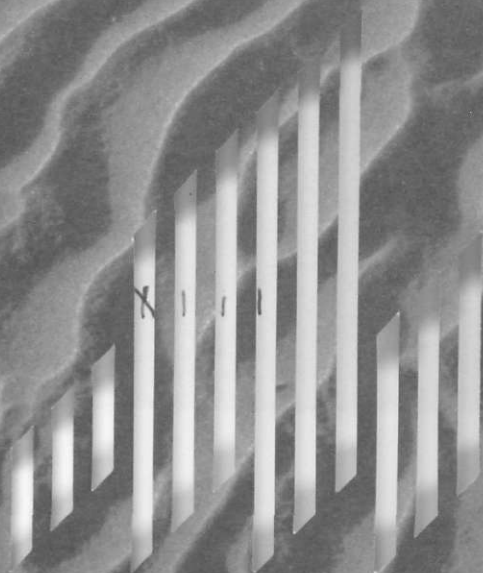


PRODUCTS MUST BE DETECTED RATHER THAN

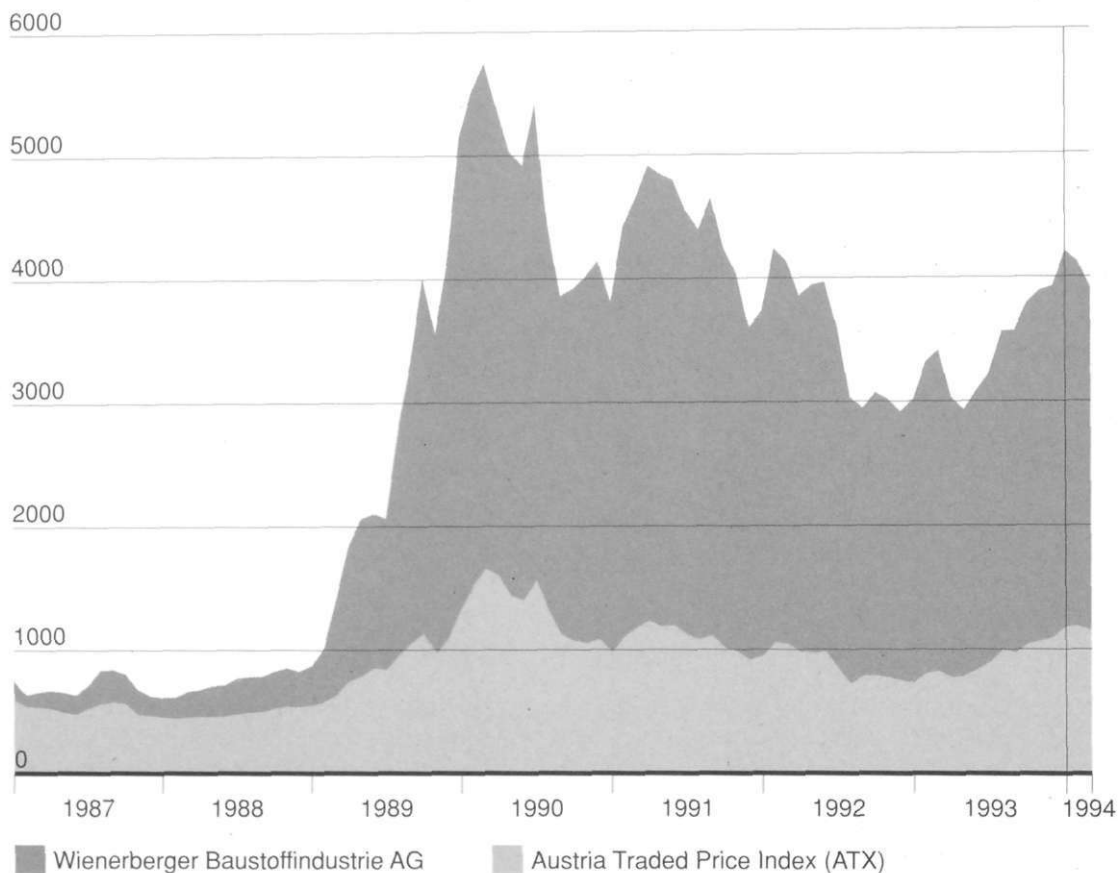


INVENTED.

An aerial, black and white photograph of a vast desert landscape. The terrain is dominated by intricate, wavy patterns of sand dunes, creating a complex, organic texture. The lighting is dramatic, casting deep shadows in the troughs and highlighting the ridges, which emphasizes the three-dimensional quality of the dunes. The overall composition is a dense, repeating pattern of light and dark tones. In the upper left corner, the word "INVENTED." is printed in a clean, white, sans-serif font.

THE WIENERBERGER STOCK

SHARE PRICE DEVELOPMENT



Source: Datastream-

SHAREHOLDER INFORMATION

Should you have any questions regarding the Wienerberger stock, do call us please.

Wienerberger Investor Relations Hotline
43/1/60192/419

Erhard Schaschl, Chairman of the Managing Board,
Adolf Jessner, Chief Financial Officer, and
Gerhard Bachmaier, Manager Investor Relations

will be pleased to respond to your questions.

FINANCIAL HIGHLIGHTS OF THE WIENERBERGER GROUP

KEY FIGURES

(in AS million)		1989	1990	1991	1992	1993
SALES	TOTAL	4,685	9,257	10,528	11,711	12,120
	DOMESTIC	3,900	5,363	5,818	6,022	5,946
	ABROAD	785	3,894	4,710	5,689	6,174
RESULT FROM ORDINARY ACTIVITIES		542	661	904	626	938
CASH FLOW*)		749	1,045	1,201	1,147	1,411
INVESTMENTS**)		1,554	3,153	2,985	2,471	2,034
EMPLOYEES		2,224	4,346	5,137	5,796	5,629
DIVIDEND		73	88	105	133	146
IN %		26	30	33	34	37

*) Surplus of the year plus depreciation

***) Addition to tangible and financial assets

STOCK EXCHANGE DATA

(in AS)		1992	1993
OVFA NET PROFIT		579 mill.	720 mill.
OVFA CASH EARNINGS		1,171 mill.	1,509 mill.
OVFA NET PROFIT/SHARE		148	183
OVFA CASH EARNINGS/SHARE		300	383
DIVIDEND/SHARE		34	37
SHARE PRICE	HIGH	4,383	4,140
	LOW	2,583	2,840
PRICE/EARNINGS RATIO	HIGH	29.6	24.0
	LOW	17.5	16.4
MARKET CAPITALISATION		12,100 mill.	16,300 mill.
DAILY AVERAGE OF TRANSACTION VOLUMES		54 mill.	80 mill.

CONDENSED BALANCE SHEET

	Status as at December 31, 1992		Status as at December 31, 1993	
	AS mill.	%	AS mill.	%
ASSETS				
FIXED ASSETS	7,431	52	8,337	54
INVENTORIES	1,930	13	2,014	13
OTHER CURRENT ASSETS	5,056	35	5,071	33
BALANCE SHEET TOTAL	14,417	100	15,422	100
LIABILITIES				
OWN RESOURCES	6,880	48	7,178	47
PROVISIONS AND SOCIAL CAPITAL LIABILITIES	1,804	12	1,991	13
	5,733	40	6,253	40

4_ Financial Statement and Annual Report 1993
of Wienerberger Baustoffindustrie
Aktiengesellschaft, Vienna

Presented to the
125th Annual General Meeting
on June 9, 1994

Publisher:
Wienerberger Baustoffindustrie
Aktiengesellschaft
A-1102 Vienna, Wienerbergstrasse 11
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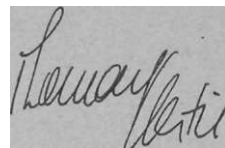
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CONGRATULATORY ADDRESS OF THE PRESIDENT OF THE FEDERAL REPUBLIC OF AUSTRIA

One hundred and seventy-five years of history represent an unusually long period for an industrial enterprise - and therefore a special occasion for a festive jubilee. This holds true all the more so for such a flourishing and internationally operating enterprise as Wienerberger Baustoffindustrie AG, which has additionally written a highly interesting chapter of Austria's economic and social history. After all, magnificent buildings along Vienna's Ringstrasse as well as the one-time emergency quarters in Vienna's suburbs were built with bricks coming from the southern slopes of the Laaerberg and Wienerberg. And Wienerberger's shares have been quoted on the Vienna Stock Exchange for 125 years now - throughout all the bright and dreary moments our homeland has seen.

In these days, towards the end of the 20th century, the Wienerberger group has become an indispensable part of our domestic industry, and attributing to it the role of a "flagship" is not an exaggeration. It has faced up to the challenges of our time through innovation and expansion. In this way the Wienerberger group encourages the entire Austrian economy to accelerate its internationalisation and to take advantage of the European integration as a great, even unique chance.

In the jubilee year 1993 the management and staff can justly be proud of what they have achieved. Tradition and development taken together constitute a solid base for the future. May the best wishes of the Republic of Austria accompany you on this path!



Thomas Klestil
President of the Federal Republic of Austria

INTRODUCTORY STATEMENT OF THE CHAIRMAN OF THE MANAGING BOARD

TO OUR SHAREHOLDERS:
Wienerberger is an enterprise that has tradition, is successful in the present, and is well prepared for the future.

The backbone of our tradition is 175 years of corporate history, of which 125 years of stock exchange listing. The ups and downs of past events have made us mature. We are proud of our founders and the great personalities who had succeeded them: pioneers, inventors and prominent builders. But there had also been clouds: the workers' misery, which eventually triggered trailblazing social achievements - an aspect which imbues us with special responsibilities.

We therefore have high regard for our past. The outcome of this is the decision not to celebrate Wienerberger's 175th anniversary this year. We will work and honour our history with a charitable deed. I consider this a particular expression of our corporate culture.

For the present, our performance may make us feel self-assured. The year 1993 was a very good one. Although the group's sales augmented only from AS 11,700 million to AS 12,100 million, the cash flow grew disproportionately fast by 23%, from AS 1,100 million to AS 1,400 million.

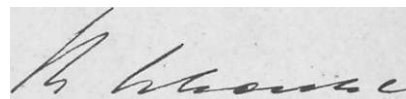
Our balance sheet may well be shown around: an asset statement with evidenced own resources of more than AS 7,000 million, the profit and loss account with a "result from ordinary activities" of AS 938 million. This applies in like manner to our environmental account and our human capital - for the success of an enterprise is shaped by human beings, by 4,761 male and female Wienerbergers, who feel and act as entrepreneurs within the enterprise.

Our industrial performance has likewise improved further. Since my last annual report the number of factories had risen from 80 to 90. Of these, not less than 79 had been added only during the past eight years, either purchased or newly built, and as many as 64 of them are located in foreign countries.

Our shareholders are to participate not only in the growth of our resources but also direct in our profit. We wish to continue our dynamic disbursement policy and propose an increase of the dividend from 34% to 37%.

But tomorrow already, the present will have become the past. The future only is decisive. And we want to concentrate on it, with all our strength, to live up to our C+C strategy. The essential task is to master the future in harmony and with tempo.

Our target is, radiating out from Austria, to be present on as many international markets as possible as leaders in our core business areas with maximum technical competence. Please take along on this journey my gratitude to the owners, business partners and staff, and my sincere request to guide our Wienerberger in a committed and confident manner into a good and promising future.



Erhard Schaschl

CORPORATE PROFILE

THIS IS THE ENTERPRISE YOU ARE DEALING WITH. Wienerberger is an internationally oriented Austrian enterprise of the building material industry. Its industrial activities concentrate on three core business units:

- wall, ceiling and roofing systems made of brick,
- pipe systems made of clay or plastic,
- real estate and property.

Wienerberger is the market leader in Europe for backing bricks and holds market-relevant positions in the field of pipe manufacturing. The portfolio of holdings is complemented by a majority interest in Treibacher.

Heading the Wienerberger group is its parent company, Wienerberger Baustoffindustrie AG, which is presenting its financial statement in this Annual Report. Its duties are the strategic planning and operational management of the group as well as the administration of its property and real estate. The industrial business units are managed by independent subsidiaries.

SUPERVISORY BOARD AND MANAGING BOARD

SUPERVISORY BOARD

Guido Schmidt-Chiari,
Chairman

Max Kothbauer,
Deputy Chairman

Herbert Bechyna
Josef Esterl*)
Heinz Gruber*)
Sieglinde Gruber*)
Rupert Hatschek (from June 3. 1993)
Hans Iglér
Franz Lauer
Eduard Mayer
Erich Pimmer
Gerhard Sochor*)

*) delegated by the staff

MANAGING BOARD

Erhard Schaschl, Chairman
Wolfgang Reithofer
Paul Tanos

THE STRUCTURE OF THE WIENERBERGER GROUP

WIENERBERGER ZIEGELINDUSTRIE AG 100%

Wienerberger Ziegelindustrie Deutschland GmbH 100%	D
Wienerberger Ziegelindustrie GmbH & Co KG 99%	D
Schlagmann Baustoffwerke GmbH & Co KG 50%	D
Hungária – Wienerberger Téglaiipari RT 74.9%	H
Alföldi Wienerberger Téglaiipari Kft. 100%	H
Bataszeki Wienerberger Téglaiipari Kft. 100%	H
Wienerberger Moravsky Cihlarsky Prumysl A.S. 55%	CR
Jihoceske Cihelny a.s. 39.8%	CR
Wienerberger Slovenske-Tehelne spol.s r.o. 64.7%	SR

BRAMAC Dachsteinwerk GmbH 50%	A
BRAMAC Beton-cserépgyártó és Építőanyagipari Kft. 62%	H
BRAMAC – Proizvodnja Betonskih Stresnikov in Gradbenega Materiala, D. O. O. 62.7%	SLO
BRAMAC spol.s r.o. 74.7%	CR
Ziegelwerke Gleinstätten GmbH & Co KG 25%	A
Jamina RT 88%	H
Csorna Beled Cserépgyártó RT H	H
Krytina Hranice spol.s r.o. 51.1%	CR
Cihelny TGI Splanice Akciová Společnost 67%	CR

WIENERBERGER ROHRSYSTEME UND ABWASSERTECHNIK GMBH 100%

KERAMO WIENERBERGER N.V. 50%	B
KERAMO WIENERBERGER VertriebsgmbH 100%	A
KERAMO WIENERBERGER Steinzeugwerk Zwickau GmbH 100%	D
Sunway KERAMO SDN BHD 28%	MAL
Wienerberger Rohr- und Umwelttechnik GmbH 100%	A
Bohr- und Rohrtechnik GmbH 100%	A
HL-Wienerberger Manufacturing (S) PTE Ltd. 40%	SGP

