



**WIENERBERGER AG**  
*(a joint stock corporation under the laws of Austria, registered number FN 77676f)*

Listing and offering prospectus

Public offer in Belgium, Austria and the Grand Duchy of Luxembourg

5.00% Fixed Rate Bonds due 1 August 2015

Issue Price: 101.25%

ISIN Code: XS0731071055 / Common Code: 073107105

with an aggregate nominal amount of minimum EUR 50,000,000 and maximum EUR 200,000,000 (the **Bonds**)

Application has been made for the Bonds to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. In addition, this Prospectus will be filed as a listing prospectus with the Vienna Stock Exchange in connection with the listing application for the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange (*Wiener Boerse*).

Issue Date: 1 February 2012

Subscription Period: from 13 January 2012 (9.00 am CET) until 27 January 2012 (4.00 pm CET) (subject to early closing based on the terms described under section "Subscription and Sale")

**Bookrunner and Joint Lead Manager**

BNP Paribas Fortis

**Joint Lead Manager**

KBC Bank

The date of this Prospectus is 10 January 2012

Wienerberger AG (the **Issuer**, and together with its consolidated subsidiaries at the relevant time, **Wienerberger** or the **Group**) intends to issue the Bonds for an amount of minimum EUR 50,000,000 and maximum EUR 200,000,000. The Bonds will bear interest at the rate of 5.00% per annum. Interest on the Bonds is payable annually in arrears on the Interest Payment Dates (as defined below) falling on 1 August in each year (or, if such day is not a business day, on the next business day). The first payment on the Bonds will occur on 1 August 2012 (first short coupon), and the last payment on 1 August 2015. The Bonds will mature on 1 August 2015. A5 – 4.7  
A5 – 4.8

Fortis Bank NV/SA (having its registered office at Montagne du Parc 3, B-1000 Brussels and acting under the commercial name of BNP Paribas Fortis) (**BNP Paribas Fortis**) acts as bookrunner and joint lead manager (the **Bookrunner** or **Joint Lead Manager**) and KBC Bank NV (having its registered office at Havenlaan 2, B-1080 Brussels) (**KBC Bank**) acts as joint lead manager (the **Joint Lead Manager**) (the Joint Lead Managers together the **Managers**) for the purpose of the offer of the Bonds to the public in Belgium, Austria and the Grand Duchy of Luxembourg (the **Public Offer**). A5 – 5.4.1  
A5 – 5.4.2

The denomination of the Bonds shall be EUR 1,000.

This listing and offering prospectus dated 10 January 2012 (the **Prospectus**) was approved on 10 January 2012 by the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Grand Duchy of Luxembourg Law dated 10 July 2005 relating to prospectuses for securities (the **Luxembourg Prospectus Law**). The CSSF will notify the Prospectus to (a) the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et des Marchés Financiers*) (the **FSMA**) together with a translation of the summary in French and Dutch and a certificate of approval from the CSSF in relation to the Prospectus, and (b) the Austrian Financial Markets Authority (*Finanzmarktaufsichtsbehörde*) (the **FMA**) together with a translation of the summary in German and a certificate of approval from the CSSF in relation to the Prospectus. Notification in accordance with Article 18 of Directive 2003/71/EC, as amended (the **Prospectus Directive**), which amendments include those required by Directive 2010/73/EU (the **2010 PD Amending Directive**), to the FSMA and the FMA will occur before any public offering will be made in Belgium and in Austria, in each case in accordance with the Belgian prospectus law of 16 June 2006 (the **Belgian Prospectus Law**) and the Austrian Capital Market Act (*Kapitalmarktgesetz*, the **Austrian Capital Market Act**), respectively. Application has also been made to the Luxembourg Stock Exchange for the Bonds to be listed on the official list of the Luxembourg Stock Exchange (the **Official List**). References in this Prospectus to the Bonds being **listed** (and all related references) shall mean that the Bonds have been listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market and have been listed on the Second Regulated Market of the Vienna Stock Exchange. In addition, this Prospectus will be filed as a listing prospectus with the Vienna Stock Exchange in connection with the listing application for the Bonds on the Second Regulated Market of the Vienna Stock Exchange. The Luxembourg Stock Exchange's regulated market and the Second Regulated Market of the Vienna Stock Exchange are regulated markets for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. A5 – 6.1

The Prospectus is a prospectus for the purposes of Article 5.3 of the Prospectus Directive and the Luxembourg Prospectus Law. It intends to give the information with regard to the Issuer and the Bonds, which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the rights attaching to the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Bonds will be issued in bearer form and will be represented by a global note. The Bonds will be represented exclusively by book entries in the clearing systems operated by Euroclear Bank SA/NV (**Euroclear**), and Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**) (the **Clearing Systems**). Accordingly, the Bonds will be eligible to clear through, and therefore be accepted by, A5 – 4.3

Euroclear and Clearstream, Luxembourg and investors can hold their Bonds with securities accounts in Euroclear and Clearstream, Luxembourg.

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set forth in this Prospectus. Where reference is made to the **Conditions of the Bonds** or to the **Conditions**, reference is made to the **Terms and Conditions of the Bonds**.

An investment in the Bonds involves certain risks. Prospective investors should refer to the section entitled "Risk Factors" on page 16 for an explanation of certain risks of investing in the Bonds.

## RESPONSIBLE PERSON

The Issuer (the **Responsible Person**), having its registered office at Wienerberg City, Wienerbergstraße 11, 1100 Vienna, Austria, accepts responsibility for the information contained in this Prospectus and for the translation of the summary of the Prospectus (the **Summary**) in German, French and Dutch. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. A4 – 1.1  
A4 – 1.2  
A5 – 1.1  
A5 – 1.2

## PUBLIC OFFER IN BELGIUM, AUSTRIA AND THE GRAND DUCHY OF LUXEMBOURG

This Prospectus has been prepared in connection with the Public Offer (as defined above) and with the listing on the Official List and the admission to trading of the Bonds on the regulated market of the Luxembourg Stock Exchange. In addition, this Prospectus will be filed as a listing prospectus with the Vienna Stock Exchange in connection with the listing application for the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. The Issuer has requested the CSSF to notify this Prospectus in accordance with Article 18 of the Prospectus Directive (a) to the FSMA and has provided the translation of the Summary in French and Dutch in accordance with the Belgian Prospectus Law and (b) to the FMA and has provided the translation of the Summary in German. The CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg Prospectus Law. This Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) other than offers in Belgium, Austria and the Grand Duchy of Luxembourg (the **Permitted Public Offer**), will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of Bonds which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer (other than Permitted Public Offer) of Bonds in circumstances in which an obligation arises for the Issuer or the Managers to publish or supplement a prospectus for such offer. A5 – 6.1

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see section entitled "Documents Incorporated by Reference").

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of the Bonds or the distribution of this Prospectus in

any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus see section "Subscription and Sale" below.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and any information or representation not so contained or inconsistent with this Prospectus or any other information supplied in connection with the Bonds and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or otherwise that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Managers and the Issuer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase of the Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or the Managers to any person to subscribe for or to purchase any Bonds.

Save for the Issuer, no other party has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information in connection with the Issuer or the offering of the Bonds. The Managers do not accept any liability, whether arising in tort or in contract or in any other event, in relation to the information contained or incorporated by reference in this Prospectus or any other information in connection with the Issuer, the offering of the Bonds or the distribution of the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**). The Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S) unless they have been so registered or an exemption from the registration requirements of the Securities Act is available. For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, see section "Subscription and Sale" below.

All references in this document to **euro**, **EUR** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

## **WARNING**

The Prospectus has been prepared to provide information on the Public Offer. When potential investors make a decision to invest in the Bonds, they should base this decision on their own research of the Issuer and the conditions of the Bonds, including, but not limited to, the associated benefits and risks, as well as the conditions of the Public Offer itself. The investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

The summaries and descriptions of legal provisions, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own advisor, bookkeeper or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

In the event of important new developments, material errors or inaccuracies that could affect the assessment of the securities, and which occur or are identified between the time of the approval of the Prospectus and the final closure of the Public Offer, or, if applicable, the time at which trading on a regulated market commences, the Issuer will have a supplement to the Prospectus published containing this information. This supplement will be published in compliance with at least the same regulations as the Prospectus, and will be published on the websites of the Issuer (within the section addressed to investors (<http://www.wienerberger.com>)), BNP Paribas Fortis ([www.bnpparibasfortis.be](http://www.bnpparibasfortis.be) (under "save and invest")), KBC Bank NV ([www.kbc.be/obligaties](http://www.kbc.be/obligaties)), and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The Issuer must ensure that this supplement is published as soon as possible after the occurrence of such new significant factor.

Investors who have already agreed to purchase or subscribe to securities before the publication of the supplement to the Prospectus, have the right to withdraw their agreement during a period of two working days commencing the day after the publication of the supplement. In Austria, consumers may withdraw their agreement during a period of one week from the publication of a supplement.

## **FURTHER INFORMATION**

For more information about the Issuer, please contact:

Investor Relations

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## PART I: SUMMARY

*This summary must be read as an introduction to the listing and offering prospectus dated 10 January 2012 (the **Prospectus**) and any decision to invest in the 5.00 per cent. fixed rate bonds due 1 August 2015 (the **Bonds**) should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Responsible Person (as defined on p. 3 of the Prospectus) in any such Member State in respect of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. A full version of the Prospectus is available on the website of the Issuer (within the section addressed to investors (<http://www.wienerberger.com>) or on the websites of the Managers ([www.bnpparibasfortis.be](http://www.bnpparibasfortis.be) (under "save and invest") and [www.kbc.be/obligaties](http://www.kbc.be/obligaties)), and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Where a claim relating to information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.*

Words and expressions defined in **Conditions of the Bonds** shall have the same meanings in this summary.

### 1. BUSINESS DESCRIPTION OF THE ISSUER

#### 1.1 Business of the Issuer

The Group's core business is the manufacturing of products for use in masonry, for facades, roofs and paving. In these market segments, Wienerberger concentrates primarily on four product groups: clay blocks, facing bricks, clay roof tiles and clay and concrete pavers. Products are marketed mainly under the Group's brand name "Wienerberger" and the brands "Porotherm" and "Poroton" (Germany only) for clay blocks, "Terca" and "General Shale" for facing bricks and clay pavers, "Koramic" and through the joint venture Tondach Gleinstätten AG ("Tondach Gleinstätten") for clay roof tiles, "Semmelrock" for concrete pavers and "Arriscraft" for manufactured stone. In addition, the Group markets pipe systems, which comprise ceramic products manufactured by Steinzeug-Keramo GmbH and its consolidated subsidiaries (the "Steinzeug Group") and plastic products by Pipelife International GmbH ("Pipelife"), a plastic pipe joint venture with the Solvay group ("Solvay").

Wienerberger's primary geographic areas of activity are Europe (excluding the Iberian Peninsula and Greece) and Northern America. As of September 30, 2011, the Group operated 232 plants in 27 countries. With an average of 12,688 employees, Wienerberger generated revenues of EUR 1,555 million and an operating EBITDA of EUR 214 million in the first nine months of 2011.

#### 1.2 Organisational structure of the Group

The Group set up a geographic segmentation in order to reflect the Group's regional focus which gives responsibility to local operating management for all core products manufactured within a country. The Group operates in the following five segments: Central-East Europe, Central-West Europe, North-West Europe and North America, each including all or part of the Group's core operations (bricks, clay roof tiles and pavers) in the respective geographic areas, and Investments and Other which comprises the Group headquarters and related costs, the Wienerberger brick business in India, the Steinzeug ceramic pipe business and certain other activities of the Group. Additionally, by way of secondary segmentation, the Group has established five product segments: Wall, Façade, Roof, Pavers and Other.

## 2. DESCRIPTION OF THE BONDS

<b>Issuer:</b>	Wienerberger AG with its registered seat in Vienna and its business address at Wienerberg City, Wienerbergstraße 11, A-1100 Vienna, Austria, registered with the commercial register under FN 77676 f, is the holding company of Wienerberger.	
<b>Description of the Bonds:</b>	Minimum EUR 50,000,000 and maximum EUR 200,000,000 5.00% Bonds due 1 August 2015.	
<b>Subscription Period of the Bonds:</b>	From 13 January 2012 at 9.00 am CET until 27 January 2012 at 4.00 pm CET included, subject to early closing based on the terms described under section “Subscription and Sale”.	A5 – 5.1.3
<b>Bookrunner/ Joint Lead Manager:</b>	Fortis Bank NV/SA (acting in Belgium under the commercial name BNP Paribas Fortis)	
<b>Joint Lead Manager:</b>	KBC Bank NV	
<b>Principal Paying Agent, Common Depository and Fiscal Agent (the Agent):</b>	BNP Paribas Securities Services Luxembourg Branch	A5 – 5.4.2
<b>Listing Agent:</b>	<p>BNP Paribas Securities Services Luxembourg Branch for purpose of the listing of the Bonds on the official list of the Luxembourg Stock Exchange and the admission to trading of the Bonds on the regulated market of the Luxembourg Stock Exchange.</p> <p>The Issuer will be responsible for the listing of the Bonds on the Second Regulated Market (<i>Geregelter Freiverkehr</i>) of the Vienna Stock Exchange (<i>Wiener Boerse</i>).</p>	
<b>Public Offer Jurisdictions:</b>	Belgium, Austria and the Grand Duchy of Luxembourg	
<b>Issue Date:</b>	1 February 2012	A5 – 4.12
<b>Issue Price:</b>	101.25%	A5 – 5.3.1
<b>Settlement Currency:</b>	Euro	A5 – 4.4
<b>Aggregate Nominal Amount:</b>	<p>Minimum EUR 50,000,000 and maximum EUR 200,000,000</p> <p>The aggregate nominal amount may be increased up to a maximum of EUR 200,000,000, as the case may be, depending on the demand from investors. It shall also be susceptible of being decreased if the expected minimum amount of EUR 50,000,000 is not placed.</p> <p>The criteria that will be used to determine the final aggregate nominal amount of the Bonds are set out in section “Subscription and Sale – Aggregate Nominal Amount”.</p> <p>The final aggregate nominal amount shall be published as</p>	A5 – 5.1.2

soon as possible after the end (or the early closing) of the Subscription Period on the websites of the Managers, the Issuer and the Luxembourg Stock Exchange.

<b>Nominal Amount/Specified Denomination per Bond:</b>	EUR 1,000 per Bond	
<b>Minimum Subscription Amount:</b>	The Bonds may only be traded in a minimum multiple of one Bond (corresponding to the Nominal Amount of EUR 1,000).	
<b>Maturity Date:</b>	1 August 2015	A5 – 4.8
<b>Interest:</b>	5.00% Fixed Rate (or an amount of EUR 50 per Specified Denomination of EUR 1,000).  Interest on the Bonds is payable annually in arrears on the <b>Interest Payment Dates</b> falling on 1 August in each year (or if such day is not a business day, on the next business day) and for the first time on 1 August 2012 (first short coupon, in the amount of EUR 24.86 per Specified Denomination of EUR 1,000).	A5 – 4.7
<b>Yield:</b>	4.614% per annum calculated on the basis of the Issue Price for retail investors.	A5 – 4.9
<b>Redemption Amount at Maturity Date:</b>	The Bonds will be redeemed at 100% of the Nominal Amount.	
<b>Early Redemption:</b>	The Issuer may redeem the Bonds in whole but not in part at par if as a result of any change in the laws of Austria remuneration payable by the Issuer on the Bonds is no longer deductible by the Issuer for Austrian taxes on earnings as set out below under “Taxes”.	
<b>Events of Default:</b>	The Bondholders are entitled to declare their Bonds due and demand immediate redemption thereof at par plus accrued interest upon the occurrence of certain customary events of default (non-payment, breach of other obligations, cross-default, suspension of payments, insolvency, liquidation and cessation of business operations).	
<b>Negative Pledge:</b>	So long as any Bonds have not been redeemed, (i) the Issuer has undertaken not to create any Security for any Relevant Debt and (ii) the Issuer will procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure, unless, at the same time or prior thereto, the Issuer’s obligations under the Bonds (x) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (y) have the benefit of such other security, guarantee or indemnity.	
<b>Form:</b>	Bearer form, represented by a global note. The holders of Bonds hold proportionate co-ownership interests in the Global Bond which are represented by the global note.	A5 – 4.3

the conditions of the Clearing System.

**Status of the Bonds:**

The obligations under the Bonds constitute unsecured, unconditional and unsubordinated obligations of the Issuer ranking pari passu among themselves and with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by mandatory law.

A5 – 4.5

**Withholding Tax and Additional Amounts:**

All payments by the Issuer in respect of the Bonds will be made without withholding or deduction for or on account of Austrian taxes, subject as provided in the Terms and Conditions of the Bonds. For investors located in Belgium, Austria and the Grand Duchy of Luxembourg, the withholding tax treatment can be summarised as follows:

A5 – 4.14

**Belgium.** Belgian withholding tax will in principle be applicable to the interest on the Bonds at the current rate of 21%, possibly reduced pursuant to a tax treaty, on the gross amount of interest. An additional levy of 4% may apply on the interests on the Bonds if the gross amount of interests and dividends earned by the subscriber on a yearly basis exceed EUR 20,000 (being the amount applicable for 2012).

**Austria:** If the interest under the Bonds is paid by an Austrian (coupon) paying agent, withholding tax at a rate of 25% is triggered. In relation to capital gains Austrian withholding tax at a rate of 25% is triggered as of 1 April 2012 if the payments under the Bonds are made by an Austrian depository or if the payments are made by an Austrian paying agent provided the non-Austrian depository is a non-Austrian branch or group company of such paying agent and such paying agent processes the payment in cooperation with such depository. In case of non-Austrian resident investors an Austrian paying agent or depository may generally abstain from levying the 25% withholding tax under certain conditions or the non-Austrian resident investor may claim a refund of the 25% Austrian withholding tax from Austrian tax authorities.

**The Grand Duchy of Luxembourg.** Under Luxembourg tax law currently in effect, there is generally no withholding tax on interest payments or repayments of principal on the Bonds. However, in some cases, a tax may need to be withheld pursuant to the following provisions relating, broadly stating, to payments of interest made to individual Bondholders and to certain residual entities:

- the Luxembourg Act dated 21 June 2005 implementing the Council Directive 2003/48/EC regarding the taxation of the savings income in the form of interest payments and ratifying the treaties entered into by the Grand Duchy of Luxembourg and certain dependent and associated territories of the EU Member States; and

- the Luxembourg Act dated 23 December 2005 as amended, relating to interest paid to the Grand Duchy of Luxembourg resident individuals and to residual entities that secure interest payments on behalf of individuals (10% Grand Duchy of Luxembourg withholding tax).

This is only a summary of the main tax considerations relating to the Bonds. This summary does not purport to be a complete analysis of all tax considerations relating thereto. For additional information, Bondholders should refer to the section of this Prospectus entitled "Taxation". Furthermore, investors should bear in mind that the personal situation of each investor is unique. Therefore, investors considering participating in the offer should consult their own professional tax advisors.

<b>Governing Law and Jurisdiction:</b>	The Bonds will be governed by, and construed in accordance with, Austrian law. The Courts of Vienna are to have non-exclusive jurisdiction.	A5 – 4.2
<b>Prospectus approval, listing and admission to trading:</b>	Application has been made to the CSSF to approve this document as a prospectus and to the Luxembourg Stock Exchange for the listing of the Bonds on the Official List of the Luxembourg Stock Exchange and admission to trading on the regulated market of the Luxembourg Stock Exchange.  In addition, application will also be made for admission to listing of the Bonds on the Second Regulated Market ( <i>Geregelter Freiverkehr</i> ) of the Vienna Stock Exchange.	A5 – 6.1
<b>Relevant Clearing Systems:</b>	Euroclear and Clearstream, Luxembourg	
<b>No Ownership by U.S. persons:</b>	Regulation S, Category 2; TEFRA C applicable, as further described under the section of the prospectus entitled "Subscription and Sale"	
<b>Conditions to which the Public Offer is subject:</b>	The Public Offer is subject to the conditions set out in the section of the Prospectus entitled "Subscription and Sale"	
<b>Selling Restrictions:</b>	Restrictions apply to offers, sales or transfers of the Bonds in various jurisdictions. See section "Subscription and Sale". In all jurisdictions offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction. The distribution of the Prospectus or of its summary may be restricted by law in certain jurisdictions.	A5 – 4.13
<b>ISIN Code/Common Code:</b>	ISIN Code: XS0731071055  Common Code: 073107105	A5 – 4.1
<b>Use of Proceeds:</b>	The use of proceeds will be applied by the Issuer for general corporate purposes.	A5 – 3.2

### 3. SUMMARY OF CONSOLIDATED FINANCIAL DATA

The following information and data were extracted from, and are only a summary of, the Consolidated Financial Statements which are incorporated into this Prospectus by reference. Potential investors are encouraged to read the entire Prospectus, including the Consolidated Financial Statements and the other financial information included in the Prospectus.

	Nine months ended September 30,		Year ended December 31,	
	2011 (unaudited)	2010	2010 (audited except as otherwise noted)	2009 (audited except as otherwise noted)
in EUR million				
<b>Consolidated Statement of Income Data</b>				
Revenues .....	1,555.2	1,343.3	1,744.8	1,816.9
Cost of goods sold .....	(1,045.5)	(945.2)	(1,238.8)	(1,305.9)
Gross profit.....	509.7	398.2	505.9	511.0
Selling and administrative expenses .....	(441.0)	(388.0)	(514.5)	(510.4)
Other operating expenses.....	(42.9)	(34.4)	(50.5)	(41.2)
Other operating income .....	36.5	41.9	69.8	59.5
Profit/loss before restructuring costs and impairment charges to property, plant and equipment and goodwill.....	62.2	17.6	10.7	19.0
Restructuring costs and impairment charges to property, plant and equipment.....	0	0	0	(153.7)
Impairment charges to goodwill .....	0	0	0	(123.3)
Deconsolidation result.....	33.2	0		
Profit/loss after restructuring costs and impairment charges to property, plant and equipment and goodwill and deconsolidation result ..	95.4	17.6	10.7	(258.1)
Income from interests in associates .....	4.0	1.2	(4.3)	6.1
Interest and similar income.....	8.6	11.3	14.1	20.9
Interest and similar expenses.....	(36.8)	(45.4)	(57.5)	(58.7)
Other financial results.....	7.5	(0.2)	(3.8)	(5.8)
Income taxes.....	(13.9)	2.1	5.9	36.9
Profit/loss after tax .....	64.7	(13.5)	(34.9)	(258.7)
Thereof attributable to non-controlling interest .....	(0.4)	(0.8)	(0.5)	(1.9)
Thereof share attributable to hybrid capital holders.....	24.3	24.3	32.5	32.5
Thereof attributable to equity holders.....	40.8	(37.0)	(67.0)	(289.3)
<b>Other Financial Data</b>				
Operating EBITDA .....	213.7	160.5	210.8	208.6
Operating EBIT .....	62.2	17.6	10.7	19.0
Capital employed.....	2,875.5	2,795.5	2,779.5	2,816.8
Capital expenditure and acquisitions .....	104.5	62.7	149.8	134.1
Earnings per share (in EUR).....	0.35	(0.32)	(0.57)	(3.17)
Declared or paid dividend per share for the period (in EUR).....	n.a.	n.a.	0.10	0.00
Group CFROI (unaudited).....	n.a.	n.a.	4.3%	4.3%
WACC.....	7.0%	6.7%	6.7%	7.1%
<b>Consolidated Cash Flow Data</b>				
Gross cash flow .....	184.4	141.1	151.3	52.5
Cash flows from operating activities .....	49.2	125.2	230.4	290.9
Cash flows from investing activities.....	(25.7)	(72.2)	(141.7)	(111.5)
Cash flows from financing activities .....	29.8	(85.2)	(86.7)	63.3
in EUR million				
	As of September 30,		As of December 31,	
	2011 (unaudited)	2010	2010 (audited)	2009 (audited)
in EUR million				
<b>Consolidated Balance Sheet Data</b>				
Non-current assets .....	2,718.1		2,759.6	2,763.7
Current assets .....	1,494.3		1,299.6	1,323.7
Total assets .....	4,212.4		4,059.3	4,087.4
Equity .....	2,467.0		2,525.7	2,547.0
Non-current provisions and liabilities.....	870.5		1,018.9	1,125.8
Current provisions and liabilities .....	874.9		514.7	414.6
Total equity and liabilities .....	4,212.4		4,059.3	4,087.4

#### **4. DESCRIPTION OF THE RISK FACTORS**

Listed below are the potential risk factors associated with the Issuer and the Bonds. Please refer to the section of the Prospectus called “Risk Factors” for a complete description thereof.

##### **4.1 Factors that may affect the Issuer’s ability to fulfil its obligations under the Bonds**

A4 – 4

###### *(a) Recent macroeconomic trends and associated risks*

- Further delay in the recovery from the global financial and economic crisis or a spill-over of the euro zone debt crisis to other sectors of the economy could prolong or worsen the challenging macroeconomic conditions.
- Economic instability in the jurisdictions where the Group operates may adversely affect the Group’s business, results of operations and financial condition.

###### *(b) Risks relating to the industry*

- The Group is subject to the cyclical nature of the building materials industry, which is driven by a number of macroeconomic factors.
- The Group operates in a seasonal industry.
- Within its brick, roof tile, pavers and pipe activities the Group competes with producers of substitute products and with other brick, roof tile, pavers and pipe manufacturers.
- The Group may become subject to antitrust, legal, administrative and other proceedings and is exposed to the risk of claims and enforcement actions in each of the countries in which it operates, which could adversely affect its business.
- The Group is subject to risks associated with inadequate insurance.

###### *(c) Strategic risks relating to the Group’s business*

- A goodwill impairment could have a significant impact on the Group’s income and equity.
- Economic, political, regulatory and local business risks associated with international sales and operations could adversely affect the Group’s business, particularly in Eastern Europe.
- The Issuer does not control some of the companies of which it is a shareholder and actions taken by such companies may not be aligned with the strategy and interests of the Group.
- The Group depends on retaining, recruiting and training management staff and skilled employees.

###### *(d) Operational risks*

- The Group may experience a business interruption, production curtailment or loss of assets.
- Increased input and energy costs or energy supply disruptions could have a material impact on the Group’s results of operations.

###### *(e) Financial risks relating to the Group’s business*

- The capital intensive nature of the Group's business requires significant amounts of financing.
- Downgrades in the rating or a decline in the credit metrics of the Group, its inability to obtain new financing and covenants in existing financing agreements could increase refinancing costs and impair the Group's liquidity and profitability.
- Because many of the Group's subsidiaries operate in currencies other than the Euro, adverse changes in foreign exchange rates relative to the Euro could materially adversely affect the Group's reported earnings and cash flow.
- A significant default by a financial institution counterparty or a customer may adversely affect the Group's business, results of operations and financial condition.
- Movements in interest rates may increase the Group's interest expense.

