SEMI-ANNUAL REPORT 2008

29.8.2008

STRABAG SOCIETAS EUROPAEA

KEY FIGURES

Key Financial Figures

	Q2/2008	Q2/2007	Change	6M/2008	6M/2007	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output Volume	3,374,204	2,745,612	22.89	5,296,772	4,463,302	18.67	10,746,223
Revenue	3,014,698	2,571,389	17.24	4,777,413	4,046,735	18.06	9,878,600
Order Backlog				13,656,845	10,638,869	28.37	10,742,287
Net income	92,026	72,308	27.27	-17,820	-32,430	45.05	207,614
Employees				66,042	56,808	16.25	61,125

Key Earnings Figures

	Q2/2008	Q2/2007	Change	6M/2008	6M/2007	Change	2007
	T€	T€	in %	T€	T€	in %	T€
EBITDA	192,416	163,578	17.63	130,120	102,454	27.00	595,899
EBITDA margin as % of revenue	6.38	6.36	0.31	2.72	2.53	7.51	6.03
EBIT	109,805	99,197	10.69	-28,412	-21,625	-31.38	312,428
EBIT margin as % of revenue	3.64	3.86	-5.70	-0.59	-0.53	-11.32	3.16
Earnings before taxes	112,854	83,521	35.12	-23,353	-49,453	52.78	276,256
Net income	92,026	72,308	27.27	-17,820	-32,430	45.05	207,614
Cash-flow from operating activities	-104,780	-13,910	-653.27	-346,419	-248,339	-39.49	493,989
ROCE in %	2.56[1)]	3.63	-29.48	0.27[1)]	-0.06	550.00	8.47
Investments in fixed assets and intangible assets	368,046	152,214	141.80	523,756	235,205	122.68	543,842

Key Balance Sheet Figures

	30.6.2008	31.12.2007	Change
	T€	T€	in %
Equity	3,002,448	3,096,454	-3.04
Equity Ratio in %	32.92	40.00	-17.70
Net Debt	921,635	-926,972	199.42
Gearing Ratio	0.31	-0.30	203.33
Capital Employed	5,005,761	4,135,257	21.05
Working Capital	985,003	1,794,976	-45.12
Total Assets	9,121,708	7,740,814	17.84

EBITDA = profit for the period before net interest income, income tax expense, depreciation and amortization
EBIT = profit for the period before net interest income and income tax expense
ROCE = net income + interest on debt-interest tax shield (25 %) / (average group equity + interest-bearing debt)
Net Debt = financial liabilities + provisions for severance and pension obligations – cash and cash equivalents
Gearing Ratio = Net Debt/Group Equity
Capital Employed = group equity + interest-bearing debt
Working Capital = Current assets – Current liabilities
1) Capital employed adjusted for AKA Alföld Koncessizios Autopalya Zrt., Budapest

FOREWORD

Dr. Hans Peter Haselsteiner
Chairman of the
Management Board

Dear shareholders, associates
and friends of STRABAG SE

Despite critical voices regarding the current economic environment and the weak international stock markets, I remain convinced: STRABAG SE will keep its promises and deliver attractive results in the 2008 financial year for you, our shareholders.

Why am I so certain? At the end of the first half of 2008, STRABAG can look back on a record backlog of orders of € 13,656.8 million. € 2,039.5 million, or 15 % of this amount, come from the growth market Russia – meaning that the Group's second highest order backlog is attributable to the high-margin Russian market. In a in partily difficult environment, STRABAG has managed to increase the construction output in the first six months of 2008 by 19 % to € 5,296.8 million.

We are at work every day to ensure that STRABAG grows more than its peer group while increasing profitability at the same time. To date, we can look back on ten major acquisitions and numerous new partnerships in 2008. For this reason, we have raised our outlook for the 2008 financial year. We now expect the construction output to rise by 25 % compared to the previous year, and the earnings margins should rise as well.

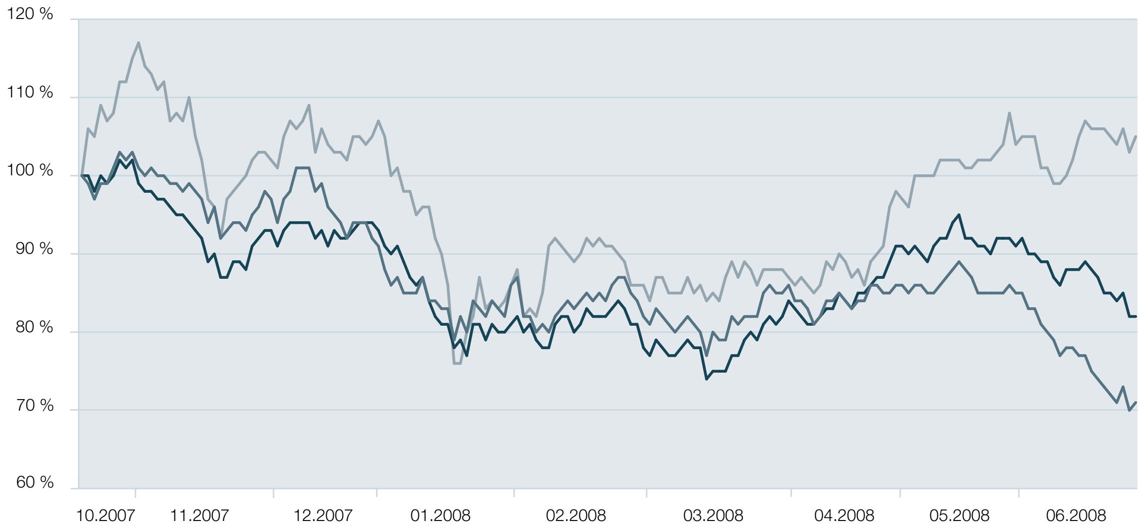
- **Record order backlog of € 13.7 billion – increase of 28 % over first half of 2007 – Russia's share 15 %**

- **Output volume +19 % to € 5,296.8 million in first half of 2008 – EBIT seasonally negative – annual profit after minority interests enters plus to € 1.0 million.**

- **Outlook 2008 upgraded: expected growth of construction output to +25 % – increase of EBIT by nearly +30 % – increased margins for consolidated result as well**

SHARE

ATX
STRABAG SE
Dow Jones STOXX Construction & Materials



The shares of STRABAG SE were able to avoid the negative trend on the international stock markets and ended the first six months of 2008 up 1.6 % to € 49.50. The shares' average trade volume on the Vienna Stock Exchange grew from 335,700 shares in the first quarter 2008 to 346,745 shares.

The financial crisis resulting from the situation on the US mortgage market continued to have a negative effect on investor confidence, so that New York's Dow Jones Industrial Index fell by 14.4 %, the Euro Stoxx 50 by about 23.8 % and Japan's Nikkei by 11.9 % compared to the closing levels of the previous year. Austria's ATX lost about 12.6 % in the first six months of 2008, mirroring the performance of the international stock markets. The Dow Jones STOXX Construction & Materials, which measures the performance of construction sector shares, fell by 25.0 %, placing it, unlike the shares of STRABAG SE, clearly in the minus.

