

18.12.2020 – 06:18 Uhr

EANS-Adhoc: Wienerberger acquires Meridian Brick to become leading supplier of masonry solutions in North America

Disclosed inside information pursuant to article 17 Market Abuse Regulation (MAR) transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is responsible for the content of this announcement.

Mergers - Acquisitions - Takeovers/Strategic Management Decisions
18.12.2020

Vienna - December 18, 2020

- * The acquisition will immediately double Wienerberger's North American revenues to > \$ 800 million
- * Strong value-enhancing acquisition offering significant synergy potential: expected EBITDA for North America > \$ 120 million post synergies by 2023
- * Customers gain access to an even greater range of building solutions with a strong focus on sustainability

The Wienerberger Group, a leading international provider of building material and infrastructure solutions, announces today that it has signed an agreement to acquire Meridian Brick from Boral and an affiliate of Lone Star Funds for purchase price of \$ 250 million, subject to customary adjustments.

Meridian Brick: A Leader in the USA with a Strong Position in Canada
Based in Georgia, USA, Meridian Brick is the largest manufacturer of clay façade solutions by capacity in the USA and has a strong position in the Canada region. Meridian is a leading masonry supplier in key regions such as Texas, South East USA, and Ontario, the largest brick consuming area in Canada. Its product portfolio includes innovative systems for the building envelope for residential and commercial applications, including renovation. With more than 1,000 employees operating in 20 manufacturing plants across the USA and Canada, Meridian Brick generated revenues in excess of \$ 400 million in the financial year to June 30, 2020.

Strong Strategic and Financial Logic

This acquisition marks a significant step in Wienerberger's value-driven growth strategy and will establish the Group as the North American leader for innovative and sustainable masonry solutions. Through the acquisition of Meridian Brick, Wienerberger immediately doubles the revenues of its North America business to more than \$ 800 million, further increasing its ability to benefit from strong demand in both the new build and renovation segments. Meridian Brick extends Wienerberger's geographical footprint to Texas, the largest brick consuming state in the USA, and adds a local presence in highly attractive metropolitan regions. It will be fully integrated into Wienerberger's existing North America Business Unit, General Shale.

Meridian Brick is highly complementary to Wienerberger's existing solutions portfolio, reinforcing Wienerberger's position in new and attractive applications. The combination of Meridian's innovative products, technical know-how and nationwide integrated partnership distribution model with General Shale's robust commercial platform and systems solution competence represents a significant value creation opportunity. Wienerberger will be able to offer its customers an even greater range of complete solutions for construction and renovation of residential buildings and grow its exposure to commercial properties.

Wienerberger expects to benefit from significant synergies, including through

optimization of the production and distribution network, implementation of further operational excellence measures across the combined business and improvements in ESG performance. Run-rate EBITDA synergies of \$ 20 million are expected by 2023 resulting in a combined synergized EBITDA of > \$120 million.

Heimo Scheuch, CEO of Wienerberger Group commented:

"This acquisition is our largest acquisition in fifteen years and significantly increases the scale and breadth of our offering in North America, establishing our leadership in the region and building a strong foundation for sustainable growth. Meridian Brick is an excellent fit for Wienerberger due to our shared focus on sustainability, innovative solutions and digital business models.

Smart solutions for resource-efficient construction and renovation are becoming ever more important in the face of climate change. With Meridian Brick, we can make an even more effective contribution to overcoming these challenges with sustainable products for the building envelope.

The goal of all our developments is to bring us closer to our customers and partners to offer them complete systems solutions; the acquisition of Meridian Brick helps us to take a significant further step in that direction."

Transaction Details

Completion is targeted to occur in the first half of 2021, subject to competition clearance and satisfaction of other conditions typical for a transaction of this nature. The transaction consideration will be financed from existing credit lines. Following completion of the acquisition, Wienerberger will retain a strong balance sheet and liquidity position and expects the ratio of net debt to EBITDA to be comfortably ~ 2.0x at year-end 2020.

A conference call will be hosted at 2pm CET and can be accessed via the following link:

<https://www.wienerberger.com/en/investors.html> [<https://www.wienerberger.com/en/investors.html>]

Wienerberger Group

The Wienerberger Group is a leading international provider of smart solutions for the entire building envelope and for infrastructure. Wienerberger is the world's largest producer of bricks (Porotherm, Terca) and the market leader in clay roof tiles (Koramic, Tondach) in Europe as well as concrete pavers (Semmelrock) in Eastern Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the leading suppliers in Europe. With its total of 201 production sites, the Wienerberger Group generated revenues of EUR 3.5 billion and EBITDA LFL of EUR 587 million in 2019.

Wienerberger AG is a pure free float company, whereby the majority of shares are held by Austrian and international institutional investors. Additional information on the shareholder structure is provided under <https://www.wienerberger.com/en/investors/share> [[https://www.wienerberger.com/en/investors/share](https://www.wienerberger.com/en/investors/share%20)]

Further inquiry note:

Claudia Hajdinyak, Head of Corporate Communications Wienerberger AG
t +43 664 828 31 83 | claudia.hajdinyak@wienerberger.com

Anna Maria Gausgruber, Head of Investor Relations Wienerberger AG
t +43 1 601 92 - 10221 | investor@wienerberger.com

end of announcement euro adhoc

issuer: Wienerberger AG
 Wienerbergerplatz 1

A-1100 Wien

phone: +43 1 60 192-0
FAX: +43 1 60 192-10159
mail: office@wienerberger.com
WWW: www.wienerberger.com
ISIN: AT0000831706, AT0000A2GLA0
indexes: ATX
stockmarkets: Wien
language: English

Original content of: Wienerberger AG, transmitted by news aktuell

Diese Meldung kann unter <https://www.presseportal.de/en/pm/51390/4794441> abgerufen werden.