

publication: 27.02.2019 07:30
source: <http://adhoc.presstext.com/news/1551249000899>
keywords: Wienerberger AG / Results 2018 / Outlook 2019

Public disclosure of inside information according to article 17 MAR

Wienerberger AG: Wienerberger reports strong growth in 2018

Excellent progression across all Divisions

Vienna (pta008/27.02.2019/07:30) - **Revenues up by 6% to all-time record of Eur 3.3 billion**

- **Like-for-like EBITDA increased by 15% to approx. Eur 470 million**
- **Strong operational performance due to consistent implementation of corporate strategy**
- **Dividend proposal for 2018: +70% to Eur 0.50 per share**

Outlook for 2019

- **Stable to slightly growing new residential housing and infrastructure markets**
- **Significant contributions to earnings from Fast Forward 2020 program are anticipated (Eur 40 million)**
- **Target for 2019: Increase in like-for-like EBITDA to Eur 560-580 million**
- **The 2019 target includes the first-time application of IFRS 16 accounting standard with positive impact of approx. Eur 41 million to EBITDA**

The Wienerberger Group delivered an excellent performance in 2018, as underlined by CEO Heimo Scheuch: "Our strong growth in 2018 reflects the continuous and sustainable implementation of our corporate strategy: It was driven by, firstly, the strengthening of our market positions and organic growth with innovative product solutions, secondly, the implementation of optimization measures within the framework of our Fast Forward 2020 program, and thirdly, targeted growth through acquisitions in order to add new products to the portfolio and broaden the scope of our existing operations. On this basis, our revenues rose to a new record level and we increased our results significantly. This shows that we successfully achieved all our targets for 2018."

In 2018, the Group increased its revenues by 6% to Eur 3,305.1 million, as compared to Eur 3,119.7 million in the previous year. Like-for-like (LFL) EBITDA (adjusted for effects from consolidation, sale of non-strategic and non-operating assets, FX and structural adjustments) rose by 15% to Eur 469.3 million (from Eur 406.5 million in 2017). The Fast Forward 2020 optimization program launched in 2018 contributed approximately Eur 20 million to EBITDA in its first year. Wienerberger grew its net profit by 8% to Eur 133.5 million (from Eur 123.2 million in 2017). Earnings per share increased to Eur 1.15, representing a plus of 9% from the previous year's level of Eur 1.05 per share.

Within the framework of its growth strategy, Wienerberger increased its capital expenditure for acquisitions and plant expansions, as previously announced. The Group's total investments, comprising growth investments, normal capex and investments in non-current financial assets, increased to Eur 325.1 million (2017: Eur 206.3 million).

Given its excellent performance in 2018 and the outlook for the current year, Wienerberger will propose to the Annual General Assembly that the dividend be increased by almost 70% from the previous year's level to Eur 0.50 per share (2017: Eur 0.30 per share).

Clay Building Materials Europe Division: Positive market environment and significant earnings growth

Wienerberger's European brick business delivered a highly satisfactory performance in 2018. Notable growth was achieved in Eastern Europe. The business in Western Europe also recorded substantial growth in a stable environment but was adversely impacted by cost of structural adjustments. The Division's revenues grew by 7% from Eur 1,787.0 million to Eur 1,918.8 million. LFL EBITDA increased significantly by 18% to Eur 367.1 million.

Pipes & Pavers Europe Division: Revenue and earnings growth

In 2018 Wienerberger's pipe business benefited from a sound market environment. Plastic pipe sales increased in both Western and Eastern Europe. In Western Europe comprehensive restructuring measures in France resulted in a notable increase in earnings. The recently acquired companies also generated positive contributions to earnings. The restructuring of the ceramic pipe business was completed and had an immediate positive impact on the segment's operating result. A significant positive contribution to the Division's performance also came from the Group's concrete paver business. Overall, revenues increased by 6% from Eur 1,014.2 million to Eur 1,070.1 million, while LFL EBITDA grew by 9% to Eur 91.2 million.