PIPELIFE International Holding GmbH 50%	A
PIPELIFE Rohrsysteme GmbH 50%	A
PIPELIFE Rohrsysteme GmbH Bad Zwischenahn 50%	D
PIPELIFE Rohrsysteme Göllzau GmbH 100%	D
Pannonpipe Műanyagipari Kft. 25%	H
PIPELIFE France S.A. 50%	F
France Tube S.A. 100%	F
Société Méditerranéenne de Plastiques Agricoles S.A. 100%	F
Petzetakis-PIPELIFE S.A. 33.3%	GR
Arili Plastik Sanayii A.S. 25.5%	TR

WALL, CEILING AND ROOFING SYSTEMS

PIPE SYSTEMS AND SEWAGE TECHNOLOGY

WIENERBERGER BAUSTOFFINDUSTRIE AG

TREIBACHER CHEMISCHE WERKE AG 51%

American Treibacher (USA) Corp. 100%	USA	Wienerberger Immobilien AG 74%	A	Wienerberger Beteiligungsverwaltungs- gmbH 100%	A
Treibacher Schleifmittel Corp. 100%	USA	WIPARK Garagen GmbH 100%	A	Wienerberger Ofenkachel GmbH 100%	A
Treibacher Schleifmittel S.p.A. 100%	I	Garage am Beethovenplatz GmbH & Co KG 100%	A	Wienerberger Versicherungs-Service- GmbH 60%	A
Società Italiana dei Prodotti Elettrochimici di Treibach S.a.s. 50%	I	TGF – Tiefgarage Freyung Errichtungs- und VerwaltungsgmbH & Co KG 100%	A	Gmundner Zementwerke Hans Hatschek AG 26%	A
Treibacher (UK) Ltd. 100%	GB	Mineralstoff- verwertungs-GmbH 100%	A	„ALWA“ Güter- und Vermögens- verwaltungs-AG 25%	A
		Mineral Asvanyi Anyagokat Forgalmazó Kft. 100%	H		
		Forstbetrieb Scheiberhof GmbH 100%	A		
		Forstbetrieb Schöpfl GmbH 100%	A		

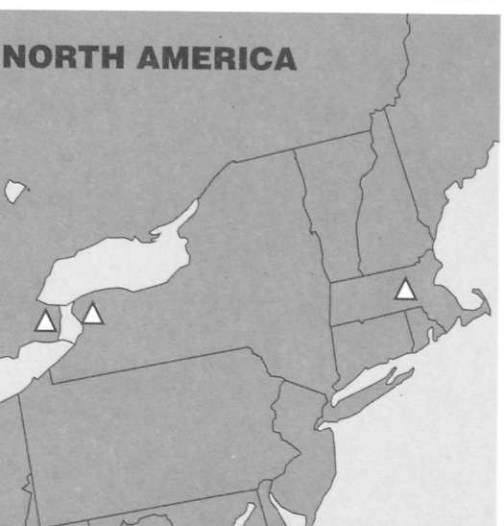
TREIBACHER

REAL ESTATE/PROPERTY

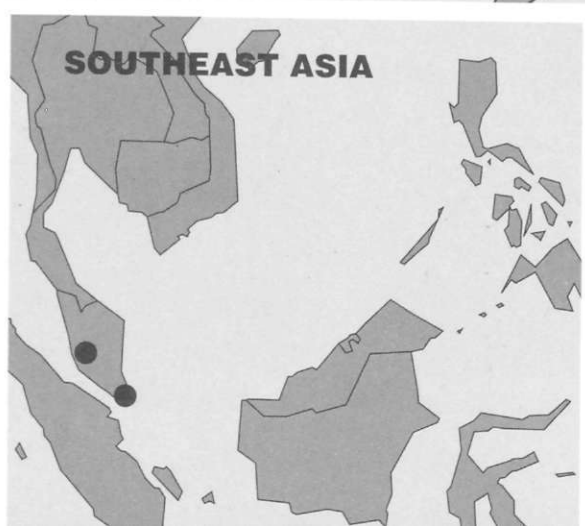
EUROPE



NORTH AMERICA



SOUTHEAST ASIA



- bricks
- pipes
- △ Treibacher
- others

OUR INDUSTRIAL RESOURCES

PRODUCTION SITES IN AUSTRIA

Bricks:	Ceilings:	Clay tiles:
Hennersdorf	Leopoldsdorf	Gleinstätten*)
Gollersdorf	<u>Civil engineering</u>	Pinkafeld*)
Laa/Thaya	products:	Unterpremstätten*)
Mauthausen	Leopoldsdorf	Metallurg-corundum:
Neckenmarkt	<u>Stove tiles:</u>	Treibach
Uttendorf	Walbersdorf	Seebach
Barnbach	<u>Plastic pipes:</u>	
Gasselsdorf	Krems	Cement:
Mitterdorf	Wr. Neudorf	Gmunden*)
Furstenfeld	Roofing tiles:	
Haiding/Wels	Pochlarn	
Clinkers	Gaspoltshofen	
Rotenturm	Gleisdorf	

PRODUCTION SITES IN EUROPE

GERMANY	HUNGARY	SLOVENIA
<u>Bricks:</u>	<u>Bricks:</u>	<u>Roofing tiles:</u>
Jeddeloh	Solymar	Dravograd*)
Rietberg	Sopron	Skocjan*)
Sittensen	Koszeg I	
Schoningen	Orbottyan	SLOVAKIA
Volkmarsen	Mezotur	<u>Bricks:</u>
Schlewecke	Bataszek	Zlate Moravce
Lanhofen I + II	Bekescsaba III	
Wefensleben	Csabai	CZECH REPUBLIC
Wettringen		<u>Bricks:</u>
Buldern	Koszeg II	Novosedly
<u>Facade bricks:</u>	<u>Roofing tiles:</u>	Tyn*)
Buchhorst	Veszprem*)	Lety*)
Hude	Kecskemet*)	Cicenice*)
Petershagen		Jivno*)
	Bekescsaba I*)	Lisov*)
Lanhofen III + IV	Bekescsaba II*)	<u>Roofing tiles:</u>
Dollstein	Csorna*)	Chrudim*)
Rosenau	<u>Plastic pipes:</u>	Olbramovice*)
<u>Chimney systems:</u>	Csepel*)	
Osterwald	Debrecen*)	FRANCE
Elze		<u>Plastic pipes:</u>
<u>Plastic pipes:</u>	FRANCE	Hranice*)
Ekern	<u>Plastic pipes:</u>	Slapanice*)
Golzau	Chateauroux	
<u>Clay pipes:</u>	Gaillon	GREECE
Zwickau	Vedene	<u>Plastic pipes:</u>
	Compiègne	Thiva*)
	St. Gilles	
BELGIUM	ITALY	TURKEY
<u>Clay pipes:</u>	<u>Corundum:</u>	<u>Plastic pipes:</u>
Hasselt	Domodossola	Istanbul*)

PRODUCTION SITES IN AMERICA AND ASIA

CANADA	MALAYSIA
<u>Metallurgy-corundum:</u>	<u>Clay pipes:</u>
Niagara Falls	Kuala Lumpur*
USA	SINGAPORE
<u>Metallurgy-corundum:</u>	<u>Plastic pipes:</u>
Niagara Falls	Singapore*)
Chester (Mass.)	

Status as at April 1994

*) Minority interest

REPORT ON THE CURRENT SITUATION

THE ECONOMIC ENVIRONMENT

In 1993 the world economy was influenced by two contrasting trends. While overall growth accelerated by two percent because brisk investment was recorded in a number of developing and newly industrialising countries - especially in China and southeast Asia - it dropped by one percent on average in the OECD area.

But the trend was contradictory also within the OECD: while, on the one hand, business began to recover in the United States and Great Britain, the economic lull became ever more strongly felt in continental Europe and in Japan. In the successor states of the one-time east block the situation was not bright either. It was only in Poland, the Czech Republic and Hungary that there were signs of the trend taking a turn for the better.

Chronic foreign exchange shortage compelled eastern European countries to make aggressive price offers, which in the west entailed stronger competitive pressure, structural adjustments and shifts in production. At the same time, the late consequences of the past high-interest period and the currency turmoil were likewise to be felt.

The cruel war in the Balkan states and the power vacuum in the former Soviet Union led to disconcertedness and reticence when investment decisions were to be made. The consequences, apart from a slump in demand in key industries, were rationalisation and restructuring, which in turn resulted in increased staff reductions. By the end of 1993, the number of jobless people in western Europe had already climbed to 20 million.

Several interest rate reductions and higher national indebtedness, deliberately accepted in order to stimulate the economy, had little effect.

Yet amidst this dull atmosphere the conclusion of a number of economic treaties managed to initiate a new global era of growth on an international level:

- Under the treaty of Maastricht the European Community (EC) was developed further to become the European Union (EU).
- The agreement on the European Economic Area (EEA) was born.
- As some sort of counterpart to the EU, the U.S.A., Canada and Mexico have concluded the North American Free Trade Agreement (NAFTA).
- And, within the framework of GATT, the conclusion of the so-called Uruguay Round after many years of negotiations marked a stage victory on the path leading to free trade worldwide.

The Austrian economy was unable to detach itself from the western European economic trend. Relatively stable demand in the building sector, brisk consumption and good export results with overseas countries did not suffice to compensate the slackness in the tourist trade and the declining investment in equipment. The economic performance in real terms shrank by 0.3% - for the first time in many years - while at the same time the unemployment rate went up to 6.8%.

Industry was the most affected sector. Its production value undercut the previous year's unsatisfactory level by another three percent. The earning power fell to the lowest value since the recession of the early 1980s. As a result, investments had to be cut by one-fifth; 6.5% of the industry jobs were lost within one year.

The hard-currency policy continued to be consistently pursued; however, the inflation rate went down only marginally, to 3.6%.

Despite the strained budget situation the Austrian Federal Government decided to initiate a second basic tax reform, which became effective at the beginning of 1994. Its outstanding features are the abolition of the property tax and the trade tax, the end to fiscal discrimination against the shares, and a reduction of the tax on wages and salaries. The conclusion of the EEA agreement and the start of negotiations for membership in the European Union signalled important steps in the direction of Europe.

DEVELOPMENT OF THE CONSTRUCTION INDUSTRY. In EUROPE the building volume shrank by 3%. There was a perceptible drop in Spain, the Scandinavian countries and the BENELUX countries on one side, and an extremely favourable development in Germany and Austria on the other side.

In the two latter countries it was primarily housing construction which steadied the building boom with high growth rates. Private non-residential building, on the other hand, was affected by saturation in the domains of office structures and industrial properties.

CONSTRUCTION TRENDS IN EUROPE

COUNTRIES	percentage change in real terms			
	1990	1991	1992	1993 e
GERMANY	5.0	3.5	5.5	0.5
FRANCE	2.5	0.3	-3.0	-4.0
ITALY	2.5	1.5	1.2	-5.2
GREAT BRITAIN	2.0	-7.1	-4.5	-2.9
SPAIN	9.0	4.0	-6.0	-6.0
BELGIUM	6.5	3.0	3.8	-4.0
SWITZERLAND	0.6	-5.6	-2.3	-1.9
HUNGARY	-17.0	-10.0	-5.0	1.0
CZECH REPUBLIC	-7.8	-29.4	14.6	-2.8
SLOVAKIA	-7.3	-31.6	7.8	-28.4
POLAND	-10.7	-1.6	-0.6	5.0
AUSTRIA	5.8	5.7	4.5	1.5

In AUSTRIA the building industry once again turned out to be the motor of a booming economy. Backed by strong demand for new housing, it was possible to achieve a growth rate of 1.5%. Adaptations and ameliorations

were also demanded. Private investors, however, were reluctant. Commercial and industrial construction declined strongly. Office building was most heavily affected by the crisis on the real estate market.

CONSTRUCTION TRENDS IN AUSTRIA

CONSTRUCTION SECTORS	percentage change in real terms			
	1990	1991	1992	1993 e
NEW RESIDENTIAL CONSTRUCTION	1.5	5.0	9.0	8.0
PRIVATE NON-RESIDENTIAL CONSTRUCTION	9.5	10.5	5.7	-8.0
PUBLIC NON-RESIDENTIAL CONSTRUCTION	1.5	4.0	1.0	0.5
CIVIL ENGINEERING	5.5	5.0	-3.0	-1.5
RENOVATION/MODERNISATION	8.0	4.5	5.0	3.0

Source: WIFO: Euro-Construct. Munich. December 1993

As a complement to our market presence in Europe, we took the first steps in the direction of southeast Asia with two joint ventures.

In 1993 our corporate activities continued to be guided by the motto C&C: "Concentration and Consistency". In line with this policy, our management and staff concentrated on few targets and pursued them consistently:

WALL, CEILING AND ROOFING SYSTEMS

- Acquisition of the Buldern and Wettringen brick works in North Rhine-Westphalia
- Acquisition of the Bataszek brick works in Hungary
- Construction start of the brick plant at Haiding, Upper Austria
- Takeover of an interest in the southern Bohemian brick works
- Construction of a new brick plant at Zlate Moravce, Slovakia
- Acquisition of two ceiling element plants in Bavaria
- Introduction of cut and ground bricks on the Austrian and Bavarian markets
- Reconstruction of the Novosedly brick works in southern Moravia
- Acquisition of a 10% interest in Vela S. Giovanni S.p.A., Italy
- Initial steps to enter the market in Austria with chimney systems
- Acquisition of the Olbramovice roofing tile plant in southern Moravia by BRAMAC
- Acquisition of the Csorna roofing tile plant in western Hungary by Ziegelwerke Gleinstatten

PIPE SYSTEMS AND SEWAGE TECHNOLOGY

- Opening of a new clay pipe plant at Kuala Lumpur, Malaysia
- Expansion of the production capacity and initial operation of a new manufacturing line

- at Hasselt, Belgium, for the production of clay pipes of a length of 2.5 m
- Closure of the Vienna clay pipe plant
- Acquisition of a 40% interest in the plastic pipe works of the Hong Leong Group in Singapore
- Minority participation in a newly established plastic pipe plant in Brunei
- Increase of the qualified minority interest in France Tube to 100%
- Acquisition of a 51% participation in Arili Plastik Sanayii Anonim Sirketi, Istanbul, Turkey, by the Pipelife group
- Award of the ISO 9001 quality certificate to PIPELIFE Rohrsysteme Austria

TREIBACHER CHEMISCHE WERKE

- Continuation of the cost-cutting programme
- Preparation of a decentralised corporate organisation
- Introduction of a new EDP system
- Incorporation and sale, respectively, of distribution subsidiaries

OAG HANDELSBETEILIGUNGEN

- Opening of a new plumbing centre in the Czech Republic
- Opening of two plumbing centres in Hungary
- Opening of two plumbing centres in Germany
- Inception of a new corporate design

REAL ESTATE/PROPERTY

- Completion and lease-out of the first building unit of the Business Park Vienna
- Acquisition of the underground parking garage Freyung GmbH & Co KG
- Permit obtained from the authorities for a new refuse dump operation in Lower Austria
- Purchase of a multi-storey carpark in Linz

RESULTS 1993

SALES. In 1993 the Wienerberger business group continued to grow at home and abroad. Consolidated sales rose by AS 409 million, from AS 11,711 million to

AS 12,120 million, i.e. by 3.5%. The five business units, organised according to the portfolio system, contributed to this result as follows:

	Share in total sales	Changes in 1993
WALL, CEILING AND ROOFING SYSTEMS	28.0%	+14.2%
PIPE SYSTEMS AND SEWAGE TECHNOLOGY	20.0%	- 0.9%
TREIBACHER CHEMISCHE WERKE	24.4%	-10.4%
OAG HANDELSBETEILIGUNGEN	24.7%	+10.3%
REAL ESTATE/PROPERTY	2.9%	+24.3%

INVESTMENTS. Additions to fixed assets of the group in 1993 reached AS 2,034 million, of which AS 1.804 million were tangible assets and AS 230 million financial assets. The major share of the amount invested was financed out of the cash flow attained. Main emphasis was on expansion and optimisation. The available liquidity reserves assured solid financing and thus the continuation of the adopted strategy.

