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Wienerberger AG: Strong operating performance influenced by non-recurring impairment charges

Vienna (pta021/16.02.2015/19:05) - - Record revenues of Euro 2.8 billion

- Operating EBITDA target exceeded
- Noncash impairment charges prevent return to the profit zone
- Goal for 2015: operating EBITDA of Euro 350 million
- Recommended dividend of Euro 0.15 per share (+ 25% vs. prior year)

Wienerberger AG today announced preliminary results for 2014. It was a very successful year for the Wienerberger Group: although the markets remained challenging, revenues reached an all-time high of Eur 2.8 billion, the highest level ever recorded in the company's history. The internal EBITDA target was also exceeded with a 19% improvement in operating EBITDA to Euro 317 million. The fourth quarter was particularly strong with a year-on-year increase of 9% in revenues to Euro 686 million and 23% in operating EBITDA to Euro 69 million.

Restructuring program completed in 2014

Wienerberger completed the intensive, wide-ranging phase of the restructuring program started in 2012 as scheduled during 2014. This program brought roughly Euro 50 million of cost savings, Euro 17 million alone in 2014. The positive development of earnings was also supported by numerous, ongoing optimization and efficiency improvement measures.

EBIT and net profit negatively affected by nonrecurring impairment charges

Operating EBIT amounted to Euro 100 million after the deduction of Euro 217 million depreciation and amortization. However, earnings were negatively affected by Euro 208 million of nonrecurring impairment charges in the fourth quarter of 2014. EBIT amounted to Euro -107 million after the impairment charges to property, plant and equipment and goodwill.

Slow recovery in the USA leads to impairment charges of Euro 100 million

In the USA, new construction is recovering more slowly than previously expected despite forecasts that point to growth of 9% in Wienerberger's relevant markets for 2015. Current information indicates that the normalized level of 1.5 million housing starts per year will be reached at a later point in time. Moreover, the hoped-for price stabilization did not materialize in 2014. These developments led to the recognition of impairment charges totaling Euro 100 million, whereby Euro 85 million represent impairment charges to goodwill and Euro 15 million impairment charges to property, plant and equipment. Wienerberger still sees an EBITDA potential of Euro 60 million for the North America Division over the long-term and is therefore implementing measures to improve earnings and the market positioning in the USA.

Impairment charges of Euro 34 million in Germany - measures implemented to improve earnings

The German market was weaker than expected in 2014, and a slight decline in single- and two-family house construction is projected for 2015. Since the profitability level in Germany did not meet expectations, performance enhancing measures are being implemented. The goal is to focus on profitable business areas and to better service growing market segments. This process led to impairment charges of Euro 34 million to property, plant and equipment in 2014.

Difficult market environment in Italy leads to impairment charges of Euro 44 million

Italy recorded a double-digit decline in single- and two-family house construction for 2014 in line with earlier forecasts. This downturn will continue in 2015 because of the challenging macroeconomic environment. The Italian market is also characterized by

considerable excess capacity in the brick industry. Despite the substantial market potential and the strong local brick tradition, Wienerberger was faced with the necessary revision of its business plan and the resulting recognition of Euro 44 million in impairment charges. Approximately Euro 21 million of this total are related to goodwill and approx. Euro 23 million to property, plant and equipment. Measures to optimize the cost structure are also introduced in Italy.

In addition, impairment charges totaling Euro 30 million were recognized in Russia, Estonia, Pipelife France and smaller peripheral markets.

Non-recurring effects have no impact on liquidity

The above-mentioned non-recurring effects have an impact on earnings, but not on liquidity. However, they prevented Wienerberger's return to the profit zone in 2014.

Goal for 2015: operating EBITDA of Euro 350 million

For 2015, the Managing Board of Wienerberger AG expects a stable to slightly positive market environment in Europe and growth in the USA. The focus on innovative product solutions and a comprehensive range of supporting services allowed the Wienerberger Group to expand its market shares and significantly outperform the respective markets in the previous year. Business development has also been supported by the ongoing optimization and efficiency improvement programs. Wienerberger intends to build on these strengths in 2015 and has set a goal to generate operating EBITDA of Euro 350 million for the full year.

Recommended dividend for 2014: Euro 0.15 per share

The Supervisory Board and the Managing Board will make a recommendation to the Annual General Meeting on May 22, 2015, calling for the distribution of a Euro 0.15 dividend per share for the 2014 financial year.

The final results for 2014 and a detailed outlook on 2015 will be presented at a press conference on February 26, 2015.

Wienerberger Group

Wienerberger is the world's largest producer of bricks (Porotherm, Terca) as well as number one on the clay roof tile market (Koramic, Tondach) in Europe and on the concrete paver market (Semmelrock) in Central-East Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the market leaders in Europe. With 204 plants, Wienerberger generated revenues of Euro 2,834 million and operating EBITDA of Euro 317 million in 2014.

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Wienerberger AG is a pure free float company, whereby the majority of shares are held by Austrian and international institutional investors. Additional information on the shareholder structure is provided under <http://www.wienerberger.com/investor-relations/the-wienerberger-share/the-wienerberger-share/shareholder-structure>.

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