



**It's getting  
warmer.**

<b>Earnings Data</b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>	<b>Year-end 2010</b>
Revenues	<i>in € mill.</i>	279.5	395.1	+41	1,744.8
Operating EBITDA <sup>1)</sup>	<i>in € mill.</i>	-22.6	11.8	>100	210.8
EBIT	<i>in € mill.</i>	-69.5	-36.3	+48	10.7
Profit before tax	<i>in € mill.</i>	-79.1	-48.2	+39	-40.8
Profit after tax <sup>2)</sup>	<i>in € mill.</i>	-69.0	-45.1	+35	-34.9
Earnings per share	<i>in €</i>	-0.68	-0.45	+34	-0.57
Free cash flow <sup>3)</sup>	<i>in € mill.</i>	-118.6	-103.0	+13	176.8
Maintenance capex	<i>in € mill.</i>	9.1	20.9	>100	61.7
Growth investments	<i>in € mill.</i>	11.0	1.2	-89	88.1

<b>Balance Sheet Data</b>		<b>31.12.2010</b>	<b>31.3.2011</b>	<b>Chg. in %</b>
Equity <sup>4)</sup>	<i>in € mill.</i>	2,525.7	2,413.7	-4
Net debt	<i>in € mill.</i>	374.5	529.9	+41
Capital employed	<i>in € mill.</i>	2,779.5	2,827.2	+2
Balance sheet total	<i>in € mill.</i>	4,059.3	3,904.6	-4
Gearing	<i>in %</i>	14.8	22.0	+49
Employees <sup>5)</sup>		11,848	12,122	+2

<b>Stock Exchange Data</b>		<b>1-12/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Share price high	<i>in €</i>	16.18	16.56	+2
Share price low	<i>in €</i>	9.55	12.70	+33
Share price at end of period	<i>in €</i>	14.29	14.22	0
Shares outstanding (weighted) <sup>6)</sup>	<i>in 1,000</i>	116,528	117,413	+1
Market capitalization at end of period	<i>in € mill.</i>	1,679.5	1,671.2	0

<b>Operating Segments 1-3/2011</b>	<b>Central-East Europe <sup>7)</sup></b>		<b>Central-West Europe <sup>8)</sup></b>		<b>North-West Europe <sup>8)</sup></b>	<b>North America</b>	<b>Investments and Other <sup>7) 9)</sup></b>			
<i>in € mill. and %</i>										
Revenues	88.2	(+47%)	78.6	(+42%)	190.5	(+34%)	25.8	(-7%)	12.0	(>100%)
Operating EBITDA <sup>1)</sup>	0.5	(>100%)	-2.8	(+51%)	21.9	(>100%)	-5.3	(-39%)	-2.5	(+53%)
EBIT	-15.6	(+46%)	-10.1	(+26%)	5.4	(>100%)	-10.9	(-16%)	-5.1	(+23%)
Total investments	7.0	(+59%)	5.7	(+21%)	7.2	(-20%)	1.5	(-17%)	0.7	(>100%)
Capital employed	793.8	(-7%)	370.8	(-7%)	1,122.7	(-2%)	471.6	(-9%)	68.3	(+89%)
Employees <sup>5)</sup>	4,194	(-6%)	1,994	(+1%)	4,117	(+4%)	1,134	(+2%)	683	(>100%)

1) Adjusted for non-recurring income and expenses

2) Before non-controlling interests and accrued hybrid coupon

3) Cash flow from operating activities minus cash flow from investing activities plus growth investments

4) Equity including non-controlling interests and hybrid capital

5) Average number of employees for the year

6) Adjusted for treasury stock

7) East European holding companies are reported under the Investments and Other segment beginning in 2011 (previously: Central-East Europe); comparable figures from the prior year period were adjusted accordingly

8) The cross border trading activities of the Netherlands and Germany are reported under North-West Europe beginning in 2011 (previously: Central-West Europe); comparable figures from the prior year period were adjusted accordingly

9) Including Group eliminations and holding costs; offset of inter-company sales in this segment

Note: In the table of the operating segment data, changes in % to the comparable prior year period are shown in brackets.

# Chief Executive's Review

*Dear Shareholders,*

I am very pleased to report a substantial improvement in revenues and earnings for the Wienerberger Group during the first quarter of 2011. Better weather in Europe supported strong volume growth in all regions. Our expectations for a positive trend in new residential construction were also confirmed in a number of Western European countries, above all Germany, France and Belgium. We not only increased volumes over the difficult first three months of 2010, but also exceeded first quarter 2009 revenues in our divisions Central-West and North-West Europe. Revenues and earnings only fell below first quarter of 2010 in North America, where the still challenging market environment was negatively affected by a severe winter in many regions.

Wienerberger recorded a 41% increase in revenues to € 395.1 million for the first three months of 2011. The price effect at the Group level was a very moderate -1%, despite considerably lower average prices in Central-East Europe compared with the first quarter of 2010. This underscores the success of our customer-oriented strategy with its focus on innovative and premium products for energy-efficient and sustainable construction: a shift in product mix to value-added products moderated the negative price effect. In contrast, foreign exchange effects had a positive impact of 1% on revenues. Operating EBITDA improved significantly from € -22.6 million in the previous year to € 11.8 million and, above all, due to lower standstill costs.

Business in the first quarter is heavily influenced by the weather, and – as a result – the coming quarters will not show comparable growth. However, I see an increase in volumes at the Group level for 2011 as well as a year-on-year improvement in capacity utilization. Our West European countries will serve as the driver for this growth. I expect rising demand for building materials in Germany, France, Belgium and Switzerland, which together generate more than one-third of our revenues. In Poland I am optimistic that new residential construction will continue to grow, and slight recovery over the low prior year level is also forecasted for the Czech Republic and Russia. In Romania, Bulgaria and Southeast Europe, I cannot exclude further volume declines because of the challenging market environment. Caution is currently the keyword for any assessment of the North American market. We are anticipating a slight decline in new residential construction during the first half of 2011, but moderate recovery appears possible during the second six months of the year.