HOLDINGS. In line with the aspired intensified concentration on the core business the share in Treibacher was transferred to Wienerberger Ziegelindustrie AG, and the sale of the operations sector of OAG to the Wolseley Group was initiated.

EARNINGS. Within our corporate strategy priority has been given to building up industrial assets. Although earnings on investments and expansion projects are realised only with a certain time lag, it was possible to improve the earnings position disproportionately well.

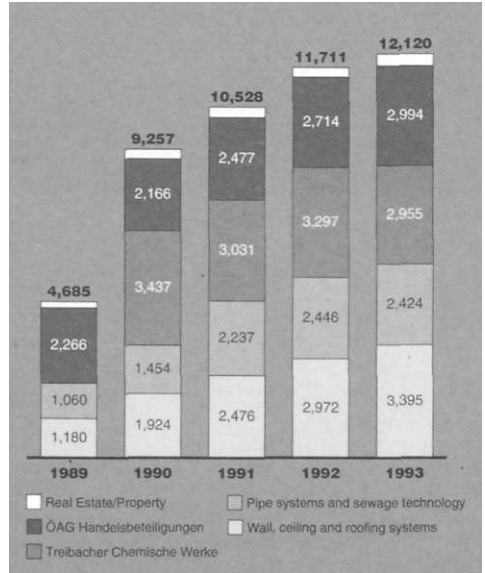
The result from the group's ordinary activities soared from AS 626 million to AS 938 million, or by 49.8%.

The investment-intensive core unit - the wall, ceiling and roofing systems - contributed to this result to a much greater extent than expected. Thanks to the well-harmonised combination between expansion and optimisation, and backed by the solid housing construction boom, the preceding year's record figure was substantially exceeded.

In the development unit of pipe systems and sewage technology, earnings were temporarily affected by start-up costs in connection with the reconstruction of plants as well as by restructuring expenditures. However, these measures have strengthened our starting position for the future.

Treibacher's difficult situation has not improved. Despite this, the company succeeded in cutting down the loss recorded

SALES
in AS million



in the preceding accounting period, but this success was almost entirely annihilated in the wake of the bankruptcy of a large customer in North America in March 1994.

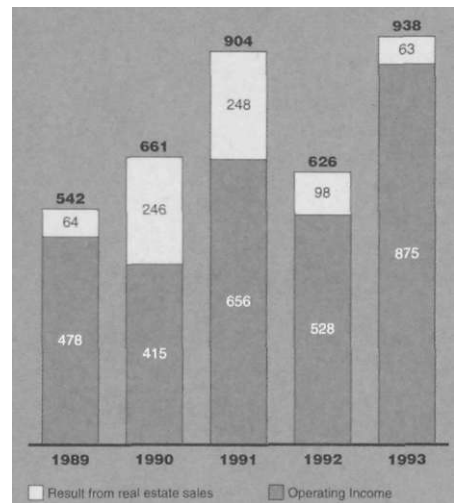
Despite high start-up expenses for holdings abroad, the OAG group's earnings situation improved still further, attaining a level which is above the average for this line of business.

The real estate/property unit has deliberately deferred several prearranged profit realisations in the light of subdued demand.

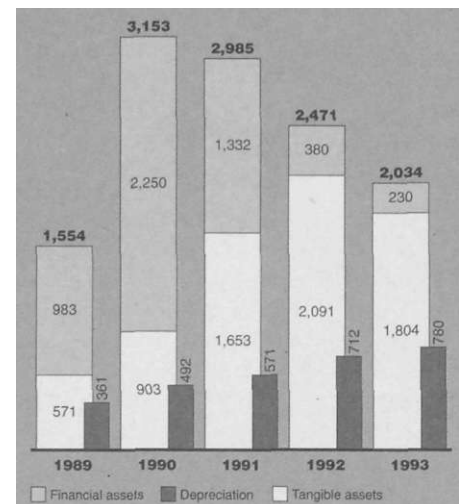
Treibacher's unsatisfactory earnings situation was accounted for by way of a write-down on the holding in the amount of AS 498 million.

The result of Wienerberger Baustoffindustrie AG nevertheless permitted allocations to taxed reserves of AS 139 million and to untaxed reserves by AS 24 million. On the grounds of the further improved earnings position the Managing Board proposes that the dividend is raised from 34% to 37%. The profit amount disbursed thus increases from AS 133 million to AS 146 million.

RESULT FROM ORDINARY ACTIVITIES
in AS million



INVESTMENTS AND DEPRECIATION
in AS million



RESEARCH, DEVELOPMENT, ENVIRONMENT

Special importance within our corporate strategy is attributed to the search for environment-protecting processes and products as well as to the improvement of well-tested problem solutions. An essential criterion in this connection is the environment-compatibility of building materials.

While the technical properties of materials can be determined and inspected by way of standardised testing procedures, there are still no objective criteria for the ecological quality of building materials and construction methods. The term "Ecological Account" has taken on a highly important meaning in this regard. The ecological account is a record of the entire impact of a product on human beings and the environment quantitatively and, if possible, also qualitatively. In future our customers will also ask whether the products they buy live up to the environment-compatibility criteria in respect of raw material exploitation, production, and reuse. Mindful of one of our corporate principles, that "we are contributing significantly to environment protection", we have focused our activities on the preparation of objective comprehensive ecological accounts for our products.

In the past business year we have urged all our business units to force the pace also of the process and application technology:

In the wall, ceiling and roofing systems unit the emphasis was on the optimisation and further development of the groove-and-tongue system and the introduction of cut-and-ground brick masonry. The "adhesive roll", a helpful processing gadget developed for this sector, will make us come closer to the target of "economical building". Progress was also made in the field of process technology: it is expected

to lead to a reduction of brick manufacturing costs.

Efforts in the pipe systems and sewage technology unit were primarily directed at raw material saving and product improvement. A "gas-stop" device newly developed by PIPELIFE Austria was patented and successfully introduced in the market - an invention that offers much safety for little money. PIPELIFE Austria is the first Austrian pipe and fittings manufacturer to be awarded the ISO 9001 quality certificate.

Treibacher has attributed special importance to research and development. The result is a large number of domestic and foreign patents as well as valuable process knowhow. In the year under review progress was made in the following areas: ferroalloys, recycling activities, a high-temperature/high-vacuum technology for the economical production of fine-grained carbides, new input materials for special ceramics, and above all the development of nickel-metal hydride alloys for rechargeable batteries.

The real estate unit built an 18-hole golf course on an old clay pit which was earlier used as a refuse dump. The golf course has been leased and thus pertinently illustrates that ecological awareness and economic viability are not contradictory.

OUR HUMAN RESOURCES

Wienerberger's most important capital are its employees. They are guided by a clear and deliberately simple strategy which is expressed by two letters: C & C - Concentration and Consistency. This means "doing few things, but doing them well".

Under this focal strategy each staff member is asked to define for himself or herself a few targets within the scope of their duties. They need not comply with duties predetermined by others and are therefore adequately motivated when implementing the work.

Within Wienerberger it is "WE" and not "I". The hierarchies are flat, and the decision-making process is short. This stimulates courage, tempo, and harmony.

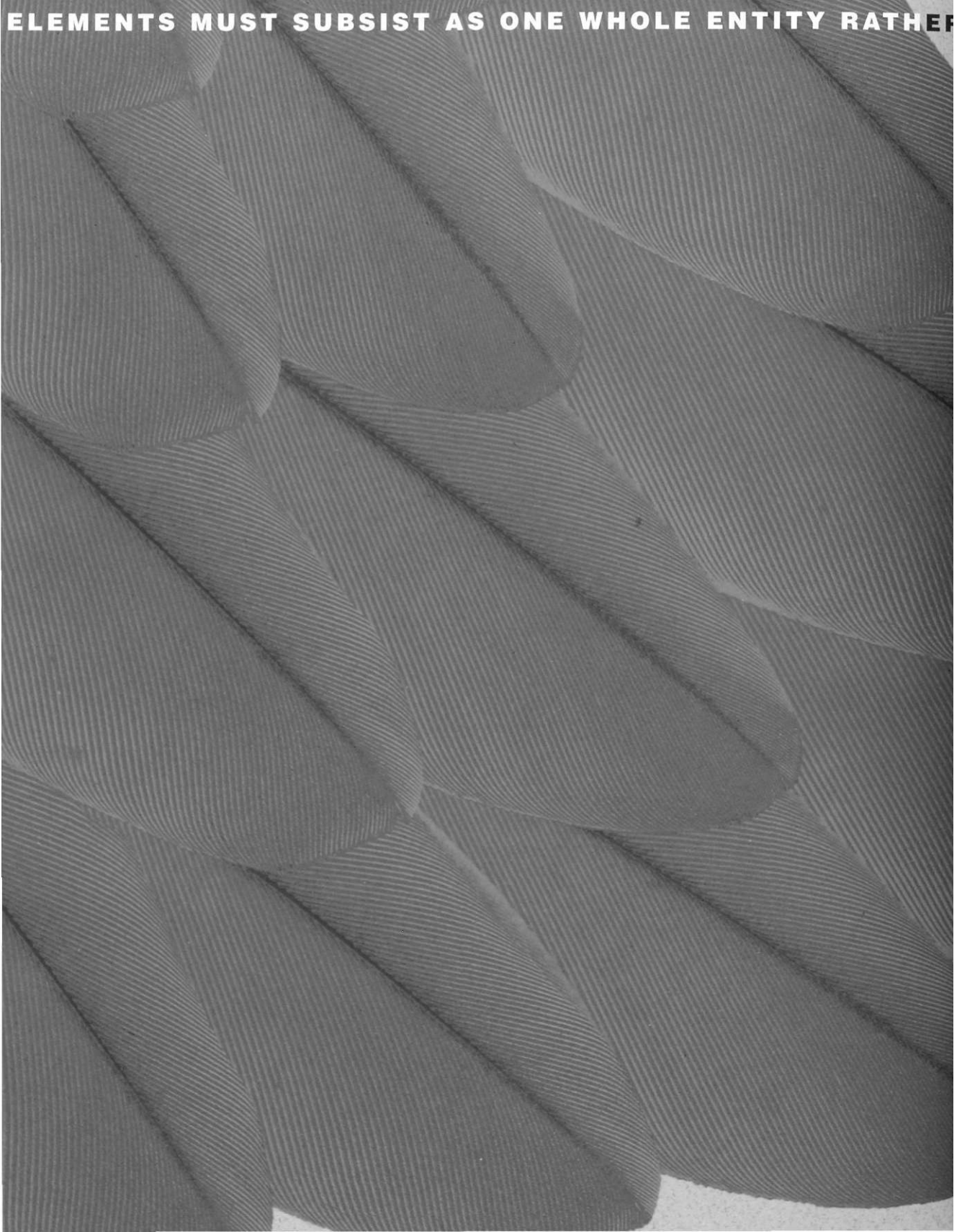
The wholly owned and partly owned subsidiaries are independent to a large extent. They live their own way of life. What binds them are the common objectives and the spirit in which these objectives are implemented.

A large percentage of our young leadership has been recruited within the enterprise. The prerequisites are a strong junior cadre as well as selective professional training and communication courses. A group information conference, organised in Vienna once a year, constitutes the platform for an extensive exchange of opinion between the senior staff members from Austria and abroad.

The average number of staff of the Wienerberger group in 1993 was 5,629. They regard themselves as entrepreneurs within the enterprise, and with this approach they have substantially contributed to the good business result.

DEVELOPMENT OF THE BUSINESS UNITS

ELEMENTS MUST SUBSIST AS ONE WHOLE ENTITY RATHER



THAN INDIVIDUALLY. WALL, CEILING AND ROOFING SYSTEMS

Wall, ceiling and roofing systems constitute the traditional core area of the Wienerberger business group. From the organisational aspect it has been split up into three business areas:

- Wienerberger Ziegelindustrie AG, a 100% subsidiary, with the product lines wall, ceiling and chimney systems, exercising also the function of a holding company for the roofing activities;
- BRAMAC Dachsteinwerke GmbH, 50% interest, specialising in concrete roofing tiles; and
- Ziegelwerke Gleinstatten GmbH & Co KG, 25% interest, as the specialist enterprise for clay roofing tiles.

Inclusive of its roofing products, Wienerberger Ziegelindustrie AG is represented by a total of 64 plants located in Austria, Germany, Hungary, the Czech Republic, Slovakia and Slovenia; of these, nine factories manufacture concrete roofing tiles and eight clay roofing tiles.

IN AS MILLION	1992	1993		1992	1993
SALES	2,972	3,395	INVESTMENTS	735	822
RESULT FROM ORDINARY ACTIVITIES	474	640	EMPLOYEES	1,825	1,819
CASH FLOW	601	782	CASH FLOW/SALES	20.2%	23.0%
			SALES/EMPLOYEE	1.6	1.9

The excellent results attained in the previous year were perceptibly exceeded in the year under review in respect of both sales and earnings.

WIENERBERGER ZIEGELINDUSTRIE.

In 1993 the business unit covering wall, ceiling and chimney systems benefited from the extraordinarily brisk housing construction boom in Austria and Germany. Sales marked an above-average growth rate of 14.2%, and earnings went up again well over the record result of 1992.

