# SUCCESS IS IN THE DETAILS.
# ANNUAL FINANCIAL STATEMENT 2012

STRABAG
SOCIETAS EUROPAEA

# CONTENT


CONSOLIDATED
FINANCIAL
STATEMENT

# CONSOLIDATED FINANCIAL STATEMENT 31.12.2012

## CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR 2012

| | NOTES | 2012 T€ | 2011 T€ |
|---|---|---|---|
| Revenue | (1) | 12,983,233 | 13,713,804 |
| Changes in inventories | | 50,388 | 97,365 |
| Own work capitalised | | 3,573 | 37,261 |
| Other operating income | (2) | 221,065 | 267,344 |
| Raw materials, consumables and services used | (3) | -8,655,101 | -9,320,120 |
| Employee benefits expenses | (4) | -3,051,777 | -3,004,460 |
| Other operating expenses | (5) | -938,158 | -1,013,911 |
| Share of profit or loss of associates | (6) | -9,217 | -34,537 |
| Net income from investments | (7) | 4,348 | 3,585 |
| **EBITDA** | | **608,354** | **746,331** |
| Depreciation and amortisation expense | (8) | -401,168 | -411,546 |
| **EBIT** | | **207,186** | **334,785** |
| Interest and similar income | | 73,145 | 112,311 |
| Interest expense and similar charges | | -123,871 | -103,767 |
| **Net interest income** | **(9)** | **-50,726** | **8,544** |
| **Profit before tax** | | **156,460** | **343,329** |
| Income tax expense | (10) | -46,422 | -104,039 |
| **Net income** | | **110,038** | **239,290** |
| Attributable to: non-controlling interests | | 49,407 | 44,295 |
| Attributable to: equity holders of the parent company | | 60,631 | 194,995 |
| **Earnings per share (€)** | **(11)** | **0.58** | **1.75** |

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR 2012

| | NOTES | 2012 T€ | 2011 T€ |
|---|---|---|---|
| Net income | | 110,038 | 239,290 |
| Differences arising from currency translation | | 45,051 | -56,280 |
| Change in hedging reserves including interest rate swaps | | -19,820 | -24,994 |
| Recycling in hedging reserves including interest rate swaps | | -7,122 | -5,240 |
| Change in actuarial gains or losses | | -63,871 | -4,270 |
| Change in fair value of financial instruments under IAS 39 | | -1,724 | 150 |
| Other income from associates | | 2,530 | -10,489 |
| Deferred taxes on neutral change in equity | (10) | 23,428 | 6,523 |
| **Other income** | | **-21,528** | **-94,600** |
| **Total comprehensive income** | | **88,510** | **144,690** |
| Attributable to: non-controlling interests | | 43,325 | 38,057 |
| Attributable to: equity holders of the parent company | | 45,185 | 106,633 |

# CONSOLIDATED BALANCE SHEET AS OF 31.12.2012

| ASSETS | NOTES | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|---|
| **Non-current assets** | | | |
| Intangible assets | (12) | 530,361 | 536,510 |
| Property, plant and equipment | (12) | 2,225,572 | 2,154,238 |
| Investment property | (13) | 41,667 | 53,278 |
| Investments in associates | (14) | 379,122 | 402,279 |
| Other financial assets | (14) | 250,292 | 249,062 |
| Receivables from concession arrangements | (17) | 782,567 | 839,332 |
| Trade receivables | (17) | 91,426 | 74,082 |
| Non-financial assets | (17) | 12,009 | 3,833 |
| Other financial assets | (17) | 35,824 | 48,017 |
| Deferred taxes | (15) | 197,619 | 173,724 |
| | | **4,546,459** | **4,534,355** |
| | | | |
| **Current assets** | | | |
| Inventories | (16) | 1,031,557 | 818,390 |
| Receivables from concession arrangements | (17) | 22,785 | 160,743 |
| Trade receivables | (17) | 2,535,469 | 2,629,738 |
| Non-financial assets | (17) | 106,372 | 117,844 |
| Other financial assets | (17) | 520,094 | 424,747 |
| Cash and cash equivalents | (18) | 1,374,955 | 1,700,237 |
| | | **5,591,232** | **5,851,699** |
| | | **10,137,691** | **10,386,054** |

| EQUITY AND LIABILITIES | NOTES | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|---|
| **Group equity** | | | |
| Share capital | | 114,000 | 114,000 |
| Capital reserves | | 2,311,384 | 2,311,384 |
| Retained earnings | | 436,130 | 513,360 |
| Non-controlling interests | | 301,028 | 211,098 |
| | **(19)** | **3,162,542** | **3,149,842** |
| | | | |
| **Non-current liabilities** | | | |
| Provisions | (20) | 1,025,833 | 923,976 |
| Financial liabilities[1] | (21) | 1,265,982 | 1,298,653 |
| Trade payables | (21) | 61,006 | 60,424 |
| Non-financial liabilities | (21) | 1,328 | 1,481 |
| Other financial liabilities | (21) | 33,330 | 25,919 |
| Deferred taxes | (15) | 44,437 | 48,401 |
| | | **2,431,916** | **2,358,854** |
| | | | |
| **Current liabilities** | | | |
| Provisions | (20) | 735,457 | 790,976 |
| Financial liabilities[2] | (21) | 384,002 | 433,304 |
| Trade payables | (21) | 2,724,119 | 2,910,153 |
| Non-financial liabilities | (21) | 327,586 | 360,656 |
| Other financial liabilities | (21) | 372,069 | 382,269 |
| | | **4,543,233** | **4,877,358** |
| | | **10,137,691** | **10,386,054** |

1) Thereof T€ 585,105 concerning non-recourse liabilities from concession arrangements (previous year: T€ 630,311)
2) Thereof T€ 45,206 concerning non-recourse liabilities from concession arrangements (previous year: T€ 123,867)

# CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2012

| | 2012 T€ | 2011 T€ |
|---|---:|---:|
| Net income | 110,038 | 239,290 |
| Deferred taxes | -51,734 | 20,827 |
| Non-cash effective results from consolidation | 9,094 | -2,825 |
| Non-cash effective results from associates | 19,385 | 40,501 |
| Depreciations/write ups | 418,445 | 435,672 |
| Changes in long-term provisions | 36,944 | 1,599 |
| Gains/losses on disposal of non-current assets | -33,559 | -30,875 |
| **Cash flow from profits** | **508,613** | **704,189** |
| | | |
| Change in items: | | |
| Inventories | -104,618 | -67,037 |
| Trade receivables, construction contracts and consortia | 303,221 | -120,984 |
| Receivables from subsidiaries and receivables from participation companies | -69,983 | -55,903 |
| Other assets | 26,783 | 4,438 |
| Trade payables, construction contracts and consortia | -252,280 | -9,480 |
| Liabilities from subsidiaries and liabilities from participation companies | 6,315 | 6,634 |
| Other liabilities | -70,120 | -28,871 |
| Current provisions | -79,130 | 68,160 |
| **Cash flow from operating activities** | **268,801** | **501,146** |
| | | |
| Purchase of financial assets | -41,171 | -161,232 |
| Purchase of property, plant, equipment and intangible assets | -458,283 | -477,150 |
| Gains/losses on disposal of non-current assets | 33,559 | 30,875 |
| Disposals of non-current assets (carrying value) | 39,692 | 97,004 |
| Change in other cash clearing receivables | 203 | 8,296 |
| Change in scope of consolidation | -21,191 | -113,862 |
| **Cash flow from investing activities** | **-447,191** | **-616,069** |
| | | |
| Change in bank borrowings | -244,099 | 79,173 |
| Change in bonded loan | 140,000 | 0 |
| Change in bonds | 25,000 | 100,000 |
| Change in liabilities from finance leases | -3,641 | -16,150 |
| Change in other cash clearing liabilities | 7,457 | 12,936 |
| Change due to acquisitions of non-controlling interests | 11,540 | -5,414 |
| Acquisition of own shares | -42,880 | -185,234 |
| Distribution and withdrawals from partnerships | -69,639 | -67,017 |
| **Cash flow from financing activities** | **-176,262** | **-81,706** |
| | | |
| Cash flow from operating activities | 268,801 | 501,146 |
| Cash flow from investing activities | -447,191 | -616,069 |
| Cash flow from financing activities | -176,262 | -81,706 |
| | | |
| **Net change in cash and cash equivalents** | **-354,652** | **-196,629** |
| Cash and cash equivalents at the beginning of the period | 1,700,237 | 1,952,452 |
| Change in cash and cash equivalents due to currency translation | 29,370 | -55,586 |
| **Cash and cash equivalents at the end of the period** | **1,374,955** | **1,700,237** |
| | | |
| Interest paid | 71,667 | 59,686 |
| Interest received | 58,314 | 61,885 |
| Taxes paid | 141,699 | 107,851 |
| Dividends received | 31,857 | 39,277 |

# STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR 2012

| | SHARE CAPITAL T€ | CAPITAL RESERVES T€ | RETAINED EARNINGS T€ | HEDGING RESERVES T€ | FOREIGN CURRENCY RESERVES T€ | GROUP EQUITY T€ | NON-CONTROLLING INTERESTS T€ | TOTAL EQUITY T€ |
|---|---|---|---|---|---|---|---|---|
| **Balance as of 1.1.2011** | **114,000** | **2,311,384** | **724,317** | **-73,296** | **14,705** | **3,091,110** | **141,328** | **3,232,438** |
| Net income | 0 | 0 | 194,995 | 0 | 0 | 194,995 | 44,295 | 239,290 |
| Differences arising from currency translation | 0 | 0 | 0 | 0 | -50,529 | -50,529 | -5,751 | -56,280 |
| Change in hedging reserves | 0 | 0 | 0 | 705 | 0 | 705 | 35 | 740 |
| Changes in financial instruments IAS 39 | 0 | 0 | 140 | 0 | 0 | 140 | 10 | 150 |
| Changes in investments in associates | 0 | 0 | 41 | -609 | -9,913 | -10,481 | -8 | -10,489 |
| Change of actuarial gains and losses | 0 | 0 | -4,361 | 0 | 0 | -4,361 | 91 | -4,270 |
| Change of interest rate swap | 0 | 0 | 0 | -30,259 | 0 | -30,259 | -715 | -30,974 |
| Deferred taxes on neutral change in equity | 0 | 0 | 780 | 5,643 | 0 | 6,423 | 100 | 6,523 |
| **Total comprehensive income** | **0** | **0** | **191,595** | **-24,520** | **-60,442** | **106,633** | **38,057** | **144,690** |
| Transactions concerning non-controlling interests | 0 | 0 | -11,065 | 0 | 0 | -11,065 | 36,030 | 24,965 |
| Acquisition of own shares | 0 | 0 | -185,234 | 0 | 0 | -185,234 | 0 | -185,234 |
| Distribution of dividends[1] | 0 | 0 | -62,700 | 0 | 0 | -62,700 | -4,317 | -67,017 |
| **Balance as of 31.12.2011** | **114,000** | **2,311,384** | **656,913** | **-97,816** | **-45,737** | **2,938,744** | **211,098** | **3,149,842** |

| | SHARE CAPITAL T€ | CAPITAL RESERVES T€ | RETAINED EARNINGS T€ | HEDGING RESERVES T€ | FOREIGN CURRENCY RESERVES T€ | GROUP EQUITY T€ | NON-CONTROLLING INTERESTS T€ | TOTAL EQUITY T€ |
|---|---|---|---|---|---|---|---|---|
| **Balance as of 1.1.2012** | **114,000** | **2,311,384** | **656,913** | **-97,816** | **-45,737** | **2,938,744** | **211,098** | **3,149,842** |
| Net income | 0 | 0 | 60,631 | 0 | 0 | 60,631 | 49,407 | 110,038 |
| Differences arising from currency translation | 0 | 0 | 0 | 0 | 44,304 | 44,304 | 747 | 45,051 |
| Change in hedging reserves | 0 | 0 | 0 | 3,173 | 0 | 3,173 | 76 | 3,249 |
| Changes in financial instruments IAS 39 | 0 | 0 | -1,533 | 0 | 0 | -1,533 | -191 | -1,724 |
| Changes in investments in associates | 0 | 0 | 211 | -2,418 | 4,679 | 2,472 | 58 | 2,530 |
| Change of actuarial gains and losses | 0 | 0 | -54,931 | 0 | 0 | -54,931 | -8,940 | -63,871 |
| Change of interest rate swap | 0 | 0 | 0 | -29,622 | 0 | -29,622 | -569 | -30,191 |
| Deferred taxes on neutral change in equity | 0 | 0 | 15,833 | 4,858 | 0 | 20,691 | 2,737 | 23,428 |
| **Total comprehensive income** | **0** | **0** | **20,211** | **-24,009** | **48,983** | **45,185** | **43,325** | **88,510** |
| Transactions concerning non-controlling interests | 0 | 0 | -17,043 | 0 | 0 | -17,043 | 53,752 | 36,709 |
| Acquisition of own shares | 0 | 0 | -42,880 | 0 | 0 | -42,880 | 0 | -42,880 |
| Distribution of dividends[2] | 0 | 0 | -62,492 | 0 | 0 | -62,492 | -7,147 | -69,639 |
| **Balance as of 31.12.2012** | **114,000** | **2,311,384** | **554,709** | **-121,825** | **3,246** | **2,861,514** | **301,028** | **3,162,542** |

1) The total dividend payment of T€ 62,700.00 corresponds to a dividend per share of € 0.55 based on 114,000,000 shares.
2) The total dividend payment of T€ 62,492.00 corresponds to a dividend per share of € 0.60 based on 104,153,000 shares

# CONSOLIDATED STATEMENT OF FIXED ASSETS AS OF 31 DECEMBER 2012

| | | | | ACQUISITION AND PRODUCTION COSTS | | |
|---|---|---|---|---|---|---|
| | BALANCE AS OF 31.12.2011 T€ | CHANGES IN SCOPE OF CON-SOLIDATION T€ | CURRENCY TRANS-LATION T€ | BALANCE AS OF 1.1.2012 T€ | ADDITIONS T€ | TRANSFERS T€ |
| **I. Intangible Assets** | | | | | | |
| 1. Concessions; industrial property rights and similiar rights as well as licences derived thereof | 129,985 | -677 | 379 | 129,687 | 5,008 | 0 |
| 2. Goodwill | 638,288 | 3,577 | 8,213 | 650,078 | 0 | 0 |
| 3. Development costs | 25,163 | 0 | 0 | 25,163 | 1,950 | 0 |
| 4. Advances paid | 157 | 0 | 0 | 157 | 165 | 0 |
| | **793,593** | **2,900** | **8,592** | **805,085** | **7,123** | **0** |
| **II. Tangible Assets** | | | | | | |
| 1. Properties; land rights equivalent to real property; buildings including buildings on third-party property | 1,341,908 | 1,485 | 11,195 | 1,354,588 | 29,705 | 35,179 |
| 2. Technical equipment and machinery | 2,468,638 | 16,868 | 33,330 | 2,518,836 | 236,385 | 37,791 |
| 3. Other facilities, furniture and fixtures and office equipment | 909,434 | 8,116 | 8,500 | 926,050 | 139,613 | -445 |
| 4. Advances paid and facilities under construction | 129,688 | 337 | 236 | 130,261 | 45,457 | -72,525 |
| | **4,849,668** | **26,806** | **53,261** | **4,929,735** | **451,160** | **0** |
| **III. Investment Property** | **214,331** | **-2,945** | **0** | **211,386** | **0** | **0** |
| | **5,857,592** | **26,761** | **61,853** | **5,946,206** | **458,283** | **0** |

1) Of this amount, impairments of T€ 28,482 (previous year: T€ 46,501)

# CONSOLIDATED STATEMENT OF FIXED ASSETS AS OF 31 DECEMBER 2011

| | | | | ACQUISITION AND PRODUCTION COSTS | | |
|---|---|---|---|---|---|---|
| | BALANCE AS OF 31.12.2010 T€ | CHANGES IN SCOPE OF CON-SOLIDATION T€ | CURRENCY TRANS-LATION T€ | BALANCE AS OF 1.1.2011 T€ | ADDITIONS T€ | TRANSFERS T€ |
| **I. Intangible Assets** | | | | | | |
| 1. Concessions; industrial property rights and similiar rights as well as licences derived thereof | 131,628 | 4,345 | -2,848 | 133,125 | 8,749 | 115 |
| 2. Goodwill | 620,329 | 26,976 | -9,017 | 638,288 | 0 | 0 |
| 3. Development costs | 22,624 | 0 | -407 | 22,217 | 2,946 | 0 |
| 4. Advances paid | 187 | 0 | -8 | 179 | 93 | -115 |
| | **774,768** | **31,321** | **-12,280** | **793,809** | **11,788** | **0** |
| **II. Tangible Assets** | | | | | | |
| 1. Properties; land rights equivalent to real property; buildings including buildings on third-party property | 1,251,306 | 56,511 | -14,724 | 1,293,093 | 67,267 | 27,065 |
| 2. Technical equipment and machinery | 2,396,264 | 42,898 | -41,629 | 2,397,533 | 182,091 | 38,000 |
| 3. Other facilities, furniture and fixtures and office equipment | 841,731 | 31,274 | -12,137 | 860,868 | 126,985 | 440 |
| 4. Advances paid and facilities under construction | 104,267 | 3,376 | -1,014 | 106,629 | 88,564 | -65,505 |
| | **4,593,568** | **134,059** | **-69,504** | **4,658,123** | **464,907** | **0** |
| **III. Investment Property** | **219,815** | **0** | **0** | **219,815** | **455** | **0** |
| | **5,588,151** | **165,380** | **-81,784** | **5,671,747** | **477,150** | **0** |