For the full year I expect a substantial improvement in operating EBITDA and positive net profit for the Group. We will continue our market- and customer-oriented strategy with its focus on energy-efficient and sustainable new housing construction – utilizing our strong operating base and our premium products – to realize operating growth above the building materials industry in all regions and to meet our earnings targets.



*Heimo Scheuch,  
Chief Executive Officer of  
Wienerberger AG*

**Revenues increase 41%  
to € 395.1 million,  
operating EBITDA  
improves from € -22.6  
million in prior year to  
€ 11.8 million**

**Full-year volume growth  
expected at Group level**

**Clear increase in operating  
EBITDA and positive net  
profit expected for 2011**

Yours  
A handwritten signature in black ink, appearing to read 'Heimo Scheuch', written over a white background.

# Interim Management Report

## FINANCIAL REVIEW

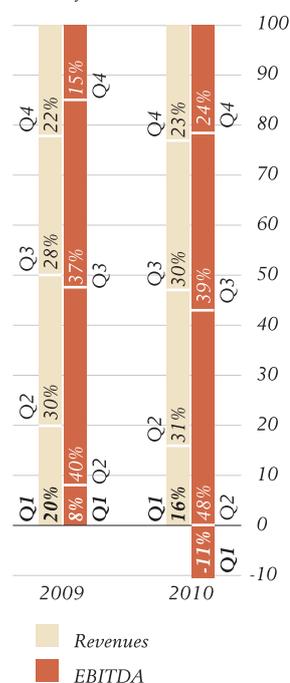
### Earnings

Weather-related sound demand supported a 41% increase in revenues to € 395.1 million for the first three months of 2011. This development was related entirely to higher volumes, since the moderate negative price effect of -1% was offset by positive foreign exchange effects of 1% from the strong Swiss franc and the British pound. Growth was driven by solid volume increases in most European countries, while in North America, which was affected by a severe winter during the first three months of 2011 and a still challenging market environment, revenues remained below the comparable prior year period. The price effect at the Group level was only slightly negative, despite a year-on-year average price decline in Eastern Europe, and is explained by moderately higher prices in Western Europe and, above all, by a shift in the product mix to premium products.

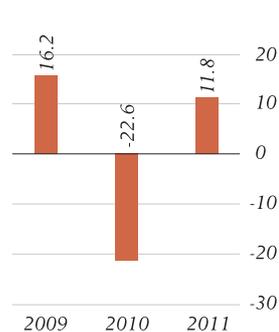
Operating EBITDA improved significantly from € -22.6 million to € 11.8 million as the result of higher capacity utilization and a related decline in standstill costs. This development was also reflected in the gross margin, which rose from 14% in the first quarter of 2010 to 25% in the first quarter of 2011.

The lower financial results of € -11.9 million (2010: € -9.6 million) resulted primarily from a decline in income from associates (Tondach Gleinstätten and Pipelife Group). Profit before tax improved to € -48.2 million, compared with € -79.1 million in the first quarter of the previous year. The tax rate amounted to 6.4% for the reporting period (2010: 12.7%). Earnings per share equaled € -0.45 (2010: € -0.68) after an adjustment for the accrued hybrid coupon.

Revenues and operating EBITDA as a % of 100



Operating EBITDA Q1 in € mill.



### Cash Flow

The improvement in earnings led to a significant € 27.2 million quarter-on-quarter rise in gross cash flow to € 8.1 million for the reporting period. Seasonal factors were responsible for an increase in working capital, which resulted in negative cash flow of € 98.6 million from operating activities. Cash outflows for investments and acquisitions totaled € 22.1 million and roughly matched the prior year level (€ 20.1 million). At € 20.9 million nearly all of these expenditures represented maintenance capex (maintenance, replacement and rationalization investments). Cash flow from financing activities comprised the € 32.5 million payment for the hybrid coupon as well as the repurchase of a further € 18.0 million from the bond issued in 2005.

### Asset and Financial Position

Group equity declined following the payment of the € 32.5 million hybrid coupon in February 2011 and from negative after-tax earnings for the first three months. These effects were increased by negative currency translation differences of € 36.7 million that were recognized directly in equity and resulted primarily from the US dollar and the British pound. In total, Group equity fell by € 112.0 million to € 2,413.7 million. Net debt rose from € 374.5 million on December 31, 2010 to € 529.9 million for seasonal reasons, and resulted in gearing of 22%.

## OPERATING SEGMENTS

### Central-East Europe

Central-East Europe recorded the strongest volume growth of the Wienerberger segments in the first quarter, with all product groups exceeding the market- and weather-related very low prior year level. In this region 52% more clay blocks, 60% more roof tiles and 54% more pavers were sold than in the first quarter of 2010. This growth was driven by Poland, Czech Republic, Hungary and Russia, while Slovakia and the Baltic States reported moderate volume improvements. In contrast, demand was reserved in Romania, Bulgaria and Southeast Europe. Revenues rose by 47% to € 88.2 million based on lower average prices, and operating EBITDA reached € 0.5 million (2010: € -12.8 million) due to better capacity utilization.

**Weather-related significant volume improvements in Central-East Europe from very low prior year level**

Visibility over the development of new residential construction is still limited in most countries of this region because of the strong influence of the weather on the first quarter. In Poland we are optimistic that the positive trend will continue from the second-half of 2010 and we expect slightly higher demand for building materials for the full year. There are signs of a turnaround on the new residential construction markets in the Czech Republic and Russia that lead to expectations of modest recovery in 2011. The market environment in Bulgaria, Romania and Southeast Europe remains difficult, and a further decline in revenues and earnings cannot be excluded.