Shares of STRABAG SE are currently under observation by analysts from six international banks. Their analyses and recommendations are available at the STRABAG SE website at www.strabag.com / Investor Relations / Share / Research & Analysts

STRABAG SE Share

Market capitalization at 30.6.2008	€ mln.	5,643
Closing price on 30.6.2008	€	49.50
Year's maximum on 30.5.2008	€	50.92
Year's minimum on 21.1.2008	€	35.80
Performance HY 2008	%	+1.6
Outstanding shares (absolute)	shares	113,999,997
Outstanding shares (weighted) in Q2/08	shares	113,999,997
Weight in ATX on 30.6.2008	%	2.4
Volume traded HY 2008	€ mln.*	1,904
Average trade volume per day	shares*	346,745
% of total volume traded on Vienna Stock Exchange	%	2.4

* double count

IMPORTANT EVENTS

- At the beginning of April 2008, STRABAG SE acquired 82.31 % of Swedish construction company ODEN Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, the company generated revenues of € 121 million and had about 400 employees. The full consolidation of ODEN took place in the second quarter of 2008.

- Also in April, STRABAG SE acquired 80 % of KIRCHNER Holding GmbH, one of Germany's leading construction SMEs. In 2007, the company employed 1,500 people and generated a construction output volume of € 373 million. KIRCHNER is mainly active in segments of infrastructure construction and environmental technologies. The company also has an important international presence – particularly in the transportation infrastructures segment in Poland – and has proprietary access to resources and raw materials. Anti-trust authorities still haven´t approved the acqusition.

- At the end of April, STRABAG AG was awarded the tender for its first project in Sochi. STRABAG will plan and realize the modernization of a terminal at Adler International Airport about 40 kilometres from Sochi. The total volume of the order amounts to about € 62 million. The project is being carried out as part of a 50:50 consortium led by STRABAG. Work began on 25 April and is scheduled for completion in the spring of 2009.

- In May, STRABAG SE acquired 100 % of the Swiss StraBAG Group, which consists of the construction firms StraBAG Strassenbau und Beton AG, Witta Bau AG und Frey & Götschi AG. With the acquisition, STRABAG SE intends to strengthen its market position in the infrastructure construction segment in the Zurich region and build up a nationwide presence in this market in Switzerland in the future. In 2007, the StraBAG Group employed 168 people and generated revenues of about € 28 million. The newly acquired company is fully consolidated from the second quarter 2008.

- After buying out minority shareholders, STRABAG SE has held a substantial package of shares just below a majority stake in EFKON AG in the second quarter, a leading company in the field of electronic payment systems in transportation and in intelligent traffic control systems. Based in Graz, Austria, EFKON is a globally active company with 700 employees in 17 countries. In 2007, EFKON generated revenues of about € 70 million. The investment in EFKON allows STRABAG to position itself as a one-stop provider of state-of-the-art infrastructure facilities and toll systems.

- At the end of May, the board of management of STRABAG SE approved the complete acquisition of the Hungarian M5 motorway concession company. The M5 motorway is operated by the AKA concession company. STRABAG already held about 25 % of AKA before acquiring AKA's holding company from Raiffeisen PPP Infrastruktur Beteiligungs GmbH, bringing STRABAG's share to 100 %. The concession runs until the year of 2031. The purchase in large part was paid for in the second quarter of 2008.

- In June, the city of Saint Petersburg awarded the STRABAG-led consortium WHSD-Nevskij Meridian the tender for the construction of the Western High-Speed Diameter, a ring road around Saint Petersburg. The contract has an expected volume of approx. € 5 billion. STRABAG's share of the construction is worth about € 1 billion. In the coming months, the concession agreement will be negotiated with the city of Saint Petersburg. Construction is expected to start in spring 2009.

- In July, Deutsche Telekom and STRABAG SE concluded an agreement over the sale of Frankfurt-based Deutsche Telekom Immobilien und Service GmbH (DeTeImmobilien), a 100 % subsidiary of Deutsche Telekom. According to the terms of the agreement, DeTeImmobilien will be sold by Deutsche Telekom effective 1 October 2008 and operations will be continued by the STRABAG Group. DeTeImmobilien has about 6,240 employees and provides comprehensive services in the field of facility management. The company generated revenues of roughly € 1 billion in the 2007 financial year.

- Following the offer submitted to shareholders of Cologne-based STRABAG AG for the acquisition of their shares, STRABAG SE as of the end of July holds 87.73 % of its publicly traded German subsidiary. By the deadline for acceptance on 22 July 2008, the voluntary public purchase offer issued by STRABAG SE on 17 June had been accepted for a total of 851,679 shares of STRABAG AG, Cologne. This corresponds to approx. 21.13 % of the share capital and voting rights of STRABAG AG.

- In July, STRABAG SE announced the 100 % acquisition of CEMEX Austria AG and CEMEX Hungaria Epitöanyagok Kft., two important market participants in the field of concrete, gravel and stone production in Austria and Hungary. In 2007, CEMEX Austria generated revenues of € 196 million. CEMEX Hungaria's revenues amounted to € 61 million in the same year. This strategically important acquisition helps to strengthen STRABAG's market position in stone, gravel and concrete production in Austria and Hungary. Particularly in Austria, where STRABAG's presence in the raw materials sector had been relatively low, the acquisition results in nationwide market coverage.

- STRABAG's Polish subsidiary, STRABAG Sp. z o.o., won orders in the Transportation Infrastructures Segment totalling € 375 million in the third quarter. As general contractor, the company is building the Slupsk bypass, a section of National Road DK 6 from Szczecin to Gdansk. The volume of the order totals € 89 million, with STRABAG's share amounting to 60 %. STRABAG will also upgrade a part of National Road DK 16 to an expressway. The project, being carried out 100 % by STRABAG, has a value of € 87.7 million. The third and largest order involves the construction of a section of the A1 motorway von Belk to Swierklany. The project is being realized in a 50:50 partnership with Heilit Woerner Budowlana Sp. z o.o., also a member of the STRABAG Group. The contract has a volume of € 233.8 million.

Bondy Center, Multifunctional Center, Mlada Boleslav, Czech Republic

MANAGEMENT REPORT JANUARY – JUNE 2008

Output Volume and Revenue

STRABAG SE was able to grow its output volume in the first half of 2008 by 19 % over the first half of the previous year to € 5,296.8 million. About 42 % or € 348 million of this increase was contributed by Central and Eastern Europe, while a plus of € 206 million came from the largest national market, Germany. The consolidation of Italy's Adanti S. p. A. and of Swedish construction firm ODEN Anläggningsentreprenad AB in part contributed to increases in other Western European countries.

Consolidated Group revenue in the first six months of the 2008 financial year amounted to € 4,777.4 million, compared to € 4,046.7 million in the same period last year (+18 %). Revenue in the second quarter 2008 was up 17 % to € 3,014.7 million.

All companies consolidated for the first time in the first half of the year contributed a total of € 101.6 million to the consolidated revenue and € 1.2 million to the consolidated profit.

Order Backlog

The order backlog at 30 June 2008 showed a plus of 28 % compared to the first half of 2007 and an increase of 27 % over the balance sheet date from the 2007 financial year. The record volume of € 13,656.8 million was due to significant increases in all segments. As was the case in the first quarter 2008, the Building Construction & Civil Engineering Segment accounts for 56 %, Transportation Infrastructures for 25 % and Special Divisions & Concessions for 18 % of the Group's order backlog.

Worth noting is the fact that Russia, with € 2,039.5 million, already has the second highest order backlog in the STRABAG Group. In this dynamic growth market with comparably high margins, the order backlog, with a plus of 135 %, more than doubled when compared with the first half of 2007.

