Ba3/stable
	after 2017	5.00%				
	after 2021	5Y Midswap + 595bp				

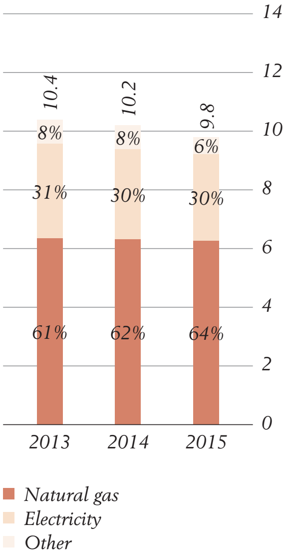
Another important financing component for the Group is capital borrowed from banks. We regularly explore possibilities of credit finance with different maturities, costs and structures. Currently, the most important bank financing component is a revolving credit line of € 400 million, available to us until 2019. Through this credit line, we have access to sufficient liquidity for our strongly seasonal business and to meet short-term funding needs, which reduces our financing costs. All our financing transactions with banks are pari-passu, non-subordinated and unsecured liabilities of the same ranking as our corporate bonds. The covenants to be met are the same for all major bank loans. Our creditworthiness is analyzed by the international rating agency Moody's. According to the most recent rating update in February 2016, the corporate family rating is Ba2 with a stable outlook; our corporate bonds are rated one notch higher at Ba1 on account of the subordinated hybrid bonds (rating: Ba3).

Sale of non-core assets

The Wienerberger Group's capital is invested exclusively in assets required for our business operations. As a consequence of the shut-down of production sites, we have a portfolio of non-core real estate. Through this sales program, which is managed centrally and implemented locally, we intend to generate liquidity of up to € 100 million between 2012 and 2016. Since the start of the program, property at a market value of € 64.7 mn has been sold.

Procurement

Energy Costs
as a % of revenues



Operations in 30 countries and the decentralized structure of the Wienerberger Group represent considerable challenges for the strategic purchasing departments of our business units. Our goal is to identify synergies in close cooperation with local companies and to realize these synergies through a coordinated approach on our procurement markets. Besides our established lead buyer system for international procurement groups, continuous optimization measures aimed at increasing efficiency and broadening the range of local purchasing activities are among the most important functions of our central purchasing department.

Security of supply is guaranteed by a comprehensive network of suppliers, who are subject to regular benchmarking as regards their ability to guarantee the reliable supply of goods, services and raw materials required for our day-to-day operations. Increasing price volatility and risks of supply bottlenecks are identified through time-tested mechanisms and measures are taken proactively to avoid negative impacts on our ability to deliver the products ordered and on our earnings. In the interest of efficient and sustainable supplier management, we require that our suppliers comply with all legal provisions regarding occupational health and safety, the handling of hazardous substances, corporate governance, entrepreneurial ethics and the fight against corruption.

Ceramic products

Clay is the most important raw material in ceramic production. The availability of sufficient regional extraction sites is of crucial importance for a long-term supply strategy. Our Group owns about two thirds of the clay reserves we need; for the rest, we usually conclude long-term extraction contracts. The operation of a clay extraction site involves numerous issues relating to human health and nature conservation. We therefore commit ourselves not only to taking comprehensive measures to protect the health and safety of our staff, but also to minimizing noise and dust pollution for people living in the vicinity of clay pits. Since raw material extraction always constitutes an interference with the natural environment, we make sure that exhausted clay pits are recultivated, renaturalized or re-used for other purposes.

Given the energy-intensive processes involved in ceramic production, such as firing and drying, energy is an important input factor. Therefore, energy procurement has been centralized for the entire Group in the Clay Building Materials Europe Division. Decisions on energy volumes and prices are made centrally in close coordination with the country organizations and with a view to the Group's internal risk management. The hedging strategy developed for the non-regulated energy markets is as follows: 75% of the expected energy demand is hedged for the following 6 months, 50% for the following 12 months and 25% for the following 24 months. Hedging is based on a revolving planning process. Prices for parts of the required energy volume are fixed for up to four years in advance, depending on market developments. The objective of this strategy is to improve our cost planning and mitigate the impact of price volatility. In keeping with our hedging strategy, we have already hedged the corresponding volumes of natural gas and electricity for 2016.

In 2015, the average market prices for natural gas and electricity were below those of the year before. Overall, however, we registered a slight increase in our energy costs by 1% to € 292.6 million on account of higher production volumes. Through various measures taken to optimize energy efficiency, we were able to bring the percentage of energy costs in total revenues down from 10.2% in 2014 to 9.8% in the year under review. A breakdown to total energy costs shows that 64% is accounted for by natural gas, 30% by electricity and 6% by other sources of energy. Given that prices for certain volumes of energy have already been hedged, we expect a slight decline in energy costs for 2016.

Plastic pipes

Polyvinyl chloride (PVC), polypropylene (PP) and polyethylene (PE) granulates are the most important raw materials used in the production of plastic pipes. Long-term security of the raw material supply can be achieved through diversification of the supplier structure. Raw material consumption can be reduced through adaptations in product design, minimization of scrap, and the use of recycled plastics.

Granulate prices are closely linked to the oil price and therefore highly volatile. Hedging is not a common industry practice, as price fluctuations tend to be short-term. A central purchasing department continuously monitors the development of raw material prices and reports to the top management. Consistent price management ensures that fluctuations are reflected in the selling prices of our products. Another input factor is electricity, which is purchased within the framework of central energy procurement.

Concrete pavers

Most of the raw materials for concrete paver production, i.e. sand, grit, gravel and cement, are sourced from third parties. Compared with other processes employed in the Wienerberger Group, energy consumption in concrete paver production is relatively low, as most of the energy is consumed upstream in energy-intensive cement production. Water, an important raw material for cement-bound products, is drawn primarily from our own wells. Efforts are being made to reduce water consumption through efficiency-enhancing measures or through the introduction of closed cycles.

Success Story #3
Underground high-voltage lines in Järfälla

High voltage underground

New laying technique for underground high-voltage lines

Electricity reliably available around the clock – this has become a matter of course for millions of people in Europe. However, gales, heavy snowfall or construction works may result in supply outages. Vattenfall, one of the biggest energy utilities in Sweden, therefore wants to make electricity lines even more weather-proof. They have chosen to use a "next generation" cable protection system from Wienerberger's subsidiary Pipelife.

Underground cables help to save land for building construction

Järfälla, 25 km north-west of Stockholm, is in the grip of winter. Workers are rolling the black pipes into an open trench. By May 2016, all high-voltage lines in the region will have disappeared underground. "The change-over to underground cables increases the security of supply and frees up land for building construction that previously had to be kept clear for power lines," explains project manager Henrik Bolinder from Otera Ratel AB, the company contracted to execute the project. Demand for building land is high, especially in the area around Stockholm.

A pioneering technology has been chosen for this project. Until recently, underground cables were laid in a bed of fine-grained loose fill material in the soil without any additional cable protection. The cables, especially the connecting pieces, tended to react sensitively to external influences. Therefore, cable laying was only possible in relatively warm weather. Moreover, underground cables were often damaged in the course of later construction projects. "Frequent and expensive repairs had to be performed, which involved additional earth-moving work", says Henrik Bolinder. "And there was always a risk of the electricity supply being interrupted".

Strong pipes for cable protection

The Järfälla pilot project is the first one to use Pipelife's cable protection pipes to protect its underground power cables. The main component of the protective system is the "Optimal SRS" pipe, a flexible plastic pipe made of polyethylene, which effectively protects cables from compressive and tensile loads. Thus, the risk of damage to power lines through external influences can be almost completely ruled out in future. At the same time, the product comes with a substantial cost advantage: the pipes are delivered in rolls of 120 m each. Compared with pipes delivered as straight rods, usually only a few meters long, fewer welding points are needed. Moreover, logistics are greatly facilitated as the product needs less space for transport to the construction site.

Without these cable protection pipes, which can even be laid in the icy climate of the Nordic winter, the project could not have been started at the beginning of December. As Henrik Bolinder emphasizes, "Thanks to this solution, we were able to extend the construction season into the cold period of the year. Less earth-moving work is required, not only for pipe laying but throughout the entire life cycle, since maintenance is so much easier. This translates into fewer working hours and, ultimately, lower costs."

Prepared for the future

The dimensions of the project are enormous. Altogether, more than 80 kilometers of cable protection pipes with a total weight of 355 tons are to be laid. The high-voltage cable will only be installed after completion of all earth-moving works. The long service life of the pipe is due to a special inner coating, which significantly reduces surface friction. After an expected service life of approx. 40 years, the high-voltage line can be renewed without any earth-moving work. All that needs to be done is to replace the power line inside the cable protection pipe – a procedure that is fast, efficient and without harm to the environment.

Henrik Bolinder is satisfied with the progress achieved to date. "Our cooperation with Pipelife goes far beyond the usual client-supplier relationship," he explains. "Having been convinced of the technical advantages of the product, we began to cooperate closely in the planning and implementation of the project, including construction site logistics."

In the coming spring, no trace of the project will be visible above ground, as by then all power lines and the construction site itself will have disappeared.

Project highlights

05/16

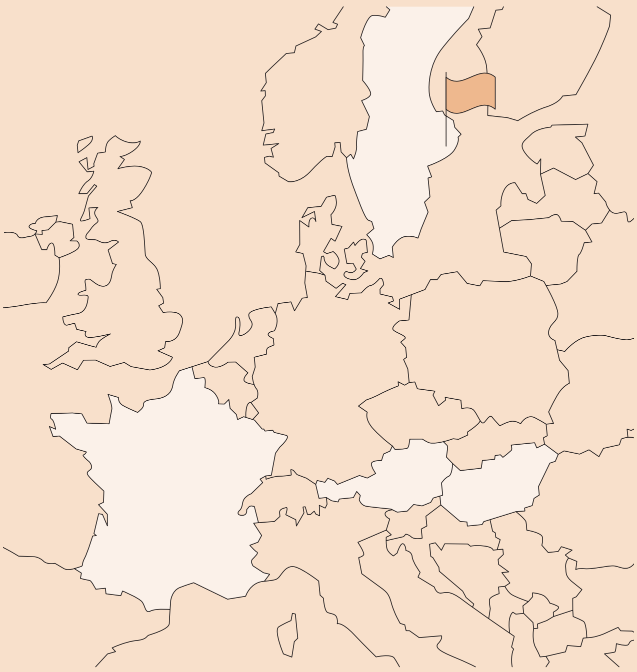
Project period
December 2015-May 2016

Total weight
355 tons

Optimal SRS
diameter
160 millimeter

Cable protection pipes
with total lenght of
80 kilometers

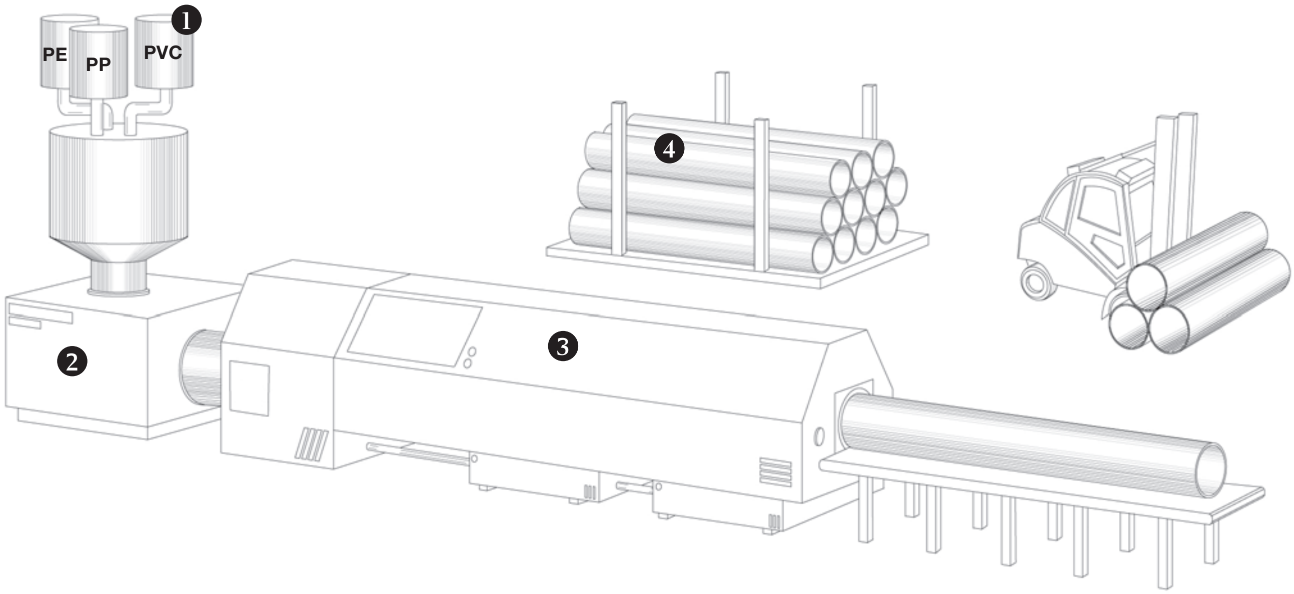
Location Järfälla



As a specialist in the construction of high-voltage networks, we expect all those involved to deliver top quality. Pipelife supplied us with an excellent product and actively contributed to the implementation of the project. This is an example of a supplier turning into a long-term partner.

Henrik Bolinder, project manager

Production

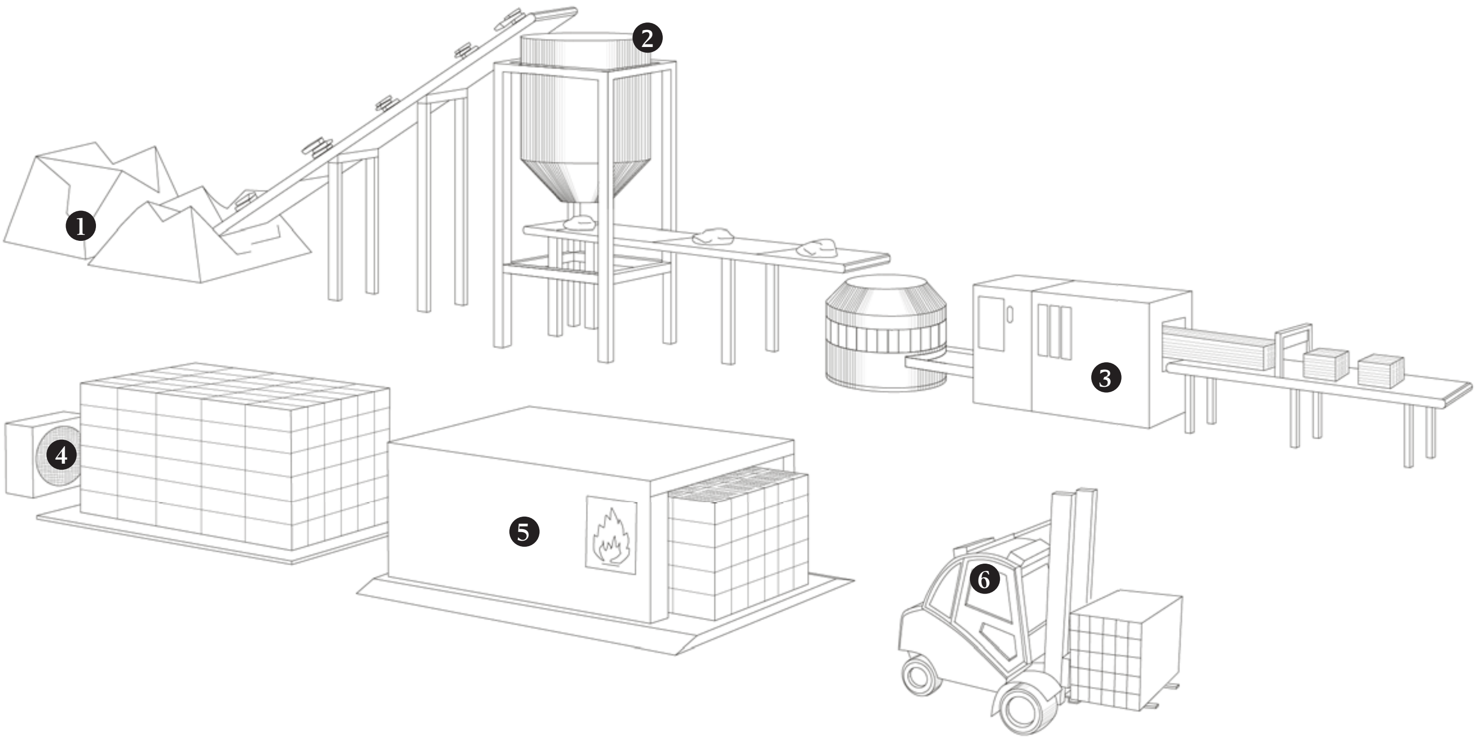


❶ ***Raw Materials***
In the plastic pipe business, our most important raw materials include PVC, PP and PE granulates. We only use materials that do not represent a risk for the environment during the production, use or disposal of the pipes. No plasticizers are used. As a member of local initiatives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

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

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

❹ ***Packaging and Delivery***
The pipes are then packed and delivered to the customer. Thanks to our decentralized network of 26 plastic pipe production sites in Europe and North Amercia, we are always close to our customers and can keep transport routes as short as possible.



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

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

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

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

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

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

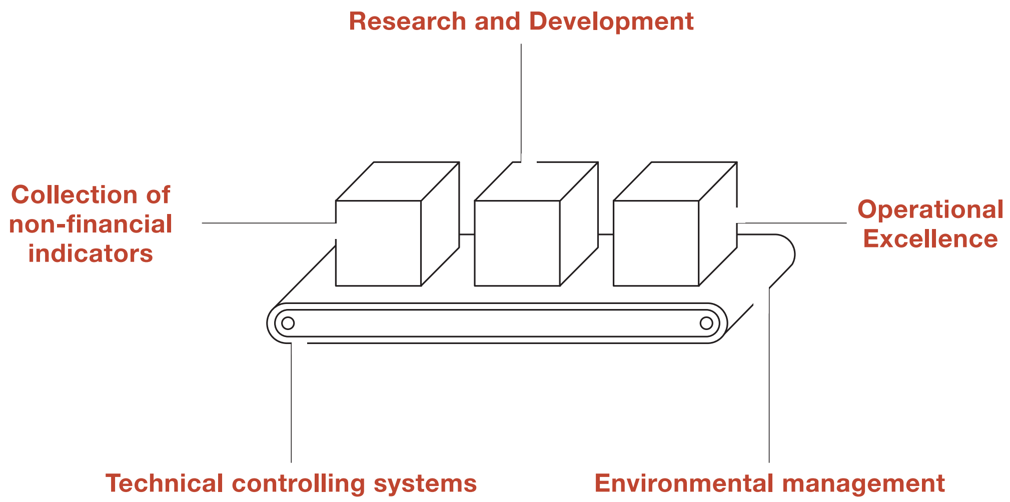
Production

Wienerberger operates an extensive and efficient plant network with over 200 production sites in 30 countries. Our goal is to secure and strengthen our market positions by taking the lead in terms of costs and technology and offering innovative products and system solutions. Continuous measures aimed at cost and process optimization in our plants and the development of innovative products and technologies are therefore our top priorities. Given its regional and decentralized plant structure, Wienerberger relies on a flexible system of production management, well adapted to local market conditions, as a central strategic instrument.

To minimize the environmental impact of our production processes and sourcing of raw materials, we observe a number of key principles in our production activity: a responsible operation of our clay extraction sites, conservation of raw materials and other resources, such as energy and water, the reduction of CO_2 emissions and an increase in the percentage of recycled materials used. For further information on the sourcing and extraction of raw materials, please refer to the chapter on Procurement (pages 40 to 41).

Processes and instruments

To reach our targets, we are continuously improving our structures and operations in production. The following process and instruments support our efforts:



Research and Development

Research and development (R&D) are among the priorities of our strategic activities and primarily aim to upgrade our production processes and support product development. Moreover, we regularly explore possibilities of using new technologies and materials. Wienerberger's R&D activities are managed centrally, but the results are implemented locally. Thus, innovations can be adjusted quickly and efficiently to local conditions and the requirements of our customers. For further information, please refer to the Management Report on page 120.

Operational Excellence

Under the heading of Operational Excellence, a great variety of measures for the improvement of structures and processes are identified and implemented, especially in production. These include optimization programs, such as the **Plant Improvement Program (PIP)** in brick production and the **Production Excellence Program (PEP)** in the production of concrete pavers, both of them intended, above all, to achieve sustainable cost savings through the improvement of production processes. In addition, various measures have been taken in recent years to **optimize energy efficency** in our plants and diminish our carbon footprint. While **Supply Chain Management (SCM)** is targeted at optimum inventory levels and high reliability of deliveries, the **Lean Six Sigma** management approach is focused on quality enhancement and process optimization in plastic pipe production. For further information on Operational Excellence at Wienerberger, please refer to page 36.

Environmental management

Convinced of the need to monitor and control production processes and their environmental impact, Wienerberger integrated ecological aspects in its quality management systems (QMS). The criteria laid down in the QMS provide the basis for the requirements to be met in production and production processes. Environmentally relevant aspects include among others the introduction of closed-cycle systems for all product groups and the avoidance of noise and dust emissions.

Technical controlling systems

Technical controlling systems have been installed in all production areas of the Wienerberger Group. These systems collect all production-related data required for the management of the company and for the internal benchmarking of production sites. The data collected include statistics on production volumes as well as information on product quality, the efficiency of the machinery used, and energy consumption. They serve as a basis for the management of the Group and constitute an integral part of the reporting system. Moreover, on the basis of such data, the effectiveness of the measures taken to reduce the environmental impact of our production processes can be analyzed.

Collection of non-financial indicators

The processes for the collection of essential environmental indicators, such as energy, CO_2 emissions, water and waste were harmonized for all business units and laid down in a Group-wide manual, which specifies individual responsibilities and defines the indicators used. Thus, the business units now take a greater share of the responsibility for collecting the data and checking them for plausibility. Within the framework of Wienerberger's new sustainability program – the Wienerberger Sustainability Roadmap – binding targets were defined on the basis of non-financial indicators, which serve to verify and measure the effectiveness of the measures taken.

Environmental aspects in production

Energy consumption and CO_2 emissions

Accounting for 9.8% of revenues, energy costs represent a major cost factor in production. With a view to reducing unit costs and lowering the volume of emissions, we have set ourselves the goal of reducing specific energy consumption in ceramic production by 20%. To achieve this target, we are continually experimenting with new technologies and improving our production processes. Since 2010, which we take as the reference year, we have reduced our energy consumption by 2-3% annually and thus already met our savings target by more than half. Moreover, efforts are being made throughout the Wienerberger Group to switch to low-emission and renewable energy sources. The substitution of fuel oil and coal by other sources of energy is one of our priorities. All production sites of the North America Division are gradually being converted from coal to natural gas. The electricity used in the production of ceramic pipes comes exclusively from renewable sources. In a number of countries we use electricity generated by our own photovoltaic installations. In 2015, electricity from renewable sources of energy accounted for 24% of total electricity consumption.

In the collection of CO_2 emission data, we use the method of the European Union Emissions Trading Scheme (ETS system). It records direct CO_2 emissions from the production processes in our plants and therefore only applies to our ceramic production (bricks, roof tiles and ceramic pipes). In the production of plastic pipes and concrete pavers, electrical energy is most important, with the related CO_2 emissions being attributed to the electric power producer.

In ceramic production we distinguish between CO_2 emissions from primary sources of energy and process emissions. CO_2 emissions from primary sources of energy correlate with energy consumption, whereas process emissions result from the raw material and, in the case of clay blocks, from the use of pore-forming agents. To diminish the volume of CO_2 emissions, our ceramic engineers focus, above all, on the reduction of energy input for the drying and firing process, the avoidance or recovery of waste heat, and the optimization of products and processes.

Water consumption

Water is used primarily in plastic pipe production to cool the extruded pipes. In order to reduce water consumption, we mainly use water that comes from closed cycles, from our own sources (wells), or from ponds (rainwater) and rivers. In ceramic production water plays a secondary role.

Recycling and re-use

In the interest of resource conservation in all the Group's fields of production, we are making continuous efforts to increase the use of secondary raw materials. The amount of recycled material used in production depends on the availability and quality of the material and on technical and economic considerations. Recycled materials from external sources are used only if both the supplier and the quality of the material meet our strict criteria.

Most of the residues from ceramic production can be recycled internally due to its high degree of purity. The re-use of external ceramic raw materials from building construction residues is technically feasible, but limited for reasons of cost-effectiveness and availability. Other recycling materials from external sources, such as ash, slag, paper fiber, saw dust or straw, are added to the raw material mix to obtain the required product quality.

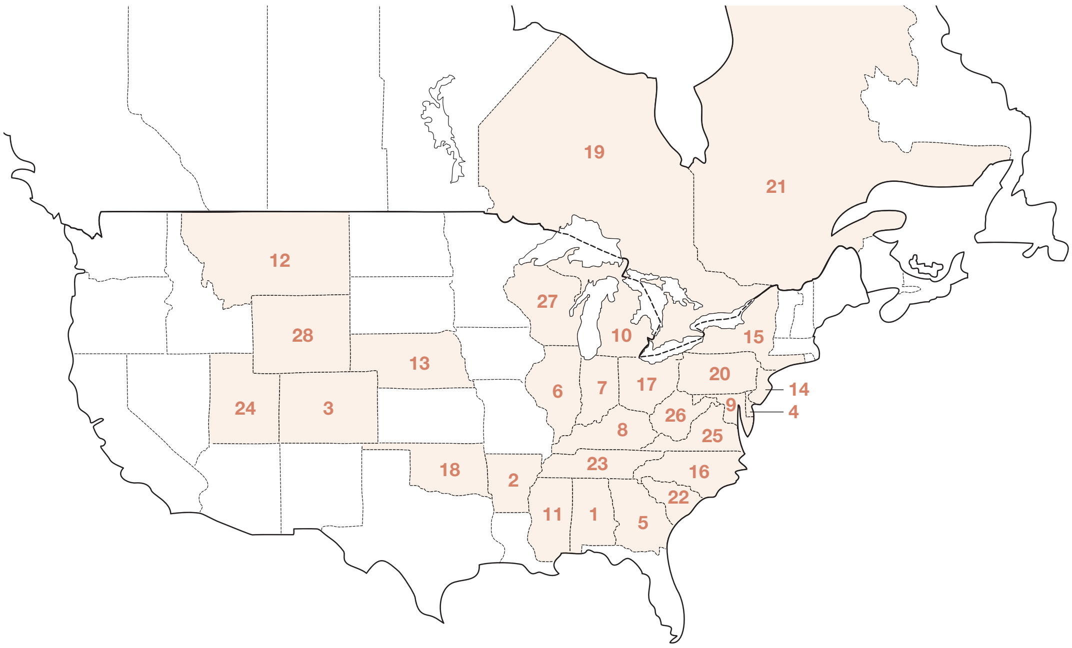
While residues from plastic pipe production can be recycled internally, recycling materials from external sources have to be sorted and processed. Their recyclability depends on the quality and the properties of the product and on the standards to be met in production.

For further information, please refer to the 2014 Sustainability Report (sustainabilityreport14.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 203 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	*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 December 2015

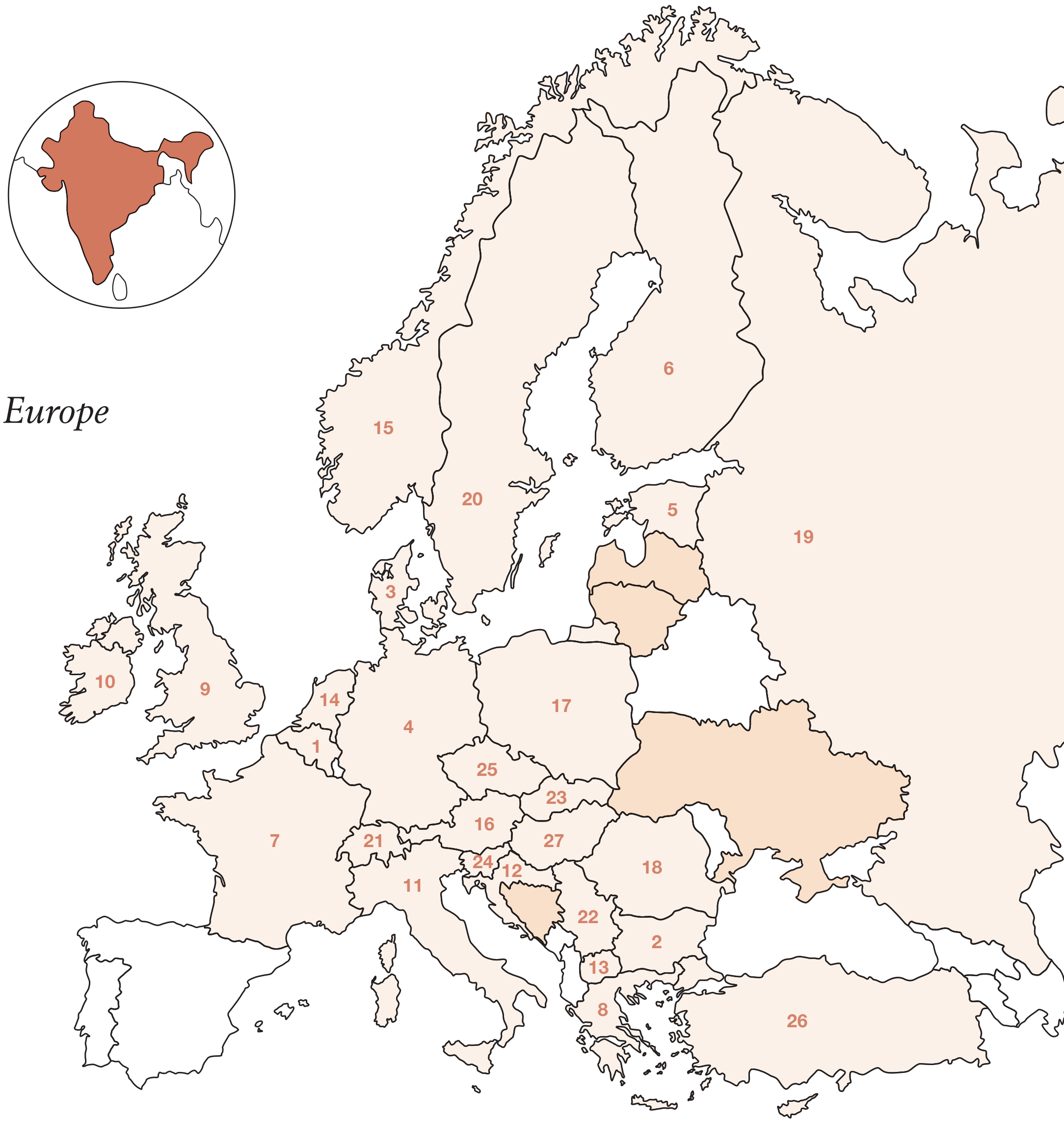
Wienerberger in India

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	4	6	2		1	1
2	Bulgaria	1	2	1			1	1	
3	Denmark*				2				
4	Germany	1	4	14	3	5	1	1	2
5	Estonia	1			1			1	
6	Finland*				1			3	
7	France	2	4	5	1	3		2	
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	7	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 December 2015

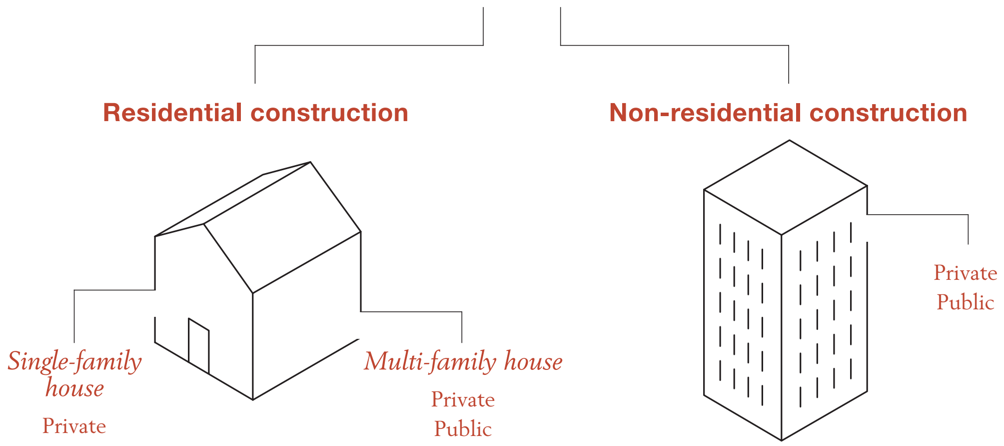
Distribution & Sales

Solutions for Wall, Facade and Roof

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

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

New construction & renovation



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

Decision-makers along our value chain

Investments	**Planning**
Private persons	Architects
Commercial investors	Structural engineers
Developers	Construction physicists
Public sector	Builders/planners

How to convince our partners

Customers and investors

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

Planners

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

Retailers and logistics experts

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

Building contractors

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

Retail and logistics
Building material retailers
Wholesalers
Specialty retailers
Transport companies

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

Plastic Pipe Systems

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

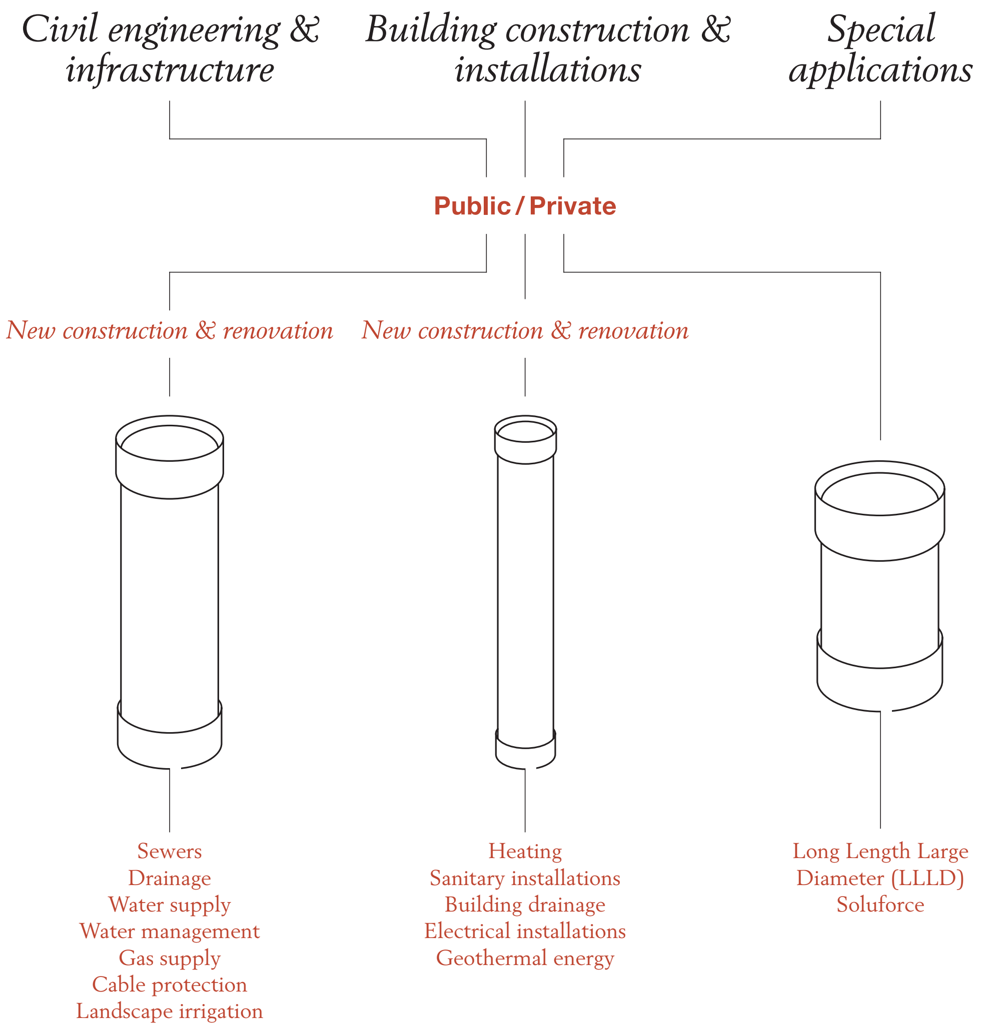
How to convince our partners

Customers and investors **Retailers and logistics experts** **Building contractors**	• Extensive product portfolio and system solutions for nearly all types of applications • One-stop-shop solutions • Reliable partner with long-standing experience and outstanding know-how • High-quality advising and excellent service • Product availability based on extensive network of building material retailers and electrical wholesalers as well as own sales offices • Sustainable products for a good environmental footprint
Planners	• Flexible, innovative products and system solutions for all types of construction and sustainable building • Training and support for planning and realization with software developed internally and/or specifically tailored for use with our products • Technical advising • Static calculation tools

Decision-makers along our value chain

Investments	**Planning**
Private persons	Architects
Commercial investors	Designers/planners
Developers	Builders or plumbers/planners
Public sector	Civil engineering firms

Our plastic pipe business is represented in a number of countries, where we offer our proven advising, planning and services to stakeholders along the entire value chain – investment, planning, retail and logistics, and construction – through our local sales and distribution organizations. Step by step for responsibility and security.



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

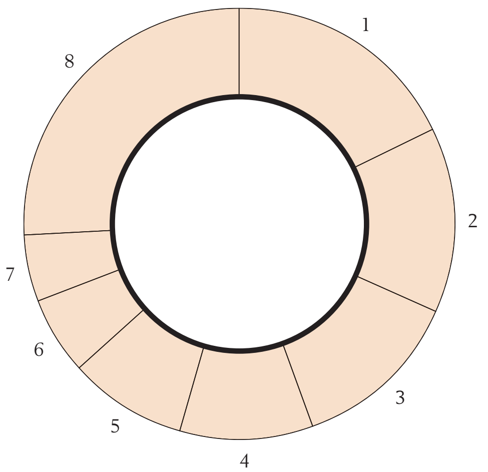
Construction
Construction companies and general contractors
Civil engineering specialists
Installers/Electricians

Overview of Clay Building Materials Europe

Highlights 2015

- Significant increase in earnings despite costs for structural adjustments
- Improvement of average prices and consolidation effect compensate slight organic volume decline

Revenues by country



1	*Great Britain 18%*	5	*France 9%*
2	*Germany 14%*	6	*Poland 6%*
3	*Belgium 13%*	7	*Austria 5%*
4	*Netherlands 10%*	8	*Other countries 26%* [1]

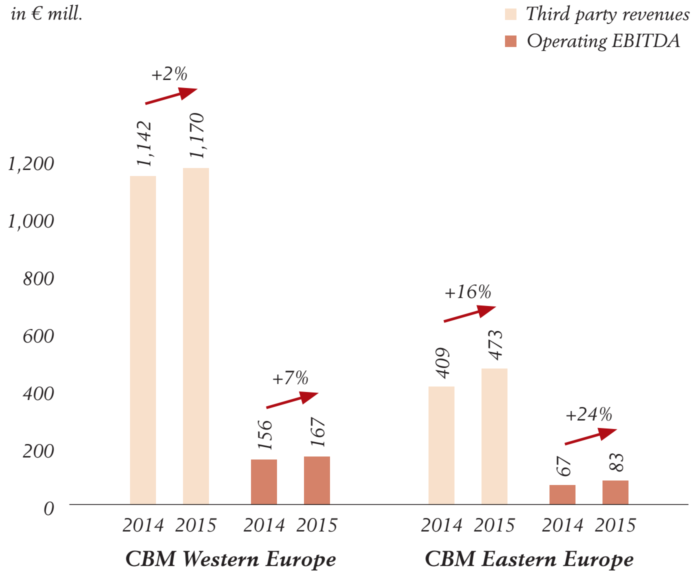
1) CH, IT, RU, CZ, RO, BG, HU and all markets in Central-East Europe as well as smaller peripheral markets (each with < 5% of division revenues)

Market- and business development

- Stable to slightly positive market environment with regional differences
- Positive market development in Great Britain, the Netherlands, Poland, Romania, Bulgaria and Hungary
- Market declines in Russia, Italy and France
- Expected stabilization in French single- and two family house construction confirmed at year-end
- Muted demand in Belgian residential construction and renovation market
- In Austria, new housing starts remained stable

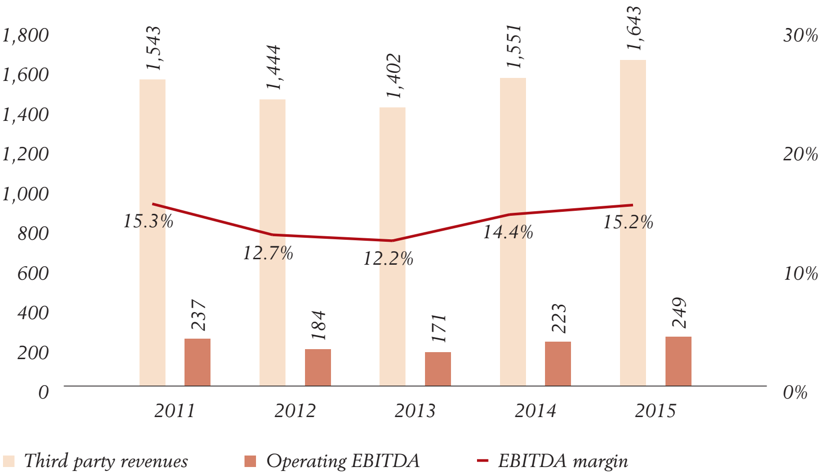
Segment results

in € mill.

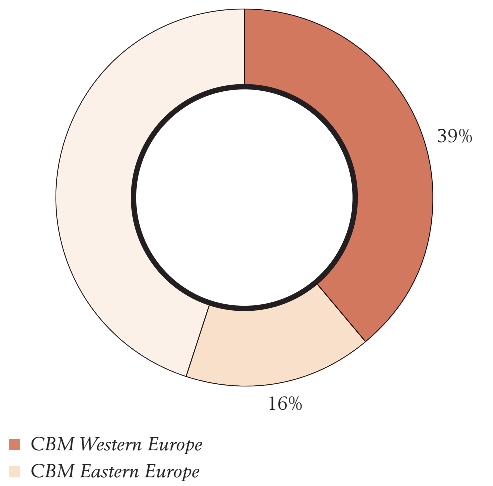


Revenue and EBITDA development

in € mill.



Share of Group revenues in 2015

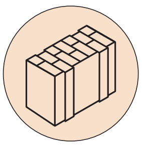


Division strategy

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

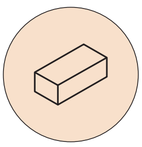
Our strategic medium-term planning for the realization of organic growth is focused on market orientation, product development and operational excellence. We want to design our customer relations as an ongoing dialogue in order to optimally coordinate the development of our innovative products and system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

Clay Blocks



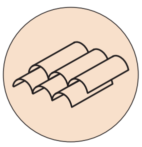
- Market and innovation leadership in European core markets
- Higher volumes based on organic growth
- Implementation of process improvement and cost optimization measures
- Innovative products and marketing and distribution activities remain priority

Facing Bricks



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

Roof Tiles



- Integration of Tondach Gleinstätten leads to above-average growth potential and synergy effects
- Combination of roof tile and clay block activities in Eastern European core markets
- Launch of innovative products and efficiency improvement measures remain priority

Success Story #4
Student hostel in Angers

Bricks for a quiet learning environment

Clay blocks for multi-story buildings
© Christophe Guerin

The city of Angers is located in the heart of the Val de Loire wine-growing region to the south-west of Paris. With a total population of 200,000 inhabitants, this town has two universities and accommodates over 30,000 students. The number of students is increasing rapidly, and so is demand for student housing. Besides a modern building layout and individual floor plans, the choice of the building material is based, above all, on the properties in terms of sound insulation, energy efficiency, safety and a long useful life.

Between a highway and a tram

The "Esperanto & Agora" student hostel, which has 131 rooms and 82 apartments, is located between a highway and a tram that stops right in front of the building. The advantage of direct access to public transport comes at the cost of high noise pollution. "A student hostel should be a place for people to relax and recover, but also provide a positive learning atmosphere. Therefore, the building has to be well insulated from street noise," explains Jérôme de Crozé, architect and partner at ROLLAND & ASSOCIES ARCHITECT describing the design challenges he faced. "Moreover, the noise permeability between neighboring rooms has to be kept as low as possible."

With the above considerations in mind, the French architect opted for a "next generation" Wienerberger solution and for bricks as a building material. "Brick walls and ceilings have excellent noise insulation characteristics and diminish the propagation of air-borne, footfall and structure-borne sound to an acceptable level," says Jérôme de Crozé. In other words, even a riotous party in the neighboring room will not disturb someone who is studying for an exam. As regards the outside appearance of the building, the solid masonry structure is a perfect match for the design concept: clay blocks are no longer visible in the finished building, as they are either plastered or clad.

Living and learning in a low-energy building

Besides its sound-insulating properties, brick masonry stands out for its high heat storage capacity. Brick walls not only guarantee excellent thermal insulation, but are also absolutely windproof and make for a pleasant indoor temperature. Thanks to the use of Porotherm bricks from Wienerberger, the student hostel meets the standard of a low-energy building. This means lower heating costs and, consequently, lower rents for the students. This is an issue that is continuously gaining in importance for residential buildings. With projects like the student hostel in Angers, Wienerberger is gradually entering the segment of multi-story residential construction in France.