**Visibility in Eastern Europe limited; continuing positive trend in Poland expected**

<b>Central-East Europe <sup>1)</sup></b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Revenues	<i>in € mill.</i>	59.8	88.2	+47
Operating EBITDA <sup>2)</sup>	<i>in € mill.</i>	-12.8	0.5	>100
EBIT	<i>in € mill.</i>	-28.9	-15.6	+46
Total investments	<i>in € mill.</i>	4.4	7.0	+59
Capital employed	<i>in € mill.</i>	853.6	793.8	-7
Ø Employees		4,483	4,194	-6

1) East European holding companies are reported under the Investments and Other segment beginning in 2011 (previously: Central-East Europe); comparable figures from the prior year period were adjusted accordingly

2) Adjusted for non-recurring income and expenses

### Central-West Europe

Revenues in Central-West Europe totaled € 78.6 million for the first three months of 2011 (2010: € 55.4 million). This represents a 42% increase over the comparable prior year period as well as a clear improvement over the first quarter of 2009. Recovery on the new residential construction market in Germany and higher demand for building materials in Switzerland led to a substantial year-on-year increase in volumes of clay blocks and roof tiles. Italy remained weak, with revenues only slightly higher than the previous year. Operating EBITDA improved significantly to € -2.8 million (2010: € -5.7 million), but was still negatively influenced by standstill costs at the beginning of the year.

**Revenues in Central-West Europe increased 42%**

For the full year we expect a continuation of the positive trends in single- and multi-family housing construction on the German and Swiss markets and a resulting slight volume increase for clay blocks and roof tiles. In Italy, the market environment will be characterized by continued strong competition and a further decline in the demand for building materials is possible.

**Continued recovery expected for new residential construction in Germany**

<b>Central-West Europe <sup>1)</sup></b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Revenues	<i>in € mill.</i>	55.4	78.6	+42
Operating EBITDA <sup>2)</sup>	<i>in € mill.</i>	-5.7	-2.8	+51
EBIT	<i>in € mill.</i>	-13.6	-10.1	+26
Total investments	<i>in € mill.</i>	4.7	5.7	+21
Capital employed	<i>in € mill.</i>	400.3	370.8	-7
Ø Employees		1,974	1,994	+1

1) The cross border trading activities of the Netherlands and Germany are reported under North-West Europe beginning in 2011 (previously: Central-West Europe); comparable figures from the prior year period were adjusted accordingly

2) Adjusted for non-recurring income and expenses

## North-West Europe

In North-West Europe revenues increased 34% to € 190.5 million and operating EBITDA more than quadrupled over the first quarter of 2010 to € 21.9 million. This growth was driven by Belgium and France, where significantly higher volumes were recorded in all product groups. Favorable weather also supported double-digit volume growth in the Netherlands, Great Britain and Scandinavia. Slightly higher average prices in annual comparison, which resulted in part from a shift in the product mix to premium products and substantially lower standstill costs due to better capacity utilization, led to this substantial earnings improvement.

The demand for building materials in Belgium and France should increase throughout 2011. We expect stable volume development in Great Britain and Scandinavia, while the market in the Netherlands should remain challenging. Better capacity utilization is expected to lead to higher margins in this segment.

<b>North-West Europe <sup>1)</sup></b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Revenues	<i>in € mill.</i>	141.7	190.5	+34
Operating EBITDA <sup>2)</sup>	<i>in € mill.</i>	5.0	21.9	>100
EBIT	<i>in € mill.</i>	-11.0	5.4	>100
Total investments	<i>in € mill.</i>	9.0	7.2	-20
Capital employed	<i>in € mill.</i>	1,146.3	1,122.7	-2
Ø Employees		3,958	4,117	+4

1) The cross border trading activities of the Netherlands and Germany are reported under North-West Europe beginning in 2011 (previously: Central-West Europe); comparable figures from the prior year period were adjusted accordingly

2) Adjusted for non-recurring income and expenses

## North America

North America was the only segment to record a first quarter decline in revenues and earnings below the weak prior year level. In addition to the still unfavorable market environment, the main reason was another severe winter that allowed only limited construction activity in many regions. Revenues in this segment totaled € 25.8 million, or 7% less than the comparable prior year value of € 27.8 million, and operating EBITDA fell to € -5.3 million based on stable average prices but against the backdrop of further standstill costs.

**Operating EBITDA in North-West Europe more than quadruples over prior year**

**Rising demand for building materials expected in Belgium and France during 2011**

**Severe winter and weak new residential construction led to slight revenue decline in North America**

Visibility over the further development of the US-markets is currently very limited. We expect a slight decline in construction during the first half of 2011, but moderate recovery appears possible during the second six months.

**Forecasts for US construction difficult due to limited visibility**

<b>North America</b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Revenues	<i>in € mill.</i>	27.8	25.8	-7
Operating EBITDA <sup>1)</sup>	<i>in € mill.</i>	-3.8	-5.3	-39
EBIT	<i>in € mill.</i>	-9.4	-10.9	-16
Total investments	<i>in € mill.</i>	1.8	1.5	-17
Capital employed	<i>in € mill.</i>	518.1	471.6	-9
Ø Employees		1,116	1,134	+2

1) Adjusted for non-recurring income and expenses

## Investments and Other

The Investments and Other segment comprises the corporate headquarters and related costs, brick activities in India and the Group's core investments, including the ceramic pipe specialist Steinzeug, the 50/50 joint venture Pipelife and the 25% stake in Tondach Gleinstätten. Pipelife and Tondach are consolidated at equity and therefore not included in operating results.

**This segment includes the corporate headquarters and core investments**

Revenues in this segment rose from € 2.3 million in the first quarter of 2010 to € 23.2 million in the reporting period, and operating EBITDA improved from € -5.3 million to € -2.5 million. This development is explained, above all, by the initial consolidation of the Steinzeug Group, which was acquired at the end of 2010. Steinzeug is forecasting an increase in revenues and earnings for 2011 based on the current sound level of orders from its core European markets. The Pipelife Group recorded 23% higher revenues for the first three months due to rising demand on nearly all markets as well as a substantial 38% improvement in operating EBITDA that reflected cost savings from the restructuring program implemented during the past year. For 2011, this plastic pipe specialist expects a significant year-on-year improvement in revenues and earnings. This growth will also be supported by the initial consolidation of the plastic pipe division of the French Alphacan, which was acquired in April 2011 and markets pipe systems for drinking water, sanitary applications and waste water disposal. Tondach Gleinstätten recorded higher volumes and revenues in the first quarter, but earnings were still negatively affected by standstill costs at the beginning of the year. For 2011 Tondach Gleinstätten is forecasting a slight improvement in volumes.