Financial Position, Financial Performance and Cash-flows

The limited capacity for construction in winter results in significant seasonal effects on the development of earnings and other financial figures of STRABAG SE. The first two quarters of the year typically have negative results, which is then overcompensated by results in the second half of the year. As a result of these seasonal effects, a quarterly comparison (to Q1 2008) makes little sense. Higher business volume also results in a more pronounced effect of seasonality on the earnings development, a situation which is revealed in the results of the first half of 2008 as well.

While the EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization), with € 130.1 million, grew by 27 % over the first half of 2007, the EBIT (Earnings before Interest and Taxes), with € -28.4 million, fell 31 % more deeply into negative territory. Due to the positive net interest income, which had still been negative in the previous period last year, the pre-tax profit (EBT) was improved to € -23.4 million. The profit for the period stood at € -17.8 million, while the profit for the period after minorities left the red to reach € 1.0 million. The earnings per share stood at € 0.01.

The EBITDA, EBIT and profit for the period all posted two-digit growth rates in the second quarter 2008. With the exception of the EBIT margin, all margins remained relatively stable.

The balance sheet total increased from € 7,740.8 million on 31 December 2007 to € 9,121.7 million on 30 June 2008, above all due to the strong increase in intangible assets because of the first time consolidation of AKA Alföld Koncessizios Autopalya Zrt., Budapest. The thereby resulting increase of total assets lead to a decrease of the equity ratio from 40.0 % to 32.9 %. In the medium term, STRABAG is aiming at an equity ratio between 20 % and 25 %. The previous net cash position developed into one of net debt of € 921.6 million.

At € -346.4 million, the cash-flow from operating activities stood below the previous year's levels of € -248.3 million. The cash-flow from investing activities was up from € -298.9 million to € -591.7 million as a result of the STRABAG Group's acquisition and expansion activities. Due to the significantly lower level of bank borrowings in the first six months, the cash-flow from financing activities fell from € 290.9 million to € 24.9 million.

Investments

In addition to the necessary replacement investments, investments made in the first six months of the 2008 financial year under the STRABAG corporate strategy included the establishment of the Railway Structures and Specialty Foundation Engineering business fields as well as the extension of the raw materials basis. Furthermore, a double digit million euro amount was invested in equipment for the expansion of capacities in Russia.

Employees

As a result of the higher construction activity and the acquisitions effected over the same period of the previous year, the workforce grew by 16 % to 66,042 persons. Of these, 42,492 were blue-collar and 23,550 white-collar workers. 896 new employees joined the Group in Russia alone. In Poland, the workforce was up by 1,239. With this increase, STRABAG responds to the promising outlook on this market.

MANAGEMENT REPORT JANUARY – JUNE 2008

Major Transactions and Risks

During the first six months of the financial year, there were no transactions with affiliated companies and related parties which significantly influenced the financial position or the operating profit nor were there any changes regarding transactions with affiliated companies and related parties which had been presented in the annual financial statements and which influenced significantly the financial position or the operating profit in the first six months of the ongoing financial year.

In the course of its entrepreneurial activities, the STRABAG Group is exposed to a number of risks, which are identified and assessed using an active risk management system and dealt with by applying an appropriate risk policy. Among the most important risks are external risks such as cyclical fluctuations in the construction industry, operating risks in the selection and execution of projects, as well as financial, organisational, personnel and investment risks. The risks are explained in more detail in the 2007 management report. A review of the current risk situation revealed that in the reporting period there existed no risks which threatened the existence of the company and that for the future no risks are recognisable which constitute a threat to its continued existence.

Outlook

Due to the Group's lively investment activities of the past six months, STRABAG SE is revising its outlook for the 2008 financial year. STRABAG now believes that construction output and revenues in 2008 will grow more

Nesslachbridge Längenfeld, Tyrol, Austria significantly than previously expected, gaining 25 % over the 2007 financial year. With the expansion into higher-margin countries and segments, significantly higher Earnings before Interest and Taxes (EBIT) – a plus of nearly 30 % – and a slight improvement of the EBIT margin should be possible. Following the acquisition of further shares of the publicly listed German subsidiary STRABAG AG, Cologne, the minority interest in the Group profit of € 37 million in the 2007 financial year should fall to € 20 million to € 25 million this year. For this reason, STRABAG expects the margin of the net profit after minority interest in the 2008 financial year to rise more significantly than the EBIT margin.

STRABAG expects the investment level – including spending for acquisitions – to amount to between 14 % and 15 % of the revenue of the 2008 financial year. Depreciation and amortization are expected to amount to 2.8 % to 3.3 % of the revenue. The tax ratio is expected to remain stable at about 25 %. Due to the Group's strong expansion and related investments, STRABAG does not expect to report positive free cash-flow values until 2010.

The order backlog of € 13.7 billion at 30 June 2008 covers more than 100 % of the planned construction output for 2008. STRABAG thus sees itself in a good position to grow its market shares in the Eastern European markets – in Croatia, the STRABAG Group is already number two on the market – and to further consolidate its position as a market leader in Germany, Austria and Hungary. STRABAG SE remains confident of being able to improve – slightly but still clearly noticeable in the results – the margins in Germany, still the Group's largest single market, compared to last year. The expansion in Russia is on track, lending an additional boost to the Group's earnings development.

SEGMENT REPORT

BUILDING CONSTRUCTION & CIVIL ENGINEERING

	Q2/08	Q2/07	Change	6M/08	6M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	1,468,075	1,368,868	7.2	2,590,852	2,458,116	5.4	5,417,841
Revenue	1,275,856	1,279,644	-0.3	2,305,849	2,212,047	4.2	4,815,571
Order Backlog				7,619,813	6,030,144	26.4	6,261,855
EBIT	26,684	18,738	42.4	-3,400	-6,049	43.8	76,565
EBIT margin as a % of revenue	2.1	1.5		-0.1	-0.3		1.6
Employees				27,788	24,402	13.9	26,322

The Building Construction & Civil Engineering Segment generated a output volume of € 2,590.9 million in the first half of 2008. This represents approx. a 5 % plus over the same period the previous year. The segment contributed 49 % to the group's overall construction output in the first six months, down from 55 % last year. The development reflects the Group's strategy of focusing its growth efforts on Central and Eastern Europe: output volume in the CEE region grew by 33 % – led by Russia, where growth stood at 85 % – while the output volume in the home markets of Germany and Austria fell by 3 % and 4 %, respectively.

The situation of order backlog paints a dynamic picture: At the end of the first six months, the backlog of orders stood at € 7,619.8 million, 26 % higher than at the same time the previous year. The orders backlog in Central and Eastern Europe was up 93 %, above all due to the plus in Russia of over 141 % to € 2,008.6 million. Therewith Russia has the second largest share in the Group`s overall order backlog. Order backlog also showed particularly positive development in Poland (+188 %), Slovakia (+85 %) and Hungary (+41 %), while falling in the Czech Republic (-42 %), Austria (-3 %) and Germany (-2 %).

In Russia, STRABAG Group was able to land several new large-scale projects in the buildings segment in the first six months of 2008. At the end of April, STRABAG AG was awarded the tender for its first project in Sochi. STRABAG will plan and realize the modernization of a terminal at Adler International Airport. The total volume of the order amounts to about € 62 million. The project is being carried out as part of a 50:50 consortium led by STRABAG. The construction project for a residential complex in Saratov has been included in the order backlog since June. The "cost plus fee" project has a volume of about € 140 million.