1) Of this amount, impairments of T€ 46,501 (previous year: T€ 71,751)
2) Of this amount, reversal of the depreciation T€ 0 (previous year: T€ 3,206)

| | | ACCUMULATED DEPRECIATION | | | | | | | CARRYING VALUES | |
|---|---|---|---|---|---|---|---|---|---|---|
| DISPOSALS T€ | BALANCE AS OF 31.12.2012 T€ | BALANCE AS OF 31.12.2011 T€ | CHANGES IN SCOPE OF CON-SOLIDATION T€ | CURRENCY TRANS-LATION T€ | ADDITIONS[1] T€ | TRANSFERS T€ | DISPOSALS T€ | BALANCE AS OF 31.12.2012 T€ | VALUES 31.12.2012 T€ | VALUES 31.12.2011 T€ |
| | | | | | | | | | | |
| 12,915 | 121,780 | 83,047 | 105 | -5 | 10,787 | 0 | 12,262 | 81,672 | 40,108 | 46,938 |
| 2,018 | 648,060 | 166,461 | 0 | 13 | 10,077 | 0 | 0 | 176,551 | 471,509 | 471,827 |
| 0 | 27,113 | 7,575 | 0 | 0 | 1,116 | 0 | 0 | 8,691 | 18,422 | 17,588 |
| 0 | 322 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 322 | 157 |
| **14,933** | **797,275** | **257,083** | **105** | **8** | **21,980** | **0** | **12,262** | **266,914** | **530,361** | **536,510** |
| | | | | | | | | | | |
| 19,402 | 1,400,070 | 441,857 | -1,342 | 2,433 | 42,555 | 6 | 9,544 | 475,965 | 924,105 | 900,051 |
| 136,342 | 2,656,670 | 1,609,756 | 12,623 | 23,639 | 213,136 | 1,320 | 119,090 | 1,741,384 | 915,286 | 858,882 |
| 93,261 | 971,957 | 638,012 | 6,836 | 5,430 | 105,662 | -1,326 | 85,151 | 669,463 | 302,494 | 271,422 |
| 0 | 103,193 | 5,805 | 0 | 0 | 13,701 | 0 | 0 | 19,506 | 83,687 | 123,883 |
| **249,005** | **5,131,890** | **2,695,430** | **18,117** | **31,502** | **375,054** | **0** | **213,785** | **2,906,318** | **2,225,572** | **2,154,238** |
| **4,532** | **206,854** | **161,053** | **0** | **0** | **4,134** | **0** | **0** | **165,187** | **41,667** | **53,278** |
| **268,470** | **6,136,019** | **3,113,566** | **18,222** | **31,510** | **401,168** | **0** | **226,047** | **3,338,419** | **2,797,600** | **2,744,026** |

| | | ACCUMULATED DEPRECIATION | | | | | | | CARRYING VALUES | |
|---|---|---|---|---|---|---|---|---|---|---|
| DISPOSALS T€ | BALANCE AS OF 31.12.2011 T€ | BALANCE AS OF 31.12.2010 T€ | CHANGES IN SCOPE OF CON-SOLIDATION T€ | CURRENCY TRANS-LATION T€ | ADDITIONS[1] T€ | TRANSFERS T€ | DISPOSALS[2] T€ | BALANCE AS OF 31.12.2011 T€ | VALUES 31.12.2011 T€ | VALUES 31.12.2010 T€ |
| | | | | | | | | | | |
| 12,004 | 129,985 | 81,178 | 2,233 | -2,078 | 12,188 | 0 | 10,474 | 83,047 | 46,938 | 50,450 |
| 0 | 638,288 | 151,846 | -1,539 | 2 | 16,152 | 0 | 0 | 166,461 | 471,827 | 468,483 |
| 0 | 25,163 | 6,057 | 0 | 0 | 1,518 | 0 | 0 | 7,575 | 17,588 | 16,567 |
| 0 | 157 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 157 | 187 |
| **12,004** | **793,593** | **239,081** | **694** | **-2,076** | **29,858** | **0** | **10,474** | **257,083** | **536,510** | **535,687** |
| | | | | | | | | | | |
| 45,517 | 1,341,908 | 419,720 | 7,765 | -3,527 | 40,989 | 632 | 23,722 | 441,857 | 900,051 | 831,586 |
| 148,986 | 2,468,638 | 1,481,565 | 61,879 | -30,615 | 217,284 | 95 | 120,452 | 1,609,756 | 858,882 | 914,699 |
| 78,859 | 909,434 | 589,919 | 30,356 | -8,733 | 98,300 | -727 | 71,103 | 638,012 | 271,422 | 251,812 |
| 0 | 129,688 | 0 | 0 | 0 | 5,805 | 0 | 0 | 5,805 | 123,883 | 104,267 |
| **273,362** | **4,849,668** | **2,491,204** | **100,000** | **-42,875** | **362,378** | **0** | **215,277** | **2,695,430** | **2,154,238** | **2,102,364** |
| **5,939** | **214,331** | **146,291** | **0** | **0** | **19,310** | **0** | **4,548** | **161,053** | **53,278** | **73,524** |
| **291,305** | **5,857,592** | **2,876,576** | **100,694** | **-44,951** | **411,546** | **0** | **230,299** | **3,113,566** | **2,744,026** | **2,711,575** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31.12.2012 OF STRABAG SE, VILLACH

## BASIC PRINCIPLES

STRABAG SE is one of Europe's leading construction groups. The company has its headquarters in Villach, Austria. From its core markets of Austria and Germany, STRABAG is present via its numerous subsidiaries in all countries of Eastern and South-East Europe including Russia, in selected markets in North and Western Europe and the Arabian Peninsula, as well as in the project business in Africa, Asia and the Americas. STRABAG's activities span the entire construction industry (Building Construction & Civil Engineering, Transportation Infrastructures, Tunnelling, construction-related services) and cover the entire value-added chain in the field of construction.

The consolidated financial statements of STRABAG SE at the reporting date 31 December 2012, were drawn up under application of Section 245a Paragraph 2 of the Austrian Business Enterprise Code (UGB) in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

Applied were exclusively those standards and interpretations adopted by the European Commission before the reporting deadline and published in the Official Journal of the European Union. Further reporting requirements of Section 245a Paragraph 1 of the Austrian Business Enterprise Code (UGB) were fulfilled as well.

In addition to a statement of comprehensive income, the financial statements include a cash flow statement in accordance with IAS 7, and a statement of changes in equity and a statement of recognised income and expense (IAS 1). The disclosures in the notes also contain a segment reporting section in accordance with IFRS 8.

In order to improve the clarity of the representation, various items in the balance sheet and the income statement have been combined. These items have been shown separately and are explained in the notes. The income statement has been drawn up in accordance with the nature of expense method.

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

## CHANGES IN ACCOUNTING POLICIES

The IASB has made the following amendment to the existing IFRS and passed several new IFRS and IFRIC, which have also been adopted by the European Commission. Application became mandatory on 1 January 2012.

| | APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO IASB) | APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO EU ENDORSEMENT) |
|---|---|---|
| IFRS 7 Notes – Transfer of financial assets | 1.7.2011 | 1.7.2011 |

The first-time application of the IFRS and IFRIC standard mentioned had minor consequences on STRABAG SE's consolidated financial statements as of 31 December 2012.

**Future Changes of Financial Reporting Standards**

The IASB and the IFRIC approved further standards and interpretations. However, these were neither required to be applied in the 2012 financial year nor adopted by the European Commission. The amendments affect the following standards and interpretations:

| | APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO IASB) | APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO EU ENDORSEMENT) |
|---|---|---|
| IFRS 9 Financial Instruments | 1.1.2015 | n.a.[1] |
| IFRS 10 Consolidated Financial Statements | 1.1.2013 | 1.1.2014 |
| IFRS 11 Joint Arrangements | 1.1.2013 | 1.1.2014 |
| IFRS 12 Disclosure of Interests in Other Entities | 1.1.2013 | 1.1.2014 |
| IFRS 13 Fair Value Measurement | 1.1.2013 | 1.1.2013 |
| IAS 1 Presentation of Financial Statements | 1.7.2012 | 1.7.2012 |
| IAS 12 Deferred Tax – Recovery of Underlying Assets | 1.1.2012 | 1.1.2013 |
| IAS 19 Employee Benefits | 1.1.2013 | 1.1.2013 |
| IAS 27 Separate Financial Statements | 1.1.2013 | 1.1.2014 |
| IAS 28 Investment in Associates and Joint Ventures | 1.1.2013 | 1.1.2014 |
| IAS 32 Financial Instruments Presentation | 1.1.2014 | 1.1.2014 |
| IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine | 1.1.2013 | 1.1.2013 |
| Annual Improvements to IFRS 2009–2011 | 1.1.2013 | 1.1.2013 |
| Transition guidance – Changes to IFRS 10, IFRS 11 and IFRS 12 | 1.1.2013 | 1.1.2014 |
| Investment entities – Changes to IFRS 10, IFRS 12 and IAS 27 | 1.1.2014 | n.a.[1] |

Consequences for the consolidated financial statements are expected especially from the application of the following standards and interpretations:

**IFRS 9:** follows a new standard for the classification and measurement of financial assets, distinguishing only between two measurement categories (measurement at fair value and measurement at amortised cost) based on the entity's business model or on the characteristics of the contractual cash flows of the financial asset in question. Measurement with regard to impairment is to be performed using a unique method.

**IFRS 10 and IAS 27:** IFRS 10 replaces the criteria for the consolidated financial statements contained in IAS 27 and addresses issues that had previously been governed by SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. The new definition provides for more comprehensive rules to define the scope of consolidation than under IAS 27. Like IAS 27, IFRS 10 addresses the basic consolidation requirements for the interest of non-controlling entities and requires the use of uniform accounting policies.

**IFRS 11 and IAS 28** regulate the accounting of arrangements in which an entity exercises joint control over a joint venture or a joint operation. It supersedes the previous rules under IAS 31 and SIC-13. The new standard does away with the option of proportionate consolidation for jointly controlled entities.

**IFRS 12:** This new standard encompasses all disclosure requirements for subsidiaries, associates and joint arrangements as well as for unconsolidated structured entities. It replaces the relevant requirements in IAS 27, IAS 28 and IAS 31.

**IFRS 13** defines fair value, sets out a framework for measuring fair value and requires specific disclosures about fair value measurements. The regulations not only refer to financial instruments but also to the measurement of fair value according to other IAS.

**IAS 1** now requires the components of other comprehensive income to be presented in such a way that it is clear whether the income and expenses will be recognised in the income statement at a later point or whether these are never recognised in the income statement.

**IAS 12** "Recovery of underlying assets": The changes offer a solution for the recognition of deferred taxes on investment property measured using the fair value model in IAS 40 as well as on revalued non-depreciable assets.

**IAS 19:** The amended version contains clarifications and changes. The new IAS 19 does away with the "corridor" method, i.e. the possibility of recognising actuarial gains or losses from defined benefit obligations divided over several periods. Measurement of the expected plan asset yields is performed by applying the same rate as is used to discount defined benefit obligations. As a result, the total revenue from plan assets is no longer recognised in the income statement. The new IAS 19 also contains extended disclosure requirements for defined benefit plans as well as changes to the accounting of termination benefits.

1) n.a.: endorsment process is still in progress

**IAS 32** contains changes to clarify under which requirements a netting of financial instruments is permitted on the balance sheet.

**IFRIC 20:** This interpretation addresses the removal of mine waste materials that are produced in the production phase of a surface mine. It defines when and how to account for benefits which may arise from such an activity, as well as how to measure these benefits.

**Annual Improvements to IFRS 2009-2011:** Amendments to individual standards in the course of annual improvement processes by the IASB.

**Amendments to IFRS 10, IFRS 11 and IFRS 12:** Transition guidance primarily refers to the first-time application of IFRS 10 and additional information according to IFRS 12.

**Amendments to IFRS 10, IFRS 12 and IAS 27** investment entities, introduces the exception from the requirement of consolidation for subsidiaries according to IFRS 10 for investment entities.

Early application of the new standards and interpretations is not planned. The exact impact of the new standards and interpretations on the consolidated financial statements is currently being analysed.

## SCOPE OF CONSOLIDATION

The consolidated financial statements as of 31 December 2012 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 and joint ventures are reported in the balance sheet using the equity method (investments in associates).

Group companies which are of minor importance for the purpose of giving a true and fair view of the financial position, financial performance and cash flows of the group are not consolidated.

Subsidiaries included in the 2012 consolidated financial statements are given in the list of subsidiaries.

The financial year for all consolidated and associated companies, except A2 Strada Sp.z o.o., Warsaw, is identical with the calendar year.

The number of consolidated companies changed in the 2012 financial year as follows:

| | CONSOLIDATION | EQUITY METHOD |
|---|---|---|
| **Situation as of 31.12.2010** | **295** | **14** |
| First-time inclusions in year under report | 33 | 8 |
| First-time inclusions in year under report due to merger/accretion | 14 | 0 |
| Merger/accretion in year under report | -26 | 0 |
| Exclusions in year under report | -8 | -1 |
| **Situation as of 31.12.2011** | **308** | **21** |
| First-time inclusions in year under report | 23 | 1 |
| First-time inclusions in year under report due to merger/accretion | 20 | 0 |
| Merger/accretion in year under report | -26 | 0 |
| Exclusions in year under report | -4 | -1 |
| **Situation as of 31.12.2012** | **321** | **21** |

# 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 OR FOUNDATION |
|---|---|---|
| **Consolidation** | | |
| Atlas Tower GmbH & Co. KG, Cologne | 100.00 | 1.1.2012[1)] |
| Baunova AG, Dällikon | 100.00 | 21.3.2012 |
| Heimfeld Terrassen GmbH, Cologne | 100.00 | 1.1.2012[1)] |
| Kaiserebersdorfer Straße LiegenschaftsverwertungsGmbH., Vienna | 100.00 | 1.1.2012[1)] |
| MiTTAG s.r.o., Brno | 100.00 | 1.1.2012[1)] |
| Möbius Construction Ukraine Ltd, Odessa | 100.00 | 1.1.2012[1)] |
| Northern Energy GAIA I. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy GAIA II. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy GAIA III. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy GAIA IV. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy GAIA V. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy SeaStorm I. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy SeaStorm II. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy SeaWind III. GmbH, Aurich | 100.00 | 10.1.2012 |
| Northern Energy SeaWind IV. GmbH, Aurich | 100.00 | 10.1.2012 |
| R I M E X GmbH Servicebetriebe, Aalen | 100.00 | 1.1.2012[1)] |
| riw Industriewartung GmbH, Ulm | 100.00 | 1.1.2012[1)] |
| STRABAG Holding GmbH, Vienna | 100.00 | 27.7.2012 |
| STRABAG Oy, Helsinki | 100.00 | 1.1.2012[1)] |
| Strabag SpA, Santiago | 100.00 | 26.9.2012 |
| Torkret GmbH, Stuttgart | 100.00 | 1.1.2012[1)] |
| Züblin Inc., New Brunswick | 100.00 | 1.1.2012[1)] |
| Zweite Nordsee-Offshore Holding GmbH, Pressbaum | 51.00 | 10.1.2012 |
| | | |
| **Merger/Accretion[2)]** | | |
| becker Verwaltungsgesellschaft mbH, Bornhöved | 100.00 | 1.1.2012 |
| Belagswerk Sternenfeld GmbH, Basel | 100.00 | 1.1.2012 |
| Frey & Götschi AG, Affoltern am Albis | 100.00 | 1.1.2012 |
| GEOTEST GmbH, Leinfelden-Echterdingen | 100.00 | 1.1.2012 |
| Ing. Siegl Installationsgesellschaft m.b.H., Vienna | 100.00 | 1.1.2012 |
| K.H. Gaul Verwaltungs- und Beteiligungs GmbH, Sprendlingen | 100.00 | 1.1.2012 |
| Kirchhoff Projektgesellschaft mbH, Leinfelden-Echterdingen | 100.00 | 1.1.2012 |
| Kirchhoff Stuttgart Beteiligungs-GmbH, Leinfelden-Echterdingen | 100.00 | 1.1.2012 |
| Kirchner Service GmbH, Bad Hersfeld | 100.00 | 1.1.2012 |
| Lehmann-Verwaltungs-GmbH, Müllrose | 100.00 | 1.1.2012 |
| Mineral Baustoff Verwaltungs GmbH, Cologne | 100.00 | 1.1.2012 |
| MUSIKVIERTEL Grundstücksentwicklung GmbH, Cologne | 100.00 | 1.1.2012 |
| SF-BAU Projektentwicklung GmbH, Cologne | 100.00 | 1.1.2012 |
| SMG Verwaltungsgesellschaft mbH, Sprendlingen | 100.00 | 1.1.2012 |
| SSM Stahlbau Sondergleisbau Maschinenbau GmbH, Seelze | 100.00 | 1.1.2012 |
| Steffes-Mies Verwaltungsgesellschaft mbH, Sprendlingen | 100.00 | 1.1.2012 |
| STUAGBAU Development GmbH, Cottbus | 100.00 | 1.1.2012 |
| TRADON Transportbeton Verwaltungs-GmbH, Merseburg | 100.00 | 1.1.2012 |
| Ucka Asfald d.o.o., Zagreb | 100.00 | 1.1.2012 |
| ZIPP GECA, s.r.o., Geca | 100.00 | 1.1.2012 |
| | | |
| **at-equity** | | |
| A-Lanes A 15 Holding B.V., Nieuwegein | 24.00 | 1.1.2012 |

1) Due to its increased business volume, the company was included in the scope of consolidation of the group for the first time effective 1 January 2012. The foundation/acquisition of the company occurred before 1 January 2012.
2) The companies listed under “Merger/Accretion” were merged with/accrued on already fully consolidated companies and as such are at once represented as additions to and removals from the scope of consolidation.

## ACQUISITIONS

Effective 21 March 2012 51 % of the Swiss construction company Baunova AG, Dällikon, were acquired by STRABAG. The company generates a revenue of about EUR 50 million with 100 employees. The acquisition allows STRABAG to bolster its presence in the Swiss building construction market. Due to a put-option of the minority shareholders the company is fully consolidated and a liability in the amount of the estimated purchase price was set.

STRABAG acquired 51 % of the Zweite Nordsee-Offshore-Holding GmbH, Pressbaum, effective 10 January 2012. The holding holds nine project companies which develop, build and operate Offshore wind energy farms in the North Sea.

The purchase price is preliminarily allocated to assets and liabilities as follows:

| | ACQUISITIONS T€ |
|---|---:|
| **Acquired assets and liabilities** | |
| Goodwill | 3,577 |
| Other non-current assets | 9,823 |
| Current assets | 139,220 |
| Increase in non-controlling interest | -25,168 |
| Non-current liabilities | -26,865 |
| Current liabilities | -58,802 |
| **Purchase price** | **41,785** |
| Less non-cash-effective purchase price component | -14,912 |
| Acquired cash and cash equivalents | -5,691 |
| **Net cash outflow from acquisitions** | **21,182** |

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 difference to an inclusion at the date of acquisition.