(f) *Risks related to the environment*

- The Group is subject to stringent environmental and health and safety laws, regulations and standards which result in costs related to compliance and remediation efforts that may adversely affect the Group's business, results of operations and financial condition.
- Changes in building laws, regulations and standards could materially adversely affect the Group's business, results of operations and financial condition.
- Changes in the European Union emissions trade certificate regulations and other local emissions allowance systems could lead to reduced free emission right allocations and limited free transferability of emissions allowances and would increase the Group's production costs.

**4.2 Factors which are material for the purpose of assessing the market risks associated with the Bonds**

A5 – 2.1

- The Bonds may not be a suitable investment for all investors.
- There is no active trading market for the Bonds.
- The Bonds are exposed to market interest rate risk.
- The real yield of the Bonds decreases in case of inflation.
- The market value of the Bonds may be affected by creditworthiness of the Issuer and a number of additional factors.
- The Bonds may be redeemed prior to maturity and for a price lower than their nominal amount.
- Investors may not be able to reinvest their proceeds of the Bonds at equal conditions.
- The Bonds may be affected by the turbulences in the global credit markets.
- The Bonds may be exposed to exchange rate risks and exchange controls.
- Certain payments in respect of the Bonds may be impacted by the EU Savings Directive.

- Potential purchasers and sellers of the Bonds may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions.
- Changes in governing law could modify certain Conditions.
- Relationship with the Issuer.
- The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the Clearing Systems.
- The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the Clearing Systems.
- The Issuer and the Managers may engage in transactions which are not in the interest of Bondholders, or conflicts of interest may arise between the Issuer and the Bondholders for other reasons.
- Legal investment considerations may restrict certain investments.
- The Issuer may increase its indebtedness in the future.
- The Bonds are unsecured obligations of the Issuer.
- The Issuer may not have the ability to repay the Bonds.
- The possible appointment of a trustee, representing the interests and exercising the rights of Bondholders, may conflict with or otherwise adversely affect the interests of individual or all Bondholders.
- Rating of Bonds may not adequately reflect investment risks and a lack of a credit rating for the Bonds may make the price of the Bonds difficult to determine.
- Credit ratings assigned to the Issuer may not reflect all risks.
- Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged.
- It may not be lawful for prospective investors to purchase the Bonds.

## PART II: RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.* A4 – 4  
A5 – 2.1

*In addition, factors which are material for the purpose of assessing the market risks associated with the Bonds are described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. Prospective investors should also read the detailed information set out elsewhere in this Prospectus or incorporated by reference in this Prospectus and reach their own views prior to making any investment decision and consult with their own professional advisors if they consider it necessary. Terms defined in "Terms and Conditions of the Bonds" (the **Conditions**) below shall have the same meaning where used below.*

### **1. FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE BONDS** A4 – 4

#### **1.1 Recent macroeconomic trends and associated risks**

(a) *Further delay in the recovery from the global financial and economic crisis or a spill-over of the euro zone debt crisis to other sectors of the economy could prolong or worsen the challenging macroeconomic conditions.*

A significant part of the performance of Wienerberger is influenced by the market conditions in the euro zone countries. In the wake of the global financial, economic and euro zone debt crisis, market weakness, in particular in the residential construction sector, which is the fundamental driver of demand for the Group's products, continued in 2011 and visibility over further market and economic developments remain limited also for 2012. The challenging environment persists, because the growing uncertainty across the euro zone since the summer as a result of the euro zone debt crisis and in particular the crisis in Greece and the resulting decline in consumer confidence led to a weakening in the demand for building materials in a number of Wienerberger's markets. A number of European countries struggle with large budget deficits; austerity measures implemented by some of the affected countries to reduce public debt and fiscal deficits have resulted in lower or negative GDP growth and high unemployment rates in these countries and could spill over to other sectors of the economy. The uncertain economic environment and negative developments in the housing market have resulted in a significant decline in the Group's sales and earnings since 2008 (as compared to previous years). The Group cannot exclude the continuation of this negative trend or that further negative events may unfold in the context of the global economy. As a result, the Group may face a further decrease in demand for its products, which, combined with high fixed costs and/or price pressure, may result in overcapacities and declining margins. These factors, if they materialize, or weaker or longer than expected time until recovery of the business activity in the Group's markets, continuing or worsening difficult macroeconomic conditions are likely to have a material adverse effect on the Group's business, results of operations and financial condition.

- (b) *Economic instability in the jurisdictions where the Group operates may adversely affect the Group's business, results of operations and financial condition.*

Political or economic disruption or changes in laws and their application may harm the Group's production sites and business activities. This may impair the value of these investments. Risks of gross domestic product ("GDP") volatility, foreign exchange instability, foreign exchange controls, inflation and political instability may effect the countries in which the Group operates.

Many European countries have been severely hit by the financial market and economic crisis. As of yet, the Group cannot ascertain if and when the economy will recover again. Were any of the following factors, which have been characteristic for the economy in some or all states of the European Union at various times during recent years, to recur, this could have a negative influence on the investment climate in Europe and may have a negative impact on the Group's business, results of operations and financial condition:

- restrictions on transfers of hard currency;
- significant declines in the gross domestic product;
- high levels of inflation;
- unstable local currencies;
- high government debt relative to GDP;
- a weak banking system providing limited liquidity to domestic enterprises;
- significant use of barter transactions and illiquid promissory notes to settle commercial transactions;
- widespread tax evasion;
- growth of a black and grey market economy;
- pervasive capital flight;
- corruption and extensive penetration of organized crime into the economy;
- significant increases in unemployment and underemployment; and
- impoverishment of a large portion of the population.

## **1.2 Risks relating to the industry**

- (a) *The Group is subject to the cyclical nature of the building materials industry, which is driven by a number of macroeconomic factors.*

The Group operates in the cyclical building materials industry, which is affected by the level of construction activity, including residential housing construction and renovation, as well as other trends, which in turn are influenced by a number of factors beyond the Group's control, including:

- performance of national economies in the 27 countries in which the Group operates, as well as the markets into which the Group exports its products;

- policies of transnational institutions, such as the European Commission or the European Central Bank, that influence the performance of national economies in many of the countries in which the Group operates;
- monetary and other government policies in each of the countries in which the Group operates that have the effect of encouraging or discouraging residential housing construction, such as long-term interest rates, tax policies, policies encouraging labor mobility and migration, availability of financing, subsidies, and safety regulations that encourage and/or discourage the use of certain materials and products; and
- the level of demand in residential construction activity, which in turn is influenced by macroeconomic factors, demographic trends and consumer confidence.

Unfavourable developments with respect to any or all of these factors can have a significant impact on the demand for the Group's products, both in terms of decreased volumes and price levels.

Because the building materials industry is cyclical, periods of high demand are typically followed by downturns. As the building materials industry is characterized by a high fixed cost base, a decrease in volumes and resulting overcapacities and/or a decrease in prices can have a highly negative impact on the Group's operating margins and earnings. The U.S. market has been experiencing a sharp decline in residential construction activity, which began in 2005 and which has been exacerbated by the financial and economic crisis. The European markets were hit by the economic downturn in late 2007 and the market environment in some countries (in particular, in parts of Eastern Europe) remains weak, with low visibility over further market and economic developments. These conditions have resulted in declining sales volumes and prices and overcapacities in some markets. Even if performance in these markets improves, prices and sales volumes might not recover to their historic levels. Furthermore, the Group may be unable to sufficiently adjust its price strategies to local market conditions or to balance its inventory stock in order to meet market demand, which could result in a loss in market shares.

There can be no assurance that additional and/or continuing economic slowdowns in markets important to the Group's operations will not have an increasingly negative impact on the Group's business, results of operations and financial condition.

(b) *The Group operates in a seasonal industry.*

The building materials industry in general and the brick and roof tile industries in particular, are subject to seasonal fluctuations in sales, with greater sales volume occurring during the main construction season from May through October. The Group's revenues tend to correspond to such seasonal variation, with higher revenues in the second and third quarters and with inventory build-up and increased working capital in the first and fourth quarters. In addition, severe adverse weather conditions such as rain, extreme cold or snow can reduce demand by disrupting or curtailing outdoor construction activity or render transport or delivery of the Group's products to its customers impossible, thus materially affecting the Group's sales volumes and, consequently, its results of operations.

(c) *Within its brick, roof tile, pavers and pipe activities the Group competes with producers of substitute products and with other brick, roof tile, pavers and pipe manufacturers.*

Bricks compete with other building products that the Group does not produce. Facing bricks compete with other materials that can be used for the cladding of a house, such as vinyl, plasters, renders, wood, stucco, natural stone, aluminium siding, glass and other materials, depending on local traditions, available raw materials, local taste and the price of substitute products. Furthermore, the Group's success in the facing brick markets depends in part on its ability to anticipate and respond to changing fashion trends and consumer preferences in a timely manner. Accordingly, any failure by

the Group to identify and respond to emerging trends could materially adversely affect consumer acceptance of the Group's facing brick products. Clay blocks compete with other products in a broader market for materials used in the construction of load-bearing walls and non load-bearing inner walls. Possible substitute products include aerated concrete blocks, prefabricated concrete panels, cast concrete, calcium silicate and timber, depending on local traditions, available raw materials, the price of substitute products and, significantly, technical characteristics such as thermal and sound insulation, load-bearing capacity, frost protection and water proofing capacity, the specifications for which are often mandated by local, national and EU regulations. More generally, buildings constructed with bricks also compete with prefabricated houses. In addition to competition from producers of brick substitute products, the Group continually faces competition by other brick, roof tile, pavers and pipe manufacturers in the markets in which it operates. Most of the brick manufacturers that compete with the Group are local in nature. The primary competitive factors are product range, technical properties, price, quality, manufacturing flexibility, availability, delivery time, logistics and customer service. The relative importance of these factors depends on the characteristics of particular products and particular markets.

In its roofing operations, the Group faces competition from manufacturers of substitute products as well as other clay and concrete roof tile producers. Roof tiles are used only for pitched roofs and are not suited for flat roofs. Therefore, to the extent flat roofs become more popular in any of the Group's markets, the demand for roof tiles will decrease. With respect to pitched roofs, clay and concrete roof tiles compete with substitute products such as fiber cement slates, natural slates, metal coverings and other products. Substitute products could gain significant market shares from clay roof products, which would materially adversely affect the Group's business, results of operations and financial condition.

In its paving operations, the Group faces competition from manufacturers of substitute products as well as other clay and concrete pavers producers. Wienerberger produces pavers as clinkers made of clay or concrete and slabs. These materials are used by homeowners as well as in public areas. Therefore, to the extent other materials (e.g. asphalt, wood, aggregates) become more popular in these areas in any of the Group's markets, the demand for pavers would likely decrease.

In its pipe operations, the Group faces competition from manufacturers of substitute products as well as other pipe system producers. Wienerberger offers both ceramic products as well as plastic products. The primary area of application for both product types is infrastructure, especially (waste) water supply. Therefore, to the extent other materials, production methods or systems become more popular in these areas in any of the Group's markets, the demand for ceramic and plastic pipes would likely decrease.

Any significant replacement of the Group's building products in key markets by substitutes which the Group does not produce could materially adversely impact the Group's market share and results of operations in these markets. Insufficient product research and development investments may disable the Group to timely respond to customer requirements and result in a competitive advantage of other market participants in terms of product innovation. Competitive pressures, including industry overcapacity and low-price strategies of competitors, could lead to pricing pressures in the Group's markets. Both could materially adversely affect the Group's business, results of operations and financial condition.

- (d) *The Group may become subject to antitrust, legal, administrative and other proceedings and is exposed to the risk of claims and enforcement actions in each of the countries in which it operates, which could adversely affect its business.*

The relevant antitrust authorities may qualify the Group's position in some of its markets a dominant market position. Consequently, competition proceedings could be brought by one or more antitrust authorities in one or more countries in which the Group operates. Such proceedings, if brought, could result in an order that levies a substantial fine against certain affiliates and/or requires the Group to dispose of profitable operations. As a result, an enforcement action by antitrust authorities in one of the countries that contribute a relatively high percentage of the Group's earnings may have

a material adverse effect on the Group's results of operations and its financial condition. For additional information regarding the ongoing antitrust investigation to which the Group is subject, please see "Business—Legal proceedings and investigations".

In some of its current markets, including certain Eastern European markets, limitations imposed by antitrust laws might prevent the Group from achieving growth through acquisitions. There can be no assurance that the antitrust authorities in the countries in which the Group operates or seeks to grow through selective projects, including the European Commission, will support the Group's relevant market definition. Inability to grow through acquisitions due to antitrust law limitations may have a material adverse effect on the Group's business, results of operations and financial condition.

In addition to competition proceedings, the Group may become subject to other lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labour and other matters, which could have a material adverse effect on the Group's results of operations and its financial condition.

(e) *The Group is subject to risks associated with inadequate insurance.*

The Group maintains insurance in such amounts and with such coverage as management believes is reasonable and prudent. There can be no assurance, however, that Wienerberger will not incur losses or that no claims will be made which exceed the amounts agreed under its insurance contracts. The incurrence of losses for which no or only insufficient insurance coverage exists could have a materially adverse effect on the Group's results of operations and its financial condition.

### **1.3 Strategic risks relating to the Group's business**

(a) *A goodwill impairment could have a significant impact on the Group's income and equity.*

An acquisition generates goodwill to the extent that the price paid by Wienerberger exceeds the fair value of the net assets acquired. The Group's acquisitions in recent years generated substantial goodwill. Additional goodwill may arise as a result of further acquisitions. Under IFRS, goodwill and indefinite-lived intangible assets are not amortized but are subject to impairment tests annually or more frequently if warranted.

A goodwill impairment does not affect cash flow. However, a full write-down of goodwill on September 30, 2011 would have resulted in a charge to income and reduction in equity of approximately EUR 609 million. Downturns on sales and profitability can trigger impairment testing and lead to impairment charges. In 2010, the results of impairment tests indicated no need for impairment charges (2009: EUR 123 million).

(b) *Economic, political, regulatory and local business risks associated with international sales and operations could adversely affect the Group's business, particularly in Eastern Europe.*

The Group operates mainly in the European Union, countries in Eastern Europe outside the European Union, the United States and Canada. The economies of these countries are in different stages of socioeconomic development. As a result, the Group's future results could be materially affected by a variety of factors, including:

- changes in a specific country's or region's political or economic conditions, particularly in the Eastern and Southeastern European markets in which the Group operates;
- potentially negative consequences from changes in tax laws;
- tightening of labour regulations;
- difficulty in managing international operations because of geographic distances as well as language and cultural differences;

- changes in regulatory requirements (including those affecting the use of raw materials, product requirements, environmental or safety and health standards or regulations regarding taxation of energy); and
- state-imposed restrictions on repatriation of profits, whether through tax policies or otherwise.

The Group's overall performance as a global business depends, in part, upon its ability to succeed in these differing and sometimes fast-changing economic, regulatory, social and political environments.

- (c) *The Issuer does not control some of the companies of which it is a shareholder and actions taken by such companies may not be aligned with the strategy and interests of the Group.*

The Issuer does not have a controlling interest in some of the companies through which it conducts its business and may make future investments in companies in which it will not have a controlling interest. Some key matters, such as the approval of business plans and the timing and amount of cash distributions, require the consent of the other shareholders. Consequently, the strategy of such companies may not always be aligned with the Group's interests. These and other limitations arising from investments in businesses the Issuer does not control may prevent the Issuer from achieving its objectives for these investments and may have a material adverse effect on the Group's business, results of operations and financial condition.

- (d) *The Group depends on retaining, recruiting and training management staff and skilled employees.*

In addition to its technical staff, Wienerberger largely depends on the performance of qualified management and executive staff. If the Group does not succeed to retain such management staff and employees in key positions or to recruit or train a sufficient number of new employees with corresponding qualifications, maintaining its market position as well as future growth would be at risk. This could have a material adverse effect on the Group's business, results of operations and financial condition.

#### **1.4 Operational risks**

- (a) *The Group may experience a business interruption, production curtailment or loss of assets.*

Due to the high fixed-cost nature of the building materials business, interruptions in production at any facility may cause the productivity and results of operations to decline significantly during the affected period. The manufacturing processes of producers of building materials and related services are dependent upon critical pieces of equipment such as kilns, extruders, drying chambers, grinders and others. On occasion, this equipment may be out of service as a result of strikes, unanticipated failures, accidents or force majeure events. In addition, there is a risk that equipment or production facilities may be damaged or destroyed by such events, which could have a material adverse effect on the Group's business, results of operations and financial condition.

- (b) *Increased input and energy costs or energy supply disruptions could have a material impact on the Group's results of operations.*

The Group's cost structure depends on the costs of raw materials and other resources used in the production of the Group's products. In particular, the cost of energy used in the production of bricks, roof tiles and pipes represents a high percentage of the Group's costs. In the first nine months of 2011, energy costs for the Group totalled EUR 231 million, or 14.8% of the Group's revenues, and comprised primarily costs of natural gas and electricity. Any significant increase in the market prices with respect to the Group's raw material or energy (in particular, natural gas and electricity) demand would increase the Group's operating costs and may negatively affect the Group's results of operations, as the Group may not be in a position to pass the increased costs on to customers through price increases. The Group's exposure to energy price risk can only partly be hedged as some markets are still regulated with regard to price levels. Particularly in the preceding decade, the Group's results of operations have been negatively affected by significant increases in the price of

natural gas and electricity. In addition, as electricity prices are expected to be liberalized in certain markets in which the Group operates, such as Eastern Europe, higher energy costs may continue to negatively affect the Group's results of operations. Furthermore, energy supplies are subject to disruption in connection with blackouts and other occurrences, such as the suspension of Russian gas deliveries in January 2009. An interruption in gas supply may result in production shortfalls and could have a material adverse effect on the Group's business, results of operations and financial condition.

## **1.5 Financial risks relating to the Group's business**

*(a) The capital intensive nature of the Group's business requires significant financing.*

The building materials industry is capital intensive. In order to continue to be competitive, the Group needs modern plants and equipment, which involves substantial capital expenditures for maintenance and potential expansion on greenfield operations.

The Group has historically funded capital expenditures and acquisitions with internally generated cash flows, bank loans, senior and hybrid bonds, and proceeds from the sale of non-operating assets and has financed acquisitions through the issuance of new shares. In the future, the Group intends to continue using these sources of financing subject to their availability. Should the Group be unable to finance its capital expenditures and acquisitions in the contemplated manner, the Group's business, results of operations and financial condition could be materially adversely affected.

*(b) Downgrades in the rating or a decline in the credit metrics of the Group, its inability to obtain new financing and covenants in existing financing agreements could increase refinancing costs and impair the Group's liquidity and profitability.*

The Group's long-term debt and issuer ratings were downgraded by Moody's Investor Services, Inc. ("Moody's") to Ba1 in June 2009, with a negative outlook since May 2010. Standard & Poor's Ratings Services ("Standard & Poor's") downgraded the Group's long term debt and issuer ratings to BB in March 2010 and revised the outlook from negative to stable in February 2011. Possible future downgrades in the financial rating of the Group could impair the Group's ability to refinance and have a material adverse effect on the Group's business, results of operations and financial condition.

A portion of the Group's cash flow from operations is dedicated to the payment of interest on its indebtedness and will not be available for other purposes. If the Group's credit metrics were to decline, the interest it pays under some of its credit facilities would increase, leading to an increase in the cost of additional financing that the Group may need, thereby negatively affecting the Group's business, results of operations and financial condition.

The Group continues to depend on future financing and refinancing in the credit and capital markets and may not always be successful in securing such financing. Access to financing is dependent on a variety of financial, macroeconomic and other factors, which are beyond the Group's control. It is possible that the Group's liquid funds and existing undrawn committed lines of credit will not be sufficient to cover the Group's refinancing and operational needs and that the Group will not obtain additional financing on favourable terms or at all.

Covenants contained in the Group's financing arrangements (e.g. maximum leverage ratios and interest cover ratios) could equally limit the Group's ability to finance its future operations and capital needs. If the Group breaches such covenants and is unable to cure the breach or obtain a waiver from the lenders, it could be in default under the terms of the respective arrangement. A default under any single financing arrangement could result in a default under other financing arrangements and could cause lenders under such other arrangements to accelerate such financing arrangements, in which case amounts under those arrangements would become due as well. In addition, in an event of default, the lenders under the Group's credit lines could terminate their commitments to extend credit to it or cease making loans, and the Group could be forced into bankruptcy or liquidation. This would have an immediate material adverse effect on the Group's

liquidity and may have a material adverse effect on the Group's business, results of operations and financial condition.

- (c) *Because many of the Group's subsidiaries operate in currencies other than the Euro, adverse changes in foreign exchange rates relative to the Euro could materially adversely affect the Group's reported earnings and cash flow.*

A significant portion of the Group's revenues and expenses from subsidiaries originate in currencies other than the Euro from countries outside the Euro zone, including the United States, Canada, Poland, Hungary, Bulgaria, the Czech Republic, Croatia, Romania, Russia, Estonia, Denmark, Sweden, Norway, the United Kingdom and Switzerland. For the nine months ended September 30, 2011, approximately 33% of the Group's revenues were denominated in currencies other than the Euro, predominantly the Eastern European currencies (14%), the British pound (8%) and North American currencies (7%). As a result, adverse changes in the exchange rates used to translate foreign currencies into Euro, the Group's reporting currency, may impact the Group's results of operations or financial position as reported in Euro.

- (d) *A significant default by a financial institution counterparty or a customer could adversely affect the Group's business, results of operations and financial condition.*

Cash deposits and other financial instruments held with or through financial institutions entail credit risk represented by the loss that would be recognized should the financial institution counterparty fail to perform as contracted. In addition, the Group faces credit risk in the normal course of business with customers who buy its products. The current economic and financial uncertainty has led to an increase in credit risk due to the deterioration of creditworthiness of a number of financial institutions and customers. A significant default by the Group's financial counterparties or customers could have a material adverse effect on the Group's business, results of operations and financial condition.

- (e) *Movements in interest rates may increase the Group's interest expense.*

As of September 30, 2011 more than 50% of the interest on the Group's finance debt is indexed at a spread to benchmark rates such as the Europe Interbank Offered Rate, "Euribor", and the London Interbank Offered Rate, "Libor". Such variable interest rates are associated with the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels. This variable portion of interest-bearing liabilities is more than balanced by cash and cash equivalents, which are also indexed to "Euribor". As of 2010, for example, a parallel upward shift of 100 basis points in interest rates would have increased profit after tax by approximately EUR 1 million. A decrease of 100 basis points in interest rates would have reduced profit after tax by a similar amount. As a consequence, movements in interest rates can have a material impact on the Group's interest expense in respect to its indebtedness and may have a material adverse effect on the Group's results of operations and financial condition.

## **1.6 Risks related to the environment**

- (a) *The Group is subject to stringent environmental and health and safety laws, regulations and standards which result in costs related to compliance and remediation efforts that may adversely affect the Group's business, results of operations and financial condition.*

The Group is subject to a broad and increasingly stringent range of environmental and health and safety laws, regulations and standards in the jurisdictions in which it operates. This results in significant compliance costs and exposes the Group to liability. Environmental claims or the failure to comply with any present or future regulations could result in the assessment of damages or imposition of fines against the Group, suspension of production or a cessation of operations. New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The laws, regulations and standards relate to, among other things, air noise emissions, carbon dioxide ("CO<sub>2</sub>") emissions, sulfur flue gas emissions, waste water discharges, avoidance of soil and groundwater contamination, regulations on silica, the use

and handling of hazardous materials, waste disposal practices and standards relating to construction materials.

Generally, many of the Group's manufacturing sites have a history of industrial use: Soil and groundwater contamination occurred in the past at a limited number of sites. Such contamination might occur or be discovered at other sites in the future and the Group may face remediation liabilities and legal proceedings concerning environmental matters. As the Group expanded into the Eastern European countries, it both acquired and built plants on existing industrial sites. In many cases, very limited information, if any, was available with regard to environmental pollution on those sites.

The Group's landfills (exhausted clay pits used as garbage disposal) in Austria, which were viewed as potentially presenting a risk, were sold to the ANC Privatstiftung ("ANC Foundation"), a private foundation. However, because laws and regulations may hold prior owners of property liable for discovered environmental damage, there can be no assurance that the Group will not be liable for remediation costs or potential future claims related to the real estate sold to the ANC Foundation. Similar situations may exist also in other circumstances and other jurisdictions. Other jurisdictions in which the Group operates provide for a legal obligation to recultivate exhausted clay pits. There can be no assurance that the Group's recultivation provisions will be sufficient to cover all future costs, especially in some Eastern European countries where regulatory policy on recultivation is still evolving, so that provisions may need to be revised as local policy develops. Recultivation costs significantly exceeding established provisions might have a material adverse effect on the Group's business, results of operations and financial condition.

The Group cannot predict environmental matters with certainty, and the Group's budgeted amounts and established reserves may not be adequate for all purposes. In addition, the development or discovery of new facts, events, circumstances or conditions, including future decisions to close plants, which may trigger remediation liabilities, and other developments such as changes in law or increasingly strict enforcement could result in increased costs and liabilities, prevent or restrict some of the Group's operations and have a material adverse effect on the Group's business, results of operations and financial condition.

- (b) *Changes in building laws, regulations and standards could materially adversely affect the Group's business, results of operations and financial condition.*

The Group is subject to a broad and increasingly stringent range of building laws, regulations and standards in the jurisdictions in which it operates. The laws, regulations and standards cover both the technical standards that need to be met and the procedures that need to be followed and relate to, among other things, structure, fire safety, toxic substances, ventilation, hygiene, drainage and waste disposal and electrical safety. This results in significant compliance costs and exposes the Group to liability. Additional legal requirements could be adopted in the future that would render compliance more burdensome. New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The failure to comply with any present or future regulations or standards could result in the assessment of damages or imposition of fines against the Group or the loss of market shares. As a consequence, any change in building laws, regulations and standards could materially adversely affect the Group's business, results of operations and financial condition.

- (c) *Changes in the European Union emissions trade certificate regulations and other local emissions allowance systems could lead to reduced free emission right allocations and limited free transferability of emissions allowances and would increase the Group's production costs.*

The Group's kilns produce substantial amounts of CO<sub>2</sub>, a gas believed to be partly responsible for the greenhouse effect. In most countries where the Group operates, regulations taxing or limiting CO<sub>2</sub> emissions have been enacted. Such regulations could increase the Group's production costs resulting from the necessary purchase of emissions allowances or the implementation of emissions reduction measures or due to increased energy prices. Therefore, regulations on CO<sub>2</sub> could

negatively impact the production cost of the Group's plants, adversely affecting the Group's business and results of operations. In January 2005, the European Union implemented an emissions trading system, under which any CO<sub>2</sub> emissions beyond the free allocation must be covered by additional CO<sub>2</sub> allowances that must be purchased from third parties. The national allocation plans for the second phase of the emissions trading scheme (2008-2012) reduced the free allocation of emission allowances. A tightening of rules in the emission trading scheme for 2013 to 2020, which no longer provide for 100% free allocation, unless for businesses operating in industry sectors that are considered to be highly exposed to international trade and whose businesses are prone to moving outside of the EU ("carbon leakage"), might lead to increased production costs. The bricks and roof tiles industry is included in the carbon leakage catalogue. However, the European Commission will review the carbon leakage list in 2014. Should the bricks and roof tiles industry no longer be included in the carbon leakage catalogue, Wienerberger will be gradually obliged to purchase CO<sub>2</sub> certificates in auctions starting in 2015. Unless the Group is able to pass the rise in costs on to its customers, a significant underallocation of certificates to the Group and/or the introduction of a fee for emission allowances might have a material adverse effect on the Group's business, results of operations and financial condition.