In Poland, STRABAG was awarded a € 91.7 million tender to build a shopping centre in the city of Częstochowa. STRABAG's share of the project is 88.5 %. The shopping centre is scheduled for completion in October 2010. Furthermore, STRABAG has been hired to build an additional part of the Z-Tower commercial complex in Riga, Latvia. The volume of the order for STRABAG amounts to € 126.5 million. In Sofia, Bulgaria, STRABAG will build a multifunction complex. The contract for the Megapark Sofia was signed in April and is worth € 85 million.

On the German home market, the STRABAG Group in the second quarter was awarded the € 125 million tender for the construction of the Rheingalerie Ludwigshafen shopping centre.

In the first half of 2008, revenues in the Building Construction & Civil Engineering Segment grew by 4.2 % to € 2,305.8 million. The EBIT, and with it the margin, remained in negative territory, although the EBIT improved by 42 % in the second quarter. The EBIT margin was up from 1.5 % to 2.1 % in the second quarter compared to the previous year. Quarterly revenues remained relatively stable at € 1,275.9 million.

The dynamic growth of orders in Russia and the stable development in Germany make for a positive outlook and it is expected that last year's improvement of the margins in the Building Construction & Civil Engineering Segment will be continued in the 2008 financial year. Particularly positive is the fact that the segment appears to be still barely affected by the subprime crisis.

The average workforce level was up 14 % to 27,788, due not least to acquisitions and the higher workforce in Russia that is necessary for expansion. The extension of capacities in Russia currently has priority over the expansion of the Building Construction & Civil Engineering Segment in other countries. For this reason, the workforce was down in countries such as Austria and Germany.

Water Park, Karlsruhe, Germany

SEGMENT REPORT

TRANSPORTATION INFRASTRUCTURES

	Q2/08	Q2/07	Change	6M/08	6M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	1,545,505	1,212,099	27.5	2,136,406	1,675,618	27.5	4,616,841
Revenue	1,337,938	1,161,028	15.2	1,917,060	1,599,336	19.9	4,455,142
Order backlog				3,503,381	2,619,671	33.7	2,081,015
EBIT	72,309	61,247	18.1	-17,932	-19,915	10.0	185,646
EBIT margin as a % of revenue	5.4	5.3		-0.9	-1.2		4.2
Employees				29,929	26,181	14.3	28,352

The revenues in the Transportation Infrastructures Segment in the first half of 2008 grew by 20 % to € 1,917.1 million. The negative EBIT margin was down from -1.2 % to -0.9 %. In the second quarter of 2008, revenue stood at € 1,337.9 million, 15 % higher compared to the second quarter of 2007. The quarterly EBIT was up 18 % to € 72.3 million.

The construction output of the Transportation Infrastructures Segment in the first half of 2008 amounted to about € 2,136.4 million. This corresponds to a plus of 28 % over the same period of the previous year. This development is largely due to growth in Germany (€ +199 million) and Poland (€ +77 million) as well as to the consolidation of the 82 % stake acquired in the first quarter 2008 in Swedish construction firm ODEN Anläggningsentreprenad AB, Stockholm (Scandinavia € +43 million). German company Kirchhoff, also acquired in the first quarter 2008, will be consolidated as of the third quarter. As a result, it is not reflected in the present figures.

In April, STRABAG SE acquired 80 % of KIRCHNER Holding GmbH, one of Germany's leading construction SMEs. In 2007, the company employed 1,500 people and generated a construction output volume of € 373 million. KIRCHNER is mainly active in the segments of infrastructure construction and environmental technologies. The company also has an important international presence – particularly in the transportation infrastructures segment in Poland – and has proprietary access to resources and raw materials. STRABAG expects to consolidate KIRCHNER as of the fourth quarter 2008.

Despite the acquisitions in Germany, the Group's focus remains on growth in Central and Eastern Europe. The orders backlog in this region already accounts for 46 % of the total orders backlog in the segment.

The growth of the orders backlog, which grew by 34 % to € 3,503.4 million, was influenced above all by the markets in Germany, Hungary and the Czech Republic and significantly by Poland: In the first quarter 2008, a consortium around STRABAG was awarded the tender to build the S8 expressway in Poland between Konotopa and Prymasa Tysiąclecia. The order has a total volume of about € 490 million, with the share of Polish subsidiary STRABAG Sp. z o.o. amounting to 27 %. In the second quarter, the STRABAG Group won road construction orders in Poland totalling about € 99 million, followed three further projects in the third quarter with a total volume of € 375 million. STRABAG expects further significant increases in the transportation infrastructures business in Poland, particularly as the orders backlog in the country as of 30 June 2008 already amounted to € 502.4 million.

In the course of the expansion of the business, and due to acquisitions, the workforce in the Transportation Infrastructures Segment grew by 3,748 people, or 14 %, to 29,929 employees, with Germany and Poland reporting a plus of 1,140 employees and 1,017 employees, respectively, when compared to the first six months of 2007. In Hungary, the business dynamic was down and the number of employees fell by 339 persons in the same period.

STRABAG expects the output volume in the Transportation Infrastructures Segment in the 2008 financial year to increase by about 15 % year on year. Significant price increases for diesel and bitumen, however, represent a constraint to the growth of the operating result, resulting in pressure on the margins. For this reason, new contracts will focus increasingly on sliding-scale price clauses.

Motorway A10 Carinthia, Austria

SEGMENT REPORT

SPECIAL DIVISIONS & CONCESSIONS

	Q2/08	Q2/07	Change	6M/08	6M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	317,742	136,699	132.4	481,024	270,059	78.1	582,077
Revenue	387,467	106,671	263.2	534,742	204,713	161.2	584,961
Order backlog				2,490,810	1,949,887	27.7	2,347,814
EBIT	7,462	14,241	-47.6	-8,146	1,567	-619.8	48,455
EBIT margin as a % of revenue	1.9	13.4		-1.5	0.8		8.3
Employees				3,319	1,753	89.3	1,824

The construction output of the Special Divisions & Concessions Segment grew by 78 % to € 481.0 million in the first half of 2008. Output volume only includes the Group´s output volume while construction output of consortium partners, which is invoiced by STRABAG, is not included; as a result, the revenue grew more significantly, gaining 161 % to € 534.7 million. While the 2007 EBIT had already reached positive territory in the first half of last year, it has been in negative territory so far this year. In the second quarter 2008, the EBIT fell 48 % to € 7.46 million, even as revenues grew by 263 % to € 387.5 million.

Order backlog reached € 2,490.8 million, a plus of 28 % compared to the first six months of 2007. Significant increases result in part from Phase III of the M6 motorway in Hungary (Hungary +372 %) as well as from two PPP (public private partnership) projects in Germany, the Berufsakademie Heidenheim (Heidenheim University of Cooperative Education) and the Brandenburg Ministry of Finance in Potsdam (Germany +40 %).
New orders for the STRABAG Group in the first half of 2008 included the construction of the Söderström Tunnel in Stockholm, Sweden, with a contract volume of about € 71 million and a scheduled construction time from March 2008 to September 2012.

In February, STRABAG SE signed the agreements covering the 100 % acquisition of Adanti S. p. A., a Bologna, Italy-based construction firm. In 2007, Adanti generated revenues of € 160 million and employed 370 people. The financial results as well as the company's volume of orders have been included in the consolidated financial figures since the second quarter. In Italy, the Special Divisions & Concessions Segment generated a total construction output in the first six months of 2008 of € 99.7 million (€ +98 million) and employed 290 persons on average. Order backlog as of 30 June 2008 stood at € 675.9 million.