In Austria the full utilisation of the enlarged capacity of the Hennersdorf plant and the takeover of the Steyr production site cemented our market position particularly in the bricks sector. Construction of the new brick works at Haiding near Wels progressed according to plan. The introduction of the product range of cut and ground bricks contributed decisively to more economical building with bricks and distinguished us from our competitors.

In Germany all the plants worked to capacity. This is noteworthy particularly for the Wefensleben plant near Magdeburg, which was finished in 1992. Another two brick works were acquired at Wetrtingen and Buldern in North Rhine-Westphalia and integrated in our corporate organisation. Construction of two new plants is in the preparatory stage, one at Gransee covering the greater Berlin area, and the other one at Buldern for North Rhine-Westphalia. Hand in hand with these activities the market position for prefabricated chimney systems was further developed and strengthened.

In Bavaria, two ceiling elements plants were acquired within the framework of our 50% holding in Schlagmann Baustoffwerke GmbH & Co KG, and renovation of a brick factory was started. In all, it was possible to maintain the very high earnings standard of 1992 despite extraordinary, investment-related expenditures.

In Hungary, one more time, contrary to the optimistic forecasts, the overall economic conditions slightly deteriorated further. The number of completed housing units more than halved during the past three years.

Despite this trend, we succeeded in markedly improving our market position by taking over the Meszotur brick works at the end of 1992 and the Bataszek brick works in the first half of 1993. The bulk of the girders and lintels produced at the Koszeg site was already sold on the domestic market. All this resulted in total sales soaring by nearly 50%. Earnings picked up thanks to rationalisation investments and optimisation measures.

In the Czech Republic, extensive renovation investments were made within the framework of our majority holding in the Novosedly brick works in southern Moravia, and the porotherm product range was successfully introduced in the market. Although production had to be interrupted for several months due to the amelioration work, the earnings position was positive. Further strategic sites were added in the southern Bohemian brick works, in which a qualified minority interest was acquired; these works must still be made industrially fit.

In Slovakia, construction of the new plant at Zlate Moravce was carried on according to plan within the framework of our majority participation, and preparations were made for its entry into the market. Production started at the beginning of 1994.

In Italy, the purchase of a 10% interest in Vela S. Giovanni S.p.A. at the end of December 1993 marked our first step into one of Europe's major brick manufacturing countries.

BRAMAC. The leading Danubian roofing tile manufacturer, in which Wienerberger holds a 50% interest, succeeded in further widening its market position. Net sales for the first time exceeded the 1,000 million mark. At the same time the cash flow improved over-proportionally.

In Austria, business activities concentrated on selective marketing measures, streamlining the organisation, and reducing costs, all of which led to a gratifying profit increase.

In Hungary, a marked sales boost entailed better capacity utilisation. Moreover, quality improvement and rationalisation measures contributed to the uplift of the results.

In Slovenia, despite the prevailing difficult overall economic conditions, our majority-held Bramac D.O.O. scored an increase in sales and a positive result.

In the Czech Republic, Bramac spol.s r.o. further consolidated its market position with the help of the roofing tile plant built at Chrudim in 1992. Added to it was the new roofing tile plant at Olbramovice in southern Moravia. Earnings went up despite the difficult initial phase and financial burdens in connection with the takeover.

ZIEGELWERKE GLEINSTATTEN. Ziegelwerke Gleinstatten GmbH & Co KG, in which Wienerberger holds a 25% interest, considerably expanded its business volume in the year under review.

Complementing the two principal plants at Gleinstatten, Wienerberger took over the two clay roofing tile plants from the Hatschek

business group at Unterpremstatten and Pinkafeld and integrated them into the Gleinstatten organisation.

In Hungary, Jamina R.T., majority-controlled by Gleinstatten, has affirmed its position as a leading clay tile roofing enterprise. Investments concentrated on cost-cutting and quality-enhancing measures. This entailed not only higher sales but also noticeably better results. The latest acquisition towards the end of the year under review was a majority holding in the Csorna brick works in western Hungary.

In the Czech Republic business varied. While the Hranice plant reached the sales and earnings targets, Slapanice required sizable investments for the improvement of its quality and efficiency. The earnings targets were therefore not yet attained.

Ziegelwerke Gleinstatten GmbH & Co KG currently has eight manufacturing sites in Austria, Hungary and the Czech Republic, with a total of eight clay roofing tile plants and three wall brick plants. They accounted for a gratifying increase in sales in the business year ended. The overall earnings position also improved, the exception being Slapanice where an extraordinary strain had to be tackled owing to an investment-related standstill.

WATER MUST BE USED RATHER THAN CONTROLLED.



PIPE SYSTEMS AND SEWAGE TECHNOLOGY

Because of the growing environment-awareness, Wienerberger three years ago started to build up a second core business area for pipe systems and sewage technology on the basis of a comprehensive corporate pattern.

Having acquired the necessary basic industrial elements, and after the first re-organization of this unit in 1992, Wienerberger Rohrsysteme und Abwassertechnik GmbH currently operates with three divisions:

- the KERAMO WIENERBERGER joint venture for clay pipes;
- the PIPELIFE joint venture for plastic pipes; and
- the activities handled directly by Rohrsysteme und Abwassertechnik GmbH, consisting of
 - the Duroton production,
 - the Rohr- und Umwelttechnik GmbH for plant construction and pipeline systems, and
 - the first plastic-pipe plant in southeast Asia.

IN AS MILLION	1992	1993		1992	1993
SALES	2,446	2,424	INVESTMENTS	370	216
RESULT FROM ORDINARY ACTIVITIES	92	120	EMPLOYEES	1,350	1,250
CASH FLOW	126	167	CASH FLOW/SALES	5.2%	6.9%
			SALES/EMPLOYEE	1.8	1.9

Consolidated group sales almost reached last year's level, amounting to AS 2,424 million. This development was caused by the low prices for plastic pipes due to the slump in raw material prices, stronger competitive pressure in the clay pipe market, and restructuring measures within Rohr- und Umwelttechnik GmbH. Despite these factors and the final Closure of the "Sulcrete" venture - which are non-recurring - the results surpassed last year's level significantly.

After a development period of only three years the group now holds 18 sites in nine countries.

Production and sales of concrete polymer products with the brand name Duroton progressed satisfactorily in 1993. On the other hand, the production of Sucrete shaft floors had to be discontinued, with shutdown costs running high.

Rohr- und Umwelttechnik GesmbH started concentrating on the construction of plants and pipe systems. The waste technology sector was abandoned and the purification technology redimensioned. The construction of plants and pipe systems was affected by excessive competition. Only Bohr- und Rohrtechnik GmbH, which specialises in civil engineering work, recorded a positive business result.

Parallel to the PIPELIFE group, Wienerberger Rohrsysteme und Abwassertechnik GmbH acquired a 40% interest in a plastic pipe plant in Singapore, which has meanwhile developed satisfactorily. From this first base in south-east Asia we have set up a further joint venture in the Sultanate of Brunei, also for the production of plastic pipes.

KERAMO WIENERBERGER N.V. The joint venture with the Kumpen family has existed since the beginning of 1991. It has meanwhile gained the status of an international enterprise by the name of KERAMO WIENERBERGER N.V., specialising in sewage disposal through clay pipes.

Despite cuts in public investments, fierce competition between the manufacturers and the consequential negative impact on sales and prices it was possible to lift the group's consolidated sales slightly. In spite of the reduced margins the operating income was higher than in 1992, due to the realised cost-cutting programmes.

KERAMO WIENERBERGER N.V. currently boasts an output capacity of 200,000 tons per year. In 1993 clay pipes and structural parts were manufactured in compliance with the European standard EN 295 in three production centres: Hasselt/Belgium, Zwickau/Germany, and in the Kuala Lumpur/Malaysia plant which was opened at the beginning of the year. The initial operation of the new furnace at Hasselt for the production of pipes with an effective length of 2.5 m, the higher output of the new automatic machines producing structural parts, and the extension of the product range of the clay pipe plant at Zwickau constituted the "technological" highlights of the year 1993.

In addition to this, cooperation agreements were concluded with two clay producers at Krauschwitz/eastern Germany and Borovany/Czech Republic. These agreements are aimed at intensifying the production of special structural parts, enabling the exchange of technical know-how, and at assuring sales on a long-term basis by complementing the product range. Another joint venture was estab-

lished in the Czech Republic with two major Czech clay producers: the marketing company KERAMO WIENERBERGER Kamenina s.r.o.

The Austrian market was taken care of by the 100% subsidiary KERAMO WIENERBERGER Vertriebsgesellschaft m.b.H.

PIPELIFE. After two years of keen expansion, during which sales and turnover had doubled, the PIPELIFE group, a joint venture with Solvay S.A., Brussels, made 1993 its year of optimisation. Focal points were rationalisation, restructuring, and cost-cutting schemes.

Expansion nevertheless continued. In France, a qualified minority interest in France Tube was topped up to 100%. In Turkey, Arili Plastik Sanayii Anonim Sirketi, the country's leading plastic pipe manufacturer, was integrated into the group with a 50% interest. The PIPELIFE potrubnis systemy spol.s r.o. was set up to build up the market in the Czech Republic.

With these additions, the PIPELIFE group was represented in six European countries with 13 plants in 1993.

In Austria, the production structure was streamlined: the Wr. Neudorf plant is exclusively manufacturing PVC products, and the Krems works polyethylene, polypropylene, and polybutene. The invention and patent protection of the PIPELIFE Gas Stop constituted a decisive innovation for the operational safety of gas conduits. The direct distribution system has stood its test and will therefore be developed further.

In Germany, the plastic pipe market was characterised by excess capacity which caused prices to plunge, but both subsidiaries nevertheless managed to uphold their results on a very sound level. One factor contributing to this development was the optimisation of the production sites at Ekern and Golzau.

In France, sales were adversely affected by the severe crisis of the building trade. The trend was combatted with rationalisation and restructuring measures.

In Hungary, a direct marketing system was incepted, based on the experience gained in Austria. The first three distribution centres owned by Pannonpipe constitute an additional back-up for the company's leadership in the market.

In Greece, the slackening "demand for irrigation pipes was offset by the initiated production of cable ducts and gas pipes.

In Turkey, Arili began to shape up as a company offering complete-pipe sets. Sales and results were satisfactory.

RAW MATERIALS MUST BE PROCESSED RATHER

T H A N T R E A T E D .

TREIBACHER CHEMISCHE WERKE

Treibacher is the venture unit within the Wienerberger group. The company's business activities are divided up into five areas:

- the Alloymet division deals with ferroalloys,
- the Powdermet division with hard-metal input materials,
- the Auermet division with flints, mischmetal and rare-earth metal alloys.
- the abrasives division with corundum and rare-earth compounds, and
- the active-oxygen division with perborate and percarbonate products.

IN AS MILLION	1992	1993		1992	1993
SALES	3,297	2,955	INVESTMENTS	292	208
RESULT FROM ORDINARY ACTIVITIES	-157	-113	EMPLOYEES	1,673	1,559
CASH FLOW	2	32	CASH FLOW/SALES	0%	1.1%
			SALES/EMPLOYEE	2.0	1.9

Contrary to Wienerberger's building-material-oriented core business, these activities are oriented towards the world markets rather than towards regional markets. Business is therefore fully exposed to fluctuations of international economies, currency turmoils and metal price trends. Its nature is strongly cyclical.

Accordingly, Treibacher had to fight recession also in 1993. It was impossible to find full compensation for the markets that had disappeared in eastern and southeastern Europe. In addition to this, cut-price competition arose in certain sectors from the CIS countries, the People's Republic of China and Latin America. The development was overshadowed by the international steel crisis and recession symptoms in the automotive and machine industries.

This difficult overall international environment even aggravated as the conditions for industry in Austria turned out to be disadvantageous: relatively high personnel and social costs, expensive energy, and the hard currency - conditions which also reflected in the job statistics of the Austrian industry as a whole, recording a drop by 6.5%.

Despite this basically difficult situation it was possible to hold the overall market share almost on the previous year's level. The increase in the export quota from 85% to 88% reaffirmed the company's international orientation. Production and sales by the Austrian plants almost reached the previous year's figures in respect of quantities, despite the difficult premises. The group's sales, on the other hand, fell by 10.4%. The exclusive reason was the aggravation of the extremely unsatisfactory price trend, which in turn was due to cut-price offers from low-wage coun-

tries and the generally slack demand. Dumping-price imports from China have had a particularly serious effect on the silicon carbide production in North America. The entire relevant industry in the U.S.A. has instituted anti-dumping proceedings which are still pending.

Internally, this trend was combatted with the consistent continuation of the savings and rationalisation programme. In the individual works, further staff cuts as well as investments and process improvements entailed a distinct productivity increase. The administration, too became more efficient by reducing personnel and material expenses. In Austria the number of staff members was reduced by 6% to 1,203. The distribution subsidiaries Grondmet in Dusseldorf and Vienna as well as the cigarette lighter business were sold. The marketing organisations for corundum and flintstones were moved to the works at Villach and Treibach.

With all these measures taken in the operational domain it was possible to get close to the target of halving the loss of 1992. Because of the bankruptcy of the largest American customer at the beginning of March 1994 and the resulting loss of receivables and sales, the annual loss unexpectedly rose again to the previous year's level. This development was accounted for by a write-down on the holding by AS 498 million.

SERVICE MUST BE LIVED RATHER THAN ASKED FOR



OAG HANDELSBETEILIGUNGEN

The OAG group is the leading Austrian wholesale company specialising in sanitary and heating systems as well as water supply and water disposal. The three distributing entities

- OAG Sanitar- und Heizungsgrosshandels GmbH.
- Kontinentale HandelsgmbH and
- Unisan Handels- und Marketingservice GmbH

provide the target groups - the plumbing trade, industries and municipalities - with their services.

In addition to this, the OAG group is represented by one subsidiary each in the new German federal provinces, in the Czech Republic and in Hungary.

IN AS MILLION	1992	1993		1992	1993
SALES	2,714	2,994	INVESTMENTS	112	76
RESULT FROM ORDINARY ACTIVITIES	116	120	EMPLOYEES	815	868
CASH FLOW	131	144	CASH FLOW/SALES	4.8%	4.8%
			SALES/EMPLOYEE	3.3	3.4

Despite the highly competitive situation prevailing in the market, OAG managed to carry on well with its successful business policy in Austria in 1993. Group sales reached almost AS 3,000 million, which is tantamount to a growth rate of 10.3%. Earnings continued to improve, attaining a level above the average performance of a trading company.

OAG Sanitar- und Heizungsgrosshandels GmbH scored gratifying growth rates in spite of slimming order books of the plumbing enterprises and intensifying competition. This was made possible through enhanced service and a broader performance range for the plumbing trade.

Kontinentale HandelsgmbH recorded a sales boost, caused by the satisfactory demand from the local government sector.