**Steinzeug, Pipelife and Tondach Gleinstätten expect higher revenues in 2011**

<b>Investments and Other <sup>1)</sup></b>		<b>1-3/2010</b>	<b>1-3/2011</b>	<b>Chg. in %</b>
Revenues	<i>in € mill.</i>	2.3	23.2	>100
Operating EBITDA <sup>2)</sup>	<i>in € mill.</i>	-5.3	-2.5	+53
EBIT	<i>in € mill.</i>	-6.6	-5.1	+23
Total investments	<i>in € mill.</i>	0.1	0.7	>100
Capital employed	<i>in € mill.</i>	36.1	68.3	+89
Ø Employees		237	683	>100

1) Revenues excluding Group eliminations, earnings including holding company costs; the East European holding companies are reported under the Investments and Other segment beginning in 2011 (previously: Central-East Europe); comparable figures from the prior year period were adjusted accordingly

2) Adjusted for non-recurring income and expenses

# Interim Financial Statements (IFRS)

## Wienerberger Group

### Income Statement

<i>in TEUR</i>	1-3/2011	1-3/2010
Revenues	395,086	279,516
Cost of goods sold	-295,931	-239,381
<b>Gross profit</b>	<b>99,155</b>	<b>40,135</b>
Selling expenses	-99,306	-82,014
Administrative expenses	-32,437	-28,900
Other operating expenses	-13,047	-10,586
Other operating income	9,344	11,890
<b>Profit/loss</b>	<b>-36,291</b>	<b>-69,475</b>
Income from investments in associates	-3,966	-884
Interest and similar income	2,481	3,089
Interest and similar expenses	-11,995	-11,933
Other financial results	1,606	83
<b>Financial results</b>	<b>-11,874</b>	<b>-9,645</b>
<b>Profit/loss before tax</b>	<b>-48,165</b>	<b>-79,120</b>
Income taxes	3,088	10,082
<b>Profit/loss after tax</b>	<b>-45,077</b>	<b>-69,038</b>
Thereof attributable to non-controlling interests	-497	-2,404
Thereof attributable to hybrid capital holders	8,014	8,014
<b>Thereof attributable to equity holders</b>	<b>-52,594</b>	<b>-74,648</b>
<b>Earnings per share (in EUR)</b>	<b>-0.45</b>	<b>-0.68</b>
<b>Diluted earnings per share (in EUR)</b>	<b>-0.45</b>	<b>-0.68</b>

### Statement of Comprehensive Income

<i>in TEUR</i>	1-3/2011			1-3/2010		
	Group	Non-controlling interests	Total	Group	Non-controlling interests	Total
<b>Profit/loss after tax</b>	<b>-44,580</b>	<b>-497</b>	<b>-45,077</b>	<b>-66,634</b>	<b>-2,404</b>	<b>-69,038</b>
Foreign exchange adjustments	-36,296	4	-36,292	72,367	491	72,858
Foreign exchange adjustments to investments in associates	-414	0	-414	2,861	0	2,861
Changes in the fair value of available-for-sale financial instruments	412	0	412	100	0	100
Changes in hedging reserves	1,912	0	1,912	-11,365	0	-11,365
<b>Other comprehensive income <sup>1)</sup></b>	<b>-34,386</b>	<b>4</b>	<b>-34,382</b>	<b>63,963</b>	<b>491</b>	<b>64,454</b>
<b>Total comprehensive income</b>	<b>-78,966</b>	<b>-493</b>	<b>-79,459</b>	<b>-2,671</b>	<b>-1,913</b>	<b>-4,584</b>
Thereof share planned for hybrid capital holders	8,014			8,014		
<b>Thereof comprehensive income attributable to equity holders</b>	<b>-86,980</b>			<b>-10,685</b>		

1) The components of other comprehensive income are reported net of tax.

## Balance Sheet

in TEUR

	31.3.2011	31.12.2010
<b>Assets</b>		
Intangible assets and goodwill	663,043	676,304
Property, plant and equipment	1,828,458	1,872,214
Investment property	58,360	58,231
Investments in associates	110,529	114,909
Other financial assets	5,932	5,715
Deferred tax assets	36,733	32,246
<b>Non-current assets</b>	<b>2,703,055</b>	<b>2,759,619</b>
Inventories	569,287	569,646
Trade receivables	175,386	87,366
Other current receivables	95,363	102,928
Securities and other financial assets	72,638	86,304
Cash and cash equivalents	288,909	453,403
<b>Current assets</b>	<b>1,201,583</b>	<b>1,299,647</b>
<b>Total assets</b>	<b>3,904,638</b>	<b>4,059,266</b>
<b>Equity and Liabilities</b>		
Issued capital	117,527	117,527
Share premium	1,085,605	1,085,605
Hybrid capital	492,896	492,896
Retained earnings	866,789	943,869
Other reserves	-150,163	-115,777
Treasury stock	-3,568	-3,568
<b>Controlling interests</b>	<b>2,409,086</b>	<b>2,520,552</b>
Non-controlling interests	4,630	5,123
<b>Equity</b>	<b>2,413,716</b>	<b>2,525,675</b>
Employee-related provisions	70,492	73,001
Deferred taxes	81,627	79,778
Other non-current provisions	68,845	68,507
Long-term financial liabilities	757,144	775,308
Other non-current liabilities	23,440	22,278
<b>Non-current provisions and liabilities</b>	<b>1,001,548</b>	<b>1,018,872</b>
Other current provisions	62,343	63,245
Short-term financial liabilities	134,336	138,892
Trade payables	155,141	180,974
Other current liabilities	137,554	131,608
<b>Current provisions and liabilities</b>	<b>489,374</b>	<b>514,719</b>
<b>Total Equity and Liabilities</b>	<b>3,904,638</b>	<b>4,059,266</b>