## **2. FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE BONDS**

A5 – 2.1

### **2.1 The Bonds may not be a suitable investment for all investors**

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

### **2.2 There is no active trading market for the Bonds**

The Bonds are new securities which may not be widely traded and for which there is currently no active trading market. The Issuer has filed an application to have the Bonds listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and the Issuer will also file an application for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. If the Bonds are admitted to trading after their issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance that an active

trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. Furthermore, it cannot be guaranteed that the admission to listing and trading once approved will be maintained.

### **2.3 The Bonds are exposed to market interest rate risk**

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

### **2.4 The real yield of the Bonds decreases in case of inflation**

The inflation risk refers to the risk that the value of assets, such as the Bonds, or income therefrom, decreases when the purchasing power of a currency decreases due to inflation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the interest of the Bonds, the real yield is zero or even negative.

### **2.5 The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors**

The value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. Furthermore, the Bonds do not have a credit rating, and the Issuer currently does not intend to request a credit rating for the Bonds at a later date. This may impact the trading price of the Bonds. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

### **2.6 The Bonds may be redeemed prior to maturity and for a price lower than their nominal amount**

In the event (a) of the occurrence of an Event of Default (as defined in Condition 10 (*Events of Default*)) or (b) that the Issuer would be obliged (as set out in Condition 9 (*Taxation*)) to increase the amounts payable in respect of any Bonds as a result of any change in, or amendment to, the laws, treaties or regulations of Austria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, treaties or regulations, which change or amendment becomes effective on or after the Issue Date, the Bonds may be redeemed prior to maturity in accordance with the Conditions.

In addition, the Bonds may be redeemed at a value which is below their nominal value or even, in case of an Event of Default, at a value equal to zero.

In case of certain Events of Default, notices declaring the Bonds due and payable only become effective if the Agent receives notices from the holders of at least 15 per cent. of the principal amount of Bonds then outstanding.

### **2.7 Investors may not be able to reinvest their proceeds of the Bonds at equal conditions**

In case of sales before maturity, redemption at maturity or early redemption of the Bonds (under Condition 6, the Issuer is entitled to early redemption for tax reasons), there is no assurance that investors are able to reinvest the proceeds in comparable Bonds with an at least equal yield. The same applies to interest payments.

## **2.8 The Bonds may be affected by the turbulence in the global credit markets**

Potential investors should be aware of the turbulence in the global credit markets which has led to a general lack of liquidity in the secondary market for instruments similar to the Bonds. The Issuer cannot predict when these circumstances will change and if and when they do there can be no assurance that conditions of general market illiquidity for the Bonds and instruments similar to the Bonds will not return in the future.

## **2.9 The Bonds may be exposed to exchange rate risks and exchange controls**

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the *Investor's Currency*) other than the Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds, and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

## **2.10 Certain payments in respect of the Bonds may be impacted by the EU Savings Directive**

Under the EC Council Directive 2003/48/EC on the taxation of savings income (the *EU Savings Directive*), member states of the European Union (the *EU Member States* and each a *EU Member State*) are required to provide to the tax authorities of another EU Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other EU Member State or to certain limited types of entities established in other EU Member States. However, for a transitional period, the Grand Duchy of Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). Until 31 December 2009, Belgium also operated a transitional withholding tax system as provided above. By two Royal Decrees dated 27 September 2009 and published in the Belgian Official Gazette on 1 October 2009, the Belgian State elected to abandon the transitional withholding system and to provide information in accordance with the EU Savings Directive effective as of 1 January 2010.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament expressed its opinion on the proposal on 24 April 2009 and the Council adopted unanimous conclusions on 9 June 2009 relating to the proposal.

If any of those proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a paying agent established in any state which applies the withholding tax system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Agent nor any other person would be obliged to pay

additional amounts to the Bondholders or to otherwise compensate Bondholders for the reductions in the amounts that they will receive as a result of the imposition of such withholding tax.

**2.11 Potential purchasers and sellers of the Bonds may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions**

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to seek the advice of a tax professional regarding their individual tax liabilities with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

**2.12 Changes in governing law could modify certain Conditions**

The Conditions are based on the laws of Austria in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Austria, the official application, interpretation or the administrative practice after the date of this Prospectus.

**2.13 Relationship with the Issuer**

All notices and payments to be delivered to the Bondholders will be distributed by the Issuer to such Bondholders in accordance with the Conditions. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced. However, such Bondholders may not have a direct claim against the Issuer.

**2.14 The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the Clearing Systems**

The Bonds will be issued in bearer form and will be represented by a global note. The Bonds will be represented exclusively by book entries in the records of Euroclear and Clearstream, Luxembourg. Transfers of interests in the Bonds will be effected between the Clearing Systems participants in accordance with the rules and operating procedures of the Clearing Systems. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing Systems participants through which they hold their Bonds. The Issuer and the Agent will have no responsibility for the proper performance by the Clearing Systems or the Clearing Systems participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the Clearing Systems to receive payments under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the Clearing Systems.

**2.15 The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the Clearing Systems**

The Conditions of the Bonds and the Agency Agreement (as defined below) provide that the Agent (as defined below) will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, through the Clearing Systems, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds, and in the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any

further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable insolvency laws.

**2.16 The Issuer and the Managers may engage in transactions which are not in the interest of Bondholders, or conflicts of interest may arise between the Issuer and the Bondholders for other reasons**

Each Manager has relationships with the Issuer and has entered into banking transactions with it which may include other terms and conditions than the Conditions of the Bonds. Such transactions may be unfavourable for Bondholders. In particular (but without limiting the generality of the foregoing), the Conditions of the Bonds do not include an event of default requiring the Issuer to comply with certain financial ratios during the maturity of the Bonds.

Additionally, the interests of the Issuer and the Bondholders are not identical and future transactions of the Issuer directly or indirectly affecting the Bonds may have a negative influence on the development of the Bonds' trading price. In particular, there is no restriction on the amount of debt which the Issuer may issue which ranks equal to the obligations under or in connection with the Bonds. Such issuance of further debt may reduce the amount recoverable by the Bondholders upon insolvency or winding-up of the Issuer and may increase the likelihood that the Issuer may or shall defer payments of interest under the Bonds.

**2.17 Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

**2.18 The Issuer may increase its indebtedness in the future**

In the future, the Issuer could decide to increase its indebtedness, which could make it difficult to meet its obligations in the context of the Bonds or could cause the value of the Bonds to decrease. The general conditions of the Bonds do not limit the amount of unsecured debts that the Issuer can incur. If the Issuer incurs additional debts, this could have important consequences for the Bondholders, as it could become more difficult for the Issuer to meet its obligations with respect to the Bonds which could lead to a loss in the commercial value of the Bonds.

**2.19 The Bonds are unsecured obligations of the Issuer**

The right of the Bondholders to receive payment on the Bonds is not guaranteed and will effectively be subordinated to the guaranteed indebtedness of the Issuer. The Bonds will be general, unsecured, unprivileged Bonds.

**2.20 The Issuer may not have the ability to repay the Bonds**

The Issuer may not be able to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds in the event of a default. If the Bondholders were to ask the Issuer to repay their Bonds following an event of default, the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to repay the Bonds will depend on the Issuer's financial condition (including its cash position resulting from its ability to receive income and dividends from its subsidiaries (see above)) at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer's failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness.

**2.21 The possible appointment of a trustee, representing the interests and exercising the rights of Bondholders, may conflict with or otherwise adversely affect the interests of individual or all Bondholders**

Pursuant to the Austrian Notes Trustee Act (*Teilschuldverschreibungskuratorensgesetz*) (RGI 49/1874 of 24 April 1874), a trustee (*Kurator*) may be appointed by an Austrian court, upon the request of any interested party (e.g., a Bondholder) or upon the initiative of the competent court, for the purposes of representing the common interests of the Bondholders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the terms and conditions of the Bonds or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Bondholders and will be entitled to make statements on their behalf which shall be binding on all Bondholders. Where a trustee represents the interests and exercises the rights of Bondholders, this can conflict with or otherwise adversely affect the interests of individual or all Bondholders.

**2.22 Ratings of Bonds may not adequately reflect investment risks and a lack of a credit rating for the Bonds may make the price of the Bonds difficult to determine**

Although no rating has been assigned to the Bonds, such rating (if assigned) may not adequately reflect all risks of the investment in such Bonds and credit ratings may be suspended, downgraded or withdrawn, which could have an adverse effect on the market value and trading price of the Bonds. Additionally, in particular if the Bonds are not rated, there is no guarantee that the price of the Bonds and the other Conditions at the time of the Public Offer, or at a later date, will cover the credit risk related to the Bonds and the Issuer.

**2.23 Credit ratings assigned to the Issuer may not reflect all risks**

Standard & Poor's and Moody's have assigned ratings to the Issuer. The ratings may not reflect the potential impact of all risks related to the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the assigning rating agency at any time.

**2.24 Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged**

Current payments under the Bonds may be below any possible loan interest rates. There is no assurance that the yield or the redemption price of the Bonds will be sufficient to pay back loan obligations (including interest). In case of a purchase of Bonds financed by loans and a subsequent delay or default of payment by the Issuer or a material decrease in the market price of the Bonds, the investor must not only bear the related loss, but also service and repay the loan. Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged.

**2.25 It may not be lawful for prospective investors to purchase the Bonds**

Neither the Issuer nor any of the Managers have or assume responsibility for the lawfulness of the acquisition of the Bonds by a prospective purchaser, under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates, or its compliance with any applicable laws, regulations or regulatory policies. A prospective purchaser may not rely on the Issuer or the Managers in connection with its determination as to the legality of its acquisition of the Bonds.

## PART III: DOCUMENTS INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Issuer as of, and for the years ended 31 December 2010 and 2009, in the English language (including the notes thereto, the **Audited Consolidated Financial Statements**) as well as the unaudited consolidated interim financial statements of the Issuer as of, and for the nine months ended 30 September 2011, in the English language (including the notes thereto, the **Unaudited Consolidated Financial Statements**, and together with the Audited Consolidated Financial Statements, the **Consolidated Financial Statements**) are incorporated by reference into this Prospectus and are defined herein as the **Documents Incorporated by Reference**. This Prospectus should be read and construed in conjunction with the Documents Incorporated by Reference which have been previously published and which have been filed with the CSSF and shall form part of this Prospectus.

A4 – 2.1  
A4 - 13.1  
A4 – 13.2  
A4 - 13.3  
A4 - 13.3.1  
A4 - 13.3.2  
A4 - 13.3.3  
A4 - 13.4  
A4 - 13.4.1  
A4 - 13.5  
A4 - 13.5.1  
A4 - 13.5.2

The Issuer has prepared the German language Consolidated Financial Statements in accordance with IFRS<sup>1</sup>. The Audited Annual Consolidated Financial Statements in German language were audited by KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH, certified public auditors and members of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstreuhänder*). The Consolidated Financial Statements are translations of the original German language documents.

The Documents Incorporated by Reference are available at the Issuer's registered office during usual business hours for twelve months from the date of publication of this Prospectus, see "Documents Available for Inspection" below. The Consolidated Financial Statements may also be inspected on Wienerberger's website ([www.wienerberger.com](http://www.wienerberger.com)) under the icons "Investor Relations", "Reports & Presentations" and "Reports" as follows:

- Wienerberger Report on the Third Quarter of 2011: the unaudited consolidated financial statements: income statement and statement of comprehensive income, page 10; balance sheet and changes in equity statement, page 11; cash flow statement, page 12; operating segment reporting, page 13; notes to the interim financial statements, pages 14-16.
- Wienerberger Annual Report 2010: the audited annual consolidated financial statements as of, and for the year ended, December 31, 2010 (the Audited Annual Consolidated Financial Statements 2010): income statement, page 100; statement of comprehensive income, page 101; cash flow statement, page 102; balance sheet, changes in equity statement and table of non-current assets, pages 103-107; segment reporting, pages 108-109; notes to the consolidated financial statements, pages 110-159; independent auditor's report, page 160.
- Wienerberger Annual Report 2009: the audited annual consolidated financial statements as of and for the year ended, December 31, 2009 (the Audited Annual Consolidated Financial Statements 2009): income statement, page 100; statement of comprehensive income, page 101; cash flow statement, page 102; balance sheet, changes in equity statement and table of non-current assets, pages 103-107; segment reporting, pages 108-109; notes to the consolidated financial statements, pages 110-159; independent auditor's report, page 160.

### Third party information, ratings

This Prospectus also presents the Group's credit ratings from Standard & Poor's and Moody's. Standard & Poor's as well as Moody's are established in the European Union and are registered, as from 31 October 2011, under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011) (the **CRA Regulation**). The latest update of the list of credit rating

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<sup>1</sup> **IFRS** refers to International Financial Reporting Standards, including International Accounting Standards (**IAS**) and interpretations published by the International Accounting Standards Board, as adopted by the EU.

agencies registered under the CRA Regulation, being at the date of this Prospectus 31 October 2011, is published on the website of the European Securities and Markets Authority (<http://www.esma.europa.eu/page/List-registered-and-CRAs>).

The Issuer confirms that the information provided by third parties was accurately reproduced. So far as the Issuer is aware and was able to ascertain from information published by such third parties, no facts were omitted which would render the reproduced information inaccurate or misleading. However, the Issuer has not independently verified such data. Therefore, neither the Issuer nor the Managers assume any responsibility for the correctness of any market share, market position, industry or other data included in this Prospectus. In addition, while the Issuer believes its internal research to be reliable, such research was not verified by any independent sources.

### **Documents available for inspection**

Copies of the following documents will be available at the Issuer's registered office at Wienerberg City, Wienerbergstraße 11, A-1100 Vienna, Austria (Tel: +43 (1) 60192-477), during usual business hours for 12 months from the date of this Prospectus:

- the Articles of Association of Wienerberger AG;
- the Prospectus; and
- the Documents Incorporated by Reference.

The information displayed on the Issuer's website other than the Documents Incorporated by Reference do not form a part of this Prospectus nor are they incorporated by reference in this Prospectus, unless explicitly otherwise stated in this Prospectus. The Documents Incorporated by Reference will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## PART IV: TERMS AND CONDITIONS OF THE BONDS

A5 – 4.6

A5 – 4.8

A5 – 4.10

### TERMS AND CONDITIONS OF THE BONDS

#### ANLEIHEBEDINGUNGEN

#### TERMS AND CONDITIONS

##### § 1

#### EMITTENTIN, GESAMTNENNBETRAG UND STÜCKELUNG

##### § 1

#### ISSUER, AGGREGATE PRINCIPAL AMOUNT AND DENOMINATION

Diese Schuldverschreibungen (die "Schuldverschreibungen") der Wienerberger AG (die "Emittentin") werden in EUR im Gesamtnennbetrag von mindestens EUR 50.000.000 (in Worten: Euro fünfzig Millionen) und maximal EUR 200.000.000 (in Worten: Euro zwei hundert Millionen) in einer Stückelung von je EUR 1.000 (die "Stückelung") gemäß diesen Anleihebedingungen (die "Anleihebedingungen") begeben. Die Emittentin wird eine Nachricht mit dem endgültigen Gesamtnennbetrag der zu emittierenden Schuldverschreibungen auf ihrer Website veröffentlichen.

These Bonds (the "Bonds") of Wienerberger AG (the "Issuer") are being issued in EUR in the aggregate principal amount of at least EUR 50,000,000 (in words: Euro fifty million) and maximum EUR 200,000,000 (in words: Euro two hundred million) in denominations of EUR 1,000 (the "Specified Denomination") pursuant to these terms and conditions (the "Terms and Conditions"). The Issuer will publish a notice on its website to announce the final aggregate principal amount of the Bonds to be issued.

##### § 2

#### FORM, VERBRIEFUNG, CLEARINGSYSTEM UND ISIN

##### § 2

#### FORM, REPRESENTATION, CLEARING SYSTEM AND ISIN

- (1) *Inhaberschuldverschreibungen.* Die Schuldverschreibungen lauten auf den Inhaber.
- (2) *Globalurkunde.* Die Schuldverschreibungen werden zur Gänze durch eine veränderbare Globalurkunde verbrieft. Die Globalurkunde ist von den Vertretern der Emittentin firmenmäßig gezeichnet und ist von der gemäß diesen Anleihebedingungen bestellten Zahlstelle mit einer Kontrollunterschrift versehen. Der Anspruch auf Ausfolgung einzelner Schuldverschreibungen oder einzelner Zinsscheine ist ausgeschlossen.
- (3) *Vorläufige Globalurkunde – Austausch.*
  - (a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "Vorläufige Globalurkunde") ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird nach Vorlage von US-Steuerbescheinigungen gemäß § 2(3) Absatz b) gegen eine Dauerglobalurkunde (die

- (1) *Bearer Bonds.* The Bonds are being issued in bearer form.
- (2) *Global Bond.* The Bonds are entirely represented by a modifiable global note (the "Global Bond"). The Global Bond shall be signed by the authorized representatives of the Issuer and shall be authenticated by the appointed Paying Agent. The right to have definitive Bonds or interest coupons issued is excluded.
- (3) *Temporary Global Bond – Exchange.*
  - (a) The Bonds are initially represented by a temporary Global Bond (the "Temporary Global Bond") without coupons. The Temporary Global Bond will be exchangeable for a permanent Global Bond (the "Permanent Global Bond") without coupons upon receipt of US-Tax

“Dauerglobalurkunde“) ohne Zinsscheine ausgetauscht.

- (b) Anteile an der Vorläufigen Globalurkunde werden an einem Tag, der mindestens 40 Tage nach dem Tag der Ausgabe der Vorläufigen Globalurkunde liegt, gegen Anteile an einer Dauerglobalurkunde ausgetauscht. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen erfolgen (“US-Steuerbescheinigungen“), wonach der oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Die US-Steuerbescheinigungen müssen den anwendbaren US-Steuervorschriften entsprechen. Zinszahlungen auf durch eine Vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage der US-Steuerbescheinigungen. Eine gesonderte US-Steuerbescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede US-Steuerbescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese gemäß Absatz (b) dieses § 1 (3) auszutauschen. Schuldverschreibungen, die im Austausch für Anteile an der Vorläufigen Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten zu liefern.

“Vereinigte Staaten“ bezeichnet die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des Districts of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der US. Virgin Islands, Guam, American Samoa, Wake Island und der Northern Mariana Islands).

- (4) *Clearing System.* Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. “Clearingsystem” bedeutet jeweils folgendes: Clearstream Banking, société anonyme, Luxemburg und Euroclear Bank S.A./N.V. Brüssel, als Betreiberin des Euroclear Systems (Euroclear) sowie jeder

Certifications pursuant to § 2(3) subpara b).

- (b) Interests in the Temporary Global Bond shall be exchangeable for interests in the Permanent Global Bond from the 40th day after the date of issue of the Temporary Global Bond. Such exchange shall only be made upon delivery of certifications (“US-Tax Certifications”) to the effect that the beneficial owner or owners of the Bonds represented by the Temporary Global Bond is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). The US-Tax Certifications shall be in compliance with the applicable United States Treasury Regulations. Payment of interest on Bonds represented by a Temporary Global Bond will be made only after delivery of US-Tax Certifications. A separate US-Tax Certification shall be required in respect of each such payment of interest. Any such US-Tax Certification received on or after the 40th day after the date of issue of the Temporary Global Bond will be treated as a request to exchange pursuant to this subparagraph (b) of this § 1 (3). Any Notes delivered in exchange for interests in the Temporary Global Bond shall be delivered only outside of the United States.

“United States” means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

- (4) *Clearing System.* Each Global Bond will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Bonds have been satisfied. “Clearing System” means each of the following: Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank S.A./N.V. Brussels, as operator of the Euroclear System (Euroclear) as well as each

Funktionsnachfolger.

successor.

*Anleihegläubiger.* Den Inhabern der Schuldverschreibungen (die “Anleihegläubiger”) stehen Miteigentumsanteile an der Globalurkunde zu, die gemäß den Vorschriften des Clearingsystems übertragen werden können.

(5) *Holder of Bonds.* The holders of Bonds (the “Holders”) hold proportionate co-ownership interests in the Global Bond, which are transferable exclusively pursuant to the conditions of the Clearing System.

(5) *ISIN.* Die Wertpapierkennnummer (International Securities Identification Number oder ISIN) lautet XS0731071055.

(6) *ISIN.* The ISIN Code (International Securities Identification Number or ISIN) is XS0731071055.

### § 3 STATUS

### § 3 STATUS

Die Schuldverschreibungen begründen nicht besicherte, unbedingte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen oder künftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, mit Ausnahme von Verbindlichkeiten, die nach geltendem zwingenden Recht vorrangig sind.

The obligations under the Bonds constitute unsecured, unconditional and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by mandatory law.

### § 4 NEGATIVVERPFLICHTUNG

### § 4 NEGATIVE PLEDGE

Solange Schuldverschreibungen ausstehen,

So long as any Bonds have not been redeemed,

(a) wird die Emittentin kein dingliches Sicherungsrecht, keine Hypothek, Belastung, Verpfändung, oder eine andere Belastung oder Sicherungsrecht (“Sicherheit”) über ihr Unternehmen, gegenwärtiges oder zukünftiges Vermögen oder Einkünfte, zur Gänze oder teilweise, begründen oder erlauben, dass solche fortbestehen, um eine Relevante Verbindlichkeit (wie nachstehend definiert) oder eine Garantie oder Schadloshaltungsverpflichtung im Hinblick auf eine Relevante Verbindlichkeit zu sichern;

(a) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“Security”) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt (as defined below), or any guarantee of or indemnity in respect of any Relevant Debt,

(b) wird die Emittentin dafür sorgen, dass niemand eine Sicherheit, über sein Unternehmen, gegenwärtiges oder zukünftiges Vermögen oder Einkünfte, zur Gänze oder teilweise, schafft oder erlaubt, dass eine solche bestehen bleibt, um (i) eine Relevante Verbindlichkeit der Emittentin oder einer Wesentlichen Tochtergesellschaft (wie nachstehend definiert), oder eine Garantie oder Schadloshaltungsverpflichtung im Hinblick auf eine Relevante Verbindlichkeit der

(b) the Issuer will procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure (i) any of the Issuer’s Relevant Debt or any Material Subsidiary’s (as defined below) Relevant Debt, or any guarantee of or indemnity in respect of any of the Issuer’s Relevant Debt or any Material Subsidiary’s Relevant Debt, or (ii) where the person in question is a Material Subsidiary, any of the Relevant

Emittentin oder einer Wesentlichen Tochtergesellschaft zu besichern, oder (ii) sofern die betroffene Person eine Wesentliche Tochtergesellschaft ist, eine Relevante

Debt of any person other than that Material Subsidiary, or any guarantee of or indemnity in respect of any such Relevant Debt and

(c) wird die Emittentin dafür sorgen, dass niemand eine Garantie oder Schadloshaltungserklärung für eine Relevante Verbindlichkeit abgibt,

(c) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of its Relevant Debt,

außer, die Verpflichtungen der Emittentin aus den Schuldverschreibungen werden gleichzeitig oder bereits zuvor (i) in gleicher Weise und anteilmäßig gesichert oder erhalten eine Garantie oder Schadloshaltungsverpflichtung zu im wesentlichen gleichartigen Konditionen, oder (ii) erhalten den Vorteil einer solchen anderen Sicherheit, Garantie oder Schadloshaltung.

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds (i) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (ii) have the benefit of such other security, guarantee or indemnity.

“Wesentliche Tochtergesellschaft” bedeutet zu jeder Zeit eine Tochtergesellschaft der Emittentin, (i) deren Umsatzerlöse oder deren Gesamtvermögen (jeweils konsolidiert im Falle, dass eine Tochtergesellschaft ihrerseits eine Tochtergesellschaft hat) nicht weniger als 5% der konsolidierten Gesamtumsatzerlöse bzw. des konsolidierten Gesamtvermögens der Emittentin zusammen mit ihren konsolidierten Tochtergesellschaften darstellen, wobei die jeweiligen Berechnungen mit Hinblick auf die, zum jeweiligen Zeitpunkt, zuletzt geprüften Jahresabschlüsse der Tochtergesellschaft (konsolidiert oder nicht konsolidiert) und die zuletzt geprüften, konsolidierten Jahresabschlüsse der Emittentin und ihrer konsolidierten Tochtergesellschaften durchgeführt werden, oder (ii) der der gesamte oder im Wesentlichen der gesamte Betrieb und das gesamte Vermögen einer Tochtergesellschaft der Emittentin übertragen wird, vorausgesetzt die übertragende Tochtergesellschaft war zum Zeitpunkt der Übertragung ihrerseits eine Wesentliche Tochtergesellschaft.

“Material Subsidiary” means, at any particular time, a Subsidiary of the Issuer (i) whose revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 5% of the total consolidated revenues or, as the case may be, consolidated total assets of the Issuer and its consolidated Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries, or (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Material Subsidiary.

“Relevante Verbindlichkeit” bedeutet jede gegenwärtige oder zukünftige Verbindlichkeit in der Form von oder verkörpert durch Anleihen, Schuldverschreibungen, Renten, Obligationsanleihen oder andere Wertpapiere, gelistet oder ungelistet, welche zu diesem Zeitpunkt an einer Wertpapierbörse, außerbörslich oder in anderen Wertpapiermärkten notieren oder ordentlich gehandelt werden oder ordentlich notieren oder gehandelt werden könnten (zur Klarstellung: dies umfasst nicht Kredite).

“Relevant Debt” means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities, listed or unlisted, which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market (for the avoidance of doubt, this does not include loans).

“Tochtergesellschaft” bedeutet ein Unternehmen, das

“Subsidiary” means, at any particular time, a

zum jeweiligen Zeitpunkt mittelbar oder unmittelbar unter beherrschendem Einfluss der Emittentin steht oder dessen Nennkapital (oder gleichwertiges) zu mehr als 50% im wirtschaftlichen Eigentum des Emittenten und/oder einer oder mehrerer seiner Tochtergesellschaften steht. Unter "beherrschendem Einfluss" eines anderen Unternehmens zu stehen bedeutet, dass das andere Unternehmen (gleichgültig, ob mittelbar oder unmittelbar, durch Eigentum von Nennkapital, durch den Besitz von Stimmrechten, vertraglich oder auf sonst andere Weise) das Recht hat, alle oder die Mehrheit der Vorstandsmitglieder oder eines anderen Leitungsorgans des beherrschten Unternehmens zu ernennen und/oder sie abzurufen, oder auf andere Weise beherrschenden Einfluss auszuüben, oder die Möglichkeit hat, die Angelegenheiten und Zielsetzungen des Unternehmens zu bestimmen.

company which is then directly or indirectly controlled, or more than 50 per cent. of whose issued equity share capital (or equivalent) is then beneficially owned, by the Issuer and/or one or more of its Subsidiaries. For a company to be "controlled" by another means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the Board of Directors or other governing body of that company or otherwise controls or has the power to control the affairs and policies of that company.