In the 2012 financial year, negative goodwill in the amount of T€ 777 (previous year: T€ 4,487) occurred. This amount is reported under other operating income.

Assuming a fictitious first-time consolidation on 1 January 2012 for all acquisitions in the 2012 financial year, the consolidated revenue would amount to T€ 12,985,679. The consolidated profit in the financial year would change only insignificantly.

All companies which were consolidated for the first time in 2012 contributed T€ 46,019 to revenue and T€ -7,037 to net income.

# ACQUISITIONS AFTER REPORTING DATE

In mid-March, STRABAG acquired the transportation infrastructure activities of Netherlands-based Janssen de Jong Groep B.V. as part of an asset deal. The acquisition helps to expand the regional capacities in transportation infrastructures in the Netherlands, especially in the field of asphalt.

Per contract from 11 March 2013, STRABAG acquired 100 % of Metsä Wood Merk GmbH, Aichach, effective retroactively to 31 December 2012. The acquisition serves to expand the activities in the field of structural timber engineering.

# DISPOSALS FROM THE SCOPE OF CONSOLIDATION

As of 31 December 2012, the following companies were no longer included in the scope of consolidation:

| DISPOSALS FROM SCOPE OF CONSOLIDATION | |
|---|---:|
| Bauträgergesellschaft Olande mbH, Hamburg | Fell below significant level |
| ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H., St. Pölten | Fell below significant level |
| MASZ M6 Kft., Budapest | Fell below significant level |
| SAT Útjavító Kft., Budapest | Fell below significant level |

| MERGER/ACCRETION[1] | |
|---|---|
| becker Verwaltungsgesellschaft mbH, Bornhöved | |
| Belagswerk Sternenfeld GmbH, Basel | |
| BFB Behmann Feuerfestbau GmbH, Bremen | |
| Donnersberger Höfe Ost GmbH, Düsseldorf | |
| Donnersberger Höfe West GmbH, Düsseldorf | |
| Frey & Götschi AG, Affoltern am Albis | |
| GEOTEST GmbH, Leinfelden-Echterdingen | |
| Hermann Kirchner Polska Spolka z.o.o., Lodz | |
| Ing. Siegl Installationsgesellschaft m.b.H., Vienna | |
| K.H. Gaul Verwaltungs- und Beteiligungs GmbH, Sprendlingen | |
| Kirchhoff Projektgesellschaft mbH, Leinfelden-Echterdingen | |
| Kirchhoff Stuttgart Beteiligungs-GmbH, Leinfelden-Echterdingen | |
| Kirchner Service GmbH, Bad Hersfeld | |
| Lehmann-Verwaltungs-GmbH, Müllrose | |
| Mineral Baustoff Verwaltungs GmbH, Cologne | |
| MUSIKVIERTEL Grundstücksentwicklung GmbH, Cologne | |
| SFB Behmann Feuerfestbau GmbH, Schwedt/Oder | |
| SF-BAU Projektentwicklung GmbH, Cologne | |
| SMG Verwaltungsgesellschaft mbH, Sprendlingen | |
| SSM Stahlbau Sondergleisbau Maschinenbau GmbH, Seelze | |
| Steffes-Mies Verwaltungsgesellschaft mbH, Sprendlingen | |
| STUAGBAU Development GmbH, Cottbus | |
| TRADON Transportbeton Verwaltungs-GmbH, Merseburg | |
| Ucka Asfald d.o.o., Zagreb | |
| ZIPP GECA, s.r.o., Geca | |
| ZIPP Praha, s.r.o., Prague | |
| | |
| AT-EQUITY | |
| Asphaltmischwerk Düsseldorf GmbH & Co.KG, Neuss | Disposal |

The deconsolidation resulted in disposals of assets in the amount of T€ 9,775 and of liabilities – including non-controlling interests – in the amount of T€ 5,918.

# METHODS OF CONSOLIDATION

The financial statements of the domestic and foreign companies included in the scope of consolidation are drawn up in accordance with uniform methods of accounting and valuation. The annual financial statements of the domestic and foreign group companies are adapted accordingly.

Capital consolidation is made in accordance with the stipulations contained in IFRS 3. All assets and liabilities of the subsidiary companies are recorded at the fair values. The proportional equity thereby determined is offset by the carrying value of the investment. A difference on the assets side, which is allotted to special, identifiable intangible assets acquired in the course of capital consolidation, is recognised separately from goodwill.

Goodwill is subjected at least once a year to an impairment test in accordance with IAS 36. The option of recognising non-controlling interest at fair value (full goodwill method) is not applied.

In determining the cost of an acquisition, certain components of the purchase price are recognised at fair value at the time of initial consolidation. Later deviations from this value are recognised in profit or loss. Transaction costs are recognised immediately in profit or loss.

In the 2012 financial year, T€ 3,577 in goodwill arising from capital consolidation were recognised as assets. Impairments in the amount of T€ 10,077 were made.

Negative goodwill stemming from capital consolidation is recorded directly through profit or loss.

In a step acquisition, assets and liabilities are recognised at fair value at the acquisition date. Already existing interests have to be revalued at fair value through profit and loss. The goodwill is determined at the time of acquisition.

Value differences resulting from the acquisition or sale of investments in subsidiaries without the acquisition or loss of control are recognised in full directly in equity.

1) The companies listed under “Merger/Accretion” were merged with already fully consolidated companies or, as a result of accretion, formed part of fully consolidated companies.

The same principles of capital consolidation are applied to investments included under the equity method as in the case of consolidated companies, whereby the respective last available financial statements serve as the basis for the equity method. A goodwill of T€ 0 (previous year: T€ 150,426) results from the first-time application of the equity method of the newly acquired companies, which is recognised as a component of investments in associates.

Within the framework of debt consolidation, outstanding trade receivables, loans and other receivables are offset with the corresponding liabilities and provisions of the subsidiaries included in the consolidated financial statements.

Expenses and revenues from intra-group transactions have been eliminated. Results incurred from intra-group transactions that are recognised in the non-current and current assets have been eliminated if they are material.

Non-controlling interests in equity and profits of companies controlled by the parent company are shown separately in the consolidated financial statements.

The necessary tax deferrals are made for consolidation procedures.

## CURRENCY TRANSLATION

The group currency is the euro. The financial statements for foreign companies or permanent establishments are converted into euro according to the functional currency concept (IAS 21). In all companies this is the respective local currency.

The most important currencies are listed under item 25: financial instruments along with their average exchange rates and their exchange rates on the balance sheet date.

All balance sheet items are converted at the closing rate at the balance sheet date. Expense and income items are converted at the average annual rate.

In the course of capital consolidation, currency translation differences of T€ 45,051 (previous year: T€ -56,280) are recognised directly in equity in the financial year with no effect on the operating result. The currency translation differences between the closing rate for the balance sheet and the average rate for the income statement are allocated to equity.

Forward exchange operations (hedging) excluding deferred taxes in the amount of T€ 3,249 (previous year: T€ 740) were recognised directly in equity.

Restatements in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies) were not necessary.

## THE FOLLOWING LIST SHOWS THE CONSOLIDATED COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

| AUSTRIA | | NOMINAL CAPITAL T€/TATS | DIRECT STAKE % |
|---|---|---|---|
| «A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH», Spittal an der Drau | | 35 | 100.00 |
| «DOMIZIL» Bauträger GmbH, Vienna | | 727 | 100.00 |
| «Filmforum am Bahnhof» Errichtungs- und Betriebsgesellschaft m.b.H., Vienna | TATS | 3,000 | 100.00 |
| «SBS Strabag Bau Holding Service GmbH», Spittal an der Drau | | 35 | 100.00 |
| «Wiener Heim» Wohnbaugesellschaft m.b.H., Vienna | | 741 | 100.00 |
| «Wohngarten Sensengasse» Bauträger GmbH, Vienna | | 35 | 55.00 |
| ABR Abfall Behandlung und Recycling GmbH, Schwadorf | | 37 | 100.00 |
| Asphalt & Beton GmbH, Spittal an der Drau | | 36 | 100.00 |
| AUSTRIA ASPHALT GmbH & Co OG, Spittal an der Drau | TATS | 500 | 100.00 |
| Bau Holding Beteiligungs AG, Spittal an der Drau | | 48,000 | 100.00 |
| Baukontor Gaaden Gesellschaft m.b.H., Gaaden | | 36 | 100.00 |
| Bitumen Handelsgesellschaft m.b.H. & Co KG, Loosdorf | TATS | 3,000 | 100.00 |
| BITUNOVA Baustofftechnik Gesellschaft m.b.H., Spittal an der Drau | TATS | 2,000 | 100.00 |
| BMTI-Baumaschinentechnik International GmbH, Trumau | | 1,454 | 100.00 |
| Böhm Stadtbaumeister & Gebäudetechnik GmbH, Vienna | | 36 | 100.00 |
| BPM Bau Prozess Management GmbH, Vienna | | 36 | 100.00 |
| BrennerRast GmbH, Vienna | | 35 | 100.00 |
| BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H., Spittal an der Drau | | 37 | 100.00 |
| Bug-AluTechnic GmbH, Vienna | | 5,000 | 100.00 |
| Center Communication Systems GmbH, Vienna | | 727 | 100.00 |
| Diabaswerk Saalfelden Gesellschaft m.b.H., Saalfelden am Stein.Meer | | 363 | 100.00 |
| Eckstein Holding GmbH, Spittal an der Drau | | 73 | 100.00 |
| EFKON AG, Raaba | | 18,350 | 97.13 |
| Erste Nordsee-Offshore-Holding GmbH, Pressbaum | | 100 | 51.00 |
| F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG, Eggendorf | | 1,192 | 100.00 |
| Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH, Vienna | TATS | 500 | 100.00 |
| Goldeck Bergbahnen GmbH, Spittal an der Drau | | 363 | 100.00 |
| Ilbau Liegenschaftsverwaltung GmbH, Spittal an der Drau | | 4,500 | 100.00 |
| InfoSys Informationssysteme GmbH, Spittal an der Drau | | 363 | 94.90 |
| Innsbrucker Nordkettenbahnen Betriebs GmbH, Innsbruck | | 35 | 51.00 |
| KAB Straßensanierung GmbH & Co KG, Spittal an der Drau | | 133 | 50.60 |
| Kaiserebersdorfer Straße LiegenschaftsverwertungsGmbH, Vienna | | 36 | 100.00 |
| Kanzel Steinbruch Dennig Gesellschaft mit beschränkter Haftung, Gratkorn | TATS | 500 | 75.00 |
| Leitner Gesellschaft m.b.H., Hausmening | TATS | 4,800 | 100.00 |
| M5 Beteiligungs GmbH, Vienna | | 70 | 100.00 |
| M5 Holding GmbH, Vienna | | 35 | 100.00 |
| Mineral Abbau GmbH, Spittal an der Drau | | 36 | 100.00 |
| Mischek Systembau GmbH, Vienna | | 1,000 | 100.00 |
| Mobil Baustoffe GmbH, Reichenfels | | 50 | 100.00 |
| OAT - Bohr- und Fugentechnik Gesellschaft m.b.H., Spittal an der Drau | TATS | 1,000 | 51.00 |
| Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH, Lavant i. Osttirol | | 36 | 80.00 |
| Raststation A 3 GmbH, Vienna | | 35 | 100.00 |
| Raststation A 6 GmbH, Vienna | TATS | 500 | 100.00 |
| RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H., Linz | | 291 | 100.00 |
| SF Bau vier GmbH, Vienna | | 35 | 100.00 |
| Storf Hoch- und Tiefbaugesellschaft m.b.H., Reutte | | 727 | 100.00 |
| STRABAG AG, Spittal an der Drau | | 12,000 | 100.00 |
| STRABAG Anlagentechnik GmbH, Thalgau | | 1,000 | 100.00 |
| STRABAG Bau GmbH, Vienna | | 1,800 | 100.00 |
| STRABAG Energy Technologies GmbH, Vienna | | 50 | 100.00 |
| STRABAG Holding GmbH, Vienna | | 35 | 100.00 |
| Strabag Liegenschaftsverwaltung GmbH, Linz | | 4,500 | 100.00 |
| STRABAG Property and Facility Services GmbH, Vienna | | 35 | 100.00 |
| STRABAG SE, Villach | | 114,000 | 100.00 |
| TPA Gesellschaft für Qualitätssicherung und Innovation GmbH, Vienna | | 37 | 100.00 |
| Züblin Baugesellschaft m.b.H., Vienna | TATS | 35,000 | 100.00 |
| Züblin Holding GesmbH, Vienna | | 55 | 100.00 |
| Züblin Spezialtiefbau Ges.m.b.H., Vienna | | 1,500 | 100.00 |
| Zweite Nordsee-Offshore-Holding GmbH, Pressbaum | | 100 | 51.00 |

| GERMANY | | NOMINAL CAPITAL T€/TDEM | DIRECT STAKE % |
|---|---|---|---|
| «GfB» Gesellschaft für Bauwerksabdichtungen mbH, Kobern-Gondorf | | 205 | 100.00 |
| Alpines Hartschotterwerk GmbH, Senden | | 25 | 100.00 |
| Atlas Tower GmH & Co. KG, Cologne | | 106 | 100.00 |
| Baugesellschaft Nowotnik GmbH, Nörvenich | | 26 | 100.00 |
| Baumann & Burmeister GmbH, Halle/Saale | | 51 | 100.00 |
| Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung, Straubing | TDEM | 100 | 100.00 |
| BBS Baustoffbetriebe Sachsen GmbH, Hartmannsdorf | TDEM | 30,000 | 100.00 |
| becker bau GmbH, Bornhöved | | 25 | 100.00 |
| BHG Bitumenhandelsgesellschaft mbH, Hamburg | | 26 | 100.00 |
| BITUNOVA GmbH, Düsseldorf | | 256 | 100.00 |
| Blees-Kölling-Bau GmbH, Cologne | TDEM | 2,500 | 100.00 |
| BMTI-Baumaschinentechnik International GmbH, Cologne | | 307 | 100.00 |
| BRVZ Bau- Rechen- und Verwaltungszentrum GmbH, Cologne | | 30 | 100.00 |
| CLS Construction Legal Services GmbH, Cologne | | 25 | 100.00 |
| Deutsche Asphalt GmbH, Cologne | | 28 | 100.00 |
| DYWIDAG Bau GmbH, Munich | | 32 | 100.00 |
| DYWIDAG International GmbH, Munich | | 5,000 | 100.00 |
| DYWIDAG-Holding GmbH, Cologne | | 500 | 100.00 |
| E S B Kirchhoff GmbH, Leinfelden-Echterdingen | | 1,500 | 100.00 |
| Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH, Bayreuth | | 30 | 100.00 |
| Eberhardt Bau-Gesellschaft mbH, Berlin | TDEM | 300 | 100.00 |
| ECS European Construction Services GmbH, Mörfelden-Walldorf | | 225 | 100.00 |
| Ed. Züblin AG, Stuttgart | | 20,452 | 57.26 |
| Eduard Hachmann Gesellschaft mit beschränkter Haftung, Lunden | | 520 | 100.00 |
| EFKON Germany GmbH, Berlin | | 25 | 100.00 |
| Eichholz Eivel GmbH, Berlin | | 25 | 100.00 |
| ETG Erzgebirge Transportbeton GmbH, Freiberg | | 290 | 60.00 |
| F. Kirchhoff GmbH, Leinfelden-Echterdingen | | 23,319 | 100.00 |
| F. Kirchhoff Straßenbau GmbH, Leinfelden-Echterdingen | | 25 | 100.00 |
| F. KIRCHHOFF SYSTEMBAU GmbH, Münsingen | | 2,000 | 100.00 |
| Fahrleitungsbau GmbH, Essen | | 1,550 | 100.00 |
| Forum Mittelrhein Koblenz Generalübernehmergesellschaft mbH & Co.KG, Oststeinbek | | 25 | 51.00 |
| Forum Mittelrhein Koblenz Kultur GmbH & Co. KG, Hamburg | | 25 | 51.00 |
| Gaul GmbH, Sprendlingen | | 25 | 100.00 |
| Gebr. von der Wettern Gesellschaft mit beschränkter Haftung, Cologne | TDEM | 5,000 | 100.00 |
| Griproad Spezialbeläge und Baugesellschaft mbH, Cologne | TDEM | 400 | 100.00 |
| HEILIT Umwelttechnik GmbH, Düsseldorf | | 2,000 | 100.00 |
| Heilit+Woerner Bau GmbH, Munich | | 18,000 | 100.00 |
| Heimfeld Terrassen GmbH, Cologne | | 25 | 100.00 |
| Helmus Straßen-Bau GmbH, Vechta | | 3,068 | 100.00 |
| Hermann Kirchner Bauunternehmung GmbH, Bad Hersfeld | | 15,000 | 100.00 |
| Hermann Kirchner Hoch- und Ingenieurbau GmbH, Bad Hersfeld | | 2,500 | 100.00 |
| Ilbau GmbH Deutschland, Berlin | | 4,700 | 100.00 |
| Ilbau Liegenschaftsverwaltung GmbH, Hoppegarten | TDEM | 15,000 | 100.00 |
| Josef Möbius Bau - GmbH, Hamburg | | 6,833 | 100.00 |
| Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH, Regensburg | | 900 | 100.00 |
| JUKA Justizzentrum Kurfürstenanlage GmbH, Cologne | | 26 | 100.00 |
| Kirchner & Völker Bauunternehmung GmbH, Erfurt | | 520 | 90.00 |
| Kirchner Holding GmbH, Bad Hersfeld | | 9,220 | 100.00 |
| Leonhard Moll Hoch- und Tiefbau GmbH, Munich | | 51 | 100.00 |
| LIMET Beteiligungs GmbH & Co. Objekt Köln KG, Cologne | | 10 | 94.00 |
| LIMET Beteiligungs GmbH, Cologne | TDEM | 50 | 100.00 |
| Ludwig Voss GmbH, Cuxhaven | | 25 | 100.00 |
| MAV Mineralstoff - Aufbereitung und - Verwertung GmbH, Krefeld | | 600 | 50.00 |
| MAV Mineralstoff - Aufbereitung und Verwertung Lünen GmbH, Lünen | | 250 | 100.00 |
| Mineral Baustoff GmbH, Cologne | | 25 | 100.00 |
| MOBIL Baustoffe GmbH, Munich | | 100 | 100.00 |
| NE Sander Eisenbau GmbH, Sande | | 155 | 100.00 |
| NE Sander Immobilien GmbH, Sande | | 155 | 100.00 |
| Northern Energy GAIA I. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy GAIA II. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy GAIA III. GmbH, Aurich | | 25 | 100.00 |