## Changes in Equity Statement

in TEUR	2011			2010		
	Group	Non-controlling interests	Total	Group	Non-controlling interests	Total
<b>Balance on 1.1.</b>	<b>2,520,552</b>	<b>5,123</b>	<b>2,525,675</b>	<b>2,522,616</b>	<b>24,416</b>	<b>2,547,032</b>
Total comprehensive income	-78,966	-493	-79,459	-2,671	-1,913	-4,584
Dividend payments/hybrid coupon	-32,500	0	-32,500	-32,500	0	-32,500
Capital increase/decrease	0	0	0	0	0	0
Increase/decrease in non-controlling interests	0	0	0	0	0	0
Increase/decrease in treasury stock	0	0	0	0	0	0
<b>Balance on 31.3.</b>	<b>2,409,086</b>	<b>4,630</b>	<b>2,413,716</b>	<b>2,487,445</b>	<b>22,503</b>	<b>2,509,948</b>

## Cash Flow Statement

<i>in TEUR</i>	1-3/2011	1-3/2010
Profit/loss before tax	-48,165	-79,120
Depreciation and amortization	48,065	46,854
Impairment of assets	0	0
Write-ups of fixed and financial assets	-2	0
Increase/decrease in long-term provisions	-430	2,699
Income from investments in associates	3,966	884
Income/loss from the disposal of fixed and financial assets	-751	-1,761
Interest results	9,514	8,844
Interest paid	-3,633	-6,281
Interest received	2,299	3,460
Income taxes paid	-2,727	5,372
<b>Gross cash flow</b>	<b>8,136</b>	<b>-19,049</b>
Increase/decrease in inventories	359	-22,004
Increase/decrease in trade receivables	-87,919	-66,512
Increase/decrease in trade payables	-26,529	-2,156
Increase/decrease in other net current assets	13,672	-9,830
Changes in non-cash items resulting from foreign exchange translation	-6,338	7,918
<b>Cash flow from operating activities</b>	<b>-98,619</b>	<b>-111,633</b>
Proceeds from the sale of assets (including financial assets)	1,649	2,648
Purchase of property, plant and equipment and intangible assets	-21,845	-17,418
Payments made for investments in financial assets	-255	-1
Increase/decrease in securities and other financial assets	14,809	-555
Net payments made for the acquisition of companies	0	-2,650
Net proceeds from the sale of companies	0	0
<b>Cash flow from investing activities</b>	<b>-5,642</b>	<b>-17,976</b>
Increase/decrease in long-term financial liabilities	-18,164	48,018
Increase/decrease in short-term financial liabilities	-9,390	-47,056
Dividends paid by Wienerberger AG	0	0
Hybrid coupon paid	-32,500	-32,500
Dividends paid to and other changes in non-controlling interests	0	0
Dividend payments from associates	0	0
<b>Cash flow from financing activities</b>	<b>-60,054</b>	<b>-31,538</b>
<b>Change in cash and cash equivalents</b>	<b>-164,315</b>	<b>-161,147</b>
Effects of exchange rate fluctuations on cash held	-179	1,813
Cash and cash equivalents at the beginning of the year	453,403	449,612
<b>Cash and cash equivalents at the end of the year</b>	<b>288,909</b>	<b>290,278</b>

## Operating Segments

1-3/2011 in TEUR	Central-East Europe <sup>2)</sup>	Central-West Europe <sup>3)</sup>	North-West Europe <sup>3)</sup>	North America	Investments and Other <sup>2) 4)</sup>	Reconciliation <sup>5)</sup>	Wienerberger Group
Third party revenues	87,411	73,780	188,557	25,814	19,135		394,697
Inter-company revenues	756	4,777	1,915	0	4,091	-11,150	389
Total revenues	88,167	78,557	190,472	25,814	23,226	-11,150	395,086
Operating EBITDA <sup>1)</sup>	449	-2,837	21,917	-5,266	-2,489		11,774
EBIT	-15,595	-10,154	5,442	-10,861	-5,123		-36,291
Total investments	7,030	5,672	7,205	1,545	648		22,100
Capital employed	793,789	370,806	1,122,706	471,611	68,276		2,827,188
Ø Employees	4,194	1,994	4,117	1,134	683		12,122

### 1-3/2010

Third party revenues	59,540	51,836	139,920	27,821	330		279,447
Inter-company revenues	270	3,566	1,737	0	1,969	-7,473	69
Total revenues	59,810	55,402	141,657	27,821	2,299	-7,473	279,516
Operating EBITDA <sup>1)</sup>	-12,849	-5,692	4,956	-3,762	-5,274		-22,621
EBIT	-28,869	-13,555	-11,033	-9,372	-6,646		-69,475
Total investments	4,409	4,735	8,990	1,833	102		20,069
Capital employed	853,586	400,370	1,146,263	518,069	36,065		2,954,353
Ø Employees	4,483	1,974	3,958	1,116	237		11,768

1) Adjusted for non-recurring income and expenses

2) The East European holding companies are reported under the Investments and Other segment beginning in 2011 (previously: Central-East Europe); comparable figures from the prior year period were adjusted accordingly

3) The cross border trading activities of the Netherlands and Germany are reported under North-West Europe beginning in 2011 (previously: Central-West Europe); comparable figures from the prior year period were adjusted accordingly

4) The Investments and Other segment includes holding company costs as well as brick activities in India and pipe systems.

5) "Reconciliation" only includes the elimination of intra-group income and expenses.