## § 5 ZINSEN

## § 5 INTEREST

- (1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom 1. Februar 2012 (einschließlich) (der "Emissionstag) bis zum Fälligkeitstag (wie in § 6(1) definiert) (ausschließlich) mit jährlich 5.00%. Die Zinsen sind nachträglich am 1. August eines jeden Jahres zahlbar (jeweils ein Zinszahlungstag). Die erste Zinszahlung erfolgt am 1. August 2012 (erster kurzer Kupon, im Betrag von EUR 24.86 je Stückelung von EUR 1.000).
- (2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht zurückzahlt, endet die Verzinsung der Schuldverschreibungen nicht am Tag der Fälligkeit, sondern erst zu dem Zeitpunkt, an dem Kapital und Zinsen aus oder im Zusammenhang mit den Schuldverschreibungen dem Clearingsystem zur Verfügung gestellt worden sind.
- (3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert).
- (4) *Zinstagequotient.* Zinstagequotient bedeutet die tatsächliche Anzahl der Tage im

- (1) *Rate of Interest and Interest Payment Dates.* The Bonds shall bear interest on their principal amount from (and including) 1 February 2012 (the "Issue Date") to (but excluding) the Maturity Date (as defined in § 6 (1)) at the rate of 5.00 per cent per annum. Interest shall be payable in arrears on 1 August in each year (each such date, an Interest Payment Date). The first payment of interest shall be made on 1 August 2012 (first short coupon, in the amount of EUR 24.86 per Specified Denomination of EUR 1,000).
- (2) *Accrual of Interest.* If the Issuer fails to redeem the Bonds when due, the Bonds shall not cease to bear interest on the due date, but on the date when the principal amount and interest from or in connection with the Bonds is made available to the Clearing System.
- (3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).
- (4) *Day Count Fraction.* Day Count Fraction means the actual number of days in the

relevanten Zeitraum ab dem letztvorangegangenen Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum relevanten Zahltag (ausschließlich) geteilt durch die Anzahl der Tage (365 bzw. 366) im Zeitraum vom letzten Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) (Actual/Actual (ICMA)).

## § 6 RÜCKZAHLUNG

- (1) *Rückzahlung* bei Endfälligkeit. Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 1. August 2015 (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag entspricht dem Nennbetrag. Die Schuldverschreibungen können durch die Emittentin nur in Übereinstimmung mit diesem § 6 zurückgezahlt werden.
- (2) *Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können jederzeit zur Gänze, jedoch nicht teilweise, nach Wahl der Emittentin, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber den Schuldverschreibungsinhabern (mit unwiderruflicher Benachrichtigung) zum Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zurückgezahlt werden, wenn (i) die Emittentin verpflichtet ist oder verpflichtet sein wird, zusätzliche Beträge, wie in § 9(1) vorgesehen oder auf die in § 9(1) hingewiesen wird, zu bezahlen, sofern diese Zahlung das Ergebnis einer Veränderung oder Änderung von Gesetzen oder Rechtsvorschriften in Österreich oder einer politischen Untereinheit oder einer ihrer Behörden, welche die Befugnis hat, Steuern einzuhoben, ist, oder eine Änderung in der Anwendbarkeit oder offiziellen Auslegung von solchen Gesetzen und Rechtsvorschriften erfolgt, und (ii) diese Verpflichtung durch die Emittentin nicht durch die Ergreifung von vernünftigen Maßnahmen, die ihr zur Verfügung stehen,

relevant period from the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Issue Date) (each inclusive) to the relevant payment date (exclusive) divided by the number of days (365 or 366) in the period from the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Issue Date) (each inclusive) to the following Interest Payment Date (exclusive) (Actual/Actual (ICMA)).

## § 6 REDEMPTION

- (1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Bonds shall be redeemed at their Final Redemption Amount on 1 August 2015 (the "Maturity Date"). The Final Redemption Amount shall be its principal amount. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this § 6.
- (2) *Redemption for taxation reasons.* The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Holders (which notice shall be irrevocable), at their Early Redemption Amount (as defined below), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 9(1) as a result of any change in, or amendment to, the laws or regulations of Austria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

abgewendet werden kann.

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| <p>(3) Eine solche Benachrichtigung über die Rückzahlung soll nicht früher als 90 Tage vor dem frühesten Termin, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu bezahlen, erfolgen, falls eine Zahlung im Hinblick auf die Schuldverschreibungen dann fällig ist.</p> <p>(4) Vor der Veröffentlichung einer Bekanntgabe der Rückzahlung gemäß diesem § 6 soll die Emittentin an die Zahlstelle eine von zwei zeichnungsberechtigten Vertretern der Emittentin unterzeichnete Bestätigung liefern, in welcher festgehalten wird, dass die Emittentin berechtigt ist, die Rückzahlung durchzuführen und in der eine Darstellung der Tatsachen enthalten ist, wonach die aufschiebenden Bedingungen im Hinblick auf das Recht der Emittentin, die Teilschuldverschreibungen zurückzuzahlen, eingetreten sind, sowie ein Gutachten eines unabhängigen anerkannten Rechtsanwalts dahingehend, dass die Emittentin verpflichtet ist oder sein wird, solche zusätzlichen Beträge als Ergebnis einer solchen Änderung oder Abänderung zu bezahlen.</p> | <p>(3) No such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.</p> <p>(4) Prior to the publication of any notice of redemption pursuant to this § 6, the Issuer shall deliver to the Paying Agent a certificate signed by two authorized signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.</p> |
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Der "Vorzeitige Rückzahlungsbetrag" einer Schuldverschreibung entspricht dem Rückzahlungsbetrag zuzüglich bis zum Tag (exklusive) der vorzeitigen Rückzahlung aufgelaufener Zinsen.

"Early Redemption Amount" of a Bond shall be the Final Redemption Amount, including interest accrued to the date (exclusive) of early redemption.

§ 7  
ZAHLSTELLE

§ 7  
PAYING AGENT

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(1) <i>Bestellung.</i> Die anfänglich bestellte Zahlstelle lautet wie folgt:</p> <p>BNP Paribas Securities Services<br/>Luxembourg Branch<br/>33 rue de Gasperich<br/>Howald-Hesperange<br/>L-2085 Luxembourg</p> <p>(2) <i>Änderung der Bestellung oder Abberufung.</i> Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle zu ändern oder zu beenden und eine andere Zahlstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel der Zahlstelle wird nur wirksam (außer im Insolvenzfall, in dem eine solche</p> | <p>(1) The initial Paying Agent is:</p> <p>BNP Paribas Securities Services<br/>Luxembourg Branch<br/>33 rue de Gasperich<br/>Howald-Hesperange<br/>L-2085 Grand Duchy of Luxembourg</p> <p>(2) <i>Variation or Termination of Appointment.</i> The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint another Paying Agent. The Issuer shall at all times maintain a Paying Agent. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 14 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

- (3) *Beauftragte der Emittentin.* Die Zahlstelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Anleihegläubigern. Es wird kein Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.

#### § 8 ZAHLUNGEN

- (1) *Zahlung von Kapital.* Zahlungen von Kapital auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes (6) (Zahltag) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.
- (2) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz (6) (Zahltag) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.
- (3) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in EUR.
- (4) *Erfüllung.* Die Emittentin wird durch Leistung von Zahlungen aus den Schuldverschreibungen an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit. Eine Zahlung aus den Schuldverschreibungen gilt als rechtzeitig, wenn sie am Fälligkeitstag auf dem Konto der bestellten Zahlstelle einlangt.
- (5) *Depotführende Stelle.* Die Gutschrift der Zins- und Tilgungszahlungen erfolgt über die jeweilige für den Inhaber der Schuldverschreibungen depotführende Stelle.
- (6) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen

thereof shall have been given to the Holders in accordance with § 14.

- (3) *Agents of the Issuer.* The Paying Agent acts solely as agent of the Issuer and does not have any obligations towards the Holders. No relationship of agency or trust shall be constituted between the Paying Agent and the Holders.

#### § 8 PAYMENTS

- (1) *Payment of Principal.* Payment of principal in respect of Bonds shall be made, subject to paragraph (6) (Payment Date), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
- (2) *Payment of Interest.* Payment of interest on Bonds shall be made, subject to paragraph (6) (Payment Date), to the Clearing System or (if applicable) to its order for credit to the relevant account holders of the Clearing System.
- (3) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Bonds shall be made in EUR.
- (4) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System. A payment shall be deemed in due time, if it is credited to the account of the Paying Agent on the due date.
- (5) *Custodian Bank.* Principal and interest on the Bonds will be credited through the individual custodian banks of the Holders.
- (6) *Payment Business Day.* If the date for payment of any amount in respect of any Bond is not a Payment Business Day then the Holder shall not be entitled to payment

Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "Zahltag" einen Tag (außer einem Samstag oder Sonntag) an dem das Clearingsystem sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2) betriebsbereit sind, um die betreffende Zahlung abzuwickeln.

## § 9 STEUERN

- (1) Alle in Bezug auf die Schuldverschreibungen an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder Gebühren bzw. Veranlagungen gleich welcher Art gezahlt, die von Österreich oder einer politischen Untergliederung oder einer Steuerbehörde im Wege des Einhalts oder des Abzugs auferlegt, einbehalten oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge ("Zusätzliche Beträge") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug oder Einbehalt von den Gläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen, falls:
- (a) diese auf andere Weise als durch Abzug oder Einbehalt an der Quelle aus Zahlungen auf die Schuldverschreibungen zu entrichten sind; oder
- (b) ein Gläubiger, der zur Republik Österreich eine andere aus steuerlicher Sicht relevante Verbindung hat, als den bloßen Umstand, dass er Inhaber der Schuldverschreibungen ist oder dies zum Zeitpunkt des Erwerbs der Schuldverschreibungen war, der Abgaben- oder Steuerpflicht unterliegt; oder
- (c) diese gemäß § 95 Einkommensteuergesetz in

until the next such day in the relevant place. It shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "Payment Business Day" means a day (other than a Saturday or a Sunday) on which the Clearing System and all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2) are operational to forward the relevant payment.

## § 9 TAXATION

- (1) All payments of principal and interest in respect of the Bonds to the Holders shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Austria or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the "Additional Amounts") as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to any Bonds if:
- (a) these are to be paid otherwise than by withholding or deduction at the source of payments under the Bonds; or
- (b) a Holder who has no relationship to the Republic of Austria other than the mere holding of the Bonds, and is thus liable to pay duties and taxes; or
- (c) these are being withheld in the Republic of

- der Republik Österreich von einer auszahlenden Stelle oder depotführenden Stelle einbehalten werden; oder
- Austria by a paying agent or depository pursuant to § 95 Austrian Income Tax Act (Einkommensteuergesetz); or
- (d) diese nicht zahlbar wären, wenn der Anleihegläubiger den Anspruch auf die betreffende Zahlung von Kapital oder Zinsen ordnungsgemäß innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag geltend gemacht hätte; oder
- (d) these were not payable had the Holder duly claimed the respective payment of principal or interest within 30 days after the maturity date of the respective payment was due; or
- (e) diese nach Zahlung durch die Emittentin im Rahmen des Transfers an die jeweiligen Gläubiger abgezogen oder einbehalten werden; oder
- (e) these are withheld or deducted after payment by the Issuer in the course of the transfer to the relevant Holder; or
- (f) diese aufgrund eines Doppelbesteuerungsabkommens oder den Steuergesetzen der Republik Österreich rückerstattbar wären oder aufgrund gemeinschaftsrechtlicher Bestimmungen (EU) an der Quelle entlastbar wären; oder
- (f) these could be reclaimed pursuant to a double taxation treaty or the fiscal laws of the Republic of Austria or be dischargeable at the source due to community law (EU) provisions; or
- (g) diese aufgrund oder infolge eines internationalen Vertrages, dessen Partei die Republik Österreich ist oder einer Verordnung oder Richtlinie aufgrund oder infolge eines solchen internationalen Vertrages auferlegt oder erhoben werden; oder
- (g) these are imposed or levied pursuant to or as a consequence of an international treaty to which the Republic of Austria is a party or a regulation or a directive on the basis of or as a consequence of such international treaty; or
- (h) diese von einer auszahlenden Stelle aufgrund der vom Rat der Europäischen Union am 3. Juni 2003 erlassenen Richtlinie im Bereich der Besteuerung von Zinserträgen (Richtlinie 2003/48/EG des Rates) einbehalten oder abgezogen wurden, oder aufgrund von Rechts- und Verwaltungsvorschriften, welche zur Umsetzung dieser Richtlinien erlassen wurden; oder
- (h) these were withheld or deducted by a disbursement agent pursuant to Council Directive 2003/48/EC of June 3, 2003 on the taxation of savings income in the form of interest payments or due to statutory or administrative provisions enacted for the implementation of this directive; or
- (i) diese von einer auszahlenden Stelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen auszahlenden Stelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder
- (i) these are withheld or deducted by a disbursement agent, if such payment could have been effected by another disbursement agent without such withholding or deduction; or
- (j) ihnen ein Gläubiger nicht unterläge, sofern er zumutbarerweise Steuerfreiheit oder eine Steuererstattung oder eine Steuervergütung hätte erlangen können; oder
- (j) these would not have to be paid by a Holder if it could have obtained tax exemption, tax restitution or tax rebate in a reasonable way; or
- (k) jegliche Kombination der Absätze (a)-(j).
- (k) any combination of items (a)-(j).

§ 10  
KÜNDIGUNG

- (1) *Kündigungsgründe.* Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag und im Fall von Absatz (i) zum Erhöhten Rückzahlungsbetrag zu verlangen, falls:
- (a) die Emittentin Kapital oder Zinsen der Schuldverschreibungen nicht innerhalb von 14 Tagen nach dem jeweiligen Fälligkeitstag zahlt; oder
- (b) die Emittentin die ordnungsgemäße Erfüllung oder Einhaltung einer Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung länger als 45 Tage nachdem die Zahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat fort dauert; oder
- (c) (i) irgendeine gegenwärtige oder zukünftige Verbindlichkeit der Emittentin oder einer ihrer Tochtergesellschaften für oder in Bezug auf ausgeliehene oder aufgenommene Gelder vor der angegebenen Fälligkeit durch ein tatsächliches oder mögliches Versäumnis oder ähnliches (wie auch immer beschrieben) fällig und zahlbar wird oder für fällig und zahlbar erklärt werden kann, oder (ii) irgendeine Verbindlichkeit der Emittentin oder einer ihrer Tochtergesellschaften bei Fälligkeit oder innerhalb einer anwendbaren Nachfrist nicht bezahlt wird, oder (iii) die Emittentin oder eine ihrer Tochtergesellschaften bei Fälligkeit fällige Beträge, zahlbar von ihr unter gegenwärtigen oder zukünftigen Garantien oder Schadloshaltungen in Bezug auf ausgeliehene oder aufgenommene Gelder nicht bezahlt, vorausgesetzt, dass die Summe der betroffenen Verbindlichkeiten, Garantien und Schadloshaltungen, hinsichtlich derer ein oder mehrere Ereignisse in diesem Absatz (c) eingetreten sind, den Betrag von EUR 10.000.000 oder dem Gegenwert (auf der Basis des mittleren Devisen-Kassa-Kurses für die betreffende Währung gegen den Euro durch die Berechnung einer führenden Bank an jenem Tag) entspricht

§ 10  
EVENTS OF DEFAULT

- (1) *Events of Default.* Each Holder shall be entitled to declare his Bonds due and demand immediate redemption thereof at the Early Redemption Amount and in case of paragraph (i) at the Increased Redemption Amount, in the event that:
- (a) the Issuer has failed to pay principal or interest under the Bonds within 14 days, following the due date for payment; or
- (b) the Issuer breaches any provision of the Bonds and such breach has not been remedied within 45 days after the Paying Agent has received such notification from a Holder; or
- (c) (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes, or becomes capable of being declared, due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness of the Issuer or any of its Subsidiaries is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds EUR 10,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this paragraph operates); or

oder übersteigt; oder

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (d) die Emittentin oder eine Wesentliche Konzerngesellschaft (wie nachstehend definiert) ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit oder Überschuldung allgemein bekannt gibt, oder ihren Gläubigern eine allgemeine Regelung zur Bezahlung ihrer Schulden anbietet; oder                                                                                                                                                                                                                                                                                                               | (d) the Issuer or a Principal Subsidiary (as defined below) suspends payments or publicly announces its illiquidity or over-indebtedness, or offers its creditors a general arrangement for the payment of its obligations; or                                                                                                                                                                                                                                                                                                                      |
| (e) ein Gericht ein Insolvenzverfahren gegen die Emittentin oder eine Wesentliche Konzerngesellschaft eröffnet oder ein solches Insolvenzverfahren mangels kostendeckenden Vermögens abgelehnt wird; oder                                                                                                                                                                                                                                                                                                                                                                                           | (e) any order shall be made by a court to open insolvency proceedings against the Issuer or a Principal Subsidiary or such insolvency proceedings are declined for lack of cost covering assets; or                                                                                                                                                                                                                                                                                                                                                 |
| (f) die Emittentin oder eine Wesentliche Konzerngesellschaft (i) ihre Geschäftstätigkeit ganz oder im Wesentlichen einstellt, wobei eine vorübergehende Stilllegung von Werken keine Einstellung der Geschäftstätigkeit darstellt, oder (i) ihr gesamtes Vermögen oder den wesentlichen Teil ihres Vermögens anderweitig abgibt oder veräußert, oder (ii) nicht fremdübliche Geschäfte mit verbundenen Unternehmen im Sinne des Unternehmensgesetzbuches ( <i>UGB</i> ) abschließt, und sich jeweils die Vermögens-, Finanz- und Ertragslage der Emittentin dadurch wesentlich verschlechtert; oder | (f) the Issuer or a Principal Subsidiary (i) ceases all or substantially all of its business operations, provided that a temporary closure of plants shall not be deemed a termination for such purposes, or (ii) sells or disposes all of its assets or the substantial part thereof, or (iii) concludes agreements, which are not at arm's length, with affiliated companies as defined by the Austrian Commercial Code ( <i>UGB</i> ), and this, in each case, has a material adverse effect on its economic, financial and profit situation; or |
| (g) die Emittentin oder eine Wesentliche Konzerngesellschaft in Liquidation tritt; oder                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | (g) the Issuer or a Principal Subsidiary enters into liquidation; or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| (h) die Emittentin gegen eine ihrer Verpflichtungen nach § 4 dieser Anleihebedingungen verstößt; oder                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | (h) the Issuer violates its obligations pursuant to § 4 of these Terms and Conditions; or                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| (i) ein Kontrollwechsel (wie unten definiert) erfolgt. Die Emittentin wird einen Kontrollwechsel unverzüglich gemäß § 14 bekannt machen. Eine Kündigung durch die Anleihegläubiger nach diesem Unterabsatz (i) ist nur gültig, wenn die entsprechende Kündigungserklärung gemäß Absatz (3) innerhalb von 30 Tagen nach der Bekanntmachung des Kontrollwechsels erfolgt.                                                                                                                                                                                                                             | (i) a change of control (as defined below) occurs. The Issuer will announce a change of control immediately pursuant to § 14. A Holder may declare Bonds due pursuant to this subparagraph (i) only if the notice pursuant to paragraph (3) occurs within 30 days from the announcement of the change of control.                                                                                                                                                                                                                                   |

Als „Wesentliche Konzerngesellschaft“ im Sinne dieses § 10 gilt ein Konzernunternehmen (iSd § 15 AktG) der Emittentin, dessen Umsatz im letzten Geschäftsjahr mehr als 10% des konsolidierten Konzernumsatzes der Emittentin erreicht hat.

A “Principal Subsidiary” pursuant to this § 10 is a subsidiary (in the sense of § 15 Austrian Stock Corporation Act) of the Issuer, the turnover of which in the preceding business year exceeded 10% of the Issuer’s consolidated turnover.

Als Kontrollwechsel im Sinne dieses § 10 gilt, wenn eine Person oder mehrere Personen, die abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag einer solchen Person oder Personen handeln, zu irgendeinem Zeitpunkt mittelbar oder unmittelbar eine kontrollierende Beteiligung im Sinne des österreichischen Übernahmegesetzes (Beteiligung von mehr als 30% der stimmberechtigten Aktien), die ein Pflichtangebot auslöst, erworben hat oder haben.

Der "Erhöhte Rückzahlungsbetrag" einer Schuldverschreibung entspricht dem Vorzeitigen Rückzahlungsbetrag oder, falls höher, dem Abgezinsten Marktpreis (wie nachstehend definiert) der Schuldverschreibungen zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.

Der "Abgezinsten Marktpreis" wird von der Zahlstelle errechnet und entspricht der Summe (i) der auf den Rückzahlungstag Abgezinsten Werte (wie nachstehend definiert) des Nennbetrages der Schuldverschreibungen und (ii) der bis zum Fälligkeitstag (ausschließlich) verbleibenden vorgesehenen Zinszahlungen auf die Schuldverschreibungen.

Die "Abgezinsten Werte" werden von der Zahlstelle errechnet, indem der Nennbetrag der Schuldverschreibungen und bis zum Fälligkeitstag verbleibende Zinszahlungen auf die Schuldverschreibungen auf jährlicher Basis, unter Zugrundelegung eines Jahres mit 365 bzw. 366 Tagen und der Zahl der tatsächlich in dem Jahr verstrichenen Tage und der Angepassten Vergleichbaren Rendite (wie nachstehend definiert) zuzüglich 0,5%, abgezinst werden.

Die "Angepasste Vergleichbare Rendite" entspricht der am Rückzahlungsberechnungstag (wie nachstehend definiert) bestehenden Rendite einer von der Zahlstelle, im Einvernehmen mit der Emittentin, ausgewählten Euro-Referenzanleihe mit einer mit der verbleibenden Laufzeit der Schuldverschreibungen bis zum Fälligkeitstag vergleichbaren Laufzeit. Dabei handelt es sich um die Rendite einer solchen Euro-Referenz-Anleihe, die im Zeitpunkt der Auswahlentscheidung und entsprechend der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer mit dem Zeitraum bis zum Fälligkeitstag vergleichbaren Laufzeit verwendet würde.

"Rückzahlungs-Berechnungstag" ist der dritte Geschäftstag nach dem Tag an dem die Emittentin den Kontrollwechsel gemäß § 14 bekannt

A Change of Control will be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation pursuant to the Austrian Takeover Act (participation exceeding 30% of the voting shares) which triggers a mandatory take over bid.

"Increased Redemption Amount" of a Bond shall be the Early Redemption Amount or, if greater, the Make-Whole Amount (as defined below) of the Bonds plus accrued interest until the date of redemption (exclusive).

The "Make-Whole Amount" will be calculated by the Paying Agent, and will equal the sum of (i) the Present Values (as defined below) on the date of redemption of the principal amount of the Bonds and (ii) the remaining scheduled payments of interest on the Bonds to but excluding the Final Maturity Date.

The "Present Values" will be calculated by the Paying Agent by discounting the principal amount of the Bonds and the remaining interest payments to the Final Maturity Date on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year and using the Adjusted Comparable Yield (as defined below) plus 0.5%.

The "Adjusted Comparable Yield" will be the yield at the Redemption Calculation Date (as defined below) on the Euro benchmark security selected by the Paying Agent, after consultation with the Issuer, as having a maturity comparable to the remaining term of the Bonds to the Final Maturity Date that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Final Maturity Date.

"Redemption Calculation Date" means the third Business Day after the day on which the Issuer

gemacht hat.

- (2) *Quorum.* Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor wirksamer Ausübung des Rechts nach diesem Absatz geheilt wurde. In den Fällen der Unterabsätze (f), (g), (h) oder (i) des Absatzes (1) wird eine Kündigung, sofern nicht zugleich einer der in den Unterabsätzen (a), (b), (c), (d) oder (e) des Absatzes (1) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Anleihegläubigern im Nennbetrag von mindestens 15% der dann ausstehenden Schuldverschreibungen eingegangen sind. In allen anderen Fällen wird die Kündigung mit Zugang der Mitteilung der Kündigung gemäß Absatz (3) wirksam.
- (3) *Benachrichtigung.* Alle Mitteilungen der Anleihegläubiger an die Zahlstelle, insbesondere eine Kündigung der Schuldverschreibungen gemäß Absatz (1), sind schriftlich in deutscher oder englischer Sprache an die Zahlstelle zu übermitteln. Mitteilungen werden (vorbehaltlich des Absatzes (2)) mit Zugang an die Zahlstelle wirksam. Der Mitteilung ist ein Nachweis darüber beizufügen, dass der betreffende Anleihegläubiger zum Zeitpunkt der Mitteilung Inhaber der betreffenden Schuldverschreibungen ist. Der Nachweis kann durch eine Bescheinigung der Depotbank oder auf andere geeignete Weise erbracht werden.

#### § 11 VERJÄHRUNG

Ansprüche auf die Zahlung von Zinsen verjähren nach drei Jahren, Ansprüche auf die Zahlung von Kapital verjähren nach dreißig Jahren ab Fälligkeit.

#### § 12 BÖRSENOTIERUNG

Es ist beabsichtigt, die Zulassung der Schuldverschreibungen zum Handel am Regulierten Markt der Luxemburger Börse und im Geregeltten Freiverkehr an der Wiener Börse zu beantragen.

announced the change of control pursuant to § 14.

- (2) *Quorum.* The right to declare Bonds due shall terminate if the situation giving rise to it has been cured before the right is exercised. In the events specified in subparagraphs (f), (g), (h) or (i) of paragraph (1), any notice declaring Bonds due shall, unless at the time such notice is received any of the events specified in subparagraphs (a), (b), (c), (d) or (e) of paragraph (1) entitling Holders to declare their Bonds due has occurred, become effective only when the Paying Agent has received such notices from the Holders of at least 15% in the principal amount of Bonds then outstanding. Otherwise the notice declaring Bonds due shall become effective upon receipt of the notice pursuant to paragraph (3).
- (3) *Notices.* Any notices of the Holders addressed to the Paying Agent, in particular any notice declaring Bonds due in accordance with paragraph (1) above shall be made by means of a written declaration in the German or English language delivered to the Paying Agent. Notwithstanding paragraph (2), notices become effective upon receipt by the Paying Agent. The notice shall be accompanied by a proof that such Holder at the time of such notice is a holder of the relevant Bonds. The proof can be a certificate of the custodian bank or in any other appropriate manner.

#### § 11 PRESCRIPTION

Entitlement to payment of interest prescribes three years, entitlement to payment of principal prescribes thirty years after the date when such payment was due.

#### § 12 STOCK EXCHANGE LISTING

It is intended to apply for listing of the Bonds on the Regulated Market of the Luxembourg Stock Exchange and the Second Regulated Market of the Vienna Stock Exchange.