North America Division: Strong increase in earnings

The Division's strong growth in 2018 was supported by positive contributions from our recent acquisition in the North American brick market. In its pipe business, Wienerberger benefited from higher selling prices and improved cost structures. This positive operational performance was impacted by negative foreign exchange effects. The Division's revenues of Eur 306.8 million remained almost stable at the previous year's level (Eur 308.7 million), while LFL EBITDA improved significantly by 23% to Eur 38.6 million.

Strategic measures and outlook for 2019

In conjunction with our Fast Forward 2020 initiatives, Wienerberger has streamlined its existing organization to make it even more efficient.

As of the beginning of 2019, the Group's European building materials operations have been grouped within the Wienerberger Building Solutions Business Unit. Wienerberger's goal is to further enlarge its offer in the wall, façade, roof and paver segments and to strengthen its presence in the relevant European markets. Innovations, new products and selective acquisitions will play an important role in this context.

Wienerberger Piping Solutions comprises all pipe activities in Europe, with the long-term objective of growing and evolving into a full-range provider of smart infrastructure applications in the fields of water supply and waste water disposal, solutions for new building construction and renovation, as well as special applications for industry and the energy sector. Growth will be generated, above all, through selective acquisitions in regional markets and new additions to the product portfolio.

The North America Division will continue to pursue its strategy aimed at organic growth and regional expansion through selective bolt-on acquisitions.

Continuing to deliver on our growth strategy

These measures and the consistent implementation of our optimization program will position Wienerberger for continued growth in 2019. From today's perspective, the company expects to see a stable/slightly growing European new residential housing market. The infrastructure market in Eastern Europe will continue to benefit from the increasing up-take of EU funding. For its Western European pipe business, Wienerberger foresees healthy demand levels in its core markets. In North America, Wienerberger anticipates a slightly positive development in new residential housing construction and growing demand in the infrastructure segment.

For 2019, Wienerberger aims to achieve an EBITDA on a like-for-like basis of between Eur 560 and 580 million. Besides a further improvement of the Group's operational performance, positive contributions are expected through additional earnings of Eur 40 million to be derived from the Fast Forward 2020 program as well as roughly Eur 41 million from the first-time application of the new IFRS 16 accounting standard.

Heimo Scheuch: "This year, Wienerberger celebrates its 200th anniversary and 150 years listing at the Vienna Stock Exchange. Our long success story is possible because the company has always embraced new challenges and designed its own future with foresight. In keeping with this tradition, our goal is to position Wienerberger even more strongly as a system provider in the field of building and infrastructure solutions. Through the reorientation of our Group, an intensified innovative drive, selective acquisitions and a growing focus on digitalization, we are in a better position than ever to embark on this course and take advantage of opportunities for growth."

For details on the 2018 results, please refer to the enclosed financial information. The complete 2018 Annual Report will be published on March 28, 2019 and made available at <https://wienerberger.com/en>.

A video message by Wienerberger CEO Heimo Scheuch on the full-year figures as well as the live webcast of the presentation of the results at 9:30 am can also be accessed at <https://wienerberger.com/en>.

Earnings Data		2016	2017	2018	Chg. in %
Revenues	in MEUR	2,973.8	3,119.7	3,305.1	+6
EBITDA LFL 1)	in MEUR	382.3	406.5	469.3	+15
EBITDA	in MEUR	404.3	415.0	442.6	+7
Operating EBIT	in MEUR	197.7	194.2	248.2	+28
EBIT	in MEUR	190.6	178.7	239.8	+34
Profit before tax	in MEUR	158.5	144.9	195.3	+35
Net result	in MEUR	82.0	123.2	133.5	+8
Free cash flow 2)	in MEUR	246.5	152.5	236.5	+55
Normal capex	in MEUR	137.3	147.5	166.3	+13
Growth capex 3)	in MEUR	43.8	58.8	158.9	>100
ROCE	in %	5.8	7.3	7.5	-
Ø Employees	in FTE	15,990	16,297	16,596	+2