# Notes to the Interim Financial Statements

## Basis of Preparation

The interim report as of March 31, 2011 was prepared in accordance with the principles set forth in International Financial Reporting Standards, Guidelines for Interim Reporting (IAS 34). The accounting and valuation methods in effect on December 31, 2010 remain unchanged. For additional information on the accounting and valuation principles, see the financial statements as of December 31, 2010, which form the basis for these interim financial statements. Wienerberger manages its business on a regional basis, which gives local operating management responsibility for all products within a country. Segment reporting reflects the regional focus of the Wienerberger Group.

## Consolidation Range

The consolidated financial statements include all major Austrian and foreign companies in which Wienerberger AG has management control or directly or indirectly owns the majority of shares. Joint venture companies of the Schlagmann and Bramac Groups are consolidated on a proportional basis at 50%. At the beginning of February 2011 Wienerberger announced a stock swap with the joint venture partner Monier for the investments in Bramac and Tondach Gleinstätten; however, the approval of the cartel authorities for this transaction was still outstanding as of March 31, 2011.

The Steinzeug Group, which was acquired at the end of December 2010, was initially consolidated as of January 1, 2011 based on preliminary values. Dryfix GmbH, which was previously reported under other financial assets, was also initially consolidated as of January 1, 2011.

Wienerberger acquired Kerafin NV together with its subsidiary Steenfabriek Heylen NV in Belgium at the end of March. The initial consolidation will follow on April 1, 2011.

Changes in the consolidation range increased revenues by TEUR 18,014 and EBITDA by TEUR 2,148 for the period from January 1, 2011 to March 31, 2011.

## Seasonality

The sales volumes recorded by Wienerberger during the first and last months are lower than at mid-year due to the negative impact of the weather on construction activity. These seasonal fluctuations are demonstrated by data from the first or fourth quarters of the year, which generally lie below results for the second and third quarters.

## Wienerberger Hybrid Capital

The TEUR 500,000 hybrid capital is reported as a component of equity, while the coupon payment is shown as part of the use of earnings on the changes in equity statement. The issue costs and the discount were deducted from retained earnings. Wienerberger AG paid a coupon of TEUR 32,500 on February 9, 2011. The proportional share of the accrued coupon interest for the first three months of 2011 equaled TEUR 8,014; this amount was reflected in the calculation of earnings per share and led to a reduction of EUR 0.07 in this ratio.

## Notes to the Income Statement

Group revenues rose by 41% over the comparable prior year period to TEUR 395,086 (2010: TEUR 279,516) for the first three months of 2011. Operating EBITDA amounted to TEUR 11,774, which is TEUR 34,395 higher than the TEUR -22,621 recorded in the first quarter of the previous year.

Operating profit totaled TEUR -36,291, compared with TEUR -69,475 in the prior year. The number of shares outstanding as of March 31, 2011 was 117,526,764.

Wienerberger held 113,603 treasury shares as of the balance sheet date, which were deducted in the calculation of earnings per share. The weighted average number of shares outstanding from January 1, 2011 to March 31, 2011 was 117,413,161.

### **Notes to the Statement of Comprehensive Income**

Negative foreign exchange adjustments of TEUR 36,706 (2010: TEUR 75,719) in the first three months of 2011 resulted above all from the US dollar and the British pound and were offset only slightly by positive effects from East European currencies. The hedging reserve increased equity by TEUR 1,912 after tax during the reporting period (2010: TEUR -11,365), following a positive change in the market value of a net investment hedge. Changes in the fair value of available-for-sale securities totaled TEUR 412 (2010: TEUR 100). The after-tax loss for the first three months reduced equity by TEUR 45,077 (2010: TEUR -69,038). Total comprehensive income after tax decreased equity by TEUR 79,459 (2010: TEUR -4,584).

### **Notes to the Cash Flow Statement**

Gross cash flow clearly exceeded the prior year at TEUR 8,136 (2010: TEUR -19,049) due to a market- and weather related volume increase. Cash outflows of TEUR 22,100 (2010: TEUR 20,069) for investments in non-current assets (including financial assets) and acquisitions included TEUR 20,884 (2010: TEUR 9,109) of maintenance, replacement and rationalization investments (maintenance capex) and TEUR 1,216 (2010: TEUR 10,960) for acquisitions and the construction or expansion of plants (growth investments).

### **Notes to the Balance Sheet**

Maintenance capex and growth investments for the first three months of 2011 increased non-current assets by TEUR 21,845 (2010: TEUR 17,418). Net debt rose by TEUR 155,440 over the level at December 31, 2010 to TEUR 529,933 due to the seasonal increase in working capital. Wienerberger repurchased TEUR 18,000 of the bond issued in 2005 during the first quarter of 2011. Including the amount of buybacks in the course of 2010, this reduces 2012 refinancing requirements to TEUR 241,228.

### **Risk Report**

Wienerberger focuses on the early identification and active management of risks in its operating environment within the context of the principles defined by the Managing Board. The major risks identified by the Group during the first three months of 2011 were higher input costs as well as reserved recovery of the construction industry in individual markets and the resulting pressure on prices. Wienerberger regularly monitors the risks in its operating environment as part of its corporate risk management program and takes appropriate actions to counter these risks whenever necessary. The development of the construction industry and major indicators of the demand for building materials are watched closely to permit the timely adjustment of capacity in the plant network to reflect changing market conditions. The price levels on local markets are also monitored regularly, and pricing strategies are adjusted if necessary. Wienerberger counters the risk of rising input costs by establishing fixed procurement prices at an early point in time and by concluding long-term supply contracts. The risks associated with higher energy costs are reduced through the Group's hedging strategy. The risks expected by Wienerberger during the remaining nine months of this year are linked to increasingly higher input costs, uncertainty over further developments in the construction industry and continued pressure on prices on individual regional markets.