§ 13  
BEGEBUNG WEITERER  
SCHULDVERSCHREIBUNGEN, ANKAUF,  
ENTWERTUNG

- (1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist – neben der Emission weiterer Schuldverschreibungen, die mit diesen Schuldverschreibungen keine einheitliche Serie bilden – berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Emission, des Verzinsungsbeginns und des Ausgabepreises) in der Weise zu emittieren, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden. In der Begebung weiterer Anleihen ist die Emittentin frei.
- (2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.
- (3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wieder emittiert oder wieder verkauft werden.

§ 14  
MITTEILUNGEN

- (1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen an die Anleihegläubiger sind gemäß Artikel 16 des loi relative aux prospectus pour valeurs mobilières (Luxemburger Prospektgesetz), im Amtsblatt zur Wiener Zeitung oder, falls diese ihr Erscheinen einstellt, in einer anderen Tageszeitung mit Verbreitung in ganz Österreich zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag der Veröffentlichung als wirksam erfolgt. Außerdem wird die Emittentin derartige Mitteilung auf ihrer Internetseite

§ 13  
FURTHER ISSUES, PURCHASES AND  
CANCELLATION

- (1) *Further Issues.* The Issuer may – in addition to the issuance of Bonds which do not form a single Series with the Bonds – from time to time, without the consent of the Holders, issue further Bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Bonds. The Issuer is free to issue further bonds.
- (2) *Purchases.* The Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.
- (3) *Cancellation.* All Bonds redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 14  
NOTICES

- (1) *Publication.* All notices concerning the Bonds will be published in accordance with Article 16 of the Luxembourg Prospectus Law (*loi relative aux prospectus pour valeurs mobilières*), in the Amtsblatt zur Wiener Zeitung or, if the Amtsblatt zur Wiener Zeitung ceases to be published, in any other daily newspaper published in Austria. Any notice so given will be deemed to have been validly given on the date of such publication. Additionally, the Issuer will publish all notices so given, on its website.

veröffentlichen.

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(2) <i>Mitteilungen an das Clearingsystem.</i> Unabhängig von der Verpflichtung zur Veröffentlichung nach Absatz (1), gelten, falls die Schuldverschreibungen zum Handel an einem geregelten Markt zugelassen werden, sämtliche Mitteilungen an die Anleihegläubiger als ordnungsgemäß bekannt gemacht, wenn sie durch eine elektronische Mitteilungsform mit Verbreitung innerhalb der Europäischen Union und dem Staat des jeweiligen geregelten Marktes, an der Schuldverschreibungen notiert sind, durch elektronische Veröffentlichung veröffentlicht werden, solange diese Notierung fort dauert und die Regeln der jeweiligen Börse dies erfordern. Jede derartige Mitteilung gilt mit dem Tag der ersten Veröffentlichung als bekannt gemacht; falls eine Veröffentlichung in mehr als einer elektronischen Mitteilungsform vorgeschrieben ist, ist der Tag maßgeblich, an dem die Bekanntmachung erstmals in allen erforderlichen elektronischen Mitteilungsformen erfolgt ist.</p> | <p>(2) <i>Notification Clearing System.</i> Notwithstanding the publication requirement pursuant to paragraph (1), if the Bonds are listed on a stock exchange, all notices to the Holders shall be deemed to be validly effected, if they are published by electronic means within the European Union and the country of the relevant regulated market where the Bonds are listed, through electronic publication, so long as the listing continues and the rules of the relevant stock exchange so require. Each such notification will be deemed to have been validly given on the date of such publication; if notification is required by more than one electronic means, the day when the notice is first published by all such required electronic means, shall be relevant.</p> |
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§ 15

ANWENDBARES RECHT,  
GERICHTSSTAND, TEILNICHTIGKEIT

§ 15

APPLICABLE LAW, PLACE OF  
JURISDICTION AND PARTIAL INVALIDITY

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(1) <i>Anwendbares Recht.</i> Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach österreichischem Recht. Erfüllungsort ist Wien.</p>                                                                                                                                                                                                                               | <p>(1) <i>Governing law.</i> The form and contents of the Bonds and the rights and obligations of the Holders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law. Place of performance is Vienna.</p>                                                                                                                                                         |
| <p>(2) Gerichtsstand</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>(2) Jurisdiction</p>                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>(a) Für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit den Schuldverschreibungen ergeben) ist das für Handelssachen jeweils zuständige Gericht in Wien, Innere Stadt, ausschließlich zuständig, soweit dies nach den anwendbaren zwingenden Konsumentenschutzgesetzen zulässig ist.</p> | <p>(a) For all legal disputes which arise out of or in connection with the Bonds (including any disputes in connection with non-contractual obligations, which arise out of or in connection with the Bonds) the court competent for commercial disputes in Vienna, inner city, shall exclusively be competent to the extent permissible under applicable Austrian mandatory consumer protection laws.</p> |
| <p>(b) Für alle Rechtsstreitigkeiten eines</p>                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>(b) For all legal disputes of a consumer and the</p>                                                                                                                                                                                                                                                                                                                                                    |

Verbrauchers aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit den Schuldverschreibungen ergeben) gegen die Emittentin ist nach Wahl des Verbrauchers das sachlich und örtlich zuständige Gericht am Wohnsitz des Verbrauchers oder am Sitz des Emittenten oder ein sonstiges, aufgrund der gesetzlichen Bestimmungen zuständiges Gericht zuständig.

Der für Rechtsstreitigkeiten eines Verbrauchers bei Zeichnung der Schuldverschreibungen gegebene allgemeine Gerichtsstand in Österreich bleibt auch dann erhalten, wenn der Verbraucher nach Zeichnung seinen Wohnsitz ins Ausland verlegt und österreichische gerichtliche Entscheidungen in diesem Land vollstreckbar sind.

- (3) *Teilnichtigkeit.* Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Bedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.
- (4) *Sprache.* Diese Emissionsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.

Issuer arising out of or in connection with the Bonds (including any and all disputes in connection with non-contractual obligations arising out of or in connection with the Bonds) at the consumer's option the competent court where it or the Issuer is domiciled, or another competent court on the basis of statutory legal provisions, shall be competent.

The general place of jurisdiction for consumers in Austria due to subscription of the Bonds remains upheld, if the consumer after subscription transfers its place of abode abroad and Austrian legal rulings are enforceable in such jurisdiction.

(3) *Partial Invalidity.* If a provision in these Terms and Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall pursuant to the purpose of these Terms and Conditions be replaced by valid provisions that come as close as legally possible from an economic point of view to invalid provisions.

(4) *Language.* These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.

## **PART V: CLEARING**

The Bonds will be accepted for clearance through the Clearing Systems under the ISIN number <sup>A5-4.1</sup> XS0731071055 with respect to the Bonds, and will accordingly be subject to the Clearing Systems regulations.

Access to the Clearing Systems is available through those of its Clearing Systems participants whose membership extends to securities such as the Bonds.

Clearing Systems participants include certain banks, stockbrokers, Euroclear, and Clearstream, Luxembourg. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by Euroclear, and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear, and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between Clearing Systems participants in accordance with the rules and operating procedures of the Clearing Systems. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing Systems participants through which they hold their Bonds.

The Issuer will not have any responsibility for the proper performance by the Clearing Systems or their participants for their obligations under their respective rules and operating procedures.

## PART VI: DESCRIPTION OF THE ISSUER

### 1. GENERAL PRESENTATION & HISTORY

A4 – 5.1

A4 – 5.1.1

Wienerberger AG is a stock corporation established under Austrian law for an indefinite period, with its registered seat in Vienna, registered with the commercial register at the Commercial Court Vienna under FN 77676 f and its business address at Wienerberg City, Wienerbergstraße 11, 1100 Vienna, Austria. The Issuer was founded in 1819 as “Wienerberger Ziegel-Fabriks und Bau-Gesellschaft” and first registered in the commercial register on April 10, 1869. The Issuer’s as well as the Group’s commercial name is Wienerberger. A4 – 5.1.3  
A4 – 5.1.4

The Group’s core business is the manufacturing of products for use in masonry, for facades, roofs and paving. In these market segments, Wienerberger concentrates primarily on four product groups: clay blocks, facing bricks, clay roof tiles and clay and concrete pavers. Products are marketed mainly under the Group’s brand name “Wienerberger” and the brands “Porotherm” and “Poroton” (Germany only) for clay blocks, “Terca” and “General Shale” for facing bricks and clay pavers, “Koramic” and through the joint venture Tondach Gleinstätten AG (“Tondach Gleinstätten”) for clay roof tiles, “Semmelrock” for concrete pavers and “Arriscraft” for manufactured stone. In addition, the Group markets pipe systems, which comprise ceramic products manufactured by Steinzeug-Keramo GmbH and its consolidated subsidiaries (the “Steinzeug Group”) and plastic products by Pipelife International GmbH (“Pipelife”), a plastic pipe joint venture with Solvay.

Wienerberger’s primary geographic areas of activity are Europe (excluding the Iberian Peninsula and Greece) and Northern America. As of September 30, 2011, the Group operated 232 plants in 27 countries. With an average of 12,688 employees, Wienerberger generated revenues of EUR 1,555 million and an operating EBITDA of EUR 214 million in the first nine months of 2011.

## 2. SELECTED FINANCIAL DATA

A4 – 3  
A4 – 3.1  
A4 – 3.2

The following selected consolidated financial data of Wienerberger have been derived from the Consolidated Financial Statements, which are incorporated into this Prospectus by reference as of and for the nine months ended 30 September 2011 and 2010 as well as in the financial years ended 31 December 2010 and 2009. For more detailed information on the Group's financial information, please refer to these Consolidated Financial Statements.

	Nine months ended September 30,		Year ended December 31,	
	2011 (unaudited)	2010 (unaudited)	2010 (audited except as otherwise noted)	2009 (audited except as otherwise noted)
in EUR million				
<b>Consolidated Statement of Income Data</b>				
Revenues .....	1,555.2	1,343.3	1,744.8	1,816.9
Cost of goods sold .....	(1,045.5)	(945.2)	(1,238.8)	(1,305.9)
Gross profit .....	509.7	398.2	505.9	511.0
Selling and administrative expenses .....	(441.0)	(388.0)	(514.5)	(510.4)
Other operating expenses .....	(42.9)	(34.4)	(50.5)	(41.2)
Other operating income .....	36.5	41.9	69.8	59.5
Profit/loss before restructuring costs and impairment charges to property, plant and equipment and goodwill .....	62.2	17.6	10.7	19.0
Restructuring costs and impairment charges to property, plant and equipment .....	0	0	0	(153.7)
Impairment charges to goodwill .....	0	0	0	(123.3)
Deconsolidation result .....	33.2	0		
Profit/loss after restructuring costs and impairment charges to property, plant and equipment and goodwill and deconsolidation result..	95.4	17.6	10.7	(258.1)
Income from interests in associates .....	4.0	1.2	(4.3)	6.1
Interest and similar income .....	8.6	11.3	14.1	20.9
Interest and similar expenses .....	(36.8)	(45.4)	(57.5)	(58.7)
Other financial results .....	7.5	(0.2)	(3.8)	(5.8)
Income taxes .....	(13.9)	2.1	5.9	36.9
Profit/loss after tax .....	64.7	(13.5)	(34.9)	(258.7)
Thereof attributable to non-controlling interest .....	(0.4)	(0.8)	(0.5)	(1.9)
Thereof share attributable to hybrid capital holders .....	24.3	24.3	32.5	32.5
Thereof attributable to equity holders .....	40.8	(37.0)	(67.0)	(289.3)
<b>Other Financial Data</b>				
Operating EBITDA .....	213.7	160.5	210.8	208.6
Operating EBIT .....	62.2	17.6	10.7	19.0
Capital employed .....	2,875.5	2,795.5	2,779.5	2,816.8
Capital expenditure and acquisitions .....	104.5	62.7	149.8	134.1
Earnings per share (in EUR) .....	0.35	(0.32)	(0.57)	(3.17)
Declared or paid dividend per share for the period (in EUR) .....	n.a.	n.a.	0.10	0.00
Group CFROI (unaudited) .....	n.a.	n.a.	4.3%	4.3%
WACC .....	7.0%	6.7%	6.7%	7.1%
<b>Consolidated Cash Flow Data</b>				
Gross cash flow .....	184.4	141.1	151.3	52.5
Cash flows from operating activities .....	49.2	125.2	230.4	290.9
Cash flows from investing activities .....	(25.7)	(72.2)	(141.7)	(111.5)
Cash flows from financing activities .....	29.8	(85.2)	(86.7)	63.3
		As of September 30,	As of December 31,	
		2011 (unaudited)	2010 (audited)	2009 (audited)
in EUR million				
<b>Consolidated Balance Sheet Data</b>				
Non-current assets .....		2,718.1	2,759.6	2,763.7
Current assets .....		1,494.3	1,299.6	1,323.7
Total assets .....		4,212.4	4,059.3	4,087.4
Equity .....		2,467.0	2,525.7	2,547.0
Non-current provisions and liabilities .....		870.5	1,018.9	1,125.8
Current provisions and liabilities .....		874.9	514.7	414.6
Total equity and liabilities .....		4,212.4	4,059.3	4,087.4

## Segment reporting

The Group's operations are divided into five primary reporting segments: (i) Central-East Europe; (ii) Central-West Europe; (iii) North-West Europe; (iv) North America; and (v) Investments and Other. Additionally, secondary segment reporting is used by management to collect additional information on the Group's product groups: wall, facade, roofing systems, pavers and other.

The following table sets forth certain income statement data broken down according to the primary segments of the Group in the nine months ended 30 September 2011 and 2010 as well as in the financial years ended 31 December 2010 and 2009:

	Nine months ended September 30,		Year ended December 31,	
	2011 (unaudited)	2010	2010 (audited)	2009
	in EUR million			
<b>Central-East Europe</b>				
Revenues .....	458.7	407.5	531.7	582.7
Operating EBITDA .....	82.6	67.4	86.1	108.8
Operating EBIT .....	28.2	19.6	20.6	(29.8)
Capital employed.....	807.5	781.6	737.0	787.7
<b>Central-West Europe</b>				
Revenues .....	335.3	291.5	384.4	391.1
Operating EBITDA .....	36.3	26.4	35.6	32.3
Operating EBIT .....	14.1	1.8	1.5	(62.3)
Capital employed.....	365.6	356.7	352.6	373.0
<b>North-West Europe</b>				
Revenues .....	613.8	554.7	716.4	729.2
Operating EBITDA .....	107.9	86.7	113.1	102.5
Operating EBIT .....	58.5	38.1	44.6	(41.1)
Capital employed.....	1,132.6	1,125.8	1,106.8	1,131.4
<b>North America</b>				
Revenues .....	101.5	113.2	144.5	149.0
Operating EBITDA .....	(5.7)	(0.3)	4.5	(13.3)
Operating EBIT .....	(22.3)	(18.1)	(22.2)	(97.8)
Capital employed.....	485.3	489.7	500.8	488.4
<b>Investments and Other</b>				
Revenues and reconciliation.....	45.8	(23.5)	(32.2)	(35.1)
Operating EBITDA .....	(7.5)	(19.7)	(28.5)	(21.7)
Operating EBIT .....	(16.3)	(23.7)	(33.8)	(27.0)
Capital employed.....	84.4	41.7	82.3	36.3
<b>Total revenues.....</b>	<b>1,555.2</b>	<b>1,343.3</b>	<b>1,744.8</b>	<b>1,816.9</b>

The following table sets forth the Group's revenues in the financial years ended 31 December 2010 and 2009, broken down according to the products of the Group:

	Year ended December 31,	
	2010 (audited)	2009
	in EUR million	
Wall.....	624.7	617.2
Facade .....	487.5	546.5
Roofing systems .....	440.6	455.2
Pavers .....	191.5	197.5
Others .....	0.5	0.5
<b>Group .....</b>	<b>1,744.8</b>	<b>1,816.9</b>

There has been no material adverse change in the prospects of the Issuer or significant change in the financial or trading position of the Group since 30 September 2011.

***Maturity profile of the Group's interest bearing loans***

The following table shows the debt maturity profile of the Group's interest bearing loans (including financial lease liabilities):

	<b>As of September 30, 2011</b> <b>(in EUR million)</b>
<b>Repayments fall due as follows:</b>	
2011.....	124.9
2012.....	397.4
2013.....	27.6
2014.....	262.8
2015.....	96.6
2016.....	5.8
2017 and subsequent years .....	164.4
<b>Total.....</b>	<b>1,079.5</b>

As of September 30, 2011, the Group held cash and cash equivalents in the amount of EUR 506 million to refinance amounts due in 2011 and 2012.

### **3. STRATEGY**

The global financial crisis and the resulting deterioration in the general economic environment have resulted in a significant decline in the Group's sales and earnings since 2008 (as compared to previous years). As a reaction to the sharp drop in demand, Wienerberger implemented a strict cost reduction program that included proactive capacity and working capital management, the reduction of fixed costs, administrative and selling expenses, and a cutback in investments. A total of 58 primarily smaller, older plants have been closed or mothballed since summer 2008. The measures implemented during 2008 and 2009 reduced fixed costs by approximately EUR 200 million (thereof EUR 35 million in 2010) in comparison with 2008. These savings contributed to the turnaround that was achieved by the end of the second quarter 2010 in a still difficult market environment. For 2011, management expects a substantial improvement in operating EBITDA and positive net profit for the Group. After completion of restructuring, Wienerberger has a strong industrial base with lean cost structures and an efficient plant network with capacity reserves that allow for internal growth, but is faced with a continuing weakness of the new residential construction markets. In order to reduce the Group's dependence on new residential construction over the mid-term, the corporate strategy is geared towards an increased concentration on system solutions, product innovation, products for the renovation market, marketing and sales as well as the optimized utilization of capacity.

## 4. BUSINESS OF WIENERBERGER

A4 – 6.1

A4 – 6.1.1

A4 – 6.1.2

### 4.1 General overview

A4 – 6.3

The Group's core business is the manufacturing of products for use in masonry, facades, roofs and paving. In these market segments, Wienerberger concentrates primarily on four product groups: clay blocks, facing bricks, clay and concrete roof tiles and clay and concrete pavers. Products are marketed mainly under the Group's brand name "Wienerberger" and the brands "Porotherm" and "Poroton" (Germany only) for clay blocks, "Terca" and "General Shale" for facing bricks and clay pavers, "Koramic" and "Tondach Gleinstätten" for clay roof tiles, "Semmelrock" for concrete pavers and "Arriscraft" for manufactured stone.

In addition, the Group has extended its business to pipe systems, which comprise ceramic products manufactured by the Steinzeug Group and plastic products by the joint venture Pipelife, as a new fifth product group that aims at reducing the dependency of the Group's business development on new residential construction and to strengthen the focus on renovation and infrastructure.

With the expansion of its product line, the Group is increasingly positioned as system provider in particular for walls and roofs. In these areas, the Group, in addition to its core products, offers innovative systems solutions such as non-ceramic accessories for roofs and prefabricated wall systems as well as special masonry glue for walls. For more details, see "*Products – Clay blocks*" and "*Products – Roofing systems*" below.

Management estimates that the Group is the largest producer of bricks in the world. In clay blocks, the Group is the leading global producer and in facing bricks the Group is the leading producer in Europe and the United States (co-leader with Boral), according to management estimates. In the first nine months of 2011, brick activities accounted for 60% of Group revenues and 54% of Group EBITDA.

Wienerberger is the largest manufacturer of clay roof tiles in Europe, according to management estimates. In the first nine months of 2011, roof tile activities accounted for 25% of Group revenues and 43% of Group EBITDA.

According to own estimates, Wienerberger is the largest manufacturer of concrete pavers in Central-East Europe. Pavers (clay and concrete) accounted for 11% of Group revenues and 9% of Group EBITDA in 2010.

In the pipe system market, the Group also holds leading positions in Europe with the joint venture Pipelife being among the top four market players in plastic pipes and the Steinzeug Group having the leading market position in ceramic pipes. As a joint venture, Pipelife is consolidated at equity and its revenues are therefore not included in the Group's operating results.

Wienerberger's primary geographic areas of activity are Europe (excluding the Iberian Peninsula and Greece) and Northern America. As of September 30, 2011, the Group operated 232 plants in 27 countries. With an average of 12,688 employees, Wienerberger generated revenues of EUR 1,555 million and an operating EBITDA of EUR 214 million in the first nine months of 2011.

## 4.2 Products

### (a) *Clay blocks*

Clay blocks are used for load-bearing exterior and interior walls, as well as for non load-bearing partition walls or fillwork. A wall made of clay blocks is normally not seen after completion because it is covered with plaster or paneling. The technical advantages and features of walls made from clay blocks include high load bearing compressive strength, good thermal insulation and heat accumulation, sound insulation, high fire resistance (non-flammable) and moisture regulating capacity.

Wienerberger clay blocks are mainly sold under the “Porotherm” brand (“Poroton” in Germany), and are optimized to meet special applications and requirements. Examples are thick clay blocks for exterior walls, which deliver good thermal insulation, special heavy clay blocks for improved sound insulation and seismic-resistant bricks for safe construction in earthquake zones. The Wienerberger clay block system also includes brick lintels and brick ceiling systems, which make it possible to build an entire house out of bricks. In addition to the technical properties, speed and cost are important factors in building construction. Wienerberger’s fast drying aerosol masonry glue (Porotherm Dryfix) and its individualized prefabricated brick element system (Porotherm Wall Systems) are both aimed at reducing construction time and thereby making building more cost-efficient.

### (b) *Facing bricks*

Facing bricks are used in visible brick architecture: facades and interior walls are made from or covered with these bricks. A wall made of facing bricks is a design element, and also provides good protection from the weather. Facing bricks can be used in a wide range of decorative applications: for example interior walls, exterior enclosures, arches or chimney cappings. They can also be combined together in prefabricated elements for fast construction. Especially in the area of non-residential construction, brick architecture can therefore play an important role in modern, economic building.

Wienerberger facing bricks are mainly sold under the “Terca” brand in Europe and “General Shale” in the United States. They offer a wide range of design alternatives through the combination of colors, shapes and surface structures. The development of new colors, surface structures and special shaped bricks plays an important role. In addition, Wienerberger markets manufactured stone under the “Arriscraft” brand in North America. The Group’s goal is to meet the design requirements of architects and builders, and progress with the times.

### (c) *Roofing systems*

Clay roof tiles are used primarily to cover pitched roofs. They not only provide sustainable protection for houses from the weather, but also represent an important design element for architects. Clay roof tiles are not only used in new construction, but also to a large extent in the renovation of existing buildings.

Wienerberger clay roof tiles are mainly sold under the “Koramic” brand. They are available in a wide variety of forms (pressed or plain tiles), colors and surfaces (natural, glazed, sanded or engobed). For each type of tile, Wienerberger offers a complete line of special tiles and accessories such as ridge tiles, verge tiles and large-sized tiles, which reduce laying costs because of the lower number of tiles required per square meter of installed roof area. With the introduction of KoraTech in Western Europe, Wienerberger expanded its product line to include non-ceramic accessories for roofs (e.g. fixation systems for heavy weather, eave accessories, roof inspection and snow retention systems, etc.).

In addition, Wienerberger offers clay roof tiles through the joint venture company “Tondach Gleinstätten”, in which the Group has a 50% stake; the other 50% are held by two families unrelated to Wienerberger.

(d) *Pavers*

Wienerberger produces pavers made of clay or concrete and slabs. These materials are used by homeowners (for driveways, paths, terraces and garden design), as well as in public areas (for sidewalks, open areas and pedestrian zones).

Wienerberger offers pavers in a large range of shapes, colors and surface structures. The Group markets its clay pavers under the “Terca” brand and its concrete pavers under the Semmelrock brand. “Semmelrock” concrete pavers also permit the spatial structuring and design of garden landscapes, for example with products for slopes, planters and fencing systems.

(e) *Pipe systems*

Pipe systems marketed by Wienerberger comprise ceramic products manufactured by the Steinzeug Group and plastic products by Pipelife. The Steinzeug Group, which was acquired by Wienerberger in December 2010, produces resistant and anticorrosive ceramic pipes for use in open and closed sewerage systems, for relining (placement of new pipes directly over the old pipelines), drainage and renovation. Pipelife, a 50/50 plastic pipe joint venture with Solvay, manufactures and markets a variety of plastic pipe systems for households (drinking water and waste water), building technology, gas and electricity supply, electrical cables and irrigation and drainage of green areas.

A4 – 6.2

### 4.3 Principal markets

In analyzing its existing core brick and roof tiles businesses, the Group distinguishes between three types of markets – growth markets, new markets and mature markets – and has a different strategic focus in each of the markets, reflecting each market’s individual dynamics.

(a) *Growth markets*

Although they have been hit hard by the current recession, the Group views – from a long-term perspective – the Eastern European countries as its major growth markets in addition to the United States. Some of the markets in the region generated revenue increases even in 2008. In 2009, all countries saw lower revenues in CEE and market weakness continued in 2010. Visibility is low in the other East European countries so that forecasts are currently difficult. Management expects a sound development in Poland and the Czech Republic, with difficult market circumstances prevailing in Romania, Bulgaria, Hungary and the Balkans. After the end of the current economic downturn, Wienerberger expects to benefit from growth opportunities in this region, with the brick and roof market driven by the need to upgrade and expand the region’s housing stock and potential positive effects of the further transition of Eastern European economies towards Western European levels of housing starts.

The United States is the world’s largest facing brick market and is characterized by above-average population growth, making it a strategic market for the Group. Nevertheless, in 2008 and 2009 the Group recorded a significant decrease in revenues in the United States due to a sharp drop in new residential construction. With the recovery in the US residential construction sector not having materialized in 2010 and 2011, visibility over further market and economic developments remains limited also for 2012 (and beyond). Furthermore, massive housing unit stockpiles are expected to put stress on the new residential construction market for some time albeit the absolute number of housing stock has come down over the past months. In the United States, the Group’s strategy is to maintain or achieve the leading position in the regions in which it operates and to increase margins

through the adaption of production capacities to sales and the further development of the Group's own distribution capabilities.

(b) *Emerging markets*

The Group targets emerging markets in Russia and India, in which bricks hold a high market share and where management believes that there are attractive growth prospects. The potential to gain a leading position in these markets over the medium term is also an important consideration. The Group has built a plant in India and three in Russia and investigates opportunities for future expansion.

(c) *Mature markets*

The Group views all its other markets as mature markets and expects low overall market growth in these markets in the medium term. In some of these markets (such as France), however, the Group sees potential for growth in the medium term through the continued promotion of clay as the material of choice and a substitute for other building materials (such as concrete) in residential housing construction. The strategy in mature markets is to continue to enhance the product offering with new and innovative solutions to differentiate Wienerberger from the competition. Furthermore, the Group strives to continuously optimize its operations via internal improvements in order to maximize free cash flow generation for reinvestment.