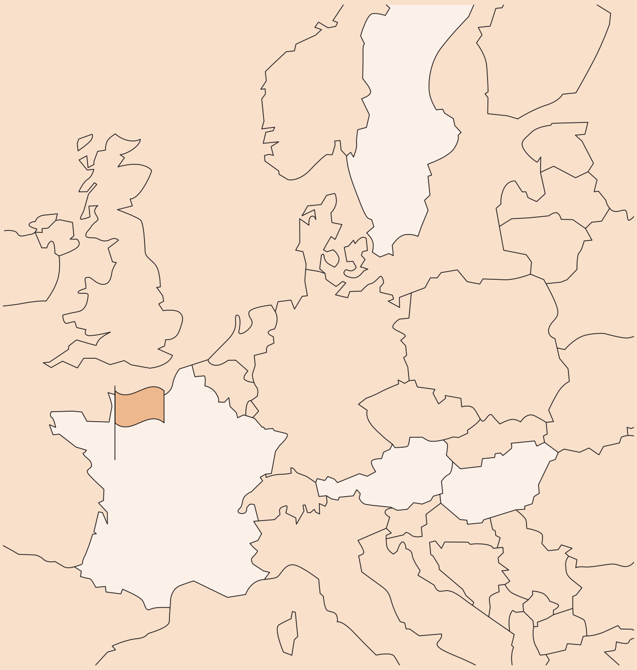
With many people living in a relatively confined space, fire protection is an absolute must. The technical requirements to be met in this respect were yet another argument in favor of bricks for the Angers project. A fired clay block is resistant to fire and decelerates its propagation. On top of that, it does not produce any toxic vapors. "In principle, fire safety can be achieved with any building material," explains Jérôme de Crozé, "but fire-resistant brick walls offer a decisive advantage from the outset."

A feel-good building with a long useful life

A long-term solution for the benefit of all residents and the operating company of the hostel was a matter of particular importance for the architect. The impact of structural loads and the influence of high and low temperatures were considered in the design of the building. "Of all building materials, brick structures have the highest dimensional stability" emphasizes Jérôme de Crozé. A brick building requires little maintenance and has an above-average useful life.

A high quality of life is offered not only by the building, but also by its surroundings: flower beds, trees and a sand boccia alley create a pleasant atmosphere, with enough space for students to meet and talk outdoors, especially in the summer. And the old city center is only a ten-minute tram ride away, which makes student life even more comfortable.

Location Angers



Sound insulation for quality living space between a highway and a tram

© Christophe Guerin

For a student hostel located between a busy highway and an urban tram line, there was no other solution but bricks. Bricks provide optimum sound insulation and ensure a quiet working and learning environment.

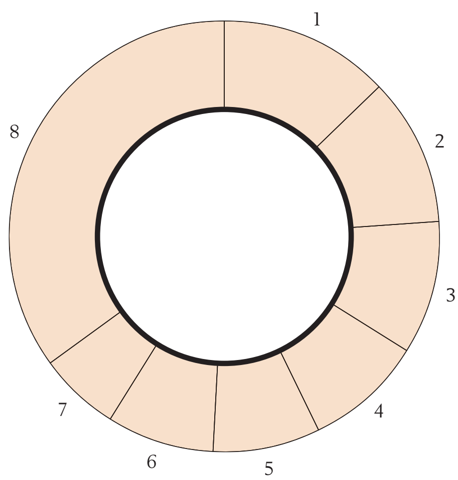
Jérôme de Crozé, architect

Overview of Pipes & Pavers Europe

Highlights 2015

- Stable revenues and significant increase in earnings
- Earnings growth in plastic pipe and concrete paver business
- Earnings decline in business with ceramic waste water pipes

Revenues by country



1 *Austria 13%*
2 *Norway 11%*
3 *Netherlands 10%*
4 *Poland 9%*
5 *Sweden 8%*
6 *Belgium 8%*
7 *France 6%*
8 *Other countries 35%* [1)]

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

Market- and business development

Plastic pipes

- Organic growth in earnings and record results in the international project business
- Higher volumes and market share gains in some regions in our Nordic core markets

Ceramic pipes

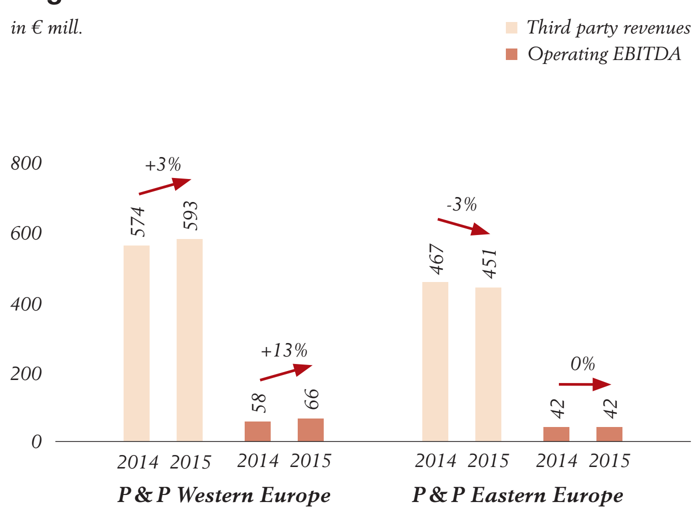
- Earnings decline due to unfavorable shifts in the geographic sales mix

Concrete pavers

- Significant increase in earnings in challenging market environment through cost optimization measuers and improvement in the product mix

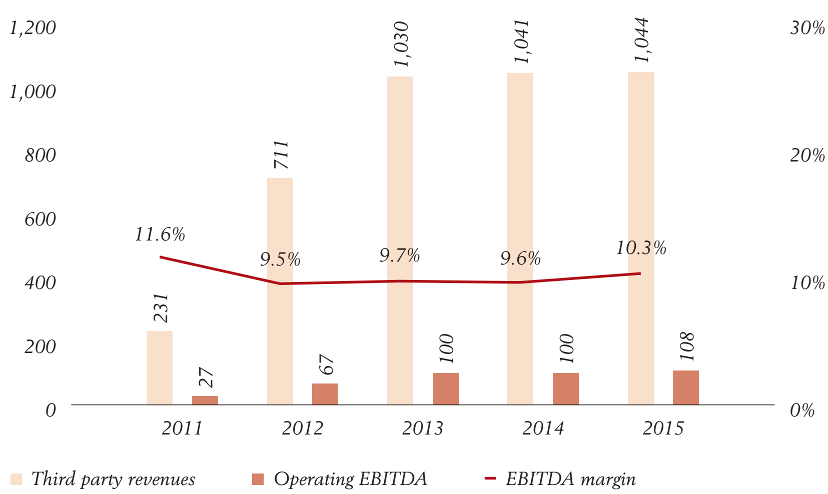
Segment results

in € mill.

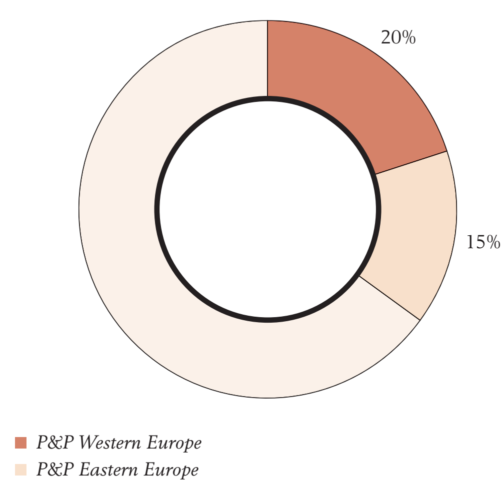


Revenue and EBITDA development

in € mill.



Share of Group revenues in 2015

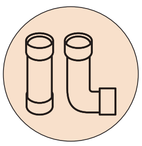


Division strategy

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

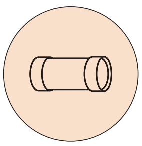
Above-average growth is expected over the coming years, above all, in the areas of fresh water and wastewater management due to the renovation backlog in Western Europe and the planned increase in supply network coverage in Eastern Europe. The growing demand for electricity and the expansion of telecommunication networks will also lead to increased demand for cable and electrical installation pipes in the future. The market shares of plastic pipes are growing steadily in comparison with competing metal and concrete products and outpacing the market.

Plastic Pipes



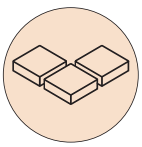
- International product and system supplier with leading positions in Europe
- Focus on evaluation of smaller, value-creating transactions to complement the product portfolio and strengthen the market presence
- Operational excellence and continous product innovation

Ceramic Pipes



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

Concrete Pavers



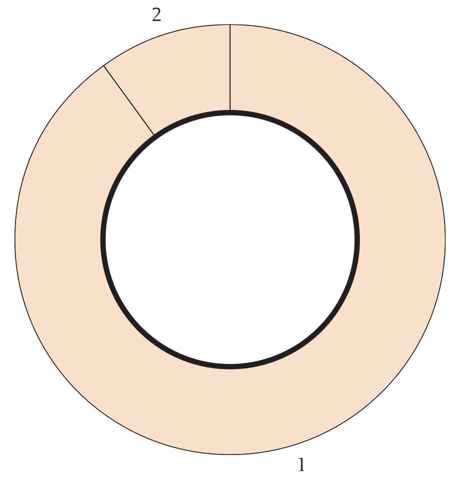
- Market leadership for concrete pavers in Central-Eastern Europe
- Positioning as premium supplier of medium-priced and premium product solutions
- Further development of product portfolio and higher capacity utilization through organic growth

Overview of North America

Highlights 2015

- Stable volume development and slight improvement of average prices in facing bricks
- Cost reduction measures, real estate sale and positive foreign exchange effects support significant earnings growth

Revenues by country



1 *USA 90%*
2 *Canada 10%*

Market- and business development

Brick business

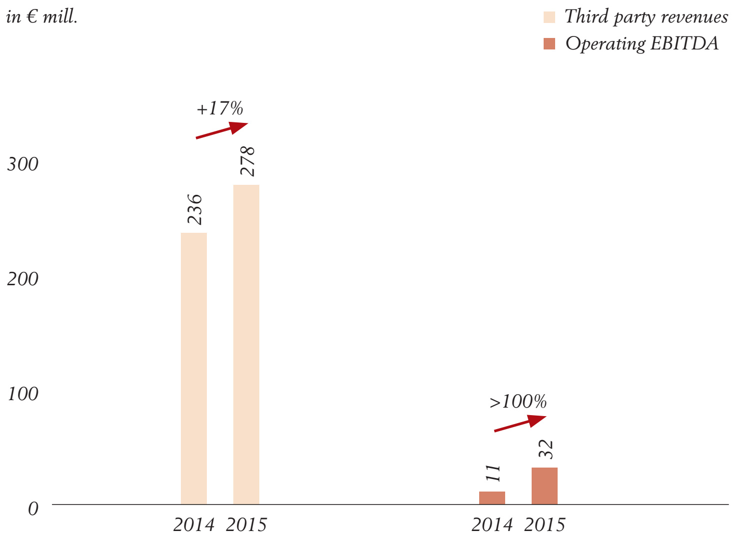
- Recovery of housing construction in the USA has no decisive impact on our core business in facing bricks yet
- Sales volumes at previous year´s level and slightly increased average prices
- Market share gains in certain regions
- Revenue and earnings improvement due to higher demand in Canada

Plastic pipes

- Slight increase in demand leads to gains in revenues and earnings

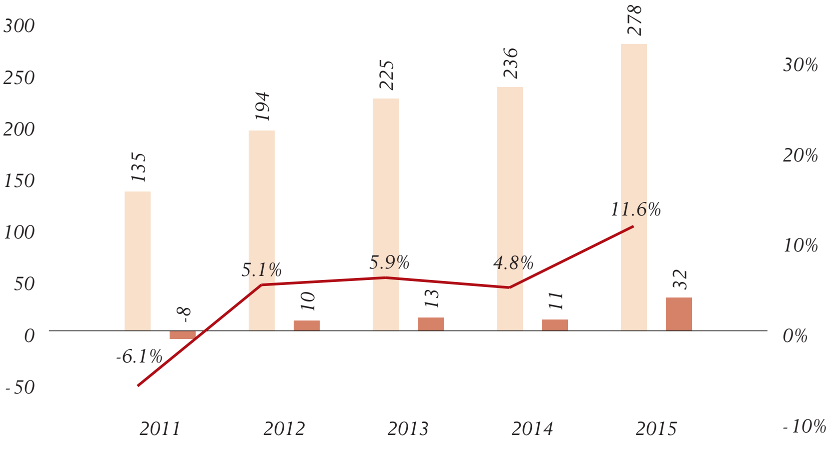
Segment results 2015

in € mill.



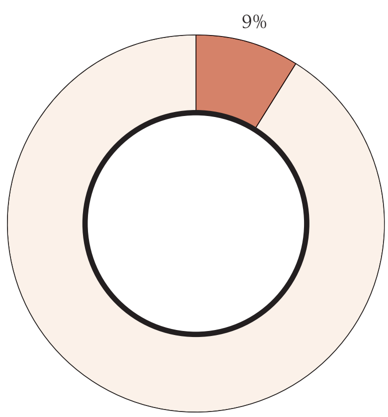
Revenue and EBITDA development

in € mill.



Third party revenues *Operating EBITDA* *EBITDA margin*

Share of Group revenues in 2015



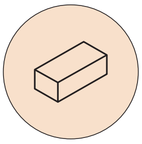
North America

Division strategy

In the North American brick business, Wienerberger has a modern, highly efficient plant network and its own sales centers. Housing starts in the USA have already doubled from the previous crisis low, but US residential construction is still roughly 35% below a normalized level, which we estimate at approx. 1.5 million housing starts. Our extensive structural adjustments were based on covering demand in a normalized market environment, which gives us the potential to benefit significantly from future developments. We are reacting to the increasing signs of market consolidation by examining value-creating transactions and are prepared to use selective opportunities to expand our market positions, complement our product portfolio and enter new regional markets in North America.

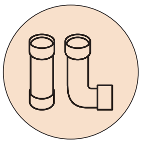
In the pipe business, which operates from a base in Arkansas, we are focusing on applications in the areas of water management and high-pressure applications for the oil and gas industry, in which we are actively driving the substitution trend to plastic pipes.

Facing Bricks



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

Plastic Pipes



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

CORPORATE GOVERNANCE REPORT

Corporate Governance at Wienerberger

A responsible, long-term approach to the management and steering of the Wienerberger Group is an essential prerequisite for the achievement of corporate targets and a sustainable growth of the enterprise value on the basis of ecological, social and economic considerations. As an exchange-listed company with international operations, Wienerberger is committed to strict principles of good governance and transparency as well as to the further development of an efficient system of corporate control. This understanding of our role as a company is based on Austrian law, the Austrian Corporate Governance Code, our Articles of Association, the rules of procedure of the bodies of the company and our internal guidelines.

Wienerberger was one of the first companies to commit itself to the Austrian Corporate Governance Code (see www.corporate-governance.at) and the observance of its rules. In 2015, Wienerberger complied with all the rules and recommendations of the Code, as amended in January 2015. The Code provides a framework for the management and control of a company. Its guiding principles, such as the equal treatment of all shareholders, transparency, the independence of the supervisory board, open communication between the supervisory board and the managing board, the avoidance of conflicts of interest between the bodies of the company and efficient monitoring by the supervisory board and the external auditor, are intended to strengthen the confidence of investors in the company and in Austria as a financial marketplace. The rules of the Code go beyond the requirements of the law and take effect upon the company's voluntary self-commitment. Once committed to the Code, the company has to explain its non-compliance with C rules ("comply or explain").

Evaluation and confirmation of compliance with the Code

The implementation and correctness of our public statements are evaluated by the external auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, within the framework of its review of the corporate governance report; the auditor's report on review is published on our website. The most recent evaluation of the corporate governance report for 2015 did not result in any negative findings regarding our public statements on compliance with the Code. Compliance with the provisions of the Code relating to the external auditor was verified by the Audit Committee. In its report to the Supervisory Board, the Audit Committee stated that no deviations from the rules of the Code were identified in 2015.

In order to prevent insider trading, the company has adopted a compliance guideline that implements the provisions of the Issuer Compliance Regulation of the Austrian Financial Market Authority. A compliance officer and his/her deputy are in charge of monitoring compliance. The principles governing lobbying activities have been laid down in a code of conduct based on the provisions of the Austrian Lobbying and Transparency Act; the code applies to all bodies and employees of Austrian companies in which Wienerberger AG holds a majority interest. This code of conduct can be downloaded from the Wienerberger website (www.wienerberger.com).

In order to further improve Wienerberger's system of risk management, an internal audit function was created as a staff unit reporting to the Managing Board. Based on an audit plan approved by the Managing Board and agreed upon with the Audit Committee, as well as a Group-wide system of risk assessment covering all the company's activities, the Managing Board and the internal audit unit regularly analyze operational processes for potential risks and possible improvements in efficiency; they also monitor compliance with legal provisions, internal guidelines and processes. In recent years, the internal control system (ICS) has been further developed to permit the early identification and management of risks, and various measures have been implemented and reviewed (see pages 127 and 128). The internal audit unit regularly reports to the Managing Board and the Audit Committee on the audit findings and the audit plan for the following year. A management letter and a report on the efficiency of risk management in the Group were prepared by the external auditor, submitted to the chairperson of the Supervisory Board and discussed in detail by the full Supervisory Board.

Disclosures pursuant to § 243a of the Austrian Company Code

The disclosures required pursuant to § 243a of the Austrian Company Code can be found in the following chapters: the composition of Wienerberger's capital, types of shares, restrictions and rights, as well as the authorization of the members of the Managing Board to issue or buy back shares are discussed in the chapter "Wienerberger share and shareholders" beginning on page 123 and in the Notes to the Consolidated Financial Statements under Note 26 ("Group equity") beginning on page 169. Furthermore, the chapter "Wienerberger share and shareholders" beginning on page 123 contains information on direct and indirect investments in Wienerberger capital. The "Remuneration report" explains on page 80-85 the principles of the company's remuneration policy and provides information on the long-term incentive (LTI) program, the remuneration of the individual members of the Managing Board and Supervisory Board, and the shares held by these persons. Updates on the purchase and sale of Wienerberger shares by members of the Managing and Supervisory Boards are disclosed on the Wienerberger website under "Directors' Dealings". Change of control clauses are included in the contracts concluded with the members of the Managing Board, the terms of corporate and hybrid bonds, and the syndicated loans and other loans.

Wienerberger AG has issued 117.5 million common shares. There are no preferred shares or restrictions on common shares. The "one share – one vote" principle therefore applies in full. In accordance with the Austrian Corporate Takeover Act, each shareholder will receive the same price for his/her Wienerberger shares in the event of a takeover bid (mandatory offer). Wienerberger AG has no core shareholder. The company's shareholder structure is shown on pages 124 and 125.

No loans were granted to members of the Supervisory Board or the Managing Board. Business transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are carried out at arm's length. Information on related party transactions is provided in the Notes to the Consolidated Financial Statements on page 203.

The 146th Annual General Meeting appointed KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, external auditor for the consolidated and separate financial statements of Wienerberger AG. In addition to its auditing function, KPMG also provides certain tax and financial consulting services for the Group through its global network of partner offices. Consultancy fees charged by KPMG, excluding fees for auditing the financial statements, amounted to a total of € 0.5 million in 2015 (2014: € 0.7 million). The fee for the audit of the Wienerberger Group and related services amounted to € 1.8 million (2014: 1.8 million).

Working mode of the Supervisory Board

In keeping with the spirit of the Code, the Managing Board and the Supervisory Board, in particular through their chairpersons, regularly engage in discussions on the development and strategic orientation of the company over and above the deliberations conducted during the scheduled Supervisory Board meetings. The Supervisory Board decides on issues of fundamental importance and on the strategic orientation of the company. The duties of the Supervisory Board include, in particular, the appointment and recall of members of the Managing Board, the preparation of lists of candidates for the Supervisory Board to be voted on at the Annual General Meeting, the formal adoption of the annual financial statements and the report to the Annual General Meeting on the annual financial statements. Furthermore, the Supervisory Board approves acquisitions or sales of real estate and participations as well as capital expenditure projects in a value of over € 30 million in each case. It also authorizes the commencement or discontinuation of lines of business or significant changes in the company's program of products and services. Depending on the importance and nature of the issue under consideration, the Supervisory Board also exercises its advisory and monitoring function through the following four committees: the Presidium, the Strategy Committee, the Audit Committee and the Personnel and Nomination Committee / Remuneration Committee. The rules of procedure of the Supervisory Board have been published on our website.

The *Presidium* represents the company in all legal transactions with members of the Managing Board. It decides on all issues regarding the relationship between the company and the members of the Managing Board, unless the matter is within the remit of the full Supervisory Board or the Personnel and Nomination Committee. As stated in the rules of procedure of the Supervisory Board, the Presidium consists of the Chairperson of the Supervisory Board and his/her deputies.

The *Strategy Committee* discusses the company's strategy and future development and prepares strategic issues for decision-making by the Supervisory Board. It is authorized to approve transactions that do not require the approval of the full Supervisory Board, in particular capital expenditure projects, acquisitions and the sale of property in a value of between € 7.5 and 30 million, and to take decisions in urgent cases. The Strategy Committee is chaired by Peter Michael Johnson, who possesses decades of experience in the building materials sector.

The *Audit Committee* prepares all matters relating to the annual financial statements for consideration by the Supervisory Board and monitors the company's system of accounting. Furthermore, it monitors the effectiveness of the company's systems of internal control, internal audit and risk management and verifies the independence of the external auditor and its qualification as established by peer reviews. Harald Nograsek, a financial expert, serves as chairman of the Audit Committee.

The *Personnel and Nomination Committee* is responsible for preparing all appointments to the Managing Board and the Supervisory Board. It submits candidacies for the positions of capital representatives on the Supervisory Board, which are then voted on at the Annual General Meeting. Prior to the appointment of members of the Managing Board and the Supervisory Board, the Personnel and Nomination Committee draws up qualification profiles and prepares the decisions to be taken by the Supervisory Board on the basis of a defined procedure of selection and succession planning. In its functions as a *Remuneration Committee*, the Personnel and Nomination Committee deals with the remuneration of the Managing Board members and the content of their employment contracts. Regina Prehofer, who has many years of experience in managing board functions in the banking industry, chairs the Personnel and Nomination Committee / Remuneration Committee.

The representation of the company's employees on the Supervisory Board and its committees is regulated by law as an integral part of the Austrian corporate governance system. In accordance with the Austrian Labor Relations Act, the body representing employee interests is entitled to delegate to the supervisory board of a joint stock corporation and its committees one member from among its ranks for every two members elected by the annual general meeting (capital representatives).

Criteria for the independence of Supervisory Board members

The Austrian Corporate Governance Code requires the majority of capital representatives on a supervisory board to be independent. A supervisory board member is deemed to be independent if he or she has no relationship, either business or personal, with the company or its managing board that constitutes a material conflict of interest and consequently may influence his or her behavior. In accordance with this guideline and modelled on Appendix 1 of the Austrian Corporate Governance Code, as amended in January 2015, the Supervisory Board of Wienerberger AG defined six criteria for the independence of its members. A member of the Supervisory Board is considered to be independent if he or she:

– has not served as a member of the Managing Board or in an executive position of Wienerberger AG or a company of the Wienerberger Group during the past five years;
– does not maintain, or has not maintained in the past year, business relations with Wienerberger AG or a company of the Wienerberger Group to an extent of significance for the member of the Supervisory Board concerned (this also applies to business relations with companies in which the Supervisory Board member has a material economic interest);
– has not acted as an external auditor of Wienerberger AG or held an investment in or been an employee of the public accounting firm mandated to perform the audit during the past three years;
– has not served on the managing board of another company in which a member of the Wienerberger Management Board serves on the Supervisory Board;
– has not previously been a member of the Supervisory Board for longer than 15 years;
– is not closely related to a member of the Managing Board of Wienerberger AG or to persons holding one of the aforementioned positions.

The criteria for independence are published in full on our website. As at 31.12.2015, the Supervisory Board of Wienerberger AG consisted of eight capital representatives, who reconfirmed their independence in accordance with the above criteria at the beginning of 2016. None of the capital representatives holds an investment of more than 10% or represents the interests of such a shareholder.

Members and Committees of the Supervisory Board

8 shareholder representatives

Regina Prehofer
Chairwoman
independent, born 1956, appointed to 150th AGM (2019), first elected: May 13, 2011

Position and board membership
Second Vice-Chairwoman of the Supervisory Board of AT&S Austria Technologie & Systemtechnik AG, member of the Supervisory Boards of SPAR Holding AG and SPAR Österreichische Warenhandels-AG, bx Anteilsverwaltungs AG, bx Alpha AG and 6B47 Real Estate Investors AG, member of the Advisory Board of Sappi Papier Holding GmbH, member of the Shareholders' Committee of Vamed Engineering GmbH, Vice-Chairwoman of the Supervisory Committee of Wiener Krankenanstaltenverbund

Career
1974-1980 Studies in business and law in Vienna, 1981-2010 Career in the Austrian banking industry; among other positions, member of the Managing Board of Bank Austria Creditanstalt AG from 2003-2008 and member of the Managing Board of BAWAG P.S.K. from 2008-2010, 2011-2015 Vice-Rector for Financial Affairs and Infrastructure at the Vienna University of Economics and Business

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

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

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

Harald Nograsek
Vice-Chairman
independent, born 1958, appointed to 148th AGM (2017), first elected: May 8, 2002

Position and board membership
Chief Executive Officer of Österreichisches Verkehrsbüro AG, Chairman of the Supervisory Board of DDSG – Blue Danube Schifffahrt GmbH, member of the Supervisory Board of Motel One Austria GmbH and of Volksbank Wien AG

Career
1979-1984 Studies in International Management in Vienna,1984-1985 Assistant to the Managing Board at PAN-Records, 1985-1986 Credit auditing at BAWAG, 1986-1987 Freelance journalist for "Informationsdienst für Entwicklungspolitik" in South America, 1987-2004 various positions in the Austrian banking industry

Caroline Grégoire Sainte Marie
independent, born 1957, appointed to 150th AGM (2019), first elected: May 22, 2015

Position and board membership
Chairwoman of the Nomination and Remuneration Committee and member of the Audit Committee of Groupama, Independent Director and member of the Audit Committee of Eramet, Independent Director and member of the Technology Committee of FLSmidth, Investor and Board Director of Calyos

Career
1979 Institut d'Etudes Politiques de Paris, 1980 graduation in Commercial Law in Paris, 1981-1984 Junior Financial Controller at Rank Xerox, 1984-1994 Financial responsibilities and deputy to the Southern and Eastern Europe Regional Manager at Roussel Uclaf S.A., 1994-1996 CFO and member of the Executive Committee at Albert Roussel Pharma GmbH, 1996-1997 Finance and IT Manager, CFO and member of the Management Committee at Volkswagen France, 1997-1999 CFO and member of the division's Management Committee at Lafarge Speciality Products, 2000-2004 Senior Vice-President of Lafarge Cement Division, member of the Cement Staff and International Operational Committee, member of the Boards of Materis S.A. and Lafarge India, 2004-2006 CEO at Lafarge Germany and Lafarge Czech Republic, member of the Board of the German Cement Association, 2007-2009 President and CEO at Tarmac France and Belgium, 2009-2011 President and CEO at FRANS BONHOMME

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

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

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

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

Position and board membership
Honorary Chairman of the Executive Committee of SOLVAY S.A., Chairman of the Board of Honosthor, member of the Supervisory Board of Louis Delhaize and ING Belgium, Chairman of the Board of several non-profit organizations

Career
1966-1971 Studies in Commercial Engineering in Brussels, 1992 International Senior Management Program at Harvard Business School,1971-2012 Various senior positions at SOLVAY S.A.; among others, CEO and Chairman of the Board of Directors from 2006-2012

Myriam Meyer
independent, born 1962, appointed to the 150th AGM (2019), first elected: May 22, 2015

Position and board membership
Member of the Board of Directors of Swiss Post Ltd., Repower AG, Bedag Informatik AG, Vice-President of the Board of the Commission for Technology and Innovation (CTI), member of the Board of Trustees of the Swisscontact Foundation, member of the Industry Advisory Board of ETH Zurich/Department of Mechanical Engineering, member of the Advisory Committee on International Development Cooperation DEZA

Career
1987 Master of Science in Mechanical Engineering in Zurich, 1994 Ph. D. in Technical Sciences in Zurich, 1994-2001 Vice-President Swiss Air Flight Operations and member of the Executive Committee, General Manager of SR Technics, 2002-2005 Vice-President Global Human Resources & Organization Development of F. Hofmann La Roche and member of the Executive Committee of Roche Consumer Health, 2005-2008 CEO and member of the Executive Committee of RUAG Group, 2009-2010 Group CEO of WIFAG-Polytype Holding, since 2011 Founder and Managing Partner of mmtec

Wilhelm Rasinger
independent, born 1948, appointed to 150th AGM (2019), first elected: April 27, 2006

Position and board membership
Chairman of IVA – Interessenverband für Anleger, member of the Supervisory Boards of Erste Group Bank AG, S IMMO AG, Haberkorn Holding AG and Gebrüder Ulmer Holding GmbH, Chairman of the Supervisory Board of Friedrichshof Wohnungsgenossenschaft reg. Gen. m.b.H., Chairman of the Foundation HATEC Privatstiftung Dornbirn

Career
1972-1976 Graduate degree and doctorate in Business Economics in Vienna, 1972-1977 Project manager at Hernstein Institut für Management und Leadership, 1977-1983 Consultant, 1982-2015 University lecturer at Vienna University of Technology (honorary professor), Lecturer at the Technical College in Krems and Vienna, 1983-1993 Managerial position in the insurance industry (internal audit, asset management), 1993-2014 Consultant

3 employee representatives

Gerhard Seban
delegated for the first time: February 3, 2006
Chairman of the Employees' Council at the Hennersdorf plant in Austria, Chairman of the Central Employees' Council of the Wienerberger Ziegelindustrie GmbH, of the Group Employees' Council and the European Employees' Council of Wienerberger AG

Claudia Schiroky
delegated for the first time: July 2, 2002
Chairwoman of the Employees' Council and the Central Employees' Council of Wienerberger AG, Vice-Chairwoman of the Group Employees' Council

Gernot Weber
delegated for the first time: May 16, 2014
Electrician and Chairman of the Employees' Council at the Göllersdorf plant in Austria, Vice-Chairman of the Central Employees' Council of Wienerberger Ziegelindustrie GmbH, member of the Employees' Council of Wienerberger AG

4 committees

Presidium
Regina Prehofer (Chairwoman), Peter Michael Johnson, Harald Nograsek

Strategy Committee
Peter Michael Johnson (Chairman), Regina Prehofer, Franz Josef Haslberger, Christian Jourquin, Gerhard Seban

Audit Committee
Harald Nograsek (Chairman), Wilhelm Rasinger, Caroline Grégoire Sainte Marie, Christian Jourquin, Gerhard Seban

Personnel- and Nomination Committee/Remuneration Committee
Regina Prehofer (Chairwoman), Peter Michael Johnson, Myriam Meyer, Gerhard Seban

Managing Board and Management

Heimo Scheuch

***Chief Executive Officer,** appointed for a term of office up to April 1, 2018; born 1966, married*

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

Management and supervisory board function in material subsidiaries: Managing Director of Wienerberger West European Holding GmbH, Chairman of the Supervisory Board of TONDACH Gleinstätten AG

Other functions: Vice-Chairman of the Supervisory Board of Wiener Börse AG and CEESEG AG, President of Construction Products Europe and Vice-President of Cerame-Unie

Willy Van Riet

***Chief Financial Officer,** appointed for a term of office up to April 1, 2018; born 1957 married, one daughter, one son*

Having obtained his Master's Degree in Business Economics at the University of Ghent, Willy Van Riet began his professional career as an auditor and subsequently was employed as a senior manager with Pricewaterhouse-Coopers in Belgium. He has been active in the building materials sector since 1993, first as Chief Financial Officer of Terca Brick Industries and later as Chief Financial Officer of Koramic Building Products. In 2004, he took over the management of Wienerberger Limited in Great Britain. Since April 1, 2007 Willy Van Riet has been Chief Financial Officer of Wienerberger AG.

Management and supervisory board function in material subsidiaries: Managing Director of Tondach Holding GmbH, WIBRA Tondachziegel Beteiligungs-GmbH, Wienerberger Anteilsverwaltung GmbH, Wienerberger Dach Beteiligungs GmbH, Wienerberger Finanz Service GmbH, Wienerberger Gamma Asset Management GmbH, Wienerberger Industriebeteiligungsverwaltung GmbH, Wienerberger West European Holding GmbH and Wienerberger Finance Service B.V. (Netherlands), Member of the Supervisory Board of TONDACH Gleinstätten AG and Wienerberger BV (Netherlands), Vice-President of Wienerberger NV (Belgium), Director of General Shale Brick Inc. (USA)

Composition and Working Mode of the Managing Board of Wienerberger AG

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

The work of the Managing Board is premised on shared responsibility for strategic and operational issues and a continuous exchange of information. The formal framework for such exchange is provided by the Managing Board meetings, which are normally held once a week. Continuous informal communication is guaranteed through the proximity of the Board members' offices and their shared secretariat. Transactions requiring the approval of the Supervisory Board are first discussed and agreed upon at the Managing Board meetings and then submitted to the Supervisory Board. Decisions taken by the Managing Board require unanimity. The four-eyes principle applies when contracts are to be signed by the Managing Board. Monthly meetings are held with the management of the Business Units to discuss business developments and, in particular, trends in demand, prices and costs, as well as capacity utilization. Strategic issues are also discussed at these meetings, with a special focus being placed on the development of markets, products and technologies. The measures agreed upon are implemented by the management of the operating unit concerned.

The management of the company is based on a comprehensive reporting system. Monthly reporting is of special importance and covers data aggregated at Group level as well as all essential facts and figures on the divisions, in particular income statements by country and product group as well as information on the development of volumes, prices and costs, working capital and capital expenditure. Moreover, the Managing Board receives standardized monthly reports on the financial and energy situations of the Group as well as on product and technology projects in the process of implementation. The individual countries submit regular reports on the market situation and macro-economic developments, as well as SHE data (data on safety, health & education) and other indicators gathered within the framework of the Sustainability Roadmap.

Organizational structure at first reporting level

The organizational structure at the first reporting level comprises four divisions and is reflected in the internal and external reporting system: Clay Building Materials Europe, Pipes & Pavers Europe, North America and Holding & Others. The management boards of the individual divisions are responsible for operational issues and the implementation of strategic projects. In the Clay Building Materials Europe Division, the country managers report to the divisional managing board. In addition, Wienerberger has defined three product groups – wall, roof and facade – whose managers also report to the divisional managing board. The Pipes & Pavers Europe Division comprises three operational units that report directly to the Wienerberger Managing Board: Pipelife, Steinzeug-Keramo and Semmelrock. The North America Division also reports directly to the Managing Board. In accordance with the division of responsibilities on the Managing Board, the CEOs of the operating units report to the CEO and the CFOs report to the CFO of the Wienerberger Group. Corporate Services form part of the holding company and report to one of the Managing Board members, depending on the focus of their activities.

Wienerberger Management

DIVISION/BUSINESS UNIT	CEO	CFO
Managing Board	Heimo Scheuch	Willy Van Riet
Clay Building Materials Europe	Christof Domenig	Solveig Menard-Galli (from 1.3.2016)
Pipelife	Niels Rune Solgaard-Nielsen	Marc Vandermensbrugghe
Steinzeug-Keramo	Bernd Ebbers	Frank Franco
Semmelrock	Robert Holzer	Christian Reingruber
Bricks North America	Charles Smith	Helmut Sorger

Measures for the advancement of women

As a company of the building materials industry, Wienerberger traditionally has a high percentage of male employees, given the fact that most of the company's workers employed in production are men. Within the framework of our Group-wide human resources policy, which guarantees the same rights and opportunities for all employees, we make every effort to promote the career development of women and to provide initial and further training for them. In particular, our objective is to increase the percentage of women in middle and senior management positions. By nominating an above-average number of women for international internal training and development programs for future managers, we ensure that high-potential women candidates are guided toward senior management positions. We also offer attractive part-time models and home office options, for which we have created the necessary infrastructure. We are continuously developing further measures to make working hours more flexible and to introduce working-time models that suit the needs of both women and men employed at Wienerberger.

Organization

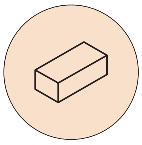
Heimo Scheuch

CEO

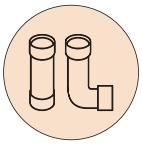
Heimo Scheuch is responsible for the strategic and operating development of the Wienerberger Group. The CEOs of the Business Units as well as the following Corporate Services report directly to him:

Corporate Communications: Karin Steinbichler
Corporate Public Affairs: Gerhard Koch
Corporate Development: Judith Ableitinger
Corporate Human Resources: Wolfgang Weiss

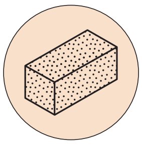
North America



Facing Bricks



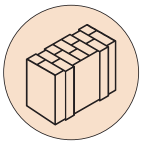
Plastic Pipes



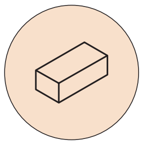
Concrete Products

Canada
USA

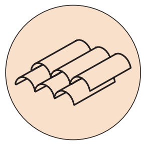
Clay Building Materials Europe



Clay Blocks



Facing Bricks



Roof Tiles

Segments

Clay Building Materials Western Europe

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

Clay Building Materials Eastern Europe

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

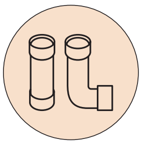
Willy Van Riet

CFO

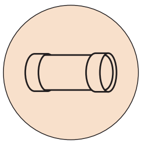
Willy Van Riet is responsible primarily for financial matters. The CFOs of the Business Units as well as the following Corporate Services report directly to him:

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

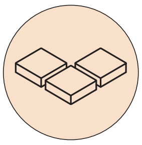
Pipes & Pavers Europe



Plastic Pipes



Ceramic Pipes



Concrete Pavers

Segments

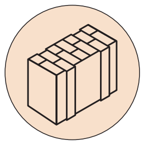
Pipes & Pavers Western Europe

Belgium
Germany
Estonia
Finland
France
Great Britain
Ireland
Netherlands
Norway
Sweden

Pipes & Pavers Eastern Europe

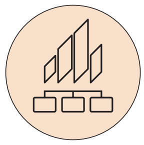
Bulgaria
Greece
Croatia
Austria
Poland
Romania
Russia
Slovakia
Slovenia
Czech Republic
Turkey
Hungary

Holding & Others



Clay Blocks

India



Corporate Services

Remuneration Report 2015

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

Managing Board remuneration

Remuneration system focuses on appropriate compensation and incentives for Managing Board

The Personnel and Nominating Committee, in close cooperation with the presidium of the Supervisory Board, is responsible for the structure of the Managing Board's remuneration system. The goal of the remuneration system is to provide the members of the Managing Board with compensation that reflects their functions and scopes of responsibility as well as the development of the company and is appropriate in comparison with national and international standards as well as in comparison with competitors in the building materials sector. Another important goal is to create an adequate incentive scheme for Managing Board members in the form of variable remuneration. In order to ensure the greatest possible goal congruency between shareholders' interests and Managing Board remuneration, targets for the short-term variable remuneration component are determined at the end of the prior year by the Personnel and Nominating Committee / Remuneration Committee on the basis of all information available at that time. This information includes the actual performance, budget goals and the general economic outlook. The medium-term and long-term remuneration components are primarily linked to strategic objectives and the sustainable improvement of the shareholder value.

Fixed remuneration

The fixed component of remuneration reflects the scope of responsibility of the Managing Board member and, following common practice in Austria, is divided into fourteen installments and paid at the end of each month. This results in different base salaries that correspond to the individual board members' specific duties as well as the related strategic and operating responsibilities. In 2015, the fixed remuneration of CEO Heimo Scheuch was € 716,100 (2014: € 700,000) and that of CFO Willy Van Riet was € 531,960 (2014: € 520,000). This 2.3% increase in comparison with 2014 is solely attributable to the contractual value adjustment based on the consumer price index of 2010 issued by Statistik Austria and refers to the base year 2013. In total, this fixed remuneration equaled 30% of the Managing Board's total remuneration, taking into account the variable remuneration components.

Fixed remuneration *in €*	2014	2015
Heimo Scheuch	700,000	716,100
Willy Van Riet	520,000	531,960
Total	**1,220,000**	**1,248,060**

Variable remuneration

Variable remuneration is linked to the aim of sustainably increasing the shareholder value and consists of three components, one short-term, one medium-term and one long-term. The remuneration model developed by the Supervisory Board ensures a high degree of transparency by linking the goals to clearly defined indicators of earnings and profitability. In addition, the incentive structure built into the Managing Board remuneration system is reviewed each year with regard to its effectiveness in promoting the sustainable improvement of the shareholder value, and adjustments are made if necessary.

Short-term variable remuneration component

The short-term variable remuneration component is conditional on the attainment of short-term financial corporate goals. The achievement of these goals is measured on the basis of an EBITDA target and a target for profit after tax (50% for each indicator), both of which are defined by the Personnel and Nominating Committee / Remuneration Committee at the end of the prior year on the basis of all information available at that time and submitted to the full Supervisory Board for approval. This information includes the actual performance, budget goals and the general economic outlook. The target achievement is determined on a linear basis within the designated range, and the over-fulfillment of one target is offset against the partial fulfilment of the second target if applicable. The maximum entitlement is limited to 100% of annual fixed remuneration and is paid out in the following period. No short-term remuneration is paid if the minimum limit is not reached. The entitlements to the short-term variable remuneration component in 2015 came to € 716,100 for Heimo Scheuch (2014: € 723,625) and € 531,960 for Willy Van Riet (2014: € 537,550). Even though the agreed targets were exceeded, the entitlements earned were lower than in the previous year. This was due to the fact that since 2015 the maximum entitlement of short-term variable remuneration has been limited to 100% of fixed remuneration.

Medium-term variable remuneration component

Since the beginning of 2015, the short-term variable remuneration component has been supplemented by a medium-term variable remuneration component. The medium-term target consists of two strategic goals, the achievement of which will be measured on the basis of financial indicators. The earned entitlement to this remuneration component, the maximum amount of which is limited to 150% of the annual fixed remuneration for 2017, will be determined at the end of the period of office and will be paid out in 2018. The target achievement will be determined on a linear basis within the designated corridor, and the over-fulfillment of one target will be offset against the partial fulfilment of the second target if applicable. In 2015, a provision in the amount of € 411,827 was made for the medium-term variable remuneration component, € 236,280 thereof for Heimo Scheuch and € 175,547 for Willy Van Riet.

Long-term variable remuneration component

The long-term variable remuneration component is designed as a long-term incentive (LTI) program. The LTI program covers the Managing Board and key Group managers. Its goal is to focus the actions of top executives more intensively on shareholder value enhancement and to strengthen their identification with corporate planning and goals. With this LTI program, Wienerberger fully meets the requirements of the Austrian Code of Corporate Governances stipulating that remuneration systems for managing boards and management be oriented to the sustainable development of the company.

The LTI program is renewed each year and involves the allocation of virtual shares, so-called performance share units (PSUs). A total of 100,000 PSUs were allocated to the Managing Board of Wienerberger AG in 2015 (Heimo Scheuch: 57,500 PSUs, Willy Van Riet: 42,500 PSUs). Special conditions for participation apply to the Managing Board: the CEO must hold at least 80,000 Wienerberger shares and a Managing Board member at least 20,000 shares. The individual shareholdings may not fall below the defined levels during the program's term. The target CFROI is determined at the end of the prior year by the Personnel and Nominating Committee / Remuneration Committee on the basis of all information available at that time. This information includes the actual performance, budget goals and the general economic outlook. Upper and lower limits are also defined. The monetary value of the PSUs is determined at year-end by multiplying the number of PSUs by the target achievement in percent and the average price of the Wienerberger share during the last 20 ATX trading days in that year. The target achievement is calculated as the difference between the CFROI calculated on the basis of the annual results for the respective year and the defined target, and is determined on a linear basis within the target corridor. There is no payout if the CFROI falls below the target corridor. If the upper limit is exceeded, the payment for the Managing Board is capped at 100% of fixed remuneration. Payouts resulting from the target achievement are not made at once, but in three equal installments over a period of two years. The installment payout will be canceled if the CFROI in the respective financial year falls below the actual CFROI in the year the PSUs were granted. Under the assumption that the targets for delayed payment will be met, the entitlements to the long-term variable remuneration component in 2015 equaled € 716,100 for Heimo Scheuch (2014: € 700,000) and € 531,960 for Willy Van Riet (2014: € 520,000).

Earned entitlements 2015 and payments in 2016

Remuneration entitlements earned in 2015

In 2015 the Managing Board earned entitlements for the short-term, medium-term and long-term variable remuneration totaling € 2,907,947 (2014: € 2,481,175); and the total payment will be € 3,108,000 (2015: € 1,816,022). Under the payment scheme for short-term variable remuneration applicable up to and including 2014, 50% of the earned entitlements are paid out with a 12-month delay, causing the payments made in 2016 to be higher than the entitlements from 2015.

Variable remuneration 2015		Entitlements 1)			Payout	
in €	Bonus	LTI	Total	Bonus	LTI	Total
Heimo Scheuch	952,380	716,100	**1,668,480**	1,077,912	705,367	**1,783,279**
Willy Van Riet	707,507	531,960	**1,239,467**	800,735	523,987	**1,324,722**
Total	**1,659,887**	**1,248,060**	**2,907,947**	**1,878,647**	**1,229,353**	**3,108,000**

1) The above amounts are based on the earned entitlements under the assumption that the targets for delayed payment will be met.
Note: Rounding differences may arise from the automatic processing of data.

Other remuneration components and agreements

The members of the Managing Board are covered by defined contribution pension agreements that require the company to make a fixed contribution each year. The company has no obligations above and beyond these agreements. Contributions to pension funds (defined contribution commitments) on behalf of the Managing Board amounted to € 519,171 in 2015 (2014: € 511,004). Of this total, € 244,105 was attributable to Heimo Scheuch (2014: € 240,265) and € 275,066 to Willy Van Riet (2014: € 270,739).

The members of the Managing Board are entitled to severance compensation on the termination of employment in accordance with legal regulations in Austria, which is based on total compensation as well as the length of service with the company. In the 2015 financial year, expenses of € 192,550 were recognized for additions to the provision for severance compensation (2014: € 298,857). Payments of € 853,264 were made to former members of the Managing Board and their surviving dependents during the reporting year (2014: € 853,694).