Wienerberger is exposed to legal risks in connection with increasingly strict environmental, health and safety regulations, whereby the Group could become liable for penalties or claims to compensation for damages in the event of non-compliance. In Italy the authorities have launched an investigation into possible environmental pollution at the Wienerberger locations, which has not produced any results to date. In India, Wienerberger is exposed to a risk that previously granted reductions in customs duties may be subsequently disallowed if the related conditions cannot be met. Wienerberger is also exposed to legal risks from an impending antitrust penalty in Germany, for which a provision of TEUR 10,000 was recognized as of December 31, 2008. However, the related proceedings are not expected to start before the end of 2011. It should be noted that

price-fixing agreements are not part of Wienerberger business policies; internal guidelines prohibit such practices and call for sanctions in the event of violations.

### **Related Party Transactions**

The following companies and persons are considered to be related parties: the members of the Supervisory and Managing Boards, associated companies, joint ventures and non-consolidated subsidiaries of Wienerberger AG as well as the ANC private foundation and its subsidiaries.

Wienerberger AG and its subsidiaries finance joint ventures, associated companies and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding receivables due from associates amounted to TEUR 9,319 as of March 31, 2011 (2010: TEUR 9,063). The comparable amounts for non-consolidated subsidiaries and joint ventures were TEUR 15,751 (2010: TEUR 7,733 TEUR) and TEUR 5,841 (2010: TEUR 5,152 TEUR), respectively. Transactions between companies included in the consolidated financial statements and one member of the Supervisory Board of Wienerberger AG are related primarily to clay deliveries of TEUR 28 (2010: TEUR 26), rentals of TEUR 588 (2010: TEUR 714) and license payments of TEUR 2,538 (2010: TEUR 2,454) for the use of brand names.

### **Waiver of Audit Review**

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

### **Statement by the Managing Board**

We confirm to the best of our knowledge that the interim 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 important events that have occurred during the first three months of the financial year and their impact on the interim financial statements, the principal risks and uncertainties for the remaining nine months of the financial year and of the major related party transactions to be disclosed.

The Managing Board of Wienerberger AG

Vienna, May 10, 2011



Heimo Scheuch  
*Chief Executive Officer*



Willy Van Riet  
*Chief Financial Officer*

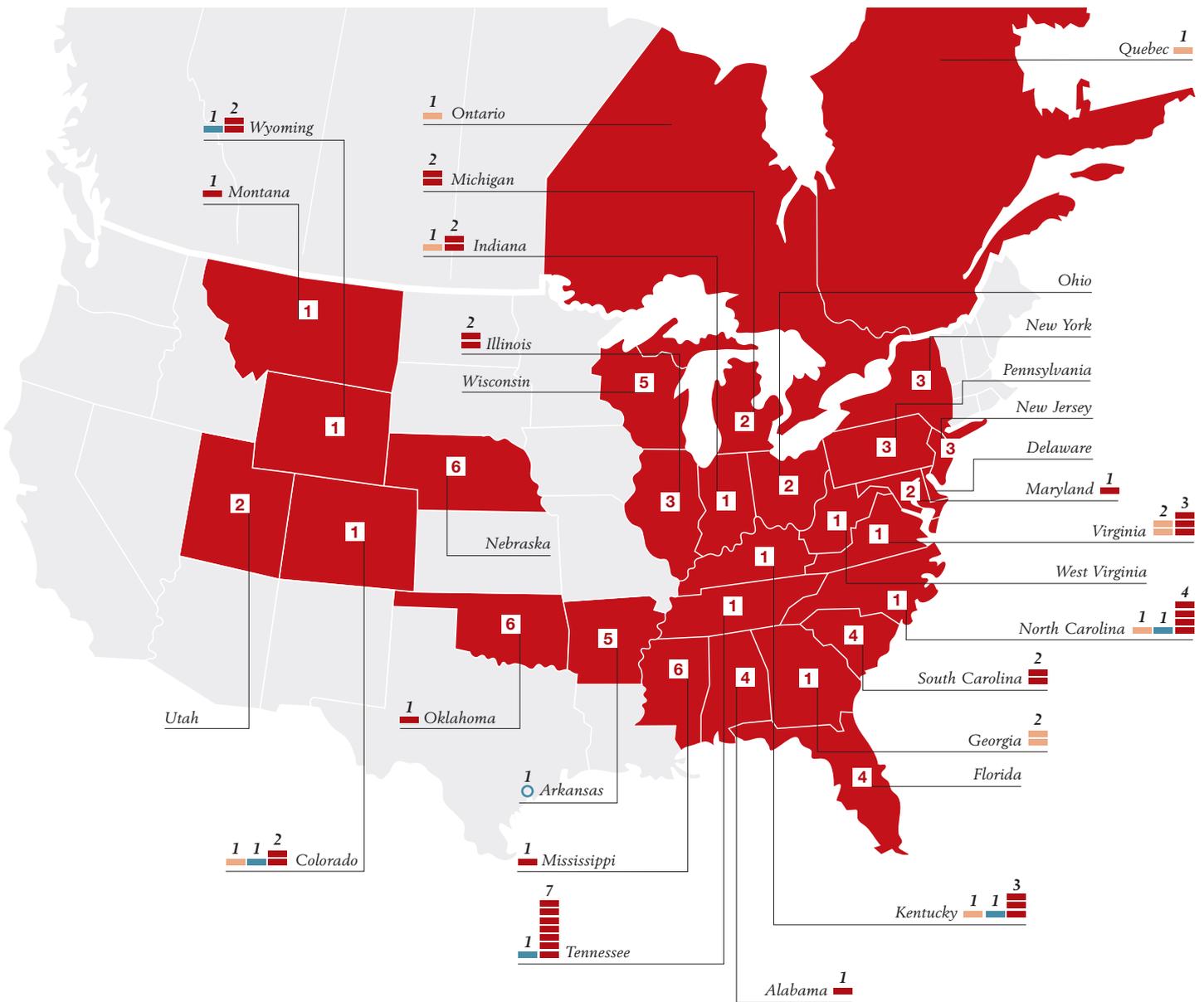


Johann Windisch  
*Chief Operating Officer*

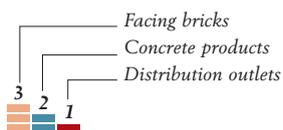
# Plant Sites and Market Positions

Wienerberger is the only multinational producer of bricks and roof tiles, with a total of 216 plants in 27 countries and five export markets, including the newly opened plant in India. We operate 30 plants for the production of pipe systems. We are concentrating on our core expertise and continuously expanding our geographical portfolio. Our focus is placed on the development and expansion of strong positions in the markets in which we are present.