The introduction of a quality assurance system was started, and certification under the ISO standard 9001 is envisaged for 1994.

Unisan Handels- und Marketingservice GmbH scored an above-average growth in the domain of do-it-yourself markets.

Abroad, the selective development of the necessary distribution and logistics organisation was continued successfully. The expansion reflected positively in the sales figures, while earnings were still subdued owing to start-up costs.

In the new German federal provinces the construction boom, which was backed up by public promotion, triggered a growth stimulus also for the wholesale trade in sanitary equipment. However, rising unemployment, and the dampened consumption climate in its wake, subdued the demand for housing amelioration

in the private sector. Haustechnik Handels GmbH nevertheless succeeded in increasing its sales and in strengthening its market position and internal organisation. The earnings position, however, was negative.

In Hungary, the construction of the new logistics centre of MART Kft at Dunakeszi/Budapest was delayed because the property had been acquired too late. Initial operation is scheduled for mid-1994. New plumbing centres were opened in Szekesfehervar and Gyongyos.

In the Czech Republic, CESARO spol.s r.o. also managed to enhance its presence by opening a plumbing centre at Usti nad Labem.

Wienerberger owns extensive real estate, originally land used for the production of bricks. Within the framework of its industrial expansion at home and abroad the total real estate area was increased substantially. It includes industrial sites, raw material estates, agricultural- and forestry areas, as well as building plots and potential building land.

IN AS MILLION	1992	1993		1992	1993
SALES	283	352	INVESTMENTS	961	712
RESULT FROM ORDINARY ACTIVITIES	101	171	EMPLOYEES	133	133
CASH FLOW	210	286	CASH FLOW/SALES	74.2%	81.3%
			SALES/EMPLOYEE	2.1	2.6

Project development within the framework of Wienerberger Immobilien AG in 1993 continued to focus on the realisation of the Business Park Vienna. The basic concept is the "LIVING OFFICE". The target is the creation of an integral working scenario which is tuned to the every-day needs of the working population. In its first phase the project envisages an office area of 65,000 m², a 175-room Holiday Inn Hotel, a shopping centre accommodating 20 shops to cover day-to-day requirements, restaurants, conference rooms, as well as 45 flats. An adjoining golf course and a likewise adjacent outpatient health clinic enrich the range of facilities offered. The building units A and B were finished in the first half of 1993 and leased by the companies Asea Brown Boveri, Rank Xerox, Austria Telekommunikation, and Wienerberger Ziegelindustrie. The staff catering restaurant and the conference rooms in unit F were completed in the middle of the year under review, and a shuttle bus has been running to the nearest underground railway station since that time. Construction of units C and D with the highrise building and the shopping centre are steadily progressing. The carcass structure was completed at the end of the year, and construction of the hotel was started. The building costs have so far remained under plan. Owing to the difficult situation prevailing on Vienna's building market, comprehensive marketing activities have been launched to lease the premises. They have so far resulted in the complete lease-out not only of all the finished areas, but also of a substantial portion of the buildings currently under construction, i.e., 75% of the entire project.

In the real estate sector the target has been to sell land where the value-increment potential is exhausted, and to reinvest the proceeds in real estate with a continually accruing yield:

Given the lull on the real estate market, only few individual building plots were sold. The realisation of the "Seepark Vosendorf" was deferred with the aim of obtaining better prices, a target reached at the beginning of 1994. As a reinvestment of the proceeds, a multi-storey car park with 660 spaces was acquired in Linz.

In the refuse-dump sector the rubble dump at Brunn was successfully closed. The necessary permit was obtained for a new rubble dump in the south of Vienna, and the procedure for an official approval for a second dump was initiated. In Leopoldsdorf the special-waste dump was operated satisfactorily. In addition to this, a backfilled dump area was converted into an 9-hole golf course, which was leased out for a long term.

WIPARK Garagen GmbH meanwhile runs 18 parking garages with 6,500 spaces in Vienna. Parking space control, introduced by the Vienna Municipality in 1993, has had a positive effect overall. The new parking garage in the Business Park Vienna and the better utilisation of the other parking garages entailed a 13% increase in parking fee receipts. As at the end of 1993 WIPARK became the majority owner of the underground parking garages at Beethovenplatz and Freyung.

In the property division the principal activities were the investment of excess liquidities and the management of the 100% holding in Wienerberger Ofenkachel GmbH as well as the 26% interest in Gmundner Zementwerke Hans Hatschek AG.

FORECAST

SCENARIO - STRATEGY - MEASURES - BUDGET - VISION. The future SCENARIO has many faces, it is hard to assess, and it depends on a number of imponderable influences. However, this applies only to a limited extent to the building materials industry, and it holds even less true to housing construction: housing is a basic necessity. In most European markets there is a huge backlog in this area, but unless it can be financed, it will not trigger the expected demand.

For Austria the year 1994 revolves around Europe. The first of March was a key date. The negotiations on Austria's admission to the European Union were successfully concluded. This has initiated a process which Wienerberger had embarked upon as early as in the mid-1980s. It was already then that we looked upon Europe as one large market and that we proceeded step by step to build new markets in the east and the west. At the present stage we are manufacturing in eleven European countries, and we have additionally created the first bases in North America and south-east Asia.

Wienerberger's STRATEGY is a mixture of "global thinking and local business". We act on an international scale while concentrating on regional markets.

5±

Our activities are spread among five operational business units in a well-balanced manner according to the portfolio principle. An additional risk-mitigating feature is that we are spread over 15 national markets. Our investment policy, too, follows the portfolio principle: at least 50% of the additions to fixed assets were made in western Europe, up to 30% in eastern Europe, and up to 20% overseas.

Wienerberger's core business boasts strong market positions, large industrial

assets, earning power, cost efficiency, innovation, manpower, and a clear strategy.

This strategy is continuously adapted to the changing basic conditions and developed further. In 1994 its main points of emphasis will be an even stronger concentration on the core business, continuing expansion, and the optimisation of what has been completed. Keeping this target in mind, we have begun to divest ourselves of the OAG group's operational activities. In this unit the potential for us to achieve further success is exhausted to a great extent. For its further expansion in the direction of Europe OAG needs a strong partner working in its business line. We found such a partner in the Wolseley Group which, with sales amounting to AS 45,000 million, occupies a dominant position in the sanitary wholesale trade in Great Britain, France and overseas. We will reinvest the high proceeds from this transaction in our core business units.

In future Wienerberger will thus concentrate on four strategic business units, and among them especially on the two core areas:

- We hold the strongest market position, the largest industrial assets, the best knowhow and the greatest earnings potential in our traditional core business, which is the wall, ceiling and roofing systems. The emphasis here will be on expansion and optimisation.
- The young core business area of pipe systems and sewage technology has the greatest development potential. In this unit we will likewise fully concentrate on expansion and optimisation within the framework of our joint-venture operations, KERAMO WIENERBERGER N.V. and PIPELIFE.
- Viewed in relation to the relatively small capital investment in the venture area of Treibacher Chemische Werke, we have encountered not only a great risk but also

opportunities. Here our focal measures will be cost minimisation, restructuring, and innovation.

- The real estate and property unit is a service entity. It is to provide security for the industrial activities. In this unit we intend to create earnings whose value is safeguarded in the long term, by way of a selective property reapportionment.

In pursuance of these targets we took the following focal MEASURES during the first few months of 1994:

- Initial operation of the Haiding brick works in Upper Austria with an output of 80 million standard bricks
- Entering the Austrian market with prefabricated chimney systems
- Initial operation of the brick works of Zlate Moravce in Slovakia with an output of 80 million standard bricks
- Acquisition of the Csabai brick works in Hungary
- Start of the optimisation activities at the works of Mezotur and Bataszek, Hungary
- Preparation of two new plant buildings in Germany
- Preparation of several joint ventures for plastic pipes in the Peoples Republic of China
- Preparation of a new PIPELIFE plant in the Czech Republic
- Realisation of the Seepark Vosendorf real estate project, which had originally been deferred.

The 1994 BUDGET, which originally envisaged a growth of the group's sales from AS 12,100 million to AS 12.800 million and a result from ordinary business activities of more than AS 1,000 million, will have to be cut down in respect of the sales target to AS 9,200 million owing to the absence of OAG's operational activities. At the same time the reinvestment in the stronger core business units is to boost the result from ordinary business activities to AS 1,100 million.

In the light of the persistently brisk demand for housing construction this target proved to be realistic in the first quarter of 1994, also, and especially so, because the impact of Treibacher's loss is limited due to the relatively sizable write-down of the book value.

Our VISION remains unaltered: Wienerberger will further develop and strengthen its position in the domain of bricks and pipes as a leading Austrian enterprise with international orientation.

FINANCIAL STATEMENT 1993
WIENERBERGER BAUSTOFFINDUSTRIE
AKTIENGESELLSCHAFT

Balance Sheet as at December 31, 1993

Profit and Loss Account
for the 1993 Business Year

Development of the Fixed Assets
in the 1993 Business Year

Development of the Valuation Reserve
in the 1993 Business Year

BALANCE SHEET AS AT DECEMBER 31, 1993

ASSETS

	Status as at Dec.31,1993 AS	Status as at Dec. 31,1992 AS
A. Fixed assets		
1. Intangible assets		
Franchises, patents and similar rights as well as licences derived therefrom	24,893,935	27,507,063
II. Tangible assets		
1. Built-up land and buildings on land not owned by the company	265,168,786	217,651,570
2. Land not built up	154,555,382	151,002,832
3. Machines and machine plants	18,858,770	26,927,002
4. Tools, fixtures, furniture and office equipment	12,132,738	29,081,915
	450,715,676	424,663,319
III. Financial assets		
1. Participations	4,028,994,944	4,237,658,521
2. Other investments in fixed rate securities	106,612,733	106,951,143
	4,135,607,677	4,344,609,664
	4,611,217,288	4,796,780,046
B. Current assets		
I. Claims and other assets		
1. Accounts receivable from the sale of goods and services	9,395,062	8,635,793
2. Claims against consolidated group affiliates	1,242,223,227	771,489,454
3. Claims against non-consolidated participations	32,330,731	55,156,018
4. Other claims and assets	81,931,752	181,370,377
	1,365,880,772	1,016,651,642
II. Securities and shares		
Other securities and shares	916,261,844	766,891,883
III. Cash in hand and balances with banks	68,817,028	154,142,144
	2,350,959,644	1,937,685,669
C. Deferred expenses	4,101,540	3,893,686

6,966,278,472 6,738,359,401

WIENERBERGER BAUSTOFFINDUSTRIE AG

LIABILITIES

	Status as at Dec.31,1993 AS	Status as at Dec. 31,1992 AS
A. Own resources		
1. Share capital	393,578,200	390,420.200
<u> II. Contribution earmarked for capital increase</u>	0	90,000,000
III. Capital reserves		
1. Earmarked reserves	4,138,331,366	4,051,489,366
2. Reserves not earmarked	434,177,419	433,981,106
	<u>4,572,508,785</u>	<u>4,485,470.472</u>
IV. Profit reserves		
Other reserves	442,472,488	303.189,218
V. Accountina profit		
1. Profit brought forward	153,686	330,909
2. Profit for the year	145,683,842	132,565,645
	<u>145,837,528</u>	<u>132,896,554</u>
	5,554,397,001	5,401,976,444
B. Untaxed reserves		
1. Valuation reserve due to the special depreciation pursuant to Sec. 8 and Sec. 12 Income Tax Act	730,187.087	676,475,982
2. Reserves pursuant to Sec. 10 Income Tax Act 1988	18,263,195	32.845,520
3. Reserves pursuant to Sec. 12 Income Tax Act 1988	91,407,988	124,112,266
	<u>839,858,270</u>	<u>833,433,768</u>
C. Provisions		
1. Provisions for severance payments	11,217,179	10.656,066
2. Provisions for pensions	57,538,441	44.787,304
3. Provisions for taxes	59,929,000	32,781,306
4. Other provisions	62,868,424	80.510,533
	<u>191,553,044</u>	<u>168,735,209</u>
D. Liabilities		
1. Due to banks	21,226,355	45,148.028
2. Accounts payable from the purchase of goods and services	9,571,759	5,007,219
3. Due to consolidated group affiliates	329,057,925	250,020,501
4. Due to non-consolidated participations	1,896,963	1.824,599
5. Other liabilities	16,223,354	32,213,633
	<u>377,976,356</u>	<u>334,213,980</u>
E. Deferred Income	2,493,801	0
	<u>6,966,278,472</u>	<u>6,738,359,401</u>

PROFIT AND LOSS ACCOUNT FOR THE 1993 BUSINESS YEAR

	1993		1992	
	AS	AS	AS	AS
1. Sales		72,210,094		65,098,042
2. Other operational income				
a) Income from the disposal of fixed assets	20,868,515		44,141,080	
b) Income from the release of provisions	19,469,861		1,387,946	
c) Others	16,567,289	56,905,665	9,072,170	54,601,196
3. Staff expenses				
a) Wages	1,210,668		976,303	
b) Salaries	38,058,632		38,837,869	
c) Severance compensation and pension payments	18,480,586		8,069,708	
d) Payments of legal social levies as well as levies and compulsory contributions depending on the remuneration	6,344,736		6,006,709	
e) Other social expenses	2,091,582	-66,186,204	2,375,248	-56,265,837
4. Depreciation of intangible and tangible assets		-31,016,724		-29,513,144
5. Other operational expenses				
a) Taxes	31,147,843		27,812,109	
b) Others	23,854,301	-55,002,144	39,850,629	-67,662,738
6. Subtotal of 1. to 5.		-23,089,313		-33,742,481
7. Income from participations		206,761,208		303,458,740
8. Interest income, income from securities and similar income		140,051,077		173,182,016
9. Income from the disposal of and additions to financial assets		471,178		253,449
10. Expenses from participations		-1,572,364		-168,750,452
11. Expenses from other financial assets and other investments in fixed-rate securities		-2,178,039		-799,303
12. Interest and similar expenses		-14,713,258		-24,660,283
13. Subtotal 7. to 12.		328,819,802		282,684,167
14. Result from ordinary activities		305,730,489		248,941,686

WIENERBERGER BAUSTOFFINDUSTRIE AG

	AS	1993	AS	1992	AS
Carried over		305,730,489		248.941,686	
15. Extraordinary expenses		-16,911,451		-5.158,808	
16. Taxes on income and earnings		2,556,306			0
17. Expenses in connection with the capital increase					
a) Capital taxes	0			8,306.496	
b) Others	0	0		1,284,537	-9,591,033
18. Surplus of the year		291,375,344		234,191,845	
19. Release of untaxed reserves		18,037,435		153.490.934	
20. Allocation to untaxed reserves		-24,461,937		-47,839,834	
21. Allocation to free profit reserves		-139,267,000		-207,277,300	
22. Profit for the year		145,683,842		132,565,645	
23. Profit brought forward from the previous year		153,686		330,909	
24. Accounting profit		145,837,528		132,896,554	

Vienna, March 1994

The Managing Board

Wolfgang Reithofer

Erhard Schaschl
Chairman

Paul Tanos

According to the results of our statutory examination, the accounting and the Financial Statement are in accordance with the legal requirements. By adhering to the principles of proper accounting, the Financial Statement reflects as truly as possible the company's assets as well as its financial and earnings situation. The Report on the Current Situation agrees with the Financial Statement 1993.