The employment contracts with the members of the Managing Board include change of control clauses, which regulate payment obligations in the event that a board member's appointment is terminated prematurely following a change in the control of the company. The articles of association of Wienerberger AG define a change of control as an increase in a shareholding to over 20% that triggers a mandatory takeover offer to all other shareholders. Under these change of control clauses, the payment obligations agreed upon in the employment contracts with the members of the Managing Board are to be met until the end of the contract period as originally specified. There are no further entitlements.

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

Incidental benefits provided to members of the Managing Board include, without limitation, a secretariat, a company car as well as mobile and other communication devices.

The members of the Managing Board require the prior approval of the Supervisory Board in order to enter into any activities outside the scope of their work with Wienerberger. This guarantees that neither the time required nor the related compensation could lead to a conflict with their duties for the company. All outside activities that involve seats on supervisory boards or comparable positions for publicly traded companies are listed on page 75 and also disclosed on the Wienerberger website. No compensation is provided for positions in Group companies.

Remuneration of the top management

Incentive scheme structure similar to that of Managing Board remuneration

The remuneration of the top management within the Wienerberger Group is designed along the lines of the incentive scheme for Managing Board members. Apart from fixed remuneration, reflecting the scope of responsibility, a short-term remuneration component and, for selected executives, participation in the LTI program are regarded as adequate incentives. Depending on the scope of responsibility of each executive, the targets of the short-term remuneration component are determined on the basis of the Group budget or the budget of their respective areas of responsibility and supplemented by individually agreed financial or non-financial targets. The actual target achievement can be measured for each goal and is determined on a linear basis within a corridor. The entitlement earned is paid out in the following period. Both the short-term and the long-term variable remuneration components are capped at agreed limits.

Supervisory Board remuneration

The remuneration system for the Supervisory Board was approved in 2011 by the 142nd Annual General Meeting: Each elected member of the Supervisory Board receives a fixed annual remuneration of € 15,000. The fixed remuneration for the vice-chairmen and chairwoman equals € 22,500 and € 30,000, respectively. For work on a committee, the annual fixed remuneration is € 7,500 for an ordinary member, € 11,250 for the vice-chairmen and € 15,000 for the chairwoman. The fixed remuneration is limited to one committee membership per person and is paid only once, even if a Supervisory Board member is active on several committees. Each elected member of the Supervisory Board also receives an attendance fee of € 5,000 per meeting day, or € 2,500 for a committee meeting that is not held on the same day as a Supervisory Board meeting. This fee is only paid for meetings actually attended. The fixed remuneration is adjusted on the basis of the Statistik Austria consumer price index for 2005 or a subsequent index if applicable. Increases and decreases up to and including 5% will not be compensated, but an adjustment will be made for the full change if this corridor is exceeded. The first index adjustment was made in 2014, in the magnitude of 5.5%. No adjustment was made in 2015. The Supervisory Board remuneration for 2015 (payment in 2016) totaled € 527,981 (2014: € 446,641).

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

Supervisory Board remuneration *in €*	2014	2015
Regina Prehofer, Chairwoman	75,169	84,400
Peter Michael Johnson, Vice-Chairman	65,938	76,488
Harald Nograsek, Vice-Chairman	76,488	78,706
Caroline Grégoire Sainte Marie 1)	-	40,943
Franz Josef Haslberger 2)	41,333	44,838
Christian Jourquin 2)	38,695	65,938
Myriam Meyer 1)	-	40,943
Wilhelm Rasinger	72,531	69,894
Karl Fink, Vice-Chairman 3)	76,488	25,833
Total	**446,641**	**527,981**

1) Member of the Supervisory Board since May 22, 2015
2) Member of the Supervisory Board since May 16, 2014
3) Member of the Supervisory Board up to May 22, 2015
Note: Rounding differences may arise from the automated processing of data.

Shareholdings

The members of the Managing and Supervisory Boards have voluntarily agreed to disclose their holdings in shares of Wienerberger AG. In accordance with § 48 of the Austrian Stock Exchange Act, the purchase or sale of shares by the members of these boards is reported to the Austrian Financial Market Authority and also disclosed on the Wienerberger website (see "Directors' Dealings"). In 2015 members of the Supervisory Board and Managing Board purchased a total of 1,150 Wienerberger shares; no sales of Wienerberger shares were reported. The number of Wienerberger shares held by the members of the Managing and Supervisory Boards totaled 296,422 at the end of 2015.

Number of shares held		1.1.2015	Purchase	Sale	31.12.2015
Managing Board	Heimo Scheuch	121,252	0	0	121,252
	Willy Van Riet	32,142	0	0	32,142
Supervisory Board	Regina Prehofer	0	0	0	0
	Peter Michael Johnson	0	0	0	0
	Harald Nograsek	1,400	0	0	1,400
	Caroline Grégoire Sainte Marie 1)	-	150	0	150
	Franz Josef Haslberger	97,154	0	0	97,154
	Christian Jourquin	0	0	0	0
	Myriam Meyer 1)	-	1,000	0	1,000
	Wilhelm Rasinger	43,324	0	0	43,324
	Karl Fink 2)	0	0	0	-
Total		**295,272**	**1,150**	**0**	**296,422**

1) Member of the Supervisory Board since May 22, 2015
2) Member of the Supervisory Board up to May 22, 2015

Report of the Supervisory Board

Dear Shareholders,

Wienerberger looks back on a successful 2015. For the second year in a row, Wienerberger generated record revenues and exceeded its operating EBITDA target communicated at the beginning of the year. Moreover, as previously announced, the company succeeded in returning to the profit zone. This is all the more satisfactory in view of widely divergent developments in our markets. While sustainable growth has already become visible in certain markets, others have continued to decline. Therefore, in the third quarter of 2015, further optimization measures for selected Western European markets were announced; their implementation depressed the result of the second half of the year by a total of € 17.5 million. Nevertheless, thanks to positive price developments, our attractive portfolio of innovative products and system solutions, and a leaner cost structure, Wienerberger succeeded in returning to the profit zone with an after-tax result of € 69.8 million. Based on a strong free cash flow and an optimistic assessment of the development of business in 2016, the Managing Board and the Supervisory Board will propose to the Annual General Meeting that the dividend be increased by 33% to € 0.20 per share.

Close coordination between Managing and Supervisory Boards throughout the year

In the course of seven meetings during the reporting year, the Supervisory Board and the Managing Board intensively discussed the company's financial situation as well as important events, investments and other measures. Key focal points in the work of the Supervisory Board were the strategic positioning of the Group and its most important operating units, as well as the evaluation of projects aimed at the further development of the Wienerberger Group and the generation of sustainable growth.

In addition to its advisory functions, the Supervisory Board focused, above all, on monitoring the legality, efficiency and regularity of the company's management. The Managing Board provided the Supervisory Board with detailed information at all meetings and between meetings through regular written and oral reports on the economic and financial position of the Group and its holdings as well as its personnel situation and its acquisition and investment projects. In addition, the committee chairpersons and I met regularly with the CEO to discuss the strategy, the business development and the risk management of Wienerberger. A number of subjects were dealt with in greater detail by the committees and reported to the full Supervisory Board. The Personnel and Nomination Committee, which also acts as the Remuneration Committee, met three times in 2015; the Audit Committee met four times. Strategic issues were regularly discussed by the Supervisory Board and examined in detail by the Strategy Committee, which met twice in the year under review. The Presidium, which decides in all matters regarding the relationship between the company and the members of the Managing Board, unless the issue under consideration must be submitted to the full Supervisory Board or the Personnel and Nomination Committee, received regular information from the Managing Board on the development of business. Since all relevant Supervisory Board decisions were taken either in plenary sessions or by circular resolution, there was no need for the Presidium to meet during the reporting year. No member of the Supervisory Board was absent from more than half of the meetings.

The Supervisory Board of Wienerberger AG (left to right):
Myriam Meyer, Peter Michael Johnson, Regina Prehofer, Wilhelm Rasinger,
Caroline Grégoire Sainte Marie, Harald Nograsek, Christian Jourquin, Franz Josef Haslberger
Supervisory Board meeting at Hennersdorf, Austria, in June 2015

At its meetings on February 20 and March 19, 2015, the Audit Committee met with representatives of the external auditor to discuss and thoroughly examine the consolidated financial statements for 2014, the separate financial statements of Wienerberger AG, the management report, the consolidated management report, the corporate governance report and the Managing Board's proposal for profit distribution. In the interest of timely communication with the capital market, the audited results for the financial year 2014 were published in the form of a short report on February 26, 2015. The full annual report was released on March 31, 2015. During its meeting on March 19, 2015, the Audit Committee discussed a report by the external auditor on Wienerberger's risk management. The report described the implementation of the Group's active risk management system, which permits the effective identification, assessment and monitoring of risk factors as well as fast reactions to risks. Moreover, the external auditor submitted a statement on its legal relations with the Wienerberger Group and the members of the Group's boards for the financial year 2015. As a result of a tendering procedure, the Audit Committee submitted its recommendation regarding the appointment of the external auditor to the Supervisory Board at its meeting on March 27, 2015. At its meetings on August 17 and December 10, 2015, the Audit Committee was informed on the status of the enforcement audit of the 2014 annual financial statements by the Austrian Financial Reporting Enforcement Panel. Subjects regularly dealt with by the Audit Committee included the work of the internal audit unit, the analysis of its reports and the discussion of measures to be taken.

Prior to the first Supervisory Board meeting in February 2015, the members of the Supervisory Board reiterated their statements of independence in accordance with the Austrian Corporate Governance Code. The independence criteria defined by the Supervisory Board are outlined on page 71 and disclosed in detail on the Wienerberger website. Within the framework of its annual self-evaluation, the Supervisory Board examined the efficiency of its own working methods, cooperation between the Supervisory Board and its committees, and the potential for optimization.

Supervisory Board membership increased to eight capital representatives

The 146th Annual General Meeting elected two new capital representatives to the Supervisory Board: Myriam Meyer and Caroline Grégoire Sainte Marie. Both nominations were the result of an intensive candidate search, in which a profound knowledge and understanding of the sector and an international orientation were the most important selection criteria. I cordially welcome the two new members and thank them for their extremely professional cooperation and their valuable contributions to the work of the Supervisory Board. The membership of the Supervisory Board has thus been increased from seven to eight capital representatives, as Karl Fink's mandate ended with the conclusion of the Annual General Meeting and he did not stand for reelection on account of the age limit provided for in the rules of procedure of the Supervisory Board. Harald Nograsek, Wilhem Rasinger and I were reelected. Harald Nograsek was elected for a term of only two years; had he been elected for the regular term of office provided for in the Articles of Association, he would no longer have met all independence criteria on account of his long-term membership of the Supervisory Board.

I would like to take this opportunity to thank Karl Fink most cordially for his activity on the Supervisory Board. First elected in 2006, Karl Fink served on the Personnel and Nomination Committee, which he chaired from 2013. Moreover, he served as deputy chairman of the Supervisory Board from 2012 and was a member of the Strategy Committee from 2012 to 2013. On account of his professional, team-oriented and thorough approach as well as his profound knowledge, he was highly esteemed as a colleague. On behalf of the Supervisory Board, I wish him all the best for the future.

At the Supervisory Board meeting held immediately after the 146th Annual General Meeting on May 22, 2015, I was reconfirmed in my position as Chairperson of the Supervisory Board. Peter Michael Johnson and Harald Nograsek were appointed to act as my deputies. With the object of making the best possible use of the two newly elected members' expertise, Myriam Mayer was appointed to serve on the Personnel and Nomination Committee and Caroline Grégoire Sainte Marie was asked to join the Audit Committee. During the same meeting, the Supervisory Board mandated KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Wien, nominated by the Annual General Meeting, to audit the accounts for the business year 2015 pursuant to § 270 (1) of the Austrian Company Code.

The Supervisory Board meeting on November 6, 2015 was held within the framework of a two-day visit to Germany. In the course of this trip, the Supervisory Board had an opportunity for an intensive exchange with the management of the Steinzeug-Keramo Group and the management of the German country organization of the Clay Building Materials Europe Division on operational and strategic issues and a discussion of measures aimed at optimizing the German brick business. The Supervisory Board also visited the clay pipe plant of the Steinzeug-Keramo Group in Frechen.

Audit opinion and adoption of 2015 annual accounts

The annual financial statements and the management report of Wienerberger AG as well as the 2015 consolidated financial statements prepared in accordance with IFRS rules were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, and granted an unqualified audit opinion. The notes to the financial statements, the Managing Board's proposal for profit distribution and the audit reports of the external auditors were discussed in detail with the external auditor in the Audit Committee and submitted to the Supervisory Board. The Supervisory Board examined the documents pursuant to § 96 of the Austrian Stock Corporation Act and endorsed the result of the audit. Moreover, the Supervisory Board approved the annual accounts, which are thus deemed adopted pursuant to § 96 (4) of the Stock Corporation Act. Having analyzed the financial position of the company, the Supervisory Board agreed with the Managing Board's profit distribution proposal.

On behalf of the Supervisory Board, I would like to thank the Managing Board, the management and all the employees for their outstanding dedication during the past business year. In 2015, thanks to the high personal commitment and the success-oriented approach of its employees, the Wienerberger Group again demonstrated its readiness to pursue a course of continuous development. With our comprehensive portfolio of innovative products and systems for building solutions of the future, our strong industrial base and our healthy capital structure, we have worked hard to position ourselves for sustainable growth and to further strengthen our market position. I therefore look to the future of the Wienerberger Group with optimism and invite you, our shareholders, to accompany us on this path.

Vienna, March 24, 2016

Regina Prehofer, Chairwoman

The Economy and Capital Markets

Muted recovery of global economic growth

The muted recovery of the world economy, marked by major regional differences, continued in 2015. While economic growth in the highly developed economies remained relatively moderate, growth rates in emerging markets and the developing countries – which still account for about 70% of global economic growth – declined for the fifth consecutive year. In an environment marked by spending restraint on the part of consumers, businesses and the public sector, geopolitical crises and terrorist threats, as well as turmoil in the foreign-exchange, raw material and, above all, energy markets, medium-term forecasts of global economic growth were revised further downward. Economic developments were particularly volatile in the countries in transition. China, the former powerhouse of the global economy, experienced a slow-down of its growth rates, as the country evolved from a production-oriented to a consumer-oriented economy. The appreciation of the US dollar led to a reduction of capital flows into the emerging markets and an increase in funding costs for dollar-denominated loans. At the same time, due to the sharp drop in crude oil prices, countries with a strong dependence on the oil industry were confronted with major fiscal challenges.

Economic development in the Wienerberger markets

In 2015, the economic output of the USA grew by 2.5%. As a result of this development, the rate of unemployment decreased to 5.0%, the lowest level since May 2008. Despite a nominal inflation rate of well under 1%, the US central banking system (Fed) proceeded as previously announced, departing from its de facto zero-interest-rate policy and increasing the target corridor for its key lending rate to 0.25-0.50%. At the same time, the central bankers warned against the impact of the low oil price on economic growth in the USA and underlined that inflation was still significantly below the medium-term target. According to forecasts by the IMF, the US economy will grow at a rate of 2.6% in 2016.

The euro zone growth rate remained at a moderate level, increasing from 0.9% in 2014 to 1.5% in 2015. Apart from the muted economic activity, the determining factors in Europe were the measures taken by the European Central Bank (ECB), the low rate of inflation bordering on deflation, the steep drop in energy prices, geopolitical tensions, fears of terrorism, the refugee crisis, and the renewed exacerbation of the Greek sovereign debt crisis. While political institutions at EU and national levels were striving for sustainable political solutions to urgent issues such as structural reform, refugee quotas, the battle against high unemployment and the Greek debt crisis, measures to stimulate the sluggish economy were shifted to the monetary-policy arena and left to the ECB. Economic stimulus programs and a coordinated approach by the European community of states were lacking. The ECB reacted to increasing pressure by widening the scope of its expansionary monetary policy. However, the steps announced were considered by market participants to be insufficient and did not have the desired impact on the financial markets. According to IMF forecasts, economic growth in the euro zone will be around 1.7% in 2016. Great Britain, the biggest European economy outside the euro zone, registered a 2.2% increase in its economic output and outperformed the euro zone by a significant margin, as it did in the previous year, and will presumably maintain its growth course in 2016.

Impact on stock markets

In the USA, the financial markets started the year with optimism, as reflected in the record highs of the Dow Jones Industrial and the S&P 500 in May 2015. From then on, however, market participants focused increasingly on cyclical risks, which over the year resulted in increased volatility and diverging developments of the key indexes. While the NASDAQ index for technology stocks increased by 7.0%, the broader S&P 500 index closed the year at 2,043.9 points, which is 0.7% below the 2014 year-end value. The Dow Jones Industrial Average closed at 17,425.0 points, down by 2.2% from the previous year. Besides macro-economic forecasts, the Fed's decision to abandon its policy of quantitative easing had a strong impact on the financial markets in 2015. Originally expected for mid-2015, the Fed's interest rate move was postponed with a reference to uncertain growth prospects of the global economy, which caused a great deal of uncertainty. Nevertheless, at the end of the year the interest corridor was increased to 0.25-0.50%, which finally put an end to seven years of what was de facto a zero-interest-rate policy.

In Europe, the EURO STOXX 50, a stock index covering 50 large publicly traded companies in the euro zone, picked up by 3.8% and closed the year at 3,267.5 points. The German DAX had a brilliant start into the year and reached its all-time high at 12,374.7 points on April 10. From then on, the index was volatile and, after a correction in the fall, closed the year with a gain of 9.6%. The British FTSE 100 also reached its all-time high in 2015, exceeding the 7,000-point mark for the first time in April. After the subsequent correction, it did not recover as well as the German key index, closing the year with a loss of 4.2%. The French CAC40 rose by 9.5% due to significantly improved economic forecasts. The Austrian ATX was one of the best performing indexes in Europe, reporting an increase of 11.0% to 2,396.9 points.

The Asian Hang Seng, the leading stock index in Hong Kong, showed a weaker trend due to a downturn in growth prospects for the Chinese economy and closed with a loss of 7.3% at 21,882.2 points. The Shanghai Composite Index was extremely volatile. An increase of up to 60% until mid-June was followed by a massive correction, which brought the index down to almost 10% below the level at which it had begun the year. After a phase of recovery in the last months of 2015, the index closed with a plus of 9.5% at 3,539.6 points. The Japanese NIKKEI 225 rose by 9.1% to 19,033.7 points.

Residential construction market in Europe

Slight growth of residential construction in Europe

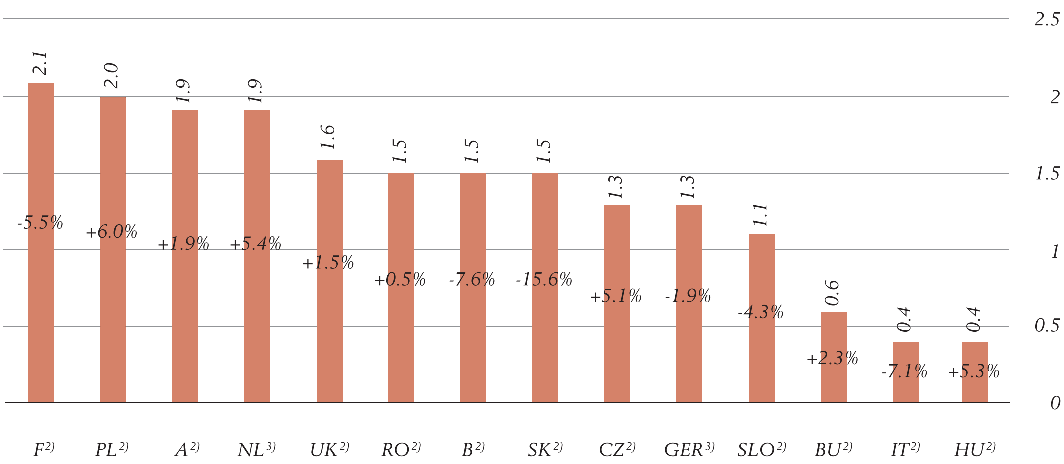
Expenditures on residential construction in Europe increased slightly in 2015. Euroconstruct surveys registered a 1.8% spending increase. Residential construction output grew by 1.7% in Western Europe, while capital expenditure on housing increased by 4.4% in the four Eastern European markets covered by the survey. Developments in the individual markets continued to differ widely. While the Netherlands, an important market for the Wienerberger Group, registered 11.0% growth driven by new housing starts, markets such as France, Italy and Slovakia continued to shrink. Euroconstruct expects a 3.2% increase in residential construction output in 2016, mainly as a result of improving construction activity in Western Europe.

Indicators relating to building permits, housing starts and completions showed an encouraging picture in 2015. Housing completions still reflected the notable spending restraint of recent years and continued to decline slightly in both Western and Eastern Europe. The downward trend was particularly noticeable in the single- and two-family-home segment, which declined by 2.7%. In contrast, housing starts, which are taken as an indicator of current construction activities, showed a more favorable picture with an increase of 4.5% year on year. Growth rates picked up in the single- and two-family-home segment as well as in multi-unit residential construction. Building permits, which serve as an indicator of future developments, were up by 9.4% at the beginning of the year. The strong recovery of the single- and two-family-home segment, where there was a turnaround from a 3.5% decline in 2014 to an 8.2% increase in 2015, was particularly satisfactory. As a result, Euroconstruct forecasts an increase in both housing starts (5.0%) and completions (4.8%) for 2016.

The number of housing starts for single- and two-family homes per thousand inhabitants is another important indicator. The weighted average for Western Europe dropped by 1.7%, while Eastern Europe recorded a slight increase of 0.8%. Overall, construction activity per thousand inhabitants in Europe was slightly below the previous year's level.

Housing Starts Single and Two Family Houses in 2015
per 1,000 Residents yoy in %

Source: Management estimates

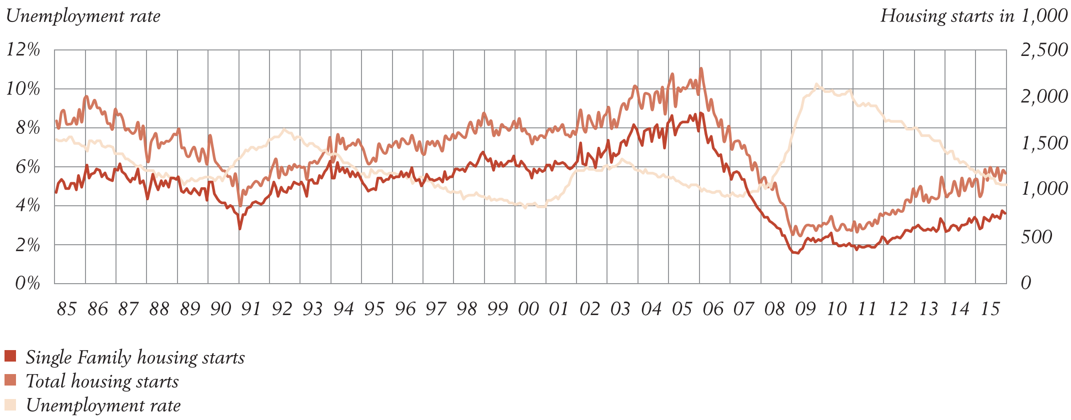


1) Housing permits
2) Housing starts
3) Completions

The European infrastructure market

Despite the public sector's spending restraint, expenditures on infrastructure projects in Europe increased by 3.3% in 2015. In Western Europe alone, expenditures rose by 2.7% year on year. In Eastern Europe, funding provided from the Cohesion Fund of the European Union had a stimulating effect, resulting in a 10.6% increase. The positive trend is expected to continue at a slightly lower level in 2016, with growth rates of around 2.8% in our relevant markets. In the sub-segment of water management, which accounts for about 12% of total expenditures on infrastructure, 2.1% growth was registered in our markets. This sub-segment is important for our pipe business, as it includes drinking water supply and waste water disposal systems. Capital expenditure in Germany was surprisingly weak at 2.0% below the previous year's level. According to Euroconstruct forecasts, this segment is expected to grow at a rate of 3.3% in 2016. The telecommunications segment registered a slight increase of 1.1% in construction output in our relevant markets, while the energy segment grew at a rate of 7.2%. Growth is expected to continue in both sectors in 2016 at rates of 1.8% (telecommunication) and 2.2% (energy).

Annualized US housing starts in 1,000 per month versus US unemployment rate
Source: U.S. Census Bureau



US housing market

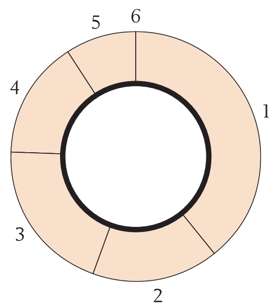
According to the U.S. Census Bureau, housing starts in the USA rose by 10.8% to 1.111 million housing units in 2015. Housing completions grew by 9.3% to 0.966 million units. Building permits totaled 1.178 million and exceeded the previous year's value by 12.0%. For 2016, McGraw Hill Construction – Dodge expect housing starts to increase by 15.7% to 1.285 million units. The NAHB/Wells Fargo Housing Market Index reflects current estimates of house sales by building contractors and developers as well as their expectations for the next six months. In December 2015, the index stood at 60 points, up by 2 points from the revised value of the last month of the previous year. Regardless of the fact that it dropped to 52 points in March of this year, the index continually exceeded the 50-point mark in a calendar year for the first time since the beginning of the financial crisis, which indicates that the majority of market participants see the outlook as positive. According to the S&P/Case-Shiller 20-City Composite Home Price Index, selling prices rose by 5.7% year on year over 12 months up to and including November 2015. Although the Fed, the central banking system of the United States, increased its key lending rate for the first time in seven years, the fixed interest rate on 30-year mortgage loans increased only slightly from 3.9% in December 2014 to 4.0% in December 2015, thus remaining at a very low level in a long-term comparison. Overall, the large number of positive indicators for the US housing market points to a continuation of the positive trend in 2016.

Sources: IMF (World Economic Outlook, January 2016), ECB, U.S. Census Bureau, Euroconstruct, ThomsonOne, Freddie Mac Primary Mortgage Market Survey, McGraw Hill Construction - Dodge, MBAA, NAHB/Wells Fargo Housing Market Index, Federal Reserve Board, S&P/Case-Shiller 20-City Composite Home Price Index

Financial Review

Earnings

Revenues by Segment



1 *Clay Building Materials Western Europe 39%*
2 *Clay Building Materials Eastern Europe 16%*
3 *Pipes & Pavers Western Europe 20%*
4 *Pipes & Pavers Eastern Europe 15%*
5 *North America 9%*
6 *Holding & Others 0%*

The results generated by the Wienerberger Group in 2015 were marked by positive developments in Europe in the first half of the year, a slow-down of momentum in the third quarter, and a strong finish in the fourth quarter. In our brick business, earnings increased most strongly in Great Britain, the Netherlands and Poland. In contrast, construction activity in markets such as Germany, Switzerland, France and Italy slowed down. The European plastic pipe business benefited from full order books in international project business and a significant growth of earnings in the Netherlands, Norway and Poland, whereas the market situation in France remained difficult. In our concrete paver business, optimized cost structures and improvements of the product mix led to substantially better results, while our activities in the ceramic sewage pipe sector suffered a significant downturn, with operating results negatively influenced by geographic shifts in sales. The contribution made to our results by the North America Division rose significantly in the year under review, mainly due to leaner cost structures and the sale of a non-core property. Demand for plastic pipes in North America was slightly positive in 2015.

Group revenues rose by 5% year on year to € 2,972.4 million, with about 2% of the increase attributable to the consolidation effect of our Eastern European roof tile activities. Revenues, adjusted for changes in the scope of consolidation, grew by 3%. Throughout the Wienerberger Group, prices more than covered cost inflation, but volumes declined by 2%. Positive foreign-exchange effects amounted to a total of € 50.4 million, with positive contributions from the US dollar, the British pound and the Swiss franc booked against negative effects from the Russian ruble, the Norwegian crown and the Swedish crown.

Wienerberger's Clay Building Materials Europe Division generated external revenues of € 1,643.0 million, up by 6% from the previous year. The substantial increase in revenues in the first half of the year was followed by a slow-down of activities in the third quarter, before the fourth quarter, favored by similarly mild weather conditions as in the previous year, ended with a slightly improved performance. The Division's operating EBITDA increased by 12% year on year to € 249.3 million. This substantial rise in revenues and results was due, on the one hand, to the consolidation effect of our Eastern European roof tile activities in the first half of the year, and, on the other hand, to positive operational developments, above all in Great Britain and the Netherlands, but also in Romania, Bulgaria, Poland and Hungary. In contrast, the market situation was much more difficult in Russia, Italy and France, although the French market showed signs of stabilization toward the end of the year.

Although the external revenues of the Pipes & Pavers Europe Division, amounting to € 1,043.6 million, remained stable at the previous year's level (2014: € 1,041.3 million), the Division's EBITDA rose considerably by 8% to € 107.9 million. The main contributor to this positive development was the plastic pipe business, which reported a significant increase in EBITDA on account of its strong international project business and substantially higher contributions to its results from the Netherlands, Norway and Poland. At the same time, we had to react to the difficult market environment in France, which depressed the results, by making structural adjustments. For concrete pavers, the market environment remained difficult, but steps taken to optimize the cost structure and changes in the product mix led to a noticeable improvement of the results. In our ceramic sewage pipe business, volumes grew moderately and revenues increased slightly, but the operating result dropped sharply due to unfavorable shifts in the geographic mix of sales.

In the North America Division, sales volumes remained stable and prices increased slightly. In 2015, external revenues grew by 17% to € 277.5 million in the reporting currency, but this was primarily due to positive foreign exchange effects. Although the volumes sold remained stable, the optimization of cost structures and the sale of a non-core property for € 12.5 million in the first half of the year significantly increased the Division's operating EBITDA.

Earnings Development	**2014 restated** [1]	**Disposals** [2]	**Purchases**[2]	**F/X** [3]	**Organic**	**2015**
	in € mill.	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*
Revenues	2,834.5	0.0	62.1	50.4	25.4	2,972.4
Cost of goods sold	-1,983.8	0.0	-45.9	-32.3	34.2	-2,027.8
Selling expenses	-548.1	0.0	-13.8	-15.0	-0.3	-577.2
Administrative expenses	-171.1	0.0	-5.6	-1.9	-4.1	-182.7
Other operating expenses and income	-31.3	0.1	0.1	2.3	11.8	-17.1
Operating EBITDA	317.2	0.1	5.6	7.8	39.2	369.7
Operating EBIT	100.2	0.1	-3.2	3.5	67.0	167.6
Non-recurring items [4]	-265.3	0.0	0.0	0.5	260.4	-4.5
Financial results [5]	-50.2	0.0	-2.3	-0.2	-3.4	-56.1
Profit/loss before tax	-215.3	0.1	-5.5	3.7	324.2	107.0
Profit/loss after tax	-229.7	0.1	-5.6	2.0	303.2	69.8

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) Effects from changes in the scope of consolidation
3) FX effects
4) Impairment charges to assets and goodwill and reversal of impairment charges to assets
5) Including income from investments in associates

Operating EBITDA of € 369.7 million 17% above previous year's value

The Group's operating EBITDA, amounting to € 369.7 million, exceeded the previous year's value by 17%, with € 5.6 million of this amount due to consolidation effects from earnings contributed by our Eastern European roof tile business. Another € 7.8 million resulted from positive foreign exchange differences against the British pound, the US dollar and the Swiss franc, which were partly offset by negative foreign exchange differences against the Russian ruble and the Norwegian crown. The above total also includes expenses of € 17.5 million for structural adjustments and income from the sale of fixed and financial assets in the amount of € 19.1 million.

Operating EBITDA	2014	2015	Chg.
	in € mill.	*in € mill.*	*in %*
Clay Building Materials Europe	222.7	249.3	+12
Pipes & Pavers Europe	100.3	107.9	+8
North America	11.2	32.2	>100
Holding & Others	-17.0	-19.7	-16
Wienerberger Group	**317.2**	**369.7**	**+17**

Regardless of savings resulting from lower energy prices, energy costs rose by € 4.1 million year on year to € 292.6 million. The increase was due to consolidation effects and a higher volume of business. Energy costs as a percentage of revenues declined slightly from 10.2% in 2014 to 9.8% in the year under review.

Profitability Ratios	2014	2015
	in %	*in %*
Gross profit to revenues	30.0	31.8
Administrative expenses to revenues	6.0	6.1
Selling expenses to revenues	19.3	19.4
Operating EBITDA margin	11.2	12.4
Operating EBIT margin	3.5	5.6

The operating EBITDA margin improved from 11.2% in 2014 to 12.4% in 2015 as a result of higher earnings in Great Britain, the Netherlands and Poland as well as improvements in international project business and in the concrete paver business.

Depreciation and amortization totaled € 201.2 million in the reporting year (2014: € 203.3 million). The depreciation ratio declined from 7.2% in 2014 to 6.8% in 2015. This relatively high value reflects the high level of capital expenditure in the past and is an indicator of the capital-intensive nature and technological potential of the Wienerberger Group.

Operating earnings before interest and tax (operating EBIT) increased significantly to € 167.6 million in 2015 (2014: € 100.2 million). After the deduction of impairment charges and reversal of impairment charges to assets totaling € 4.5 million, Wienerberger's earnings before interest and tax (EBIT) amounted to € 163.1 million (2014: € -165.1 million) in the year under review.

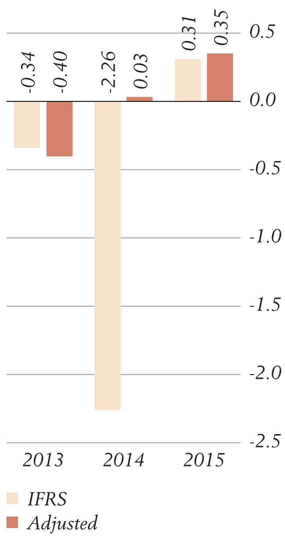
Financial result and taxes

The 2015 interest result of € -42.3 million, compared with € -52.9 million in 2014, reflects significantly lower financing costs following the redemption of bank liabilities and a corporate bond in August 2015 as well as the increased utilization of revolving credit lines. The other financial result, which was negative at € 17.8 million, included primarily foreign exchange differences and valuation effects totaling € -15.9 million. In the absence of impairment charges, the profit before tax rose substantially from € -215.3 million in 2014 to € 107.0 million in 2015.

Income Statement	2014 restated [1]	2015	Chg.
	in € mill.	*in € mill.*	*in %*
Revenues	2,834.5	2,972.4	+5
Cost of goods sold	-1,983.8	-2,027.8	-2
Selling and administrative expenses [2]	-719.2	-759.9	-6
Other operating expenses	-68.4	-64.5	+6
Other operating income	37.1	47.3	+28
Operating EBIT	**100.2**	**167.6**	**+67**
Impairment charges to assets	-102.6	-13.1	+87
Impairment charges to goodwill	-162.7	0.0	>100
Reversal of impairment charges to assets	0.0	8.7	>100
EBIT	**-165.1**	**163.1**	**>100**
Financial results [3]	-50.2	-56.1	-12
Profit/loss before tax	**-215.3**	**107.0**	**>100**
Income taxes	-14.3	-37.2	<-100
Profit/loss after tax	**-229.7**	**69.8**	**>100**

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) Including freight costs
3) Including income from investments in associates

Earnings per Share
in €



On account of the significantly improved pre-tax operating result the Group's income tax expense increased to € 37.2 million in the year under review (2014: € 14.3 million). This increase also reflects the regional distribution of Wienerberger's earnings, with a higher percentage generated in Northern and Western European countries that have higher nominal tax rates.

Positive earnings per share of € 0.31

The after-tax result improved from € -229.7 million in 2014 to € 69.8 million in 2015, which reflects the strong operating performance of the Group and the absence of non-recurring effects. Earnings per share are calculated after deduction of the result attributable to non-controlling interests and after deduction of the annual hybrid coupon of € 32.5 million. Based on a weighted average of 117.0 million shares (2014: 116.0 million), earnings per share increased to € 0.31 (2014: € -2.26).

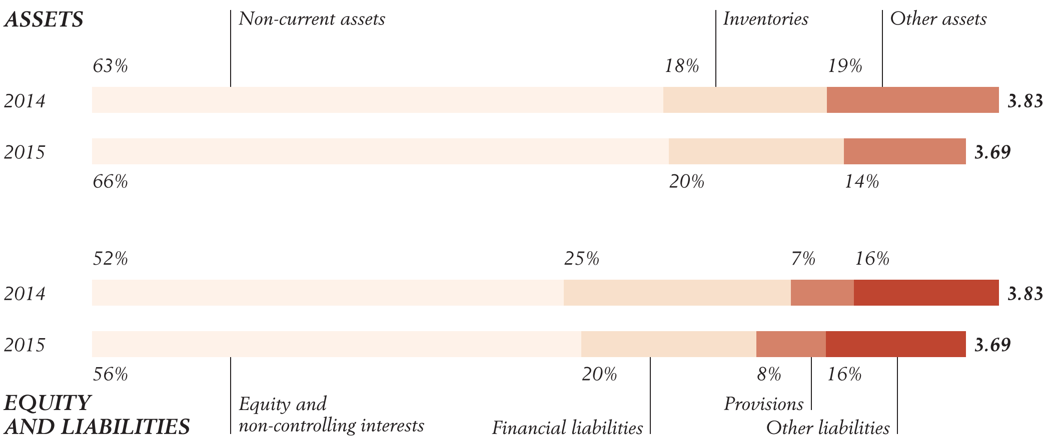
Assets and financial position

Total assets of € 3,691.6 million, 4% below previous year's level

The total assets of the Group declined by 4% from the previous year's level to € 3,691.6 million. The main reason for this development was the reduction of financial liabilities by € 211.2 million. The balance sheet structure of the Wienerberger Group is characterized by a high fixed-asset component and long-term financing, which is typical for the building materials industry.

Non-current assets accounted for 66% of the Group's total assets in 2015 (2014: 63%). Property, plant and equipment accounted for 63% of the capital employed (2014: 64%). Inventories rose from € 701.4 million in the previous year to € 753.3 million in 2015, primarily as a result of higher sales activities. Wienerberger's working capital (inventories + net trade receivables – trade payables) increased to € 607.5 million in 2015 (2014: € 565.0 million), but given the growth of revenues, the ratio of working capital to revenues remained at 20% (2014: 20%), which corresponds to the target corridor. In 2015, Wienerberger reduced its cash and cash equivalents as well as its portfolio of securities and other financial assets through the redemption of financial liabilities to a total of € 213.3 million (2014: € 337.1 million). This measure was aimed at optimizing the Group's financing costs, while at the same time keeping a sufficiently high liquidity reserve to finance seasonal working capital requirements.

Development of Balance Sheet Structure
in € billion



In 2015, the Group's equity increased by 3% to € 2,054.2 million (2014: € 1,986.5 million). This change was mainly due to the positive after-tax result of € 69.8 million, the deduction of the hybrid coupon in the amount of € 32.5 million, and a dividend payment of € 17.5 million. Other comprehensive income also includes changes in currency translation and hedging reserves as well as market value changes in available-for-sale financial instruments totaling € 43.4 million. Actuarial losses after tax in connection with defined-benefit pension plans and provisions for severance pay amounted to € 7.0 million.

Deferred tax liabilities decreased to € 84.3 million (2014: € 90.4 million). Owing to exchange-rate fluctuations and the low level of interest, personnel provisions increased to € 160.6 million in 2015, compared to € 151.7 million in 2014. Since Wienerberger has not assumed any new defined-benefit pension commitments and is converting existing commitments into defined-contribution pension plans, wherever possible, pension provisions to be carried on the balance sheet show a decreasing trend, except for the effects of changes in pension parameters. Current provisions increased on account of structural adjustments in Germany and France as well as the increase in short-term personnel provisions in 2015 to € 57.9 million (2014: € 41.6 million). Thus, total provisions increased to 8% (2014: 7%) of total assets. Interest-bearing debt (financial liabilities), which decreased by € 211.2 million to € 747.4 million following the repayment of bank loans in January and the redemption of a corporate bond in August 2015, comprise liabilities to banks, bond holders and other third parties in the amount of € 726.6 million and derivatives with negative market values of € 19.6 million, as well as other financial liabilities and Group liabilities in the amount of € 1.2 million. These liabilities are booked against liquid funds and securities of € 213.3 million and committed credit lines of € 400.0 million, € 312.0 of which were not drawn as at the balance sheet date. Of the Group's total interest-bearing debt in the amount of € 747.4 million, 68% (2014: 58%) is of a long-term and 32% (2014: 42%) of a short-term nature.

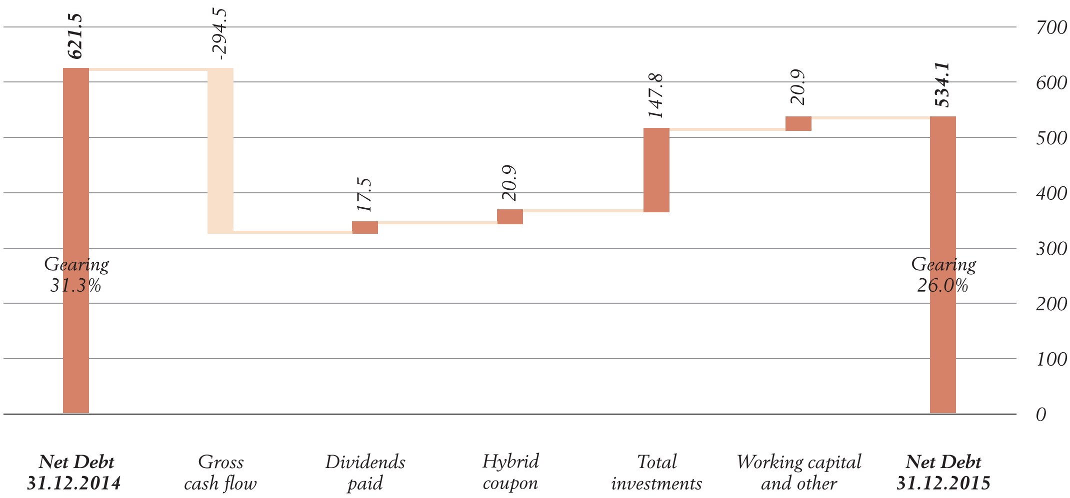
Calculation of Net Debt [1]	**2014**	**2015**	**Chg.**
	in € mill.	*in € mill.*	*in %*
Long-term interest-bearing financial liabilities	556.5	507.5	-9
Short-term interest-bearing financial liabilities	401.7	239.6	-40
Financial leases	0.1	0.0	-100
- Intercompany receivables and payables from financing	-20.5	-18.4	-10
- Securities and other financial assets	-41.2	-39.8	-3
- Cash and cash at bank	-275.2	-154.9	+44
Net debt	**621.5**	**534.1**	**-14**

1) Excluding the hybrid bond, which is recognized in equity according to IFRS

Significant reduction in net debt

Net debt declined by 14% year on year to € 534.1 million. This development is due to a significantly higher cash flow from operating activities of € 260.3 million and proceeds of € 23.9 million from the disposal of assets, mainly non-core assets. These items were booked against higher cash outflows for total investments of € 147.8 million, dividend payments of € 17.5 million, and the hybrid coupon of € 20.9 million. Due to the partial exchange of the hybrid bond in 2014 and payment of the accrued coupon at the exchange date, the hybrid coupon payment was less than the regular annual coupon of € 32.5 million. At the end of the reporting year, this corresponded to a gearing of 26.0% (2014: 31.3%). Long-term funds such as equity, non-current provisions and long-term liabilities covered 119% of fixed and financial assets (2014: 117%). On December 31, 2015, the repayment period (ratio of net debt to operating EBITDA) was 1.4 years (2014: 1.9 years); the EBITDA interest coverage ratio was 8.7 (2014: 5.8).

Development of Net Debt
in € mill.



The contraction of the balance sheet is primarily due to the reduction in financial liabilities, which was partly offset by the increase in equity and provisions.

Balance Sheet Development	**2014 restated [1]**	**Disposals [2]**	**Purchases[2]**	**F/X [3]**	**Organic**	**2015**
	in € mill.	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*	*in € mill.*
Fixed assets	1,646.3	0.0	0.7	35.1	-67.2	1,614.9
Intangible assets and goodwill	694.8	0.0	2.8	12.6	-8.8	701.4
Other non-current assets	134.0	0.0	0.0	1.4	-2.1	133.3
Inventories	701.4	0.0	0.7	9.1	42.1	753.3
Other current assets	654.5	0.4	-0.3	13.6	-178.6	488.8
Balance sheet total	**3,831.0**	**0.4**	**4.0**	**71.8**	**-214.8**	**3,691.6**
Equity [4]	1,986.5	0.0	0.0	46.9	20.8	2,054.2
Provisions	253.5	0.4	3.9	7.1	26.2	290.3
Liabilities	1,591.0	0.0	0.1	17.8	-261.8	1,347.1

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) Effects from changes in the scope of consolidation
3) FX effects
4) Including non-controlling interests and hybrid bond

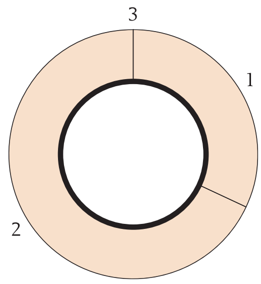
Balance Sheet Ratios		2014 restated [1]	2015
Capital employed	*in € mill.*	2,591.9	2,569.9
Net debt	*in € mill.*	621.5	534.1
Equity ratio	*in %*	51.9	55.6
Gearing	*in %*	31.3	26.0
Asset coverage	*in %*	81.8	84.7
Working capital to revenues	*in %*	19.9	20.4

1) The figures for the year 2014 were restated in accordance with IAS 8.

Treasury

Since Wienerberger had already made major changes to its financing structure through the successful exchange offer for the hybrid bond and by refinancing and topping up its main liquidity lines in the amount of € 400 million in 2014, all that remained for the business year under review was to round out the maturity profile by taking out a € 60 million credit in the form of a club deal. This credit, which served to strengthen the company's liquidity in 2015, will mature in September 2016. This early maturity date was chosen to enable the Group to redeem borrowed capital in subsequent years and, thus, reduce its interest expense.