| GERMANY | | NOMINAL CAPITAL T€/TDEM | DIRECT STAKE % |
|---|---|---|---|
| Northern Energy GAIA IV. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy GAIA V. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy GlobalTech II. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy GlobalTech III. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy OWP Albatros GmbH, Aurich | | 100 | 100.00 |
| Northern Energy OWP West GmbH, Aurich | | 100 | 100.00 |
| Northern Energy SeaStorm I. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy SeaStorm II. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy SeaWind I. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy SeaWind II. GmbH, Aurich | | 25 | 100.00 |
| Northern Energy SeaWind III GmbH, Aurich | | 25 | 100.00 |
| Northern Energy SeaWind IV. GmbH, Aurich | | 25 | 100.00 |
| Off-Shore Wind Logistik GmbH, Stuttgart | TDEM | 100 | 100.00 |
| Ooms-Ittner-Hof GmbH, Cologne | TDEM | 1,000 | 100.00 |
| PEKA Entwicklungsgesellschaft Kurfürstenanlage GmbH, Cologne | | 25 | 100.00 |
| POßÖGEL & PARTNER STRAßEN- UND TIEFBAU GMBH HERMSDORF/THÜR., St. Gangloff | | 77 | 100.00 |
| Preusse Baubetriebe Gesellschaft mit beschränkter Haftung, Hamburg | | 1,050 | 100.00 |
| Projekt Elbpark GmbH & Co. KG, Cologne | | 10 | 100.00 |
| Pyhrn Concession Holding GmbH, Cologne | | 38 | 100.00 |
| R I M E X GmbH Servicebetriebe, Aalen | | 52 | 100.00 |
| REPASS-SANIERUNGSTECHNIK GMBH Korrosionsschutz und Betoninstandsetzung, Munderkingen | TDEM | 51 | 100.00 |
| Rimex Gebäudemanagement GmbH, Ulm | | 51 | 100.00 |
| riw Industriewartung GmbH, Ulm | | 51 | 100.00 |
| ROBA Transportbeton GmbH, Cologne | | 520 | 100.00 |
| Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung, Hamburg | | 1,050 | 100.00 |
| SAT Straßensanierung GmbH, Cologne | | 30 | 100.00 |
| SBR Verwaltungs-GmbH, Kehl | | 7,001 | 100.00 |
| SF-Ausbau GmbH, Freiberg | | 600 | 100.00 |
| Staßfurter Baubetriebe GmbH, Staßfurt | | 1,050 | 100.00 |
| Steffes-Mies GmbH, Sprendlingen | | 25 | 100.00 |
| Stephan Holzbau GmbH, Stuttgart | | 25 | 100.00 |
| STRABAG AG, Cologne | | 104,780 | 93.63 |
| STRABAG Asset GmbH, Cologne | | 2,663 | 100.00 |
| STRABAG Beteiligungsverwaltung GmbH, Cologne | | 78 | 100.00 |
| STRABAG Beton GmbH & Co. KG, Berlin | TDEM | 2,000 | 100.00 |
| STRABAG Facility Management GmbH, Nürnberg | | 30 | 100.00 |
| STRABAG Infrastrukturprojekt GmbH, Bad Hersfeld | | 1,280 | 100.00 |
| STRABAG International GmbH, Cologne | | 2,557 | 100.00 |
| STRABAG Offshore Wind GmbH, Cuxhaven | TDEM | 50 | 100.00 |
| STRABAG Pipeline- und Rohrleitungsbau GmbH, Regensburg | | 50 | 100.00 |
| STRABAG Projektentwicklung GmbH, Cologne | TDEM | 20,000 | 100.00 |
| STRABAG Property and Facility Services GmbH, Münster | | 5,000 | 100.00 |
| STRABAG Rail Fahrleitungen GmbH, Berlin | | 600 | 100.00 |
| STRABAG Rail GmbH, Lauda-Königshofen | | 25 | 100.00 |
| STRABAG Real Estate GmbH, Cologne | | 30,000 | 100.00 |
| STRABAG Sportstättenbau GmbH, Dortmund | TDEM | 200 | 100.00 |
| STRABAG Umweltanlagen GmbH, Dresden | | 2,000 | 100.00 |
| STRABAG Unterstützungskasse GmbH, Cologne | | 26 | 100.00 |
| Stratebau GmbH, Regensburg | TDEM | 8,000 | 100.00 |
| T S S Technische Sicherheits-Systeme Gesellschaft mit beschränkter Haftung, Cologne | TDEM | 270 | 100.00 |
| Torkret GmbH, Stuttgart | | 1,023 | 100.00 |
| TPA Gesellschaft für Qualitätssicherung und Innovation GmbH, Cologne | | 511 | 100.00 |
| Windkraft FiT GmbH, Hamburg | | 25 | 100.00 |
| Wolfer & Goebel Bau GmbH, Stuttgart | | 25 | 100.00 |
| Xaver Bachner GmbH, Straubing | TDEM | 500 | 100.00 |
| Z-Bau GmbH, Magdeburg | | 100 | 100.00 |
| ZDE Sechste Vermögensverwaltung GmbH, Cologne | | 25 | 100.00 |
| Züblin Bau GmbH, Stuttgart | | 1,534 | 100.00 |
| Züblin Gebäudetechnik GmbH, Erlangen | | 25 | 100.00 |
| Züblin International GmbH, Stuttgart | | 2,500 | 100.00 |

| GERMANY | | NOMINAL CAPITAL T€/TDEM | DIRECT STAKE % |
|---|---|---|---|
| Züblin Projektentwicklung GmbH, Stuttgart | TDEM | 5,000 | 100.00 |
| Züblin Spezialtiefbau GmbH, Stuttgart | TDEM | 6,000 | 100.00 |
| Züblin Stahlbau GmbH, Hosena | | 1,534 | 100.00 |
| Züblin Umwelttechnik GmbH, Stuttgart | | 2,000 | 100.00 |
| Züblin Wasserbau GmbH, Berlin | TDEM | 500 | 100.00 |

| ALBANIA | NOMINAL CAPITAL TALL | DIRECT STAKE % |
|---|---|---|
| Trema Engineering 2 sh p.k., Tirana | 545,568 | 51.00 |

| AZERBAIJAN | NOMINAL CAPITAL TUSD | DIRECT STAKE % |
|---|---|---|
| «Strabag Azerbaijan» L.L.C., Baku | 260 | 100.00 |

| BELGIUM | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| N.V. STRABAG Belgium S.A., Antwerp | 18,059 | 100.00 |
| N.V. STRABAG Benelux S.A., Antwerp | 6,863 | 100.00 |

| BULGARIA | NOMINAL CAPITAL TLEW | DIRECT STAKE % |
|---|---|---|
| STRABAG EAD, Sofia | 13,313 | 100.00 |
| TPA EOOD, Sofia | 5 | 100.00 |

| CHILE | NOMINAL CAPITAL TCLP | DIRECT STAKE % |
|---|---|---|
| Strabag SpA, Santiago | 500,000 | 100.00 |
| Züblin International GmbH Chile SpA, Santiago de Chile | 7,909,484 | 100.00 |

| CHINA | NOMINAL CAPITAL TCNY | DIRECT STAKE % |
|---|---|---|
| Shanghai Changjiang-Züblin Construction&Engineering Co.Ltd., Shanghai | 29,312 | 75.00 |

| DENMARK | NOMINAL CAPITAL TDKK | DIRECT STAKE % |
|---|---|---|
| KMG - KLIPLEV MOTORWAY GROUP A/S, Copenhagen | 500 | 100.00 |
| Züblin A/S, Trige | 1,000 | 100.00 |

| FINLAND | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| STRABAG Oy, Helsinki | 3 | 100.00 |

| INDIA | NOMINAL CAPITAL TINR | DIRECT STAKE % |
|---|---|---|
| EFKON INDIA LIMITED, Maharashtra Mumbai | 50,000 | 100.00 |
| I-PAY CLEARING SERVICES Pvt. Ltd., Mumbai Maharashtra | 20,000 | 74.00 |

| ITALY | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| STRABAG S.p.A., Bologna | 10,000 | 100.00 |

| CANADA | NOMINAL CAPITAL TCAD | DIRECT STAKE % |
|---|---|---|
| Strabag Inc., Toronto | 3,000 | 100.00 |
| Züblin Inc., Saint John/NewBrunswick | 100 | 100.00 |

| CROATIA | NOMINAL CAPITAL THRK | DIRECT STAKE % |
|---|---|---|
| BRVZ d.o.o., Zagreb | 20 | 100.00 |
| CESTAR d.o.o., Slavonski Brod | 1,100 | 74.90 |
| MINERAL IGM d.o.o., Zapuzane | 10,701 | 100.00 |
| Pomgrad Inzenjering d.o.o., Split | 25,534 | 100.00 |
| PZC SPLIT d.d., Split | 18,810 | 95.12 |
| Strabag d.o.o., Zagreb | 48,230 | 100.00 |
| STRABAG-HIDROINZENJERING d.o.o, Split | 144 | 100.00 |
| TPA odrzavanje kvaliteta i inovacija d.o.o., Zagreb | 20 | 100.00 |

| MALAYSIA | NOMINAL CAPITAL TMYR | DIRECT STAKE % |
|---|---|---|
| Züblin International Malaysia Sdn. Bhd., Kuala Lumpur | 4,100 | 100.0 |

| MONTENEGRO | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| «Crnagoraput» AD, Podgorica, Podgorica | 9,779 | 94.99 |

| THE NETHERLANDS | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| STRABAG B.V., Vlaardingen | 450 | 100.00 |
| Züblin Nederland BV, Vlaardingen | 500 | 100.00 |

| OMAN | NOMINAL CAPITAL TOMR | DIRECT STAKE % |
|---|---|---|
| STRABAG OMAN L.L.C., Muscat | 1,000 | 100.00 |

| PAKISTAN | NOMINAL CAPITAL TPKR | DIRECT STAKE % |
|---|---|---|
| TolLink Pakistan (Private) Limited, Islamabad | 2,520 | 60.00 |

| POLAND | NOMINAL CAPITAL TPLN | DIRECT STAKE % |
|---|---|---|
| «HEILIT+WOERNER» Budowlana Sp.z o.o., Breslau | 16,140 | 100.00 |
| A2 Strada Sp.z o.o., Pruszkow[1)] | 428 | 100.00 |
| BHG Sp.z o.o., Pruszkow | 500 | 100.00 |
| BITUNOVA Sp.z o.o., Warsaw | 2,700 | 100.00 |
| BMTI Sp.z o.o., Pruszkow | 2,000 | 100.00 |
| BRVZ Sp.z o.o., Pruszkow | 500 | 100.00 |
| Kopalnie Melafiru w Czarnym Borze Sp.z o.o., Czarny Bor | 9,700 | 100.00 |
| Mineral Polska Sp. z.o.o., Czarny Bor | 9,361 | 100.00 |
| Polski Asfalt Sp.z o.o., Pruszkow | 60,000 | 100.00 |
| Przedsiebiorstwo Budownictwa Ogólnego i Uslug Technicznych Slask Sp.z o.o., Katowice | 295 | 60.98 |
| SAT Sp.z o.o., Olawa | 4,171 | 100.00 |
| STRABAG Sp.z o.o., Pruszkow | 12,900 | 100.00 |
| TPA INSTYTUT BADAN TECHNICZNYCH Sp.z o.o., Pruszków | 600 | 100.00 |
| Züblin Sp. z o.o., Poznan | 7,765 | 100.00 |

| PORTUGAL | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| Zucotec - Sociedade de Construcoes Lda., Lisbon | 200 | 100.00 |

| QATAR | NOMINAL CAPITAL TRIY | DIRECT STAKE % |
|---|---|---|
| Strabag Qatar W.L.L., Qatar | 200 | 100.00 |

1) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| ROMANIA | NOMINAL CAPITAL TRON | DIRECT STAKE % |
|---|---|---|
| ANTREPRIZA DE REPARATII SI LUCRARI A R L CLUJ S.A., Cluj-Napoca | 64,061 | 100.00 |
| Bitunova Romania SRL, Bucharest | 16 | 100.00 |
| BRVZ SERVICII & ADMINISTRARE SRL, Bucharest | 278 | 100.00 |
| Carb SA, Brasov | 10,909 | 99.47 |
| DRUMCO SA, Timisoara | 12,957 | 70.00 |
| Strabag srl, Bucharest | 43,519 | 100.00 |
| TPA Societate pentru asigurarea calitatii si inovatii SRL, Bucharest | 0 | 100.00 |
| Züblin Romania S.R.L., Bucharest | 4,580 | 100.00 |

| RUSSIA | NOMINAL CAPITAL TRUB | DIRECT STAKE % |
|---|---|---|
| SAO BRVZ Ltd, Moscow | 313 | 100.00 |
| Strabag z.a.o., Moscow | 14,926 | 100.00 |

| SAUDI ARABIA | NOMINAL CAPITAL TSAR | DIRECT STAKE % |
|---|---|---|
| Dywidag Saudi Arabia Co. Ltd., Jubail | 10,000 | 100.00 |

| SWEDEN | NOMINAL CAPITAL TSEK | DIRECT STAKE % |
|---|---|---|
| BRVZ Sweden AB, Kumla | 100 | 100.00 |
| Nimab Entreprenad AB, Sjöbo | 501 | 100.00 |
| STRABAG AB, Stockholm | 50 | 100.00 |
| STRABAG Projektutveckling AB, Stockholm[1)] | 1,000 | 100.00 |
| STRABAG Sverige AB, Stockholm | 15,975 | 100.00 |
| Züblin Scandinavia AB, Stockholm | 100 | 100.00 |

| SWITZERLAND | NOMINAL CAPITAL TCHF | DIRECT STAKE % |
|---|---|---|
| Astrada AG, Subingen | 3,000 | 100.00 |
| Baunova AG, Dällikon[1)] | 800 | 100.00 |
| BMTI GmbH, Erstfeld | 20 | 100.00 |
| Brunner Erben AG, Zurich | 1,500 | 100.00 |
| Brunner Erben Holding AG, Zurich | 2,000 | 100.00 |
| BRVZ Bau-, Rechen- und Verwaltungszentrum AG, Erstfeld | 100 | 100.00 |
| Egolf AG Strassen- und Tiefbau, Weinfelden | 3,500 | 100.00 |
| Meyerhans AG Amriswil, Amriswil | 2,500 | 100.00 |
| Meyerhans AG, Strassen- und Tiefbau Uzwil, Uzwil | 100 | 100.00 |
| STRABAG AG, Zurich | 8,000 | 100.00 |

| SERBIA | | NOMINAL CAPITAL TRSD | DIRECT STAKE % |
|---|---|---|---|
| «PUTEVI» A.D. CACAK, Cacak | | 122,638 | 85.02 |
| Preduzece za puteve «Zajecar» a.D.Zajecar, Zajecar | | 265,015 | 99.53 |
| STRABAG Beograd d.o.o., Belgrade | T€ | 8,696 | 100.00 |
| TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd, Novi Beograd | T€ | 401 | 100.00 |
| Vojvodinaput-Pancevo a.d. Pancevo, Pancevo | T€ | 4,196 | 82.07 |

| SLOVAKIA | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| BITUNOVA spol. s r.o., Zvolen | 1,195 | 100.00 |
| BRVZ s.r.o., Bratislava | 33 | 100.00 |
| Errichtungsgesellschaft Strabag Slovensko s.r.o., Bratislava-Ruzinov | 7 | 100.00 |
| KSR - Kamenolomy SR, s.r.o., Zvolen | 25 | 100.00 |
| OAT spol. s.r.o., Bratislava | 199 | 100.00 |
| SLOVAKIA ASFALT s.r.o., Bratislava | 9,222 | 100.00 |
| STRABAG - ZIPP Development s.r.o., Bratislava | 664 | 100.00 |
| STRABAG s.r.o., Bratislava | 66 | 100.00 |
| TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o., Bratislava | 7 | 100.00 |
| Viedenska brana s.r.o., Bratislava | 25 | 100.00 |
| ZIPP BRATISLAVA spol. sr.o., Bratislava | 133 | 100.00 |

1) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| SLOVENIA | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| BRVZ center za racunovodstvo in upravljanje d.o.o., Ljubljana | 9 | 100.00 |
| DRP, d.o.o., Ljubljana | 9 | 100.00 |
| GRASTO d.o.o., Ljubljana | 500 | 99.85 |
| STRABAG gradbene storitve d.o.o., Ljubljana | 500 | 100.00 |

| SOUTH AFRICA | NOMINAL CAPITAL T€ | DIRECT STAKE % |
|---|---|---|
| EFKON SOUTH AFRICA (PTY) LTD, Pretoria | 166 | 100.00 |

| CZECH REPUBLIC | NOMINAL CAPITAL TCZK | DIRECT STAKE % |
|---|---|---|
| BHG CZ s.r.o., Ceské Budejovice | 200 | 100.00 |
| Bitunova spol. s r.o., Jihlava | 2,000 | 100.00 |
| BMTI CR s.r.o., Brno | 100 | 100.00 |
| BOHEMIA ASFALT, s.r.o., Sobeslav | 10,000 | 100.00 |
| BRVZ s.r.o., Prague | 1,000 | 100.00 |
| Dalnicni stavby Praha, a.s., Prague | 136,000 | 100.00 |
| FRISCHBETON s.r.o., Prague | 20,600 | 100.00 |
| JHP spol. s.r.o., Prague | 20,000 | 100.00 |
| KAMENOLOMY CR s.r.o., Ostrava - Svinov | 106,200 | 100.00 |
| MiTTaG spol. s.r.o., Brno | 100,100 | 100.00 |
| Na belidle s.r.o., Prague | 100 | 100.00 |
| OAT s.r.o., Prague | 4,000 | 100.00 |
| SAT s.r.o., Prague | 1,000 | 100.00 |
| Strabag a.s., Prague | 1,119,600 | 100.00 |
| STRABAG Property and Facility Services a.s., Prague | 46,800 | 100.00 |
| TPA CR, s.r.o., Ceske Budejovice | 1,000 | 100.00 |
| Viamont DSP a.s., Usti nad Labem | 180,000 | 100.00 |
| Züblin stavebni spol s.r.o., Prague | 100,000 | 100.00 |

| UKRAINE | NOMINAL CAPITAL TUAH | DIRECT STAKE % |
|---|---|---|
| Chustskij Karier, Zakarpatska | 3,279 | 95.96 |
| Möbius Construction Ukraine Ltd, Odessa | 28 | 100.00 |
| Zezelivskij karier TOW, Zezelev | 13,130 | 99.36 |

| HUNGARY | NOMINAL CAPITAL THUF | DIRECT STAKE % |
|---|---|---|
| AKA Zrt., Budapest | 24,000,000 | 100.00 |
| ASIA Center Kft., Budapest | 1,830,080 | 100.00 |
| BHG Bitumen Kft., Budapest | 3,000 | 100.00 |
| Bitunova Kft., Budapest | 50,000 | 100.00 |
| BMTI Kft., Budapest | 5,000 | 100.00 |
| BRVZ Kft., Budapest | 1,545,000 | 100.00 |
| Frissbeton Kft., Budapest | 100,000 | 100.00 |
| H-TPA Kft., Budapest | 113,000 | 100.00 |
| KÖKA Kft., Budapest | 761,680 | 100.00 |
| Magyar Aszfalt Kft., Budapest | 3,600,000 | 100.00 |
| OAT Kft., Budapest | 25,000 | 100.00 |
| STRABAG Property and Facility Services Zrt., Budapest | 20,000 | 51.00 |
| Strabag Zrt., Budapest | 2,100,000 | 100.00 |
| STRABAG-MML Kft., Budapest | 500,000 | 100.00 |
| Szentesi Vasutepitö Kft, Budapest | 189,120 | 100.00 |
| Treuhandbeteiligung H[1] | 10,000 | 100.00 |
| Züblin K.f.t, Budapest | 3,000 | 100.00 |

| UNITED ARAB EMIRATES | NOMINAL CAPITAL TAED | DIRECT STAKE % |
|---|---|---|
| STRABAG ABU DHABI LLC, Abu Dhabi | 150 | 100.00 |
| Züblin Ground and Civil Engineering LLC, Dubai | 1,000 | 100.00 |

1) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

# ACCOUNTING POLICIES

## PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Acquired intangible assets and property, plant and equipment are recognised at their initial costs or costs of production less depreciation and impairment. Both the direct and the appropriate parts of overhead costs for the self-constructed plants are included in the production costs. Borrowing costs are recognised for qualifying assets.