J21

Vienna, April 8, 1994

KPMG Austria
Wirtschaftsprüfungs-Gesellschaft m.b.H.

(signed) Hruschka

(signed) Zochling

Certified Public
Accountant and Tax Consultant

DEVELOPMENT OF THE FIXED ASSETS
IN THE 1993 BUSINESS YEAR

	Acquisition value as at Jan. 1, 1993	Additions
	AS	AS
Fixed assets		
<u>1. Intangible assets</u>		
Franchises, rights, patents, licenses	37,252,622	0
<u>II. Tangible assets</u>		
1. Built-up land and buildings on land not owned		
a) land value of factory buildings	146,750,261	0
b) building value of factory buildings	88,544,511	0
c) land value of residential buildings	895,256	0
d) building value of residential buildings	5,483,323	0
e) building in leased land	1,219,578	52,970,770
	<u>242,892,929</u>	<u>52,970,770</u>
2. Land not built up	151,934,036	4,130,298
3. Machines and machine plants	50,687,131	0
4. Tools, fixtures, furniture and office equipment	96,311,699	280,493
	<u>541,825,795</u>	<u>57,381,561</u>
<u>III. Financial assets</u>		
1. Participations	4,395,908,075	841,224,476
2. Other investments in fixed-rate securities	107,962,630	0
	<u>4,503,870,705</u>	<u>841,224,476</u>
	<u>5,082,949,122</u>	<u>898,606,037</u>

WIENERBERGER BAUSTOFFINDUSTRIE AG

Account transfers AS	Disposals AS	Accumulated depreciation AS	Book value as at Dec. 31,1993 AS	Book value as at Jan.1,1993 AS	Depreciation 1993 AS
0	0	12,358,687	24,893,935	27,507,063	2,613,128
- 645,230	716,886	0	145,388,145	146,750,261	0
0	8,345,441	14,790,688	65,408,382	68,277,804	1,981,017
- 75,200	0	0	820,056	895,256	0
0	0	3,842,479	1,640,844	1,728,244	87,400
0	635,089	1,643,900	51,911,359	5	1,059,415
- 720,430	9,697,416	20,277,067	265,168,786	217,651,570	3,127,832
720,430	1,298,178	931,204	154,555,382	151,002,832	0
0	385,028	31,443,333	18,858,770	26,927,002	8,068,230
0	283,733	84,175,721	12,132,738	29,081,915	17,207,534
0	11,664,355	136,827,325	450,715,676	424,663,319	28,403,596
0	1,208,137,607	0	4,028,994,944	4,237,658,521	0
0	338,410	1,011,487	106,612,733	106,951,143	0
0	1,208,476,017	1,011,487	4,135,607,677	4,344,609,664	0
0	1,220,140,372	150,197,499	4,611,217,288	4,796,780,046	31,016,724

DEVELOPMENT OF THE VALUATION RESERVE IN THE 1993 BUSINESS YEAR

a) Valuation reserve pursuant to Section 8 Income Tax Act 1972

	Status as at Jan. 1, 1993 AS	Disposals AS	Release AS	Status as at Dec. 31, 1993 S
Fixed assets				
<u>I. Intangible assets</u>				
Franchises, right, patents, licenses	0	0	0	0
<u>II. Tangible assets</u>				
1. Built-up land and buildings on land not owned by the company				
a) land value of factory buildings	0	0	0	0
b) building value of factory buildings	1,394,588	802,153	232,933	359,502
c) land value of residential buildings	0	0	0	0
d) building in leased land	0	0	0	0
	1,394,588	802,153	232,933	359,502
2. Land not built up	0	0	0	0
3. Machines and machine plants	0	0	0	0
4. Tools, fixtures, furniture and office equipment	31,736	0	16,602	15,134
	1,426,324	802,153	249,535	374,636
<u>III. Financial assets</u>				
Participations	0	0	0	0

1,426,324	802,153	249,535	374,636
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WIENERBERGER BAUSTOFFINDUSTRIE AG

b) Valuation reserve pursuant to Section 12 Income Tax Act 1988

	Status as at Jan. 1, 1993 AS	Allocation AS	Release AS	Status as at Dec. 31, 1993 AS
-				
Fixed assets				
<u>1. Intangible assets</u>				
Franchises, rights, patents, licenses	0	0	0	0
<u>II. Tangible assets</u>				
1. Built-up land and buildings on land not owned by the company				
a) land value of factory buildings	143,997,308	0	0	143,997,308
b) building value of factory buildings	63,303,570	0	1,278,860	62,024,710
c) land value of residential buildings	14,824	0	0	14,824
d) building in leased land	0	52,970,770	1,059,415	51,911,355
	207,315,702	52,970,770	2,338,275	257,948,197
2. Land not built up	109,486,155	4,130,298	0	113,616,453
3. Machines and machine plants	0	0	0	0
4. Tools, fixtures, furniture and office equipment	0	0	0	0
	316,801,857	57,101,068	2,338,275	371,564,650
<u>III. Financial assets</u>				
Participations	358,247,801	0	0	358,247,801
	675,049,658	57,101,068	2,338,275	729,812,451

FINANCIAL STATEMENT 1993

WIENERBERGER GROUP

Consolidated Balance Sheet
as at December 31, 1993

Consolidated Profit and Loss Account
for the 1993 Business Year

Development of the Fixed Assets
in the 1993 Business Year

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1993

ASSETS

	Status as at Dec. 31, 1993 in AS 1,000	Status as at Dec. 31, 1992 in AS 1,000
A. Fixed assets		
1. Intangible assets		
1. Franchises, rights, patents, licenses	212,495	263,849
2. Goodwill	35,194	41,149
	247,689	304,998
II. Tangible assets		
1. Built-up land and buildings on land not owned by the company	3,806,553	2,868,977
2. Land not built up	369,711	404,414
3. Machines and machine plants	1,884,605	1,831,210
4. Tools, fixtures, furniture and office equipment	458,201	421,828
5. Downpayments made and plants under construction	840,520	862,704
	7,359,590	6,389,133
III. Financial assets		
1. Participations	408,220	449,799
2. Lending	33,625	17,948
3. Other investments in (rights to) fixed-rate securities	254,636	268,742
4. Downpayments made	32,910	0
	729,391	736,489
	8,336,670	7,430,620
B. Current assets		
I. Inventories		
1. Raw materials and supplies	473,063	365,569
2. Unfinished products	264,981	274,266
3. Finished products and merchandise	1,254,542	1,264,457
4. Downpayments made	21,069	25,635
	2,013,655	1,929,927
II. Claims and other assets		
1. Accounts receivable from the sale of goods and services	2,453,084	2,456,753
2. Claims against consolidated group affiliates	105,487	49,837
3. Other claims and assets	694,815	608,004
	3,253,386	3,114,594
III. Securities and shares		
	998,109	812,548
IV. Cash in hand, cheques, balances with banks		
	794,379	1,102,188
	7,059,529	6,959,257
C. Deferred expenses		
	26,086	27,296
TOTAL ASSETS	15,422,285	14,417,173

WIENERBERGER GROUP

LIABILITIES

	Status as at Dec.31,1993 in AS 1,000	Status as at Dec. 31,1992 in AS 1,000
A. Own resources		
1. Share capital	393,578	390,420
II. Contribution earmarked for capital increase	0	90,000
III. Capital reserves	2,636,222	2,626.595
IV. Profit reserves	2,991,309	2,495.223
V. Accounting profit	145,838	132.897
VI. Difference resulting from capital consolidation	175.524	176,653
VII. Minority interests	835,948	968,575
	7,178,419	6,880,363
B. Provisions		
1. Provisions for severance payments	287,981	270.392
2. Provisions for pensions	292,814	267.236
3. Provisions for taxes	610,272	484.309
4. Other provisions	800,403	781.657
	1,991,470	1,803,594
C. Liabilities		
1. Bonds	98,443	91,967
2. Due to banks	3,154,195	2.842,734
3. Downpayments received on orders	62,401	55.511
4. Accounts payable from the purchase of goods and services	929.695	895,073
5. Accounts payable from the acceptance of drawn bills of exchange and the issuance of own bills of exchange	303,984	266,025
6. Due to consolidated group affiliates	41,322	16,936
7. Other liabilities	1,331,905	1,201,976
	5,921,945	5,370,222
D. Deferred income	330,451	362,994
TOTAL LIABILITIES	15,422,285	14,417,173

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE 1993 BUSINESS YEAR

	1993 in AS 1,000	1992 in AS 1,000
1. Sales	12,119,947	11,711,026
2. Diminution of the inventory of finished and unfinished products	-21,153	-90,657
3. Company-generated assets considered in the fixed assets	40,281	29,289
4. Other operating income	428,018	397,300
Operating performance (subtotal of 1. to 4.)	12,567,093	12,046,958
5. Expenditures for materials and relevant services	-6,670,457	-6,535,406
6. Staff expenses	-2,643,836	-2,523,348
7. Depreciation of intangible and tangible assets	-780,212	-712,196
8. Other operating expenses	-1,506,996	-1,606,785
9. Operating result (subtotal of 1. to 8.)	965,592	669,223
10. Income from participations	22,736	60,934
11. Interest income, income from securities and similar income	255,337	381,175
12. Income from the disposal of and additions to financial assets	7,828	5,409
13. Expenses from participations	-22,069	-3,257
14. Depreciation of other financial assets and of other investments in fixed rate securities	-2,402	-149,706
15. Interest and similar expenses	-289,462	-337,738
16. Financial result (subtotal of 10. to 15.)	-28,032	-43,183

12.

WIENERBERGER GROUP

	1993 in AS 1,000	1992 in AS 1,000
17. Result from ordinary activities	937,560	626,040
18. Extraordinary result	-103,444	-69,770
19. Taxes on income and earnings	-252,122	-178,121
20. Surplus of the year	581,994	378,149
21. Minority interests	43,763	56,931
22. Surplus of the year excluding the share of other shareholders/partners	625,757	435,080

Vienna, April 1994

The Managing Board

Wolfgang Reithofer

Erhard Schaschl
Chairman

Paul Tanos

According to the results of our statutory examination, the Consolidated Financial Statement is in accordance with the legal requirements. By adhering to the principles of proper accounting, the Consolidated Financial Statement reflects as truly as possible the company's assets as well as its financial and earnings situation. The Report on the Group's Current Situation agrees with the Financial Statement.

Vienna, April 29, 1994

KPMG Austria
Wirtschaftsprüfungs-Gesellschaft m.b.H.

(signed) Hruschka

Certified Public
Accountants and Tax Consultants

(signed) Zochling

DEVELOPMENT OF THE FIXED ASSETS IN THE 1993 BUSINESS YEAR

	Acquisition value as at Jan. 1, 1993*) in AS 1,000	Additions in AS 1,000
<hr/>		
Fixed assets		
<hr/>		
1. Intangible assets		
1. Franchises, patents and similar rights and privileges as well as the licenses derived therefrom	464,496	21,696
2. Goodwill	63,677	205
	528,173	21,901
<hr/>		
II. Tangible assets		
1. Built-up land and buildings on land not owned		
land value	1,327,651	29,690
building value	2,708,681	420,027
2. Land not built up	381,765	9,784
3. Machines and machine plants	4,322,255	436,479
4. Tools, fixtures, furniture and office equipment	1,227,840	237,544
5. Downpayments made and plants under construction	866,769	648,821
	10,834,961	1,782,345
<hr/>		
III. Financial assets		
1. Participations	344,174	174,985
2. Lending	47,306	10,314
3. Other investments in (rights to) fixed-rate securities	253,945	12,287
4. Downpayments made	923	32,070
	646,348	229,656
	12,009,482	2,033,902

*) Acquisition value as at Dec. 31.1992: **12.141.822**
less additions and disposals: 132.340
from changes in the consolidation
range and exchange rate differences

*) of which 49.000 stated in
the extraordinary result

WIENERBERGER GROUP

Disposals	Account transfers	Accumulated depreciation	Book value as at Dec. 31, 1993	Book value as at Jan. 1, 1993	Depreciation 1993
in AS 1,000	in AS 1,000	in AS 1,000	in AS 1,000	in AS 1,000	in AS 1,000
35,198	4,009	242,508	212,495	263,849	50,900
0	0	28,688	35,194	41,149	6,939
35,198	4,009	271,196	247,689	304,998	57,839
3,262	1,424	7,035	1,348,468	1,396,021	1,174
30,828	574,962	1,214,757	2,458,085	1,472,956	151,052
1,339	-3,425	17,074	369,711	404,414	2,703
144,981	56,114	2,785,262	1,884,605	1,831,210	425,331
141,171	7,357	873,369	458,201	421,828	190,894
33,269	-640,441	1,360	840,520	862,704	219
354,850	-4,009	4,898,857	7,359,590	6,389,133	771,373
107,915	-3,024	0	408,220	449,799	0
23,932	0	63	33,625	17,948	0
9,534	3,024	5,086	254,636	268,742	100
35	0	48	32,910	0	0
141,416	0	5,197	729,391	736,489	100
531,464	0	5,175,250	8,336,670	7,430,620	829,312**

ANNEX
WIENERBERGER BAUSTOFFINDUSTRIE AG
AND WIENERBERGER GROUP

Introductory Statement

Legal Status

Principles of Accounting and Valuation

Principles of Consolidation

Notes on the Balance Sheet

Notes on the Profit and Loss Account

INTRODUCTORY STATEMENT. As in the previous year, the financial statement of Wienerberger Baustoffindustrie AG (WBI) and the consolidated financial statement of the Wienerberger business group have been drawn up in accordance with the stipulations contained in the Commercial Code (HGB, Book 3, Accounting).

With only immaterial exceptions, the individual closing accounts of the domestic and foreign companies have been examined and attested by certified public accountants. The due transition from the Commercial Balance Sheets I to the Commercial Balance Sheets II has likewise been examined and certified.

To enhance the clarity, individual items in the Consolidated Balance Sheet and the Consolidated Profit and Loss Account have been combined. They are listed separately in the Annex. The Annex has been prepared jointly for WBI and the Wienerberger group. Unless explicitly stated otherwise, the explanations apply to both financial statements.