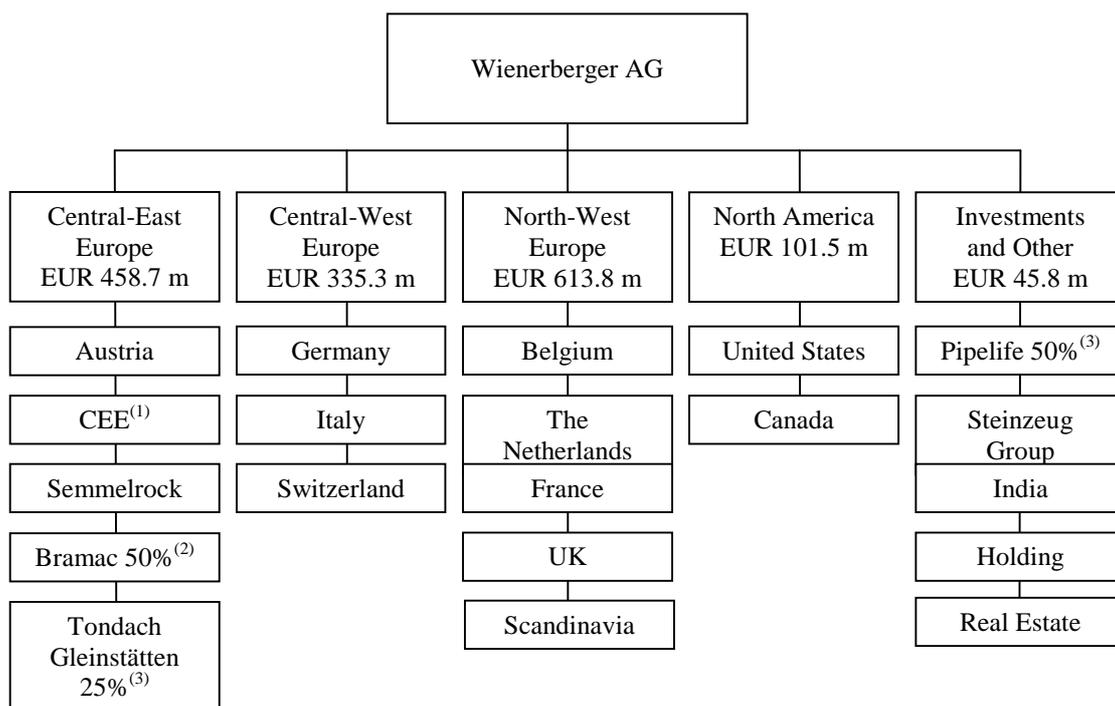
## 5. ORGANISATIONAL STRUCTURE

### 5.1 Organisation & Business segment

A4 – 7  
A4 – 7.1

The Issuer is the holding company of the Group which directly or indirectly holds all participations of the Group as shown in the Consolidated Financial Statements. The Issuer does not have any operating activities and, therefore, depends on the performance of the members of the Group.

The Group has set up a geographic segmentation in order to reflect the Group's regional focus which gives responsibility to local operating management for all core products manufactured within a country. The Group operates in the following five segments: Central-East Europe, Central-West Europe, North-West Europe and North America, each including all or part of the Group's core operations (bricks, clay roof tiles and pavers) in the respective geographic areas, and Investments and Other, which comprises the Group headquarters and related costs, the Wienerberger brick business in India and certain other activities of the Group. These activities include the Group's pipe systems investments Pipelife (a 50/50 plastic pipe joint venture with Solvay which is consolidated at equity), the Steinzeug Group (acquired in December 2010 and fully consolidated as of January 1, 2011), EuroCeramic, as well as real estate. The diagram below sets forth the Group's segments and third party revenues per segment as of September 30, 2011.



(1) As of September 30, 2011, the segment Central-East Europe contains operations in Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Finland and the Baltics, Southeastern Europe (comprising Croatia, Slovenia, Serbia and Bosnia-Herzegovina), Russia, Lithuania, Ukraine and Bulgaria, in addition to those in Austria.

(2) Since June 30, 2011, Tondach Gleinstätten's revenues are included in segment revenues. Before that date, the Issuer's shareholding in Tondach Gleinstätten was consolidated at equity because Wienerberger held a share of only 25% in Tondach Gleinstätten. The Group's stake in Tondach Gleinstätten has increased to 50%. As a consequence, Tondach Gleinstätten is consolidated on a proportionate basis and is included in the operating results of this segment.

(3) Pipelife's revenues are not included in segment revenues. Pipelife is consolidated at equity.

(a) *Central-East Europe*

Central-East Europe covers the mature home market of Austria and the markets in Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Finland and the Baltics, Southeastern Europe (comprising Croatia, Slovenia, Serbia and Bosnia-Herzegovina), Russia and Bulgaria where the Group has built production facilities. In Bosnia-Herzegovina, Lithuania and Ukraine the Group has sales-only operations. In Central-East Europe, the Group primarily manufactures clay blocks and lintels as well as girders and bricks for ceilings. Clay blocks are mainly sold under the trademark name “Porotherm”.

The Group also manufactures facing bricks in Finland, Estonia, Russia, Austria, Hungary and Poland, where it also produces roof tiles. In addition, the Group has a roof-tile joint venture (Tondach Gleinstätten), which produces and markets clay roof tiles in Central and Eastern Europe.

Furthermore, the Group’s subsidiary Semmelrock produces concrete pavers and slabs used in garden and outdoor construction in Austria, Bulgaria, Croatia, Hungary, the Czech Republic, Slovakia, Poland and Romania, and has a sales organizations in Slovenia and Bosnia-Herzegovina.

Since the early 1990s, countries in Central and Eastern Europe have undergone political and economic reforms which boosted income levels and created a middle class wanting to improve their standard of accommodation. This has fuelled the growth in the residential construction market. The Group’s Central-East European operations have been characterized by higher profit margins than the rest of the Group due to a combination of lower costs and strong market positions. However, the countries in the Group’s Central-East Europe segment have been hit particularly hard by the economic downturn beginning in late 2008 and the market environment remains difficult in some countries, with prevailing uncertainty, low consumer confidence and limited financing. The building markets have suffered from a decrease in demand, primarily because bank financing has become less available and more expensive for homebuilders and property developers. While the Group’s assessment of developments in Central-East Europe remains cautious because of the still limited visibility, management is confident that there are long-term opportunities in the region and intends to use market pressures to further strengthen its positions.

Bricks are a well known and widely used building product in Central and Eastern Europe. The extent of bricks being used for load-bearing walls is similar throughout the region, with clay blocks being the leading material for wall construction in most markets, followed by aerated concrete blocks. A significant portion of the region’s residential construction market utilizes the do-it-yourself (“DIY”) method of construction. Because the DIY method involves low labor costs, which can comprise a significant portion of the total cost of handling bricks, the use of clay blocks compared to substitute products is widespread in this geographic area. Facing bricks have a small share of the total cladding market in Central and Eastern Europe except for Northern Poland.

The Group entered the Central and Eastern European brick business in 1990 by purchasing four plants from the Hungarian government. Since then, the Group has expanded its operations through acquisitions and greenfield projects to become according to management estimates the leader in the Central and Eastern European brick market. Apart from local brick producers who usually operate one to three brick plants and selected regional groups, in Central and Eastern Europe the Group competes with a number of major Western European aerated concrete product manufacturers such as Ytong and Fels/Hebel, both part of the Xella group.

The Group started its roofing activities in 1972, by entering into the Bramac joint venture with Braas (now Monier), and also owns a 50% interest in Tondach Gleinstätten, a leading clay roof tile producer in Central-East Europe (according to management estimates), with 19 production facilities

throughout Eastern Europe and Austria. The remaining percentage in Tondach Gleinstätten (50%) is owned by the Olbrich and Garside families.

Furthermore, the Group as of December 31, 2010, produces concrete pavers at 21 plants in Austria, Bulgaria, Croatia, Hungary, Poland, Slovakia, Czech Republic and Romania through Semmelrock and clay pavers at five plants in The Netherlands and one plant in Germany.

Distribution in Central and Eastern Europe is usually done through wholesalers or sales to retail dealers. The clay required for production is usually quarried in clay pits owned by the plants. Energy, in the form of natural gas, coal or saw dust, is generally procured on a local level.

(b) *Central-West Europe and North-West Europe*

Western European activities are split into two segments: Central-West Europe and North-West Europe. Central-West Europe covers the mature markets of Germany, Switzerland and Italy. North-West Europe contains operations in The Netherlands, Belgium, France, the United Kingdom, Denmark, Norway and Sweden. The Group operates plants in each of those markets. The split of Western Europe into two segments reflects the fact that these segments differ in terms of construction methods and materials used in wall construction. With regard to cladding materials, facing bricks are predominant in The Netherlands, Belgium, Northern France, Northern Germany, Denmark and the United Kingdom. Clay blocks for load bearing walls are mainly used in Germany, Switzerland, France, Belgium and Italy.

Germany is the Group's largest market in Western Europe, primarily due to the size of the Group's German operations. In Western Europe the Group manufactures molded and extruded facing bricks, clay blocks, ceilings, clay pavers and chimney systems. Facing bricks are sold under the trademarks "Terca" and "Desimpel" and clay blocks are sold under the trademarks "Porotherm", "Poroton" and certain other trademarks. Roof tiles are sold under the brand name "Koramic".

The Group entered the Western European brick market in 1986 through the acquisition of the German Oltmanns Group with one facing brick and three clay block plants. In order to expand its business in Western Europe, in 1996 the Group acquired Terca, according to management estimates a leading manufacturer of facing bricks as well as clay blocks in Belgium and The Netherlands, from Koramic Building Products N.V. At that time, Terca operated seven facing brick and four clay block plants in Belgium, eight facing brick plants and one windowsill plant in The Netherlands, three facing brick plants in France and two facing brick plants in Germany. To further expand its market reach in Northern Europe, the Group acquired the brick manufacturing operations of Optiroc in January 2001, with a total of eight facing brick plants in Denmark, Norway, Sweden, Finland and Estonia, and sales-only operations in the United Kingdom. In order to optimize its operations during the economic downturn, the Group closed certain plants in 2001.

In February 2002, the Group acquired the Continental European operations of Hanson Bricks to strengthen its market position in Western Europe through the addition of 23 brick plants of which 21 were located in Western Europe. The acquisition of the Continental European operations of Hanson Bricks added significant capacity to the Group's facing brick production facilities.

In 2003, Wienerberger acquired a 50% stake in Koramic Roofing, according to management estimates one of the largest producers of clay roof tiles in Europe with leading positions in a number of markets, for a consideration of EUR 212 million. One year later, the Group exercised its option to purchase the remaining 50% and invested a further EUR 224 million for this purpose. Through this acquisition, Wienerberger advanced to number one in clay roof tiles in Europe and established roofing systems as a second core business (according to management estimates). Under the brand name "Koramic" ("ZZ Wancor" in Switzerland), the Group today operates 20 clay roof tile production sites in Germany, Switzerland, France, Belgium, The Netherlands, Poland and the United

Kingdom. From these sites, tiles are exported to other countries, including the United Kingdom and Scandinavia.

In September 2004, the Group entered the market in the United Kingdom by acquiring the brick business, according to management estimates a leading manufacturer in the United Kingdom, with nine plants, for a consideration (including debt) of EUR 128 million. The Group expanded its market position in the United Kingdom with the acquisition of Baggeridge Brick, a manufacturer of facing bricks, pavers and products for facades with significant excess raw material reserves, for a total consideration of GBP 99 million in 2007 and of a 74% stake in Sandtoft, according to management estimates the largest independent roof tile producer in the United Kingdom, which distributes clay, concrete and slate roofing systems nationwide from four plants in Northern England, in 2008.

In June 2007, Wienerberger acquired Korevaar, an independent producer of pavers and facing bricks located in The Netherlands, which, at the time of the acquisition was the third largest producer of clay pavers in The Netherlands, according to management estimates. Korevaar operates plants in Schipswaard and Zennewijnen and conducts trading business under the “Bos & Vermeer” brand.

In 2009, Wienerberger, in the form of an asset deal, acquired the insolvent German clay block producer Rimmele and took over 28 of its employees. The acquired assets include a brick plant and a clay pit with substantial raw material reserves.

In March 2011, the Group acquired Heylen Bricks, a facing brick producer headquartered in Veldwezelt, Belgium. The long-standing formerly family-owned company is specialized in premium products that are marketed not only in Belgium but also in Germany and The Netherlands.

As of July 29, 2011, the Steinzeug Group acquired the Dutch-German company EuroCeramic, which produces ceramic pipes for waste water disposal and operates one plant in The Netherlands with roughly 100 employees in 2010. The acquisition has created a basis for further growth in the area of ceramic pipe systems, where the Group expects significant need for replacement and repairs in many Western European markets and further development in Eastern Europe where the connection rate is, in part, substantially below the European average.

Management estimates that the Group is a market leader in Western Europe, holding the European leadership position in clay blocks as well as facing bricks and clay roof tiles. Competition in Western Europe has generally been stable. In the cladding market, most competition comes from other facing brick producers, such as CRH, HeidelbergCement, Röben and smaller local companies. In the masonry market, the Issuer competes with a number of small local brick producers as well as international companies, including the Xella group (Ytong and Hebel).

Distribution in Western Europe is usually done through sales to wholesalers and retail dealers. The clay required for brick production is usually quarried in clay pits owned by plants, in the case of facing bricks part of the clay is bought on the market in order to produce different colors. Energy, in the form of natural gas, coal or oil, is generally procured at a local level in close coordination with the Group’s central international procurement department.

(c) *North America*

The United States are the largest market for facing bricks worldwide. In the United States, production of facing bricks is, to a large extent, concentrated in the Southeast, Southwest and Midwest.

The Group entered the U.S. market in 1999 through the acquisition of General Shale, at the time according to management estimates the second largest U.S. facing brick manufacturer based on

volumes. In 2000, it expanded its presence in the U.S. facing brick market through the acquisition of Cherokee Sanford and Darlington.

In 2006, the Group took over Robinson Brick with one facing brick and three concrete block plants.

In July 2007, Wienerberger acquired all operating units of Arriscraft. The company, with headquarters in Cambridge, Ontario (Canada), operates three production sites in Cambridge, Saint-Étienne-des-Grés, Quebec (Canada), and Fort Valley, Georgia (United States). It is according to management estimates the largest producer of manufactured stone in North America, which is a growing niche product for wall cladding. The acquisition of Arriscraft marked an important milestone in Wienerberger's growth strategy in North America by expanding the Group's product portfolio to include manufactured stone and expanding the Group's regional coverage to include Canada.

In the United States, the Group manufactures facing bricks, concrete blocks for walls and pavers. With the acquisitions of Robinson Brick and Arriscraft, the Group's product portfolio was expanded to include thin bricks, building stone and manufactured stone.

In the United States, the top five brick producers account for an estimated 65% of the total market capacity. Apart from various smaller local manufacturers, the Group competes mainly with four major producers of facing bricks: Boral, ACME Bricks, HeidelbergCement and Glen Gery (CRH). Of the five producers of facing bricks in the United States, management believes that the Group is the largest together with Boral.

The Group distributes its products in the United States both through sales to retailers and through direct distribution to end users. In the past years, the Group increased its direct distribution network by investing in distributors because direct distribution allows the Group to be closer to the market. The clay required for the brick production is usually quarried in clay pits owned by the plants. In the United States, the Group uses mainly coal dust and saw dust in addition to natural gas as energy sources for its kilns. The lower cost for these materials compared to natural gas gives the Group a certain cost advantage.

(d) *Investments and Other*

The Investments and Other segment comprises the Group's headquarters and related costs, the Wienerberger brick business in India and certain other activities of the Group. These activities include the Group's pipe systems investments Pipelife (a 50/50 plastic pipe joint venture with Solvay) and the Steinzeug Group, whereby the results of Pipelife are included at equity and the Steinzeug Group was initially consolidated in this segment as of December 31, 2010.

Pipelife, which management estimates is the fourth largest European manufacturer of plastic pipes based on revenues, was negatively affected by the economic crisis in 2008 and 2009. Significant drops in demand and pricing pressure, above all in the United States, Central and Eastern Europe, France, Ireland and Iberia led to a slump in revenues and profits. As a reaction to the recessionary business climate, Pipelife implemented an extensive cost saving and working capital reduction program in all countries. The restructuring measures in 2010 included the permanent closing of plants in Croatia and Romania – with the continuation of sales and distribution from neighboring countries – as well as the exit from markets in Spain and Portugal. In 2010, Pipelife generated total revenues of EUR 716 million and an operating EBITDA of EUR 55 million. As of December 31, 2010, Pipelife was active in 18 countries and operated 26 plants. Since 2004, Pipelife has been consolidated at equity. It is managed independently and neither draws on the Issuer's funding nor benefits from guarantees issued by the Issuer. Pipelife aims at achieving profitable growth with a focus on Europe, as well as increasing market shares of sewer, soil & waste, electro, products for hot and cold use and agricultural pipes. The acquisitions and start-up of new production lines in recent

years together with innovations, gave Pipelife a sound market position in the sewage, water, gas and cable segments, which was further strengthened in 2010. In April 2011, Pipelife has announced the acquisition of Alphacan, a French provider of plastic pipe systems for drinking water, sanitary applications and waste water disposals.

In addition, the Group owns a portfolio of real estate, mainly closed-down plant site properties, that are not required for operational purposes.

## 6. RECENT DEVELOPMENTS AND FUTURE INVESTMENTS

A4 – 5.1.5

A4 – 5.2

Wienerberger spent EUR 149 million on investments in 2010 (2009: EUR 134 million). Maintenance, rationalization and environmental investments (maintenance capex) amounted to EUR 62 million (2009: EUR 63 million) or 31% of depreciation for 2010 (2009: 33%). This represents the part of capital expenditure that is required to maintain current production capacity and modify equipment to meet the latest technical standards. A total of EUR 88 million (2009: EUR 71 million) was spent for acquisitions and the completion of previously started growth projects (bolt-on and external projects). These included the acquisition of the remaining 25% stake in Semmelrock and of the Steinzeug Group. The growth investments were distributed by segment as follows in 2010: 25% in Central-East Europe, 20% in North-West Europe, 13% in Central-West Europe and 42% in Investments and Others.

A4 – 5.2.1

A4 – 5.2.2

A4 – 5.2.3

For 2011, the Group expects capital expenditure in the amount of approximately EUR 165 million. Thereof, EUR 104.8 million were spent in the first three quarters 2011. At EUR 61.6 million, more than half of these expenditures represented maintenance capital expenditures (maintenance, replacement and rationalization investments) and technology-related process upgrades. Future investments are financed by the cash flow generated from the Group's operations and available liquid funds. Except as disclosed below and in the remainder of this Prospectus, there are currently no principal future investments on which the Issuer's management bodies have already made firm commitments. In March 2011, the Group acquired Heylen Bricks, a facing brick producer headquartered in Veldwezelt, Belgium. The long-standing, formerly family-owned, company is specialized in premium products that are marketed not only in Belgium but also in Germany and The Netherlands.

In pursuit of putting the roof areas of plants to use for the generation of solar energy, the Group has, in May 2011, decided to invest EUR 8 million in the installation of photovoltaic systems in three German plants, all of which are fully operational since October 2011 and three plants in Italy which are currently being constructed. The investment is aimed at meeting part of the annual energy consumption from own production.

## 7. LEGAL PROCEEDINGS AND INVESTIGATIONS

A4 – 13.6

The Issuer and its subsidiaries are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labor and other matters. Legal risks arising from increasingly strict environmental, health and safety standards may result in penalties or claims for damages if these standards are not met. For example, in 2009 the Italian authorities launched an investigation into possible environmental hazards at Wienerberger plants; the investigation has not produced any results to date. During the 12 months preceding the date of this Prospectus there were no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had in the recent past, significant effects on the financial position or profitability of Wienerberger AG or the Group.

In a decision issued in December 2008, the German cartel office levied an administrative fine of approximately EUR 42 million against Wienerberger GmbH (former Koramic Dachprodukte GmbH

& Co KG), a wholly owned German subsidiary, for alleged price agreements in violation of fair competition. The company immediately appealed this decision. Based on the advice of the Issuer's lawyers, the fine and costs for legal proceedings are not expected to total more than approximately EUR 10 million. A provision was therefore established for this amount in 2008. A court decision is not expected in the short term.

In December 2011, cartel authorities initiated investigations against Pipelife in Hungary for alleged price agreements and searched its premises. Pipelife Hungary will use its best endeavours to cooperate with the competent authorities to resolve these allegations. More generally, the Group is cooperating with the competent authorities and emphasizes that agreements in restraint of trade violate the corporate policies of the Group, are expressly prohibited through internal guidelines and perpetrators face sanctions. Management frequently emphasizes that price-fixing agreements or any other anti-competitive behavior do not comply with its business practices and corporate policies.

In April 2011, the Issuer's Czech subsidiary, Wienerberger cihlářský průmysl, a.s. was sued by its competitor Xella CZ, s.r.o. based on the alleged breach of the rules of fair competition. The claim for damages forming the basis of the lawsuit amounts to approximately EUR 11.5 million. According to the Issuer's legal advisors, chances are that this amount can be significantly mitigated in the course of the legal proceedings. The Issuer believes that this litigation will not limit its ability to fulfil its obligations under the Bonds.

## **8. MATERIAL CONTRACTS AND INSURANCE**

A4 – 15

In the usual course of its business, Wienerberger enters into numerous contracts with various other entities. Wienerberger has not, however, entered into any material contracts outside the ordinary course of its business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds being issued. For recent acquisitions see "*-Recent developments and future investments*" above.

Insurance policies have been concluded to cover claims resulting from general liability including product liability, directors' and officers' liability as well as against property damage and business interruptions. The scope of these insurance policies is analysed regularly based on the maximum cost associated with the insured risk and the relevant insurance premium.

## **9. TREND INFORMATION**

A4 – 8.2

In addition to weather, which is an important external factor determining demand, the construction sector (in particular residential construction, which accounts for a large part of brick demand worldwide according to management estimates) is subject to typical macroeconomic drivers such as GDP growth rate, consumer spending, confidence levels and, to a lesser extent, long-term interest rates (i.e., mortgage rates).

Furthermore, Wienerberger faces an increasingly complex regulatory framework: The Group is subject to numerous environmental and health and safety laws, regulations and standards, the number of which has increased over the past years, in particular in the European Union and the United States where the Group operates important facilities. Furthermore, such laws have become more stringent in the past years and have been interpreted more strictly by the authorities. This trend is expected to continue and could result in increasing expenditure incurred by the Group to establish compliance with new regulations.

## PART VII: MANAGEMENT AND CORPORATE GOVERNANCE

### 1. BOARD STRUCTURE

A4 – 10  
A4 – 10.1

The Issuer has a two-tier board structure, consisting of a Managing Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The members of the Managing Board and the Supervisory Board may be contacted at the Issuer's registered office at Wienerberg City, Wienerbergstraße 11, 1100 Vienna, Austria.

#### 1.1 Managing Board

Members of the Managing Board are appointed by the Supervisory Board for a maximum period of five years and may be re-appointed. Only those persons may be appointed to the Managing Board who have not reached their 65th birthday on the date of appointment or reappointment. Pursuant to the Articles of Association of the Issuer, the Managing Board consists of up to four members.

The Managing Board is responsible for the executive management and represents the Issuer vis-à-vis third parties. If the Managing Board consists of more than one member, the Issuer is represented either by two members of the Managing Board acting jointly, or by any one member of the Managing Board acting together with an authorized signatory holding a general power of attorney (*Prokurist*). Subject to statutory restrictions, the Issuer may also be represented by two authorized signatories.

The following are the names and functions of the Issuer's Managing Board members and their principal business activities performed outside the Issuer with respect to potential conflicts of interest:

Name	Function	Principal business activities performed outside the Company
Heimo Scheuch .....	Chairman, Chief Executive Officer (CEO)	Member of the supervisory board of Sto AG; president of TBE (Tiles and Bricks of Europe); member of the supervisory board of CEESEG AG and Wiener Börse AG.
Willy Van Riet .....	Member, Chief Financial Officer (CFO)	None.
Johann Windisch .....	Member, Chief Operating Officer (COO)	None.

#### 1.2 Supervisory Board

The Supervisory Board consists of three to ten members elected by the shareholders' meeting (*Hauptversammlung*). In addition, the Issuer's works council has a right to delegate one third of the Supervisory Board members under Austrian co-determination rules. The Supervisory Board is responsible for supervising the management and internal controls of the Issuer.

The following are the names and functions of the Issuer's Supervisory Board members and their principal business activities performed outside the Issuer with respect to potential conflicts of interest:

<b>Name</b>	<b>Function</b>	<b>Principal business activities performed outside the Issuer</b>
Friedrich Kadrnoska .....	Chairman	Managing board member of Privatstiftung zur Verwaltung von Anteilsrechten, chairman of the supervisory boards of Österreichisches Verkehrsbüro AG, Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft, CESEEG AG and Wiener Börse AG, member of the supervisory board of card complete Service Bank AG, director of UniCredit S.p.A., director of Wiener Privatbank SE, managing partner of A & I Beteiligung und Management GmbH.
Christian Dumolin ....	Vice-Chairman	Chairman of the supervisory board of Koramic Investment Group NV, honorary member of the Board of Regents of the Belgian National Bank, member of the supervisory board of the Belgian Banking Finance and Insurance Commission (CBFA), member of the boards of directors of USG People, De Steeg Investments, E & L Real Estate and Vitalo Industries.
Karl Fink .....	Member	Member of the enlarged group management of Vienna Insurance Group AG Wiener Versicherung Gruppe, member of the managing board of Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group, chairman of VIG Re zajišťovna, Praha, chairman of the supervisory board of TBIH Financial Services Group N.V. and of Ray Sigorta A.S., Istanbul, Amsterdam, deputy chairman of the supervisory board of DONAU Versicherung AG Vienna Insurance Group, member of the supervisory board of KOOPERATIVA Praha, Czech Republic, and of AT&S Austria Technologie & Systemtechnik AG.
Peter Johnson .....	Member	Chairman of the board of DS Smith PLC, chairman of the board of Electrocomponents PLC.
Harald Nograsek.....	Member	Chief Executive Officer of Österreichisches Verkehrsbüro AG, chairman of the supervisory board of DDSG – Blue Danube Schifffahrt GmbH, managing director of Ruefa Reisen Direktbuchung GmbH and Verkehrsbüro Finanzmanagement GmbH.
Regina Prehofer.....	Member	Vice-chancellor for finance and infrastructure of the Vienna University of Economics and Business, member of the supervisory boards of CA Immobilien Anlagen Aktiengesellschaft and of AT&S Austria Technologie & Systemtechnik AG.
Claus J. Raidl .....	Member	President of Oesterreichische Nationalbank, member of the supervisory board of CESEEG AG, Flughafen Wien AG and Wiener Börse AG, chairman of the Board of Trustees of I.S.T. Austria, member of the board of trustees of Technisches Museum Wien.
Wilhelm Rasinger.....	Member	Managing partner of Inter-Management Unternehmensberatung Gesellschaft m.b.H. and “Am Klimtpark” LiegenschaftsverwaltungsgesmbH, chairman of IVA – Interessenverband für Anleger, member of the supervisory boards of Erste Group Bank AG and S Immo AG chairman of the supervisory board of Friedrichshof Wohnungsgenossenschaft reg. Gen. m.b.H.
Franz Rauch .....	Member	Managing partner of Franz Rauch GmbH, vice-chairman of the supervisory board of Treibacher Industrie AG, member of the supervisory boards of UniCredit Bank Austria AG, Buy-Out Central Europe II Beteiligungs-Invest AG, Vorarlberger Kraftwerke AG, Vorarlberger Illwerke AG, Hirschmann Automotive GmbH, Collini Holding AG and Austria Email AG.
Rupert Bellina .....	Member <sup>(1)</sup>	None.
Claudia Krenn .....	Member <sup>(1)</sup>	None.
Gerhard Seban.....	Member <sup>(1)</sup>	None.
Karl Sauer .....	Member <sup>(1)</sup>	Chairman of the European works council, chairman of the central works council.