Development costs are capitalised if the group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for internal use or sale and if it can demonstrate the intent to complete the intangible asset and use or sell it. The group must also demonstrate that the intangible asset will generate probable future economic benefits, that it has adequate resources to complete the asset and that it is able to reliably measure the expenditure attributable to the asset during its development. The construction costs for these assets comprise all construction costs directly attributable to the construction process as well as production-related overheads. Borrowing costs are capitalised for qualified assets. The capitalised development costs are amortised and depreciated according to the straight-line method over the period for which revenues from the respective project are expected.

Goodwill is subject to an annual impairment test in accordance with IAS 36 based on which the impairment is undertaken.

Within the scope of the impairment test cash-generating units are identified and assigned a goodwill value. If the book value of a cash-generating unit including its goodwill exceeds the highest attainable value, an impairment loss must be recognised.

Other intangible and tangible assets are amortised and depreciated according to the straight-line method over their estimated useful lives. If there is an indication that an asset may be impaired and if the present value of the future cash surpluses is lower than the carrying value, then the assets are impaired and recognised with the recoverable amount in accordance with IAS 36.

The following useful lives were assumed in the determination of the rate of depreciation/amortisation:

| | USEFUL LIFE IN YEARS |
|---|---|
| **Intangible assets** | |
| Property rights/Utilisation rights | 3–50 |
| Software | 2–5 |
| Patents, licences | 3–10 |
| **Property, plant and equipment** | |
| Buildings | 10–50 |
| Investment property | 10–35 |
| Investments in third-party buildings | 5–40 |
| Machinery | 3–21 |
| Office equipment/furniture and fixtures | 3–23 |
| Vehicles | 4–12 |

Subsidies and investment allowances of public bodies are deducted from the respective asset value and depreciated according to the useful life.

Land and real estate which are held in order to gain rental income and/or to rise in value have been stated as investment property in accordance with IAS 40. The amount reported and the evaluation are made in accordance with the cost model. Investment property is recognised at cost and depreciated within the straight-line method. If the present value of the future cash flows is lower than the carrying value, then an impairment to the lower fair value in accordance with IAS 36 is made. The fair value of this investment property is stated separately. This is determined according to recognised methods such as the derivation of the current market price of comparable real estate or the discounted cash flow method.

Leasing contracts on assets on which all opportunities and risks essentially lie with the company are treated as finance leases. The fixed assets underlying these leasing agreements are capitalised at the present value of the minimum payments at the beginning of leasing relations and depreciated over their useful life or over shorter contract terms. These are offset by the liabilities arising from future leasing payments, whereby the former are recognised at the present value of the outstanding obligations at the balance sheet.

In addition there are leasing agreements for property, plant and equipment which are regarded as operating leases. Leasing payments resulting from these contracts are recognised as expenditure.

## FINANCIAL ASSETS

In accordance with IAS 28, investments in associates are recognised using the equity method as long as they are not immaterial. For purpose of transition to IFRS, the financial statements of the major companies evaluated in accordance with the equity method are to be adapted to IFRS in terms of uniform accounting policies.

Subsidiaries which are not consolidated due to immateriality and other investments which are not reported using the equity method are reported at historical cost or with the fair value in accordance with IAS 39 in as far as this value can be reliably determined.

Interest-bearing loans are, as long as no impairments are necessary, reported at nominal value. Interest-free or low-interest-bearing loans are reported at their present value.

Securities classified as available for sale are initially valued according to acquisition costs and later recognised at fair value. Fair value changes are in principle recognised directly in equity and only recognised in the consolidated income statement upon disposal of the security. The permanent impairment of securities classified as available for sale is recorded through profit or loss.

## DEFERRED TAXES

Deferred taxes are measured using the balance sheet liability method for all differences between the valuation of the balance sheet items in the IFRS financial statements and the existing tax value at the individual companies. Furthermore, any realisable tax advantage from existing losses carried forward will be included in the calculation. Exceptions to this comprehensive tax deferral are balances from non-tax-deductible goodwill.

Deferred tax assets may only be recognised if the associated tax advantage is likely to be realisable. The calculation of the tax deferral is based on the usual income tax rate in the respective country at the point of the predicted reversal.

## INVENTORIES

Inventory costs include cost of purchase and production and are required to be stated at the lower of cost and net realisable value.

Production costs include all direct costs as well as appropriate parts of overhead arising in the production. Distribution costs, as well as costs for general administration, are not included in the production costs. Borrowing costs related to production are recognised for inventories which are to be classified as qualifying assets.

## RECEIVABLES FROM CONCESSION ARRANGEMENTS

Service concession arrangements which provide an absolute contractual right to receive payment are shown separately. All receivables from concession arrangements are accounted for under the special balance sheet item receivables from concession arrangements. The receivables are carried at the present value of the payment to be made. The annual accumulation amount is recognised in other operating income, where it is balanced with the interest expense from related non-recourse financing.

The hedging transactions embedded in the concession arrangements are carried at fair value and shown in the item receivables from concession arrangements.

## TRADE AND OTHER RECEIVABLES

Trade receivables and other receivables are evaluated at their nominal value less impairment for realisable individual risks. Graduated impairment is formed according to risk groups in order to take general loan risks on customer receivables into consideration.

Non-interest bearing and low-interest-bearing receivables are discounted. Foreign currency receivables are evaluated on the balance sheet date at the valid exchange rate.

In the case of receivables from construction contracts, the results are realised according to the percentage of completion method (IAS 11). The output volume actually attained by the balance sheet date serves as a benchmark for the degree of completion. If future results cannot be reliably determined because of uncertainties in the future construction progress, construction contracts are recognised at cost. Impending losses from the further construction process are accounted for by means of appropriate depreciation.

If the costs incurred plus recognised profits exceed the payments received for it, then this is shown on the assets side under receivables from construction contracts. Vice versa, this is reported on the liabilities side under liabilities from construction contracts.

The results, in the case of construction contracts which are carried out in consortia, are realised according to the percentage of completion method in accordance with the degree of completion on the balance sheet date. Impending losses arising from further construction work are accounted for by means of appropriate depreciation. Receivables from or liabilities to consortia include the proportional contract result as well as capital contributions, in- and out-flows of cash and charges resulting from services.

## NON-FINANCIAL RECEIVABLES

Non-financial assets are measured at cost less impairment losses.

## OTHER FINANCIAL RECEIVABLES

Financial assets classified as loans and receivables are carried at amortised cost less impairment losses.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all liquid assets which at the date of acquisition or investment have a remaining term of less than three months. Cash and cash equivalents are measured at amortised cost.

## PROVISIONS

Provisions for severance payments are created as a result of statutory regulations. The group is obliged to pay a one-off severance payment to employees of domestic subsidiaries in the case of termination or retirement if their employment began before 1 January 2003.

The level of this payment depends on the number of years at the company and amount due at the time of severance and comes to between two and twelve monthly salaries. A provision is made for this obligation.

The provisions for severance payments are calculated according to the projected unit credit method by using actuarial expertise. Here the future claim over the length of employment of the employees is collected while taking any future pay rises into consideration. The present value of the already earned partial-claims on the reporting date is recognised as the provision.

Pension provisions are calculated according to the projected unit credit method (IAS 19). This method determines the discounted post-employment benefit obligation acquired up to the balance sheet date. Due to the commitment of fixed pensions, it is not necessary to consider expected future salary rises as part of the actuarial parameters.

The actuarial gains and losses are fully and directly recognised in equity. Service costs are recognised in the employee benefits expense, interest costs in the allocation of provisions in the financial result.

Old-age-part-time indemnity payments are determined according to the same actuarial principles as the pension provisions.

The conditions applied to calculate the severance and pension provisions for discounting, pay rises and fluctuation vary from country to country depending on the economic situation. Life expectancy is calculated according to the respective country's mortality tables.

The discount rate is deduced by the interest of at least AA-Bonds with a comparable maturity.

All employees of the Swiss companies are covered by pension funds at pension fund providers, with benefit contributions made by employers and employees. Because employers and employees are charged a "restructuring contribution" in the event that the fund does not have sufficient assets to cover the employees' entitlements, IAS 19 identifies this system as a defined benefit plan.

The other provisions take into consideration all realisable risks and uncertain obligations. They are recognised at the respective amount, which is necessary at the balance sheet date according to commercial judgement in order to cover future payment obligations, realisable risks and uncertain obligations within the group. Hereby the respective amount is recognised, which arises as the most probable on careful examination of the facts. Long-term provisions are, in as far as they are not immaterial, entered into the accounts at their discounted discharge amount on the balance sheet date. The discharge amount also includes the cost increases to be considered on the reporting date. Provisions which arise from the obligation to recultivate gravel sites are allocated according to the rate of utilisation.

## NON-FINANCIAL LIABILITIES

Non-financial liabilities reported under other liabilities are carried at the repayment amount. The overpaid amounts from construction contracts are qualified as non-financial liabilities.

## FINANCIAL LIABILITIES

Liabilities are basically recognised at the repayment amount. Foreign currency liabilities are evaluated at the closing rate at the balance sheet date. Interest-free liabilities, especially those from finance lease liabilities, are accounted at the present value of the repayment obligation.

Costs related to the issue of corporate bonds are deducted over the term.

## CONTINGENT LIABILITIES

Contingent liabilities are present or possible future obligations which are not reflected in the balance sheet as liabilities because an outflow of resources is not probable. They are – as long as IFRS 3 does not require recognition on acquisition – not reflected in the balance sheet. The amount of the contingent liabilities reported corresponds to the amount of existing guarantees outstanding on balance sheet date.

## DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivative financial instruments are employed exclusively to mitigate risks arising from movements in currency exchange rates and interest rates. The utilisation of financial derivatives is subject to internal guidelines and controls.

All derivative financial instruments are accounted for at fair value in accordance with IAS 39 and reported under other financial receivables or other financial liabilities.

Derivative financial instruments are measured on the basis of inter-bank conditions and, if necessary, the loan margin applicable for STRABAG or stock exchange price, under application of the buying and selling rate on the balance sheet date. Where stock exchange prices are not used, the fair value is calculated by means of actuarial valuation methods.

Gains and losses from derivative financial instruments designated as qualified hedging instruments within the framework of a fair value hedge, or for which no qualified hedge relationship in accordance with IAS 39 could be established and which therefore do not qualify for hedge accounting, are recognised with an effect on income in the consolidated income statement.

Results from derivative financial instruments for which a cash flow hedge has been formed and whose effectiveness has been established are carried in equity with no effect on income up to the date of realisation of the hedge transaction. Any potential changes in results due to the ineffectiveness of these financial instruments are recognised in the income statement with an immediate effect on income. The critical-term-match method is used to determine the prospective effectiveness. The retrospective effectiveness is determined by applying the dollar-offset method.

## REVENUE RECOGNITION

Revenues from the construction contracts are realised according to the percentage of completion method. The output volume actually attained at the balance sheet date serves as a benchmark for the degree of completion.

Revenues from the sale of proprietary projects, from trade to and services for consortia, from other services and from the sale of construction materials and bitumen are realised with the transfer of power to dispose and the related opportunities and risks and/or with the rendering of the services.

Supplementary claims in relation with construction contracts involve services which, based on the existing contractual agreements, cannot be invoiced until their invoicing potential or recognition is agreed with the client. While the costs are recognised in profit or loss immediately when they arise, revenue from supplementary claims is recognised generally after receipt of written recognition from the client or, in the event that payment is received before the written recognition, with the payment itself.

Revenue which is to be seen as purely transitory due to consortial structures, is offset against the corresponding expenses.

# ESTIMATES

Estimations and assumptions which refer to the amount and recognition of the assets and liabilities accounted, the income and expenditure as well as the statement of contingent liabilities are necessary for the preparation of the consolidated financial statement according to IFRS and essentially concern the assessment of building projects until completion, in particular the amount of the realisation of profits, the stage of completion, the accounting and evaluation of provisions, accounting of concession arrangements and the impairment test of goodwill and other assets. In the case of future-oriented assumptions and estimations on the balance sheet date, the realistically expected developments of the global and branch-related environment are taken into account with regard to the expected future business development at the time of the preparation of the consolidated financial statements. In the case of developments in the underlying conditions which deviate from the assumptions and which are beyond the control of the management board, the amount which actually results can deviate from the estimated values. In the event such a development occurs, the assumptions and, if necessary, the carrying values of the affected assets and liabilities are adjusted to the latest information. During the preparation of the consolidated financial statements, there were no signs which indicate the necessity to significantly change the underlying assumptions and estimations.

# NOTES ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT

## (1) REVENUE

The revenue of T€ 12,983,233 (previous year: T€ 13,713,804) is attributed in particular to revenue from construction contracts, revenue from own projects, trade to and services for consortia, as well as other services and proportionally acquired profits resulting from consortia. Revenue from construction contracts including the realised part of profits according to the level of completion of the respective contract (percentage of completion method) amount to T€ 10,858,357 (previous year: T€ 11,443,085).

Revenue according to business fields and regions are represented individually in the segment reporting.

Revenue provides only an incomplete picture of the output volume achieved in the financial year. Additionally, therefore, the total **output volume of the group** is represented, which includes the proportional output of consortia and participation companies:

| | 2012 € MLN. | 2011 € MLN. |
|---|---|---|
| **Germany** | **5,779** | **5,609** |
| **Austria** | **1,888** | **1,985** |
| **Poland** | **1,139** | **1,719** |
| **Czech Republic** | **646** | **769** |
| **Hungary** | **393** | **436** |
| Russia and neighbouring countries | 527 | 487 |
| Slovakia | 400 | 441 |
| Romania | 372 | 206 |
| other CEE countries | 310 | 260 |
| **Rest of CEE** | **1,609** | **1,394** |
| Scandinavia | 579 | 512 |
| Benelux | 456 | 360 |
| Switzerland | 425 | 574 |
| other European countries | 240 | 230 |
| **Rest of Europe** | **1,700** | **1,676** |
| The Americas | 348 | 257 |
| Middle East | 305 | 309 |
| Africa | 125 | 63 |
| Asia | 111 | 109 |
| **Rest of World** | **889** | **738** |
| **Total output volume** | **14,043** | **14,326** |

## (2) OTHER OPERATING INCOME

The other operating income includes revenue from letting and leasing in the amount of € 22.2 million (previous year: € 23.5 million), insurance compensation and indemnification in the amount of € 37.5 million (previous year: € 27.0 million), and exchange rate differences in the amount of € 8.9 million (previous year: € 18.5 million) as well as gains from the disposal of fixed assets without financial assets in the amount of € 38.2 million (previous year: € 38.8 million).

**Interest income from concession arrangements** which is included in other operating income is represented as follows (see also notes on item 17):

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Interest income | 70,925 | 70,975 |
| Interest expense | -36,389 | -37,539 |
| **Total** | **34,536** | **33,436** |

## (3) RAW MATERIALS, CONSUMABLES AND SERVICES USED

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Raw materials, consumables | 3,551,929 | 3,872,141 |
| Services used | 5,103,172 | 5,447,979 |
| | **8,655,101** | **9,320,120** |

Services used are mainly attributed to services of subcontractors and professional craftsmen as well as planning services, machine rentals and third-party repairs.

## (4) EMPLOYEE BENEFITS EXPENSE

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Wages | 1,036,143 | 1,020,732 |
| Salaries | 1,495,331 | 1,470,035 |
| Social security and related costs | 462,521 | 457,475 |
| Expenses for severance payments and contributions to employee provident fund | 22,623 | 22,742 |
| Expenses for pensions and similar obligations | 10,054 | 7,994 |
| Other social expenditure | 25,105 | 25,482 |
| | **3,051,777** | **3,004,460** |

The expenses for severance payments and contributions to the employee provident fund and expenses for pensions and similar obligations include the expenses for service costs and indemnity claims resulting from old-age-part-time claims in the business year. The proportion of interest included in the expenses for severance payments as well as for pensions and similar obligations are recognised in the item interest result.

Expenses from defined contribution plans amounted to T€ 9,179 (previous year: T€ 8,296).