Term Structure of Interest-bearing Financial Liabilities



1 *<1 year 32%*
2 *1–5 years 68%*
3 *>5 years 0%*

The main focus of Wienerberger's financial management in 2015 was on improving the most important ratios, which are the basis for the company's rating. These include the interest coverage ratio (EBIT / interest expense) and the ratio of gross debt to operating EBITDA. Therefore, interest expense was reduced through greater reliance on revolving credit lines and commercial paper issues instead of more expensive, long-term forms of financing. Moreover, Wienerberger allowed its reserves of liquid funds to go down, which reduced not only the negative interest effect, but also the counterparty risks. Furthermore, syndicated bank loans in the amount of € 126.5 million and the bond in a nominal value of € 200 million, which fell due in August 2015, were redeemed from existing liquid funds and the syndicated credit, which in turn substantially reduced the company's gross debt. The strong cash flow was then used to redeem the revolving credit line, which left only € 88 million outstanding by the end of 2015.

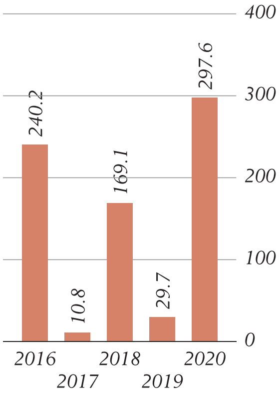
Repayment period down to 1.4 years in the reporting year

At the end of the year, the repayment period was 1.4 years, which is far below both the external limit set by our bank covenants and the self-imposed internal target of not more than 2.5 years at year end. The year-end interest coverage ratio was 8.7, which is also comfortably above the covenant of 3.75.

Treasury Ratios	31/12/2014 [1]	31/12/2015	Covenant
Net debt / operating EBITDA	1.9	1.4	<3.50
Operating EBITDA / interest result	5.8	8.7	>3.75

1) Pro-forma calculation, including the 12-month EBITDA and interest result of Tondach Gleinstätten

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



As at the reporting date, 66% of the Group's financial liabilities were fixed-interest-bearing. The remaining 34% of variable-interest debt is booked against variable-interest investments, which reduces the interest rate risk of the Group. 2015 was a year marked by phases of strong foreign exchange fluctuations, which are reflected as translation risks in the Wienerberger balance sheet and as transaction risks in the income statement. The Group's transactions risks are usually hedged by means of forwards. While the majority of financing deals are euro-denominated, Wienerberger monitors the currency risk on its balance sheet on the basis of net risk positions in the most important currencies (USD, CHF, CZK, GBP, PLN) and hedges part of the risk through interest rate-currency swaps on the basis of monthly sensitivity tests. Subject to economic restrictions, receivables in foreign currencies due from subsidiaries of the Group are also hedged by means of interest rate-currency swaps. At the balance sheet date, the Group held derivative positions denominated in Canadian dollars, Czech crowns, Danish crowns, British pounds, Polish zlotys, US dollars and Swiss francs.

Cash flow

Cash flow from operating activities rose by 21% year on year to € 260.3 million, primarily due to a steep increase in the gross cash flow.

Cash outflows for investments amounted to a total of € 147.8 million, up by 6% from the previous year (€ 139.9 million). The major part was accounted for by normal capital expenditure in the amount of € 137.7 million, which included maintenance work as well as investments in advanced production technologies and enhancements of the product range. In addition, € 10.1 million were invested in the expansion of plant capacities. The cash flow from investing activities included proceeds from the sale of property, plant and equipment of € 23.9 million, more or less unchanged from the previous year (€ 24.9 million). Moreover, an amount of € 14.2 million was spent on securities and other assets. In addition to these investments, the cash flow from investing activities in 2015 also comprised dividends received from associates and joint ventures in the amount of € 1.6 million.

Stable free cash flow of € 135.1 million

In 2015, Wienerberger generated a total free cash flow (cash flow from operating activities less cash flow from investing activities plus growth capex) of € 135.1 million, comparable to that of the previous year (€ 134.0 million). It was used to finance growth investments of € 10.1 million, to pay out the hybrid coupon of € 20.9 million and a dividend of € 17.5 million, and for the reduction of financial liabilities.

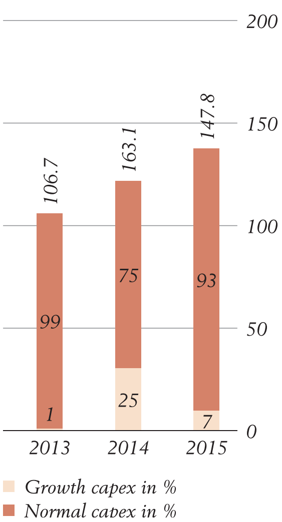
Cash Flow Statement	2014 restated [1]	2015	Chg.
	in € mill.	*in € mill.*	*in %*
Gross cash flow	**230.1**	**294.5**	**+28**
Change in working capital and other	-14.6	-34.2	<-100
Cash flow from operating activities	**215.5**	**260.3**	**+21**
Normal capex (maintenance, rationalization, environment)	-121.8	-137.7	-13
Growth capex [2]	-18.1	-10.1	+44
Divestments and other	40.3	12.5	-69
Cash flow from investing activities	**-99.6**	**-135.3**	**-36**
Growth capex [2]	18.1	10.1	-44
Free cash flow	**134.0**	**135.1**	**+1**

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) Growth capex 2014 amounted to € 41.3 mn and is adjusted for the portion of the purchase price of Tondach Gleinstätten paid in treasury shares, which amounted to € 23.2 million

Investments

Investments in the reporting year totaled € 147.8 million (2014: € 163.1 million). In addition to capital expenditures for extensions, the amount mainly includes normal capex. The distinction between growth capex and normal capex is based on whether or not an investment serves to explore new markets or product segments or to increase production capacities. Capital expenditures for maintenance, technological innovations or production facilities for premium products are recognized under normal capex. In 2015, the extension of plant capacities accounted for growth capex in a total amount of € 10.1 million (2014: € 41.3 million). Normal capex amounted to € 137.7 million in 2015 (2014: € 121.8 million), corresponding to 68% of depreciation (2014: 60%). A breakdown of total capital expenditure in the reporting year shows that the Clay Building Materials Europe Division accounted for 57%, Pipes & Pavers Europe for 33%, North America for 8% and Holding & Others for 2%.

Total Investments
in € mill.



Development of Non-current Assets	Intangible	Tangible	Financial	Total
	in € mill.	*in € mill.*	*in € mill.*	*in € mill.*
31.12.2014 restated [1]	**694.8**	**1,723.0**	**16.0**	**2,433.8**
Capital expenditure	8.4	139.4	0.0	147.8
Changes in the consolidation range	2.8	0.7	0.0	3.5
Depreciation and amortization	-17.6	-197.6	-0.1	-215.3
Reversal of impairment	0.0	8.7	0.0	8.7
Disposals	0.0	-6.4	-1.6	-8.0
Currency translation and other	13.0	38.7	4.1	55.8
31.12.2015	**701.4**	**1,706.5**	**18.4**	**2,426.3**

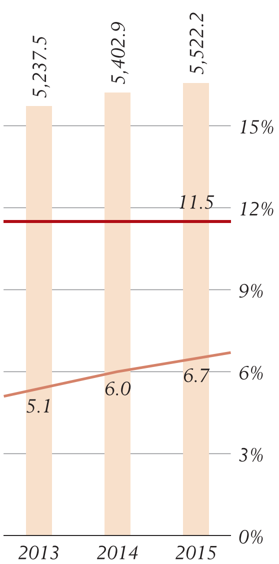
1) The figures for the year 2014 were restated in accordance with IAS 8.

Total Investments [1]	2014	2015	Chg.
	in € mill.	in € mill.	in %
Clay Building Materials Europe	110.0	84.9	-23
Pipes & Pavers Europe	35.5	48.3	+36
North America	14.1	12.2	-14
Holding & Others	3.6	2.4	-34
Wienerberger Group	**163.1**	**147.8**	**-9**

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

Wienerberger Value Management

CFROI vs. hist. CE and Hurdle Rate



For the purposes of the internal, strategic management of the company, cash-based, pre-tax profitability calculations are performed at all corporate levels; they show the added value created by the individual business units and by the Group as a whole. The key parameters are the cash flow return on investment (CFROI = operating EBITDA / average historical capital employed at cost) and the cash value added (CVA). The CFROI model permits a comparison of the business units of the Group, regardless of the age structure of the production sites. The minimum sustainable profitability target for all business units is a CFROI of 11.5% (= hurdle rate). For the calculation of CVA, the CFROI of the business unit concerned is compared with this hurdle rate and multiplied by the average historical capital employed (CE). The CVA represents the absolute, operating cash value added of the individual business units.

Calculation of Group CFROI		2014 restated [1] [2]	2015
Operating EBITDA	in € mill.	**324.7**	**369.7**
Average capital employed	in € mill.	2,766.2	2,580.9
Average accumulated depreciation	in € mill.	2,636.7	2,941.3
Average historical capital employed	in € mill.	**5,402.9**	**5,522.2**
CFROI	in %	**6.0**	**6.7**

1) *The figures for the year 2014 were restated in accordance with IAS 8.*
2) *2014 calculated on a pro-forma 12-month basis*

CFROI 2015 by Divisions	Operating EBITDA	Average historical CE [1]	CFROI	CVA
	in € mill.	in € mill.	in %	in € mill.
Clay Building Materials Europe	249.3	3,891.6	6.4	-198.2
Pipes & Pavers Europe	107.9	767.0	14.1	19.7
North America	32.2	797.7	4.0	-59.5
Holding & Others	-19.7	65.8	-30.0	-27.3
Wienerberger Group	**369.7**	**5,522.2**	**6.7**	**-265.4**

1) *The figures for the year 2014 were restated in accordance with IAS 8.*

In 2015, CFROI improved to 6.7% (2014: 6.0%), but was still substantially below the Group's target of 11.5%.

WACC after tax was 7.24%

In addition to the CFROI, the return on capital employed (ROCE) is also calculated at Group level. We calculate this indicator by comparing the net operating profit after tax (NOPAT) with the average interest-bearing capital employed (CE) of the entire Group. This ratio indicates the extent to which Wienerberger is able to generate the return investors demand. The average cost of capital of the Group after tax is derived from the minimum yield expected by investors on capital provided in the form of equity and debt. The weighted average cost of capital (WACC) is determined by adding up the cost of debt for Wienerberger and a risk premium for investments in shares. In the reporting year, the Wienerberger Group's WACC after tax was 7.24% (2014: 7.20%).

In 2015, Wienerberger's NOPAT amounted to € 115.3 million (2014: € 73.9 million). ROCE rose to 4.5% (2014: 2.7%), which resulted in an EVA® of € -71.6 million (2014: € -125.0 million).

Calculation of Group ROCE		2014 restated 1) 2)	2015
Operating EBIT	*in € mill.*	100.2	167.6
Income taxes	*in € mill.*	-14.3	-37.2
Adjusted income taxes	*in € mill.*	-11.9	-15.0
NOPAT	*in € mill.*	**73.9**	**115.3**
Equity and non-controlling interests	*in € mill.*	1,986.5	2,054.2
Financial liabilities and financial leases	*in € mill.*	958.3	747.1
Intercompany receivables and payables from financing	*in € mill.*	-20.5	-18.4
Cash and financial assets	*in € mill.*	-332.5	-213.1
Capital employed	*in € mill.*	**2,591.9**	**2,569.9**
Average capital employed	*in € mill.*	**2,766.2**	**2,580.9**
ROCE	*in %*	**2.7**	**4.5**

Value Ratios		2014 restated 1) 2)	2015
ROCE	*in %*	2.7	4.5
EVA ® 3)	*in € mill.*	-125.0	-71.6
CFROI	*in %*	6.0	6.7
CVA	*in € mill.*	-296.7	-265.4

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) 2014 calculated on a pro-forma 12-month basis
3) EVA® is a registered trademark of Stern Stewart & Co.

Fourth quarter of 2015

In the fourth quarter, the Wienerberger Group reported external revenues in the amount of € 688.9 million; this reflects a stable development compared with the same period of the previous year, which had also been favored by mild weather conditions. Despite the costs of structural adjustments in the brick and plastic pipe business, the Group's EBITDA increased substantially to € 76.2 million, compared with € 69.1 million in 2014. This increase corresponds to a growth of 10% year on year.

After a noticeable loss of market momentum in the third quarter, the Clay Building Materials Europe Division performed strongly toward the end of the year and increased its fourth quarter revenues by 2% to € 392.6 million and its operating EBITDA by 26% to € 60.4 million. Besides higher demand due to a weather-related prolongation of the construction season and ongoing cost optimization measures, the higher utilization of capacities had a positive impact on profitability. The development of earnings was particularly satisfactory in Eastern Europe. Apart from recession-related setbacks in the Russian market, significant gains in Bulgaria, Romania, Austria, the Czech Republic and Poland resulted in an improvement of the operating result of the Eastern European segment of CBME by 49% to € 21.5 million.

In Western Europe, the positive development of earnings in Great Britain and the Netherlands continued. As in previous quarters, we registered a significant increase in sales in the growing Dutch market, while declining volumes in Great Britain, mainly due to the fact that exceptionally large purchases had been made in the fourth quarter of 2014, were made up for by higher average prices. Demand for building materials picked up noticeably in France, whereas Belgium and Switzerland were not able to match the previous year's results. In Germany, we succeeded in largely compensating the costs of ongoing structural adjustments by volume growth and generated a higher operating result than the year before. Overall, operating EBITDA in the Western European segment of CBME increased by 17% to € 38.9 million year on year.

In the Pipes & Pavers Europe Division, revenues declined by 5% to € 227.1 million, and operating EBITDA dropped by 20% to € 15.9 million. While the fourth-quarter result of our concrete paver business in Central-East Europe was significantly above the comparable value of the previous year, our business in ceramic sewage pipes and plastic pipes fell short of the results achieved in the fourth quarter of 2014. As regards concrete pavers, the positive trend of the first nine months continued and was even strengthened by persistently good project business due to mild weather. We also succeeded in achieving organic growth of our plastic pipe business in both Western and Eastern Europe. However, structural adjustment costs in the amount of € 6.9 million in France had a negative impact on earnings. After the completion of major projects, we also registered a downturn in project business with Long Length Large Diameter pipes. Our ceramic pipe business developed in line with past trends. The German market was marked by expenditure cuts for public supply networks, and projects in Poland were delayed for political reasons; sales of our products went down as a result of both these developments. Therefore, our fourth-quarter operating result was significantly below the comparable value of the year before.

Revenues in the North America Division increased by 11% to € 67.3 million in the fourth quarter of 2015; operating EBITDA grew by 35% to € 5.5 million during the same period. In our North American brick business we registered a slight increase in volume in the last quarter of 2015, while average prices remained more or less on the level of the previous year's period. As in previous quarters, the higher result was primarily due to the positive impact on earnings of successful cost-cutting measures and favorable foreign-exchange effects. A number of projects implemented in our North American plastic pipe business led to a significant increase in sales and operating EBITDA.

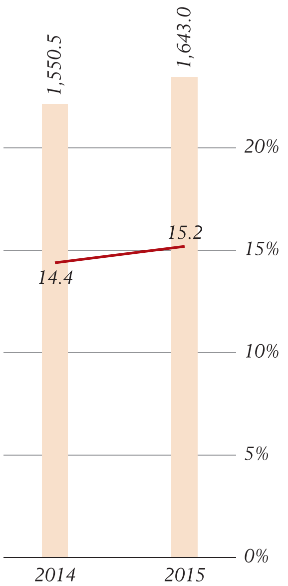
Third party revenues	10-12/2014	10-12/2015	Chg.
	in € mill.	*in € mill.*	*in %*
Clay Building Materials Europe	384.1	392.6	+2
Clay Building Materials Eastern Europe	108.9	112.8	+4
Clay Building Materials Western Europe	275.2	279.8	+2
Pipes & Pavers Europe	239.7	227.1	-5
Pipes & Pavers Eastern Europe	105.4	95.1	-10
Pipes & Pavers Western Europe	134.3	131.9	-2
North America	60.7	67.3	+11
Holding & Others	1.4	1.9	+31
Wienerberger Group	**685.9**	**688.9**	**0**

Operating EBITDA	10-12/2014	10-12/2015	Chg.
	in € mill.	*in € mill.*	*in %*
Clay Building Materials Europe	47.8	60.4	+26
Clay Building Materials Eastern Europe	14.4	21.5	+49
Clay Building Materials Western Europe	33.4	38.9	+17
Pipes & Pavers Europe	19.8	15.9	-20
Pipes & Pavers Eastern Europe	5.9	7.3	+23
Pipes & Pavers Western Europe	13.9	8.7	-38
North America	4.0	5.5	+35
Holding & Others	-2.5	-5.6	<-100
Wienerberger Group	**69.1**	**76.2**	**+10**

Operating Segments

Clay Building Materials Europe

Clay Building Materials Europe



Residential construction in Europe was stable to slightly positive in 2015, with regional differences and generally mild weather conditions. Positive developments of the housing market were seen, above all, in Great Britain, the Netherlands, Romania, Bulgaria, Poland and Hungary. France, Belgium, Italy and Russia registered a decline in housing construction over the year, although in France the market environment stabilized, as expected, toward the end of the year. In Germany and Switzerland, the construction of single- and two-family homes as well as renovation activities, which are particularly important for our roof tile business, were slightly below the previous year's level. In this context, measures were taken in the third quarter to adjust and shift our production capacities. In Austria, new housing starts remained at a stable level.

The development of sales volumes seen over the first nine months of the year continued throughout the last quarter. The total volume of facing bricks sold in 2015 declined, mainly due to the fact that market growth in Great Britain was weaker than expected. On the strength of a positive market environment in Eastern Europe, we were able to increase our sales of clay blocks and further strengthen our market position there. The significant increase in roof tile volumes was primarily due to the consolidation of our roof tile activities in Eastern Europe.

Altogether, the Clay Building Materials Europe Division reported a 6% increase in revenues, compared with 2014, to € 1,643.0 million. Despite structural adjustment costs in the amount of € 10.7 million, operating EBITDA increased significantly by 12% over the previous year's level to € 249.3 million. This was due not only to the strong development of our operating results and the contribution from the consolidation of our roof tile business in the first half of the year, but also to lower energy costs, the reorganization of distribution in certain markets, and continued measures aimed at enhancing efficiency and optimizing our cost structures.

Clay Building Materials Europe		2014 restated [1]	2015	Chg. in %
Third party revenues	*in € mill.*	1,550.5	1,643.0	+6
Operating EBITDA	*in € mill.*	222.7	249.3	+12
Operating EBIT	*in € mill.*	84.5	121.5	+44
Total investments	*in € mill.*	110.0	84.9	-23
Capital employed	*in € mill.*	1,712.2	1,667.7	-3
Ø Employees		9,253	10,219	+10

1) The figures for the year 2014 were restated in accordance with IAS 8.

Outlook 2016

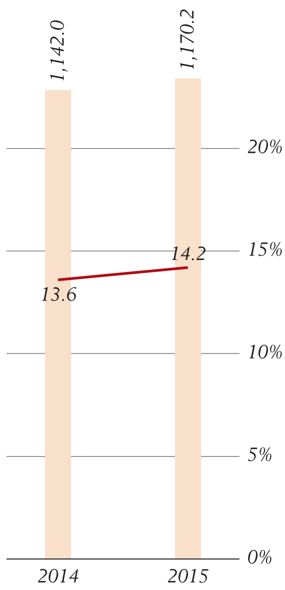
For 2016, we expect a continuation of the stable to slightly positive development in European residential construction. In Great Britain, the Netherlands, Hungary, Romania, Bulgaria and Poland we expect to see a continuation of the positive trend. For the French housing market, which declined significantly in recent years, a turnaround and slight growth, starting from a low level, have been forecast. In Belgium, the current solid level of housing construction is not expected to be maintained. While we anticipate a slightly positive development of the market environment in Germany, where successful structural adjustments have already had a positive impact on the results, and Austria, we assume that the Italian and Swiss markets will shrink over the year. Housing construction in Russia continues to decline as a result of the recession. In the Czech Republic, we expect to see a stable to slightly positive development in the construction of single- and two-family homes, whereas demand in Slovakia has been projected to stabilize. Our goal is to grow faster than the market and to boost our earnings. To this end, we will continue our efficiency-enhancing measures and our cost optimization efforts in 2016 as part of our commitment to operational excellence, and further strengthen our market positions. Based on the assumption of higher sales volumes in all product groups, we are confident of achieving a significant improvement of our revenues and results in 2016.

Clay Building Materials Western Europe

In 2015, the Western European region was marked by significant differences in regional market developments. While the positive market trend continued, as expected, in Great Britain and the Netherlands, new housing starts of single- and two-family homes in Germany, France, Switzerland and Italy were below the previous year's level. With generally higher average prices, we registered a decline in the volume of facing bricks sold. Favored by mild weather conditions in large parts of Europe in the fourth quarter, clay block sales remained stable over the year, whereas roof tile sales decreased slightly, mainly as a result of a persistent weakness in the renovation sector in some of our core markets.

Thanks to the consistent implementation of performance-enhancing measures as well as price increases above cost inflation, we registered an increase in revenues of 2% to € 1,170.2 million and an increase in operating EBITDA of 7% to € 166.7 million in the Western European segment of CBME. Thus, our operating margin increased from 13.6% in 2014 to 14.2% in the year under review.

Clay Building Materials Western Europe



Clay Building Materials Western Europe		2014 restated [1]	2015	Chg. in %
Third party revenues	in € mill.	1,142.0	1,170.2	+2
Operating EBITDA	in € mill.	155.9	166.7	+7
Operating EBIT	in € mill.	64.7	88.7	+37
CFROI	in %	5.7	6.0	-
Total investments	in € mill.	58.8	63.7	+8
Capital employed	in € mill.	1,192.9	1.176.4	-1
Ø Employees		5,950	6,035	+1
Sales volumes clay blocks	in mill. NF	1,977	1,984	0
Sales volumes facing bricks	in mill. WF	1,332	1,231	-8
Sales volumes roof tiles	in mill. m²	23.12	22.3	-3

1) The figures for the year 2014 were restated in accordance with IAS 8.

Great Britain

The number of new housing starts of single- and two-family homes in Great Britain increased less than expected in 2015. High inventory levels due to the fact that purchases had been advanced to the fourth quarter of 2014, together with sluggish demand, resulted in a decline in facing brick sales. In view of this development and in order to fully utilize the capacity of recently restarted production facilities in the country, we reduced the delivery of products from Belgium and the Netherlands. Overall, we were able to significantly increase our average prices and achieve higher revenues and results, with positive foreign-exchange effects in the reporting currency as an additional benefit.

Netherlands

The positive momentum in the Dutch market continued into the fourth quarter and led to significant increases in sales volumes in all product groups. We were able to use this market environment to our advantage to gain market shares and substantially increase our earnings.

Belgium

Muted demand in both housing construction and renovation characterized the Belgian market in 2015, where volumes fell short of the previous year's level. The reduction of deliveries to Great Britain had an additional negative impact on capacity utilization and production costs. In this market environment, we nevertheless succeeded in further upgrading the product mix and obtaining higher average prices. Owing to internal efficiency-enhancing and cost-optimizing measures, revenues and results were only slightly below the previous year's values.

Germany and Switzerland

Germany and Switzerland registered fewer new housing starts of single- and two-family homes over the year. Moreover, the renovation market, which is particularly important for our roof tile business, was depressed, due to the absence of subsidy programs. Additionally, many renovation projects were put off as a result of falling energy prices, all of which was reflected in lower sales volumes. Overall, these developments resulted in shrinking revenues and results in both markets. Measures to adjust and shift production capacities were therefore initiated in Germany in the third quarter of 2015. In this market, our primary focus is on innovative products and system solutions in order to improve our market position in single- and two-family-home construction and, at the same time, further increase our market penetration in multi-family-housing construction. In Switzerland, we intend, above all, to enhance our product mix by introducing premium products.

France and Italy

France and Italy also reported a downward trend in the construction of single- and two-family homes in 2015. As a result, we registered shrinking revenues and results in both markets. Although activities in the French market began to pick up in the fourth quarter, this did not have a noticeable positive impact on the development of our business in the reporting year. Moreover, our roof tile business in France continued to feel the effect of sluggish demand in the renovation market, with roof tile sales going down as a result.

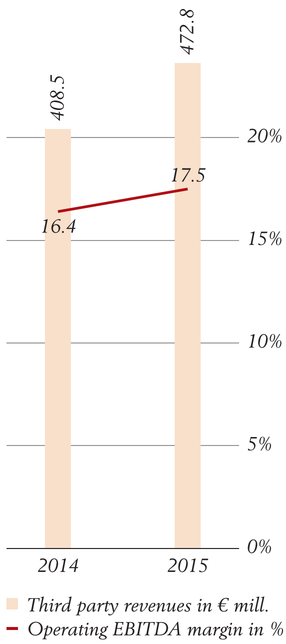
Outlook 2016

In Great Britain, we expect residential construction activity to pick up and average prices to improve in 2016. In the Netherlands, we hope to see a continuation of the positive growth trend and rising sales volumes in all product groups. Despite the weaker market environment in Belgium, we project an increase in earnings through improvements in the product mix and, consequently, higher average prices. In France, rising demand toward the end of the year confirmed earlier positive indications, which leads us to expect an increase in housing starts from a low level in 2016. While we anticipate a slightly positive development of the German market, we assume that the number of new housing starts in the one- and two-family-home segment will go down even further in Italy and Switzerland. Overall, we expect to see a stable to slightly positive market environment in the Western European region in 2016. Considering the ongoing measures to optimize our cost structure and our internal processes, as well as our intensive sales activities, we expect an increase in revenues and results for the current business year.

Clay Building Materials Eastern Europe

The positive developments in our core markets in the Eastern European region continued throughout the fourth quarter of 2015. In this environment we were able to increase our clay block sales and strengthen our market position in the region, even though average prices were below the previous year's level due to persistent pressure on prices in certain regional markets. The significant increase in roof tile sales reflects the contribution from the consolidation of our Eastern European roof tile activities in the first half of the year. Altogether, the Eastern European segment of CBME registered an increase in revenues of 16% to € 472.8 million and a significant increase in operating EBITDA of 24% to € 82.6 million in the year under review. Corrected for the contribution from the consolidation, we achieved stable revenues and generated substantially increased results.

Clay Building Materials Eastern Europe



Clay Building Materials Eastern Europe		2014	2015	Chg. in %
Third party revenues	*in € mill.*	408.5	472.8	+16
Operating EBITDA	*in € mill.*	66.8	82.6	+24
Operating EBIT	*in € mill.*	19.7	32.8	+67
CFROI	*in %*	6.5	7.5	-
Total investments	*in € mill.*	51.2	21.2	-59
Capital employed	*in € mill.*	519.3	491.3	-5
Ø Employees		3,303	4,184	+27
Sales volumes clay blocks	*in mill. NF*	2,915	3,110	+7
Sales volumes roof tiles	*in mill. m²*	10.98	16.82	+53

Poland

Construction of new single- and two-family homes picked up moderately in Poland and was reflected in higher sales volumes in clay blocks and roof tiles. Given the persistent competitive pressure, we were not able to increase our average prices. Nevertheless, our revenues and results increased in comparison to the previous year.

Austria

Despite difficult economic conditions and rising unemployment, new residential construction in Austria remained stable. Thanks to mild weather conditions in the fourth quarter, we were able to increase our clay block sales. Moreover, a shift in our product mix towards higher-value products, such as infill bricks, led to a slight increase in our average prices, which in turn enabled us to generate higher revenues and results.

Czech Republic and Slovakia

After a slight downturn in the third quarter, the Czech residential construction market recovered toward the end of the year, a development that was supported by favorable weather conditions. In a generally positive market environment, we increased our sales of clay blocks, while keeping our average prices stable. In Slovakia, which continues to be a difficult market, persistent price pressure and declining sales depressed our results for the year.

Hungary

The recovery of the Hungarian residential construction market, which was first seen at the beginning of the year but cooled off slightly over the summer, continued into the fourth quarter of 2015. Overall, higher average prices and higher volumes of clay blocks sold resulted in an increase in revenues and results in the reporting period.

Romania and Bulgaria

Romania and Bulgaria experienced a positive development in the construction of single- and two-family homes in 2015. In both countries we were able to significantly increase our sales of clay blocks and strengthen our market position. Higher average prices resulted in substantial increases in our revenues and results.

Russia

Under conditions of persistent recession, the Russian residential construction market continued to shrink in the last quarter of the year. In this difficult environment, we had to accept lower average prices and a sharp decline in sales. Translated into the reporting currency, the resulting drop in revenues and results was aggravated by the devaluation of the Russian ruble. In view of these challenging market conditions, we began to modify the shift work regime at our production site in Moscow.

Tondach Gleinstätten

Our Eastern European roof tile business, fully consolidated since July 1, 2014, continued to meet our expectations in the fourth quarter and generated an organic increase in revenues and results in the year under review. The progressive integration of Tondach Gleinstätten and the merger of roof tile and clay block activities in our Eastern European core markets will contribute to a further improvement of our earnings in 2016.

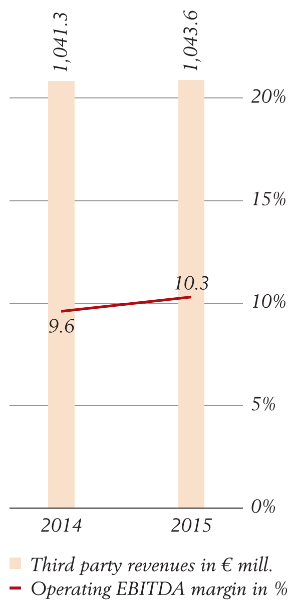
Outlook 2016

For 2016, we expect our revenues and results in the Eastern European region to increase significantly in a market environment characterized by moderate growth. In Poland, Romania, Bulgaria and Hungary, we anticipate a continuation of the positive momentum in the construction of new single- and two-family homes and, consequently, a higher volume of clay block sales. While the Czech Republic should see stable to slightly positive development, a change of trend and a stabilization of demand have been forecast for Slovakia. As regards Austria, we expect to see a stable to slightly positive market environment. In Russia, we foresee a significant decline of the market, the extent of which cannot be reliably assessed from today's point of view. Overall, we expect the region to make a substantial contribution to our revenues and results, based not only on market growth in our core countries, but also on our internal efficiency-enhancing and cost-optimizing measures.

Pipes & Pavers Europe

In 2015, revenue recorded by the Pipes & Pavers Europe Division remained stable, coming to € 1,043.6 million, and operating EBITDA increased by 8% to € 107.9 million. This substantial rise in earnings resulted primarily from the positive development of the results in our European plastic pipe business. Revenue recorded in this business area was only slightly higher than in 2014, whereas the substantial growth achieved in the international project business, which had a record year, had a highly positive effect on the product mix and on profitability. Moreover, we managed to gain market shares in the Nordic markets, thus expanding our market leadership position in this region. One of the main reasons for this satisfactory development of earnings in the 2015 financial year was our consistent management of the major distortions on the commodities market. Following a shortage in the supply of plastic granulates and the ensuing steep increase of commodity prices in the first half of 2015, prices eased in the second half of the year once the supply shortage was over. By instituting proactive measures, we succeeded not only in responding to price volatilities in a timely manner but also in ensuring that supplies to our customers continued without restriction.

Pipes & Pavers Europe



In our concrete paver business, we were able to record a significant increase in operating earnings and a modest growth in revenues in a still challenging market environment. In addition to ongoing measures aimed at optimizing the cost structure, an enhanced product mix and higher capacity utilization, our more visible market position as a premium supplier had a positive effect on our earnings power. In the fourth quarter of 2015, the mild weather allowed us to realize ongoing projects without any restrictions and thus record a significant increase in earnings. Our business with ceramic waste water pipes achieved a slight rise in revenues and moderate growth in volumes. However, operating earnings were significantly lower than in the previous year due to pronounced shifts in the geographic sales mix. The effects of the distinct slowdown in public investments in waste water systems in the relevant markets of Germany and Poland was not fully compensated by the growth achieved in the Czech Republic, Italy, Belgium, Romania, Bulgaria and Slovakia and the significant increase in exports to the Middle East.

Pipes & Pavers Europe		2014 restated 1)	2015	Chg. in %
Third party revenues	*in € mill.*	1,041.3	1,043.6	0
Operating EBITDA	*in € mill.*	100.3	107.9	+8
Operating EBIT	*in € mill.*	47.8	61.4	+29
Total investments	*in € mill.*	35.5	48.3	+36
Capital employed	*in € mill.*	531.6	543.7	+2
Ø Employees		4,136	4,125	0

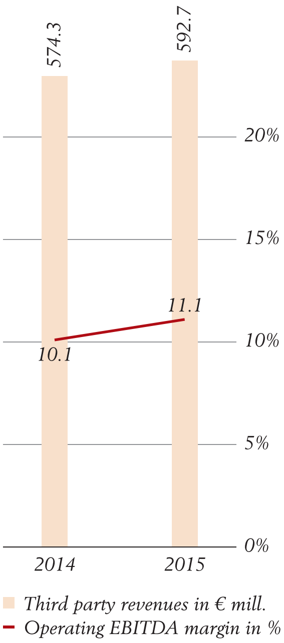
1) The figures for the year 2014 were restated in accordance with IAS 8.

Outlook 2016

For the 2016 financial year, we foresee a moderate improvement in revenues and earnings in the Pipes & Pavers Europe Division. In our plastic pipe business, we expect that the Nordic core markets will see stable demand at a high level and positive contributions to earnings in the lower one-digit million range from the acquisition of a majority stake in a competitor company in Finland. France is forecast to record an increase in earnings resulting from the ongoing structural adjustments. At the same time, it cannot be assumed that the record results achieved in the international project business will be duplicated, given that order volumes, in particular relating to Long Length Large Diameter pipes, are below the previous year's level. In Eastern Europe, higher earnings in Poland are anticipated to more than compensate a further decline in Russia. In our ceramic pipe business, we have been implementing price increases to offset cost inflation, and we expect stable operating earnings year on year as well as a continuation of regional market trends. In our concrete paver business, the strategic focus will remain on the enhancement of the product mix, the strengthening of our position as a premium supplier, and consistent cost management. We expect a moderate increase in operating results in a largely stable market environment.

Pipes & Pavers Western Europe

Pipes & Pavers Western Europe



The Pipes & Pavers Western Europe Segment recorded a 3% increase in revenues to € 592.7 million and a 13% rise in operating EBITDA to € 65.6 million. This major rise in earnings resulted from the strong performance of our plastic pipe business, which more than compensated the decrease in ceramic pipe sales. Apart from higher volumes and selective gains in market shares in some Nordic markets, our business in the Netherlands and Ireland, in particular, showed a marked revival. In addition, our international project business, which is operated from Norway and the Netherlands, profited from full order books and achieved record results in business with both fiber-reinforced and Long Length Large Diameter pipes. Demand in France went down significantly in 2015. For this reason, structural adjustments were initiated in the third quarter of 2015, which had a negative impact of € 6.9 million on second-half earnings.

Pipes & Pavers Western Europe		2014 restated 1)	2015	Chg. in %
Third party revenues	*in € mill.*	574.3	592.7	+3
Operating EBITDA	*in € mill.*	58.3	65.6	+13
Operating EBIT	*in € mill.*	27.5	40.2	+46
CFROI	*in %*	16.3	16.9	-
Total investments	*in € mill.*	22.3	24.5	+10
Capital employed	*in € mill.*	292.2	295.7	+1
Ø Employees		1,768	1,757	-1

1) The figures for the year 2014 were restated in accordance with IAS 8.

Our business with ceramic waste water pipes, which is operated from production sites in Germany and Belgium, recorded a slight rise in revenues and moderate growth in volumes in 2015. Operating earnings, however, were significantly lower than in the previous year due to pronounced shifts in the geographic sales mix. In our European core business, we managed to raise average prices to offset cost inflation. Sales, however, fell short of the levels recorded in 2014 and showed a moderate decline resulting from a marked cooldown of the environment in the significant markets of Germany and Poland. Germany saw a decline in public tenders both in new construction and in the renovation market, whereas Poland has been affected by enormous project delays because the new government has been reassigning EU subsidies already allocated. This development was not fully compensated by partly significant gains in volumes recorded in the Czech Republic, Italy, Belgium, Romania, Bulgaria and Slovakia. In Italy, we continued to benefit from the gradual realization of previously delayed infrastructure projects, and in the Eastern European countries a revival of the market, supported by EU subsidies, was observed. As announced, the expanded cooperation with our local partner in the Middle East led to a significant increase in exports in this region.

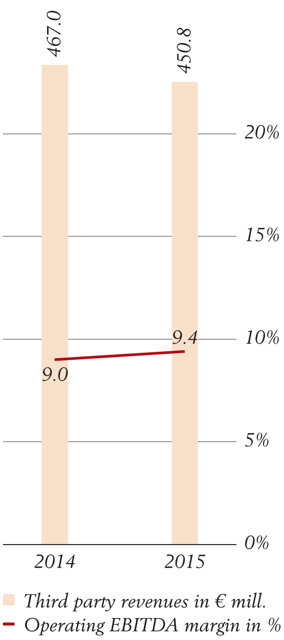
Outlook 2016

For 2016 we expect demand in the plastic pipe business in our Nordic core markets to continue to be satisfactory at a high level. The acquisition of a majority stake in a competitor company in Finland is forecast to make a contribution in the lower one-digit million range. As regards the business in the Netherlands and Ireland, we assume that the market environment will continue to be positive. In addition, the discontinuation of the costs incurred in connection with the structural adjustments in France and the cost savings resulting from those adjustments constitute the basis for sustainable improvements of earnings. It cannot be assumed, however, that the record results achieved in the international project business will be duplicated, given that order volumes, in particular relating to Long Length Large Diameter pipes, are far below the previous year's level. For our ceramic pipe business, we expect a continuation of the market trends from 2015. Assumptions for Germany are that public sector authorities will still show restraint in tendering, and in Poland the restructuring of the allocation of EU subsidies is forecast to lead to additional delays in project realizations. In Italy, Belgium and the Eastern European export markets, the positive market trend continues unabated. In our export business in the Middle East, the risk of negative effects of falling oil prices on public sector investments continues to grow. All in all, we expect a moderate improvement of operating earnings for the Pipes & Pavers Western Europe Segment in 2016.

Pipes & Pavers Eastern Europe

In the Pipes & Pavers Eastern Europe Segment, the concrete paver business recorded a substantial increase in earnings, whereas our plastic pipe business saw moderate declines in revenues and earnings. Consequently, segment revenues decreased by 3% to € 450.8 million while operating EBITDA remained stable, coming to € 42.3 million. The markets in the plastic pipe business showed highly diverging developments, with varying reasons for the declines in the less satisfactory markets. In Russia, the deep recession resulted in a significant slump in public sector infrastructure spending. Moreover, the devaluation of the Russian ruble reinforced the decline in earnings in the reporting currency. In contrast, the public debt crisis in Greece, as well as early elections, caused a temporary standstill in public and private investments in the third quarter, to which we responded with production downtime. Declining demand in Austria resulted from a stagnation of the economy and the government's austerity policy. On the other hand, we benefitted from a healthy market environment in Poland, the Czech Republic, Croatia and Romania, and obtained individual large-scale contracts in Turkey.

Pipes & Pavers Eastern Europe



Pipes & Pavers Eastern Europe		2014	2015	Chg. in %
Third party revenues	in € mill.	467.0	450.8	-3
Operating EBITDA	in € mill.	42.1	42.3	0
Operating EBIT	in € mill.	20.2	21.3	+5
CFROI	in %	11.3	11.1	-
Total investments	in € mill.	13.2	23.8	+80
Capital employed	in € mill.	239.4	248.0	+4
Ø Employees		2,368	2,368	0

Our concrete paver business in Central and Eastern Europe generated a slight growth in revenues at stable average prices. By increasing the percentage of revenues generated by innovative and high-end products, we managed to compensate regional price pressure and sharpen our profile as a premium supplier. The substantial improvement in earnings is attributable not only to ongoing measures instituted to optimize the cost structure, and a higher capacity utilization, but also to strong earnings in the fourth quarter, during which the mild weather allowed us to carry out current projects without any restrictions. In 2015, we achieved growth in earnings particularly in Poland, Romania, Austria and Croatia. In Hungary we not only managed to match the excellent results recorded in 2014 but in fact exceeded them, thanks to the mild temperatures at the end of the year. The implementation of the Production Excellence Program was extremely satisfactory. This package of measures is a core element of the ongoing cost-optimization policy and is aimed at improving production processes, lowering the scrap rate, and professional benchmarking.

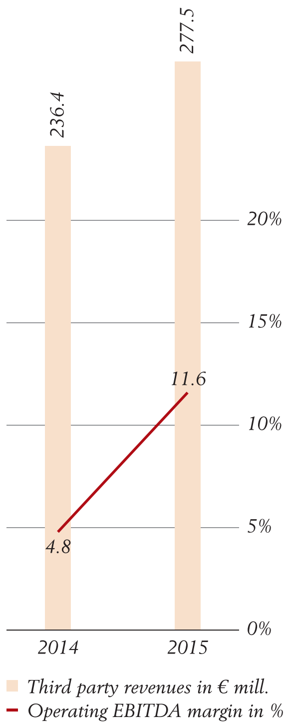
Outlook 2016

In the Pipes & Pavers Eastern Europe Segment, we expect largely stable earnings in the 2016 financial year. In the plastic pipe business, stable development is forecast for Austria, the largest single market in the region, and we also foresee a continuation of the positive trend in Poland. In Greece, we expect a slight improvement from a very low level, following the massive disruptions of the market resulting from the political and financial situation in the country. In Russia, the negative effects of low oil prices on public finances will likely cause further declines in volumes. For the remaining markets in the region, we anticipate overall stable development. In our business with concrete pavers, we will continue to strive for the further improvement of results in 2016. Proceeding on the assumption of an overall stable development of demand in our core markets, our top priority will remain the consistent implementation of our strategy to increase earnings by our own efforts, which is to sharpen our profile as the premium supplier and gain higher market shares by increasing the percentage of revenue generated by innovative and high-end products and maintaining strict cost management. All in all, we expect stable development in revenues and earnings for the Pipes & Pavers Eastern Europe Segment.

North America

In North America we succeeded in significantly increasing our operating result, although the recovery of housing construction in the USA did not have a decisive impact on our core business in facing bricks. Besides hostile weather conditions, which delayed the start of the construction season, this was also due to the fact that there were no catch-up effects, as building trade capacities turned out to be insufficient. In this challenging market environment, we were able to maintain our sales volumes at the previous year's level at slightly increased average prices; in certain regions, we even gained market shares. The significantly higher result was primarily due to successful cost-cutting measures and the sale of a non-core property for € 12.5 million in the first half of the year. Growing demand in our relevant markets in Canada allowed us to increase our sales volumes and generate higher revenues and earnings. In our North American plastic pipe business, a slight increase in demand was reflected in gains in revenues and earnings.

North America



Supported by favorable foreign-exchange effects in the reporting currency, these developments in the North America Division resulted in a substantial increase in revenues of 17% to € 277.5 million and a significant improvement of operating EBITDA as compared with the previous year, from € 11.2 million to € 32.2 million.

North America		2014 restated [1]	2015	Chg. in %
Third party revenues	*in € mill.*	236.4	277.5	+17
Operating EBITDA	*in € mill.*	11.2	32.2	>100
Operating EBIT	*in € mill.*	-11.2	7.7	>100
CFROI	*in %*	1.6	4.0	-
Total investments	*in € mill.*	14.1	12.2	-14
Capital employed	*in € mill.*	345.0	364.8	+6
Ø Employees		1,246	1,272	+2
Sales volumes facing bricks	*in mill. WF*	369	371	0

1) The figures for the year 2014 were restated in accordance with IAS 8.

Outlook 2016

For the business year 2016, we expect a continuation of the positive trend in US new residential construction. In this environment, we hope to see improving construction activity in the single- and two-family-home segment and a growing demand for bricks. Price competition will remain tough, but we anticipate stable to slightly higher average prices over the year. In Canada, we expect a slight increase in volumes in a stable environment, and a moderately higher demand for plastic pipes. Altogether, we are confident that revenues and earnings in the North America Division will increase significantly in 2016.

Holding & Others

The Holding & Others Division comprises the holding company of the Group as well as our brick activities in India. Wienerberger is the only supplier of industrially manufactured bricks in India, operating a production site in the Bangalore region. Higher sales volumes and an increase in average prices, supported by positive foreign exchange effects, resulted in a substantial increase in revenues of 40% over the previous year to € 7.6 million. In contrast, operating EBITDA of the Holding & Others Division deteriorated from € -17.0 million in 2014 to € -19.7 million in the reporting period.

Holding & Others		2014	2015	Chg. in %
Third party revenues	*in € mill.*	5.4	7.6	+40
Operating EBITDA	*in € mill.*	-17.0	-19.7	-16
Operating EBIT	*in € mill.*	-20.8	-23.1	-11
Total investments	*in € mill.*	3.6	2.4	-34
Capital employed	*in € mill.*	3.0	-6.3	<-100
Ø Employees		201	197	-2

For 2016, we expect stable to slightly positive market development in India and further gains in revenues and earnings.

Outlook and Goals

Substantial growth in earnings

For 2016, we have set ourselves the target of achieving a substantial increase in the Group's operating EBITDA. Our forecast is based on the assumption that the slight market growth seen in our brick, roof tile and plastic pipe business will continue. The only exception is our ceramic sewage pipe business, where we anticipate a slightly negative to stable environment, given the fact that capital expenditure on public infrastructure is being held back in certain core markets. Demand for concrete pavers should remain stable. Altogether, we expect the increase in revenues to be in the lower range of our medium-term target corridor of 3-4%. This target corridor encompasses both volume growth and an improvement of our average prices. As in the previous year, we intend to compensate the effect of cost inflation through corresponding price adjustments in the brick business in 2016. Our projection for the Group's operating EBITDA is approx. € 405 million. This figure includes income from the sale of non-core assets, which should be around € 15 million.

Normal capex will amount to approx. € 140 million. Besides the replacement of plant and equipment, this amount also covers expenditures for technological improvements, the development of innovative products and more efficient production processes, as well as for measures to enhance occupational health and safety. Our growth capex will rise to approx. € 40 million and will cover plant extensions, mainly in our plastic pipe and concrete paver businesses, and acquisitions. The purchase of a clay block plant in Poland and the takeover of a majority interest in a plastic pipe producer in Finland have already been successfully concluded this year. The contributions to our results expected from these growth investments are included in the Group's EBITDA target. Moreover, based on our strict criteria, we are exploring other potential takeover candidates for their earnings, cash flow and synergy potentials as well as possible strategic developments.