Balance Sheet Data		2016	2017	2018	Chg. in %
Equity 4)	in MEUR	1,849.0	1,911.2	1,939.1	+1
Net debt	in MEUR	631.6	566.4	631.6	+12
Capital employed	in MEUR	2,460.0	2,459.2	2,536.7	+3
Total assets	in MEUR	3,637.2	3,659.9	3,742.9	+2
Gearing	in %	34.2	29.6	32.6	-

Stock Exchange Data		2016	2017	2018	Chg. in %
Earnings per share	in EUR	0.70	1.05	1.15	+9
Adjusted earnings per share	in EUR	0.76	1.19	1.23	+4
Dividend per share	in EUR	0.27	0.30	0.50	+67
Share price at year-end	in EUR	16.50	20.17	18.00	-11

Shares outstanding (weighted) 5)	in 1,000	116,956	116,956	116,154	-1
Market capitalization at year-end	in MEUR	1,938.6	2,370.5	2,115.5	-11

Division s 2018 in MEUR and % 6)	Clay Building Material s Europe		Pipes & Pavers Europe		North America		Holding & Others		Reconci liation	
External revenue s	1,918.8	(+7%)	1,070.1	(+6%)	306.8	(-1%)	8.3	(-3%)		
Inter- compan y revenue s	1.6	(+4%)	0.1	(+23%)	0.0	(-96%)	16.9	(+14%)	-17.5	
Revenu es	1,920.4	(+7%)	1,070.2	(+6%)	306.8	(-1%)	25.2	(+8%)	-17.5	
EBITDA	357.6	(+10%)	78.2	(+12%)	43.2	(+35%)	-36.3	(<- 100%)		
Operati ng EBIT	240.4	(+30%)	29.4	(+46%)	18.1	(>100%))	-39.7	(<- 100%)		
Total investm ents	190.7	(+98%)	73.5	(+27%)	42.4	(-4%)	18.5	(>100%))		
Capital employe d	1,555.7	(+2%)	568.6	(+1%)	411.8	(+13%)	0.6	(-92%)		
Ø Employ ees (in FTE)	10,808	(+2%)	4,182	(-1%)	1,380	(+6%)	226	(+8%)		

1) Adjusted for effects from consolidation, FX, sale of non-strategic and non-operating assets as well as structural adjustments // 2) Cash flow from operating activities less cash flow from investing activities plus growth capex (excluding purchase of non-controlling interests) // 3) Including purchase of non-controlling interests // 4) Equity including non-controlling interests and hybrid capital // 5) Adjusted for treasury stock // 6) Changes in % to the comparable prior year period are shown in brackets

Explanatory notes to the report: Operating EBIT are adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. // Rounding differences may arise from the automatic processing of data.

Wienerberger Group

Wienerberger is the world's largest producer of bricks (Porotherm, Terca) and the market leader in clay roof tiles (Koramic, Tondach) in Europe as well as concrete pavers (Simmelrock) in Central and Eastern Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the leading suppliers in Europe. With its total of 195 production sites, the Wienerberger Group generated revenues of Eur 3.3 billion and like-for-like EBITDA of Eur 470 million in 2018.

For further information please contact

Karin Steinbichler, Head of Corporate Communications Wienerberger AG

t +43 1 601 92 - 10149 | communication@wienerberger.com

Klaus Ofner, Head of Investor Relations Wienerberger AG

t +43 1 601 92 - 10221 | investor@wienerberger.com

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 <https://wienerberger.com/en/investors/share>.

emitter:	Wienerberger AG Wienerbergstraße 11 1100 Wien Austria
contact person:	Karin Steinbichler
phone:	+43 1 60192-10149
e-mail:	communication@wienerberger.com
website:	www.wienerberger.com
ISIN(s):	AT0000831706 (share)
stock exchanges:	official trade in Vienna

The logo for Wienerberger, featuring the word "wienerberger" in a bold, lowercase, sans-serif font.

News transmitted by presstext.adhoc. The emitter is responsible for the content.