The **average number of employees** with the proportional inclusion of all participation companies is as follows:

| | 2012 | 2011 |
|---|---|---|
| Salaried employees | 28,295 | 32,033 |
| Labourers | 45,715 | 44,833 |
| | **74,010** | **76,866** |

# (5) OTHER OPERATING EXPENSES

The other operating expenses of T€ 938,158 (previous year: T€ 1,013,911) mainly include general administrative costs, travel and advertising costs, insurance premiums, proportional transfer of losses from consortia, impairment of receivables, the balance of allocations to and utilisation of provisions, legal and advisory costs, rental and lease costs and losses on the disposal of assets (excluding financial assets). Other taxes amounting to T€ 40,976 (previous year: T€ 40,468) are included.

The other operating expenses include losses from exchange rate differences in the amount of € 26.3 million (previous year: € 35.5 million).

Indemnity payments in the amount of € 43 million are included in other operating expenses, due to the arbitration proceedings with Cemex. The arbitration court ruled that the cancellation of the contract on the purchase of Cemex activities in Hungary and Austria was against the law. STRABAG has appealed against this judgement.

Spending on research and development arose in various special technical proposals, in connection with concrete competitive projects and in the introduction of building processes and products into the market, and was therefore recognised in full in the income statement.

# (6) SHARE OF PROFIT OR LOSS OF ASSOCIATES

| | 2012<br>T€ | 2011<br>T€ |
|---|---:|---:|
| Income from investments in associates | 12,863 | 12,588 |
| Expenses arising from investments in associates | -22,080 | -47,125 |
| | **-9,217** | **-34,537** |

# (7) NET INCOME FROM INVESTMENTS

| | 2012<br>T€ | 2011<br>T€ |
|---|---:|---:|
| Investment income | 30,387 | 33,509 |
| Expenses arising from investments | -7,224 | -8,803 |
| Gains on the disposal and write-up of investments | 532 | 789 |
| Impairment of investments | -17,845 | -21,727 |
| Losses on the disposal of investments | -1,502 | -183 |
| | **4,348** | **3,585** |

# (8) DEPRECIATION AND AMORTISATION EXPENSE

Depreciations and impairments are represented in the consolidated statement of fixed assets. In the year under report impairments on intangible assets and on property, plant and equipment to the amount of T€ 18,405 (previous year: T€ 30,349) were made. Impairment on goodwill amounts to T€ 10,077 (previous year: T€ 16,152). Impairment on goodwill mainly concerns the activities in Albania and water construction activities in Germany.

# (9) NET INTEREST INCOME

| | 2012<br>T€ | 2011<br>T€ |
|---|---:|---:|
| Interests and similar income | 73,145 | 112,311 |
| Interests and similar charges | -123,871 | -103,767 |
| **Net interest income** | **-50,726** | **8,544** |

Included in interest and similar charges are interest components from the allocation of severance payment and pension provisions amounting to T€ 25,695 (previous year: T€ 21,252), security impairment losses of T€ 1,009 (previous year: T€ 5,126) as well as currency losses of T€ 24,876 (previous year: T€ 12,420).

Included in interests and similar income are gains from exchange rates amounting to T€ 13,124 (previous year: T€ 49,694) and interest components from the plan assets for pension provisions in the amount of T€ 4,454 (previous year: T€ 0).

# (10) INCOME TAX EXPENSE

Income tax includes taxes paid in the individual companies or owed on income, as well as deferred taxes and the payments of additional tax payments resulting from tax audits:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Current taxes | 98,156 | 83,212 |
| Deferred taxes | -51,734 | 20,827 |
| | **46,422** | **104,039** |

The following tax components are recognised directly in equity in the statement of comprehensive income:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Change in hedging reserves | 5,345 | 5,770 |
| Actuarial gains/losses | 18,487 | 753 |
| Fair value of financial instruments under IAS 39 | -404 | 0 |
| **Total** | **23,428** | **6,523** |

The reasons for the difference between the Austrian corporate income tax rate of 25 % valid in 2012 and the actual consolidated tax rate are as follows:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| **Profit before tax** | **156,460** | **343,329** |
| Theoretical tax expenditure 25 % | 39,115 | 85,832 |
| Differences to foreign tax rates | -6,754 | -9,862 |
| Change in tax rates | -688 | -451 |
| Non-tax-deductible expenses | 8,910 | 13,093 |
| Tax-free earnings | -8,719 | -9,426 |
| Tax effects of results from associates | 1,509 | 5,514 |
| Depreciation of goodwill/capital consolidation | 7,190 | 906 |
| Additional tax payments | -1,696 | 1,737 |
| Change of valuation adjustment on deferred tax assets | 8,022 | 17,427 |
| Others | -467 | -731 |
| **Recognised income tax** | **46,422** | **104,039** |

# (11) EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the net income after non-controlling interests by the weighted average number of ordinary shares.

As there are no stock options at the STRABAG Group, the diluted earnings per share equal the basic earnings per share.

| | 2012 | 2011 |
|---|---|---|
| Number of shares outstanding as of 1.1. | 114,000,000 | 114,000,000 |
| Number of shares bought back | -10,912,340 | -8,775,264 |
| Number of shares outstanding as of 31.12. | 103,087,660 | 105,224,736 |
| | | |
| Profit or loss attributable to equity holders of the parent company in T€ | 60,631 | 194,995 |
| Weighted number of shares outstanding during the year | 104,083,238 | 111,424,186 |
| **Earnings per share in €** | **0.58** | **1.75** |

# NOTES ON ITEMS IN THE CONSOLIDATED BALANCE SHEET

## (12) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The composition of and changes in intangible assets, goodwill, and property, plant and equipment is shown separately in the consolidated statement of fixed assets.

No borrowing costs were capitalised for property, plant and equipment, or for intangible assets in the year under report, as significant qualifying assets were not produced or acquired after 1 January 2009.

### GOODWILL

The goodwill at the balance sheet date is composed as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| STRABAG AG, Cologne | 178,803 | 178,803 |
| Acquisitions Germany | 64,360 | 69,408 |
| Polski Asfalt Group | 60,454 | 55,247 |
| Viamont DSP a.s., Usti nad Labem | 54,676 | 53,328 |
| Acquistions other Western Europe | 21,139 | 19,477 |
| Acquisitions Eastern Europe | 17,657 | 21,262 |
| STRABAG Sverige AB, Stockholm | 17,590 | 16,939 |
| EFKON Group (incl. Center Communications Systems GmbH) | 15,466 | 15,466 |
| Ed. Züblin AG, Stuttgart | 14,938 | 14,938 |
| Gebr. von der Wettern Group | 10,090 | 10,800 |
| Acquisitions Austria | 9,248 | 9,248 |
| FRISCHBETON s.r.o., Prague | 7,088 | 6,911 |
| | **471,509** | **471,827** |

The goodwill is submitted to an impairment test once a year. For impairment testing, the recoverable value of a cash-generating unit is compared with its corresponding book value.

The cash-generating unit basically corresponds to the acquired legal unit or units which profit from the synergy potential of the business combination.

The recoverable value is the fair value or value in use determined from the discounted future cash flows.

This value is identified on the basis of the current budgeting of the internal reporting, as approved by the management board, which is based on past experiences and expectations concerning the future development of the market. The detailed planning period comprises at least four years and can be extended if this would allow a better depiction of the future cash flows. The last detailed planning year forms the basis for the calculation of the perpetuities as long as applicable legislation and legal requirements do not limit the usability of the cash-generating unit to a shorter period of time.

The discount rate for the future cash flows is identified while taking into account segment- and country-specific risks and growth rates. The discount interest rates range from 6.8 % to 10.7 % after taxes (previous year: 6.2 % to 10.7 %) respectively from 7.9 % to 11.6 % before taxes (previous year: 7.1 % to 11.2 %).

The comparison of the book values with the highest attainable values of the cash-generating entities determined by the annual impairment test showed a need for goodwill impairment of T€ 10,077 (previous year: T€ 16,152).

### CAPITALISED DEVELOPMENT COSTS

At the balance sheet date, development costs in the amount of T€ 18,422 (previous year: T€ 17,588) were capitalised as intangible assets. In the 2012 financial year, development costs in the amount of T€ 6,000 (previous year: T€ 11,544) were incurred, of which T€ 1,950 (previous year: T€ 2,946) were capitalised.

### LEASING

Due to existing finance leasing contracts, the following book values are included in property, plant and equipment assets on the balance sheet date:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Property leasing | 27,451 | 29,916 |
| Machinery leasing | 18,604 | 22,710 |
| | **46,055** | **52,626** |

Offset against these are liabilities arising from the present value of leasing obligations amounting to T€ 43,101 (previous year: T€ 46,742).

The terms of the finance leases for property are between four and 20 years, while those for machines are between two and eight years.

The following payment obligations will arise from financial leases in subsequent financial years:

| | PRESENT VALUES | | MINIMUM PAYMENTS | |
|---|---|---|---|---|
| | 31.12.2012 T€ | 31.12.2011 T€ | 31.12.2012 T€ | 31.12.2011 T€ |
| Term up to one year | 8,577 | 7,154 | 11,091 | 11,147 |
| Term between one and five years | 25,690 | 29,981 | 29,631 | 34,633 |
| Term over five years | 8,834 | 9,607 | 10,679 | 11,296 |
| | **43,101** | **46,742** | **51,401** | **57,076** |

In addition to the finance leases, there are also operating leases for the utilisation of technical equipment and machinery. The expenses from these contracts are recognised in the income statement. The payments made for the financial year 2012 amount to T€ 96,832 (previous year: T€ 107,960).

Payment obligations arising from **operating lease agreements** in subsequent business years are represented as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Term up to one year | 75,379 | 71,533 |
| Term between one and five years | 148,368 | 133,949 |
| Term over five years | 51,572 | 53,449 |
| | **275,319** | **258,931** |

### RESTRICTIONS ON PROPERTY, PLANT AND EQUIPMENT/PURCHASE OBLIGATIONS

On the balance sheet date there were € 109.9 million (previous year: € 131.8 million) in contractual commitments for acquisition of property, plant and equipment which were not considered in the financial statement.

Restrictions exist for non-current assets in the amount of T€ 21,470 (previous year: T€ 22,805).

## (13) INVESTMENT PROPERTY

The development of investment property is shown separately in the consolidated statement of fixed assets. As of 31 December 2012, the fair value of the investment property basically corresponds to the carrying value.

The rental income from investment property in the 2012 financial year amounted to T€ 7,440 (previous year: T€ 8,484) and direct operating expenses totalled T€ 7,532 (previous year: T€ 10,210). Additionally, gains from asset disposals in the amount of T€ 2,195 (previous year: T€ 0) were achieved. No impairment was made in the financial year 2012 (previous year: T€ 15,000).

## (14) FINANCIAL ASSETS

Detailed information on the group's investments (shares of more than 20 %) can be found in the list of Participations.

The development of the financial assets in the financial year was as follows:

| | BALANCE AS OF 1.1.2012 T€ | CURRENCY TRANSLATION T€ | CHANGE IN SCOPE OF CONSOLI-DATION T€ | ADDITIONS T€ | TRANSFERS T€ | DISPOSAL T€ | IMPAIRMENT/ WRITE-UP T€ | BALANCE AS OF 31.12.2012 T€ |
|---|---|---|---|---|---|---|---|---|
| Investments in associates | 402,279 | -90 | 0 | 12,103 | 4 | -35,174 | 0 | **379,122** |
| Investments in subsidiaries | 92,971 | -14 | -9,697 | 37,743 | -1,086 | -3,209 | -15,215 | **101,493** |
| Loans to subsidiaries | 208 | 3 | 0 | 1,166 | 9 | -347 | -866 | **173** |
| Other investment | 104,216 | 70 | -433 | 3,938 | 1,073 | -5,622 | -2,630 | **100,612** |
| Loans to participation companies | 17,490 | 0 | 0 | 0 | 0 | -6,583 | 0 | **10,907** |
| Securities | 32,151 | 10 | 66 | 1,828 | 0 | -172 | 1,434 | **35,317** |
| Other loans | 2,026 | 0 | 0 | 61 | 0 | -297 | 0 | **1,790** |
| | **651,341** | **-21** | **-10,064** | **56,839** | **0** | **-51,404** | **-17,277** | **629,414** |

The following table provides an overview of the financial information (100 %) for associates and for companies which were reported applying the equity method of accounting in accordance with IAS 31.38 (Joint Ventures):

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Total assets as of 31.12. | 3,485,399 | 3,236,735 |
| Total liabilities as of 31.12. | 2,877,334 | 2,450,333 |
| Revenue | 983,736 | 596,221 |
| Profit for the period | -62,230 | -3,883 |

# (15) DEFERRED TAXES

Tax accruals and deferrals recognised in the balance sheet on temporary differences between the amounts stated in the IFRS financial statements and the respective tax amounts as well as losses carried forward developed as follows:

| | BALANCE AS OF 1.1.2012 T€ | CURRENCY TRANSLATION T€ | CHANGE IN SCOPE OF CONSOLIDATION T€ | OTHER CHANGES T€ | BALANCE AS OF 31.12.2012 T€ |
|---|---|---|---|---|---|
| Property, plant and equipment and intangible assets | 8,506 | 0 | 0 | 1,694 | 10,200 |
| Financial assets | 1,750 | 0 | 0 | -772 | 978 |
| Inventories | 4,056 | -236 | 0 | 2,881 | 6,701 |
| Trade and other receivables | 7,617 | -237 | 0 | 3,428 | 10,808 |
| Provisions | 143,117 | -5,519 | 0 | 52,313 | 189,911 |
| Liabilities | 2,732 | -13 | 0 | 1,401 | 4,120 |
| Tax loss carryforward | 195,599 | 0 | 0 | 18,284 | 213,883 |
| **Deferred tax assets** | **363,377** | **-6,005** | **0** | **79,229** | **436,601** |
| Netting out of deferred tax assets and liabilities of the same tax authorities | -189,653 | 0 | 0 | -49,329 | -238,982 |
| **Deferred tax assets netted out** | **173,724** | **-6,005** | **0** | **29,900** | **197,619** |

| | BALANCE AS OF 1.1.2012 T€ | CURRENCY TRANSLATION T€ | CHANGE IN SCOPE OF CONSOLIDATION T€ | OTHER CHANGES T€ | BALANCE AS OF 31.12.2012 T€ |
|---|---|---|---|---|---|
| Property, plant and equipment and intangible assets | -64,760 | 45 | -79 | 4,740 | -60,054 |
| Financial assets | -5,566 | 0 | 0 | -4,199 | -9,765 |
| Inventories | -31,711 | 0 | -24,024 | -6,288 | -62,023 |
| Trade and other receivables | -136,017 | 584 | -41 | -16,103 | -151,577 |
| **Deferred tax liabilities** | **-238,054** | **629** | **-24,144** | **-21,850** | **-283,419** |
| Netting out of deferred tax assets and liabilities of the same tax authorities | 189,653 | 0 | 0 | 49,329 | 238,982 |
| **Deferred tax liabilities netted out** | **-48,401** | **629** | **-24,144** | **27,479** | **-44,437** |

Deferred taxes on losses carried forward were capitalised as these can probably be offset with future taxable profits.

The Austrian Corporate Income Tax Act (Körperschaftsteuergesetz) requires a tax-effective impairment of investments to be claimed over a period of seven years. The deferred tax assets on loss carryforwards contain open one-seventh impairments in the amount of € 53.4 million (previous year: € 46.9 million).

No deferred tax assets were made for differences in book value on the assets side and tax losses carried forward of € 817.7 million (previous year: € 674.4 million), as their effectiveness as final tax relief is not sufficiently assured.

Of the non-capitalised loss carryforwards, € 745.8 million (previous year: € 614.1 million) have unrestricted use.

No deferred tax assets in accordance with Section 12 of the Austrian Corporate Income Tax Act (Körperschaftsteuergesetz) were made for open one-seventh impairments in the amount of € 129.3 million (previous year: € 124.7 million).

## (16) INVENTORIES

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Raw materials, auxiliary supplies and fuel | 332,597 | 312,529 |
| Offshore wind projects | 174,912 | 56,658 |
| Finished buildings and goods | 232,236 | 74,288 |
| Unfinished buildings and goods | 176,838 | 251,270 |
| Development land | 59,288 | 89,054 |
| Payments made | 55,686 | 34,591 |
| | **1,031,557** | **818,390** |

In the financial year, impairment in the amount of T€ 10,732 (previous year: T€ 2,219) was recognised on inventories excluding materials, auxiliary supplies and fuel. T€ 53,234 (previous year: T€ 70,006) of the inventories excluding raw materials, auxiliary supplies and fuel were reported with the net realisable value.

For qualifying assets, interest on borrowings was recognised in the amount of T€ 4,886.

## (17) RECEIVABLES AND OTHER ASSETS

### RECEIVABLES FROM CONCESSION ARRANGEMENTS

STRABAG has a 100 % interest in the Hungarian M5 Motorway Concession Company, AKA Alföld Koncesszios Autopalya Zrt., Budapest (AKA).

In the concession agreement with the Hungarian state, AKA committed to develop, plan, finance and to 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 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 three phases. The concession period runs until 2031. A one-time extension for up to 17.5 years is possible.

All services provided under this concession arrangement are accounted for under the separate balance sheet item receivables from concession arrangements. The receivables are carried at the present value of the payment to be made by the state. The annual accumulation amount is recognised in other operating income.

A part of the availability fee consists of interest adjustment payments of the Hungarian state. As a result, the state bears the interest risk from the financing of AKA. These interest adjustment payments represent an embedded hedging transaction which is measured separately in accordance with IAS 39.11. Presentation is made as a cash flow hedge; as a result, changes in the fair value of the interest rate swap are recognised directly in equity.

The negative market value of the interest rate swap in the amount of T€ -61,198 (previous year: T€ -27,217) is also recognised as long-term receivables from concession arrangements.

Recognisable receivables from concession arrangements are offset by non-recourse financing in the amount of T€ 630,311 (previous year: T€ 673,927), classified either as a current or non-current liability depending on the term. The resulting interest expense is recognised in other operating income.

The STRABAG consortium KMG – Kliplev Motorway Group was awarded the tender for Denmark's first PPP project. The consortium will plan and build 26 km of the M51 motorway from Kliplev to Sønderborg as well as 18 km of side roads and seven interchanges and will operate the road over a period of 26 years from completion. The motorway was completed in March 2012 and was transferred to the state. The operation will then be paid for by regular payments from the state. The interim financing of the construction works included non-recourse financing in the amount of T€ 80,251 as of 31 December 2011.