Owing to the continued optimization of our financing structure and the favorable interest environment, our net interest result will improve, with interest and similar expenses amounting to approximately € 35 million. In accordance with our medium-term targets, the internal maximum for the repayment period, expressed as the ratio of net debt to operating EBITDA, will be reduced from 2.5 to 2.0 years at the end of the year as soon as we generate a consolidated EBITDA of over € 400 million. Provided we reach our targets as planned, this should be the case in 2016.

Events after the balance sheet date

On January 15 we took over a clay block plant in Poland. Moreover, as of February 5, we acquired a majority interest in Talokaivo, a Finnish plastic pipe producer.

This annual report contains information and forecasts that relate to the future development of the Wienerberger Group and its companies. These forecasts are estimates based on all the information available to us at this point in time. If the assumptions underlying these forecasts are not realized or if risks – such as those referred to in the Risk Report – materialize, the actual results may differ from the results currently expected. This annual report does not, in any way whatsoever, constitute a recommendation to buy or sell Wienerberger AG securities.

Additional Information on the Company

Research and Development

R&D as a strategic priority

Research and development (R&D) are among the priorities of Wienerberger's strategic activity and play a central role in the company. The most important tasks of R&D include the optimization of production processes and the continuous further development and improvement of products and system solutions in all our fields of business – from energy-efficient buildings to eco-friendly pavers to water supply and sewerage systems. Our goal is to secure and further expand our market positions by taking the lead in terms of costs and technology and by promoting product innovation.

Our R&D activities are managed centrally, but generally implemented at the local level. Wienerberger operates several research centers in Europe that specialize in different product groups. Our product management specialists cooperate closely with the marketing and sales departments of the various business units to ensure that new developments meet the requirements of our customers. The market launch of new products across several countries is managed centrally, but the products are adapted to the requirements of the respective markets by our local specialists. Thus, successful developments can be rolled out fast and efficiently throughout the Group. Central R&D expenditure rose slightly from € 17.0 million in 2014 to € 17.2 million in the year under review, which corresponds to 0.6% of total revenues.

Wienerberger works continuously on the improvement of its production processes. In the energy-intensive field of ceramic production (bricks and ceramic pipes), our engineers focus, above all, on the reduction of energy consumption in the drying and firing processes and on optimizing the structural properties of our products in terms of fire protection, acoustic and thermal insulation and structural strength in order to meet the steadily increasing requirements in residential and commercial construction. Other research priorities include resource conservation in production and a responsible way of handling and processing raw materials. As a pioneer in the use of waste products in the raw material mix, we have succeeded in using up to 60% recycled ceramic material in the production of certain ceramic pipes. Moreover, our vitrified ceramic pipes are made of 100% natural, recyclable raw materials and therefore meet the demanding criteria of Cradle to Cradle® certification.

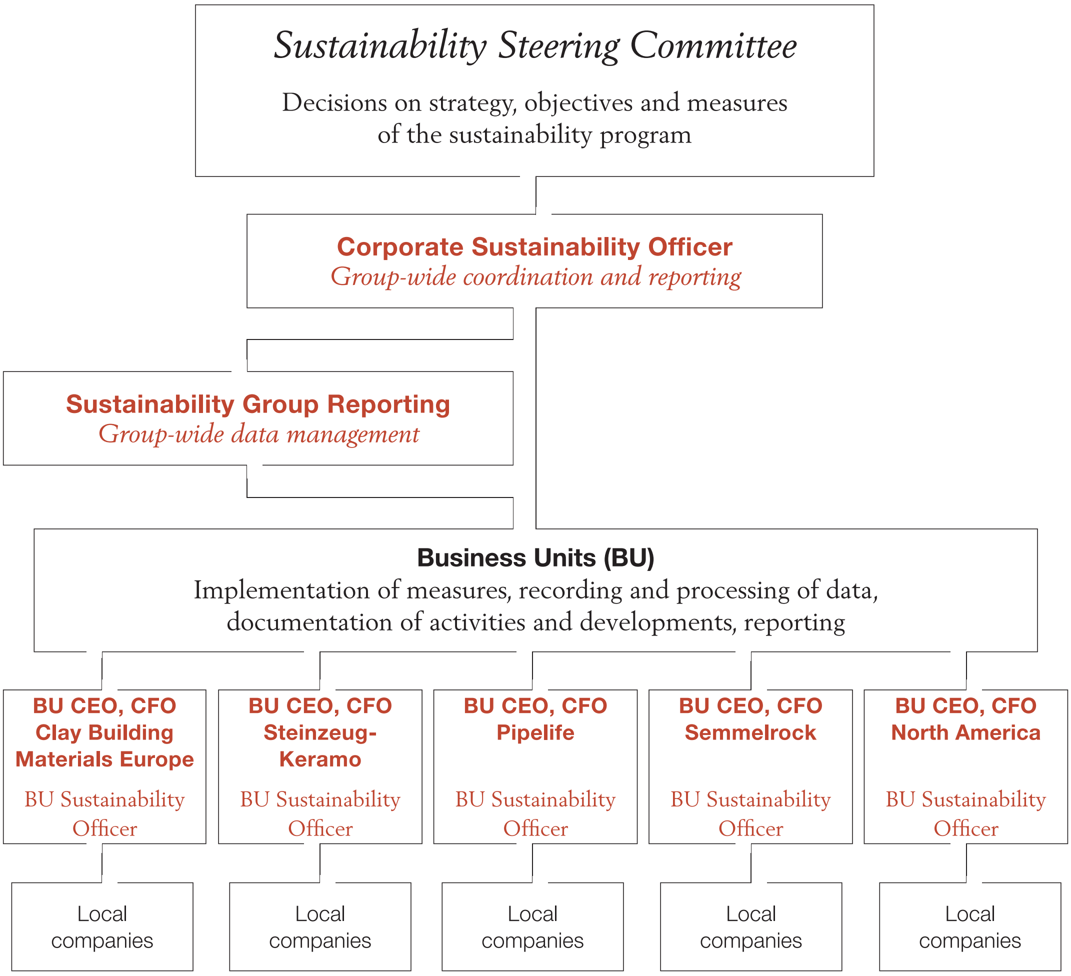
Besides the optimization of production processes, our research activities in plastic pipe production focus, above all, on reducing the weight of our products in order to save raw materials and on increasing the percentages of recycling materials used. Newly developed products not only fulfil these criteria, but also meet the ever-increasing technical requirements for plastic pipes and fittings. We develop solutions that allow efficient, fast and easy installation of the products at the construction site. In concrete paver production, we strive to improve the raw material mix and to optimize our production and surface finishing processes. Another priority is the development of new surface designs and innovative product solutions for high-quality open spaces. For further information on our product innovations, please refer to the chapter on product management (pages 31 to 33).

Sustainability Management

Integral part of the corporate strategy

At Wienerberger, sustainability is a pillar of corporate strategy and constitutes an integral component of our corporate culture. This is reflected at all stages of the company's value chain. Important milestones were the signing of the Social Charter in 2001, the commitment to the Austrian Corporate Governance Code in 2002, the accession to the UN Global Compact in 2003, and Wienerberger's participation in the foundation of respACT Austria, the Austrian UN Global Compact Network, in 2006.

To optimize our processes, we have established firm structures for sustainability management in the company and defined the respective tasks and responsibilities in an organization manual. The manual serves as a guideline for structures, processes and responsibilities in our sustainability management and is designed to ensure the efficient implementation of targets and measures by way of standardized procedures throughout the Group.



A Sustainability Steering Committee (SSC), which meets regularly for the coordination of its activities, is responsible for Wienerberger's sustainability strategy and for the definition of the targets, deadlines and measures of the sustainability program. The Sustainability Management Department, headed by the Corporate Sustainability Officer (CSO), acts as the international coordination hub. The CSO is in charge of coordinating sustainability management at Group level and reports directly to the CEO of Wienerberger AG. Moreover, each business unit has its own sustainability officer who is responsible for the implementation of the sustainability measures adopted and submits progress reports to the CSO. This structure is designed to broaden the scope of responsibility of the individual business units and to strengthen their influence on the integration of our sustainability strategy.

Group-wide data management was reorganized through the introduction of Sustainability Group Reporting (SGR), which is responsible for the consolidation of all sustainability indicators at Group level. Depending on the requirements specified, these indicators are collected monthly, quarterly or annually from the individual business units and used as a basis for further strategic decisions.

The Sustainability Report of the Wienerberger Group transforms our commitment to sustainable development into an obligation. All Wienerberger sustainability reports meet the standard of the Global Reporting Initiative (GRI). The reports focus on the ecological and social aspects of our activities and outline future measures to be taken with regard to employees, production, products and social responsibility. Together with the sustainability program, the sustainability report is an important tool for Wienerberger to achieve its long-term targets.

The current guidelines, revised in accordance with GRI G4 Core, require that the reporting companies focus, in particular, on issues of material importance for them and their stakeholders. In this context, a comprehensive internal and external stakeholder survey was performed in 2014 in cooperation with independent experts. A materiality analysis based on the results of the survey examined possible ecological, social, ethical, regional and macro-economic impacts of our entrepreneurial activities and their relevance along the value chain. The materiality analysis provides the basis for Wienerberger's new sustainability program – the Wienerberger Sustainability Roadmap 2020.

Sustainability Roadmap 2020

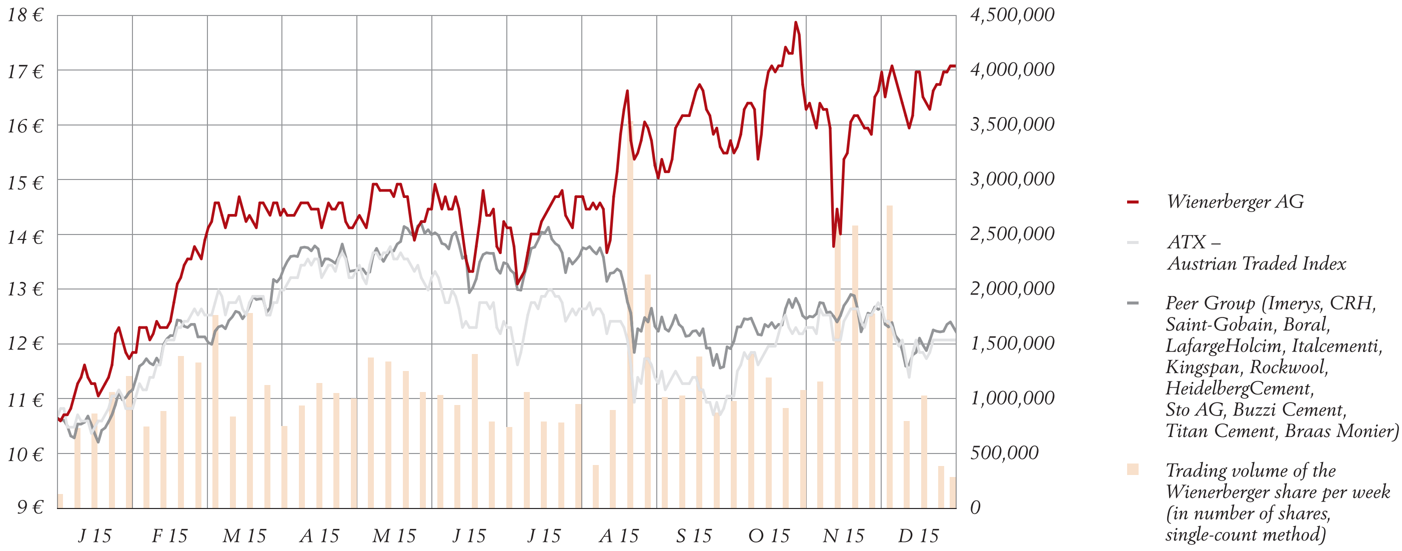
The Wienerberger Sustainability Roadmap 2020 describes the sustainability targets that the Group intends to reach by 2020. These are Group-wide targets as well as targets for the individual business units. It also contains specific and binding measures derived from the results of the materiality analysis. The Roadmap represents a conscious self-commitment to the continuous enhancement of Wienerberger's ecological, social, societal and economic performance. The results were presented in the 2014 Sustainability Report, which was published in September 2015.

Wienerberger Share and Shareholders

The Wienerberger share price rose by 49.3% in 2015, which makes it one of the best performing shares on the ATX, the Austrian Traded Index. After a flat development in 2014, the share started the 2015 reporting year at a price of € 11.45. Stimulated by a favorable development of business and a cautiously optimistic outlook for the full year, the share price increased almost continuously, reaching its highest value at € 17.83 in October. After a slight drop toward the end of the year, the Wienerberger share closed the year at € 17.09, having gained 49.3% in value in the course of the year. Thus, Wienerberger clearly outperformed both the ATX (+ 11.0%) and its industrial peers (+ 12.0%).

49.3% rise in Wienerberger share price in 2015

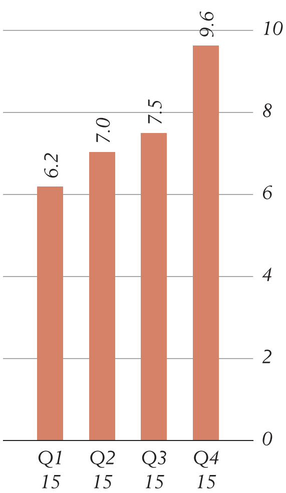
Development of the Share Price



In the broader ATX Prime segment, the share turnover and the trading volume (purchases and sales according to double-count method) increased by 22% and 28%, respectively, over the previous year. Altogether, the higher liquidity resulted in a 12.9% increase of the broader ATX Prime.

The trading volume development of the Wienerberger share was also highly positive. On account of the strong performance over the year, the number of shares traded increased by 63% and share turnover grew by 107% to € 1,878.8 million (double count). With a total of 124.4 million shares traded (double count), the turnover factor of Wienerberger's outstanding share capital on the Vienna Stock Exchange was 0.5. Over-the-counter sales on the Vienna market amounted to € 158.2 million (single-count), up by 70% from the previous year's value of € 93.0 million.

Liquidity
in € mill.



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

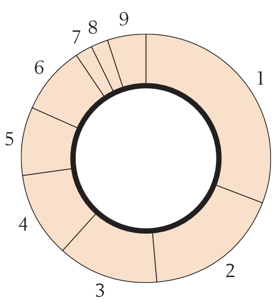
Key Data per Share		**2014 restated 1)**	**2015**	**Chg. in %**
Earnings	*in €*	-2.26	0.31	>100
Adjusted earnings	*in €*	0.03	0.35	>100
Dividend	*in €*	0.15	0.20	+33
Free cash flow 2)	*in €*	1.15	1.16	0
Equity 3)	*in €*	12.89	13.37	+4
Share price high	*in €*	13.98	17.83	+28
Share price low	*in €*	9.01	11.45	+27
Share price at year-end	*in €*	11.45	17.09	+49
P/E ratio high		-8.0	57.5	-
P/E ratio low		-5.2	36.9	-
P/E ratio at year-end		-6.6	55.1	-
Shares outstanding (weighted) 4)	*in 1.000*	116,017	116,956	+1
Market capitalization at year-end	*in € mill.*	1,345.1	2,008.5	+49
Ø Stock exchange turnover/day 5)	*in € mill.*	3.7	7.5	>100

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) Cash flow from operating activities less cash flow from investing activities plus growth capex
3) Equity including non-controlling interests, excluding hybrid bond
4) Adjusted for treasury shares
5) Double-count method

Considering the current forecast of the development of business, the Managing Board will submit a proposal to the 147th Annual General Meeting on 12 May 2016 that a dividend of € 0.20 per share be paid out, which corresponds to an increase of 33% over the previous year. Amounting to a total of € 23.4 million, the profit distributed corresponds to 20% of the free cash flow after the coupon payment on hybrid capital.

Shareholder structure

Shareholder Structure by Country (Institutional Investors)



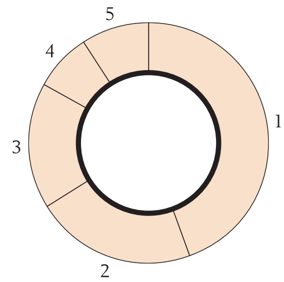
1 *USA 31%*
2 *Great Britain 18%*
3 *France 13%*
4 *Canada 11%*
5 *Germany 9%*
6 *Austria 9%*
7 *Norway 2%*
8 *Switzerland 2%*
9 *Other 5%*

Wienerberger AG is listed in the Prime Market of the Vienna Stock Exchange with 117.5 million no-par-value common shares (bearer shares).There are no preferred or registered shares and no restrictions on common shares. The “one share – one vote” principle applies in full. In the USA, Wienerberger AG trades on the OTC market through an ADR Level 1 Program of the Bank of New York. With a market capitalization of € 2,008.5 million and a weighting of 3% in the ATX at the end of 2015, Wienerberger is one of the largest exchange-listed companies in Austria.

Wienerberger is a pure free float company and has no core shareholder. All of its shares are held by Austrian and international investors. Pursuant to § 91 of the Austrian Stock Exchange Act, which provides for mandatory reporting of significant holdings, we have received the following notifications: Black Creek Investment Management Inc., based in Canada, has held more than 5% of Wienerberger shares since September 19, 2012. Investments of more than 4% of Wienerberger shares have been held by Marathon Asset Management LLP, based in Great Britain, since April 9, 2014 and TIAA, based in the USA, since April 16, 2015. No other notifications of investments in excess of 4% have been received. The company holds 570,289 treasury shares, representing 0.5% of the total shares issued.

Wienerberger has a widely diversified shareholder structure, which is typical for a publicly traded company with international operations. The most recent survey of the shareholder structure performed in January 2016 showed that the majority of institutional investors are based in the Anglo-Saxon region: North America (42%) and Great Britain (18%). The majority of Wienerberger shares, i.e. 85%, are held by institutional investors, while private investors hold approximately 12%. An analysis of the strategies pursued by institutional investors shows that value-oriented investors dominate at a rate of almost 45%, followed by GARP investors (22%) and growth-oriented investors (17%).

Shareholder Structure by Investor Type (Institutional Investors)



1 *Value 45%*
2 *GARP 22%*
3 *Growth 17%*
4 *Index 8%*
5 *Other 9%*

Investor Relations

Extensive investor relations activities allow us to establish long-term relations and engage in continuous exchanges with investors, analysts and banks. The crucial issue in investor relations is to ensure the highest possible degree of transparency through ongoing, open and active communication. To this end, Wienerberger organized numerous roadshows and investor events in the course of 2015. We also participated in investor conferences in Europe and the USA. In the year under review, the Managing Board and the Investor Relations team informed more than 700 investors and analysts from all over the world, personally or through conference calls, about the company's key financials and its operational and strategic development. The fact that Wienerberger is on the watch list of a number of renowned Austrian and international investment banks ensures the visibility of the Wienerberger share among the financial community. As of March 2016, Wienerberger is being covered by 14 analysts.

Disclosures on capital, shares, voting rights and rights of control

The 145th Annual General Meeting held on 16 May 2014 approved new authorized capital in the amount of € 17.6 million (15% of share capital) through the issue of up to 17.6 million new shares for a period of five years. Under certain conditions, the statutory subscription rights of shareholders can be excluded. However, the number of shares issued subject to the exclusion of subscription rights must not exceed 5,876,338 (5% of share capital).

Moreover, the Managing Board was authorized to buy back own shares, up to the limit defined by law, during a period of 30 months and to either withdraw or re-sell the shares bought back without further resolution by the Annual General Meeting. Since Wienerberger has already bought back 0.5% of the shares issued, the buyback authorization remains valid for 9.5% of the shares under current legal provisions.

Change of control clauses are included in the employment contracts with the members of the Managing Board, the terms of corporate and hybrid bonds and in the terms and conditions of syndicated loans. Further disclosures on the composition of Wienerberger capital, types of shares, rights and restrictions as well as the powers of the Managing Board to issue or buy back shares are contained in the Notes to the Consolidated Financial Statements under Note 26 ("Group Equity") starting on page 169.

Risk Management

Our international operations not only offer great opportunities, but are also associated with risks. In our risk management, we therefore aim at identifying risks as early as possible and counteracting them through appropriate measures in order to minimize deviations from our corporate goals. This requires the identification, analysis, assessment, management and monitoring of risks within the framework of our internal risk management process. Once a year, the previous year's *risk survey* is updated at top and senior management level. Based on their probability of occurrence and the potential impact, the risks identified are ranked by significance, and the most important risks are subjected to a detailed *analysis and assessment*. The major risks include *market, production, and price risks, financial risks, procurement risks and legal risks*. For detailed information on all risks the Wienerberger Group is exposed to, please refer to page 196 of the Risk Report.

In 2015, we examined our structures for the identification, assessment and management of risks for their usefulness and adequacy and upgraded our risk management process in cooperation with external experts. After a phasing-in period in 2015, the changes will be fully implemented in the course of the current year. As a first step, internal surveys were carried out in 2015 and follow-up workshops were held with senior management, the business unit managers in charge, and the heads of corporate services for the purpose of updating the list of known risks and identifying new ones. The risks identified were then allocated along the entire value chain, from procurement to production to marketing and sales, and broken down into strategic and operational issues. The risk assessment is to be performed on the basis of probabilities of occurrence and potential impacts on the free cash flow for a medium-term horizon of five years and a longer period of 5 to 10 years. Updates regarding the most important risks are performed throughout the year in order to adjust the Group's risk management to current market and business developments.

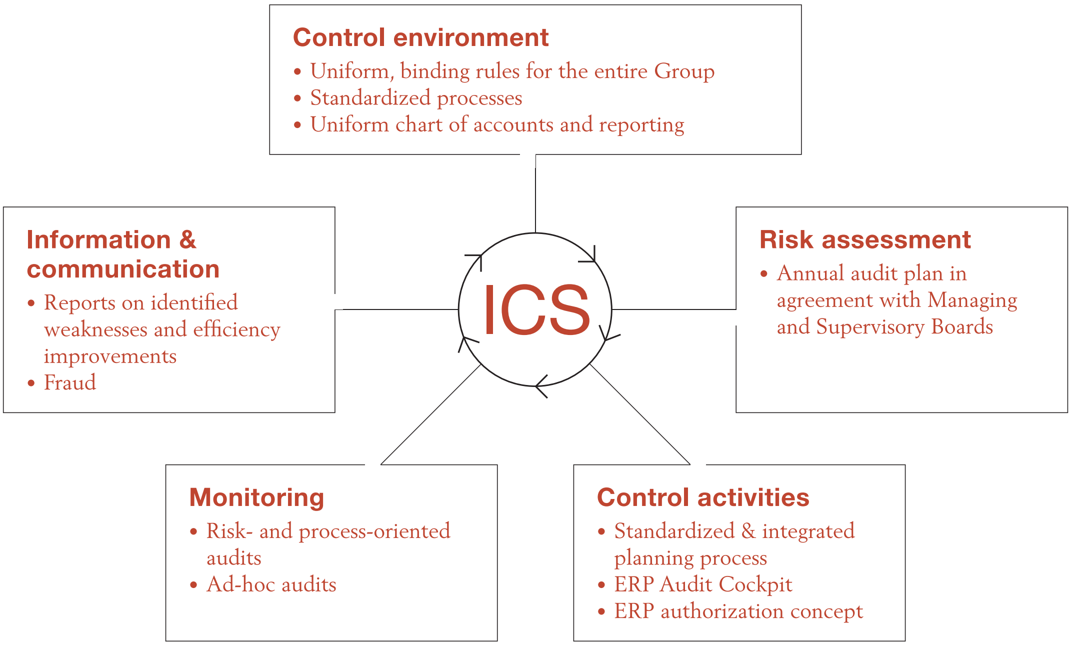
Risks are only taken in operational business

The most important instruments for *risk monitoring and risk management* are planning and controlling processes, Group guidelines, regular reporting of financial and non-financial parameters, and the internal control system (ICS). The distinction between recurring and external risks and the decentralized organizational structure of the Group are key factors to be considered in the analysis of risks and the development of *measures to avoid and address risks.* Most of the risks identified are addressed and monitored within the framework of established internal management processes. In particular, local companies only take on risks arising from their operational business, which are analyzed by the respective risk owners within the business unit and weighed against the potential gains. Speculations beyond the scope of operational business are not permitted. Additionally, risks arising within the framework of Group financing, in IT or in the area of compliance are not only addressed by the business unit concerned, but to some extent also managed, monitored and mitigated centrally by the holding company. A limited number of external risks has been identified, which are continually monitored and assessed; defensive measures have been defined and can be implemented on a timely basis, whenever need arises.

Internal Control System

The internal control system (ICS) of Wienerberger AG plays an important role in risk management. Based on the internationally recognized standards for internal control systems (issued by COSO), the ICS provides the management with a comprehensive tool for the analysis and/or prevention of uncertainties and risks arising from the company's business activities. In accordance with the decentralized structure of Wienerberger, responsibility for implementing the ICS lies with the local management concerned. The Internal Audit unit, which is organized as a staff function reporting to the Managing Board, is responsible for communication and monitoring.

The ICS comprises a system of measures and processes covering the following areas:



The ICS *control environment* forms the basis for standardization and harmonization processes throughout the Group. Within the framework of accounting, the Managing Board issues a Group-wide guideline with uniform and binding rules to be followed in the preparation of annual and interim financial statements. Business transactions are recorded by means of standardized processes based on a uniform Group chart of accounts. Wienerberger's consolidated financial statements and interim financial statements are prepared in accordance with IFRS in a fast-close process. The financial statements of all subsidiaries are reviewed in a two-stage process by the finance and controlling departments of the respective business units and by the Corporate Reporting department, consolidated, and subsequently released by the Managing Board of Wienerberger AG for submission to the Supervisory Board.

Annual planning process as a key element of the ICS

The *controlling activities* include an annual planning process that is based on an integrated bottom-up planning approach. The process includes budgeting of the income statement figures, the balance sheet and the cash flows of the following business year and medium-term planning for a horizon of four years. The monthly comparison of actual results with the forecasts for the respective period is an essential element of the internal control and risk management system. In addition, all subsidiaries prepare updated forecasts of the expected annual results three times a year. The ERP Audit Cockpit was introduced as yet another control instrument. This is a software tool integrated throughout the Group to support the local management in the implementation, documentation and monitoring of controlling measures. In cooperation with external auditors, the ERP authorization regime was revised and authorization conflicts were identified and eliminated. Control reports were developed as integral parts of the Audit Cockpit and serve to minimize risks through a clear definition of tasks and responsibilities within the ERP control environment.

For the purposes of *risk assessment* and in preparation for the annual internal audit activities, a risk-based audit plan is drawn up annually in coordination with the Managing Board and the Supervisory Board. Following the schedule laid down in the audit plan, Internal Audit audits all Group companies at regular intervals of at least three years for compliance with the ICS. Moreover, operational processes are reviewed for their risk potential and possible improvements of efficiency. Acting as the central *monitoring body* for the internal control system, Internal Audit also verifies compliance with legal provisions and internal guidelines. Furthermore, Internal Audit performs ad-hoc audits when so requested by the management.

The results of the audits and the related recommendations and measures are summarized in an audit report and transmitted to the local management, the business unit management, the Managing Board of the Group and the external auditor. Within the framework of the other *information and communication requirements* of the ICS, Internal Audit and Corporate Reporting regularly report to the Audit Committee on material accounting and valuation procedures, the impact of newly adopted IFRS rules on the consolidated financial statements, major changes in the accounting process and findings from risk management. Moreover, the Audit Committee is regularly informed of audit findings, relevant implementation activities and measures to eliminate weaknesses identified in the ICS.

The external auditor of the Group evaluates the effectiveness of Wienerberger's risk management annually and reports the results to the Supervisory Board and the Managing Board. The effectiveness of risk management was examined and confirmed by the external auditor in 2015. The control systems of individual corporate functions are also audited by the external auditor within the framework of its audit of the annual accounts.

Contents

Consolidated Income Statement

Notes		2015 in TEUR	2014 restated in TEUR
(9)	Revenues	2,972,357	2,834,472
(10-12, 14-16)	Cost of goods sold	-2,027,802	-1,983,753
	Gross profit	**944,555**	**850,719**
(10-12, 14-16)	Selling expenses	-577,196	-548,063
(10-12, 14-16)	Administrative expenses	-182,655	-171,132
(11, 15, 16)	Other operating income:		
(11)	Reversal of impairment charges to assets	8,681	0
	Other	47,339	37,071
(11, 14, 16)	Other operating expenses:		
(11)	Impairment charges to assets	-13,133	-102,617
(11)	Impairment charges to goodwill	0	-162,696
	Other	-64,469	-68,352
	Operating profit/loss (EBIT)	**163,122**	**-165,070**
(2)	Income from investments in associates and joint ventures	4,019	-2,760
(17)	Interest and similar income	6,802	8,118
(17)	Interest and similar expenses	-49,089	-61,060
(17)	Other financial results	-17,834	5,465
	Financial results	**-56,102**	**-50,237**
	Profit/loss before tax	**107,020**	**-215,307**
(18)	Income taxes	-37,205	-14,343
	Profit/loss after tax	**69,815**	**-229,650**
	Thereof attributable to non-controlling interests	775	-462
	Thereof attributable to hybrid capital holders	32,500	32,500
	Thereof attributable to equity holders of the parent company	**36,540**	**-261,688**
(19)	**Earnings per share (in EUR)**	**0.31**	**-2.26**
(19)	**Diluted earnings per share (in EUR)**	**0.31**	**-2.26**

Consolidated Statement of Comprehensive Income

Notes		2015 *in TEUR*	2014 restated *in TEUR*
	Profit/loss after tax	**69,815**	**-229,650**
(26, 35)	Foreign exchange adjustments	46,824	18,642
	Foreign exchange adjustments to investments in associates and joint ventures	26	-38
(24, 26)	Changes in the fair value of available-for-sale financial instruments	-1,677	606
(26)	Changes in hedging reserves	-1,822	-15,215
	Items to be reclassified to profit or loss	**43,351**	**3,995**
(26, 28)	Actuarial gains/losses	-6,953	-19,319
	Actuarial gains/losses from investments in associates and joint ventures	-20	-22
	Items not to be reclassified to profit or loss	**-6,973**	**-19,341**
	Other comprehensive income	**36,378**	**-15,346**
	Total comprehensive income after tax	**106,193**	**-244,996**
	Thereof comprehensive income attributable to non-controlling interests	848	-685
	Thereof attributable to hybrid capital holders	32,500	32,500
	Thereof comprehensive income attributable to equity holders of the parent company	**72,845**	**-276,811**

Consolidated Statement of Cash Flows

Notes		2015 in TEUR	2014 restated in TEUR
	Profit/loss before tax	107,020	-215,307
(11)	Depreciation and amortization	201,214	203,324
(11)	Impairment charges to goodwill	0	162,696
(11)	Impairment charges to assets and other valuation effects	39,519	134,818
(11)	Reversal of impairment charges to assets	-8,681	0
(27-28)	Increase/decrease in non-current provisions	17	-5,996
(2)	Income from investments in associates and joint ventures	-4,019	2,760
	Gains/losses from the disposal of fixed and financial assets	-19,125	-34,987
(17)	Interest result	42,287	52,942
	Interest paid	-45,806	-60,110
	Interest received	5,071	5,848
	Income taxes paid	-23,002	-15,894
	Gross cash flow	**294,495**	**230,094**
	Increase/decrease in inventories	-57,316	-6,531
	Increase/decrease in trade receivables	20,165	-1,543
	Increase/decrease in trade payables	-14,857	8,808
	Increase/decrease in other net current assets	17,836	-15,355
	Cash flow from operating activities	**260,323**	**215,473**
	Proceeds from the sale of assets (including financial assets)	23,949	24,863
	Payments made for the purchase of property, plant and equipment and intangible assets	-147,789	-127,459
	Payments made for investments in financial assets	-14	-4
	Dividend payments from associates and joint ventures	1,580	3,401
	Increase/decrease in securities and other financial assets	-14,230	12,003
	Net payments made for the acquisition of companies	0	-12,476
(20)	Net proceeds from the sale of companies	1,198	50
	Cash flow from investing activities	**-135,306**	**-99,622**
	Cash inflows from the increase in short-term financial liabilities	92,485	15,581
	Cash outflows from the repayment of short-term financial liabilities	-351,162	-309,618
	Cash inflows from the increase in long-term financial liabilities	60,731	67,941
	Cash outflows from the repayment of long-term financial liabilities	-9,641	-48,415
(26)	Dividends paid by Wienerberger AG	-17,543	-13,808
(26)	Hybrid coupon paid	-20,916	-44,085
	Dividends paid to and other changes in non-controlling interests	0	-2,852
(26)	Cost of hybrid capital Wienerberger AG	0	-2,336
	Cash flow from financing activities	**-246,046**	**-337,592**
	Change in cash and cash equivalents	**-121,029**	**-221,741**
	Effects of exchange rate fluctuations on cash held	712	246
	Cash and cash equivalents at the beginning of the year	275,195	496,690
	Cash and cash equivalents at the end of the year	**154,878**	**275,195**

Consolidated Balance Sheet

Notes		31.12.2015 *in TEUR*	31.12.2014 restated *in TEUR*
	Assets		
(21)	Intangible assets and goodwill	701,425	694,812
(21)	Property, plant and equipment	1,614,874	1,646,275
(21)	Investment property	91,613	76,683
(22)	Investments in associates and joint ventures	11,371	8,925
(22, 25)	Other investments and non-current receivables	11,779	12,257
(29)	Deferred tax assets	18,492	36,160
	Non-current assets	**2,449,554**	**2,475,112**
(23)	Inventories	753,271	701,398
(24)	Trade receivables	202,767	221,070
(25)	Receivables from current taxes	12,195	14,331
(25)	Other current receivables	60,551	81,959
(24, 33, 34)	Securities and other financial assets	58,426	61,910
(20)	Cash and cash equivalents	154,878	275,195
	Current assets	**1,242,088**	**1,355,863**
	Total assets	**3,691,642**	**3,830,975**
	Equity and liabilities		
	Issued capital	117,527	117,527
	Share premium	1,086,026	1,086,025
	Hybrid capital	490,560	490,560
	Retained earnings	546,754	516,173
	Other reserves	-199,889	-236,194
	Treasury stock	-4,862	-4,862
	Controlling interests	**2,036,116**	**1,969,229**
	Non-controlling interests	18,103	17,256
(26)	**Equity**	**2,054,219**	**1,986,485**
(29)	Deferred taxes	84,336	90,423
(28)	Employee-related provisions	160,575	151,670
(27)	Other non-current provisions	71,783	60,285
(30, 32, 34)	Long-term financial liabilities	507,530	556,521
(30)	Other non-current liabilities	4,343	3,742
	Non-current provisions and liabilities	**828,567**	**862,641**
(27)	Current provisions	57,916	41,561
(30)	Payables for current taxes	11,698	8,184
(30, 32, 33, 34)	Short-term financial liabilities	239,890	402,085
(30)	Trade payables	276,316	285,844
(30)	Other current liabilities	223,036	244,175
	Current provisions and liabilities	**808,856**	**981,849**
	Total equity and liabilities	**3,691,642**	**3,830,975**

Consolidated Statement of Changes in Equity

Notes	*in TEUR*	Issued capital	Share premium	Hybrid capital	Retained earnings
	Balance on 31.12.2013	**117,527**	**1,083,973**	**492,896**	**803,254**
	Profit/loss after tax				-229,188
(26, 35)	Foreign exchange adjustments				
	Foreign exchange adjustments to investments in associates and joint ventures				
	Changes in hedging reserves				
	Changes in other reserves				
	Total comprehensive income				**-229,188**
(26)	Dividend payment/hybrid coupon				-57,893
(26)	Change in hybrid capital			-2,336	
(26)	Increase/decrease in non-controlling interests		-1,676		
(26)	Changes in treasury stock		3,728		
	Balance on 31.12.2014 restated	**117,527**	**1,086,025**	**490,560**	**516,173**
	Profit/loss after tax				69,040
(26, 35)	Foreign exchange adjustments				
	Foreign exchange adjustments to investments in associates and joint ventures				
	Changes in hedging reserves				
	Changes in other reserves				
	Total comprehensive income				**69,040**
(26)	Dividend payment/hybrid coupon				-38,459
(26)	Increase/decrease in non-controlling interests		1		
	Balance on 31.12.2015	**117,527**	**1,086,026**	**490,560**	**546,754**

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

Other reserves							
Actuarial gains/losses	**AfS reserve [1)]**	**Hedging reserve**	**Translation reserve**	**Treasury stock**	**Controlling interests**	**Non-controlling interests**	**Total**
-46,277	**1,299**	**58,215**	**-234,308**	**-24,324**	**2,252,255**	**1,911**	**2,254,166**
					-229,188	-462	-229,650
			18,745		18,745	-103	18,642
			-38		-38		-38
		-15,215			-15,215		-15,215
-19,221	606				-18,615	-120	-18,735
-19,221	**606**	**-15,215**	**18,707**		**-244,311**	**-685**	**-244,996**
					-57,893		-57,893
					-2,336		-2,336
					-1,676	16,030	14,354
				19,462	23,190		23,190
-65,498	**1,905**	**43,000**	**-215,601**	**-4,862**	**1,969,229**	**17,256**	**1,986,485**
					69,040	775	69,815
			46,606		46,606	218	46,824
			26		26		26
		-1,822			-1,822		-1,822
-6,828	-1,677				-8,505	-145	-8,650
-6,828	**-1,677**	**-1,822**	**46,632**		**105,345**	**848**	**106,193**
					-38,459		-38,459
					1	-1	0
-72,326	**228**	**41,178**	**-168,969**	**-4,862**	**2,036,116**	**18,103**	**2,054,219**

Notes to the Consolidated Financial Statements

General Information

1. Basis for the preparation of the consolidated financial statements

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

The consolidated financial statements were prepared pursuant to § 245a of the Austrian Commercial Code and in accordance with the International Financial Reporting Standards (IFRSs) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) applicable as of the balance sheet date and adopted by the European Union (EU). Wienerberger applied all International Financial Reporting Standards published by the IASB for mandatory application in 2015. Independent auditors have examined the annual financial statements of all major Austrian and foreign companies to confirm their compliance with International Financial Reporting Standards. The consolidated financial statements were released for publication by the Managing Board of Wienerberger AG on February 23, 2016.

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

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

2. Consolidated companies

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

Consolidated companies	**Full consolidation**	**Equity consolidation**
Balance on 31.12.2014	**154**	**3**
Change in consolidation method	1	0
Merged/liquidated during reporting year	-8	0
Divested during reporting year	-1	0
Balance on 31.12.2015	**146**	**3**
Thereof foreign companies	123	3
Thereof domestic companies	23	0

Subsidiaries

In addition to Wienerberger AG, the 2015 consolidated financial statements include 23 (2014: 25) Austrian and 123 (2014: 129) foreign subsidiaries over which Wienerberger AG exercises control. Subsidiaries are fully consolidated as of the date control is obtained and deconsolidated when control ceases to exist. In accordance with IFRS 10, control is considered to exist when Wienerberger has power over the subsidiary and can use this power to influence the company's financial and operating policies. Ten subsidiaries were not consolidated in 2015 (2014: 15) because their influence on the Group's assets, net income and financial position is immaterial.

Investments in associates and joint ventures

The 2015 consolidated financial statements of Wienerberger AG include two investments in joint ventures (2014: 2) and one investment (2014: 1) in an associate that are accounted for at equity. In accordance with the criteria of IFRS 11, Schlagmann Poroton GmbH & Co KG and Silike keramika, spol. s.r.o. are to be classified as joint ventures, because these companies are managed jointly with a partner of equal rights. Wienerberger holds 50% in these joint ventures. The results of the Tondach Gleinstätten Group were included at equity for the first half of 2014 and have been fully consolidated as of July 1, 2014. The following table shows the proportional values resulting from the aggregation of the joint ventures:

in TEUR	**2015**	**2014**
Revenues	37,993	67,797
Operating EBITDA	7,986	8,281
Operating EBIT	5,931	2,112
Profit/loss after tax	4,019	-1,775
Total comprehensive income after tax	3,999	-1,970

Assets			Equity and liabilities		
in TEUR	**31.12.2015**	**31.12.2014**	*in TEUR*	**31.12.2015**	**31.12.2014**
Non-current assets	18,416	21,822	Equity	11,371	8,924
Current assets	18,202	14,196	Non-current provisions and liabilities	3,498	3,284
			Current provisions and liabilities	21,749	23,810
	36,618	**36,018**		**36,618**	**36,018**

A detailed breakdown of the contributions to earnings and the total assets of the associate Fornaci Giuliane S.r.l. is not provided, as these amounts are immaterial for the Wienerberger Group.

3. Acquisitions and disposals

Steinzeug Keramo s.r.o., previously a non-consolidated company shown under other investments, was fully consolidated for the first time as of July 2015. The fully consolidated Zeslawice Sp.z.o.o. was sold on July 22, 2015, and deconsolidated. Gains from the transaction in the amount of TEUR 1,580 are recognized in other operating income.

In January 2015, General Shale Finance S.a.r.l., a non-consolidated company, was liquidated. As at January 1, 2015, the fully consolidated companies Wienerberger cihelna Jezernice, spol. s r. o., Wienerberger cihelna Hodonín, spol. s.r. o. and Wienerberger Bohemia cihelny, spol. s r. o. were merged into their parent, Wienerberger cihlarsky prumysl, a. s. Moreover, the non-consolidated Wienerberger Beteiligungs GmbH, Germany, was merged into Wienerberger GmbH, and the fully consolidated AB Pipelife Lietuva was merged into Pipelife Eesti AS in the third quarter of 2015. As of October 1, 2015, the fully consolidated Wienerberger Beteiligungs GmbH, Austria, was merged into Wienerberger Anteilsverwaltung GmbH. As of the same date, the fully consolidated Wienerberger ZZ Holding GmbH, was merged with Wienerberger West European Holding GmbH. Quality Plastics Sales Limited (in liquidation) and Dromalour Plastics Limited, both fully consolidated, were liquidated in the year under review. Moreover, the non-consolidated EUCOSO Sp.z.o.o. was liquidated in December.

In the first half of 2015, the allocation of the purchase price for the assets and liabilities of the Tondach Group, which had been acquired at the beginning of July 2014, was adjusted. As a result, goodwill increased by TEUR 2,763, primarily due to the revaluation of provisions for guarantees.

4. Methods of consolidation

The acquisition method of accounting is applied to all fully consolidated companies. According to this method, the compensation transferred in exchange for the investment is compared with the revalued net assets (shareholders' equity) of the acquired company on the date of purchase. All identifiable assets, liabilities and contingent liabilities are initially recognized at fair value in accordance with IFRS 3; any remaining positive difference between the purchase price and revalued pro-rata equity is recognized in local currency as goodwill in the relevant segment. Negative differences are recognized in the income statement under other operating income. Goodwill and intangible assets with an indefinite useful life are tested for impairment at least once each year together with the cash-generating unit to which they are allocated and reduced to the lower applicable recoverable amount in the event of impairment. Impairment tests are also performed more frequently if there are indications of a lasting decline in the value of a cash-generating unit (see Note 5. Accounting and valuation principles and Note 21. Non-current assets).

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

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

5. Accounting and valuation principles

The accounting policies that form the basis for these consolidated financial statements remain unchanged in comparison with the previous year and were expanded to include the new IFRSs to be applied on a mandatory basis as of the financial year (see Note 8. Effects of new and revised standards). A detailed description of the accounting principles can be found beginning on page 189.

6. Estimates and judgements

In preparing the consolidated financial statements, management must make estimates and judgements that influence the recognition and measurement of assets, liabilities and contingent liabilities, the disclosure of other obligations as of the balance sheet date, and the recognition of revenues and expenses during the reporting period. The actual figures may differ from management estimates.

The valuation of pension plans and severance claims by actuaries include assumptions concerning the expected discount rate, increase in salaries and pensions, employee turnover rates and the development of the costs of medical care. Detailed information on the parameters used is provided in Note 28. Employee benefits. This note also includes a sensitivity analysis of the defined benefit obligations.

The useful life of property, plant and equipment is also determined on the basis of estimates which, in this case, are derived from experience with the operation of comparable equipment. A table showing the ordinary useful lives of these assets can be found on page 190.

Provisions for site restorations are based on the best possible estimate of the expected costs of recultivating depleted clay pits as well as long-term discount rates, considering the respective national inflation rates.

The measurement of deferred tax assets requires assumptions regarding the future taxable income and the time of realization of the deferred tax assets. However, given the fact that the future development of business cannot be predicted with certainty and is not entirely within Wienerberger's control, the valuation of deferred taxes is uncertain.

The Wienerberger Group issues various types of product warranties, depending on the respective product segment and on market conditions. In principle, the recognition and measurement of provisions for warranties/guarantees relate to estimates of the frequency and amount of losses. These estimates are based on historical records of the occurrence and scope of guarantee cases as well as the best possible management estimates of payments to be made in guarantee cases. The provisions are adjusted regularly to reflect new information.

In particular, impairment testing of goodwill and other assets involves estimates and forward-looking assumptions by management concerning the expected cash surpluses and the cost of capital for the Wienerberger Group and its cash-generating units during the planning period. The estimates made during the preparation of these consolidated financial statements reflect the best knowledge and belief of management on a going-concern basis. They draw on past experience and take account of the remaining degree of uncertainty. A sensitivity analysis was performed to show the influence of changes in macroeconomic parameters on forecasts for the income statement. This analysis is explained in detail in Note 21. Non-current assets.

7. Changes in the methods of consolidation and restatements

In the year under review, Wienerberger AG was audited, as part of a routine sample inspection, 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 2014 annual financial statements.

The audit procedure has not yet been completed, as the final report is still outstanding. Wienerberger expects a confirmation of the preliminary results, which are explained in the following.