In the second quarter, STRABAG SE acquired a substantial package of shares in EFKON AG just below a majority holding. EFKON is a leading company in electronic payment systems in the field of transportation and in intelligent traffic control systems. In the 2007 financial year, the Graz-based company generated revenues of about € 70 million. The investment in EFKON allows STRABAG to provide toll systems in addition to actual building work when bidding for motorway projects under a PPP model in the field of infrastructure construction. The company is included in the Group´s consolidated financial statements using the equity method since the second quarter 2008.

At the end of May, the board of management of STRABAG SE approved the complete acquisition of the Hungarian M5 motorway concession company. The M5 motorway is operated by the AKA concession company. STRABAG already held about 25 % of AKA before acquiring AKA's holding company from Raiffeisen PPP Infrastruktur Beteiligungs GmbH, bringing STRABAG's share to 100 %. The concession runs until 2031. The full consolidation took place in the second quarter 2008.

In the first quarter, both sub-divisions of the Specialty Foundation Engineering Business Field were moved from the Building Construction & Civil Engineering Segment to the Special Divisions & Concessions Segment. In the first six months of the current financial year, Specialty Foundation Engineering contributed to output volume with € 108.4 million to the Special Divisions & Concessions Segment, compared to its contribution of output volume of € 101.0 million in the Building Construction & Civil Engineering Segment in the first six months of 2007. STRABAG expects the sub-divisions' earnings contributions in 2008 to remain negative due to restructuring. The margin, however, should move towards the average margin of the Special Divisions & Concessions Segment in the medium term. This is expected to somewhat balance out the traditionally volatile course of business in the segment, as orders in Specialty Foundation Engineering, unlike is the case in the rest of the segment, usually involve small projects of rather short duration.

The acquisition of new projects and the transfer onto the segment of the Specialty Foundation Engineering Business Field led to an increase in the workforce in the segment to 3,319 persons.

The Tunnelling Business Unit is currently preparing to bid for projects in Switzerland, Austria and Italy. The management expects that the generally low price level in tunnelling in the core markets can be balanced out by the higher margins in STRABAG's newer markets. Older projects for which no sliding-scale price clauses were agreed are burdened by the strong jump in steel prices. For new orders, this factor is included in the calculation.

The Infrastructure Development Business Unit is well-positioned in a strongly growing market with a number of promising tenders. In June, the city of Saint Petersburg awarded the STRABAG-led consortium WHSD-Nevskij Meridian the tender for the construction of the Western High-Speed Diameter, a ring road around Saint Petersburg. The concession agreement is currently being negotiated with the city of Saint Petersburg.

The Real Estate Development Business Unit is also enjoying a positive market environment regarding demand. The results, however, are affected negatively by the rising raw materials prices.

In its Facility Management Business Unit, STRABAG will undertake far-reaching organizational changes. In July, Deutsche Telekom and STRABAG SE concluded an agreement over the sale of Frankfurt-based Deutsche Telekom Immobilien und Service GmbH (DeTeImmobilien), a 100 % subsidiary of Deutsche Telekom. According to the terms of the agreement, DeTeImmobilien will be sold by Deutsche Telekom effective 1 October 2008 and operations will be continued by the STRABAG Group. DeTeImmobilien has about 6,240 employees and provides comprehensive services in the field of facility management. The company generated revenues of roughly € 1 billion in the 2007 financial year. STRABAG will merge its existing facility management activities and those of DeTeImmobilien in STRABAG Property and Facility Services GmbH. STRABAG is confident that it will be able to capture a high share of the market in the strongly fragmented but growing German facility management market and of achieving an EBIT margin above the Group average in the coming years.

Motorway Zagreb-Macelj, Tunnel Tri Kralja, Croatia

CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2008

CONSOLIDATED INCOME STATEMENT 1.1.2008- 30.6.2008

	1.4.-30.6.2008 T€	1.4.-30.6.2007 T€	1.1.-30.6.2008 T€	1.1.-30.6.2007 T€
Revenue	3,014,698	2,571,389	4,777,413	4,046,735
Changes in inventories	28,186	-92,128	15,959	-54,913
Own work capitalized	28,153	13,433	41,080	25,015
Other operating income	64,988	53,690	110,116	102,884
Raw materials, consumables and services used	-2,165,682	-1,726,248	-3,446,770	-2,857,958
Employee benefits expense	-606,872	-509,788	-1,072,527	-914,438
Other operating expenses	-182,232	-162,971	-308,294	-262,378
Share of profit or loss of associates	4,945	10,539	2,909	9,852
Net investment income	6,232	5,662	10,234	7,655
EBITDA	**192,416**	**163,578**	**130,120**	**102,454**
Depreciation and amortization expense	-82,611	-64,381	-158,532	-124,079
EBIT	**109,805**	**99,197**	**-28,412**	**-21,625**
Interest income	20,927	5,439	44,031	13,896
Interest expense charges	-17,878	-21,115	-38,972	-41,724
Net interest income	**3,049**	**-15,676**	**5,059**	**-27,828**
Profit before tax	**112,854**	**83,521**	**-23,353**	**-49,453**
Income tax expense	-20,828	-11,213	5,533	17,023
Profit for the period	**92,026**	**72,308**	**-17,820**	**-32,430**
Attributable to: Minority interest	9,770	6,556	-18,836	-15,434
Attributable to: Equity holders of the parent	82,256	65,752	1,016	-16,996
Earnings per share (in €)	0.72	0.94	0.01	-0.24

STATEMENT OF RECOGNIZED INCOME AND EXPENSE

	1.1.-30.6.2008 T€	1.1.-30.6.2007 T€
Differences arising from currency translation	58,057	-6,373
Change in hedging reserves	30,688	-716
Deferred taxes on neutral change in equity	-7,672	179
Net income recognized directly in equity	**81,073**	**-6,910**
Profit for the period	-17,820	-32,430
Total of recognized income and expense for the period	**63,253**	**-39,340**
Attributable to: Minority interest	-15,524	-16,697
Equity holders of the parent	78,777	-22,643

Liquified Natural Gas Tanks, Yemen

CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2008

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2008

Assets	30.6.2008 T€	31.12.2007 T€
Non-current assets		
Intangible assets	1,475,659	239,852
Property, plant and equipment	1,825,316	1,543,569
Investment property	148,941	149,407
Investments in associates	149,332	139,260
Other financial assets	232,965	223,567
Trade receivables	50,087	40,062
Other receivables and other assets	38,460	40,599
Deferred taxes	76,087	93,528
	3,996,847	**2,469,844**
Current assets		
Inventories	599,192	477,443
Trade receivables	2,905,523	2,448,074
Other receivables and other assets	538,468	379,678
Cash and cash equivalents	1,081,678	1,965,775
	5,124,861	**5,270,970**
	9,121,708	**7,740,814**

Equity and Liabilities	30.6.2008 T€	31.12.2007 T€
Group equity		
Share capital	114,000	114,000
Capital reserves	2,311,384	2,311,384
Retained earnings	461,197	445,120
Minority interests	115,867	225,950
	3,002,448	**3,096,454**
Non-current liabilities		
Provisions	615,617	625,863
Financial liabilities	1,288,650	484,772
Trade payables	36,048	30,556
Other liabilities	10,682	6,075
Deferred taxes	28,405	21,100
	1,979,402	**1,168,366**
Current liabilities		
Provisions	447,217	448,109
Financial liabilities	372,867	199,320
Trade payables	2.469,802	2,275,687
Other liabilities	849,972	552,878
	4,139,858	**3,475,994**
	9,121,708	**7,740,814**