LEGAL STATUS. Wienerberger Baustoffindustrie AG is the parent company of the Wienerberger business group. In this capacity it is responsible for the strategic management of its holdings as well as the active administration of its real estate and property. The group's companies are concentrated within strategic business units, each of which is headed by an operative Austrian supraordinate company. The organisational structure can be gathered from the organisation chart on pages 18/19 of the Annual Report.

PRINCIPLES OF ACCOUNTING AND VALUATION. The financial statements have been prepared according to the principles of proper accounting and by adhering to the general standard, which is to reflect as truly as possible the company's assets as well as its financial and earnings situation.

Acquired intangible assets have been valued and listed on the assets side at their acquisition cost and depreciated according to plan (within 5 to 15 years).

The tangible assets have been valued at

acquisition cost or production cost, less depreciation according to schedule. The depreciation rates depend on the usual service life of the individual fixed assets. The regular straight-line depreciation has been assessed on the basis of the following service life periods:

Buildings	10-50 years
Machines	5-15 years
Fixtures, furniture and office equipment	5-10 years.

In principle, full annual depreciation has been applied to additions effected in the first half of the year, half the annual depreciation rate for those effected in the second half.

Smallvalue assets of domestic companies have been fully depreciated in the year of their acquisition.

Unscheduled depreciation has been effected if the diminution of the value is expected to be permanent.

Participations - with the exception of the enterprises which have been valued according to the equity method - have been stated at their historical acquisition cost in the Consolidated Balance Sheet. Lower values have been evidenced, if a permanent diminution of the value is anticipated.

Inventories have been stated according to the strict lower-of-cost-or-market principle. The production costs have been computed under inclusion of direct costs and pro-rata overheads. Claims and other assets have been recorded with the nominal value, unless a lower value was indicated in the case of individual identifiable risks. General credit risks were accounted for by an overall provision for possible losses. The other investments in fixed-rate securities have been evidenced at acquisition cost, or at the lower value quoted as at the balance sheet date.

Provisions for regular pension payments and expectancies of pension payments on the basis of individual commitments have been made on actuarial principles (the Ettl/Pagler computation schedules) and at an interest rate

of 6%. Tax was paid on the difference between this amount and the amount admissible pursuant to Section 14 of the Income Tax Act.

The provisions for severance compensation have been made on financial principles by applying the going-concern value method and an interest rate of 6%.

The other provisions take into account all the risks, as well as liabilities whose amount has not yet been determined, that can be identified on the grounds of reasonable commercial practice.

The liabilities have been stated with their nominal value, or the amount in which they are to be repaid, if it is higher.

Accounts receivable and payable in foreign currencies have been valued at the mean exchange rate quoted on the balance sheet date.

The Profit and Loss Account has been prepared on the basis of the total-cost method.

PRINCIPLES OF CONSOLIDATION.

The capital consolidation was made in accordance with the bookvalue method, with the acquisition cost for the shares in the subsidiaries being settled against the pro-rata capital resources at the date of acquisition or at the date of their first inclusion. The consolidation equalisation items, remaining after the allocation of asset-side difference amounts to assets, have been offset against capital reserves pursuant to Section 261, paragraph 1, 2nd sentence of the Commercial Code. Differences on the liabilities side have been stated separately as capital resources.

Participations in non-consolidated enterprises (with an interest of below 50%) have been valued according to the equity method pursuant to Section 264 of the Commercial Code (capital-share method). The valuation bases are the latest available financial statements of these companies. The asset-side differences arising from the first consolidation have been deducted direct from the capital reserves.

In accordance with the provisions of Section 253, paragraph 3, of the Commercial Code, untaxed reserves have been listed as profit reserves after deduction of dormant taxes. The relevant dormant taxes have been recorded in the provision for taxes.

Within the framework of debt consolidation, amounts receivable from the sale of goods and services and other claims have been offset against the corresponding liabilities and provisions. Inter-company results from the transfer of fixed assets within the group have, if material, been eliminated with corresponding effect on the income statement. The same applies to the elimination of inter-company profits in group inventories.

Provisions were made pursuant to Section 258 of the Commercial Code for the dormant taxes arising from the consolidation of debts, expenses and income, and the elimination of the inter-company profit. Deferred taxes are included in the provision for taxes.

The minority interests evidence participations of outsiders in consolidated enterprises.

The currency conversion of the values of the foreign companies has been effected according to the year-end exchange-rate method at the mean exchange rate quoted on the balance sheet date.

CONSOLIDATION RANGE

The consolidation range comprises the following domestic and foreign companies:

Fully consolidated companies:	Share capital in AS million	Percentage share
Austria:		
Wienerberger Ziegelindustrie AG, Wien	300.00	100.00
Steirische Ziegelwerke GmbH, Bambach	0.50	74.00
Wienerberger Rohrsysteme und Abwassertechnik GmbH, Wien	200.00	100.00
Wienerberger Rohr- und Umwelttechnik GmbH, Wien	10.00	100.00
Bohr- und Rohrtechnik GmbH, Wien	25.00	100.00
Arge Rohrlegung, Wien	0.04	54.00
Treibacher Chemische Werke AG, Treibach	300.00	50.32
OAG Handelsbeteiligungs AG, Wien	80.00	100.00
OAG Sanitar- und Heizungs- groBhandels GmbH, Wien	25.00	100.00
Kontinentale Handels-GmbH, Wien	10.00	100.00
Technotrans Logistikservice GmbH, Wien	5.00	100.00
Unisan Handels- und Marketingservice GmbH, Wien	0.50	100.00
OAG Vermietungs-GmbH, Wien	0.50	100.00
Forstbetrieb Scheiberhof GmbH, Wien	11.50	100.00
Forstbetrieb Schopfl GmbH, Wien	5.00	100.00
Mineralstoffverwertungs-GmbH, Wien	50.00	100.00
WIPARK Garagen GmbH, Wien	100.00	100.00
Garage am Beethovenplatz GmbH & Co KG, Wien	1.70	100.00
Luegerplatz Garage GmbH, Wien	1.50	100.00
Wienerberger Beteiligungsverwaltungs-GmbH, Wien	275.00	100.00
Wienerberger Ofenkachel GmbH, Wien	5.00	100.00
Wienerberger Versicherungs-Service GmbH, Wien	0.50	60.00
Wienerberger Immobilien AG, Wien	800.00	74.32
BUSINESS PARK VIENNA Holding GmbH, Wien	5.00	74.32
BUSINESS PARK VIENNA HotelbetriebsgmbH, Wien	0.50	74.32
Bauteile A + B ErrichtungsgmbH, Wien	0.50	74.32
Bauteile C + D ErrichtungsgmbH, Wien	0.50	74.32
Bauteil E ErrichtungsgmbH, Wien	25.00	74.32
Bauteil H ErrichtungsgmbH, Wien	0.50	74.32

Fully consolidated companies:	Share capital in million	Percentage share
Abroad:		
Wienerberger Ziegelindustrie Deutschland GmbH, Hannover	8.30 DEM	100.00
Wienerberger Ziegelindustrie Verwaltungs-GmbH, Hannover	0.05 DEM	100.00
Wienerberger Ziegelindustrie GmbH & Co KG, Hannover	17.50 DEM	100.00
Wienerberger Systemschornstein GmbH, Hannover	0.13 DEM	100.00
Wienerberger Ziegelindustrie Finanz S.A., Luxemburg	25.00 DEM	100.00
Hungaria Wienerberger Teglaipari RT, Budapest	2,885.00 HUF	74.96
Alföldi Wienerberger Teglaipari KFT, Mezőtur	429.20 HUF	82.47
Bataszeki Wienerberger Teglaipari KFT, Bataszek	431.90 HUF	82.47
Wienerberger Bohemia Cihelny spol.s r.o., Prag	0.15 CZK	66.67
Wienerberger-Slovenska-Tehlařen spol.s r.o., Prag	0.10 CZK	100.00
Wienerberger Moravsky Cihlařsky Prumysl A.S.. Novosedly	119.90 CZK	55.00
Wienerberger Slovenske Tehelne spol.s r.o., Zlate Moravce	201.00 SKK	64.70
Wienerberger Ecology Technics B.V., Eindhoven	3.20 NLG	100.00
Wienerberger S.A., Luxemburg	27.00 DEM	100.00
Wienerberger Beteiligungsverwaltungs-GmbH, Oldenburg	5.00 DEM	100.00
American Treibacher Corp., Delaware	0.02 USD	50.32
Treibacher Schleifmittel Corp., Niagara Falls	9.00 USD	50.32
Treibacher (UK) LTD, Sheffield	0.20 GBP	50.32
Prometheus Metallwerke GmbH, Selters-Eisenbach	1.30 DEM	50.32
Societa Italiana dei Prodotti Elettrochimici di Treibach S.a.s., Mailand	60.00 ITL	50.32
Treibacher Schleifmittel SpA, Domodossola	5,106.00 ITL	50.32
Mart KFT, Budapest	100.00 HUF	100.00
Haustechnik HandelsgmbH, Zwickau	4.00 DEM	100.00
Cesaro spol.s r.o., Prag	13.00 CZK	100.00

Pro-rata consolidated companies:	Share capital in AS million	Percentage share
Austria:		
BRAMAC Dachsteinwerk GmbH, Pochlarn	40.00	50.00
BRAMAC International Anlagenbau- und BeteiligungsgmbH, Pochlarn	60.00	50.00
Quarzsandwerk GmbH, Lackenbach	8.50	50.00
PIPELIFE International Holding GmbH, Wr. Neudorf	4.00	50.00
PIPELIFE Rohrsysteme GmbH, Wr. Neudorf	0.50	50.00
PIPELIFE Rohrsysteme GmbH und Co Nfg. KG, Wr. Neudorf	60.00	50.00
KERAMO WIENERBERGER VertriebsgmbH. Wien	3.50	50.00

Pro-rata consolidated companies:	Share capital in million	Percentage share
Abroad:		
Schlagmann Baustoffwerke GmbH & Co KG, Lahnhofen	6.00 DEM	50.00
Schlagmann BeteiligungsgmbH, Lahnhofen	0.05 DEM	50.00
BRAMAC Dachsteinproduktion und Baustoffindustrie KFT, Veszprem	1,831.90 HUF	31.02
BRAMAC Dachsteinproduktion und Baustoffindustrie D.O.O., Skocjan	465.30 SIT	31.35
BRAMAC spol.s r.o., Chrudim	628.40 CZK	37.36
PIPELIFE France S.A., Chateauroux	128.10 FRF	50.00
Societe Mediterraneenne de Plastiques Agricoles, Saint-Gilles	3.85 FRF	50.00
Societe d'Etudes de Recherche et d'Applications des Plastiques, Compiegne	2.18 FRF	50.00
France Tube S.A., Gaillon	2.30 FRF	50.00
Tubes de la Seine S.A., Gaillon	1.20 FRF	50.00
PIPELIFE Rohrsysteme GmbH, Bad Zwischenahn	8.20 DEM	50.00
PIPELIFE Rohrsysteme Golzau GmbH, Golzau	0.50 DEM	50.00
PIPELIFE Elektrorohr GmbH, Bad Zwischenahn	0.05 DEM	50.00
Pannonpipe Kunststoffindustrie KFT, Budapest	1,224.00 HUF	25.00
KERAMO WIENERBERGER Holding N.V., Hasselt	1,015.00 BEF	50.00
KERAMO WIENERBERGER N.V., Hasselt	167.00 BEF	50.00
KERAMO WIENERBERGER Steinzeugwerk Zwickau GmbH, Zwickau	4.00 DEM	50.00
KERAMO GmbH, Aachen	0.05 DEM	50.00
KERAMO WIENERBERGER Immo N.V., Hasselt	81.69 BEF	50.00
Limburgs Transportbedrijf B.V. BA, Hasselt	0.76 BEF	50.00

Equity consolidated companies:	Share capital in AS million	Percentage share
Austria:		
Wienerberger Ziegelindustrie Aktiengesellschaft & Braas Austria GmbH OEG, Wien	7.00	50.00
"ALWA" Guter- und Vermögensverwaltungs-AG, Wien	49.00	25.00
Gmundner Zementwerke Hans Hatschek AG, Gmunden	120.00	26.00

Equity consolidated companies:	Share capital in million	Percentage share
Abroad:		
Lasbra homok kavics kitermelo KFT, Budapest	251.50 HUF	25.00
HL-Wienerberger Manufacturing (S) PTE LTD., Singapur	6.00 SGD	40.00
Eurotube S.A., Avignon	2.00 FRF	25.00
Ariili Plastik Sanayii A.S., Istanbul	6.70 TRL	25.50
Petzetakis-Pipelife Polyethylene Pipe Systems S.A., Athen	1,515.80 GRD	33.30

As compared with the year before, the consolidation range has changed as follows:

	Fully consolidated	Pro-rata consolidated	Equity consolidated
Status as at Dec. 31, 1992	60	23	8
Additions	2	4	5
Disposals	8	0	5
Status as at Dec. 31, 1993	54	27	8

26 non-consolidated group affiliates have not been included as they are of minor importance for rendering as true a picture as possible of the assets, the financial situation and the earnings situation. The pro-rata sales of these companies amount to less than 2% of total sales.

NOTES ON THE BALANCE SHEET/ CONSOLIDATED BALANCE SHEET.

The total of the Consolidated Balance Sheet rose by AS 1,005 million, or about 7%,

to AS 15,422 million. Of this increase the major portion, AS 906 million, was accounted for by fixed assets, reflecting the continuing investment activity in the year under review. The share of fixed assets in total assets went up to 54.1% (51.5% in 1992). The capital structure shows a slight shift towards borrowed funds, whose share climbed from 52.3% (1992) to 53.5% (1993). The own resources stood at AS 7,178 million, up by about AS 300 million as against the preceding year's balance sheet date.

FIXED ASSETS

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	Dec. 31, 1993	Dec. 31, 1992
Intangible assets	24,894	27,507	247,689	304,998
Tangible assets	450,716	424,663	7,359,590	6,389,133
Financial assets	4,135,607	4,344,610	729,391	736,489
	4,611,217	4,796,780	8,336,670	7,430,620

The development of the fixed assets in the year under review has been outlined in separate enclosures to the financial statements of the parent company and the group.

Of the participations evidenced at AS 4,029.0 million in the parent company's Balance Sheet, AS 3,856.4 million are shares in consolidated enterprises.

Of the participations in the amount of AS 408.2 million as stated in the Consolidated Balance Sheet, AS 178.8 million concern enterprises accounted for by the equity method, and AS 229.4 million are other participations.