IAS 36 Impairment of assets

In the business year 2014, Wienerberger AG reduced the number of groups of cash-generating units (CGUs), on the basis of which goodwill and intangible assets with an indefinite useful life were tested for impairment, from 59 to 15. Based on an interpretation of IAS 36.12 (f), the fact that CGUs are aggregated into groups of CGUs is taken as an indication of an impairment, which requires the performance of an impairment test of the individual CGUs prior to their aggregation. In accordance with IAS 36.72, an additional impairment of goodwill in the amount of TEUR 55,772 would have had to be booked, if the CGU structure applied in 2013 had been maintained. Of this total, TEUR 30,987 is accounted for by goodwill in Germany and TEUR 17,612 by goodwill in France in the cash-generating unit Bricks and Roof Western Europe West in the Clay Building Materials Western Europe segment. An additional goodwill impairment of TEUR 7,173 would have been identified in the USA in the Bricks North America CGU.

Moreover, in the Pipes Pipelife West CGU an impairment charge of TEUR 1,932 on the Pipelife brand in France should have been recognized in the Pipes & Pavers Western Europe segment.

As a result, in the consolidated annual financial statements as at 31.12.2014, the amounts reported on the balance sheet under intangible assets and goodwill of Wienerberger AG are TEUR 58,373 too high, and the operating result is TEUR 57,704 too high.

IAS 12 Deferred taxes

In accordance with IAS 12.35 in conjunction with IAS 12.36, 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. The recoverability of deferred tax assets from losses carried forward in the amount of TEUR 1,973 was not sufficiently demonstrated. As a result, the tax expense reported for the year 2014 was too low by this amount. The profit/loss after tax was restated accordingly.

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

Therefore, deferred tax assets reported on the balance sheet as at 31.12.2014 were TEUR 24,003 too high, and deferred tax liabilities were TEUR 22,030 too high. The reported profit/loss after tax and equity were TEUR 1,973 too high each.

IAS 7 Statement of cash flows

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

Moreover, the changes in long-term and short-term financial liabilities, previously reported on a net basis, were broken down into their major classes of gross cash inflows and gross cash outflows in accordance with IAS 7.21. The comparable figures of the previous year were restated accordingly.

In the consolidated statement of cash flows for the reporting period, changes in non-cash items resulting from foreign currency translation were reported under changes in trade receivables and trade payables, changes in inventories and other net current assets, and changes in non-current provisions. The comparable period of the previous year was restated accordingly.

Overall, the cash flow from financing activities reported as at 31.12.2014 was TEUR 3,401 too high and the cash flow from investing activities too low by the same amount. The gross cash flow reported was TEUR 4,564 too low.

The following tables show the items that had to be restated in the income statement and the balance sheet:

in TEUR	**2014 restated**	**Adjustments**	**2014 reported**
Revenues	2,834,472	0	2,834,472
Operating EBITDA	317,197	0	317,197
EBIT	-165,070	-57,704	-107,366
Profit/loss after tax	-229,650	-59,677	-169,973
Earnings per share (in EUR)	-2.26	-0.52	-1.74

in TEUR	**2014 restated**	**Adjustments**	**2014 reported**
Assets			
Non-current assets	2,475,112	-82,375	2,557,487
Current assets	1,355,863	0	1,355,863
Total assets	**3,830,975**	**-82,375**	**3,913,350**
Equity and liabilities			
Equity	1,986,485	-60,345	2,046,830
Non-current provisions and liabilities	862,641	-22,030	884,671
Current provisions and liabilities	981,849	0	981,849
Total equity and liabilities	**3,830,975**	**-82,375**	**3,913,350**

in TEUR	**2014 restated**	**Adjustments**	**2014 reported**
Gross cash flow	230,094	4,564	225,530
Cash flow from operating activities	215,473	0	215,473
Cash flow from investing activities	-99,622	3,401	-103,023
Cash flow from financing activities	-337,592	-3,401	-334,191

8. Effects of new and revised standards

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

Standards/Interpretations		Published by IASB	Mandatory first-time adoption
IFRS 10, IFRS 12 and IAS 28	Consolidation of Investment Entities	December 2014	1.1.2016
IAS 1	Presentation of Financial Statements: Disclosure Initiative	December 2014	1.1.2016 1)
IFRS 10, IAS 28	Sale of Assets between an Investor and its Associate or Joint Venture - Amendments	September 2014/ December 2015	-
	Annual Improvements to IFRSs 2012 – 2014 Cycle	September 2014	1.1.2016 1)
IAS 27	Separate Financial Statements: Equity Method in Separate Financial Statements - Amendments	August 2014	1.1.2016 1)
IFRS 9	Financial Instruments	July 2014	1.1.2018
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)
IFRS 11	Joint Arrangements: Accounting for Acquisition of Interests in Joint Operations	May 2014	1.1.2016 1)
IAS 38	Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortization	May 2014	1.1.2016 1)
IAS 16	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortization	May 2014	1.1.2016 1)
IFRS 15	Revenue from Contracts with Customers	May 2014/ September 2015	1.1.2018
IFRS 14	Regulatory Deferral Accounts	January 2014	1.1.2016
	Annual Improvements to IFRSs 2010 -2012 Cycle	December 2013	1.2.2015 1)
	Annual Improvements to IFRSs 2011 -2013 Cycle	December 2013	1.1.2015 1)
IFRS 9	Financial Instruments: Hedge Accounting - Amendments to IFRS 9, IFRS 7 and IAS 39	November 2013	1.1.2018
IAS 19	Employee Benefit: Amendments	November 2013	1.2.2015 1)
IFRIC 21	Levies	May 2013	1.7.2014 1)

1) Mandatory effective date according to European Union directive.

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

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

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 IFRS 2011 – 2013 improvement cycle contains clarifications on IFRS 1, IFRS 3 and IFRS 13. IFRS 1 clarifies that the application of standards that are not yet mandatory as of the balance sheet date is permitted, but not required. IFRS 3 states that the establishment of joint ventures and joint operations is excluded from application of the standard. Further clarifications state that IFRS 3 and IAS 40 are not mutually exclusive and an acquisition must, in any event, be accounted for in accordance with IFRS 3. IFRS 13 explains that portfolio valuation is permitted for all contracts covered by the scope of IAS 39. None of these changes have any effect on Wienerberger's consolidated financial statements.

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 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.

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

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.

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

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.

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 Programmes, 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.

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 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.

9. Operating segments

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

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 the activities of the plastic pipe producer Pipelife, the ceramic pipe producer Steinzeug-Keramo and the concrete paver producer Semmelrock; it is divided into 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.

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

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

Consolidated revenues rose by 5% to TEUR 2,972,357 in 2015, including positive effects from currency translation in the amount of TEUR 50,423 and changes in the scope of consolidation in the amount of TEUR 62,112. Adjusted for these effects, revenues increased organically by TEUR 25,350. Group revenues include revenues in the amount of TEUR 28,948 (2014: TEUR 23,358) from construction contracts. Detailed information on revenues by region is provided in the presentation of operating segments on pages 146 and 147.

Operating Segments	Clay Building Materials Eastern Europe		Clay Building Materials Western Europe		Pipes & Pavers Eastern Europe	
in TEUR	2015	2014	2015	2014 [7]	2015	2014
Third party revenues	472,814	408,473	1,170,183	1,141,997	450,835	467,020
Inter-company revenues [1]	7,797	5,916	8,936	11,830	11,194	11,457
Total revenues	480,611	414,389	1,179,119	1,153,827	462,029	478,477
Operating EBITDA	82,639	66,827	166,652	155,855	42,280	42,070
Depreciation and amortization	-49,802	-47,113	-77,986	-91,116	-21,003	-21,844
Operating EBIT [2]	32,837	19,714	88,666	64,739	21,277	20,226
Impairment charges/Reversal of impairment charges	-338	-9,000	0	-65,000	-1,035	0
Impairment charges to goodwill	0	0	0	-69,387	0	0
EBIT	32,499	10,714	88,666	-69,648	20,242	20,226
Income from investments in associates and joint ventures	94	-2,575	3,925	-185	0	0
Investments in associates and joint ventures	1,002	1,065	10,369	7,860	0	0
Interest result	-11,651	-10,991	-34,268	-36,533	-9,487	-7,992
Income taxes	1,846	-2,582	-33,664	-7,459	302	715
Profit/loss after tax	22,679	16,405	23,579	-117,957	10,498	11,910
Liabilities	347,742	367,531	1,014,391	1,195,333	202,811	215,620
Capital employed	491,323	519,304	1,176,376	1,192,916	247,951	239,416
Assets	767,107	765,730	1,717,761	1,741,623	375,450	392,046
Normal capex	21,219	15,498	63,707	58,793	18,334	13,106
Growth capex [3]	14	35,666	0	0	5,468	82
Ø Employees	4,184	3,303	6,035	5,950	2,368	2,368

Products [4]	Revenues		Operating EBITDA		Capital employed	
in TEUR	2015	2014	2015	2014	2015	2014 [7]
Wall [5]	621,511	601,446	69,424	65,966	616,334	652,328
Facade	678,706	638,458	106,033	64,116	768,225	742,011
Roof	557,336	490,718	101,946	100,749	636,217	655,644
Pavers	130,470	129,554	15,341	13,606	119,905	118,749
Pipes	984,212	974,273	98,005	91,354	445,235	429,261
Other	122	23	-21,090	-18,594	-16,018	-6,102
Wienerberger Group	**2,972,357**	**2,834,472**	**369,659**	**317,197**	**2,569,898**	**2,591,891**

Revenues	Clay Building Materials Eastern Europe		Clay Building Materials Western Europe		Pipes & Pavers Eastern Europe	
in TEUR	2015	2014	2015	2014	2015	2014
Austria	84,481	69,025			137,266	138,269
Czech Republic	75,352	58,848			28,672	29,099
Poland	99,734	95,837			93,221	93,443
Russia	35,561	51,100			15,724	23,515
Hungary	33,023	25,312			44,783	49,385
Germany			233,127	236,446		
Switzerland			64,104	63,259		
Belgium			211,562	221,394		
Netherlands			158,632	138,582		
France			147,214	154,099		
Great Britain			287,852	256,788		
Sweden			7,104	6,309		
Norway			8,865	11,502		
USA						
Other	144,978	108,621	51,902	54,107	131,169	133,312
Wienerberger Group	**473,129**	**408,743**	**1,170,362**	**1,142,486**	**450,835**	**467,023**

1) Inter-company revenues represent the revenues between fully consolidated, at-equity consolidated and unconsolidated Group companies.
2) Adjusted for impairment charges to assets and goodwill and reversal of impairment charges
3) Including investments in other financial assets

Pipes & Pavers Western Europe		North America		Holding & Others 5)		Reconciliation 6)		Wienerberger Group	
2015	2014 7)	2015	2014 7)	2015	2014 7)	2015	2014 7)	2015	2014 7)
592,718	574,266	277,523	236,355	7,555	5,398	0	0	**2,971,628**	**2,833,509**
7,665	8,378	3,713	3,368	13,197	10,971	-51,773	-50,957	**729**	**963**
600,383	582,644	281,236	239,723	20,752	16,369	-51,773	-50,957	**2,972,357**	**2,834,472**
65,593	58,257	32,220	11,227	-19,725	-17,039	0	0	**369,659**	**317,197**
-25,428	-30,712	-24,500	-22,438	-3,366	-3,731	0	0	**-202,085**	**-216,954**
40,165	27,545	7,720	-11,211	-23,091	-20,770	0	0	**167,574**	**100,243**
-3,127	-5,924	48	-14,693	0	-8,000	0	0	**-4,452**	**-102,617**
0	0	0	-92,416	0	-893	0	0	**0**	**-162,696**
37,038	21,621	7,768	-118,320	-23,091	-29,663	0	0	**163,122**	**-165,070**
0	0	0	0	0	0	0	0	**4,019**	**-2,760**
0	0	0	0	0	0	0	0	**11,371**	**8,925**
-8,899	-6,769	-7,629	-24,530	29,647	33,873	0	0	**-42,287**	**-52,942**
-11,468	-8,882	-1,937	-741	7,716	4,606	0	0	**-37,205**	**-14,343**
29,176	14,374	-2,983	-144,543	78,627	454,449	-91,761	-464,288	**69,815**	**-229,650**
405,798	429,203	182,653	186,892	954,283	1,189,747	-1,470,255	-1,739,836	**1,637,423**	**1,844,490**
295,706	292,206	364,845	345,009	-6,303	3,040	0	0	**2,569,898**	**2,591,891**
727,998	738,316	451,355	436,510	4,282,327	4,499,134	-4,630,356	-4,742,384	**3,691,642**	**3,830,975**
21,328	22,281	10,726	8,739	2,356	3,412	0	0	**137,670**	**121,829**
3,165	4	1,486	5,384	0	164	0	0	**10,133**	**41,300**
1,757	1,768	1,272	1,246	197	201	0	0	**15,813**	**14,836**

Total investments	
2015	2014
32,372	30,582
37,006	35,872
25,197	52,646
12,244	6,354
39,172	35,217
1,812	2,458
147,803	**163,129**

Pipes & Pavers Western Europe		North America		Holding & Others 5)		Wienerberger Group	
2015	2014	2015	2014	2015	2014	2015	2014
	304			371	321	**222,118**	**207,919**
						104,024	**87,947**
						192,955	**189,280**
						51,285	**74,615**
						77,806	**74,697**
44,259	49,977					**277,386**	**286,423**
						64,104	**63,259**
81,819	76,651					**293,381**	**298,045**
108,300	94,010					**266,932**	**232,592**
65,294	72,596					**212,508**	**226,695**
12,684	10,292					**300,536**	**267,080**
83,948	78,527					**91,052**	**84,836**
109,701	103,268					**118,566**	**114,770**
		250,578	213,495			**250,578**	**213,495**
86,713	88,641	26,945	22,860	7,419	5,278	**449,126**	**412,819**
592,718	**574,266**	**277,523**	**236,355**	**7,790**	**5,599**	**2,972,357**	**2,834,472**

4) Clay Building Materials Europe's holding costs previously shown under 'Other' are now allocated to the product segments. The previous year's values were restated accordingly
5) India is shown under the geographic segment Holding & Others, but under the product segment Wall.
6) The 'reconciliation' column includes eliminations between Group companies.
7) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

Notes to the Consolidated Income Statement

10. Material expenses

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

in TEUR	2015	2014
Cost of materials	541,810	540,731
Maintenance expenses	125,445	118,525
Cost of merchandise	334,576	329,819
Cost of energy	292,624	288,498
Total	**1,294,455**	**1,277,573**

The reported expenses were increased by a change of TEUR 20,761 (2014: TEUR 53,770) in inventories of semi-finished and finished goods. Income of TEUR 1,269 (2014: TEUR 637) resulted from the capitalization of own work and a proportional share of borrowing costs related to the construction of qualified plant and equipment.

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

11. Depreciation, amortization, impairment charges and reversal of impairment charges

The cost of goods sold, selling and administrative expenses and other operating expenses for the reporting year include TEUR 201,214 (2014: TEUR 203,324) of scheduled depreciation and amortization as well as special write-downs of TEUR 871 (2014: TEUR 13,631) from the mothballing of plants in prior periods. The impairment tests carried out in December 2015 (see Note 21. Non-current assets) led to the recognition of impairment charges of TEUR 13,133 (2014: TEUR 101,382) to property, plant and equipment and intangible assets, and to a reversal of impairment charges of TEUR 8,681.

Depreciation, amortization, impairment charges and reversal of impairment charges to intangible assets and property, plant and equipment are as follows:

in TEUR	2015	2014 [1]
Depreciation	**201,214**	**203,324**
Special write-downs	871	13,631
Depreciation and special write-downs	**202,085**	**216,955**
Impairment charges to property, plant and equipment and intangible assets	13,133	101,382
Impairment charges to goodwill	0	162,696
Impairment charges	**13,133**	**264,078**
Reversal of impairment charges	**-8,681**	**0**
Depreciation, amortization, impairment charges and reversal of impairment charges	**206,537**	**481,033**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

12. Personnel expenses

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

in TEUR	2015	2014
Wages	305,936	280,119
Salaries	263,345	240,305
Leased personnel (permanent)	16,652	11,828
Expenses for long-term incentive programs	3,061	2,856
Expenses for severance payments (incl. voluntary severance payments)	16,237	4,672
Expenses for pensions	15,321	13,728
Expenses for statutory social security and payroll-related taxes and contributions	121,183	112,587
Other employee benefits	15,133	13,030
Personnel expenses	**756,868**	**679,125**

The fixed remuneration components paid out to the members of the Managing Board totaled TEUR 1,248 in 2015 (2014: TEUR 1,220). Moreover, the Managing Board enquired entitlements in the amount of TEUR 2,908 from variable components. The latter amount includes expenses of TEUR 1,248 (2014: TEUR 1,220) for a long-term remuneration component to be paid out in three equal instalments over two years if the defined targets are met. Moreover, the reporting year includes expenses of TEUR 412 for an additional variable remuneration component to be paid out in 2018, provided the financial targets are met. For the active members of the Managing Board, pension expenses in the form of contributions to pension funds (defined contribution plans) totaled TEUR 519 (2014: TEUR 511). A provision of TEUR 193 (2014: TEUR 299) was set up for severance compensation claims. Payments of TEUR 853 (2014: TEUR 854) were made to former members of the Managing Board and their surviving dependents.

The members of the Supervisory Board received remuneration in the amount of TEUR 447 for their activities during the 2014 financial year (previous year: TEUR 429). Entitlements for the reporting year totaled TEUR 528.

The company has not provided any guarantees for loans, nor have any companies of the Wienerberger Group granted loans to members of the Managing Board or the Supervisory Board.

13. Employees

The average number of employees is shown on the following table:

	2015	2014
Production	10,696	10,015
Administration	1,404	1,315
Sales	3,713	3,506
Total	**15,813**	**14,836**
Thereof apprentices	94	96

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

14. Other operating expenses

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

in TEUR	2015	2014
Transportation costs for deliveries	189,945	183,174
Expenses for services	116,015	109,377
Internal transport expenses	47,421	49,417
Rental and leasing charges	39,025	37,905
Non-income based taxes	25,877	24,613
Expenses for environmental protection measures	6,330	4,089
Uncollectible receivables	1,599	2,239
Loss on the disposal of fixed assets, excluding financial assets	1,824	1,620
Miscellaneous	162,645	143,901
Other operating expenses	**590,681**	**556,335**

The reconciliation of expenses under the total cost method to expenses under the cost of sales method is shown on page 151.

Expenses for services include, above all, expenses for business trips and travel, legal advisory and miscellaneous consulting services, advertising, insurance and telecommunications. Expenses for the external auditor and members of the auditor's network totaled TEUR 1,819 (2014: TEUR 1,825) for the audit of the consolidated financial statements in the year under review, TEUR 136 (2014: TEUR 351) for assurance services, TEUR 72 (2014: TEUR 89) for tax consulting services and TEUR 242 (2014: TEUR 281) for other services.

Miscellaneous other expenses consist mainly of expenses for commissions, patent and trademark rights, business entertainment, customer complaints and research and development. In 2015, research and development expenses amounted to TEUR 17,238 (2014: TEUR 16,982).

15. Other operating income

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

in TEUR	2015	2014
Income from the disposal of tangible assets, excluding financial assets	20,949	13,309
Income from rental and leasing contracts	4,588	4,684
Subsidies	1,708	2,159
Income from insurance claims	400	789
Miscellaneous	31,153	26,716
Other operating income	**58,798**	**47,657**

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

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

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

2015 *in TEUR*	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Appreciation/ depreciation**	**Cost of energy**	**Personnel expenses**	**Other income**	**Other expenses**	**Total**
Cost of goods sold	0	667,829	334,476	161,686	285,051	448,444	-3,725	134,041	**2,027,802**
Selling expenses	189,945	18,918	100	7,683	4,013	193,169	-2,230	165,598	**577,196**
Administrative expenses	0	0	0	9,704	949	115,255	-5,504	62,251	**182,655**
Other operating expenses	0	0	0	36,145	2,611	0	0	38,846	**77,602**
Other operating income	0	0	0	-8,681	0	0	-47,339	0	**-56,020**
	189,945	**686,747**	**334,576**	**206,537**	**292,624**	**756,868**	**-58,798**	**400,736**	**2,809,235**

2014 [1] *in TEUR*	**Cost of freight**	**Cost of materials**	**Cost of merchandise**	**Depreciation** [1]	**Cost of energy**	**Personnel expenses**	**Other income**	**Other expenses**	**Total**
Cost of goods sold	0	693,846	328,869	161,588	280,188	394,788	-4,533	129,007	**1,983,753**
Selling expenses	183,174	18,543	950	7,578	4,848	176,443	-1,017	157,544	**548,063**
Administrative expenses	0	0	0	9,504	1,017	107,894	-5,036	57,753	**171,132**
Other operating expenses [1]	0	0	0	302,363	2,445	0	0	28,857	**333,665**
Other operating income	0	0	0	0	0	0	-37,071	0	**-37,071**
	183,174	**712,389**	**329,819**	**481,033**	**288,498**	**679,125**	**-47,657**	**373,161**	**2,999,542**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

17. Interest and other financial results

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

2015 *in TEUR*	**Total**	**Loans and receivables**	**FLAC** [1]	**AfS** [2]	**Derivatives**
Interest and similar income	6,802	6,012	0	775	15
Interest and similar expenses	-45,095	0	-42,977	0	-2,118
Net interest result from defined benefit pension and severance obligations	-3,994				
Interest result	**-42,287**	**6,012**	**-42,977**	**775**	**-2,103**
Income from third parties (dividends)	367	0	0	367	0
Income from subsidiaries	-655	0	0	-655	0
Income from investments	**-288**	**0**	**0**	**-288**	**0**
Result from the disposal of financial instruments	910	0	0	910	0
Valuation of derivative instruments	-7,809				-7,809
Impairment of financial instruments	-817	-763	0	-54	0
Foreign exchange differences	-7,283				
Net result	**-14,999**	**-763**	**0**	**856**	**-7,809**
Bank charges	-2,547				
Other financial results	**-17,834**	**-763**	**0**	**568**	**-7,809**
Total	**-60,121**	**5,249**	**-42,977**	**1,343**	**-9,912**

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

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

The sale of available-for-sale financial instruments during the reporting year generated a result of TEUR 910 (2014: TEUR -99). In the loans and receivables category, impairment charges of TEUR 763 (2014: TEUR 1,493) were booked to receivables from subsidiaries. In the available-for-sale category of financial instruments, impairment charges of TEUR 54 (2014: TEUR 179) were recognized in profit or loss, as the financial assets concerned are likely to be permanently impaired. The market valuation of derivatives resulted in a negative contribution of TEUR 7,809 (2014: TEUR 1,780) to the result for the period. In 2014, the take-over of the remaining 50% of the shares in the Tondach Group and the resulting change in the scope of consolidation led to a net valuation effect of TEUR 23,286 in the investment previously recognized at equity. This amount included especially the reclassification of TEUR -3,781 in cumulative currency translation differences from other comprehensive income.

18. Income taxes

This item includes income taxes paid and owed by Group companies as well as deferred tax assets and liabilities.

in TEUR	2015	2014 1)
Current tax expense	33,860	19,938
Deferred tax expense/ income	3,345	-5,595
Income taxes	**37,205**	**14,343**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

The difference between the Austrian corporate tax rate of 25% applicable in 2015 (2014: 25%) and the Group tax rate shown in these statements is due to the following factors:

in TEUR	2015	2014 1)
Profit/loss before tax	**107,020**	**-215,307**
Tax expense at tax rate of 25%	-26,755	53,827
Other foreign tax rates	9,685	22,813
Tax income and expense from prior periods	-692	1,334
Effect of tax free income from investments in associates and joint ventures	1,195	-727
Change in valuation allowance for deferred tax assets	-11,835	-174,465
Non-temporary differences	-8,545	83,402
Changes in tax rates	-258	-527
Effective tax expense	**-37,205**	**-14,343**
Effective tax rate in %	34.8%	-6.7%

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

Deferred taxes are calculated on the basis of the tax rates applied or announced to be applied in the individual countries. In Austria, the calculation is based on the corporate tax rate of 25%. For foreign companies, deferred taxes are calculated on the basis of the respective country-specific tax rates. These tax rates ranged from 0% to 39% in 2015.

Changes in tax rates led to a deferred tax expense of TEUR 258 in 2015 (2014: TEUR 527).

19. Earnings per share, proposal for profit distribution

The number of shares issued totaled 117,526,764 as of December 31, 2015. As of that date, Wienerberger held 570,289 shares as treasury stock (2014: 570,289), which were deducted for the calculation of earnings per share. This resulted in a weighted average number of 116,956,475 shares outstanding as a basis for the calculation of earnings per share for 2015. The year-on-year change in the weighted average number of shares results from the use of treasury shares for the purchase of the remaining 50% of the Tondach Group in 2014.

Number of shares	**2015**	**2014**
Outstanding	117,526,764	117,526,764
Treasury stock	570,289	570,289
Weighted average	116,956,475	116,017,333

Earnings per share of EUR 0.31 were calculated by dividing the profit/loss after tax attributable to equity holders of the parent company by the weighted average number of shares outstanding. The diluted earnings per share of EUR 0.31 represent the basic earnings per share for 2015.

In accordance with the provisions of the Austrian Stock Corporation Act, the separate financial statements of Wienerberger AG as of December 31, 2015, prepared on the basis of Austrian accounting rules, form the basis for dividend payment.

These financial statements show a net profit of EUR 23,512,965.77. The Managing Board will propose to the Annual General Meeting that a dividend of EUR 0.20 per share be paid out on the issued capital of EUR 117,526,764.00 from the net profit of EUR 23,512,965.77, i.e. EUR 23,505,352.80 less a proportional amount of EUR 114,057.80 for treasury stock, i.e. EUR 23,391,295.00, and that the balance of EUR 121,670.77 be carried forward to the new accounts.

Notes to the Consolidated Statement of Comprehensive Income

The statement of comprehensive income provides a reconciliation of profit/loss after tax to total comprehensive income as defined in IAS 1. Total comprehensive income comprises, in particular, currency translation differences, actuarial gains and losses from the measurement of defined benefit pension plans and similar post-employment benefits, the change in the hedging reserve and the result from the valuation of available-for-sale securities. The components of comprehensive income are shown after tax.

In the year under review, positive currency translation differences of TEUR 46,850 (2014: TEUR 18,604) resulted primarily from the US dollar and the British pound. Differences of TEUR 122 (2014: TEUR 14,499) previously included in the translation reserve were reclassified to the income statement.

In the year under review, losses of TEUR -1,677 (2014: gains of TEUR 606) on the sale of available-for-sale financial instruments were recognized in other comprehensive income. The market valuation of hedges reduced the hedging reserve by a total of TEUR -1,822 after tax (2014: TEUR -15,215). Of this total, TEUR -7,572 (2014: TEUR -2,957) was accounted for by hedges of investments in foreign operations, and TEUR 5,750 (2014: TEUR -12,258) by hedges for future transactions (cash flow hedges). Market value changes of TEUR -5,290 (2014: TEUR 949) in cash flow hedges and TEUR 833 (2014: TEUR 2) in available-for-sale financial instruments were reclassified from other comprehensive income to the income statement in the reporting year. Ineffective components in the amount of TEUR 495 were recognized in the income statement in 2015.

Based on the after-tax result for the year of TEUR 69,815 (2014: TEUR -229,650), total comprehensive income after tax resulted in an increase of equity by TEUR 106,193 (2014: decrease of TEUR -244,996) in the year under review.

Deferred tax assets of TEUR 1,038 (2014: TEUR 6,442) were recognized in other comprehensive income for actuarial gains and losses arising from the valuation of defined benefit pension plans and other similar post-employment benefits (IAS 19). Moreover, deferred tax liabilities of TEUR 6,434 were recognized on taxable temporary differences resulting from the currency translation of Group loans denominated in foreign currencies; deferred tax assets of TEUR 434 were recognized on deductible temporary differences from hedges of net investments in foreign operations.

Notes to the Consolidated Statement of Cash Flows

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

20. Cash flow from investing activities

The acquisition of property, plant and equipment and intangible assets resulted in an outflow of funds totaling TEUR 147,789 (2014: TEUR 127,459). This amount includes TEUR 137,670 (2014: TEUR 121,829) of normal capex, i.e. maintenance and investments in technological upgrades. A total of TEUR 10,119 (2014: TEUR 18,106) was spent on acquisitions, plant extensions and environmental investments (growth investments). Investments of TEUR 14 (2014: TEUR 4) were made in financial assets.

Additions to non-current assets in the amount of TEUR 1,982 (2014: TEUR 2,418) were not recognized as cash items, as they result from the capitalization of obligations to recultivate depleted clay pits.

Cash inflows from the disposal of non-current assets amounted to TEUR 23,949 (2014: TEUR 24,863) and include the disposal of property, plant and equipment and intangible assets as well as the sale of financial assets. These disposals generated net gains of TEUR 19,125 (2014: TEUR 11,701). In 2014, gains/losses from the disposal of property, plant and equipment included gains from the revaluation of the Tondach joint venture, recognized at equity prior to its first consolidation, in the amount of TEUR 23,286. The sale of companies generated net cash inflows of TEUR 1,198 (2014: TEUR 50).

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

in TEUR	**2015**	**2014**
Payments made for investments in tangible and intangible assets	147,789	127,459
Net payments made for the acquisition of companies	0	12,476
Investments in financial assets	14	4
Total investments including financial assets	**147,803**	**139,939**
Maintenance and investments in technological upgrades	137,670	121,829
Normal capex	**137,670**	**121,829**
Payments made for plant extensions and environmental investments	10,119	5,630
Net payments made for the acquisition of companies	0	12,476
Growth capex	**10,119**	**18,106**
Investments in financial assets	14	4
Growth capex including financial assets	**10,133**	**18,110**

Notes to the Consolidated Balance Sheet

21. Non-current assets

The development of non-current assets is shown on pages 164 and 165. The figures shown for foreign exchange rate increases and decreases represent amounts arising from the use of different exchange rates to translate the assets of foreign companies at the beginning of the year and at year-end.

Wienerberger defines its cash-generating units (CGUs) as plants, which are aggregated by division and region. Intangible assets with an indefinite useful life, such as goodwill and trademarks that are not amortized on a scheduled basis are tested at least once each year for indications of impairment in accordance with IAS 36. The intangible assets are allocated to CGUs and/or groups of CGUs for the purpose of impairment testing. The goodwill of TEUR 141 (2014: TEUR 141) reported in the Holding & Others segment cannot be allocated to individual CGUs and is therefore tested at Group level.

	Goodwill		Trademarks	
in TEUR	**2015**	**2014 1)**	**2015**	**2014 1)**
Clay Building Materials Eastern Europe	51,246	48,288	11,622	11,622
Clay Building Materials Western Europe	300,973	295,557	4,412	4,050
Pipes & Pavers Eastern Europe	17,039	17,035	13,891	13,891
Pipes & Pavers Western Europe	43,771	44,047	28,123	28,123
North America	94,425	86,534	2,536	2,536
Holding & Others	141	141	0	0
Goodwill and trademarks	**507,595**	**491,602**	**60,584**	**60,222**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

Other intangible assets consist primarily of an acquired customer base totaling TEUR 92,741 (2014: TEUR 101,675), acquired trademarks with an indefinite useful life in the amount of TEUR 60,584 (2014: TEUR 60,222), and patents and concessions. Internally generated intangible assets of TEUR 602 (2014: TEUR 537) were capitalized during the reporting year.

The integration of the Tondach Group into the brick and roof tile business of the Clay Buildings Materials Europe Business Unit led to adjustments in the aggregation of cash-generating units in the year under review. Therefore, the number of CGU groups was reduced from 15 in 2014 to 12 in 2015.

Wienerberger's brick business in Western Europe is characterized by plants now serving entire regions instead of individual countries. In particular, the production and the product portfolio of roof tiles and facing bricks are optimized for an entire region, which has led to a substantial increase in revenues across national borders. This also applies to the optimization of the network of clay block plants, although for reasons of efficiency deliveries of these products are generally made over shorter distances than in the roof tile and facing brick businesses. In any event, plants close to the German and French borders can also cover most of the Benelux region. The exceptions in this region are Italy, which has not yet been integrated in the optimization process, as well as Finland and the Baltic States, which produce for export markets in Eastern Europe and Russia, but are part of the Western Europe organization.

The Clay Building Materials Eastern Europe segment comprises two CGU groups, Bricks and Roof Eastern Europe, and the Bricks Russia CGU. The CGU group of Bricks and Roof Eastern Europe is characterized by cross-border business in the region and by an increasing integration of the brick and roof businesses under a single management. The Bricks Russia CGU, however, is an independent unit with only limited delivery relationships with the other CGUs in Central and Eastern Europe.

The Pipes & Pavers Europe segment comprises the CGU groups of Pipes Pipelife West, Pipes Pipelife East, Pipes Steinzeug and Pavers Semmelrock. The European plastic pipe business is characterized by a high share of deliveries between the country organizations, above all for fittings, which are produced in the Netherlands for the West European market and in Poland for the East European market. Although the possibility of delivering concrete pavers over longer distances is limited, the molds used by Semmelrock in production are exchanged between the individual production sites as part of a supra-regional product development strategy.

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

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

For the determination of the value in use, the after-tax weighted average cost of capital is derived from external sources on the basis of recognized financial methods. The values in use are translated at the exchange rate in effect on the balance sheet date. An after-tax WACC of 7.24% (2014: 7.20%) was used for impairment testing in the Wienerberger Group, with different specific cost of capital rates applied to all markets outside the euro zone, except for Bosnia-Herzegovina. For the euro zone, a WACC after tax of 7.28% (2014: 7.21%) was calculated. In accordance with IAS 36 rules, all cost of capital rates were reconciled to WACC before tax. For the purpose of impairment testing, the following pre-tax cost of capital rates and growth rates were used:

	Pre-tax WACC		Growth rate	
in %	**2015**	**2014**	**2015**	**2014**
Bricks and Roof Eastern Europe	9.96	9.18	2.65	2.79
Bricks Russia	15.57	18.10	1.36	2.00
Clay Building Materials Eastern Europe				
Bricks and Roof Western Europe West	9.26	9.58	1.84	1.82
Bricks and Roof Western Europe Finland and Baltics	8.13	8.23	2.04	2.71
Bricks Italy	9.49	8.64	1.11	1.05
Clay Building Materials Western Europe				
Pavers Semmelrock	9.90	8.96	2.69	3.31
Pipes Pipelife East	10.31	9.57	2.38	2.39
Pipes & Pavers Eastern Europe				
Pipes Steinzeug	9.92	10.15	1.50	1.28
Pipes Pipelife West	8.71	8.34	2.23	2.26
Pipes & Pavers Western Europe				
Bricks North America	10.05	9.59	2.41	2.49
Pipes Pipelife North America	10.23	9.67	2.47	2.56
North America				
Bricks India	12.60	15.78	7.62	6.72
Holding & Others				
Wienerberger Group	**9.55**	**9.43**	**2.16**	**2.25**

The expected future cash surpluses are based on the latest internal plans prepared by the top management and approved by the Managing Board and the Supervisory Board for the period from 2016 to 2019. These forecasts do not include the earnings potential of future strategic growth investments, such as possible acquisitions. Smaller planned growth and expansion investments that concern individual production lines and the related contributions to income are eliminated for the determination of the value in use.

The quality of these forecasts is reviewed on a regular basis through a variance analysis comparing the projected data with actual results, which are then incorporated into the subsequent planning process in the form of corrections. The calculation is based on four detailed planning periods (2016 – 2019); based on the going-concern assumption, the surplus cash inflows in the following planning period are assumed to be sustainable over the long term and used as the basis for determining the present value of the perpetual yield. These perpetual cash flows are based on the assumption of country-specific growth rates derived from an external source (IMF, October 2015, World Economic Outlook Database). Wienerberger tests its assets for impairment at least once each year in connection with the corporate planning process. If interim forecasts or analyses indicate a possible negative variance from the original plan, the cash-generating unit concerned is again tested for impairment. In such cases, the impairment tests are recalculated on the basis of updated planning data and extended to include stress tests.

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

Given the high cost of capital rate and the expected steep decline of revenues and earnings in Russia, the impairment tests carried out in accordance with IAS 36 at the end of the first half of 2015 resulted in an impairment charge to property, plant and equipment in the amount of TEUR 10,006, which is recognized in other operating expenses. Of this total, an amount of TEUR 8,971 was accounted for by the cash-generating unit of Bricks Russia in the Clay Building Materials Eastern Europe segment, and TEUR 1,035 by plant and equipment of the plastic pipe production site in Russia in the Pipes & Pavers Eastern Europe segment. In view of the development of earnings of the Bricks Russia CGU during the second half of the year, which was better than had been expected in mid-2015, and the stable outlook based on the medium-term plan, combined with the lower pre-tax cost of capital rate of 15.57%, a reversal of impairment charges was booked for the remaining property, plant and equipment in the amount of TEUR 8,633 and recognized in other income. After this reversal, the value in use of the Bricks Russia CGU totaled MEUR 47.

The impairment tests carried out in December 2015 based on the latest approved medium-term planning for 2016 – 2019 led to the recognition of impairment charges to property, plant and equipment totaling TEUR 3,127 in the Pipes Pipelife West CGU in France. The fair value of individual machines and equipment of the plastic pipe plant, which was determined on the basis of expert opinions and replacement costs available on the market, amounted to MEUR 7.

The recoverable amounts of the CGUs determined on the basis of the above parameters are summarized in the following table:

	Recoverable amount	
in MEUR	**2015**	**2014**
Clay Building Materials Eastern Europe	927	885
Clay Building Materials Western Europe	2,405	1,757
Pipes & Pavers Eastern Europe	481	420
Pipes & Pavers Western Europe	902	620
North America	575	448
Holdings & Others	19	9
Recoverable amount Wienerberger Group	**5,309**	**4,139**

The impairment tests were supplemented by stress tests in which the major parameters, i.e. WACC and growth rate, were varied individually and together within the framework of a sensitivity analysis. The following table summarizes the results of the stress tests and shows a risk of impairment of goodwill and other assets based on the assumption of an increased after-tax WACC and lower growth rates.

Impairment risk	WACC + 50 BP		Growth rate cut to half		WACC + 50 BP growth rate cut to half		WACC + 50 BP zero growth rate	
in MEUR	**2015**	**2014 1)**	**2015**	**2014 1)**	**2015**	**2014 1)**	**2015**	**2014 1)**
Bricks and Roof Eastern Europe	0	0	0	11	0	23	0	42
Bricks Russia	0	7	0	7	0	9	2	10
Clay Building Materials Eastern Europe	**0**	**7**	**0**	**18**	**0**	**32**	**2**	**52**
Bricks and Roof Western Europe West	0	0	0	0	0	0	0	0
Bricks and Roof Western Europe Finland and Baltics	0	0	0	0	0	0	0	0
Bricks Italy	2	3	1	3	4	5	5	7
Clay Building Materials Western Europe	**2**	**3**	**1**	**3**	**4**	**5**	**5**	**7**
Pavers Semmelrock	0	0	0	4	0	12	0	26
Pipes Pipelife East	0	0	0	0	0	0	0	0
Pipes & Pavers Eastern Europe	**0**	**0**	**0**	**4**	**0**	**12**	**0**	**26**
Pipes Steinzeug	0	0	0	0	0	0	0	0
Pipes Pipelife West	0	0	0	0	0	0	0	0
Pipes & Pavers Western Europe	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Bricks North America	9	30	25	62	52	87	83	125
Pipes Pipelife North America	0	0	0	0	0	0	0	0
North America	**9**	**30**	**25**	**62**	**52**	**87**	**83**	**125**
Bricks India	0	1	0	2	0	3	1	4
Holdings & Others	**0**	**1**	**0**	**2**	**0**	**3**	**1**	**4**
Wienerberger Group	**11**	**41**	**26**	**89**	**56**	**139**	**91**	**214**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

Non-current assets include land with a value of TEUR 404,148 (2014: TEUR 396,577). For the construction of new plants, borrowing costs and foreign exchange differences for the period up to the completion amounted to TEUR 1 (2014: TEUR 86). As at the balance sheet date, commitments for the purchase of property, plant and equipment amounted to TEUR 13,561.

Besides operating leases, the Wienerberger Group also uses ***finance leases***, but only to a limited extent. All major finance leases have expired or been terminated through the exercise of the related purchase options. The remaining carrying amounts totaled TEUR 53 as of December 31, 2015 (2014: TEUR 218) and are reported under fixtures, fittings, tools and equipment.

in TEUR	**2015**	**2014**
Acquisition costs	264	226
Depreciation (accumulated)	211	8
Carrying amount	53	218

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

in TEUR	**2015**	**2014**
For the following year	33,264	31,974
For the following two to five years	70,836	67,360
Over five years	24,611	31,145

Payments arising from operating leases, license and rental agreements totaled TEUR 39,025 (2014: TEUR 37,905).

The balance sheet item ***investment property*** includes real estate and buildings with a carrying amount of TEUR 91,613 (2014: TEUR 76,683), which are not used in current business operations. These assets are scheduled for sale over the medium to long term and are therefore classified as investment property. The fair values of these assets derived from comparable transactions are allocated to level 2 in the valuation hierarchy according to IFRS 13 and estimated at TEUR 151,766 (2014: TEUR 133,537). In 2015, these properties generated rental and other income of TEUR 3,745 (2014: TEUR 2,114). Expenses for investment property that generated rental income in the year under review amounted to TEUR 291; expenses in the amount of TEUR 67 were incurred for investment property that did not generate rental income. Investment property with a carrying amount of TEUR 3,616 (2014: TEUR 4,788) was sold during the reporting year. Of the total non-current assets, property, plant and equipment with a combined carrying amount of TEUR 5,527 (2014: TEUR 3,402) and a fair value of TEUR 14,069 (2014: TEUR 3,405) is designated for sale; the majority of these items are land and buildings at plant locations that have been permanently closed and that are not expected to be sold within the next 12 months. Therefore the assets were not classified as non-current assets held for sale and discontinued operations in accordance with IFRS 5.

Asset table

in TEUR	Acquisition or production costs Balance on 1.1.2015	Change in scope of consolidation	Foreign exchange incr./decr.	Additions	Disposals	Transfers	Balance on 31.12.2015
Goodwill	**828,263**	2,822	33,348	0	0	0	**864,433**
Other intangible assets	**303,204**	0	35	8,436	4,227	315	**307,763**
Intangible assets and goodwill	**1,131,467**	**2,822**	**33,383**	**8,436**	**4,227**	**315**	**1,172,196**
Land and buildings	**1,312,121**	-3,290	24,955	13,437	9,203	-21,996	**1,316,024**
Machinery and equipment	**2,513,428**	3,977	46,983	61,299	53,460	34,356	**2,606,583**
Fixtures, fittings, tools and equipment	**106,287**	35	1,175	10,052	6,885	568	**111,232**
Assets under construction	**52,783**	0	1,177	56,354	-755	-46,743	**64,326**
Property, plant and equipment	**3,984,619**	**722**	**74,290**	**141,142**	**68,793**	**-33,815**	**4,098,165**
Investment property	**152,168**	**-2,451**	**3,257**	**193**	**17,088**	**33,500**	**169,579**
Intangible assets and property, plant and equipment	**5,268,254**	**1,093**	**110,930**	**149,771**	**90,108**	**0**	**5,439,940**

Asset table

in TEUR	Acquisition or production costs Balance on 1.1.2014	Change in scope of consolidation	Foreign exchange incr./decr.	Additions	Disposals	Transfers	Balance on 31.12.2014
Goodwill	**787,633**	6,719	33,911	0	0	0	**828,263**
Other intangible assets	**290,042**	11,881	-2,064	6,178	3,187	354	**303,204**
Intangible assets and goodwill	**1,077,675**	**18,600**	**31,847**	**6,178**	**3,187**	**354**	**1,131,467**
Land and buildings	**1,197,239**	101,773	-2,335	15,503	-2,518	-2,577	**1,312,121**
Machinery and equipment	**2,419,548**	59,511	4,294	51,224	54,574	33,425	**2,513,428**
Fixtures, fittings, tools and equipment	**99,414**	4,622	-1,266	8,947	6,497	1,067	**106,287**
Assets under construction	**50,845**	1,144	76	47,901	1,370	-45,813	**52,783**
Property, plant and equipment	**3,767,046**	**167,050**	**769**	**123,575**	**59,923**	**-13,898**	**3,984,619**
Investment property	**155,915**	**-81**	**876**	**124**	**18,210**	**13,544**	**152,168**
Intangible assets and property, plant and equipment	**5,000,636**	**185,569**	**33,492**	**129,877**	**81,320**	**0**	**5,268,254**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

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

Depreciation and amortization

Balance on 1.1.2015 [1)]	Change in scope of consolidation	Foreign exchange incr./decr.	Depreciation/ amortization	Impairments	Reversal of impairments	Disposals	Transfers	Balance on 31.12.2015	Carrying amount 31.12.2015
336,661	0	20,177	0	0	0	0	0	**356,838**	**507,595**
99,994	0	649	17,407	201	0	4,225	-93	**113,933**	**193,830**
436,655	**0**	**20,826**	**17,407**	**201**	**0**	**4,225**	**-93**	**470,771**	**701,425**
516,908	0	6,664	39,031	761	0	7,774	-8,236	**547,354**	**768,670**
1,748,055	-3	31,679	129,971	12,426	8,681	52,806	-2,878	**1,857,763**	**748,820**
73,246	0	903	11,039	505	0	6,358	-1,366	**77,969**	**33,263**
135	0	-8	80	110	0	-893	-1,005	**205**	**64,121**
2,338,344	**-3**	**39,238**	**180,121**	**13,802**	**8,681**	**66,045**	**-13,485**	**2,483,291**	**1,614,874**
75,485	**-2,451**	**1,139**	**3,686**	**1**	**0**	**13,472**	**13,578**	**77,966**	**91,613**
2,850,484	**-2,454**	**61,203**	**201,214**	**14,004**	**8,681**	**83,742**	**0**	**3,032,028**	**2,407,912**

Depreciation and amortization

Balance on 1.1.2014	Change in scope of consolidation	Foreign exchange incr./decr.	Depreciation/ amortization	Impairments	Reversal of impairments	Disposals	Transfers	Balance on 31.12.2014 [1)]	Carrying amount 31.12.2014 [1)]
156,739	0	17,226	0	162,696	0	0	0	**336,661**	**491,602**
78,039	0	568	18,584	5,988	0	3,183	-2	**99,994**	**203,210**
234,778	**0**	**17,794**	**18,584**	**168,684**	**0**	**3,183**	**-2**	**436,655**	**694,812**
449,786	-469	-1,307	35,963	32,235	0	-5,397	-4,697	**516,908**	**795,213**
1,585,081	0	6,484	133,974	73,967	0	50,220	-1,231	**1,748,055**	**765,373**
68,891	-38	-693	9,969	850	0	5,875	142	**73,246**	**33,041**
5	0	3	600	382	0	855	0	**135**	**52,648**
2,103,763	**-507**	**4,487**	**180,506**	**107,434**	**0**	**51,553**	**-5,786**	**2,338,344**	**1,646,275**
77,538	**-81**	**-163**	**4,234**	**1,591**	**0**	**13,422**	**5,788**	**75,485**	**76,683**
2,416,079	**-588**	**22,118**	**203,324**	**277,709**	**0**	**68,158**	**0**	**2,850,484**	**2,417,770**

22. Investments

Investments in associates and joint ventures as well as other investments are as follows:

in TEUR	2015	2014
Investments in associates and joint ventures	**11,371**	**8,925**
Investments in subsidiaries	51	90
Other investments [1]	7,016	7,083
Other investments	**7,067**	**7,173**
Investments	**18,438**	**16,098**

1) Available-for-sale financial instruments, previously recognized as stock are now reported as other investments. The figures for the previous period were restated accordingly.