CONSOLIDATED CASH-FLOW STATEMENT FOR 1.1.-30.6.2008

	1.1.-30.6.2008 T€	1.1.-30.6.2007 T€
Profit for the period	**-17,820**	**-32,430**
Deferred taxes	-28,645	-32,934
Non-cash effective results from associates	6,145	-5,385
Depreciations / write ups	166,022	124,302
Changes in long term provisions	-13,724	-28,583
Gains/losses on disposal of non-current assets	-5,149	-13,556
Cash-flow from profits	**106,829**	**11,414**
Change in items:		
Inventories	5,359	17,448
Trade receivables, construction contracts and consortia	-321,576	-110,220
Receivables from subsidiaries and receivables from participation companies	-63,917	-4,651
Other assets	-14,527	29,704
Trade payables, construction contracts and consortia	62,779	-52,382
Liabilities from subsidiaries and liabilities from participation companies	-10,954	5,750
Other liabilities	-104,985	-113,526
Current provisions	-5,427	-31,876
Cash-flow from operating activities	**-346,419**	**-248,339**
Purchase of financial assets	-57,930	-22,282
Purchase of property, plant, equipment and intangible assets	-392,278	-235,205
Gains/losses on disposal of non-current assets	5,149	13,556
Disposals of non-current assets (carrying value)	65,043	102,774
Change in other cash pooling receivables	7,300	-38,362
Change in scope of consolidation	-218,977	-119,398
Cash-flow from investing activities	**-591,693**	**-298,917**
Change in bank borrowings	69,083	341,661
Change in bonds	25,000	25,000
Change in liabilities from finance leases	-3,872	10,476
Change in other cash pooling liabilities	1,755	-5,486
Acquisition of minority interest	0	1,630
Distribution and withdrawals from partnership	-67,109	-82,422
Cash-flow from financing activities	**24,857**	**290,859**
Cash-flow from operating activities	-346,419	-248,339
Cash-flow from investing activities	-591,693	-298,917
Cash-flow from financing activities	24,857	290,859
Net change in cash and cash equivalents	**-913,255**	**-256,397**
Cash and cash equivalents at the beginning of the year	1,965,775	586,265
Change in cash and cash equivalents due to currency translation	29,158	1,481
Cash and cash equivalents at the end of the period	**1,081,678**	**331,349**
Interest paid	38,871	42,189
Interest received	45,683	17,710
Taxes paid	18,002	20,085

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30 JUNE 2008

Basic Principles

The consolidated interim financial statements of STRABAG SE, based in Villach, Austria, with reporting date 30 June 2008 was drawn up under application of IAS 34 in accordance with the International Financial Reporting Standards (IFRS) – issued by the International Accounting Standards Board (IASB) in London and recognized by the European Union – including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) valid on the reporting date. Applied were exclusively those IASB standards and interpretations adopted by the European Commission before the reporting deadline and published in the Official Journal of the European Union.

In accordance with IAS 34, the consolidated interim financial statements do not contain all the information and details required of annual financial statements. The interim statements should therefore be read in conjunction with the annual financial statements of STRABAG SE, Villach, with reporting date 31 December 2007.

The consolidated financial statements of the Group as at and for the year ended 31 December 2007 are available at www.strabag.com.

The consolidated financial statements were presented in T€. The presentation in T€ may result in rounding differences.

Accounting and Valuation Methods

All accounting and valuation, as well as all notes and details, are fundamentally based on the same accounting principles and valuation methods underlying the consolidated annual financial statements with reporting date 31 December 2007.

Information regarding the accounting and valuation methods can be found in the annual financial statements with reporting date 31 December 2007.

Estimates

The establishment of the interim report requires estimations and assumptions to be made which may influence the application of the accounting and valuation methods as well as the figures for the assets, liabilities, expenses and income. The actual results could deviate from these estimates.

Scope of Consolidation

The consolidated interim financial statements as of 30 June 2008 include STRABAG SE as well as all major domestic and foreign subsidiaries where STRABAG SE either directly or indirectly holds a majority of the voting rights. Major associated companies are reported in the balance sheet using the equity method.

The number of consolidated companies changed in the Q1-2/2008 accounting period as follows:

	consolidation	equity method
Situation on 31.12.2007	278	14
First-time inclusions in reporting period	15	1
Exclusions in reporting period	0	– 1
Situation on 30.6.2008	**293**	**14**

Additions to Scope of Consolidation

The following companies formed part of the scope of consolidation for the first time on the reporting date:

Company	**Direct Stake %**	**Date of Acquisition/ Foundation**
Consolidation:		
Adanti S. p. A., Bologna	100.00	02.4.2008
AKA Alföld Koncessizios Autopalya Zrt., Budapest	100.00	26.6.2008
BHG Bitumenhandelsgesellschaft mbH, Hamburg	100.00	01.1.2008
JHP spol. s.r.o., Prague	100.00	10.4.2008
M.A. d.o.o., Split	100.00	14.2.2008
M5 Beteiligungs GmbH, Vienna	100.00	26.6.2008
M5 Holding GmbH, Vienna	100.00	26.6.2008
ODEN Anläggningsentreprenad AB, Stockholm	82.31	30.4.2008
Pomgrad Inženjering d.o.o., Split	100.00	14.2.2008
Poßögel & Partner Straßen- und Tiefbau GmbH Hermsdorf/Thür., St. Gangloff	100.00	05.6.2008
Štěrkovny spol. s.r.o Dolní Benešov, Dolní Benešov	100.00	12.6.2008
Strabag-Hidroinženjering d.o.o., Split	100.00	14.2.2008
StraBAG Strassenbau und Beton AG, Zurich	100.00	02.5.2008
Trema Engineering 2 sh p.k., Tirana	51.00	14.4.2008
WITTA BAU AG, Zurich	100.00	02.5.2008
at-equity:		
EFKON AG, Graz	45.72	28.4.2008

In February 2008, the Croatian competition authority approved the acquisition of Pomgrad Inženjering d.o.o., Split. Pomgrad Inženjering d.o.o. is a specialist in the construction of ports and port facilities and the acquisition allows STRABAG to strengthen its know-how in this field.

STRABAG SE acquired a majority stake of 51 % of Trema Engineering 2 sh p.k., Albania's third-largest construction company, thus expanding its presence in the Balkan region.

In April 2008, STRABAG acquired 100 % of Czech construction firm JHP spol. s r.o., a specialist in bridge-building.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30 JUNE 2008

In April 2008, STRABAG acquired the Swedish construction company ODEN Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling.

In April 2008, the competent cartel authorities approved the acquisition of Adanti S. p. A., Bologna. Adanti is one of the leading construction companies on the Italian market.

In May 2008, STRABAG SE acquired Switzerland-based StraBAG Strassenbau und Beton AG, Zurich, and WITTA BAU AG, Zurich. The main business activity is in the areas of road construction, civil engineering and underground construction as well as paving and surfacing.

In June 2008, the competent competition authorities approved the 100 % acquisition of Czech stone miner Štěrkovny spol. s r. o. Dolní Benešov, Dolní Benešov. The acquisition allows STRABAG to significantly strengthen its proprietary raw materials basis in the Czech Republic.