(1) Works council representative.

## 2. COMMITTEES OF THE SUPERVISORY BOARD

A4 – 10.1

A4 – 11.1

In accordance with the Articles of Association, the Supervisory Board has established an **Audit Committee** (*Prüfungsausschuss*) which is responsible for the audit and preparation of the approval of the financial statements and consolidated financial statements of the Issuer, the preparation of a proposal for the distribution of profits, the review of the management report and for monitoring the efficiency of the Issuer's internal control system (*Internes Kontrollsystem – IKS*). Furthermore, the Audit Committee prepares the proposal for the election of the Issuer's auditor by the Shareholders' Meeting. One member of the Audit Committee must be a financial expert with special knowledge and practical experience in finance, accounting and reporting (*Finanzexperte*). Persons who were members of the Managing Board, executives or auditors of the Issuer or persons having certified the consolidated financial statements of the Issuer within the last three years may not be financial expert or chairman of the Audit Committee. The current members of the Audit Committee are Harald Nograsek, Wilhelm Rasinger and Karl Sauer.

Further committees of the Supervisory Board are the **Presidium**, which represents the interests of the Issuer on all Managing Board issues and also serves as a Remuneration Committee for the members of the Managing Board, the **Strategy Committee** which evaluates the strategy and development of the Issuer and prepares strategic issues for voting by the Supervisory Board, and the **Personnel and Nominating Committee** which is responsible for the preparation of nominations to the Management and Supervisory Boards. It recommends nominations to the Supervisory Board, which are placed before the Shareholders' Meeting for vote and approves the terms of remuneration systems for managers in the Group.

## 3. CORPORATE GOVERNANCE

A4 – 11.2

The Corporate Governance Code (the **CGC**) was published by the Austrian Working Group on Corporate Governance, a group of private organizations and individuals in 2002 and was amended most recently in January 2012. The CGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law ("Legal Requirements", "L-Rules"). In addition, the CGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with some of these rules must be explained ("Comply or Explain", "C-Rules"). The CGC also contains rules that are voluntary and do not require explanation in the case of deviations ("Recommendation", "R-Rules"). The Issuer currently complies in full with all "L-Rules", "C-Rules" and Recommendations of the Corporate Governance Code.

## 4. CONFLICTS OF INTERESTS

A4 – 10.2

There are no potential conflicts of interest between the duties of the Managing Board and Supervisory Board members to the Issuer and their private interests or other duties.

## PART VIII: INFORMATION ABOUT THE ISSUER

### 1. LEGAL AND COMMERCIAL NAME, REGISTERED SEAT AND FINANCIAL YEAR

A4 – 5.1  
A4 – 5.1.1  
A4 – 5.1.2  
A4 – 5.1.4

Wienerberger AG is a stock corporation established under Austrian law for an indefinite period, with its registered seat in Vienna, registered with the commercial register at the Commercial Court Vienna under FN 77676 f and its business address at Wienerberg City, Wienerbergstraße 11, 1100 Vienna, Austria. The Issuer was founded in 1819 as “Wienerberger Ziegel-Fabriks und Bau-Gesellschaft” and first registered in the commercial register on April 10, 1869. The Issuer’s as well as the Group’s commercial name is Wienerberger. The Issuer may be reached at its business address, by phone (+43 (1) 60192-471) or on its website under [www.wienerberger.com](http://www.wienerberger.com). The Issuer’s financial year is identical with the calendar year.

### 2. CORPORATE PURPOSE

A4 – 14.2  
A4 – 14.2.1

The Issuer’s business objectives as stated in section 2 of its Articles of Association include:

- exercise of holding company functions related to companies under its control as a corporate group in accordance with section 15 of the Stock Corporation Act. The object of business of these group companies comprises in particular the production, purchase and sale of all types of building materials, the pursuance of activities in the construction sector and the operation of filling stations;
- acquisition of and investment in other companies and corporations, in particular industrial companies, with the same or similar object of business as well as the establishment of branches and subsidiaries in Austria and other countries;
- performance of administrative, management and consulting duties (in particular in the areas of organization, data processing, insurance, etc.) for other companies and corporations;
- automatic processing of personal data;
- trade in goods of all kinds.

The Issuer is entitled to engage in any and all transactions that are deemed necessary or expedient for realizing the objects of business, in particular transactions in the areas that are similar or related to the objects of its business.

### 3. DURATION

A4 – 5.1.3

The Issuer was incorporated in 1819 for indefinite duration (article 1 of the Issuer’s articles of association).

### 4. SHARE CAPITAL

A4 – 14.1  
A4 – 14.1.1

In September 2009, the Issuer increased its share capital by placing 33,579,075 new shares, representing 40% of the existing share capital. Following completion of the capital increase, the Issuer has a stated and fully-paid share capital of EUR 117,526,764, divided into 117,526,764 no-par value ordinary voting bearer shares (*auf Inhaber lautende Stückaktien*), each representing a calculated notional amount of EUR 1.00 of the share capital. The Issuer’s shares are listed on the Official Market, assigned to trading in the prime market segment, of the Vienna Stock Exchange.

**5. MAJOR SHAREHOLDERS**

A4 - 12

As of July 31, 2008, Dodge & Cox reported a holding of 10.09% of the Issuer's issued share capital. A4 - 12.1  
As of September 14, 2011, the U.S registered investment adviser First Eagle Investment Management, LLC reported a total voting authority for 5.07% of the Issuer's issued share capital for various of its clients. The remaining shares are held by various investment funds and individuals holding below 5% each. To management's best knowledge, there are no arrangements, the operation of which may at a subsequent date result in a change of control in the Issuer. A4 - 12.2

## **PART IX: USE OF PROCEEDS**

A5 – 3.2

The Issuer estimates that the net proceeds from the issue and sale of the Bonds (for a minimum nominal amount of EUR 50,000,000), after deduction of the estimated transaction fees of approximately EUR 250,000, will be approximately EUR 49,750,000.

The net proceeds from the Public Offer will be applied by the Issuer for general corporate purposes.

**1. GENERAL**

The following summary is a general description of certain Belgian, Austrian and Luxembourg tax considerations relating to the Bonds and is included herein solely for information purposes. It does not purport to be a complete analysis of all tax considerations relating thereto. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, or collective investment undertakings.

Prospective purchasers should consult their own tax advisers as to the consequences under the tax laws of their countries of citizenship, residence, ordinary residence or domicile and the tax laws of Belgium, Austria and the Grand Duchy of Luxembourg of acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts thereunder.

This summary is based upon the laws and regulations in Belgium, Austria, respectively the Grand Duchy of Luxembourg, as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (or even before with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below.

Persons considering participating in the offer should therefore consult their own professional advisors as to the effects of state, local or foreign laws and regulations, including the tax laws and regulations in Belgium, Austria, respectively the Grand Duchy of Luxembourg, to which they may be subject.

**2. TAXATION FOR INVESTORS BASED IN BELGIUM, AUSTRIA AND THE GRAND DUCHY OF LUXEMBOURG**

**2.1 Belgium**

For the purpose of the summary below, a Belgian resident is (i) an individual subject to Belgian personal income tax (*i.e.*, an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (ii) a company subject to Belgian corporate income tax (*i.e.*, a company that has its registered office, its main establishment, its administrative seat or its seat of management in Belgium), or (iii) a legal entity subject to Belgian legal entities tax (*i.e.*, an entity other than a company subject to corporate income tax having its registered office, its main establishment, its administrative seat or its seat of management in Belgium).

A non-resident is a person who is not a Belgian resident.

*(a) Belgian withholding tax*

The interest component of payments on the Bonds made by or on behalf of the Issuer is as a rule subject to Belgian withholding tax, currently at a rate of 21% on the gross amount. An additional levy of 4% (the **Additional Tax**) may apply on the interests on the Bonds if the gross amount of interests and dividends earned by the subscriber on a yearly basis exceeds EUR 20,000 (being the amount applicable for the year 2012). The specific terms under which the Additional Tax would be applied “at source” has, for the time being, not yet been clarified by the Belgian tax authorities. For the time being (as of the date of this Prospectus), for operational reasons, many financial institutions are not yet able to withhold the Additional Tax at source. Therefore, from now on and until further notice (if any), the investment income must be reported in the annual income tax return. For Belgian income tax purposes, interest includes (i) periodic interest income, (ii) any amounts paid by the

Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer) (including the redemption at the option of the Bondholders pursuant to Condition 10 in case of a Change of Control), and (iii) if the Bonds qualify as fixed income securities pursuant to Article 2, §1, 8 of the Belgian Income Tax Code 1992 (*ITC 1992*), in case of a sale of the Bonds between interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period.

(b) *Interest, capital gains and income tax*

(i) Belgian resident individuals

For Belgian resident individuals holding the Bonds as a private investment, the payment of the 21% withholding tax fully discharges them from their tax liability with respect to these interest payments (*précompte mobilier libérateur / bevrijdende roerende voorheffing*), i.e. they do not have to declare the interest obtained on the Bonds in their personal income tax return.

They may nevertheless elect to declare the interest in their personal income tax return. In such a case, interest payments will normally be taxed at a rate of 21%, plus local surcharges, or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is lower. If the interest payment is declared, the withholding tax retained by the NBB may be credited and possibly refunded in case of excess.

Capital gains realised on the disposal of the Bonds are as a rule tax exempt, unless these Bonds are held for professional purposes, if the capital gain is realised outside the normal management of one's private estate. Capital losses realised upon the disposal of the Bonds held as non-professional investment are in principle not tax deductible. If the Bonds qualify as fixed income securities pursuant to Article 2, §1, 8 ITC 1992, in case of a sale of the Bonds between interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period does not constitute a capital gain, but interest, which may be subject to withholding tax (see section "Belgian withholding tax").

Specific tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

(ii) Belgian resident companies

Holders of Bonds which are Belgian resident companies will be subject to Belgian corporate income tax on the interest payments made on the Bonds. Capital gains realised in respect of the Bonds will be part of the company's taxable income. Capital losses realised upon the sale of the Bonds are in principle tax deductible.

(iii) Belgian legal entities

Belgian legal entities are in principle subject to a withholding tax of 21% on interest payments. The withholding tax constitutes the final taxation.

Belgian legal entities which have received gross interest income are required to declare the interest payments and will consequently pay the amount of the Belgian withholding tax themselves.

Capital gains realised on the disposal of the Bonds are as a rule tax exempt (unless it qualifies as interest on Bonds considered fixed income securities referred to under the section "Belgian withholding tax"). Capital losses are in principle not tax deductible.

(iv) Non-residents

As a rule, Bondholders who are non-residents of Belgium for Belgian tax purposes and are not holding the Bonds through a Belgian establishment and do not invest the Bonds in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains by reason only of the acquisition, ownership or disposal of the Bonds.

If the interest payments are actually received via an intermediary established in Belgium, withholding tax on the interest will in principle be withheld by the intermediary at the rate of 21%, possibly reduced pursuant to a tax treaty, on the gross amount of the interest (Article 261, 2° ITC 1992). However, on the grounds of the current wording of Article 228, 2° ITC 1992 with respect to the tax liability of non-residents, arguably a reclaim of that withholding tax could be obtained.

(c) *Tax on stock exchange transactions*

Secondary market trades in respect of the Bonds will give rise to a stock exchange tax (*Taxe sur les operation de bourse / Taks op de Beursverrichtingen*) if they are carried out in Belgium through a professional intermediary. The rate applicable for secondary sales and purchases is 0.09%. The tax is due separately from each party to any such transaction, *i.e.*, the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. The amount of the transfer tax is, however, capped at EUR 650 per transaction per party.

However, the tax referred to above will not be payable by exempt persons acting for their own account including all non-residents of Belgium, subject to the delivery of an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in article 126/1, 2° of the Code of various duties and taxes (*Code des droits et taxes divers / Wetboek diverse rechten en taksen*).

(d) *European Union directive on taxation of savings income*

On 3 June 2003, the Council of the European Union adopted Council Directive 2003/48/EC regarding the taxation of savings income (the *Savings Directive*), which entered into force on 1 July 2005 and which has been implemented in Belgium by the law of 17 May 2004.

Under the Savings Directive, EU Member States are required, as from 1 July 2005, to provide to the tax authorities of another EU Member State, *inter alia*, details of interest payments within the meaning of the EU Savings Directive (interest, premiums or other debt income) made by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident or certain limited types of entity established in that other EU Member State.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

## 2.2 **The Grand Duchy of Luxembourg**

Please be aware that the residence concept used under the respective headings below applies for the Grand Duchy of Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to the Grand Duchy of Luxembourg tax law and/or concepts only. Also, please note that a reference to the Grand Duchy of Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), personal income tax (*impôt sur le revenu*) generally. Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of the Grand Duchy of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity

surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

(a) *Withholding Tax*

(i) Non-resident holders of Bonds

Under the Grand Duchy of Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the *Laws*) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Bonds, nor on accrued but unpaid interest in respect of the Bonds, nor is any Grand Duchy of Luxembourg withholding tax payable upon redemption (including the redemption at the option of the Bondholders pursuant to Condition 10 in case of a Change of Control) or repurchase of the Bonds held by non-resident holders of Bonds.

Under the Laws implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by the Grand Duchy of Luxembourg and certain dependent and associated territories of EU Member States (the *Territories*), payments of interest or similar income made or ascribed by a paying agent established in the Grand Duchy of Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than the Grand Duchy of Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35% (since 1 July 2011). Responsibility for the withholding of the tax will be assumed by the Grand Duchy of Luxembourg paying agent. Payments of interest under the Bonds coming within the scope of the Laws would at present be subject to withholding tax of 35%.

(ii) Resident holders of Bonds

Under the Grand Duchy of Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the *Law*) mentioned below, there is no withholding tax on payments of principal, premium or interest made to the Grand Duchy of Luxembourg resident holders of Bonds, nor on accrued but unpaid interest in respect of Bonds, nor is any Grand Duchy of Luxembourg withholding tax payable upon redemption (including the redemption at the option of the Bondholders pursuant to Condition 10 in case of a Change of Control) or repurchase of Bonds held by the Grand Duchy of Luxembourg resident holders of Bonds.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in the Grand Duchy of Luxembourg to or for the benefit of an individual beneficial owner who is resident of the Grand Duchy of Luxembourg will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Grand Duchy of Luxembourg paying agent. Payments of interest under the Bonds coming within the scope of the Law would be subject to withholding tax of 10%.

Further, a Luxembourg resident individual who acts in the course of the management of his/her private wealth and who is the beneficial owner of an interest payment made by a paying agent established outside Luxembourg in a Member State of the European Union or of the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the Council Directive 2003/48/EC of 3 June 2003, may also opt for a final 10% levy. In such

case, the 10% levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 10% levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year.

(b) *Income Taxation*

(i) Non-resident holders of Bonds

A non-resident corporate holder of Bonds or an individual holder of Bonds acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in the Grand Duchy of Luxembourg to which such Bonds are attributable, is subject to the Grand Duchy of Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Bonds and on any gains realised upon the sale or disposal, in any form whatsoever, of the Bonds.

(ii) Resident holders of Bonds

A corporate holder of Bonds must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Bonds, in its taxable income for the Grand Duchy of Luxembourg income tax assessment purposes. The same inclusion applies to an individual holder of Bonds, acting in the course of the management of a professional or business undertaking.

A holder of Bonds that is governed by the law of 11 May 2007 on family wealth management companies, or by the law of 17 December 2010 on undertakings for collective investment, or by the amended law of 13 February 2007 on specialised investment funds, is neither subject to the Grand Duchy of Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Bonds.

An individual holder of Bonds, acting in the course of the management of his/her private wealth, is subject to the Grand Duchy of Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Bonds, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual holder of the Bonds has opted for the application of a 10% tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than the Grand Duchy of Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), or in a state that has entered into a treaty with the Grand Duchy of Luxembourg relating to the Council Directive 2003/48/EC of 3 June 2003. A gain realised by an individual holder of Bonds, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Bonds is not subject to the Grand Duchy of Luxembourg income tax, provided this sale or disposal took place more than six months after the Bonds were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to the Grand Duchy of Luxembourg income tax, except if tax has been withheld on such interest in accordance with the Law.

(c) *Net Wealth Taxation*

A corporate holder of Bonds, whether it is resident of the Grand Duchy of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in the Grand Duchy of Luxembourg to which such Bonds are attributable, is subject to the Grand Duchy of Luxembourg wealth tax on such Bonds, except if the holder of Bonds is governed by the law of 11 May 2007 on family wealth management companies, or by the law of 17 December 2010 on undertakings for collective investment, or by the amended law of 13 February 2007 on specialised

investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles.

An individual holder of Bonds, whether he/she is resident of the Grand Duchy of Luxembourg or not, is not subject to the Grand Duchy of Luxembourg wealth tax on such Bonds.

(d) *Other Taxes*

Neither the issuance nor the transfer, redemption or repurchase of Bonds will give rise to any Grand Duchy of Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties.

Where a holder of Bonds is a resident of the Grand Duchy of Luxembourg for tax purposes at the time of his/her death, the Bonds are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Bonds if embodied in a deed passed in from of a Luxembourg notary or recorded in the Grand Duchy of Luxembourg.

## 2.3 Austria

The following is a brief summary of certain Austrian tax aspects in connection with the Bonds. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Bonds nor does it take into account the Bondholders' individual circumstances or any special tax treatment applicable to the Bondholder. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, ownership, disposition or redemption of the Bonds.

This summary is based on Austrian law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. It cannot be ruled out that the Austrian tax authorities adopt a view different from that outlined below.

Due to a new tax regime pursuant to the Austrian Federal Budget Implementation Act 2011 (*Budgetbegleitgesetz 2011*), the Tax Amendment Act 2011 (*Abgabenänderungsgesetz 2011*) and the Austrian Federal Budget Implementation Act 2012 (*Budgetbegleitgesetz 2012*) it has to be differentiated for the taxation of Austrian resident investors whether the Bondholder acquires the Bond before April 1, 2012 or after March 31, 2012.

(a) *Austrian Residents – acquisition before April 1, 2012*

Income derived from the Bonds by individuals with a domicile or their habitual abode in Austria or corporate entities having their corporate seat or place of management in Austria is taxable in Austria pursuant to the Austrian Income Tax Act (*Einkommensteuergesetz*) or the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*).

(i) Individuals

Generally, income arising from the Bonds should qualify as income from debt-securities (*Kapitalerträge aus Forderungswertpapieren*). Income from debt-securities includes (i) interest payments as well as (ii) income, if any, realized upon (early) redemption of the Bonds (which is the difference between the issue price and the (early) redemption amount – for Bonds with regular coupons an exemption applies if such difference does not exceed a threshold of to 2% of the nominal amount) or (iii) income realized upon sale of the Bonds (accrued interest).

If income from debt-securities is paid out by a paying agent (*kuponauszahlende Stelle*) located in Austria, it is subject to 25% Austrian withholding tax (*Kapitalertragsteuer-KESt*). The paying agent is the bank, including an Austrian branch of a foreign bank or investment firm, which pays out such income to the holder of the Bonds.

For individuals the 25% withholding tax constitutes a final taxation (*Endbesteuerung*), no matter whether they act as private investors or hold the Bonds as business property. Final taxation means that no further income tax will be assessed and the income is not to be included in the Bondholder's income tax return.

Where there is no deduction of Austrian withholding tax because the income from the Bonds is not received in Austria (not paid out by a paying agent located in Austria) Austrian resident Bondholders will have to declare the income from the Bonds in their income tax returns pursuant to the Austrian Income Tax Act. A special 25% income tax rate is applicable.

Individuals whose regular personal income tax rate is lower than 25% may opt for taxation of the income from the Bonds at such regular personal income tax rate. In this case, the withholding tax will be credited against the personal income tax liability and the excess amount refunded. Expenses incurred by an individual Bondholder in connection with income derived from Bonds qualifying for final taxation or the special 25% income tax rate are in neither case deductible.

Income derived from Bonds which are not offered to the public within the meaning of section 97 and 37 paragraph 8 of the Austrian Income Tax Act is taxable at the respective Bondholder's normal progressive personal income tax rate amounting up to 50% and the Austrian withholding tax would be credited against the Bondholder's personal income tax liability.

Upon the sale of the Bonds accrued interest realized upon such sale is taxed as income from debt-securities being subject to withholding tax as set out above. For private investors, any additional capital gain on the disposal of the Bonds purchased after 30 September 2011 is taxable pursuant to section 30 Austrian Income Tax Act (*Spekulationsgeschäft* - speculative transaction). Such speculative gain is taxed at normal progressive income tax rates amounting up to 50% if the Bonds are sold prior to 1 April 2012 and a 25% tax rate if the Bonds are sold on or after 1 April 2012 in each case if the total of such speculative gain exceeds EUR 440 per year. Losses from speculative transactions can only be set off against gains from speculative transactions of the same calendar year. If the Bonds qualify as business assets, capital gains on the disposal are taxable irrespective of the date of the disposal at normal progressive income tax rates.

Special rules apply if a Bondholder transfers his residence or deposit account outside of Austria.

(ii) Corporate investors

For corporate investors the deduction of 25% withholding tax does not constitute a final taxation (*Endbesteuerung*). Income including any capital gain derived from the Bonds is subject to Austrian corporate income tax at the general rate of 25%. Corporate Bondholders deriving business income from the Bonds may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*) pursuant to section 94 no. 5 Austrian Income Tax Act with the paying agent.

(b) *Austrian Residents – acquisition after March 31, 2012*

With effect as of April 1, 2012, a new tax regime will apply to Bonds acquired against consideration after March 31, 2012. Pursuant to the new rules, not only interest but any realized capital gain from the Bonds shall, irrespective of the period of time the Bonds have been held for, become taxable at a special personal income tax rate of 25%. The taxable capital gain from the Bonds is the difference between the sales price or redemption amount and the acquisition price, in each case including accrued interest. Expenses in connection with income and capital gains from Bonds which are subject to the special 25% tax rate are not deductible.

Where an Austrian deposit account or paying agent (Austrian bank or branch of foreign bank or investment firm) is involved, the income from the Bonds is subject to Austrian withholding tax at a rate of 25%.

(i) Individuals

For individuals holding the Bonds as private assets (except income from employment), deduction of such 25% withholding tax constitutes a final taxation (*Endbesteuerung*) so that no further income or capital gain tax will be assessed and the income or capital gain is not to be included in the Bondholder's income tax return. The acquisition costs of the Bonds shall not include incidental acquisition costs for tax purposes. Losses from the Bonds can only be set-off (by filing an income tax return with the tax office (*Verlustausgleichsoption*)) against income and capital gains from other financial assets (excluding, inter alia, interest income from bank deposits) and cannot be carried forward. As of 1 January 2013 an Austrian depository has to offset losses arising on the deposits of an individual subject to and in accordance with the provisions of § 93(6) EStG as well as offset losses realised between 1 April 2012 and 31 December 2012 retroactively subject to and in accordance with the provisions of § 124b(207) EStG.

Taxpayers, whose regular personal income tax is lower than 25% may opt for taxation of the income from the Bonds (together with all other income subject to the special 25% tax rate) at their regular personal income tax rate (*Veranlagungsoption*). Expenses in connection with the income or capital gain from the Bonds are not deductible.

If the income or capital gain is not subject to Austrian withholding tax because there is no domestic securities depository and paying agent, the taxpayer will have to include the income or capital gain derived from the Bonds in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act. A special 25% income tax rate will apply to all income as well as to capital gains realized after April 1, 2012.

With effect as of April 1, 2012, withdrawals (*Entnahmen*) and other transfers of Bonds from a Bondholder's securities account will be deemed to be a disposal unless certain requirements are met such as a transfer to a securities account owned by the same taxpayer (i) with the same domestic bank, (ii) with another domestic bank if the taxpayer instructs the transferring bank (securities depository) to disclose the acquisition costs of the Bonds to the transferee bank or (iii) with a foreign bank (securities depository), if the taxpayer instructs the transferring domestic bank to notify the competent Austrian tax office or, where the transferring bank is also a foreign bank (securities depository), the taxpayer himself notifies the competent Austrian tax office within a month. A transfer of Bonds without consideration to a securities account of another taxpayer will not result in a deemed disposal if, where the transferring bank is a domestic bank, the transferor evidences the transfer without consideration to the transferring bank or instructs the transferring bank to notify the competent tax office, or, where the transferring bank is a foreign bank, the taxpayer himself notifies the competent Austrian tax office within one month.

For Bondholders holding the Bonds as business assets, income and capital gain from the Bonds are also subject to the special 25% tax rate but capital gains have to be declared in the income tax return. Depreciations and capital losses from Bonds must be primarily set-off against capital gains from other financial assets and income from derivatives, a remaining loss can only be set-off to the extent of 50%. According to the wording of the law these restriction on the use of losses apply also to Bonds acquired before April 1, 2012.

Special rules apply if a Bondholder transfers his residence or deposit account outside of Austria or transfers the Bonds to a non-resident (exit tax, option for deferred taxation in the case of a transfer to an EU member state or certain member states of the European Economic Area).

There are not yet any guidelines or administration practice of the tax authorities and the paying agents as to the implementation of the new tax rules introduced by the Austrian Federal Budget

Implementation Act 2011 and the Austrian Federal Budget Implementation Act 2012 so that there may be changes relating to the implementation of the new tax regime.

(ii) Corporate investors

Corporate Bondholders deriving business income from the Bonds may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*) pursuant to section 94 no. 5 Austrian Income Tax Act with the paying agent. Income including any capital gain derived from the Bonds by corporate Bondholders is subject to Austrian corporate income tax at the general rate of 25%. For corporate Bondholders the restrictions for the set-off of tax losses are not applicable. The tax losses can be set-off against all other income. The tax loss carry forward is possible.

There is, inter alia, a special tax regime for Private Foundations established under Austrian law (*Privatstiftungen*).

(c) *Non-Residents*

Income including any capital gain derived from the Bonds by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors who do not have their corporate seat or their place of management in Austria (“**non-residents**”) is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below).