23. Inventories

in TEUR	2015	2014
Raw materials and consumables	131,298	124,477
Semi-finished goods	92,923	86,926
Finished goods and merchandise	528,018	488,702
Prepayments	1,032	1,293
Inventories	**753,271**	**701,398**

Palettes are included under raw materials and consumables. Clay purchased from third parties is shown together with clay extracted from the Group's own pits under semi-finished goods. Impairment charges of TEUR 15,290 (2014: TEUR 14,115) were booked for products with a net realizable value (selling price less selling and administrative expenses) lower than acquisition or production costs. As at December 31, 2015, the carrying amounts of inventories written down to their net realizable value totaled TEUR 49,439 (2014: TEUR 55,325).

24. Receivables, securities and other financial assets

Loans and receivables

	2015			2014		
in TEUR	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Trade receivables from third parties	202,538	202,538	0	219,570	219,570	0
Trade receivables from subsidiaries	229	229	0	1,500	1,500	0
Trade receivables	**202,767**	**202,767**	**0**	**221,070**	**221,070**	**0**
Financial receivables from subsidiaries	18,685	18,685	0	20,704	20,704	0
Receivables arising from loans	9,792	9,030	762	4,082	3,793	289
Loans granted	**28,477**	**27,715**	**762**	**24,786**	**24,497**	**289**
Loans and receivables	**231,244**	**230,482**	**762**	**245,856**	**245,567**	**289**

Loans and receivables are recognized at amortized cost and adjusted to reflect specific loan loss provisions, if any. Specific loan loss provisions are deducted directly from receivables and other assets. In 2015, loan loss provisions in the amount of TEUR 1,599 (2014: TEUR 2,239) were reported. In the year under review, specific loan loss provisions amounted to 0.7% of trade receivables and loans granted, and to less than 1% of the total receivables portfolio; therefore, they are not shown separately. In accordance with the IAS 39 rule, receivables sold (factoring) are derecognized. As at December 31, 2015, trade receivables in the amount of TEUR 86,894 (2014: TEUR 78,259) had been sold to third parties. Financial receivables from subsidiaries result from loans granted to companies consolidated at equity and other companies in which an investment is held. Trade receivables in a total amount of TEUR 1,764 (2014: TEUR 1,384) are secured by notes payable.

Available-for-sale financial instruments

	2015				2014			
	Carrying amount	Market value	Market value changes recog. in equity	Ø Effective interest rate	Carrying amount	Market value	Market value changes recog. in equity	Ø Effective interest rate
	in TEUR	*in TEUR*	*in TEUR*	*in %*	*in TEUR*	*in TEUR*	*in TEUR*	*in %*
Shares in funds	6,611	6,611	-206	0.78	6,857	6,857	410	0.85
Corporate bonds	9,449	9,449	-1,448	7.46	17,494	17,494	125	6.80
Stock [1)]	12	12	0	-	12	12	0	-
Other	1,287	1,287	-23	-	1,877	1,877	71	-
Available-for-sale financial instruments	**17,359**	**17,359**	**-1,677**		**26,240**	**26,240**	**606**	

1) Available-for-sale financial instruments, previously recognized as stock are now reported as other investments. The figures for the previous period were restated accordingly.

In addition to the available-for-sale financial instruments, other investments in the amount of TEUR 7,067 (2014: TEUR 7,173), which are recognized at cost, are also assigned to this category. The resulting total of available-for-sale financial instruments therefore is TEUR 24,426 (2014: TEUR 33,413).

Financial instruments held for trading

in TEUR	2015 Carrying amount	2015 Market value	2014 Carrying amount	2014 Market value
Derivatives from cash flow hedges	1,263	1,263	1,316	1,316
Derivatives from net investment hedges	6,021	6,021	0	0
Other derivatives	5,306	5,306	9,568	9,568
Derivatives with positive market value	**12,590**	**12,590**	**10,884**	**10,884**

The balance sheet item of securities and other financial assets can be broken down as follows:

in TEUR	2015	2014
Loans granted	28,477	24,786
Available-for-sale financial instruments - short-term	17,359	26,240
Derivatives with positive market value	12,590	10,884
Securities and other financial assets	**58,426**	**61,910**

25. Other receivables

	2015			2014		
in TEUR	Total	Remaining term < 1 year	Remaining term > 1 year	Total	Remaining term < 1 year	Remaining term > 1 year
Receivables from current taxes	**12,195**	**12,195**	**0**	**14,331**	**14,331**	**0**
Prepaid expenses and deferred charges	13,678	13,333	345	13,226	12,957	269
Miscellaneous receivables	51,585	47,218	4,367	73,819	69,002	4,817
Other receivables	**65,263**	**60,551**	**4,712**	**87,045**	**81,959**	**5,086**

Miscellaneous receivables consist primarily of receivables due from tax authorities and social security institutions. Miscellaneous non-current receivables include a receivable of TEUR 3,272 (2014: TEUR 3,083) from the sale of land, which is due and payable over the medium term.

26. Group equity

The development of Group equity in 2015 and 2014 is shown on pages 134 and 135.

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

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

Group equity totaled TEUR 2,054,219 as of December 31, 2015, compared to TEUR 1,986,485 in the previous year; the increase in equity was primarily generated by the development of current earnings and positive currency translation differences. The hybrid coupon and dividend payment, however, decreased retained earnings. The components of other comprehensive income, i.e. foreign currency translation differences, the hedging reserve, the measurement of available-for-sale financial instruments and actuarial gains and losses related to post-employment benefits as defined in IAS 19 (2011), increased equity by TEUR 36,378 (2014: decrease of TEUR -15,346) after the deduction of deferred taxes. As at December 31, 2015, the share of equity in total assets amounted to 56% (2014: 52%), and net debt decreased from TEUR 621,501 in 2014 to TEUR 534,116.

At the end of the financial year total non-controlling interests came to TEUR 18,103, of which TEUR 17,852 represented non-controlling interests in Tondach. The minority interest in the Tondach Group amounts to 17.81%. The change in non-controlling interests in the financial year primarily resulted from current earnings and foreign exchange effects.

The following table shows the balance sheet development of Tondach Group and the non-controlling interests.

Assets *in TEUR*	31.12.2015	31.12.2014	**Equity and liabilities** *in TEUR*	31.12.2015	31.12.2014
Non-current assets	163,169	173,993	Controlling interests	82,582	78,408
Current assets	71,116	76,055	Non-controlling interests	17,852	16,948
			Equity	**100,434**	**95,356**
			Non-current provisions and liabilities	112,027	119,439
			Current provisions and liabilities	21,824	35,253
	234,285	**250,048**		**234,285**	**250,048**

Non-controlling interests were reduced through the sale of Zeslawice Sp.z.o.o in July 2015.

The share capital of Wienerberger AG totaled EUR 117,526,764 as of December 31, 2015 and is divided into 117,526,764 no par value shares that all carry the same rights. All shares are fully paid in. A dividend of EUR 0.15 per share was paid out in 2015, i.e. TEUR 17,629 less TEUR 86 for treasury shares (pro rata), or TEUR 17,543 in total.

On February 9, 2015 Wienerberger AG paid the TEUR 20,916 coupon for the hybrid bond that was issued on February 9, 2007 and is reported as hybrid capital in the balance sheet. This hybrid bond from 2007 is subordinated to all other creditors and is a perpetual bond with a volume of TEUR 500,000 and a coupon of 6.5%, which can be suspended if no dividend is paid. After ten years Wienerberger AG may call the hybrid bond or extend the term at a variable interest rate (3-month EURIBOR +325 bps). In September 2014, Wienerberger submitted an offer to investors to exchange up to TEUR 300,000 of the existing hybrid bond for a new hybrid bond, which was accepted with a volume of TEUR 272,188 at the beginning of October 2014. The new hybrid bond has a fixed interest rate of 6.5% up to February 9, 2017, which then changes to a fixed rate of 5% up to 2021, when the issuer is entitled to call the bond for the first time.

Both hybrid bonds meet the criteria defined by IAS 32 for classification as equity instruments, which is why the coupons payable are shown as part of the appropriation of net income in the statement of changes in equity. In accordance with IAS 32, this data is presented after tax. Wienerberger AG has an effective tax rate of 0% due to losses carried forward from prior periods, and the distribution after tax therefore equals TEUR 32,500. In 2015 the coupon interest reduced earnings per share by EUR 0.28.

Retained earnings of TEUR 546,754 (2014: TEUR 516,173) include the retained earnings of Wienerberger AG and all retained earnings of subsidiaries not eliminated within the framework of capital consolidation. Group results for 2015, excluding the share of profit or loss due to non-controlling interests, are shown under retained earnings.

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

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

27. Provisions

in TEUR	1.1.2015	Foreign exchange incr./decr.	Change in scope of consolidation	Reversal	Use	Addition	31.12.2015
Provisions for warranties	24,109	410	3,628	3,150	2,929	4,606	26,674
Provisions for site restoration	33,362	1,068	-393	941	2,028	2,254	33,322
Miscellaneous non-current provisions	2,814	39	0	419	1,830	11,183	11,787
Other non-current provisions	**60,285**	**1,517**	**3,235**	**4,510**	**6,787**	**18,043**	**71,783**
Provisions for current taxes	3,211	0	0	46	0	1,063	4,228
Other current provisions	38,350	248	0	3,855	13,230	32,175	53,688
Current provisions	**41,561**	**248**	**0**	**3,901**	**13,230**	**33,238**	**57,916**
Other provisions	**101,846**	**1,765**	**3,235**	**8,411**	**20,017**	**51,281**	**129,699**

Miscellaneous non-current provisions primarily include other non-current employee-related provisions. Other current provisions mostly include restructuring provisions as well as other current employee-related provisions.

28. Employee benefits

The obligations for employee benefits are as follows:

in TEUR	1.1.2015	Foreign exchange incr./decr.	Reversal	Use	Addition	31.12.2015
Provisions for severance payments	31,712	-61	1,365	2,495	5,160	32,951
Provisions for pensions	112,419	5,421	4,499	8,341	14,256	119,256
Provisions for jubilee bonuses	7,539	2	98	434	1,359	8,368
Employee-related provisions	**151,670**	**5,362**	**5,962**	**11,270**	**20,775**	**160,575**

The obligations for post-employment benefits total TEUR 152,207 (2014: TEUR 144,131) and comprise pension obligations of TEUR 119,256 (2014: TEUR 112,419) and severance compensation obligations of TEUR 32,951 (2014: TEUR 31,712). The relevant accounting and valuation principles are described on page 192 and 193.

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

Pension obligations

Wienerberger has made pension commitments to selected managers as well as employees in Austria, the Netherlands, Great Britain, Scandinavia, the USA, Canada, Germany, Belgium and Switzerland. Defined contribution plans represent the goal for future pension agreements. Since 2004, ***defined benefit*** pension agreements with active managers have been regularly converted to ***defined contribution*** pension models through the transfer of previously earned claims to a pension fund. Wienerberger has also made a number of defined pension commitments, mainly to former managers, based on unfunded pension plans; the length of service forms the basis for retirement benefits under these plans. The employees of General Shale Inc. (USA) have a funded defined benefit pension plan as well as an unfunded (retirement) health insurance scheme. ZZ Wancor (Switzerland) has a funded defined benefit pension scheme, which is outsourced to an external pension fund, with the company being de facto obligated to make additional contributions if the collective foundation should become insolvent. Entitlements earned by Dutch employees are satisfied through a defined contribution pension plan, primarily through contributions to an industry-wide pension fund in the Netherlands. In Great Britain, a defined contribution pension plan covers all employees. The member companies of thebrickbusiness, which was acquired during 2004, had a defined benefit model up to the end of 2003; a provision was created to reflect these obligations. The acquisition of Baggeridge in 2007 also led to the takeover of a defined benefit pension plan. There are three defined benefit pension plans for the employees of the Steinzeug-Keramo Group. The Pipelife Group has defined benefit pension plans for individual members of the management in the Netherlands, Belgium, Norway, Austria and Germany. In the 2015 financial year, a Dutch plan was converted into a defined contribution plan, resulting in an expense of TEUR 635. Moreover, other plans were adjusted, which resulted in an effect from plan curtailments in the amount of TEUR 3,286. In the previous year, the takeover of the remaining shares in Tondach Gleinstätten added a further defined benefit plan through changes in the scope of consolidation.

The calculations are based on the following weighted average parameters:

	2015	2014
Discount rate	2.9%	3.0%
Expected salary increases	1.0%	1.3%
Expected pension increases	1.2%	1.2%
Average employee turnover	0.1%	0.1%
Mortality tables		
Austria	AVÖ 2008-P	AVÖ 2008-P
Germany	Heubeck 2005 G	Heubeck 2005 G
Switzerland	BVG 2010 GT	BVG 2010 GT
USA	RP-2000 Generational BB	RP-2000 Generational BB
Great Britain	105% of SAPS Normal Tables with allowance (CMI 2011)	105% of SAPS Normal Tables with allowance (CMI 2011)
Belgium	MR-3/FR-3	MR-3/FR-3
Norway	K2013 BE Mortality Table	K2013 BE Mortality Table
Canada	CIA Private Sector Mortality Table	CIA Private Sector Mortality Table
Netherlands	AG Prognosetafel 2014	AG Prognosetafel 2014

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

Total pension expenses for 2015 cover both defined contribution and defined benefit pension plans. The current and past service cost and the effects of plan settlements are reported under operating results and the net interest effect under interest result.

in TEUR	2015	2014
Defined contribution plans	**14,255**	**13,631**
Defined benefit plans		
Service cost for defined benefit pension plans	3,803	4,079
Past service cost	-86	-1,047
Effects of settlements and curtailments	-2,651	-2,935
Net interest cost	3,424	3,275
Expenses for defined benefit plans	**4,490**	**3,372**
Total expenses for pensions	**18,745**	**17,003**

The gross pension obligations can be reconciled with net obligations as shown on the balance sheet by deducting the fair value of plan assets. Of the total net obligations, TEUR 12,436 (2014: TEUR 11,947) is related to the US (retirement) health insurance program. A change in the cost trend for medical services would not have any major impact on the interest cost or the defined benefit pension obligation.

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

	Defined benefit obligations		Fair value of plan assets	
in TEUR	2015	2014	2015	2014
Value as of 1.1.	**397,507**	**345,043**	**285,088**	**256,725**
Change in scope of consolidation	0	1,875	0	0
Transfers	113	218	1,193	0
Foreign exchange increase/decrease	23,327	19,189	17,906	14,214
Service cost for defined benefit pension plans	3,803	4,079	0	0
Interest cost	12,018	12,822	0	0
Expected income from plan assets	0	0	8,594	9,547
Effects of plan curtailments	-3,286	-65	0	0
Actuarial gains/losses	-3,527	41,339	-10,187	19,519
Past service cost	-86	-1,047	0	0
Payments to retirees	-19,753	-17,771	-18,496	-16,761
Payments received from employees	1,782	1,688	1,782	1,688
Settlements	635	-9,863	0	-6,993
Payments received from employers	0	0	7,397	7,149
Value as of 31.12.	**412,533**	**397,507**	**293,277**	**285,088**
Fair value of plan assets	-293,277	-285,088		
Net pension obligations	**119,256**	**112,419**		
Actuarial gains/losses resulting from pension plans				
Actuarial gains/losses from changes in demographic assumptions	-2,570	-5,509		
Actuarial gains/losses from changes in financial assumptions	-957	46,848		
Deviation of return on plan assets	10,187	-19,519		
Actuarial gains (-)/losses (+) in other comprehensive income	**6,660**	**21,820**		

Pension plan assets consist mainly of the assets of funded defined benefit pension plans in the USA, Great Britain, Switzerland and Pipelife's plan in the Netherlands. The plan assets are invested in shares (38%; 2014: 40%), bonds (49%; 2014: 48%) and other assets (13%; 2014: 12%).

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

	Change of parameter *in basis points (bp)/years*	**Increase of parameter** *in TEUR*	**Decrease of parameter** *in TEUR*
Discount rate	+/-25 bp	-13,669	13,798
Salary increase	+/-100 bp	2,182	-1,608
Employee turnover	+/-100 bp	-1,016	918
Life expectancy	+/-1 year	11,352	-11,373

The contributions to defined benefit pension plans are expected to total TEUR 8,010 in 2016. As of December 31, 2015, the weighted average duration of the pension obligations was 14 years (2014: 15 years).

Severance compensation obligations

Legal regulations grant Austrian employees who joined the company before January 1, 2003, the right to a lump-sum payment at retirement or termination by the employer, the amount of the payment being dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations in France, Italy, Poland and Turkey.

The country-specific discount rate used to calculate the severance compensation obligations under the projected unit credit method was based on the same yield curve used to calculate the pension obligations. The calculations are based on the following weighted average parameters:

	2015	**2014**
Discount rate	1.5%	1.7%
Expected salary increases	1.7%	1.8%
Average employee turnover	2.0%	2.3%

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

in TEUR	**2015**	**2014**
Defined contribution plans	**1,753**	**3,382**
Defined benefit plans		
Service cost for defined benefit plans	1,655	1,385
Past service cost	0	-103
Effects of settlements	-673	8
Net interest cost	570	630
Expenses for defined benefit plans	**1,552**	**1,920**
Expenses for severance payments	**3,305**	**5,302**

The severance compensation obligations in France are covered by plan assets, which are held in shares (1%; 2014: 1%), bonds (9%; 2014: 8%) and other assets (90%; 2014: 91%).

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

	Defined benefit obligation		Fair value of plan assets	
in TEUR	**2015**	**2014**	**2015**	**2014**
Value as of 1.1.	**33,745**	**22,930**	**2,033**	**1,971**
Change in scope of consolidation	0	7,374	0	0
Transfers	1,040	68	0	0
Foreign exchange increase/decrease	-61	1	0	0
Service cost for defined benefit severance obligations	1,655	1,385	0	0
Interest cost	630	692	0	0
Expected income from plan assets	0	0	60	62
Effects of settlements	-673	8	0	0
Actuarial gains/losses	1,322	3,941	0	0
Past service cost	0	-103	0	0
Payments	-2,614	-2,551	0	0
Value as of 31.12.	**35,044**	**33,745**	**2,093**	**2,033**
Fair value of plan assets	-2,093	-2,033		
Net severance compensation obligations	**32,951**	**31,712**		
Actuarial gains/losses resulting from severance payment plans				
Actuarial gains/losses from changes in demographic assumptions	755	1,561		
Actuarial gains/losses from changes in financial assumptions	567	2,380		
Actuarial gains (-)/losses (+) in other comprehensive income	**1,322**	**3,941**		

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

	Change of parameter *in basis points (bp)*	**Increase of parameter** *in TEUR*	**Decrease of parameter** *in TEUR*
Discount rate	+/-25 bp	-916	931
Salary increase	+/-100 bp	3,543	-3,372
Employee turnover	+/-100 bp	-2,503	3,175

The contributions to defined benefit severance compensation plans are expected to total TEUR 980 in 2016. As of December 31, 2015, the weighted average duration of the severance compensation obligations was 11 years (2014: 12 years).

29. Deferred taxes

The following deferred tax assets and deferred tax liabilities as of December 31, 2015 and December 31, 2014 are the result of temporary valuation and accounting differences between carrying amounts in the consolidated financial statements and the respective tax assessment bases:

	2015		2014 1)	
in TEUR	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Intangible assets	6,466	-38,721	20,961	-38,665
Property, plant and equipment	15,498	-135,994	24,433	-138,211
Inventories	2,704	-5,117	2,034	-5,976
Receivables	7,739	-9,153	9,034	-8,992
Miscellaneous receivables	91,197	-46	83,461	-58
	123,604	**-189,031**	**139,923**	**-191,902**
Provisions	33,642	-3,408	32,060	-3,893
Liabilities	7,919	-4,218	13,283	-4,710
Prepayments received	334	-235	841	-284
	41,895	**-7,861**	**46,184**	**-8,887**
Tax losses carried forward	421,981		405,016	
Deferred tax assets/liabilities	**587,480**	**-196,892**	**591,123**	**-200,789**
Unrecognized deferred tax assets	-456,432		-444,597	
Offset within legal tax units and jurisdictions	-112,556	112,556	-110,366	110,366
Recognized tax assets/liabilities	**18,492**	**-84,336**	**36,160**	**-90,423**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the Methods of Consolidation and Restatements). Temporary differences from untaxed reserves were retroactively reported under property, plant and equipment.

In the consolidated financial statements, deferred tax assets were not recognized for deductible temporary differences and tax losses carried forward (including pro-rata depreciation and amortization) of TEUR 1,569,777 (2014: TEUR 1,530,391), because medium-term planning did not reliably demonstrate their utilization as tax relief. This represents deferred tax assets totaling TEUR 456,432 (2014: TEUR 444,597).

Tax losses carried forward totaling TEUR 1,314,273 for the Wienerberger Group are not recognized. Of this total, an amount of TEUR 1,207,465 can be utilized indefinitely, while other losses carried forward in the amount of TEUR 53,479 expire between 2016 and 2020; losses carried forward in the amount of TEUR 53,329 expire between 2021 and 2025.

Temporary pro-rata depreciation and amortization, which is tax-deductible under Austrian law, amounted to TEUR 300,108 (2014: TEUR 336,082) for Wienerberger AG. Deferred tax assets were not recognized for this amount in 2015 or 2014.

As at 31.12.2015, taxable temporary differences associated with investments in subsidiaries amounted to TEUR 198,435 (2014: TEUR 287,023), for which no deferred tax liabilities were recognized according to IAS 12.39 (outside basis differences).

30. Liabilities

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

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

2015 *in TEUR*	**Total**	**Remaining term < 1 year**	**Remaining term 1-5 years**	**Remaining term > 5 years**	**Thereof secured by collateral**
Interest-bearing loans	747,138	239,608	507,530	0	2,974
Financial liabilities owed to subsidiaries	282	282	0	0	0
Financial liabilities	**747,420**	**239,890**	**507,530**	**0**	**2,974**
Trade payables owed to third parties	275,339	275,339	0	0	0
Trade payables owed to subsidiaries	977	977	0	0	0
Trade payables	**276,316**	**276,316**	**0**	**0**	**0**
Payables for current taxes	**11,698**	**11,698**	**0**	**0**	**0**
Prepayments received on orders	4,703	3,774	929	0	0
Amounts owed to tax authorities and social security institutions	49,553	49,533	20	0	0
Prepayments received	10,273	7,028	789	2,456	0
Miscellaneous liabilities	162,850	162,701	106	43	0
Other liabilities	**227,379**	**223,036**	**1,844**	**2,499**	**0**
Total liabilities	**1,262,813**	**750,940**	**509,374**	**2,499**	**2,974**

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

Miscellaneous liabilities include TEUR 51,617 (2014: TEUR 57,418) due to employees and TEUR 68,260 (2014: TEUR 65,153) from accruals for bonuses and other sales deductions due to customers. Prepayments received include TEUR 5,021 (2014: TEUR 1,939) of subsidies and investment grants from third parties, which are released to the income statement over the useful life of the related items of property, plant and equipment. In addition to liabilities from current taxes, amounts owed to tax authorities and social security institutions also include tax liabilities of TEUR 26,388 (2014: TEUR 26,062).

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

Financial instruments held for trading

in TEUR	**2015**	**2014**
Derivatives from cash flow hedges	594	6,371
Derivatives from net investment hedges	13,467	10,191
Other derivatives	5,545	4,764
Derivatives with negative market value	**19,606**	**21,326**

Total liabilities include TEUR 1,243,207 (2014: TEUR 1,475,911) of financial liabilities at amortized cost, TEUR 14,061 (2014: TEUR 16,562) of derivatives in hedges and TEUR 5,545 (2014: TEUR 4,764) of other derivatives.

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

Analysis of contractual cash flows

2015 *in TEUR*	**Carrying amount as at 31.12.2015**	**Total**	**< 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**> 5 years**
Bonds	408,152	-475,750	-12,000	-5,250	-17,250	-441,250	0
Commercial paper	1,000	-1,000	-1,000	0	0	0	0
Liabilities to banks	317,217	-328,525	-147,819	-77,956	-22,300	-80,450	0
Liabilities to non-banks	1,445	-1,163	-135	-73	-681	-246	-28
Primary financial instruments	**727,814**	**-806,438**	**-160,954**	**-83,279**	**-40,231**	**-521,946**	**-28**
Interest rate derivatives	5,149	3,100	-1,929	2,065	1,482	1,482	0
Forward exchange contracts and swaps	14,457	34,628	-5,317	-784	-5,265	22,815	23,179
Derivative financial instruments	**19,606**	**37,728**	**-7,246**	**1,281**	**-3,783**	**24,297**	**23,179**
Carrying amounts/Contractual cash flows	**747,420**	**-768,710**	**-168,200**	**-81,998**	**-44,014**	**-497,649**	**23,151**

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

31. Contingent liabilities and guarantees

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

in TEUR	31.12.2015	31.12.2014
Guarantees	27,392	28,172
Other contractual obligations	2,281	3,075
Contingent liabilities	**29,673**	**31,247**

All events reported under contingent liabilities reflect possible future obligations that are contingent upon the occurrence of a future event that is completely uncertain as of the balance sheet date.

32. Financial instruments

Interest-bearing financial liabilities comprise the following items:

2015	**Currency**	**Nominal value** *in 1,000 local currency*	**Market value** *in TEUR*	**Carrying amount as at 31.12.2015** *in TEUR*	**Effective interest rate** *in %*
Long-term loans	*EUR*	46,970	49,202	47,405	2.55
Roll-over	*TRY*	2,000	632	630	7.64
Short-term loans	*EUR*	21,573	21,721	21,789	2.94
	TRY	13,392	4,216	4,215	-
Fixed interest loans due to financial institutions			**75,771**	**74,039**	

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

2015	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount as at 31.12.2015 *in TEUR*	Effective interest rate *in %*
Long-term loans	*EUR*	62,857	**64,777**	**62,873**	0.87
Roll-over	*EUR*	88,000	87,382	88,259	1.26
	TRY	5,704	1,753	1,796	13.00
			89,135	**90,055**	
Short-term loans	*EUR*	88,815	88,649	88,996	1.38
	CAD	368	244	244	-
	DKK	19	3	3	-
	HRK	59	8	8	-
	RSD	900	7	7	-
	USD	1,081	993	992	-
			89,904	**90,250**	
Derivatives	*other in EUR*	399,348	**19,606**	**19,606**	-
Variable interest loans owed to financial institutions			**263,422**	**262,784**	

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

2015	Currency	Nominal value *in 1,000 local currency*	Market value *in TEUR*	Carrying amount as at 31.12.2015 *in TEUR*	Effective interest rate *in %*
Bonds – fixed interest	*EUR*	400,000	419,614	397,089	4.31
	EUR	11,063	11,063	11,063	-
Long-term loans – fixed interest	*EUR*	28	31	28	3.80
	USD	148	131	136	-
Short-term loans – fixed interest	*EUR*	1,000	1,018	999	0.15
Commercial paper – fixed interest	*EUR*	994	987	1,000	0.61
Financial liabilities owed to subsidiaries	*EUR*	282	282	282	-
Financial liabilities owed to non-banks			**433,126**	**410,597**	

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

Interest rates (variable, fixed) can be exchanged through the conclusion of interest rate swaps. The structure of financial liabilities (variable and fixed interest rates), including the effects of interest rate swaps, is shown on page 201.

33. Derivative financial instruments and hedge accounting

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

As of December 31, 2015, Wienerberger held forward exchange contracts that were concluded to hedge transaction risks for a period of up to 12 months. The risk positions covered by these hedges are documented in the Group's foreign- currency-based liquidity planning. These derivatives are classified as cash flow hedges of future transactions, and changes in their market value during the term are recognized to the hedging reserve. The effectiveness of the individual hedges is measured quarterly based on the hypothetical derivative method. The ineffective portion of the change in market value is recognized through profit or loss and consists primarily of the CVA/DVA as defined in IFRS 13. At the maturity date of the derivative, the cumulative market value differences are reclassified from other comprehensive income to profit or loss.

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

As of December 31, 2015, two interest rate swaps were in effect which were used to optimize the interest expense and are measured through profit or loss without the application of hedge accounting.

The cross currency swaps used by Wienerberger represent derivatives that hedge the Group's net investment in various currencies (Swiss francs, US dollars, British pounds, Canadian dollars, Czech korunas and Polish zlotys) and are therefore classified as hedges of a net investment in a foreign operation. The effectiveness of these instruments is measured quarterly by comparing the cumulative market value changes with the cumulative currency differences of the hedged position. The effective portion of the hedge is recognized in the hedging reserve, and the ineffective portion is recognized through profit or loss.

	2015			2014		
	Currency	**Nominal value** *31.12.2015 in 1,000 local currency*	**Market value** *31.12.2015 in TEUR*	**Currency**	**Nominal value** *31.12.2014 in 1,000 local currency*	**Market value** *31.12.2014 in TEUR*
Forward exchange contracts	*EUR*	96,026	509	*EUR*	79,298	-324
	CAD	0	0	*CAD*	2,000	-33
	CZK	118,453	6	*CZK*	96,530	12
	DKK	0	0	*DKK*	32,000	-6
	GBP	37,755	-79	*GBP*	18,408	-489
	HUF	2,205,713	43	*HUF*	3,101,722	269
	NOK	78,636	740	*NOK*	15,000	-33
	PLN	16,916	3	*PLN*	18,837	228
	RUB	85,000	92	*RUB*	189,000	664
	SEK	149,708	-186	*SEK*	109,223	168
Interest rate swaps	*EUR*	150,000	-697	*EUR*	150,000	97
Cross currency swaps	*CAD/EUR*	33,500	3,003	*CAD/EUR*	37,000	1,359
	CHF/EUR	28,000	-4,469	*CHF/EUR*	75,000	-10,324
	CZK/EUR	1,383,824	-442	*CZK/EUR*	750,000	1,246
	DKK/EUR	0	0	*DKK/EUR*	78,000	-10
	GBP/EUR	73,000	-7,210	*GBP/EUR*	75,000	-4,179
	PLN/EUR	130,000	1,589	*PLN/EUR*	50,000	780
	USD/EUR	100,000	82	*USD/EUR*	0	0
Currency option	*RUB/EUR*	0	0	*RUB/EUR*	35,000	133
			-7,016			**-10,442**

34. Disclosures on financial instruments

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

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

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

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

The financial instruments regularly carried at fair value by the Wienerberger Group are generally classified under level 1 (shares in funds, corporate bonds and stock; see Note 24. Receivables, securities and other financial assets) or level 2 (other available-for-sale financial instruments and derivative financial instruments; see Note 33. Derivative financial instruments and hedge accounting). No items were reclassified between hierarchy levels during the reporting year.

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. The classification of the previous year's value in the valuation hierarchy for other securities was adjusted retroactively.

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

Financial assets and financial liabilities carried at fair value

in TEUR	**Level 1**	**Level 2**	**Level 3**	**Carrying amount as at 31.12.2015**
Assets				
Shares in funds	6,611			6,611
Corporate bonds	9,449			9,449
Stock	12			12
Other		43	1,244	1,287
Available-for-sale financial instruments	**16,072**	**43**	**1,244**	**17,359**
Derivatives from cash flow hedges		1,263		1,263
Derivatives from net investment hedges		6,021		6,021
Other derivatives		5,306		5,306
Derivatives with positive market value		**12,590**		**12,590**
Liabilities				
Derivatives from cash flow hedges		594		594
Derivatives from net investment hedges		13,467		13,467
Other derivatives		5,545		5,545
Derivatives with negative market value		**19,606**		**19,606**

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31.12.2014
Assets				
Shares in funds	6,857			6,857
Corporate bonds	17,494			17,494
Stock [1)]	12			12
Other		381	1,496	1,877
Available-for-sale financial instruments	**24,363**	**381**	**1,496**	**26,240**
Derivatives from cash flow hedges		1,316		1,316
Other derivatives		9,568		9,568
Derivatives with positive market value		**10,884**		**10,884**
Liabilities				
Derivatives from cash flow hedges		6,371		6,371
Derivatives from net investment hedges		10,191		10,191
Other derivatives		4,764		4,764
Derivatives with negative market value		**21,326**		**21,326**
Financial liabilities owed to non-banks			**3,315**	**3,315**

1) Available-for-sale financial instruments, previously recognized as stock are now reported as other investments. The figures for the previous period were restated accordingly.

In connection with the acquisition of Sandtoft Ltd. in 2008, the sellers were given a put option which entitles them to transfer the remaining non-controlling interests to Wienerberger. As at December 31, 2014 the fair value of this option classified under level 3 in the valuation hierarchy came to TEUR 3,315. The option was exercised on January 9, 2015, and in May 2015, following a final adjustment of the option price based on the EBITDA of Sandtoft Ltd., an amount of TEUR 3,632 was paid for the remaining interests in the company.

The valuation of financial instruments classified under level 3 is shown in the following table:

	Other securities		Financial liabilities	
in TEUR	2015	2014	2015	2014
Balance on 1.1.	**1,496**	**973**	**3,315**	**2,251**
Additions	0	481	0	0
Results from valuation	-9	135	258	342
Disposals	-243	-93	-3,632	0
Reclassification	0	0	59	722
Balance on 31.12.	**1,244**	**1,496**	**0**	**3,315**

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

Trade receivables and trade payables, loans granted and other receivables and liabilities mostly have a term of less than one year. The respective carrying amounts generally correspond to fair values and are therefore not reported separately.

Financial assets and financial liabilities at amortized cost

in TEUR	Level 1	Level 2	Level 3	Carrying amount as at 31.12.2015
Assets				
Other non-current receivables		4,712		4,712
		4,712		**4,712**
Liabilities				
Long-term loans		113,979		110,278
Roll-over		89,767		90,685
Short-term loans		115,841		116,254
Financial liabilities owed to financial institutions		**319,587**		**317,217**
Bonds	430,677			408,152
Long-term loans		162		164
Commercial paper		987		1,000
Short-term loans		1,018		999
Financial liabilities owed to subsidiaries		282		282
Financial liabilities owed to non-banks	**430,677**	**2,449**		**410,597**

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

Accounting and Valuation Principles

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

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

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

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

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

Intangible assets: Identifiable intangible assets purchased by the Group are reported at acquisition cost less straight-line amortization and any necessary impairment charges. Since the brands capitalized on the date of purchase by Wienerberger have been established for a long time and continue in use, they count as intangible assets with an indefinite period of use to be subjected to annual impairment tests.

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

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

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

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

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

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

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

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

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

The carrying amount of an item of property, plant and equipment that was previously written down is increased to the recoverable amount if the reasons for impairment cease to exist or a possible use is found for the item. In accordance with IAS 36, previously recognized impairment losses to goodwill are not reversed.

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

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

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

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

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

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

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

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

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

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

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

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

Non-current assets held for sale: Wienerberger owns land and buildings that are not used in business operations and intends to realize the value of these assets through a sale. In accordance with IFRS 5, non-current assets held for sale must be reclassified to current assets when they are available for immediate sale in their present condition and their sale is highly probable within one year. If these requirements are met, the items are reported under current assets and measured at the lower of the carrying amount and fair value less costs to sell. Scheduled depreciation is not recognized on assets held for sale.

Cash and cash equivalents include cash on hand, checks received, demand deposits and short-term investments as well as deposits with financial institutions that have a fixed term of up to three months.

Provisions for pensions: The Wienerberger Group has both defined contribution and defined benefit pension plans. Defined contribution plans carry no further obligation for the employer after the payment of premiums. The employer's contributions to these pension plans are reported under expenses for pensions. Under defined benefit plans, the employee is promised a certain retirement benefit. The risk related to the actual retirement benefit is carried by the company up to the point of payment. The provisions for defined benefit pension plans are calculated according to the projected unit credit method. The valuation of pension commitments includes future increases in wages/salaries and pensions. The provisions for pensions are calculated by independent actuaries.

The provisions for pensions are netted out with the pension plan assets that are held to cover commitments. In accordance with IAS 19, actuarial gains and losses are recognized under other comprehensive income as incurred after the deduction of deferred taxes. The interest component of post-employment benefits is reported separately under financial results. Expenses for additions to the provisions for pensions are allocated to the various functional areas.

Commitments by US companies to cover medical costs for retired employees are recognized under provisions for pensions because of their pension-like character.

Provisions for severance compensation: Legal regulations grant Austrian employees the right to a lump-sum payment at retirement or termination by the employer, with the amount of the payment being dependent on the length of service. These future obligations are reflected in provisions for severance payments. There are similar obligations, among others, in France, Italy, Poland and Turkey. The provisions for severance compensation are calculated according to actuarial principles based on the projected unit credit method. For Austrian employees whose employment started after December 31, 2002, the employer contributes 1.53% of the gross wage or salary each month to an employee severance compensation fund. This fund represents a defined contribution plan in accordance with IAS 19, and the related employer contributions are reported under severance compensation expense.

Provisions for jubilee bonuses: A number of employees in the Wienerberger Group are entitled to long-service bonuses when they reach a specified number of years of employment with the company. Provisions were recognized for these obligations based on the projected unit credit method. Any actuarial gains or losses are recognized immediately to profit or loss.

Provisions for site restoration: In accordance with IAS 16, a provision for site restoration is created when a clay pit is purchased and is reported as an addition to non-current assets. The underlying assumptions for these obligations are generally based on the regulations applicable in the respective countries. The provisions for site restoration on clay pits purchased before 2005 are based on depletion and reflect the transition rule to IAS 16. Non-current provisions that are expected to be used after 12 months are discounted and reported at their present value.

Provisions for guarantees: Wienerberger provides manufacturer's guarantees, above all for clay products, which lead to the recognition of provisions for guarantees on the balance sheet. These provisions are calculated on the basis of individual risks and on the overall risk resulting from past experience. This involves the analysis of actual damage cases and the estimation of potential obligations through stochastic methods.

Other provisions: Other current obligations which result from a past event and are expected to lead to an outflow of resources, but whose timing or amount are uncertain, are recognized at their full cost in accordance with IAS 37 and reported as provisions.

Deferred taxes: In accordance with IAS 12, the calculation of deferred taxes includes all temporary valuation and accounting differences arising between the financial statements prepared for tax purposes and the IFRS financial statements as well as losses carried forward whose future use is probable. Deferred tax assets also include tax credit entitlements which arise from the expected use of existing losses carried forward in future years and whose realization is probable. These entitlements are calculated on the basis of planned operating results and the earnings effects from the reversal of taxable temporary differences. Deferred taxes are calculated using the tax rate expected to be in effect when these differences reverse in the future, and is based on the local tax rate applicable to the individual Group company. Future changes in tax rates are included if the relevant legal amendment has been enacted as of the balance sheet date.

Financial liabilities: Liabilities are stated at the actual amount received, less transaction costs. Any premium, discount or other difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method and recognized under financial results. Therefore, the measurement of these items reflects amortized cost. Foreign currency liabilities are translated at the exchange rate in effect on the balance sheet date. Wienerberger has not elected to use the option provided by IAS 39, which permits the initial recognition of a financial liability at fair value through profit or loss.

Transfer prices: There are several regional supply and delivery relationships between the individual operating segments. Prices for the sale of goods between Group companies are established at arm's length based on the resale price method. Prices for the provision of services between Group companies are established at arm's length based on the cost-plus method.

35. Foreign exchange translation

The accounts of foreign companies are translated into the euro based on the functional currency method. The relevant local currency is the functional currency in all cases since these companies operate independently from a financial, economic, and organizational standpoint. All balance sheet items, with the exception of equity, are translated at the closing rate at the end of the reporting year (i.e. December 31, 2015). Goodwill is recognized as an asset in local currency and is also translated at the closing rate on the balance sheet date for the consolidated financial statements. Expense and income items are translated at the average exchange rate for the year.

Unrealized currency translation differences arising from non-current Group loans are offset against the translation reserve without recognition to profit or loss. Currency translation differences arising from the use of the closing rate for the balance sheet and the average exchange rate for the income statement are also reported under other comprehensive income.

Foreign currency swaps are used to limit the translation risk arising from the Group's brick activities in the USA, Switzerland, Great Britain and certain countries in Eastern Europe. These transactions involve the conclusion of a foreign currency-euro swap equal to the value of the foreign currency assets to be hedged.

The major exchange rates used for foreign currency translation developed as follows during the reporting year:

	Closing rate on		Average rate for the year	
	31.12.2015	**31.12.2014**	**2015**	**2014**
British pound	0.73395	0.77890	0.72584	0.80584
Bulgarian lev	1.95580	1.95580	1.95580	1.95580
Danish krone	7.46260	7.44530	7.45870	7.45469
Canadian dollar	1.51160	1.40630	1.41856	1.46552
Croatian kuna	7.63800	7.65800	7.61370	7.63470
Norwegian krone	9.60300	9.04200	8.94963	8.36239
Polish zloty	4.26390	4.27320	4.18412	4.18555
Romanian lei	4.52400	4.48280	4.44541	4.44415
Russian ruble	80.67360	72.33700	68.07203	51.17152
Swedish krone	9.18950	9.39300	9.35346	9.10316
Swiss franc	1.08350	1.20240	1.06786	1.21448
Czech koruna	27.02300	27.73500	27.27918	27.53808
Turkish lira	3.17650	2.83200	3.02546	2.90573
Hungarian forint	315.98000	315.54000	309.99563	308.78008
US dollar	1.08870	1.21410	1.10951	1.32720

Risk Report

Principles of risk management

The conduct of global operations exposes the Wienerberger Group to a variety of risks that are inseparable from entrepreneurial activities. These risks have an effect on the business segments of the Group and on its assets, liabilities and planned commercial decisions.

The Wienerberger Group follows a policy that is designed to identify and actively manage risks in the operating environment. This policy is based on principles that are defined by the Managing Board and monitored by the Supervisory Board. The implementation of the risk strategy and the use of hedging instruments are coordinated centrally for the entire Group.

Risk situation and operating risks relating to the Group's markets

As a producer of building materials, Wienerberger operates in a cyclical industry and belongs to the group of late cyclical companies that usually follow general economic cycles with a delay. These companies are dependent on developments in the economies that form the backdrop for their activities, in particular macroeconomic developments, construction activity in both the residential and public (infrastructure) sectors and renovation. The development of business is also influenced by consumer confidence, the unemployment rate, long-term interest rates, the availability of financing, tax policies, building regulations and subsidies for housing construction as well as other factors outside the Group's control. The economic cycles in the construction industry that influence Wienerberger's business are considerably longer than in other areas, with timing delays that also differ by market.

The unfavorable development of any or all of these factors can have a negative influence on the demand for Wienerberger products, both in terms of the volumes sold and the price levels. Cyclical fluctuations in demand lead to a risk of excess capacity, which may result in increased pressure on prices as well as a decline in margins and/or revenues that fails to cover production costs. The building materials industry – and, as a part of this industry, also Wienerberger – is characterized by a high share of fixed costs as a percentage of total costs due to its capital-intensive nature, and active capacity management therefore represents a central instrument for corporate management. Production capacity is analyzed on a continuous basis, and adjusted to reflect market demand through measures that include temporary or permanent plant closings as well as the relocation of production to more efficient facilities.

Wienerberger views the markets in Central and Eastern Europe – including Hungary, the Czech Republic, Poland, Slovakia, Slovenia, Croatia, Macedonia, Serbia and above all Bulgaria, Romania and Russia – as long-term growth markets due to the high pent-up demand for new residential construction and infrastructure. Weaker demand and increased pressure on prices in these growth markets can lead to increased risk for the Wienerberger Group.

Furthermore, Wienerberger competes with other building materials such as concrete, wood, limestone, glass, steel or aluminum, which exposes the Group to a risk of substitution. Our strong position as a quality leader and investments in the development of premium products should allow us to minimize substitution risks. In particular, these developments involve improvements in the physical properties as well as the economy of our products.

The building materials industry is subject to seasonal fluctuations, whereby substantially higher volumes are sold during the months from April to October than in the rest of the year. Similar to the building materials industry, the earnings of the Wienerberger Group are in part dependent on the weather, since long frost and rain periods have a negative influence on demand through a decline in construction activity.

In order to avoid earnings fluctuations wherever possible, Wienerberger pursues a strategy of geographical diversification with parallel concentration on the core business. This core business covers bricks and roof tiles as well as pavers and pipe systems, and positions Wienerberger as a supplier of building material solutions for residential construction and infrastructure projects. Our activities are subject to the usual risks inherent in local markets, where positions must be repeatedly defended against competitors and substitute products. The Group's most important customer group is the building materials sector, and further market adjustments in this sector are expected to increase pressure on prices in the future. Specific market situations can also have a negative impact on price levels, and Wienerberger therefore monitors its price strategy on a continuous basis.