**Receivables and Other Assets** are comprised as follows:

| | 31.12.2012 | | | 31.12.2011 | | |
|---|---|---|---|---|---|---|
| | TOTAL T€ | THEREOF CURRENT T€ | THEREOF NON-CURRENT T€ | TOTAL T€ | THEREOF CURRENT T€ | THEREOF NON-CURRENT T€ |
| **Receivables from concession arrangements** | **805,352** | **22,785** | **782,567** | **1,000,075** | **160,743** | **839,332** |
| **Trade receivables** | | | | | | |
| Receivables from construction contracts | 4,758,302 | 4,758,302 | 0 | 6,721,117 | 6,721,117 | 0 |
| Advances received | -3,823,135 | -3,823,135 | 0 | -5,733,044 | -5,733,044 | 0 |
| | 935,167 | 935,167 | 0 | 988,073 | 988,073 | 0 |
| Other trade receivables | 1,383,932 | 1,292,506 | 91,426 | 1,339,630 | 1,265,548 | 74,082 |
| Advances paid to subcontractors | 53,652 | 53,652 | 0 | 124,807 | 124,807 | 0 |
| Receivables from consortia | 254,144 | 254,144 | 0 | 251,310 | 251,310 | 0 |
| | **2,626,895** | **2,535,469** | **91,426** | **2,703,820** | **2,629,738** | **74,082** |
| **Non-financial assets** | **118,381** | **106,372** | **12,009** | **121,677** | **117,844** | **3,833** |
| **Other financial assets** | | | | | | |
| Receivables from subsidiaries | 145,042 | 145,036 | 6 | 128,584 | 128,555 | 29 |
| Receivables from participation companies | 162,197 | 158,789 | 3,408 | 87,510 | 83,886 | 3,624 |
| Other financial assets | 248,679 | 216,269 | 32,410 | 256,670 | 212,306 | 44,364 |
| | **555,918** | **520,094** | **35,824** | **472,764** | **424,747** | **48,017** |

The non-financial assets contain income tax receivables in the amount of T€ 42,831 (previous year: T€ 54,764).

**The receivables from construction contracts** at the balance sheet date are represented as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| **All contracts in progress at balance sheet date** | | |
| Costs incurred to balance sheet date | 9,294,609 | 10,928,444 |
| Profits arising to balance sheet date | 389,511 | 466,578 |
| Accumulated losses | -378,307 | -356,050 |
| Less receivables recognised under liabilities | -4,547,511 | -4,317,855 |
| | **4,758,302** | **6,721,117** |

Receivables from construction contracts amounting to T€ 4,547,511 (previous year: T€ 4,317,855) are recognised in liabilities, as advances received exceed the receivables.

As usual in the industry, the customer has the contractual right to retain part of the total amount of the invoice. These retentions are, however, redeemed as a rule by security (bank or group guarantees).

In the reporting period, impairment on other trade receivables developed as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| **Other trade receivables before impairment** | **1,512,040** | **1,475,768** |
| **Impairment as of 1.1.** | **136,138** | **122,775** |
| Currency translation | 2,115 | -3,224 |
| Changes in scope of consolidation | 330 | 1,271 |
| Allocation/utilisation[1] | -10,475 | 15,316 |
| **As of 31.12.** | **128,108** | **136,138** |
| **Book value of other trade receivables** | **1,383,932** | **1,339,630** |

## (18) CASH AND CASH EQUIVALENTS

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Securities | 12,472 | 20,553 |
| Cash on hand | 5,917 | 2,291 |
| Bank deposits | 1,356,566 | 1,677,393 |
| | **1,374,955** | **1,700,237** |

## (19) EQUITY

The fully paid in share capital amounts to € 114,000,000 and is divided into 113,999,997 no-par bearer shares and three registered shares.

The management board was authorised, with the approval of the supervisory board, to increase the share capital of the company by up to € 57,000,000 by 19 June 2014, in several tranches if necessary, by issuing up to 57,000,000 registered no-par shares for cash or contributions in kind (approved capital). In the case of capital increase through contributions in kind, the partial or full exclusion of the shareholders' subscription rights is possible.

The exercise, issue price and conditions of issue shall be determined with the approval of the supervisory board. The supervisory board was authorised to determine the necessary changes to the Articles of Association required upon the issuance of shares from the approved capital.

The following resolutions were passed at the Annual General Meeting of 15 June 2012:

The management board was authorised to acquire no-par bearer or registered shares of the company on the stock market or over the counter to the extent of up to 10 % of the share capital during a period of twelve months from 10 July 2012 at a minimum price per share of € 1.00 and a maximum price per share of € 34.00. The purpose of the acquisition may not be to trade with own shares. The authorisation can be exercised in full, in part or in several partial amounts for one or several purposes by the company, a subsidiary (Section 228 Paragraph 3 of the Austrian Business Enterprise Code) or third parties acting on behalf of the company.

The management board of STRABAG SE can decide to acquire shares on the stock exchange but must inform the supervisory board following decision to do so. Over-the-counter purchases require prior approval by the supervisory board.

The management board was also authorised, for a period of five years from this resolution (Section 65 Paragraph 1b of the Austrian Stock Corporation Act), to sell or assign its own shares, with approval by the supervisory board, in a manner other than on the stock market or through a public tender, to the exclusion of the shareholders' buyback rights (subscription rights), and to determine the conditions of sale. The authorisation can be exercised in full, or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Section 228 Paragraph 3 of the Austrian Business Enterprise Code) or third parties acting on behalf of the company.

The renewed authorisation of the management board to acquire own shares thus seamlessly follows the authorisation as per resolution by the Annual General Meeting of 10 June 2011.

The authorisation is to be exercised by the management board in such a way that, under consideration of the already acquired number of shares, a maximum of 11,400,000 shares is not exceeded and at no time the acquisition of own shares exceeds the 10 % limit.

The management board was authorised, with approval from the supervisory board, to issue financial instruments within the meaning of Section 174 of the Austrian Stock Corporation Act (AktG), in particular convertible bonds, income bonds, profit

1) Contains reclassifications amounting to T€ -12,018.

participation rights with a total nominal value of up to € 1,000,000,000.00 which may also confer subscription and/or exchange rights for the acquisition of up to 50,000,000 shares of the company and/or may be designed in such a way that they can be issued as equity, also in several tranches and in different combinations, up to five years inclusive from the day of this resolution, also indirectly by way of a guarantee for the issue of financial instruments through an associate or related entity of the company with conversion rights on shares of the company. For the servicing, the management board may use the conditional capital or own shares. The issue amount and issue conditions, as well as the possible exclusion of the shareholders' subscription rights for the issued financial instruments, are to be determined by the management board with the approval of the supervisory board.

Also approved was a conditional increase of the share capital of the company pursuant to Section 159 Paragraph 2 No. 1 of the Austrian Stock Corporation Act (AktG) by up to € 50,000,000.00 through the issue of up to 50,000,000 new bearer shares with no face value (no-par shares) for issue to creditors of financial instruments within the meaning of the Annual General Meeting resolution of 15 June 2012, provided the creditors of financial instruments exercise their subscription and/or exchange rights for shares of the company. The issue amount and the exchange ratio are to be determined based on recognised financial mathematical methods and the price of the shares of the company in a recognised pricing procedure. The newly issued shares of the conditional capital increase carry a dividend entitlement corresponding to that of the shares traded on the stock market at the time of the issue. The management board is authorised, with the approval of the supervisory board, to establish the further details of the implementation of the conditional capital increase. The supervisory board is authorised to pass resolution on any amendments to the Articles of Association resulting from the issue of shares within the scope of the conditional capital.

Details as to the development of the equity of STRABAG SE are represented in the statement of changes in equity.

Long-term economic success, within the context of responsibility to our shareholders, customers, employees, suppliers, subcontractors and the company itself, is the primary entrepreneurial objective of the STRABAG Group. Working to pursue these goals, recognising opportunities and risks before and as they arise, and responsibly taking these into consideration safeguards the continuity of the group and protects the interests of the shareholders.

To guarantee the continuity of the company, the management and responsible employees assure that there is a balanced relationship between opportunities and risks during the selection of projects and assess the individual risks against the background of the overall company risk.

The group equity ratio target was defined at between 20 % and 25 % during the IPO of STRABAG SE in October 2007. The equity capital ratio is calculated from the book value of the equity as of 31 December divided by the balance sheet total as of 31 December. The equity contains all parts of the equity according to the balance sheet: share capital, capital reserves, retained earnings and non-controlling interests.

The group equity ratio as of 31 December 2012 amounted to 31 % (previous year: 30 %). With this equity base, the STRABAG Group will be able to participate increasingly in tenders for Public-Private Partnership (PPP) projects. It means that the necessary funds for a participation in equity capital are available and that the related change in the balance sheet total will be manageable.

If the group is awarded the tender for large-scale projects, or if a strategically suitable acquisition is made, the equity ratio could briefly fall below the set minimum. In this case, the company reserves the right to adjust the dividend payments to the shareholders or to issue new shares.

## (20) PROVISIONS

| | BALANCE AS OF 1.1.2012 T€ | CURRENCY TRANSLATION T€ | CHANGES IN SCOPE OF CONSOLIDATION T€ | ADDITIONS T€ | DISPOSALS T€ | IMPAIRMENT T€ | BALANCE AS OF 31.12.2012 T€ |
|---|---|---|---|---|---|---|---|
| **Provisions for severance payments** | **70,438** | **0** | **539** | **8,931** | **0** | **0** | **79,908** |
| **Provisions for pensions** | **384,209** | **5** | **229** | **45,480** | **0** | **0** | **429,923** |
| **Provisions for taxes** | **106,801** | **4,766** | **25** | **55,981** | **2,743** | **94,582** | **70,248** |
| **Other provisions** | | | | | | | |
| Construction-related provisions | 662,328 | 13,328 | 12,557 | 318,896 | 11,009 | 323,094 | 673,006 |
| Personnel-related provisions | 250,307 | 1,838 | 1,016 | 158,206 | 5,174 | 181,243 | 224,950[1] |
| Other provisions | 240,869 | 4,985 | 1,363 | 270,094 | 13,296 | 220,760 | 283,255 |
| | **1,153,504** | **20,151** | **14,936** | **747,196** | **29,479** | **725,097** | **1,181,211** |
| | **1,714,952** | **24,922** | **15,729** | **857,588** | **32,222** | **819,679** | **1,761,290** |

The short-term provisions include provisions for taxes in the amount of T€ 70,248 (previous year: T€ 106,801) as well as other provisions in the amount of T€ 665,209 (previous year: T€ 684,175). The long-term provisions amounting to T€ 1,025,833 (previous year: T€ 923,976) mainly include severance provisions, pension provisions and provisions for guarantees.

1) In the other personnel-related provisions plan assets in the amount of T€ 13,763 (previous year: T€ 15,609) are deducted.

Provisions for **severance payments** show the following development:

| | 2012<br>T€ | 2011<br>T€ |
|---|---|---|
| **Present value of the defined benefit obligation as of 1.1.** | **70,438** | **69,356** |
| Changes in scope of consolidation | 539 | 25 |
| Current service costs | 3,087 | 3,472 |
| Interest costs | 2,885 | 2,949 |
| Severance payments | -6,015 | -3,640 |
| Actuarial gains/losses | 8,974 | -1,724 |
| **Present value of the defined benefit obligation as of 31.12.** | **79,908** | **70,438** |

The provisions for pensions are formed for obligations from the right to future pension payments and current payments to present and past employees and their dependents. The obligations primarily refer to retirement pensions. The individual commitments are generally determined according to the employment conditions of the employee at the time of the commitment (et al. length of service, salary of employee). Basically no new commitments have been awarded since 1999.

The company pension scheme in Germany consists of a non-fund-financed, defined benefit pension plan. In the case of defined benefit pension systems, the company is obliged to fulfil payment commitments to present and past employees. There are no defined contribution plans in the form of financing by relief funds outside the group.

The amount of the provision is calculated using actuarial methods based on biometric tables of Klaus Heubeck (Germany) or the AVÖ 2008-P (Austria). This is based on a discounting rate of 3.75 % (previous year: 5.00 %) for provisions for severance payments and pensions and a salary increase of 2.25 % respectively 2.00 % for severance payments (previous year: 2.25 % respectively 2.00 % for severance payments). For future pension increases, a rate of escalation is set dependent on the contractual adaptation terms.

With reference to the company agreement concerning the old-age-part-time settlement, which had initially affected the operative German companies in the STRABAG Group in 2000, further additional obligations for retirement indemnity payments incurred. These obligations have been transferred to the STRABAG Unterstützungskasse GmbH, Cologne. The old-age-part-time indemnity payments are determined using the same basic principles as for the pension provisions. They are included in the group as a result of the consolidation of the STRABAG Unterstützungskasse GmbH, Cologne.

To cover the retirement benefit obligations of employees at the Swiss companies, pension funds exist at pension fund providers. Obligations to provide additional benefits means that these are to be qualified as a defined benefit pension system.

These obligations were calculated using actuarial methods based on the BVG 2010 biometric tables and a retirement age of 65 for men and 64 for women. Further serving as a basis were a discounting rate of 1.9 % (previous year: 2.5 %), a salary increase of 2.0 % (previous year: 2.0 %), an indexing of the pensions of 0.25 % (previous year: 0.25 %) and a weighted yield on the plan assets in the amount of 2.25 % (previous year: 2.8 %).

The development of the **provisions for pensions** is shown below:

| | 2012<br>T€ | 2011<br>T€ |
|---|---|---|
| **Present value of the defined benefit obligation as of 1.1.** | **586,294** | **374,794** |
| DBO from the Swiss pension foundations as of 1.1.[1)] | 0 | 94,413 |
| Changes in scope of consolidation/currency translation | 8,154 | 137,578 |
| Current services costs | 17,157 | 18,410 |
| Interest costs | 22,810 | 24,479 |
| Pension payments | -62,579 | -58,641 |
| Actuarial gains/losses | 62,468 | 2,470 |
| Plan settlements | 0 | -18,239 |
| Reclassification of plan assets | 0 | 11,030 |
| **Present value of the defined benefit obligation as of 31.12.** | **634,304** | **586,294** |

The accumulated actuarial gains and losses for defined pension benefit plans and severance provisions, which were recognised directly in equity, as of 31 December 2012 amounted to T€ 100,612 (previous year: T€ 36,741).

1) Initial presentation of pension benefit obligations of the Swiss pension foundations

The **plan assets for pension provisions** developed as follows in the year under report:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| **Fair value of the plan assets as of 1.1.** | **202,085** | **11,030** |
| Plan assets from the Swiss pension foundations as of 1.1.[1] | 0 | 91,214 |
| Changes to the scope of consolidation/currency translation | 6,605 | 129,817 |
| Expected income from plan assets | 4,454 | 6,176 |
| Contributions | 14,673 | 16,939 |
| Pension payments | -31,007 | -33,213 |
| Acturial gains/losses | 7,571 | -3,524 |
| Plan settlements | 0 | -16,354 |
| **Fair value of the plan assets as of 31.12.** | **204,381** | **202,085** |

The plan assets consist of the following risk groups:

| | 2012 T€ |
|---|---|
| Shares | 21,722 |
| Bonds | 93,669 |
| Cash | 4,680 |
| Investment funds | 3,731 |
| Real estate | 6,923 |
| Liability insurance | 43,751 |
| Other assets | 29,905 |
| **Total** | **204,381** |

The **experience adjustments** to pension and severance provisions are represented as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ | 31.12.2010 T€ | 31.12.2009 T€ | 31.12.2008 T€ |
|---|---|---|---|---|---|
| Present value of the defined benefit obligation (severance provisions) | 79,908 | 70,438 | 69,356 | 70,479 | 65,631 |
| Present value of the defined benefit obligation (pension provision) | 634,304 | 586,294 | 385,824 | 364,161 | 406,157 |
| Fair value of plan assets | -204,381 | -202,085 | -11,030 | 0 | -301 |
| **Budgeted deficit** | **509,831** | **454,647** | **444,150** | **434,640** | **471,487** |
| | | | | | |
| Experience adjustments of severance provision | 8,974 | -1,724 | -1,384 | 1,528 | 1,214 |
| Experience adjustments of pension provision | 54,897 | 5,994 | 18,466 | 20,182 | -21,927 |
| **Experience adjustments** | **63,871** | **4,270** | **17,082** | **21,710** | **-20,713** |

The **provisions for taxes** mainly comprise current income taxes.

## OTHER PROVISIONS

The construction-related provisions include other warranty obligations, costs of the contract execution and subsequent costs of invoiced contracts, as well as impending losses from projects pending which are not accounted for elsewhere. The personnel-related provisions essentially include anniversary bonus obligations, contributions to occupational accident funds as well as costs of the old-age-part-time scheme and personnel downsizing measures. Other provisions include provisions for damages and litigations and restructuring.

1) Initial presentation of plan assets of the Swiss pension foundations

## (21) LIABILITIES

| | 31.12.2012 | | | 31.12.2011 | | |
|---|---|---|---|---|---|---|
| | TOTAL T€ | THEREOF CURRENT T€ | THEREOF NON-CURRENT T€ | TOTAL T€ | THEREOF CURRENT T€ | THEREOF NON-CURRENT T€ |
| **Financial liabilities** | | | | | | |
| Bonds | 477,500 | 95,000 | 382,500 | 445,000 | 75,000 | 370,000 |
| Bank borrowings | 1,129,383 | 280,425 | 848,958 | 1,235,510 | 351,150 | 884,360 |
| Liabilities from finance leases | 43,101 | 8,577 | 34,524 | 46,742 | 7,154 | 39,588 |
| Other liabilities | 0 | 0 | 0 | 4,705 | 0 | 4,705 |
| | **1,649,984** | **384,002** | **1,265,982** | **1,731,957** | **433,304** | **1,298,653** |
| **Trade payables** | | | | | | |
| Receivables from construction contracts[1] | -4,547,511 | -4,547,511 | 0 | -4,317,855 | -4,317,855 | 0 |
| Advances received | 5,077,581 | 5,077,581 | 0 | 4,893,392 | 4,893,392 | 0 |
| | 530,070 | 530,070 | 0 | 575,537 | 575,537 | 0 |
| Other trade payables | 1,981,392 | 1,920,386 | 61,006 | 2,119,943 | 2,059,519 | 60,424 |
| Payables to consortia | 273,663 | 273,663 | 0 | 275,097 | 275,097 | 0 |
| | **2,785,125** | **2,724,119** | **61,006** | **2,970,577** | **2,910,153** | **60,424** |
| **Non-financial liabilities** | **328,914** | **327,586** | **1,328** | **362,137** | **360,656** | **1,481** |
| **Other financial liabilities** | | | | | | |
| Payables to subsidiaries | 68,639 | 68,639 | 0 | 56,000 | 56,000 | 0 |
| Payables to participation companies | 20,072 | 15,409 | 4,663 | 16,888 | 11,105 | 5,783 |
| Other financial liabilities | 316,688 | 288,021 | 28,667 | 335,300 | 315,164 | 20,136 |
| | **405,399** | **372,069** | **33,330** | **408,188** | **382,269** | **25,919** |

In order to secure liabilities to banks, real securities amounting to T€ 205,526 (previous year: T€ 171,795) have been booked.