Following cartel approval in June 2008, STRABAG acquired 100 % of Hungarian M5 motorway concession company, AKA Alföld Koncessizios Autopalya Zrt., Budapest. The Group already held a 25.12 % stake, which was balanced using the equity method. Effective 26 June 2008, the company will be included in the financial statements by consolidation.

In the concession agreement with the Hungarian state, AKA committed to develop, plan, finance, build and operate the M5 motorway. The motorway itself is the property of the state; all vehicles and equipment necessary for motorway operation are to be transferred to the state free of charge following the end of the concession period.

In exchange, AKA was awarded the concession right to operate the motorway and will regularly receive an availability fee, independent of transit volume, from the Hungarian state for making the motorway available to the public. AKA bears the operator's risk of motorway closure and non-compliance of contractually agreed roadway criteria.

The route totals 156.5 km and was built in 3 phases. The completion of the third phase and handover for traffic took place on 3 March 2006. The concession period runs until 2031. A one-time extension for up to 17.5 years is possible.

The purchase prices are preliminarily allocated to assets and liabilities as follows:

	Acquisition 1.1.-30.6.2008
Acquired assets and liabilities:	
Goodwill	56,248
Other non-current assets	1,086,072
Current assets	375,584
Increase in minority interest in equity	-2,526
Non-current liabilities	-940,560
Current liabilities	-195,033
Purchase price	**379,785**
Less non-cash effective purchase price component	-82,892
Acquired cash and cash equivalents	-77,916
Net cash outflow from the acquisition	**218,977**

The consolidation of companies included for the first time took place at the date of acquisition or the nearest reporting date provided that this had no significant implications to an inclusion at the date of acquisition.

Assuming a fictitious initial consolidation on 1 January 2008 for all acquisitions in the Q1-2/2008 reporting period, the consolidated revenue would amount to T€ 4,958,352 and consolidated profit would have increased by a total of T€ 6,242.

All companies which were consolidated for the first time in Q1-2/2008 contributed T€ 101,587 to revenue and T€ 1,234 to profit.

In April 2008, STRABAG acquired a 45.72 % stake in EFKON AG, a leading company in electronic payment systems in the field of transportation and in intelligent traffic control systems. EFKON AG will be included in the consolidated financial statements using the equity method effective 28 April 2008.

Methods of Consolidation and Currency Translation

The same methods of consolidation and principles of currency translation were applied in drawing up the consolidated interim financial statements with reporting date 30 June 2008 as were used for the consolidated annual financial statements with reporting date 31 December 2007. Details regarding the methods of consolidation and principles of currency translation are available in the 2007 annual report.

Goodwill

Goodwill assets are subjected to an annual impairment test in accordance with IAS 36. The impairment test is carried out in the last two months of the financial year. Effective 30 June 2008, there was no indication that goodwill amortization was necessary.

From the acquisition of an additional 851,679 no-par bearer shares of STRABAG AG, Cologne, goodwill in the amount of T€ 138,118 was capitalized as part of the capital consolidation (see also Notes on Equity).

In the Q1-2/2008 period, a total goodwill from capital consolidation in the amount of T€ 195,327 was capitalized.

NOTES ON THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT

Seasonality

Due to snow, ice and other adverse weather conditions, revenue is usually lower in the winter months than in the summer. As the largest part of the costs involves fixed costs, noteworthy losses are posted in the first quarter every year. Starting with the second quarter, these losses are compensated for by rising contribution margins. The break-even point is usually not yet reached before the end of the second quarter. The largest portion of the earnings is expected in the third and fourth quarters. Seasonal fluctuations in the Transportation Infrastructures business are greater than they are in Building Construction & Civil Engineering.

The above-described, annually repeating business trend allows a year-on-year comparison of output volume, revenue and results of the respective quarters.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30 JUNE 2008

NOTES ON THE ITEMS IN THE CONSOLIDATED BALANCE SHEET

Property, Plant and Equipment and Intangible Assets

In Q1-2/2008, tangible and intangible assets in the amount of T€ 523,756 (Q1-2/2007 T€ 235,205) were acquired.

In the same period, tangible and intangible assets in the amount of a book value of T€ 37,633 were sold (Q1-2/2007 T€ 17,225).

Extraordinary impairment on property, plant and equipment in the amount of T€ 28 (Q1-2/2007 T€ 155) was made. Impairment on goodwill amounts to T€ 0 (Q1-2/2007 T€ 0).

Purchase Obligations

On the reporting date, there were € 66 million in contractual commitments for the acquisition of property, plant and equipment which were not considered in the financial statement.

Equity

The fully paid share capital amounts to € 114,000,000 and is divided into 114,000,000 no-par bearer shares.

In June 2008, STRABAG SE made a public purchase offer in accordance with the German Securities Acquisition and Takeover Act for the purchase of up to 1,346,186 no-par bearer shares of STRABAG AG, Cologne.

The offer price was € 260 per share. The offer ran from 17 June 2008 to 22 July 2008. During this time, the purchase offer was accepted for 851,679 no-par bearer shares of STRABAG AG, Cologne, corresponding to approx. 21.13 % of the share capital of STRABAG AG, Cologne. The total price for the purchase thus stood at T€ 221,437.

According to IAS 32, such a put option for the acquisition of shares requires the resulting obligation to be reported in full as a liability. The minority interests resulting from the sub-group STRABAG AG, Cologne, and the indirect minority interest from sub-group Bau Holding Beteiligungs AG (STRABAG AG, Cologne, holds 35 % of Bau Holding Beteiligungs AG), may no longer be recorded as equity.

The difference between the liability and the book value of the minority interests can be reported as goodwill.

Once the actual acceptance rate is determined following the end of the offer period, the liability beyond the acceptance rate and the goodwill apportionable to it will be booked out and the book value of the minority interests will be entered under equity.

Due to the short period of time between the end of the purchase offer and the interim balance sheet date, and in order to present the actual financial situation as accurately as possible, only the liability resulting from the shares accepted up to 22 July 2008 were considered on the balance sheet date of 30 June 2008.

The liability in the amount of T€ 128,572 (494,507 shares) resulting from the shares not acquired up to 22 July 2008 is not included in the interim financial statement with balance sheet date of 30 June. This minority interest is represented as equity under the item Minority interest.

The changes in equity are shown as follows:

	Share Capital	Capital Reserves	Retained Earnings	Foreign currency reserve	Minority Interest	Total
	T€	T€	T€	T€	T€	T€
Balance at 1.1.2007	**70,000**	**448,047**	**333,745**	**6,225**	**177,877**	**1,035,894**
Differences arising from currency translation	0	0	0	-5,209	-1,164	-6,373
Profit for the period	0	0	-16,996	0	-15,434	-32,430
Change in hedging reserves	0	0	-584	0	-132	-716
Deferred taxes on neutral change in equity	0	0	146	0	33	179
Change in minority interest resulting from capital consolidation	0	0	0	0	9,894	9,894
Distribution of dividends	0	0	-77,000	0	-5,422	-82,422
Balance at 30.6.2007	**70,000**	**448,047**	**239,311**	**1,016**	**165,652**	**924,026**
Balance at 1.1.2008	**114,000**	**2,311,384**	**430,206**	**14,914**	**225,950**	**3,096,454**
Differences arising from currency translation	0	0	0	55,733	2,324	58,057
Profit for the period	0	0	1,016	0	-18,836	-17,820
Change in hedging reserves	0	0	29,371	0	1,317	30,688
Deferred taxes on neutral change in equity	0	0	-7,343	0	-329	-7,672
Change in minority interest resulting from capital consolidation	0	0	0	0	-90,150	-90,150
Distribution of dividends	0	0	-62,700	0	-4,409	-67,109
Balance at 30.6.2008	**114,000**	**2,311,384**	**390,550**	**70,647**	**115,867**	**3,002,448**

Contingent Liabilities

The company has accepted the following guarantees:

	30.6.2008	31.12.2007
	T€	T€
Guarantees without financial guarantees	11,432	14,029

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 38,913 (31 December 2007 T€ 34,955).