As a multinational corporation, Wienerberger operates in countries that are in different stages of economic and social development. Unfavorable changes in political or economic conditions therefore represent additional sources of risk. The activities of the Wienerberger Group could also be materially affected by the following factors: changes in tax laws on individual markets, in the taxation of energy sources or in labor law; the effect of language and cultural differences on the coordination of international activities; the limitation of opportunities for the repatriation of profits; an increase in legal requirements for the utilization of raw materials; product standards and product liability law; and environmental and safety standards. The growth markets of Russia and India also carry a risk that production equipment may be expropriated without proper compensation. Especially in these markets, Wienerberger is additionally exposed to tax risks that could arise from a change in tax laws or the interpretation of existing tax laws. However, the company is not able to quantify the probability of occurrence or the extent of these potential risks at the present time.

The plastic pipe business is substantially influenced by the development of raw material prices, which usually correlates closely with the price of crude oil. Synthetic polymers comprise a major part of the production cost for plastic pipes. The volatility of raw material prices has increased considerably in recent years. Strong fluctuations within individual months require flexible pricing to limit the effects of these price changes and/or pass them on to the market. Fast, coordinated price management is also a decisive factor for the sustainable protection of earnings. In addition to price risk, this business is exposed to a raw material supply risk. Any interruption in supplies would invariably disrupt production. This risk is met, with few exceptions, by developing alternative suppliers for raw materials.

Procurement, production, investment and acquisition risks

Wienerberger has a modern and efficient plant network. Therefore, the risk of operating breakdowns or a longer loss of production due to technical problems is low. Supplies of clay raw materials for the production of bricks and clay roof tiles are guaranteed on a lasting basis by sufficient deposits and long-term supply contracts.

The cost of energy for the firing of bricks represents a significant percentage of the Group's cost structure. In 2015 energy costs for the Wienerberger Group totaled TEUR 292,624 (2014: TEUR 288,498) or 9.8% (2014: 10.2%) of revenues. These expenses consist of 64% for natural gas, 30% for electricity and 6% for other materials. Energy prices are dependent on international and local market developments, and are subject to fluctuations.

Wienerberger works to minimize the risk connected with rising energy prices in liberalized markets (in total, roughly 90% of energy costs) by concluding futures contracts or fixed-price agreements with national and international suppliers. These prices are in part established for longer periods of time. In a limited number of East European countries (in total, roughly 10% of energy costs) the prices for natural gas are regulated by the federal government and contracts with local suppliers are negotiated each year.

Wienerberger was again granted carbon leakage status for its European brick activities in 2014 and expects the resulting allocation of CO_2 certificates will be sufficient to cover emissions. This status will be reviewed in 2019.

In addition to price risk Wienerberger is also exposed to an energy supply risk, in particular with respect to natural gas and electricity. Any disruption of energy supplies would invariably lead to the standstill of production, and could therefore have a negative effect on operating profit if demand cannot be met from inventories.

Continuing optimization (operational excellence) and product innovations as well as internal and external growth projects are required to increase the value of Wienerberger. The future profitability of these projects is dependent to a large degree on the investment volume and/or acquisition price as well as the development of the market. For this reason, all growth projects must meet the defined return on investment criteria for the Group's bolt-on and strategic projects. The entry into new markets is also connected with risks involving competition, planning accuracy and the evaluation of the political situation as well as the successful, profitable development of business. New projects are therefore analyzed extensively in advance, both from a qualitative and quantitative standpoint.

Financial risks

In addition to financing risk, operating activities expose Wienerberger to interest rate and exchange rate risks. Derivative financial instruments, in particular forward exchange contracts and interest rates swaps, as well as operational measures are used to limit and manage this risk. All cash flow hedges and hedges of investments in foreign operations are classified as highly effective in accordance with IAS 39.88 as a means of offsetting the hedged risks in keeping with risk management objectives. No derivatives are held for speculative purposes.

The refinancing sources open to Wienerberger are determined by numerous financial, macroeconomic and other factors beyond the control of management. These factors include covenants in the existing and future debt arrangements as well as the maintenance of the current rating. According to these covenants, the ratio of net debt to operating EBITDA may not exceed 3.5 years; this indicator equaled 1.4 years as of December 31, 2015. Moreover, operating EBITDA/net interest result equaled 8.7 for the reporting year and substantially exceeded the threshold of 3.75 that was defined in 2011. Part of earnings is used for the payment of interest on debt and is therefore not available for other purposes. If the Group's rating should deteriorate or covenants are not met, interest expense could rise due to an increase in the credit risk premium and lead to higher financing costs and lower cash flow. The failure to comply with covenants could also result in a loan becoming due immediately.

Exchange rate risks

A significant portion of the revenues and earnings of the Wienerberger Group is generated by subsidiaries whose headquarters are not located in the euro zone. Wienerberger recorded 51% of its revenues for the reporting year in currencies other than the euro, predominately East European currencies (21%) and the US dollar (8%). The exchange rate risk connected with cash flows is immaterial due to the local nature of the building materials business. Cash flows into or out of the euro region are almost entirely related to Group dividends or loans. The foreign exchange risk on these intragroup cash flows is managed by the holding company.

Credit financing for the purchase of current assets is concluded in the local currency of the individual companies because of the decentralized structure of the Wienerberger Group. Foreign exchange risk in the financing area is therefore reduced to a minimum, since the Group companies generally issue their invoices in local currency and these transactions form a natural hedge. The exposure of financial liabilities to foreign exchange risk is discussed in Note 32. Financial instruments.

However, the translation of foreign company financial statements into the euro results in currency translation differences (translation risk), which are recognized in other comprehensive income under foreign exchange adjustments. The revenues, earnings, and balance sheet items of companies not headquartered in the euro region are therefore dependent on the relevant euro exchange rate.

The Wienerberger risk strategy calls for minimizing the translation risk arising from net investments in foreign subsidiaries to a certain extent through hedging. The following table shows Group revenues and capital employed by currency, whereby the calculation of capital employed includes the effects of forward exchange contracts and foreign currency swaps.

	2015		2014	
Revenues	*in € mill.*	*Share in %*	*in € mill.*	*Share in %*
Euro	1,468.8	49	1,445.9	51
East European currencies	634.1	21	605.2	21
US dollar	250.6	8	213.5	8
Other	618.9	22	569.9	20
Group revenues	**2,972.4**	**100**	**2,834.5**	**100**

Capital employed	2015 in € mill.	2015 Share in %	2014 [1] in € mill.	2014 [1] Share in %
Euro	1,619.1	63	1,531.3	59
East European currencies	472.1	18	551.0	21
US dollar	233.4	8	299.5	12
Other	245.3	11	210.1	8
Capital employed after hedging effect	**2,569.9**	**100**	**2,591.9**	**100**

1) The figures for 2014 were restated according to IAS 8 (see Note 7. Changes in the methods of consolidation and restatements).

The effects of a hypothetical change in foreign exchange rates on earnings and equity are shown in the form of sensitivity analyses. For the purpose of this presentation, change is defined as the year-on-year increase or decrease in the relevant exchange rate versus the euro as of the balance sheet date. As of December 31, 2015, an increase of one annual volatility calculated on the basis of daily changes in the relevant exchange rates against the euro would have led to a decrease of MEUR 77.5 (2014: MEUR 84.4) in equity, primarily from the US dollar (MEUR 22.1), British pound (MEUR 16.9) and Polish zloty (MEUR 10.7) and to a decrease of MEUR 1.9 (2014: MEUR 1.5) in profit after tax, mainly due to the changes in the Polish zloty, Norwegian krone and Czech koruna. A decline in the euro compared with the major currencies would have led to a similar increase in equity and profit after tax.

Interest rate risks

Interest rate risk is comprised of two components: the relevant value (minimum or maximum) of the average term for the Group's financing and the separation into fixed and variable interest rates. The risk associated with fixed interest rates lies in a possible decline in interest rate levels, while the risk associated with variable interest rates arises from the possibility of an increase in interest rates. A parallel upward shift of 100 basis points in interest rates would have decreased profit after tax by MEUR 0.4 (2014: MEUR 0.4) and, through this change in the income statement, also decreased equity by the same amount. A decrease of 100 basis points in interest rates would have increased profit after tax and equity by a similar amount.

The risk position of Wienerberger AG with respect to the interest rate risks arising from liabilities with fixed and variable interest rates is explained below.

In order to analyze interest rate risk (fixed and variable interest rates), financial liabilities (see pages 181 to 183) are adjusted for the effects of derivative instruments (hedging) and short-term fixed-interest financial liabilities are treated as variable interest items. Sensitivity analyses were carried out on fixed interest and variable interest financial liabilities to estimate the impact on earnings and equity.

in TEUR	2015 Fixed interest rate	2015 Variable interest rate	2014 Fixed interest rate	2014 Variable interest rate
Interest-bearing loans	484,354	262,784	781,341	176,870
Reclassification of short-term fixed interest rate loans	-38,069	38,069	-309,497	309,497
Effects of derivative instruments (hedging)	50,000	-50,000	50,000	-50,000
Financial liabilities after hedging effects	**496,285**	**250,853**	**521,844**	**436,367**

Credit risks

Wienerberger has established strict requirements for the credit standing of its financial partners, which are defined in internal financial and treasury guidelines. The credit risk connected with the investment of liquid funds and securities is limited because Wienerberger works only with financing partners whose credit rating leads to expectations of a sound financial standing and sets counterparty limits based on this credit rating. However, financial partners with an excellent rating can also pose a credit risk and Wienerberger therefore continuously monitors developments on financial markets and adjusts credit limits accordingly.

The following table shows the maximum exposure of trade receivables and miscellaneous receivables (including receivables from current taxes) to credit risks as of December 31, 2015, classified by region:

Credit risk	2015 *in € mill.*	2015 *Share in %*	2014 *in € mill.*	2014 *Share in %*
Western Europe	110.6	41	118.2	38
Central-Eastern Europe	91.1	34	101.2	33
North America	26.7	10	39.8	13
Other	38.2	15	50.0	16
Total trade receivables and miscellaneous receivables	**266.6**	**100**	**309.2**	**100**

Trade receivables, of which MEUR 158.8 is insured against default, consist primarily of receivables due from building material retailers and large customers. Impairment charges to receivables equaled less than 1% of trade receivables, originated loans and other current receivables in 2015, and were not classified separately for this reason.

The following table shows the age structure of non-impaired trade receivables:

in € mill.	2015	2014
Not due	170.7	171.4
Up to 30 days overdue	21.8	26.3
31 to 60 days overdue	6.6	9.9
61 to 90 days overdue	2.8	4.2
More than 90 days overdue	9.7	9.3
Trade receivables	**211.6**	**221.1**

Liquidity risks

The protection of liquidity and the preservation of a healthy financial base represent the focal points of the Wienerberger strategy. The most important instruments in this respect are the maximization of free cash flow through cost reduction, active working capital management and a cutback in investments to the necessary minimum. Liquidity risks arise, above all, when cash flows from revenues fall below expectations because of weaker demand and the measures to reduce working capital and cash outflows for fixed costs (active capacity management) are not sufficient or can only be implemented with a delay.

Liquidity is managed on a regular basis, among others, on the basis of rolling quarterly liquidity planning as well as a regular analysis of the cash conversion cycle, which is based on average accounts payable turnover, inventory turnover and receivables conversion. The receivables conversion period averaged 28 days (2014: 33 days), the inventory turnover period averaged 100 days (2014: 96 days) and the payable turnover period averaged 37 days (2014: 40 days). This resulted in a cash conversion cycle of 91 days in 2015 compared with 89 days in the previous year.

An analysis of the liquidity risks arising from liabilities is provided on page 180 (Analysis of contractual cash flows).

Legal risks

Business combinations may be subject to the approval of antitrust authorities, depending on the market position in individual countries and/or the size of the planned acquisition. These approval procedures could lead to delays or, in individual cases, to the prohibition of specific acquisitions or mergers. Wienerberger evaluates the antitrust risk associated with an acquisition together with national and international legal and business experts during the early stages of work on a project in order to minimize this risk. No acquisitions planned by the Group have ever been prohibited.

In connection with real estate transactions carried out in earlier years, Wienerberger AG is liable for possible contamination and the resulting damage during its ownership.

Other risks

Wienerberger is subject to extensive and increasingly strict environmental, health and safety laws in many countries, which can lead to investments for compliance with these regulations. The failure to comply with these regulations could result in administrative fines, the assessment of damages or the suspension of operating permits. In Italy the authorities have launched an investigation into possible environmental pollution at the Wienerberger locations, which has not produced any results.

Wienerberger plants exceed current legal requirements for the prevention of environmental damage, but the intensification of environmental standards presents the Group with a continuous range of new challenges. Legal commitments are identified and met through knowledge of current legal and contractual requirements as well as cooperation with experts and external consultants. Risks arising from the restoration of clay pits are part of the company's operating risk and are monitored continuously.

The risks associated with a breakdown of our centralized Group data processing system as the result of natural disasters have been minimized through the installation of redundant systems at facilities in different locations.

In recent years, a number of building materials companies with operations in the USA became the subject of class action suits from patients with asbestos-related diseases. After an examination of our US activities, we have classified this risk as minimal because none of our American subsidiaries has ever produced or sold asbestos products.

The Wienerberger Group also competes with other firms on the labor market. In order to train future managers and prepare these persons for management positions, Wienerberger has developed curricula that include the Sales Academy, the Plant Manager Program and the Ready4Excellence Program. Wienerberger uses these programs and personalized training measures to optimally train its employees and to also strengthen their ties to the company (see the Wienerberger Sustainability Report for additional information).

Other Disclosures

36. Related party transactions

The following companies and persons are considered to be related parties of Wienerberger: the members of the Supervisory and Managing Boards, associated companies, joint ventures and non-consolidated subsidiaries of Wienerberger AG as well as the ANC Private Foundation and its subsidiaries. Transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are conducted on arm's length conditions. Business relationships between the company and related parties, in particular members of the Managing and Supervisory Boards of Wienerberger AG, are disclosed in Note 12. Personnel expenses if any payments to these persons are involved.

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 and securities). On April 18, 2014 Wienerberger announced a change on the managing board of the ANC Private Foundation through the appointment of two members of Wienerberger top management, which allows Wienerberger to exercise control over the foundation. In accordance with IFRS 10, the ANC Private Foundation cannot be consolidated because the shareholders of Wienerberger AG, and not the company itself, are entitled to the variable cash flows from the foundation. The total assets of ANC Private Foundation amounted to TEUR 26,782 as of December 31, 2015 (2014: TEUR 25,849) and consist primarily of land and buildings totaling TEUR 12,035 (2014: TEUR 12,994) and securities and liquid funds of TEUR 13,645 (2014: TEUR 11,567). The foundation had no financial liabilities as of December 31, 2015.

Wienerberger AG and its subsidiaries finance associates, joint ventures and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding receivables due from joint ventures amounted to TEUR 11,124 as of December 31, 2015 (2014: TEUR 11,987), while the comparable amount for non-consolidated subsidiaries was TEUR 7,536 (2014: TEUR 8,742). Revenues of TEUR 728 were recognized with joint ventures in 2015 (2014: TEUR 961).

37. Significant events after the balance sheet date

Wienerberger acquired a clay block plant in Poland at the beginning of January and the Finnish producer of plastic pipes, Talokaivo Oy, at the beginning of February. The purchase price for both acquisitions amounted to TEUR 13,872, of which TEUR 9,021 was paid in cash and TEUR 4,851 will be due at the end of 2016.

The Managing Board of Wienerberger AG released the consolidated financial statements on February 23, 2016 for distribution to the Supervisory Board. The Supervisory Board is responsible for examining and approving the consolidated financial statements.

Vienna, February 23, 2016

The Managing Board of Wienerberger AG

Heimo Scheuch

Chief Executive Officer

Willy Van Riet

Chief Financial Officer

Statement by the Managing Board

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, February 23, 2016

The Managing Board of Wienerberger AG

Heimo Scheuch
Chief Executive Officer

Willy Van Riet
Chief Financial Officer

Group Companies

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger International N.V.	**Zaltbommel**	**50,001**	**EUR**	**100.00%**	**VK**	
Wienerberger Ziegelindustrie GmbH	Hennersdorf	5,000,000	EUR	100.00%	VK	
Salzburger Ziegelwerk GmbH & Co KG	Uttendorf	438,000	EUR	100.00%	VK	
Wienerberger zRt.	Budapest	2,140,000,000	HUF	100.00%	VK	
Wienerberger Management Service Szolgáltató és Tanácsadó Kft. (in Liquidation)	Budapest	3,000,000	HUF	100.00%	OK	1)
Wienerberger cihlarsky prumysl, a. s.	České Budějovice	50,000,000	CZK	100.00%	VK	
Cihelna Kinsky, spol. s r. o.	Kostelec nad Orlici	2,000,000	CZK	68.80%	VK	
Wienerberger eurostroj, spol. s r. o.	České Budějovice	32,100,000	CZK	100.00%	VK	
Silike keramika, spol. s.r.o.	České Budějovice	100,000	CZK	50.00%	EQ	
Wienerberger slovenské tehelne, spol. s r. o.	Zlate Moravce	3,319,392	EUR	100.00%	VK	
Wienerberger Ceramika Budowlana Sp. z o.o.	Warszawa	374,324,808	PLN	100.00%	VK	
Handel Ceramika Budowlana Sp. z o.o.	Warszawa	50,000	PLN	40.00%	OK	1)
Wienerberger Ilovac d.o.o.	Karlovac	8,988,000	HRK	100.00%	VK	
Wienerberger Cetera d.d.	Karlovac	359,240	HRK	99.72%	VK	
IGM Ciglana d.o.o. Petrinja	Petrinja	12,756,900	HRK	100.00%	VK	
WIENERBERGER Industrija opeke d.o.o.	Sarajevo	2,000	BAM	100.00%	VK	
Wienerberger Opekarna Ormož d.o.o.	Ormož	951,986	EUR	100.00%	VK	
Opekarna Pragersko d.o.o.	Pragersko	1,022,743	EUR	100.00%	VK	
Wienerberger Backa d.o.o	Mali Idos	651,652	EUR	100.00%	VK	
WIENERBERGER Sisteme de Caramizi S.R.L.	Bucuresti	39,147,100	RON	100.00%	VK	
WZI FINANZ-S.à.r.l.	Luxembourg	73,963,917	USD	100.00%	VK	
Wienerberger TOV	Kyiv	3,000,000	UAH	100.00%	VK	
Semmelrock International GmbH	**Wien**	**3,000,000**	**EUR**	**100.00%**	**VK**	
Semmelrock Baustoffindustrie GmbH	Klagenfurt am Wörthersee	1,000,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH	Klagenfurt am Wörthersee	35,000	EUR	100.00%	VK	
Semmelrock Stein + Design GmbH & CoKG	Klagenfurt am Wörthersee	100,000	EUR	100.00%	VK	
Semmelrock Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Semmelrock Stein & Design Kft.	Ócsa	983,100,000	HUF	100.00%	VK	
SEMMELROCK STEIN + DESIGN Dlazby s.r.o.	Sered	3,027,286	EUR	100.00%	VK	
Semmelrock Stein & Design d.o.o.	Ogulin	22,870,000	HRK	100.00%	VK	
Semmelrock Stein & Design Sp. z o.o.	Kolbiel	42,070,000	PLN	100.00%	VK	
Semmelrock Stein + Design S.R.L.	Bolintin-Vale	55,151,300	RON	100.00%	VK	
Semmelrock Tlakovci d.o.o.	Ormož	8,763	EUR	100.00%	OK	1)
Semmelrock Stein + Design Dlazby a.s.	Ledcice	2,000,000	CZK	100.00%	VK	
Semmelrock Stein und Design EOOD	Sofia	13,785,500	BGN	100.00%	VK	
Wienerberger GmbH	**Hannover**	**9,500,000**	**EUR**	**100.00%**	**VK**	
Schlagmann Beteiligungs GmbH	Zeilarn	26,000	EUR	50.00%	OK	1)
Schlagmann Poroton GmbH & Co KG	Zeilarn	10,300,000	EUR	50.00%	EQ	
Tongruben Verwaltungs GmbH	Hannover	26,000	EUR	100.00%	OK	1)
RM 2964 Vermögensverwaltungs GmbH	Zeilarn	25,000	EUR	100.00%		4)
MR Erwerbs GmbH & Co. KG	Zeilarn	50,000	EUR	100.00%		4)
ZZ Wancor AG	**Regensdorf**	**1,000,000**	**CHF**	**100.00%**	**VK**	
Wienerberger S.p.A.	**Mordano**	**10,000,000**	**EUR**	**100.00%**	**VK**	
Fornaci Giuliane S.r.l.	Cormons	100,000	EUR	30.00%	EQ	

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger NV	**Kortrijk**	**47,557,745**	**EUR**	**100.00%**	**VK**	
Wienerberger Asset Management NV	Zonnebeke	13,240,053	EUR	100.00%	VK	
Deva-Kort NV	Kortemark	247,894	EUR	100.00%	VK	
Wienerberger B.V.	**Zaltbommel**	**36,778,680**	**EUR**	**100.00%**	**VK**	
Van Hesteren & Janssens B.V.	Zaltbommel	363,024	EUR	100.00%	VK	
Desimpel AK1 B.V.	Zaltbommel	70,000	EUR	100.00%	VK	
BrickTrading Holland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
German Brick Trading B.V.	Zaltbommel	249,700	EUR	100.00%	VK	
Oostergrachstwal Holding B.V.	Zaltbommel	45,378	EUR	100.00%	VK	
Feikema B.V.	Zaltbommel	45,378	EUR	100.00%	VK	
Gelsing Oosterhout B.V.	Zaltbommel	18,200	EUR	100.00%	VK	
Wienerberger Steenvisie B.V.	Zaltbommel	18,151	EUR	100.00%	VK	
Bos & Vermeer B.V.	Zaltbommel	22,689	EUR	100.00%	VK	
Aberson B.V.	Zwolle	60,000	EUR	100.00%	VK	
Aberson SmartBuild BV	Zwolle	1	EUR	100.00%	VK	
Steencentrale Neerbosch B.V.	Deest	45,400	EUR	100.00%	VK	
Leeuwis B.V.	Deest	91,210	EUR	100.00%	VK	
Steinzentrale Nord Leeuwis GmbH	Rellingen	52,500	EUR	100.00%	VK	
Straatbaksteen Nederland B.V.	Zaltbommel	18,000	EUR	100.00%	VK	
Wienerberger Limited	**Cheshire**	**81,120,552**	**GBP**	**100.00%**	**VK**	
Galileo Brick Limited	Cheshire	2,000,000	GBP	100.00%	VK	
Chelwood Group Unlimited	Cheshire	5,975,506	GBP	100.00%	VK	
The Brick Business Limited	Cheshire	900,002	GBP	100.00%	VK	
Building Trade Products Limited (in Liquidation)	Cheshire	1	GBP	100.00%	VK	
Galileo Trustee Limited (in Liquidation)	Cheshire	1	GBP	100.00%	VK	
Sandtoft Roof Tiles Limited	Cheshire	11,029	GBP	100.00%	VK	
Sandtoft Trading Limited (in Liquidation)	Cheshire	1,000	GBP	100.00%	VK	
Baggeridge Brick Limited (in Liquidation)	Cheshire	10,326,404	GBP	100.00%		
Rudgwick Brick Limited (in Liquidation)	Cheshire	2	GBP	100.00%		
WIENERBERGER PARTICIPATIONS SAS	**Achenheim**	**36,000,000**	**EUR**	**100.00%**	**VK**	
WIENERBERGER SAS	Achenheim	75,000,000	EUR	100.00%	VK	
Briqueterie de Rouffach SAS	Rouffach	336,120	EUR	100.00%	VK	
Wienerberger A/S	**Helsinge**	**10,000,000**	**DKK**	**100.00%**	**VK**	
Wienerberger AS	Oslo	43,546,575	NOK	100.00%	VK	
Wienerberger AB	Malmö	17,550,000	SEK	100.00%	VK	
General Shale Brick Inc.	**Johnson City**	**1,000**	**USD**	**100.00%**	**VK**	
General Shale Building Materials, Inc.	Johnson City	1,000	USD	100.00%	VK	
General Shale Canada Acquisitions Inc.	**Halifax**	**28,500,000**	**CAD**	**100.00%**	**VK**	
Arriscraft International LP	Cambridge	1	CAD	100.00%	VK	
General Shale Canada GP Inc.	Halifax	1	CAD	100.00%	OK	1)
Wienerberger EOOD	**Sofia**	**12,500,000**	**BGN**	**100.00%**	**VK**	
Uspeh AD	Sofia	2,141,220	BGN	99.66%	VK	

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
OOO "Wienerberger Kirpitsch"	**Kiprevo**	**612,694,577**	**RUB**	**81.94%**	**VK**	
OOO "Wienerberger Kurkachi"	Kurkachi	650,036,080	RUB	81.94%	VK	
OOO "Wienerberger Investitions- und Projektmanagement"	Kiprevo	356,000	RUB	99.82%	VK	
Wienerberger OY AB	**Helsinki**	**1,000,000**	**EUR**	**100.00%**	**VK**	
Wienerberger AS	**Aseri**	**1,540,736**	**EUR**	**100.00%**	**VK**	
UAB Wienerberger Statybine Keramika Sp. Z o.o.	**Vilnius**	**10,100**	**LTL**	**100.00%**	**VK**	
Wienerberger India Private Limited	**Bangalore**	**990,000,000**	**INR**	**100.00%**	**VK**	
PIPELIFE International GmbH	**Wien**	**29,000,000**	**EUR**	**100.00%**	**VK**	**2)**
Pipelife Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
PIPELIFE Austria GmbH & Co KG	Wiener Neudorf	4,360,370	EUR	100.00%	VK	
PIPELIFE Austria GmbH	Wiener Neudorf	36,337	EUR	100.00%	VK	
Pipelife Belgium NV	Kalmthout	10,890,000	EUR	100.00%	VK	
Pipelife Bulgaria EOOD	Botevgrad	30,000	BGN	100.00%	VK	
Pipelife Czech s r.o.	Otrokovice	202,971,000	CZK	100.00%	VK	
PIPELIFE Deutschland Asset Management GmbH	Bad Zwischenahn	26,000	EUR	100.00%	VK	
PIPELIFE Deutschland GmbH & Co. KG Bad Zwischenahn	Bad Zwischenahn	5,000	EUR	100.00%	VK	
PIPELIFE Deutschland Verwaltungs-GmbH Bad Zwischenahn	Bad Zwischenahn	5,726,469	EUR	100.00%	VK	
Pipelife Eesti AS	Harjumaa Eesti Vabariik	25,024	EUR	100.00%	VK	
Pipelife Finland OY	Oulu	33,637	EUR	100.00%	VK	
Pipelife France SNC	Aubevoye	21,606,000	EUR	100.00%	VK	
Pipelife Hellas S.A.	Thiva	24,089,735	EUR	100.00%	VK	
Pipelife Hrvatska d.o.o.	Sveta Nedelja	47,171,500	HRK	100.00%	VK	
Pipelife Hungaria Kft.	Debrecen	3,123,520,000	HUF	100.00%	VK	
QUALITY PLASTICS HOLDINGS LTD	Cork	635,000	EUR	100.00%	VK	
PIPELIFE IRELAND LTD	Cork	254	EUR	100.00%	VK	
Kenfern Investments Ltd	Cork	508	EUR	100.00%	OK	1)
Pipelife UK Ltd	Corby	244,001	GBP	100.00%	VK	
Pipelife Latvia SIA	Riga	426,600	EUR	100.00%	VK	
Pipelife Nederland B.V.	Enkhuizen	11,344,505	EUR	100.00%	VK	
Pipelife Finance B.V.	Enkhuizen	18,000	EUR	100.00%	VK	
Pipelife Norge AS	Surnadal	50,000,000	NOK	100.00%	VK	
Pipelife Polska S.A.	Krokowa	112,243,963	PLN	100.00%	VK	
Pipelife Romania S.R.L.	Bucuresti	7,323,115	RON	100.00%	VK	
Pipelife Serbia d.o.o.	Beograd	168,493,895	RSD	100.00%	VK	
Pipelife RUS LLC	Zhukov	104,458,072	RUB	100.00%	VK	
Pipelife Hafab AB	Haparanda	3,000,000	SEK	100.00%	VK	
Pipelife Nordic AB	Ölsremma	167,000,000	SEK	100.00%	VK	
Pipelife Sverige AB	Ljung	3,600,000	SEK	100.00%	VK	
Pipelife Slovenija d.o.o.	Trzin	843,258	EUR	100.00%	VK	
Pipelife Slovakia s r.o.	Piestany	6,700	EUR	100.00%	VK	
Arili Plastik Sanayii A.S.	Pendik/Istanbul	30,590,000	TRY	100.00%	VK	
Pipelife Jet Stream, Inc.	Siloam Springs	0	USD	100.00%	VK	
PJSC Pipelife Ukraine (in Liquidation)	Kyiv	30,000	USD	100.00%	OK	1)

Company	Headquarters	Share capital	Currency	Interest	Type of consolidation	Notes
Wienerberger Dach Beteiligungs GmbH	**Wien**	**500,000**	**ATS**	**100.00%**	**VK**	
WIBRA Tondachziegel Beteiligungs-GmbH	Wien	500,000	ATS	100.00%	VK	
Tondach Beteiligungs GmbH	**Wien**	**200,000**	**EUR**	**100.00%**	**VK**	
TONDACH GLEINSTÄTTEN AG	Gleinstätten	500,000	EUR	82.19%	VK	3)
TONDACH SLOVENSKO, s.r.o.	Nitrianske Pravno	14,937,264	EUR	82.19%	VK	
TONDACH SLOVENIJA d.o.o.	Krizevci pri Ljutomeru	5,195,293	EUR	82.19%	VK	
POTISJE KANJIZA d.d.	Kanjiza	605,394,000	RSD	82.19%	VK	
TONDACH Makedonija d.o.o.	Vinica	349,460,010	MKD	82.19%	VK	
TONDACH BULGARIA EOOD	Sofia	798,400	BGN	82.19%	VK	
TONDACH Česká republika, s.r.o.	Hranice	250,100,000	CZK	82.19%	VK	
TONDACH MAYGARORSZÁG ZRT.	Csorna	5,342,543	HUF	82.19%	VK	
TONDACH ROMANIA SRL	Sibiu	36,137,155	RON	82.19%	VK	
TONDACH HRVATSKA d.d.	Bedekovcina	116,715,500	HRK	82.19%	VK	
TONDACH BOSNA I HERCEGOVINA d.o.o.	Sarajevo	200,000	BAM	65.75%	VK	
STAVMIX plus s.r.o.	Stupava	33,194	EUR	82.19%	OK	1)
DACHMARKET TOV	Uzhgorod	1,058,943	UAH	82.19%	OK	1)
Wienerberger Anteilsverwaltung GmbH	**Wien**	**35,000**	**EUR**	**100.00%**	**VK**	
Tondach Holding GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Industriebeteiligungsverwaltung GmbH	Wien	35,000	EUR	100.00%	VK	
Wienerberger Finance Service B.V.	Zaltbommel	18,151	EUR	100.00%	VK	
Wienerberger Finanz Service GmbH	Wien	25,435,492	EUR	100.00%	VK	
Wienerberger West European Holding GmbH	Wien	35,000	EUR	100.00%	VK	
WK Services NV	Kortrijk	32,226,158	EUR	100.00%	VK	
Dryfix GmbH	Hennersdorf	35,000	EUR	100.00%	VK	
Wienerberger Gamma Asset Management GmbH	Wien	35,000	EUR	100.00%	VK	
Steinzeug-Keramo GmbH	**Frechen**	**18,408,000**	**EUR**	**100.00%**	**VK**	
Steinzeug - Keramo NV	Hasselt	9,400,000	EUR	100.00%	VK	
Keramo-Wienerberger Immo NV	Hasselt	14,068,558	EUR	100.00%	VK	
SOCIETA DEL GRES S.p.A.	Sorisole	2,000,000	EUR	100.00%	VK	
Steinzeug Keramo s.r.o.	České Budějovice	40,000,000	CZK	100.00%	VKE	
Steinzeug - Keramo B.V.	Belfeld	2,722,680	EUR	100.00%	VK	
Steinzeug - Keramo SARL	Angervilliers	38,125	EUR	100.00%	VK	
Steinzeug-Keramo Sp. z.o.o.	Piekary Slaskie	2,000,000	PLN	100.00%	VK	

VK .... Full consolidation
VKE .... First time full consolidation
EQ .... At Equity consolidation
EQE .... First time at equity consolidation
OK............... No consolidation
OKE............. No consolidation (first time)

1) Immaterial
2) Holding company of the Pipelife Group
3) Holding company of the Tondach Group
4) Subsidiary of Schlagmann Poroton GmbH & Co KG

Auditor’s Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Wienerberger AG, Vienna, comprise the consolidated balance sheet as of **31 December 2015**, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year then ended, and the notes.

Management’s Responsibility for the Consolidated Financial Statements

The Company’s management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing – ISA. In accordance with International Standards on Auditing, we are required to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Group’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company’s position. The auditor’s report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 23 February 2016

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by

Lieve Van Utterbeeck
Wirtschaftsprüferin
(Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid. The consolidated financial statements together with our auditor’s opinion may only be published if the consolidated financial statements and the management report for the Group are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

Glossary

Acquisition Expenditure for the purchase of a company or share in a company (vs. investment – see below)

ADR American Depository Receipt: deposit certificates that confirm ownership of a foreign stock and are traded on US stock exchanges or over-the-counter as shares; US banks buy stock and issue ADR's in order to give foreign companies access to the US capital market

Asset coverage Equity divided by non-current assets; indicates to what percent land, buildings, machinery etc. are covered by equity

ATX Abbreviation for the "Austrian Traded Price Index" of the Vienna Stock Exchange

Bearer shares Shares that are not issued to a specific person; the rights to these securities accrue to the person who holds them

CAGR Compound Annual Growth Rate

Capital Employed (CE) Equity plus interest-bearing debt (incl. net inter-company balance) less liquid funds and financial assets; the sum of capital engaged in a company

Capital Employed, historical Capital employed at historical purchase prices; capital employed plus accumulated depreciation

CFROI Cash Flow Return on Investment; ratio of operating EBITDA to average historical capital employed

Clay blocks Bricks made of burned clay, which are normally used as perforated bricks under plaster

Clay roof tiles Roof tiles made of burned clay in various shapes and colors

Common shares Shares that carry full rights in a stock corporation (including participation in the Annual General Meetings, voting rights and dividend rights)

Corporate governance Rules for the responsible management and control of companies that are set forth in the Austrian Corporate Governance Code

Covenant (financial) A clause in a credit agreement that obliges the borrower not to exceed or fall below a specific indicator

Cross currency swap Agreement between contract partners to exchange cash flows in two different currencies over a certain period of time; a hedge against foreign currency fluctuations

CVA Cash Value Added; operating EBITDA - (average historical capital employed x hurdle rate)

Deferred taxes The result of timing differences in the valuation of individual company financial statements prepared according to IFRS and tax law

Depreciation, economic The value that must be earned each year in order to cover expenses for replacement investments at the end of an asset's useful life

Depreciation ratio Depreciation (excluding impairment charges to goodwill and assets) as a percentage of revenues

EBIT Earnings before interest and taxes, or operating profit

EBITDA Earnings before interest, taxes, depreciation and amortization, or operating profit before depreciation and amortization = gross cash flow

EBITDA margin EBITDA divided by revenues

Equity method Valuation method used for the consolidation of investments between 20% and 50% in other companies

Equity ratio Equity divided by total assets

EVA Economic Value Added, or the difference between the return on capital employed and cost of capital; average capital employed x (ROCE - WACC)

Facing brick External non-load bearing brick layer of a two-layer building wall (face wall – air layer below/above insulation – rear wall)

Forward exchange contract Foreign exchange transaction that is not realized at conclusion of the relevant contract, but at a later point in time; a hedge against exchange rate fluctuations

Free cash flow Cash flow from operating activities less cash flow from investing activities + growth capex; the amount of cash earned in the current year that is available for growth projects, dividends and the repayment of debt or share buy-backs

Free float company Publicly traded corporation with a majority share of free float

GARP investor Growth at a reasonable price; investor who aims to identify only those growth stocks that meet his/her criteria for buying at reasonable prices

Gearing Debt indicator; financial liabilities less liquid funds (securities, cash on hand and in banks, net intra-Group receivables/ liabilities) divided by equity including non-controlling interests; an indicator of financial security

Goodwill Surplus of the price paid for a company over the net assets acquired

Hedging Measures used in the management of financial risk to limit or avoid negative market changes in the areas of interest rates, foreign currency, market values or raw materials

Hurdle rate Return that must be earned to cover the cost of capital and economic depreciation;WACC before tax + economic depreciation (see above)

Hybrid capital Subordinated perpetual corporate bond, which is ranked between equity and debt as mezzanine capital

IFRS International Financial Reporting Standards

Interest cover operating EBIT divided by interest result; indicates the number of times operating income will cover interest result

Interest rate swap Agreement to exchange cash flows with different terms over a specific period of time; these cash flows are based on fixed and variable interest rates; provides security against interest rate fluctuations

Investments Additions to plant, property and equipment and intangible assets (vs. acquisitions – see above)

Joint venture Agreement by two or more companies to jointly operate a business enterprise

LLLD (Long Length Large Diameter Pipes)
Pipes for industrial facilities with a diameter of up to 2.5 meters and a length of up to 600 meters

Long-term incentive (LTI) program
A long-term variable remuneration program for the Managing Board and key Group managers to synchronize management goals with shareholders' interests

Net debt Net sum of financial liabilities less cash and cash at bank and securities

NF Abbreviation for "Normalformat", the standard size for clay blocks (250 x 120 x 65 mm)

NOPAT Net operating profit after tax, or operating profit less taxes and adjusted taxes (tax effects from financial results)

Operating EBIT EBIT adjusted for non-recurring income and expenses

Operating EBITDA EBITDA adjusted for non-recurring income and expenses

Paver Product made of clay or concrete, which is used in the design of gardens and public areas

PE Polyethylene, a synthetic material

PP Polypropylene, a synthetic material

Preferred shares Shares that are senior to common shares based on special rights conveyed by the articles of association

PVC Polyvinyl chloride, a synthetic material

P/E ratio Price/earnings ratio; an indicator for the market valuation of a stock

Rating Standardized evaluation of the credit standing of a company, which indicates the probability of insolvency or delayed payments

Registered shares Shares issued in the name of the shareholder; the owner is listed in the company's share register

Return on equity Net profit divided by equity, or the rate of return on shareholders' investments

ROCE Return on capital employed, or NOPAT divided by average capital employed = net yield on capital employed

Translation risk Arises from the conversion of foreign currency items on the balance sheet; these foreign exchange fluctuations are not offset by balance sheet items in the same currency

Treasury Staff function to safeguard the financing, cash management and financial risk management of a company

UGB "Unternehmensgesetzbuch" (the Austrian Corporate Code)

WACC Weighted average cost of capital, or the average price a company must pay on financial markets for equity and debt

WF Abbreviation for "Waalformat", the standard size for a facing brick (210 x 100 x 50 mm)

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Financial Calendar

January 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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Vienna Stock Exchange	WIE
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

Ten Year-Review

Corporate Data		2006	2007	2008	2009
Revenues	in € mill.	2,225.0	2,477.3	2,431.4	1,816.9
EBITDA	in € mill.	476.6	551.2	396.6	157.5
Operating EBITDA	in € mill.	471.9	551.2	440.1	208.6
Operating EBITDA margin	in %	21.2	22.3	18.1	11.5
EBIT	in € mill.	297.5	353.1	158.1	-258.1
Operating EBIT	in € mill.	303.1	353.1	239.8	19.0
Profit before tax	in € mill.	277.3	358.4	123.1	-295.6
Profit after tax	in € mill.	218.3	295.8	103.3	-258.7
Free Cash flow	in € mill.	272.1	293.8	195.4	250.8
Total investments	in € mill.	530.4	645.6	505.6	134.2
Net debt	in € mill.	1,159.8	566.8	890.2	408.0
Capital employed	in € mill.	2,598.2	3,060.2	3,252.2	2,816.8
Gearing	in %	72.9	21.2	35.6	16.0
Interest cover 3) 5)		6.2	8.2	5.7	0.5
Return on equity 4)	in %	13.7	11.1	4.1	-10.2
ROCE 5)	in %	9.4	10.1	6.2	0.2
EVA® 5)	in € mill.	45.7	72.8	-27.8	-207.3
CFROI 5)	in %	12.6	13.0	9.3	4.3
CVA 5)	in € mill.	23.8	42.8	-103.0	-353.8
Ø Employees		13,639	14,785	15,162	12,676

Stock Exchange Data		2006	2007	2008	2009
Earnings per share	in €	2.95	3.46	0.81	-3.17
Adjusted earnings per share	in €	3.02	3.46	1.69	-0.34
Dividend per share	in €	1.30	1.45	0.00	0.00
Dividend	in € mill.	95.3	120.5	0.0	0.0
Equity per share 6)	in €	21.7	28.9	24.2	22.5
Share price at year-end	in €	45.00	37.93	11.90	12.78
Shares outstanding (weighted) 7)	in 1,000	73,309	75,491	82,895	91,297
Market capitalization at year-end	in € mill.	3,337.6	3,184.1	999.0	1,502.0

Condensed Balance Sheet		2006	2007	2008	2009
Non-current assets	in € mill.	2,531.6	2,915.8	3,011.0	2,726.0
Inventories	in € mill.	509.8	669.8	720.0	552.4
Other assets	in € mill.	632.9	744.3	652.9	809.0
Balance sheet total	in € mill.	3,674.3	4,329.9	4,383.9	4,087.4
Equity 8)	in € mill.	1,591.4	2,672.7	2,497.2	2,547.0
Provisions	in € mill.	177.5	188.4	190.0	187.9
Liabilities	in € mill.	1,905.4	1,468.8	1,696.7	1,352.5

1) The figures for the year 2014 were restated in accordance with IAS 8.
2) The data were adjusted to reflect a change in accounting policy
3) Operating EBIT / Interest result
4) Profit after tax / Equity
5) 2014 and 2012 calculated on pro-forma 12-month basis
6) Equity including non-controlling interests; excluding hybrid capital
7) Adjusted for treasury stock
8) Equity including non-controlling interest and hybrid capital

2010 [2]	2011 [2]	2012	2013	2014 [1]	2015	CAGR 2006-2015
1,663.6	1,915.4	2,355.5	2,662.9	2,834.5	2,972.4	3%
198.3	240.4	216.7	275.9	317.2	369.7	-3%
198.3	240.4	245.5	266.5	317.2	369.7	-3%
11.9	12.6	10.4	10.0	11.2	12.4	
4.6	37.5	-21.7	64.7	-165.1	163.1	-6%
4.6	40.0	31.0	55.3	100.2	167.6	-6%
-42.5	47.4	-36.2	-3.1	-215.3	107.0	-10%
-35.4	39.4	-40.5	-7.8	-229.7	69.8	-12%
170.5	135.0	163.6	92.9	134.0	135.1	-7%
143.5	151.7	268.7	106.7	163.1	147.8	-13%
362.3	358.8	602.0	538.9	621.5	534.1	-8%
2,718.4	2,652.1	2,931.3	2,767.6	2,591.9	2,569.9	0%
14.5	14.8	25.5	23.9	31.3	26.0	
0.1	1.1	0.6	1.0	1.9	4.0	
-1.4	1.6	-1.7	-0.3	-11.6	3.4	
0.0	0.9	0.4	1.3	2.7	4.5	
-183.8	-163.3	-192.2	-161.4	-125.0	-71.6	
4.2	5.0	5.2	5.1	6.0	6.7	
-348.6	-313.7	-331.8	-335.8	-296.7	-265.4	
11,296	11,893	13,060	13,787	14,836	15,813	2%

2010 [2]	2011 [2]	2012	2013	2014 [1]	2015	CAGR 2006-2015
-0.58	0.07	-0.61	-0.34	-2.26	0.31	-22%
-0.58	0.09	-0.25	-0.40	0.03	0.35	-21%
0.10	0.12	0.12	0.12	0.15	0.20	-19%
11.7	13.8	13.8	13.8	17.5	23.4	-14%
17.3	16.6	16.3	15.3	12.9	13.4	-5%
14.29	6.97	6.93	11.53	11.45	17.09	-10%
116,528	116,762	115,063	115,063	116,017	116,956	5%
1,679.5	819.2	814.3	1,354.5	1,345.1	2,008.5	-5%

2010 [2]	2011 [2]	2012	2013	2014 [1]	2015	CAGR 2006-2015
2,708.1	2,611.4	2,800.8	2,610.0	2,433.8	2,426.3	0%
555.9	576.6	700.9	666.0	701.4	753.3	4%
737.3	803.4	638.0	935.4	695.8	512.0	-2%
4,001.3	3,991.4	4,139.7	4,211.4	3,831.0	3,691.6	0%
2,503.3	2,430.8	2,363.7	2,254.2	1,986.5	2,054.2	3%
205.3	197.2	265.9	224.5	253.5	290.3	6%
1,292.7	1,363.4	1,510.1	1,732.7	1,591.0	1,347.1	-4%

If you want to learn more about Wienerberger,
and there is no order card attached, you can ask for our
annual and quarterly reports or add your name to our
mailing list by contacting us at T +43 1 601 92 10221
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Next Generation

Success Stories: The Customers

Wienerberger Annual Report 2015
www.wienerberger.com

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Concept, Design and Realization
Brainds, Marken und Design GmbH
Text pages 68–71, 77, 80–86, 88–205
Produced in-house using FIRE.sys

Illustrations
Stefanie Hilgarth/carolineseidler.com
Photos
Pilo Pichler (Portraits and object photography *Success Stories*),
Luc Boegly, Andi Bruckner, Christophe Guerin, Eduard Hueber,
Kurt Keinrath, Gerhard Zwickert

Translation
Conference Consulting, Project manager Eva Fürthauer

The Annual Report and Annual Financial Statements for 2015, which were released on March 25, 2016 and presented at the 147th Annual General Meeting on May 12, 2016 in Vienna, are also availabe for download under www.wienerberger.com.

Available in German and English.

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PEFC/06-39-10
PEFC certified
This product is from sustainably managed forests and controlled sources
www.pefc.at

Production: Lindenau Productions, Print: Grasl FairPrint