Thus, non-resident Bondholders – in case they receive income or capital gains from the Bonds through a paying agent located in Austria – may avoid the application of Austrian withholding tax if they evidence their non resident-status vis-à-vis the paying agent by disclosing their identity and address pursuant to the provisions of the Austrian income tax guidelines. The provision of evidence that the Bondholder is not subject to Austrian withholding tax is the responsibility of the Bondholder. As of 1 April 2012 an Austrian paying agent or depository may abstain from levying the 25% withholding tax pursuant to § 94(13) EStG.

If any Austrian withholding tax is deducted by the paying agent the tax withheld shall be refunded to the non-resident Bondholder upon his application which has to be filed with the competent Austrian tax authority within five calendar years following the date of the imposition of the withholding tax.

Where non-residents receive income from the Bonds as part of business income taxable in Austria (e.g. permanent establishment), they will, in general, be subject to the same tax treatment as resident investors.

(d) *EU Savings Directive*

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (“**Savings Directive**”) provides for an exchange of information between the authorities of EU member states regarding interest payments made in one member state to beneficial owners who are individuals and resident for tax purposes in another member state. Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax is levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state of the European Union or certain dependent and associated territories. Further, withholding tax will be deducted - on a pro rata temporis basis - in case of changes of the individual’s withholding tax status such as changes of his country of residence or transfer of his securities to a deposit account outside of Austria. The EU withholding tax currently amounts to 35%.

No EU withholding tax is deducted if the EU-resident Bondholder provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence. Such certificate

has to indicate, among other things, the name and address of the paying agent as well as the bank account number of the Bondholder or the identification of the Bonds (section 10 EU Withholding Tax Act).

The Issuer does not assume responsibility for withholding tax at source and is not obliged to make additional payments in case of withholding tax deductions at source.

(e) *Other Taxes*

There should be no transfer tax, registration tax or similar tax payable in Austria by Bondholders as a consequence of the acquisition, ownership, disposition or redemption of the Bonds. The Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished with effect as of 1 August 2008. However, gifts from or to Austrian residents have to be notified to the tax authorities within a three-month notification period. There are certain exemptions from such notification obligation, e.g. for gifts among relatives that do not exceed an aggregate amount of EUR 50,000 per year or gifts among unrelated persons that do not exceed an aggregate amount of EUR 15,000 within five years.

## PART XI: SUBSCRIPTION AND SALE

A5 – 5.1

Fortis Bank NV/SA (having its registered office at Montagne du Parc 3, B-1000 Brussels) (**BNP Paribas Fortis**) (the **Bookrunner** or **Joint Lead Manager**) and KBC Bank NV (having its registered office at Havenlaan 2, B-1080 Brussels) (**KBC Bank**) (the **Joint Lead Manager**) (the Joint Lead Managers together the **Managers**) have, pursuant to a subscription agreement dated on 10 January 2012 (the **Subscription Agreement**), agreed with the Issuer, subject to certain terms and conditions, to use best efforts to place the Bonds in a minimum amount of EUR 50,000,000 with third parties at the Issue Price and at the conditions specified below.

A5 – 5.4  
A5 – 5.4.1  
A5 – 5.4.3  
A5 – 5.4.4

### Subscription Period

A5 – 5.1.3

The Bonds will be offered to the public in Belgium, Austria and in the Grand Duchy of Luxembourg. The Bonds will be issued on 1 February 2012 (the **Issue Date**). However, in case a supplement to the Prospectus gives rise to withdrawal rights exercisable on or after the Issue Date of the Bonds in accordance with Article 34 of the Belgian Prospectus Law, Article 13 of the Luxembourg Prospectus Law, Section 6 of the Austrian Capital Market Act or otherwise, the Issue Date will be postponed until the first business day following the last day on which the withdrawal rights may be exercised.

A5 – 5.1.6  
A5 – 4.12

The Public Offer will start on 13 January 2012 at 9.00 a.m. CET and end on 27 January 2012 at 4.00 p.m. CET (the **Subscription Period**), or such earlier date as the Issuer may determine in agreement with the Managers (provided however that no early termination of the Subscription Period shall be allowed before 5.30 pm CET on the first day of the Subscription Period, without prejudice to the possibility for certain branches of the Managers to close at 4.00 pm CET on such day). In this case, such closing date will be announced by or on behalf of the Issuer, on its website within the section addressed to investors (<http://www.wienerberger.com>), and on the website of BNP Paribas Fortis ([www.bnpparibasfortis.be](http://www.bnpparibasfortis.be) (under "save and invest")), KBC Bank NV ([www.kbc.be/obligaties](http://www.kbc.be/obligaties)), and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Except in case of oversubscription as set out below under "Over-subscription in the Bonds", a prospective subscriber will receive 100% of the amount of the Bonds allocated to it during the Subscription Period.

Prospective subscribers will be notified of their allocations of Bonds by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber.

No dealings in the Bonds on a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, as amended, may take place prior to the Issue Date.

After having read the entire Prospectus and, on the basis of this, among other things, having decided to subscribe to the Bonds, the investors can subscribe to the Bonds via the branches of the following distributors appointed by the Issuer, using the subscription form provided by the distributor (if any): Fortis Bank NV/SA and BGL BNP Paribas, KBC Bank NV (including CBC Banque S.A.) and KBC Securities NV (through [www.bolero.be](http://www.bolero.be)), as well as any relevant other subsidiary in the Grand Duchy of Luxembourg of each of the above mentioned banks (as decided by each bank and its subsidiary).

The applications can also be submitted via agents or any other financial intermediaries in Belgium, Austria and in the Grand Duchy of Luxembourg. In this case, the investors must obtain information concerning the commission fees that the financial intermediaries can charge. These commission fees are charged to the investors.

The Bonds are not offered or marketed by the Managers in Austria. Therefore, prospective investors in Austria seeking to purchase Bonds in the Public Offering are advised to contact their bank, broker or other financial adviser for further details regarding the manner, including associated costs, in which purchase orders for the Bonds are to be processed.

### **Conditions to which the Public Offer is subject**

A5 – 5.1.1

The Public Offer is subject to a limited number of conditions set out in the Subscription Agreement, which are customary for this type of transaction, and which include, amongst others: (i) the correctness of the representations and warranties made by the Issuer in the Subscription Agreement, (ii) the Subscription Agreement, the Clearing Agreement and the Agency Agreement having been executed by all parties thereto prior to the Closing Date, (iii) the admission to trading of the Bonds on the regulated market of the Luxembourg Stock Exchange and the Second Regulated Market of the Vienna Stock Exchange has been granted on or prior to the Closing Date, (iv) there having been, as at the Closing Date, no material adverse change (as defined in the Subscription Agreement) affecting the Issuer and no event making any of the representations and warranties contained in the Subscription Agreement untrue or incorrect in any material respect on the Closing Date as if they had been given and made on such date and the Issuer having performed all the obligations to be performed by it under the Subscription Agreement on or before the Closing Date and (v) at the latest on the Closing Date, the Managers having received customary confirmations as to certain legal and financial matters pertaining to the Issuer. These conditions can be waived (in whole or in part) by the Managers. The Subscription Agreement does not entitle the Managers to terminate their obligations prior to payment being made to the Issuer, except in certain limited circumstances. In the event of insufficient demand from investors, the final aggregate nominal amount of the Bonds issued can be lower than the minimum amount of EUR 50,000,000.

### **Issue Price**

The issue price will be 101.25% (the **Issue Price**).

A5 – 5.3.1

A5 – 5.2.1

The investors who are not qualified investors (as defined in the Belgian Prospectus Law, the Luxembourg Prospectus Law and the Austrian Capital Market Act, the **Qualified Investors**) (the **Retail Investors**) will pay the Issue Price.

The Qualified Investors will pay the Issue Price less a discount, such resulting price being subject to change during the Subscription Period based among others on (i) the evolution of the credit quality of the Issuer (credit spread), (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Bonds, and (iv) the amount of Bonds purchased by an investor, each as determined by each Manager in its sole discretion.

The yield of the Bonds is 4.614% on an annual basis, calculated on the basis of the Issue Price. It is not an indication of future yield.

A5 – 4.9

The minimum amount of application for the Bonds is EUR 1,000. The maximum amount of application is the Aggregate Nominal Amount.

A5 – 5.1.5

### **Aggregate Nominal Amount**

A5 – 5.1.2

The nominal amount of the issue amounts to a minimum of EUR 50,000,000.

Subject to certain conditions agreed between the Issuer and the Managers in a subscription agreement, the final aggregate nominal amount of the Bonds may be increased, upon decision of the Issuer in consultation with the Bookrunner, from (and including) the minimum amount of EUR 50,000,000 to (and including) the maximum amount of EUR 200,000,000. The Issuer will publish a notice on its website at the latest on the Issue Date to announce the final aggregate nominal amount of Bonds to be issued.

If the minimum amount of EUR 50,000,000 is not reached, the Issuer reserves the right to cancel the launch of the Bonds and then not issue the Bonds. If the Issuer decides to issue Bonds with an aggregate nominal amount of less than EUR 50,000,000, then (i) the Issuer will publish a notice on its website at the latest on the date that is 3 business days prior to the Issue Date to announce the expected final aggregate nominal amount of Bonds to be issued, (ii) the Issuer will let each investor who had decided to subscribe to Bond(s) the option to withdraw its order during 48 hours from the publication of such notice, and (iii) the Issuer will publish a notice on its website at the latest on the Issue Date to announce the final aggregate nominal amount of Bonds to be issued.

The criteria in accordance with which the final aggregate nominal amount of the Bonds will be determined by the Issuer are the following: (i) the funding needs of the Issuer, which could evolve during the Subscription Period for the Bonds, (ii) the levels of the interest rates and the credit spread of the Issuer on a daily basis, (iii) the level of demand from investors for the Bonds as observed by the Bookrunner on a daily basis, (iv) the occurrence or not of certain events during the Subscription Period of the Bonds giving the possibility to the Issuer and/or the Bookrunner to early terminate the Subscription Period or not to proceed with the offer and the issue in accordance with section "Conditions to which the Public Offer is subject" and (v) the fact that the Bonds, if issued, will have a minimum aggregate amount of EUR 50,000,000 and a maximum of EUR 200,000,000.

The initial allocation structure between the Managers for the placement of the Bonds will be the following:

- KBC Bank: 30% of the nominal amount of the Bonds to be issued, with a minimum allotment of EUR 15,000,000; and
- BNP Paribas Fortis: 70% of the nominal amount of the Bonds to be issued or, if the Aggregate Nominal Amount of the Bonds does not exceed EUR 50,000,000, the balance between such Aggregate Nominal Amount and KBC Bank's allotment of EUR 15,000,000.

This initial allocation structure is subject to further adjustments by and between the Managers in function of the evolution of the placement of the Bonds by each Manager.

The final aggregate nominal amount shall be published as soon as possible after the end (or the early closing) of the Subscription Period on the website of the Issuer, on its website within the section addressed to investors (<http://www.wienerberger.com>), and on the website of BNP Paribas Fortis ([www.bnpparibasfortis.be](http://www.bnpparibasfortis.be) (under "save and invest")), KBC Bank NV ([www.kbc.be/obligaties](http://www.kbc.be/obligaties)), and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). A5 – 5.1.7

### **Payment date and details**

A5 – 5.1.6

The payment date is 1 February 2012. The payment for the Bonds can only occur by means of debiting from a current account, provided however that for Qualified Investors payment for the Bonds can also occur via a Euroclear or Clearstream account.

On the date that the subscriptions are settled, the Clearing Systems will credit the custody account of the Paying Agent according to the details specified in the rules of the Clearing Systems.

Subsequently, the Paying Agent, at the latest on the payment date, will credit the amounts of the subscribed securities to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the Clearing Systems.

### **Costs and fees**

The net proceeds (before deduction of expenses) will be an amount equal to the aggregate nominal amount of the Bonds issued (the **Aggregate Nominal Amount**) multiplied by the Issue Price expressed in A5 – 5.4.3  
A5 – 5.3.1

percentage, minus (i) a fixed fee of 0.25% of the Aggregate Nominal Amount (being a distribution fee borne by the Issuer and paid to the Managers), and (ii) the selling and distribution commissions borne by the subscribers as set out below:

- the Retail Investors will bear a selling and distribution commission of 1.50%, included in the Issue Price; and
- the Qualified Investors will normally bear a distribution commission of 1.50%, subject to the discount foreseen in this section under “Issue Price” above.

### **Financial services**

The financial services in relation to the Bonds will be provided free of charge by the Managers.

The costs for the custody fee for the Bonds in custody account are charged to the subscribers. Investors must inform themselves about the costs their financial institutions might charge them.

Investors must inform themselves about the costs the other financial institutions might charge them.

### **Early closure and reduction – allotment / over-subscription in the Bonds**

A5 – 5.1.4  
A5 – 5.2.2

Early termination of the Subscription Period will intervene at the earliest the third working day in Belgium, the Grand Duchy of Luxembourg and Austria, following the day on which the Prospectus has been made available on the websites of the Issuer and of the Luxembourg Stock Exchange, but anyway not before 5.30 pm CET on 13 January 2012. Thereafter, early termination can occur at any moment (including in the course of the day). In case of early termination, a notice will be published as soon as possible on the websites of the Issuer and the Managers. This notice will specify the date and hour of the early termination.

The Subscription Period may be shortened by the Issuer during the Subscription Period with the consent of the Bookrunner (i) as soon as the total amount of the Bond reaches EUR 50,000,000, or (ii) in the event that a major change in market conditions occurs.

The Issuer may, with the consent of the Bookrunner, decide to limit the Aggregate Nominal Amount of the Bonds if the Subscription Period is closed early in response to a major change in market conditions (among others, but not limited to a change in national or international financial, political or economic circumstances, exchange rates or interest rates) or a material adverse change in the financial condition of the Issuer.

The Issuer has reserved the right not to proceed with the Bond issue if at the end of the Subscription Period the aggregate nominal amount of the Bonds that have been subscribed for is lower than EUR 50,000,000. In case the Issuer decides not to proceed with the Bond issue, a notice will be published in the same way the launch of the Bonds was announced.

All subscriptions that have been validly introduced by the Retail Investors with the Bookrunner prior to the early termination of the Public Offer will be taken into account when the Bonds are allotted, it being understood that, in case of oversubscription, a reduction may apply. In case of subscriptions in excess of the Aggregate Nominal Amount that shall have been determined by the Issuer, the allocation by the Bookrunner of Bonds to investors that subscribed in the Public Offer shall occur subject to prior consultation in relation to the allocation criteria to be applied to Qualified Investors.

Subject to the foregoing provisions, the intention of the Managers is to apply, insofar as possible, an allotment method whereby priority is given to subscriptions introduced by Retail Investors with the Managers before the early termination. In case a Manager faces an oversubscription of orders against the aggregate nominal amount of Bonds allotted to it, it will give priority to the orders made by its retail or private banking clients (the ***Retail Orders***) and will apply a proportional reduction of the orders it has

received from Qualified Investors (it being understood, however, that the foregoing shall not require any Manager to allocate the entirety of its orders to Retail Investors). If such reduction is not sufficient to avoid a reduction of the Retail Orders, the Retail Orders will be reduced proportionally and, in addition, the last subscriptions that have been booked chronologically by such Manager can be further reduced in order to match the aggregate nominal amount of Bonds that will be issued and allotted to such Manager. Such allotment may vary if one of the Managers is not in a position to place its initial allotment, the balance being then proposed (without any obligation to accept) to the other Managers. The resulting amount of Bonds placed by each Manager and then the possible reduction percentages applied by each of the Managers can be different for each of the Managers, depending on the level of subscriptions received by each of them. In this respect, the Issuer will be consulted and involved by each of the Managers on an ongoing and continued basis during the Subscription Period in respect of the respective subscriptions of each of the Managers and, subsequent hereto, each of the Managers will send to the Issuer the expected final allocations of such respective Manager as is customary for this type of transactions and subject to applicable laws.

The Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

As soon as a Manager has placed its allotment it may publish a notice on its website to inform its customers that it will stop collecting subscriptions and will then send the same notice to the Issuer that will publish it on its website as soon as practicable. The Subscription Period will, however, only be early terminated in case all Managers have placed their allotments of Bonds before the end of the Subscription Period.

In case of early termination, the investors will be informed regarding the number of Bonds that have been allotted to them as soon as possible after the date of the early termination of the Subscription Period.

Any payment made by a subscriber to the Bonds in connection with the subscription of Bonds which are not allotted will be refunded within 7 Brussels Business Days (as defined in the Terms and Conditions of the Bonds) after the date of payment in accordance with the arrangements in place between such relevant subscriber and the relevant financial intermediary, and the relevant subscriber shall not be entitled to any interest in respect of such payments.

### **Results of the Public Offer**

A5 – 5.1.7

The results of the offer of the Bonds (including its net proceeds) shall be published as soon as possible after the end of the Subscription Period and on or before the Issue Date on the website of the Issuer, on its website within the section addressed to investors (<http://www.wienerberger.com>), and on the website of BNP Paribas Fortis ([www.bnpparibasfortis.be](http://www.bnpparibasfortis.be) (under "save and invest")) and KBC Bank NV ([www.kbc.be/obligaties](http://www.kbc.be/obligaties)), and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), and will be communicated to the CSSF.

The same method of publication will be used to inform the investors in case of early termination of the Subscription Period.

### **Expected timetable of the Public Offer**

A5 – 5.1

The main steps of the timetable of the Public Offer can be summarised as follows:

- 11 January 2012: publication of the Prospectus on the website of the Issuer
- 13 January 2012, 9.00 a.m. CET: opening date of the Subscription Period
- 27 January 2012, 4.00 p.m. CET: closing date of the Subscription Period (if not closed earlier)
- Between 28 January 2012 and 31 January 2012: expected publication date of the results of the offer of the Bonds (including its net proceeds), unless published earlier in case of early closing

- 1 February 2012: Issue Date and listing of the Bonds on the Official List of the Luxembourg Stock Exchange and on the Second Regulated Market of the Vienna Stock Exchange, and admission to trading of the Bonds on the regulated market of the Luxembourg Stock Exchange. In addition, the Bonds are expected to commence trading on the Issue Date.

The dates and times of the Public Offer and periods indicated in the above timetable and throughout this Prospectus may change. Should the Issuer decide to amend such dates, times or periods, it will inform investors through a publication in the financial press. Any material alterations to this Prospectus are to be approved by the CSSF, and will be, in each case as and when required by applicable law, published in a press release, an advertisement in the financial press, or a supplement to this Prospectus.

### **Costs**

Each subscriber shall make his own enquiries with his financial intermediaries on the related or incidental costs (transfer fees, custody charges, etc.), which the latter may charge him with.

### **Transfer of the Bonds**

Subject to compliance with any applicable selling restrictions, the Bonds are freely transferable. See also A5 – 4.13  
“Selling Restrictions” below.

### **Selling Restrictions**

A5 – 4.13

#### ***Countries in which the Public Offer is open***

The Bonds are being offered only to investors to whom such offer can be lawfully made under any law applicable to those investors. The Issuer has taken necessary actions to ensure that Bonds may lawfully be offered to the public in Belgium, Austria and the Grand Duchy of Luxembourg. The Issuer has not taken any action to permit any offering of the Bonds in any other jurisdiction outside of Belgium, Austria and the Grand Duchy of Luxembourg.

The distribution of this Prospectus and the subscription for and acquisition of Bonds may, under the laws of certain countries other than Belgium, Austria and the Grand Duchy of Luxembourg, be governed by specific regulations or legal and regulatory restrictions. Individuals in possession of this Prospectus, or considering the subscription for, or acquisition of, Bonds, must inquire about those regulations and about possible restrictions resulting from them, and comply with those restrictions. Intermediaries cannot permit the subscription for, or acquisition of, Bonds for clients whose addresses are in a country where such restrictions apply. No person receiving this Prospectus (including trustees and nominees) may distribute it in, or send it to, such countries, except in conformity with applicable law.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, or an offer to sell or the solicitation of an offer to buy Bonds in any circumstances in which such offer or solicitation is unlawful. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer of Bonds (other than in the public offer in Belgium, Austria and the Grand Duchy of Luxembourg) in circumstances in which an obligation arises for the Issuer or the Bookrunner to publish a prospectus for such offer.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

#### ***Selling restriction in the EEA***

The Issuer has not authorised any offer to the public of Bonds in any Member State of the European Economic Area, other than Belgium, Austria and the Grand Duchy of Luxembourg. In relation to each

Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of any Bonds may not be made in that Relevant Member State, other than the offer in Belgium, Austria and the Grand Duchy of Luxembourg contemplated in this Prospectus once this Prospectus has been approved by the CSSF, passported into Belgium (accompanied by a translation of the summary in French and Dutch) and Austria (accompanied by a translation of the summary in German), and published in Belgium, Austria and the Grand Duchy of Luxembourg in accordance with the Prospectus Directive as implemented in Belgium, Austria and the Grand Duchy of Luxembourg, respectively, except that an offer to the public in that Relevant Member State of any Bonds may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to legal entities which are qualified investors as defined under the Prospectus Directive;
- by the Managers to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Bonds shall result in a requirement for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the provisions above, the expression an **offer to the public** in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Public Offer and the Bonds to be offered so as to enable an investor to decide to purchase any Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the **2010 PD Amending Directive**, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

### ***United Kingdom***

Each Manager has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **Financial Services and Markets Act**)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

### ***United States***

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any State or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in

reliance on Regulation S under the Securities Act (**Regulation S**). Terms used in this paragraph have the meaning given to them in Regulation S.

The Managers have agreed that they will not offer or sell the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Public Offer and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons, and they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration (if any) to which they sell Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them in Regulation S.

In addition, until 40 days after the commencement of the Public Offer, an offer or sale of Bonds within the United States by a dealer (whether or not participating in the Public Offer) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Managers have agreed that they have not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, the Bonds within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of the Bonds, the Managers have not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Managers or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Managers in the offer or sale of the Bonds. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including U.S. Treas. Reg. §1.163-5(c)(2)(i)(C).

## PART XII: GENERAL INFORMATION

- (1) Application has been made for the Bonds to be listed as from the Issue Date on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. In addition, application will also be made for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. The CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg Prospectus Law. BNP Paribas Securities Services Luxembourg Branch has been appointed as Luxembourg listing agent for that purpose. A5 – 6.1
- (2) The issue of the Bonds was authorised by a framework resolution passed by the Supervisory Board of the Issuer on 14 December 2011 and by a resolution of the Issuer’s Management Board passed on 10 January 2012. A5 – 4.11
- (3) There has been (i) no significant change in the financial or trading position of the Issuer since 30 September 2011 and (ii) no material adverse change in the prospects of the Issuer since 31 December 2010. A4-8.1  
A4 – 13.7
- (4) Except as disclosed in section 7 “Legal Proceedings and Investigations” of Part 6 (*Description of the Issuer*) of this Prospectus, the Group has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer.
- (5) The Bonds have been accepted for clearance through the clearing systems of Euroclear and Clearstream, Luxembourg. The Common Code of the Bonds is 073107105. The International Securities Identification Number (ISIN) of the Bonds is XS0731071055. A5 – 4.1
- (6) Save as disclosed herein, so far as the Issuer is aware, no person involved in the Public Offer has any interest, including conflicting ones, that is material to the Public Offer, save for any fees payable to the Managers and except that each Manager is a creditor of the Issuer. A5 – 3.1
- (7) Save as disclosed herein, neither the Issuer nor any member of its Group has entered into any contracts which could result in the Issuer being under an obligation or entitlement that would be material to its ability to meet its obligations towards holders of the Bonds.
- (8) The statutory auditors KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH have audited, and rendered unqualified audit reports on, the accounts of the Issuer for the years ended 31 December 2009 and 31 December 2010.
- (9) As of the date of this Prospectus, no rating has been assigned to the Bonds, but a rating could be assigned to the Bonds at any time during their tenure. The Issuer is assigned a long-term debt and issuer rating of BB with a stable outlook by Standard & Poor’s (see item (i) below for further explanation) and Ba1 with a negative outlook by Moody’s (see item (ii) below for further explanation). A rating is not a recommendation to buy, sell or hold debt, inasmuch as the rating does not comment as to market price or suitability for a particular investor. The ratings assigned to the debt of the issuer address the likelihood of payment of principal and interest pursuant to their terms. A rating may be subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating that may be assigned to the securities of the Issuer. A5 – 7.5

(i) S&P: Long Term Issuer Credit Rating BB, Stable outlook

A Standard & Poor's issuer credit rating is a forward-looking opinion about an obligor's overall financial capacity (its creditworthiness) to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. In addition, it does not take into account the creditworthiness of the guarantors, insurers, or other forms of credit enhancement on the obligation.

Counterparty credit ratings, ratings assigned under the Corporate Credit Rating Service (formerly called the Credit Assessment Service) and sovereign credit ratings are all forms of issuer credit ratings.

Issuer credit ratings can be either long term or short term. Short-term issuer credit ratings reflect the obligor's creditworthiness over a short-term time horizon.

Obligor's rated 'BB', 'B', 'CCC', and 'CC' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'CC' the highest. While such obligors will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

An obligor rated 'BB' is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitments.

The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

A Standard & Poor's rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action. Stable means that a rating is not likely to change.

(Source: Standard & Poor's Ratings Definitions published on 1 November 2011 and available on [www.standardandpoors.com](http://www.standardandpoors.com)).

*(ii) Moody's: Long Term Issuer Credit Rating Ba1, negative outlook*

Long-Term Issuer Ratings are opinions of the ability of entities to honour long-term senior unsecured financial obligations and contracts. Moody's expresses Long-Term Issuer Ratings on its long-term global scale.

Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

A Moody's rating outlook is an opinion regarding the likely direction of an issuer's rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive (POS), Negative (NEG), Stable (STA), and Developing (DEV - contingent upon an event).

(Source: rating symbols and definitions dated December 2011 and published on [www.moodys.com](http://www.moodys.com)).

\*

### **Issuer**

Wienerberger AG  
Wienerberg City  
Wienerbergstraße 11  
1100 Vienna  
Austria

### **Paying and Luxembourg Listing Agent**

A5 – 5.4.1  
A5 – 5.4.2

BNP Paribas Securities Services Luxembourg Branch  
33 rue de Gasperich  
Howald-Hesperange  
L-2085 Grand Duchy of Luxembourg

### **Bookrunner and Joint Lead Manager**

Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis  
Montagne du Parc, 3  
B-1000 Brussels

### **Joint Lead Manager**

A5 – 5.4.3

KBC Bank NV  
2, Havenlaan  
B-1080, Brussels

### **Legal Advisers**

A5 – 7.1

#### **to the Issuer**

Cerha Hempel Spiegelfeld Hlawati  
Partnerschaft von Rechtsanwälten  
Parkring 2  
1010 Vienna  
Austria

#### **to the Managers**

Freshfields Bruckhaus Deringer LLP (Brussels)  
Place du Champ de Mars/Marsveldplein 5  
B-1050 Brussels  
  
Freshfields Bruckhaus Deringer LLP (Vienna)  
Seilergasse 16  
A-1010 Vienna

### **Auditors of the Issuer**

A4 – 2.1

KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH  
Porzellangasse 51  
1090 Vienna  
Austria