The lending item included in the Consolidated Balance Sheet to the extent of AS 13.6 million comprises loans with residual maturities of up to one year.

As at the balance sheet date, Wienerberger Baustoffindustrie AG held an interest in the following domestic and foreign companies:

Company	Share capital AS 1,000	Share in the capital AS 1,000	%	Net worth ¹⁾ AS 1,000	Result ²⁾ 1993 AS 1,000	Result ²⁾ 1992 AS 1,000
Wienerberger Ziegelindustrie AG, Wien	300,000	275,000	91.7	1,461,816	+ 120,099	+ 69,957
Wienerberger Rohrsysteme und Abwassertechnik GmbH, Wien	200,000	200,000	100.0	407,961	+ 12,671	- 9,018
OAG Handelsbeteiligungs AG, Wien	80,000	76,003	95.0	359,675	+221,563	+ 120,255
Wienerberger Ofenkachel GmbH, Wien	5,000	5,000	100.0	18,054	+ 2,817	+ 2,521
Wienerberger BeteiligungsverwaltungsgmbH, Wien	275,000	275,000	100.0	548,214	+ 35,495	+ 42,682
Wienerberger Immobilien AG, Wien	800,000	542,603	67.8	1,033,187	+ 17,342	+ 14,969
Mineralstoffverwertungs-GmbH, Wien	50,000	50,000	100.0	- 86,615	+ 19,990	+ 12,836
Garage am Beethovenplatz GmbH & Co. KG, Wien	1,734	29	1.6	10,977	+ 3,623	- 1,132
Villacher Parkgaragen GmbH & Co KG, Villach	40,000	5,000	12.5	52,318	+ 4,730	+ 5,425
Forstbetrieb Schopfl GmbH, Wien	5,000	4,950	99.0	12,866	+ 307	+ 234
Forstbetrieb Scheiberhof GmbH, Wien	11,500	11,500	100.0	30,529	+ 395	+ 419
Wienerberger Versicherungs-Service GmbH, Wien	500	300	60.0	1,508	+ 1,000	+ 1,393
"ALWA" GCiter- und Vermögensverwaltungs-AG, Wien	49,000	12,250	25.0	194,919	+ 6,578	+ 4,900
Abroad:	TDM	TDM	%	TDM	TDM	TDM
WZI-Finanz S.A., Luxemburg	25,000	50	0.2	31,948	+ 3,501	+ 4,538

¹⁾ including untaxed reserves

²⁾ profit/loss of the year +/- profit/loss brought forward

CURRENT ASSETS

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	Dec. 31, 1993	Dec. 31, 1992
Inventories	-	-	2,013,655	1,929,927
Claims and other assets	1,365,881	1,016,652	3,253,386	3,114,594
Securities and shares	916,262	766,892	998,109	812,548
Cash in hand, cheques, balances with banks	68,817	154,142	794,379	1,102,188
	2,350,960	1,937,686	7,059,529	6,959,257

CLAIMS AND OTHER ASSETS WITH RESIDUAL MATURITIES OF UP TO ONE YEAR

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Accounts receivable from the sale of goods and services	8,355	8,636	1,580,783	1,583,468
Claims against consolidated group affiliates	1,242,223	771,490	—	-
Claims against non-consolidated group affiliates	32,331	55,156	105,487	49,837
Other claims and assets	74,330	171,154	600,376	580,277
	1,357,239	1,006,436	2,286,646	2,213,582

CLAIMS AND OTHER ASSETS WITH RESIDUAL MATURITIES OF MORE THAN ONE YEAR

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Accounts receivable from the sale of goods and services	1,040	-	872,301	873,285
Claims against consolidated group affiliates	—	-	-	-
Claims against non-consolidated group affiliates	—	-	-	-
Other claims and assets	7,602	10,216	94,439	27,727
	8,642	10,216	966,740	901,012

Of the group's receivables, AS 160.1 million are in the form of bills of exchange.

The overall general provision for possible losses on receivables has been written down directly from the accounts receivable in the amount of AS 41.1 million.

OWN RESOURCES

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	Dec. 31, 1993	Dec. 31, 1992
Share capital	393,578	390,420	393,578	390,420
Contribution earmarked for capital increase		90,000		90,000
Capital reserves	4,572,509	4,485,470	2,636,222	2,626,595
Profit reserves	442,472	303,189	2,991,309	2,495,223
Accounting profit	145,838	132,897	145,838	132,897
Difference amount from capital consolidation			175,524	176,653
Minority interests	-	-	835,948	968,575
	5,554,397	5,401,976	7,178,419	6,880,363

The share capital is evidenced at AS 393,578,200.-. It is composed of:

- 283,124 shares with a nominal value of AS 1,000.- each, and
- 1,104,542 shares with a nominal value of AS 100.- each.

Of the AS 90 million stated in the previous year's balance sheet as 'contribution earmarked for capital increase', about AS 3.2 million were transferred to the share capital and the remainder of AS 86.8 million was allocated to the earmarked capital reserves.

With the capital increase having been taken into account, an authorised capital of AS 62.8 million was still available as at the balance sheet date. AS 53.4 million of this amount may be utilised against cash payments and AS 9.4 million against contributions in kind.

In the Consolidated Balance Sheet, goodwill to the extent of AS 1,936.3 million (status as at January 1: AS 1,834.3 million) has been written-off against capital reserves. Of this amount, AS 1,615.1 million are accounted for by the fully and pro-rata consolidated companies and AS 321.2 million by those consolidated by the equity method.

UNTAXED RESERVES. The untaxed reserves of the fully and pro-rata consolidated companies have been allocated to profit reserves - after deduction of the dormant taxes - in an amount of AS 1,548.6 million (AS 1,399.3 million in 1992).

The development of the valuation reserve of Wienerberger Baustoffindustrie AG has been outlined in the following table.

**DEVELOPMENT OF THE OTHER UNTAXED RESERVES OF
WIENERBERGER BAUSTOFFINDUSTRIE AG**

in AS 1,000	Jan. 1, 1993	Allocation	Release	Dec.31,1993
Investment allowance pursuant to Section 10 Income Tax Act for 1989	14,640	0	14,640	0
1990	17,977	0	0	17,977
1991	103	0	8	95
1992	126	0	0	126
1993	0	65	0	65
	32,846	65	14,648	18,263
Reserve pursuant to Section 12/7 Income Tax Act				
1991	76,398	0	57,101	19,297
1992	47,714	0	0	47,714
1993	0	24,397	0	24,397
	124,112	24,397	57,101	91,408
	156,958	24,462	71,749	109,671

The accounting profit evidenced in the Consolidated Balance Sheet corresponds to the distributable profit of Wienerberger Baustoff-

industrie AG. The movements of the own resources are presented as follows in the Consolidated Balance Sheet:

**BREAKDOWN OF THE OWN RESOURCES IN THE
CONSOLIDATED BALANCE SHEET**

in AS 1,000		
Share capital Jan. 1, 1993	390,420	
Capital increase	+ 3,158	393,578
Contribution earmarked for capital increase Jan. 1, 1993	90,000	
Capital increase	- 90,000	0
Capital reserves Jan. 1, 1993	2,626,595	
Capital increase	+ 86,842	
Profits arising from mergers	+ 196	
Goodwill arising from the first consolidation	-108,000	
Equity valuation	+ 6,192	
Difference arising from subsequent consolidation	+ 24,397	2,636,222
Profit reserves Jan. 1, 1993	2,495,223	
Surplus of the year	+625,757	
Profit of the year of Wienerberger Baustoffindustrie AG	-145,684	
Difference of subsequent consolidation	+ 16,013	2,991,309
Accounting profit of Wienerberger Baustoffindustrie AG Jan. 1, 1993	132,897	
Dividends for 1992	-132,743	
Profit of the year	+145,684	145,838
Difference amount arising from capital consolidation Jan. 1, 1993	176,653	
First and subsequent consolidations	- 1,129	175,524
Minority interests Jan. 1, 1993	968,575	
Deficit for the year	- 43,763	
Consequential adjustments	- 88,864	835,948
Own resources as at Dec. 31, 1993		7,178,419

PROVISIONS

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	Dec. 31, 1993	Dec. 31, 1992
Provisions for severance payments	11,217	10,656	287,981	270,392
Provisions for pensions	57,538	44,787	292,814	267,236
Provisions for taxes	59,929	32,781	610,272	484,309
Other provisions	62,869	80,511	800,403	781,657
	191,553	168,735	1,991,470	1,803,594

The provisions for taxes include dormant taxes pursuant to Section 253, paragraph 3, of the Commercial Code in an amount of AS 87.6 million (AS 141.9 million in 1992) and pursuant to Section 258 of the Commercial Code in an amount of AS 186.1 million (AS 87.3 million in 1992).

The shortfall for staff provisions amounts to AS 30.6 million, as compared with AS 32.7 million in the year before.

Other provisions of the Wienerberger Baustoffindustrie AG include AS 53.3 million (AS 72.7 million in 1992) for the rehabilitation of refuse-dumps.

LIABILITIES WITH RESIDUAL MATURITIES OF UP TO ONE YEAR

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Due to banks	10,613	45,148	1,793,452	1,672,992
Downpayments received on orders	-	-	33,852	18,761
Accounts payable from the purchase of goods and services	9,572	5,007	827,491	895,073
Accounts payable from the acceptance of drawn bills of exchange and the issuance of own bills of exchange	-	-	303,984	266,025
Due to consolidated group affiliates	329,058	250,020	-	-
Due to non-consolidated group affiliates	1,897	1,825	41,322	16,936
Other liabilities	16,223	32,192	636,861	508,462
	367,363	334,192	3,636,962	3,378,249

LIABILITIES WITH RESIDUAL MATURITIES OF MORE THAN ONE YEAR

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Bonds	-		98,443	91,967
Due to banks	10,613		1,360,743	1,169,742
Downpayments received on orders	-		28,549	36,750
Accounts payable from the purchase of goods and services			102,204	
Other liabilities		22	695,044	693,514
	10,613	22	2,284,983	1,991,973

Of the above liabilities, AS 1,257.2 million have residual maturities of more than five

years. Liabilities to the extent of AS 220.9 million are secured by real collateral.

CONTINGENT LIABILITIES

in AS 1,000	Wienerberger Group	
	1993	1992
Bills of exchange	102,382	90,165
Guarantees	99,466	76,712
Others	4,969	2,706
	206,817	169,583

There are neither leasing nor contingent liabilities requiring publication for Wienerberger Baustoffindustrie AG.

Payments to be made in the group for the use of tangible assets not evidenced in the Balance Sheet will total AS 51.4 million next year and AS 106 million within the next five years.

NOTES ON THE PROFIT AND LOSS ACCOUNT AND ON THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

SALES

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Austria	72,210	65,098	5,945,901	6,021,537
Abroad			6,174,046	5,689,489
	72,210	65,098	12,119,947	11,711,026

OTHER OPERATIONAL INCOME

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Income from the disposal of fixed assets	20,869	44,141	82,527	124,617
Income from the release of provisions	19,470	1,388	78,635	8,563
Others	16,567	9,072	266,856	264,120
	56,906	54,601	428,018	397,300

STAFF EXPENSES

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
Wages	1,211	976	1,032,551	978,287
Salaries	38,059	38,838	945,436	920,114
Payments of severance compensation and pensions	18,480	8,070	115,210	97,718
Payments of legal social levies as well as levies and compulsory contributions depending on the remuneration	6,345	6,007	496,661	433,525
Other social expenses	2,091	2,375	53,978	93,704
	66,186	56,266	2,643,836	2,523,348

EXPENSES FOR SEVERANCE COMPENSATION AND PENSIONS

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
	Managing Board	15,583	4,720	25,015
Senior Management	157	126	15,092	15,365
Other Employees	2,740	3,224	75,103	68,285
	18,480	8,070	115,210	97,718

OTHER OPERATIONAL EXPENSES

in AS 1,000	Wienerberger Baustoffindustrie AG		Wienerberger Group	
	1993	1992	1993	1992
	Taxes	31,148	27,812	101,535
Others	23,854	39,851	1,405,461	1,500,435
	55,002	67,663	1,506,996	1,606,785

Of the income from participations recorded for Wienerberger Baustoffindustrie AG in the amount of AS 206.8 million, AS 201.8 million are accounted for by consolidated enterprises. AS 55.3 million of the interest income are derived from consolidated enterprises and AS 84.8 million from other debtors. Expenses from participations, AS 1.5 million, concern consolidated enterprises.

Interest expenses include interest paid in the amount of AS 8.6 million on deposits from consolidated enterprises with the parent company.

The extraordinary result, minus AS 103.4 million, includes an unscheduled write-down of closed operating plants, severance compensation paid on the occasion of the abandonment of the clay-pipe production in Vienna, as well as provisions for future expenditures arising from the restructuring of Treibacher's abrasives production in the U.S.A.

Taxes on income and earnings include expenses for previous years in an amount of AS 99.5 million.

EXECUTIVE BODIES, PERSONNEL.

In the 1993 business year the group employed 5,629 persons on average. The staff of Wienerberger Baustoffindustrie AG numbered 41.

The remuneration of the Managing Board amounted to AS 18,465,460. AS 2,459,200 were paid for the pensions of former members of the Managing Board and their surviving dependants. Emoluments of the Supervisory Board totalled AS 664,000.

The members of the Supervisory Board and Managing Board are shown on page 17.

PROFIT DISTRIBUTION. We propose to the Annual General Meeting to pay out of the evidenced net **profit** of

AS 145,837,528

a dividend of 37%
on the share capital of
AS 393,578,200

AS 145,623,934

and to carry forward
the balance of

AS 213,594

THE MANAGING BOARD

Vienna, **April 1994**

REPORT OF THE SUPERVISORY BOARD

In its meetings the Supervisory Board i.a. performed all the tasks and duties provided by law and the Articles of Association.

The Managing Board reported regularly on the company's business progress and its situation.

The Annual Financial Statement and the Report on the Current Situation were audited by KPMG Austria Wirtschaftsprüfungsgesellschaft m.b.H., Certified Public Accountants and Tax Consultants, Vienna. The ultimate findings of this audit showed no cause for objection.

The Auditors have therefore attested that the Financial Statement and the Report of the Managing Board are in accordance with the legal requirements. The Supervisory Board endorses the findings of the audit.

The ultimate findings of the examination undertaken by the Supervisory Board of the Report of the Managing Board prepared pursuant to Section 96 of the Companies Act, of the Financial Statement including the proposed profit distribution, and of the conduct of business show no cause for objection.

The Supervisory Board has approved the Financial Statement, which is hereby considered adopted in accordance with the provisions of Section 125, paragraph 3, of the Companies Act.



Guido Schmidt-Chiari
Chairman

Vienna, May 1994

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