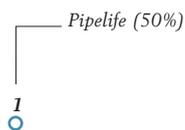
## Wienerberger Markets in North America



### Number of sites



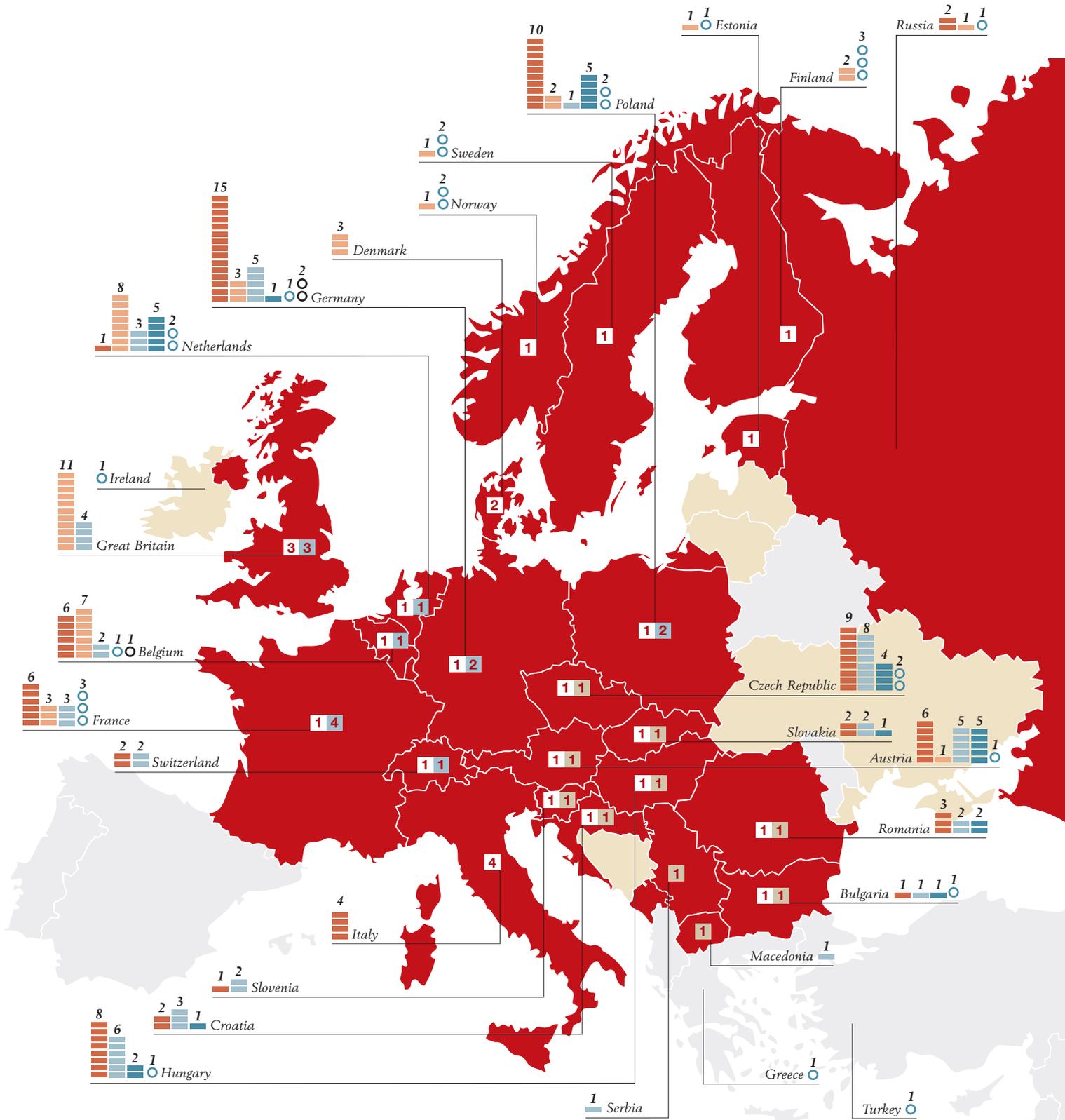
### Number of plants



### Market positions



# Wienerberger Markets in Europe



## Market positions

- 1 Clay blocks and/or facing bricks
- 1 Clay roof tiles
- 1 Joint ventures  
Bramac concrete roof tiles (50%)  
and Tondach Gleinstätten clay roof tiles (25%)

## Number of plants

- 3 Clay blocks
- 2 Facing bricks
- 1 Roofing systems
- 1 Pavers

## Number of plants

- 2 Pipelife (50%)
- 1 Steinzeug

- Markets with plant sites
- Export markets

# Financial Calendar

<i>April 19, 2011</i>	<i>Start of the quiet period</i>
May 10, 2011	First Quarter Results for 2011
May 13, 2011	142nd Annual General Meeting in the Austria Center Vienna
May 17, 2011	Deduction of dividends for 2010 (ex-day)
May 19, 2011	First day of payment for 2010 dividends
<i>July 27, 2011</i>	<i>Start of the quiet period</i>
August 17, 2011	Results for the First Six Months of 2011 Press and Analysts Conference in Vienna
August 18, 2011	Analysts Conference in London
<i>October 19, 2011</i>	<i>Start of the quiet period</i>
November 9, 2011	Third Quarter Results for 2011
Nov./Dec. 2011	Capital Markets Day 2011

## Information on the Company and the Wienerberger Share

Head of Investor Relations	Barbara Braunöck
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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 2010:**  
**<http://annualreport.wienerberger.com>**

The Report on the First Quarter of 2011 is available in German and English.