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30 JUNE 2008

SEGMENT REPORTING

The segment reporting is based on the three operating segments Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions. Expenses and income were attributed to the individual segments only as far as they could be attributed directly or by applying an allocation according to the principle of causation to the respective segment. Items not attributed in this way are shown under Miscellaneous. This segment primarily includes group management, commercial administration, IT, machine management and quality assurance. The settlement between the single segments is made at arm's-length prices.

Segment Reporting for 1.4.-30.6.2008

	Building Construction & Civil Engineering 1.4.-30.6.2008	Transportation Infrastructures 1.4.-30.6.2008	Special Divisions & Concessions 1.4.-30.6.2008	Miscellaneous and Consolidation 1.4.-30.6.2008	Total 1.4.-30.6.2008
	T€	T€	T€	T€	T€
Output Volume	1,468,075	1,545,505	317,742	42,882	3,374,204
Revenue	1,275,856	1,337,938	387,467	13,437	3,014,698
EBIT	**26,684**	**72,309**	**7,462**	**3,350**	**109,805**

Segment Reporting for 1.4.-30.6.2007

	Building Construction & Civil Engineering 1.4.-30.6.2007	Transportation Infrastructures 1.4.-30.6.2007	Special Divisions & Concessions 1.4.-30.6.2007	Miscellaneous and Consolidation 1.4.-30.6.2007	Total 1.4.-30.6.2007
	T€	T€	T€	T€	T€
Output Volume	1,368,868	1,212,099	136,699	27,946	2,745,612
Revenue	1,279,644	1,161,028	106,671	24,046	2,571,389
EBIT	**18,738**	**61,247**	**14,241**	**4,971**	**99,197**

Segment Reporting for 1.1.-30.6.2008

	Building Construction & Civil Engineering 1.1.-30.6.2008	Transportation Infrastructures 1.1.-30.6.2008	Special Divisions & Concessions 1.1.-30.6.2008	Miscellaneous and Consolidation 1.1.-30.6.2008	Total 1.1.-30.6.2008
	T€	T€	T€	T€	T€
Output Volume	2,590,852	2,136,406	481,024	88,490	5,296,772
Revenue	2,305,849	1,917,060	534,742	19,762	4,777,413
EBIT	**-3,400**	**-17,932**	**-8,146**	**1,066**	**-28,412**

Segment Reporting for 1.1.-30.6.2007

	Building Construction & Civil Engineering 1.1.-30.6.2007	Transportation Infrastructures 1.1.-30.6.2007	Special Divisions & Concessions 1.1.-30.6.2007	Miscellaneous and Consolidation 1.1.-30.6.2007	Total 1.1.-30.6.2007
	T€	T€	T€	T€	T€
Output Volume	2,458,116	1,675,618	270,059	59,509	4,463,302
Revenue	2,212,047	1,599,336	204,713	30,639	4,046,735
EBIT	**-6,049**	**-19,915**	**1,567**	**2,772**	**-21,625**

Notes on Related Parties

Notes on related parties may be found in the 2007 consolidated financial statements. Since 31 December 2007, there have been no significant changes in this area. Arm`s-length business relations exist in transactions with related parties.

Events after Reporting Date

In July 2008, STRABAG and Deutsche Telekom AG concluded an agreement covering the sale of 100 % of Deutsche Telekom Immobilien und Service GmbH (DeTeImmobilien) to STRABAG.

Operations of DeTeImmobilien will be continued by the STRABAG Group effective 1 October 2008. Together with the acquisition, an extensive ten-year service agreement was signed to provide facility management services for Deutsche Telekom AG. The acquisition strengthens STRABAG's competencies in the field of construction-related services. DeTeImmobilien employs about 6,240 persons and generates revenues of approx. € 1 billion.

Pending approval by the cartel authorities and relevant committees, STRABAG will take over 100 % of the shares of CEMEX Austria AG and CEMEX Hungaria Epitöanyagok Kft. The acquisition helps to strengthen STRABAG's market position in stone, gravel and concrete production in Austria and Hungary. The companies together employ 1,012 people and in 2007 generated revenues of € 257 million.

Audit Waiver

The present interim financial statements for STRABAG SE were neither audited nor subjected to an audit review.

STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Villach, 29. August 2008

Board of Management

Dr. Hans Peter Haselsteiner

Ing. Fritz Oberlerchner

Dr. Thomas Birtel

Dipl.-Ing. Nematollah Farrokhnia

Dipl.-Ing. Roland Jurecka

Mag. Wolfgang Merkinger

Mag. Hannes Truntschnig

FINANCIAL CALENDAR

Semi-Annual Report 2008	**Fri., 29.08.2008**
Publication	07.30 am
Analyst Conference Call	13.00 pm
Interim Report January–September 2008	**Fri., 28.11.2008**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Annual Report 2008	**Thur., 30.04.2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Analyst Conference & Webcast	14.00 pm
Financial Press Conference	10.00 pm
Notice of Annual General Meeting	**Thur., 28.05.2009**
Interim Report January–March 2009	**Fri., 29.05.2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Deposit deadline for shares	**Mon., 15.06.2009**
Annual General Meeting 2009	**Fri., 19.06.2009**
Location to be announced	10.00 am
Ex-dividend date	**Fri., 26.06.2009**
Payment date for dividend	**Mon., 29.06.2009**
Semi-Annual Report 2009	**Mon., 31.08.2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Interim Report January–September 2009	**Mon., 30.11.2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm

All times are CET/CEST

Grain mills, Medinah, Saudi Arabia

CORPORATE BONDS

Maturity	Coupon	Volume	ISIN	Stock exchange
2004 - 2009	5.50 %	€ 50 million	AT0000342332	Vienna
2005 - 2010	4.25 %	€ 75 million	AT0000492723	Vienna
2006 - 2011	5.25 %	€ 75 million	AT0000A013U3	Vienna
2007 - 2012	5.75 %	€ 75 million	AT0000A05HY9	Vienna
2008 - 2013	5.75 %	€ 75 million	AT0000A09H96	Vienna

CORPORATE CREDIT RATING

Standard & Poors	BBB-	Outlook stable

CODES

Bloomberg:	**STR AV**
Reuters:	**STRV.VI**
Vienna Stock Exchange:	**STR**
ISIN:	**AT000000STR1**

Have you already had a look at our STRABAG SE website www.strabag.com? Get STRABAG SE share price info daily: Investor Relations/Share/Reminder

www.strabag.com

For further questions please refer to our Investor Relations department:

STRABAG SE
A - 1220 Wien, Donau-City-Straße 9

Investor Relations Hotline: +43 (0)800 / 880 890

E-Mail: investor.relations@strabag.com
Internet: www.strabag.com

This interim report is also available in German.
In case of discrepancy, the German version prevails.

STRABAG
SOCIETAS EUROPAEA