## (22) CONTINGENT LIABILITIES

The company has accepted the following guarantees:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Guarantees without financial guarantees | 903 | 1,988 |

## (23) OFF-BALANCE SHEET TRANSACTIONS

In the construction industry, it is customary and necessary to provide various types of guarantees to secure the contractual obligations. These guarantees are usually issued by banks or credit insurers and most commonly comprise bid, contract performance, prepayment and warranty guarantees. In the event these guarantees are called upon, the relevant banks have a contractual right of recourse against the group. The risk that such guarantees are utilised and that a right of recourse arises materialises only if the primary contractual obligations are not properly performed.

Obligations and possible risks from such guarantees are recognised in the balance sheet as provisions or liabilities.

Not included in the balance sheet or the contingent liability as of 31 December 2012 are fulfilment guarantees in the amount of € 2.1 billion (previous year: € 2.0 billion) of which an outflow of resources is unlikely.

As is customary in the industry, STRABAG SE shares liability with the other partners of consortia and joint ventures in which companies of the STRABAG Group hold a share interest.

1) The prepayment exceeding the receivables from construction contracts shown here is qualified as non-financial.

# (24) NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

The representation of the cash flow statement was made according to the indirect method and separated into the cash flows classified by operating, investing and financing activities. The cash and cash equivalents include exclusively cash on hand, bank deposits and short-term securities. Any effects of changes in consolidation were eliminated and represented in the cash flow from investing activities.

The **cash and cash equivalents** are composed as follows:

| | 31.12.2012 T€ | 31.12.2011 T€ |
|---|---|---|
| Securities | 12,472 | 20,553 |
| Cash on hand | 5,917 | 2,291 |
| Bank deposits | 1,356,566 | 1,677,393 |
| | **1,374,955** | **1,700,237** |

The cash and cash equivalents include deposits abroad in the amount of T€ 8,757 (previous year: T€ 6,437), subject to the restriction that they may only be transferred to another country following official completion of the construction order, or that they may only be accessed together with another partner of the construction project. Of the cash and cash equivalents, T€ 15,529 (previous year: T€ 5,188) are pledged as collateral (see also item 25).

# (25) FINANCIAL INSTRUMENTS

A financial instrument is a contract that results in a financial asset at one enterprise and a financial liability or equity instrument at another. Financial assets include especially cash and cash equivalents, trade receivables and other receivables and derivatives. Financial liabilities are obligations to pay cash or other financial assets. These include especially financial liabilities such as bank borrowings, bonds, liabilities arising from financial leasing and trade payables. Initial recognition is carried out in principle using settlement date accounting.

The financial instruments are derecognised when the claims to payment from the investment extinguish or have been transferred and the group has largely transferred all risks and opportunities which are related with the property.

The **financial instruments** as of the balance sheet date were as follows:

| | MEASUREMENT CATEGORY ACCORDING TO IAS 39 | 31.12.2012 CARRYING VALUE T€ | 31.12.2012 FAIR VALUE T€ | 31.12.2011 CARRYING VALUE T€ | 31.12.2011 FAIR VALUE T€ |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Valuation at historical costs** | | | | | |
| Loans to subsidiaries | L&R | 173 | 173 | 208 | 208 |
| Loans to participation companies | L&R | 10,907 | 10,907 | 17,490 | 17,490 |
| Other loans | L&R | 1,790 | 1,790 | 2,026 | 2,026 |
| Trade receivables | L&R | 2,626,895 | 2,626,895 | 2,703,820 | 2,703,820 |
| Receivables from concession arrangements | L&R | 866,550 | 866,550 | 1,027,292 | 1,027,292 |
| Other financial assets | L&R | 554,351 | 554,351 | 472,699 | 472,699 |
| Non-financial assets | no FI | 118,381 | | 121,677 | |
| Cash and cash equivalents | L&R | 1,362,483 | 1,362,483 | 1,679,684 | 1,679,684 |
| | | **5,541,530** | **5,423,149** | **6,024,896** | **5,903,219** |
| **Valuation at fair value** | | | | | |
| Investments in subsidiaries | AfS | 101,493 | 101,493[1] | 92,971 | 92,971[1] |
| Other investments | AfS | 100,612 | 100,612[1] | 104,215 | 104,215[1] |
| Securities | AfS | 35,317 | 35,317 | 32,151 | 32,151 |
| Cash and cash equivalents | AfS | 12,472 | 12,472 | 20,553 | 20,553 |
| Derivatives | | -59,632 | -59,632 | -27,152 | -27,152 |
| | | **190,262** | **190,262** | **222,738** | **222,738** |

1) Investments in subsidiaries and other investments amounting to T€ 196,866 (previous year: T€ 188,144) are recognised at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.

| | MEASUREMENT CATEGORY ACCORDING TO IAS 39 | 31.12.2012 CARRYING VALUE T€ | 31.12.2012 FAIR VALUE T€ | 31.12.2011 CARRYING VALUE T€ | 31.12.2011 FAIR VALUE T€ |
|---|---|---|---|---|---|
| **LIABILITIES** | | | | | |
| **Valuation at historical costs** | | | | | |
| Financial liabilities | FLaC | -1,649,984 | -1,671,524 | -1,731,957 | -1,727,899 |
| Trade payables | FLaC | -2,255,055 | -2,255,055 | -2,395,040 | -2,395,040 |
| Liabilities from construction contracts | no FI | -530,070 | | -575,537 | |
| Other financial liabilities | FLaC | -397,758 | -397,758 | -396,553 | -396,553 |
| Non-financial liabilities | no FI | -328,914 | | -362,137 | |
| Derivatives | | -7,641 | -7,641 | -11,634 | -11,634 |
| | | **-5,169,422** | **-4,331,978** | **-5,472,858** | **-4,531,126** |
| **Total** | | **562,370** | **1,281,433** | **774,776** | **1,594,832** |
| | | | | | |
| **Measurement categories** | | | | | |
| Loans and receivables (L&R) | | 5,423,149 | 5,423,149 | 5,903,219 | 5,903,219 |
| Available for sale (AfS) | | 249,894 | 249,894 | 249,890 | 249,890 |
| Financial liabilities measured at amortised costs (FLaC) | | -4,302,797 | -4,324,337 | -4,523,550 | -4,519,492 |
| Derivatives | | -67,273 | -67,273 | -38,786 | -38,786 |
| No financial instruments | | -740,603 | | -815,997 | |
| **Total** | | **562,370** | **1,281,433** | **774,776** | **1,594,831** |

The **fair value measurement at 31 December 2012** for financial instruments measured at fair value was done as follows:

| | VALUATION AT MARKET VALUE T€ | VALUATION USING INPUT TAKEN FROM OBSERVABLE MARKET DATA T€ | OTHER VALUATION METHODS T€ | TOTAL T€ |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Investments in subsidiaries | 0 | 0 | 101,493 | 101,493 |
| Other investments | 0 | 0 | 100,612 | 100,612 |
| Securities | 35,317 | 0 | 0 | 35,317 |
| Cash and cash equivalents | 12,472 | 0 | 0 | 12,472 |
| Derivatives | 0 | -59,632 | 0 | -59,632 |
| **Total** | **47,789** | **-59,632** | **202,105**[1)] | **190,262** |
| | | | | |
| **LIABILITIES** | | | | |
| Derivatives | 0 | -7,641 | 0 | -7,641 |
| **Total** | **0** | **-7,641** | **0** | **-7,641** |

The **fair value measurement at 31 December 2011** for financial instruments measured at fair value was done as follows:

| | VALUATION AT MARKET VALUE T€ | VALUATION USING INPUT TAKEN FROM OBSERVABLE MARKET DATA T€ | OTHER VALUATION METHODS T€ | TOTAL T€ |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Investments in subsidiaries | 0 | 0 | 92,971 | 92,971 |
| Other investments | 0 | 0 | 104,215 | 104,215 |
| Securities | 32,151 | 0 | 0 | 32,151 |
| Cash and cash equivalents | 20,553 | 0 | 0 | 20,553 |
| Derivatives | 0 | -27,152 | 0 | -27,152 |
| **Total** | **52,704** | **-27,152** | **197,186**[2)] | **222,738** |
| | | | | |
| **LIABILITIES** | | | | |
| Derivatives | 0 | -11,634 | 0 | -11,634 |
| **Total** | **0** | **-11,634** | **0** | **-11,634** |

Cash and cash equivalents, trade receivables and other receivables have for the most part short remaining terms. Accordingly, their book values on the balance sheet date approximate their fair value. The fair value of non-current financial assets corresponds to the present value of the related payments under consideration of the prevailing market parameters as far as market values were not available.

Trade payables and other financial liabilities typically have short terms; their book values approximate the fair value. The fair value of bonds, bank borrowing and liabilities arising from financial leasing are measured at the present value of the payments

1) Investments in subsidiaries and other investments amounting to T€ 196,866 are recognised at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.
2) Investments in subsidiaries and other investments amounting to T€ 188,144 are recognised at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.

associated with them under consideration of the relevant applicable market parameters as far as market values were not available.

T€ 15,529 (previous year: T€ 5,188) of the cash and cash equivalents, T€ 2,684 (previous year: T€ 2,924) of the securities and T€ 11,708 (previous year: T€ 11,553) of the other financial instruments were pledged as collateral for liabilities.

The non-recourse liabilities related to the concession receivable are hedged using the income from the concession receivable.

The **net income effects of the financial instruments** according to valuation category are as follows:

| | L&R 2012 T€ | AFS 2012 T€ | FLAC 2012 T€ | DERIVATIVES 2012 T€ | L&R 2011 T€ | AFS 2011 T€ | FLAC 2011 T€ | DERIVATIVES 2011 T€ |
|---|---|---|---|---|---|---|---|---|
| Interest | 51,581 | 0 | -72,293 | 0 | 59,438 | 0 | -64,858 | 0 |
| Interest from receivables from concession arrangements | 70,925 | 0 | -27,359 | -9,030 | 70,975 | 0 | -28,845 | -8,694 |
| Result from securities | 0 | 786 | 0 | 0 | 0 | 745 | 0 | 0 |
| Impairment losses | -42,099 | -17,600 | 0 | -692 | -18,116 | -25,421 | 0 | 1,833 |
| Disposal losses/profits | 0 | 1,857 | 0 | 0 | 0 | 1,414 | 0 | 0 |
| Gains from de-recognition of liabilities and payments of written off receivables | 18 | 0 | 7,239 | 0 | 8 | 0 | 3,342 | 0 |
| **Net income recognised in profit or loss** | **80,425** | **-14,957** | **-92,413** | **-9,722** | **112,305** | **-23,262** | **-90,361** | **-6,861** |
| Value changes recognised directly in equity | 0 | -1,724 | 0 | -26,942[1)] | 0 | 150 | 0 | -30,234[1)] |
| **Net income** | **80,425** | **-16,681** | **-92,413** | **-36,664** | **112,305** | **-23,112** | **-90,361** | **-37,095** |

Dividends and expenses from investments shown in the net income from investments are part of the operating income and therefore not part of the net income of financial instruments. Impairment losses, reversal of impairment losses, disposal gains and disposal losses of loans & receivables (L&R) and of financial liabilities amortised at cost (FLaC) are carried in other income or other expenses.

Impairment losses, reversal of impairment losses, disposal gains and disposal losses of the financial instruments available for sale are carried in the net income from investments if they are investments in subsidiaries or other investments, otherwise in net interest income.

Derivative instruments are used exclusively to hedge existing risks resulting from changes in currency and interest rates. The use of derivative financial instruments in the group is subject to the appropriate approval and control procedures. The connection to a mainstay business is a must, trading is not permissible.

## PRINCIPLES OF RISK MANAGEMENT

The STRABAG Group is subject to credit, market and liquidity risks related to its assets, liabilities and planned transactions. The goal of financial risk management is to minimise these risks through ongoing financially oriented activities.

The basics of the financial policy are set by the management board and monitored by the supervisory board. The implementation of the financial policy and responsibility for the risk management are the domain of the group treasury. Certain transactions require prior approval by the management board, which is regularly informed as to the scope and amount of the current risk exposure.

## INTEREST RATE RISK

The financial instruments bear variable interest rates on the assets side, on the liabilities side there are both variable and fixed interest obligations. The risk of financial instruments bearing variable interest rates consists of increasing interest charges and sinking interest revenue resulting from an unfavourable change in market interest rates. Fixed interest obligations mainly result from the tranches of the bonds issued by STRABAG SE amounting to a total of € 450 million.

1) Excluding derivatives from associated companies in the amount of T€ -2,474 (previous year: T€ -626)

As of 31 December 2012, following **hedging transactions** existed:

| | 31.12.2012 | | 31.12.2011 | |
|---|---|---|---|---|
| | NOMINAL VALUE T€ | MARKET VALUE T€ | NOMINAL VALUE T€ | MARKET VALUE T€ |
| Interest rate swaps | 778,680 | -68,327 | 828,960 | -29,249 |
| | | **-68,327** | | **-29,249** |

The amount of bank deposits and bank borrowings according to currency – giving the average interest rate at balance sheet date – is represented as follows:

## BANK DEPOSITS

| | CARRYING VALUE 31.12.2012 T€ | WEIGHTED AVERAGE INTEREST RATE 2012 % |
|---|---|---|
| EUR | 943,144 | 0.44 |
| PLN | 119,503 | 4.18 |
| CZK | 77,306 | 0.64 |
| Others | 216,613 | 1.74 |
| **Total** | **1,356,566** | **1.05** |

## BANK BORROWINGS

| | CARRYING VALUE 31.12.2012 T€ | WEIGHTED AVERAGE INTEREST RATE 2012 % |
|---|---|---|
| EUR | 1,125,572 | 2.32 |
| Others | 3,810 | 3.03 |
| **Total** | **1,129,382** | **2.33** |

Had the interest rate level at 31 December 2012 been higher by 100 basispoints, then the result would have been higher by T€ 5,787 (previous year: T€ 6,880) and the equity at 31 December 2012 would have been higher by T€ 47,341 (previous year: T€ 51,783). Had the interest rate level been lower by 100 basispoints, this would have meant a correspondingly lower equity and profit before tax. The calculation is made based on the level of interest-bearing financial assets and liabilities at 31 December. Tax effects from interest rate changes were not considered.

## CURRENCY RISK

Due to the decentralised structure of the group, characterised by local companies in the respective countries, mainly closed currency positions appear in the balance sheet. Loan financing and investments were predominantly made by the group companies in the respective country's local currency. Receivables and liabilities from business activities mainly offset each other in the same currency.

The remaining currency risk mainly results when the currency of the order deviates from the functional currency of the subsidiary.

This involves in particular orders in Eastern Europe and Scandinavia which are concluded in EUR. The planned proceeds are received in the currency of the order while a substantial part of the associated costs is made in the local currency.

The internal financing of companies within the group using different functional currencies resulted in an earnings-relevant currency risk.

In order to limit the remaining currency risk and secure the calculation, derivative financial instruments, above all forward exchange operations, were transacted. As of **31 December 2012**, the following hedging transactions existed for the **underlying transactions** mentioned[1)] below:

| CURRENCY | EXPECTED CASH FLOWS 2013 T€ | EXPECTED CASH FLOWS 2014 T€ | EXPECTED CASH FLOWS TOTAL T€ | POSITIVE MARKET VALUE OF THE HEDGING TRANSACTION T€ | NEGATIVE MARKET VALUE OF THE HEDGING TRANSACTION T€ |
|---|---|---|---|---|---|
| PLN | 119,562 | 2,300 | 121,862 | 1,566 | -422 |
| CZK | 52,234 | 0 | 52,234 | 116 | -60 |
| Others | 89,998 | 0 | 89,998 | 488 | -634 |
| **Total** | **261,794** | **2,300** | **264,094** | **2,170** | **-1,116** |

1) Not entirely represented as Hedge Accounting

As of **31 December 2011**, the following hedging transactions existed for the **underlying transactions** mentioned below:

| CURRENCY | EXPECTED CASH FLOWS 2012 T€ | EXPECTED CASH FLOWS 2013 T€ | EXPECTED CASH FLOWS TOTAL T€ | POSITIVE MARKET VALUE OF THE HEDGING TRANSACTION T€ | NEGATIVE MARKET VALUE OF THE HEDGING TRANSACTION T€ |
|---|---|---|---|---|---|
| PLN | 72,225 | 0 | 72,225 | 0 | -1,906 |
| Others | 39,876 | 0 | 39,876 | 65 | -573 |
| **Total** | **112,101** | **0** | **112,101** | **65** | **-2,479** |

Of the derivative financial instruments classified as cash flow hedges as of 31 December 2011, T€ 1,907 were shifted from equity and recognised in the consolidated income statement in the 2012 financial year (previous year: T€ 3,454). The resulting deferred tax expense amounted to T€ -362 (previous year: tax expense of T€ -656).

The other liabilities contain a foreign currency derivative in the amount of T€ 0 (previous year: T€ 7,122).

Development of the important **currencies in the group:**

| CURRENCY | EXCHANGE RATE 31.12.2012: 1 € = | AVERAGE RATE 2012: 1 € = | EXCHANGE RATE 31.12.2011: 1 € = | AVERAGE RATE 2011: 1 € = |
|---|---|---|---|---|
| HUF | 292.3000 | 288.2142 | 314.5800 | 280.6692 |
| CZK | 25.1510 | 25.1395 | 25.7870 | 24.5996 |
| PLN | 4.0740 | 4.1677 | 4.4580 | 4.1380 |
| HRK | 7.5575 | 7.5261 | 7.5370 | 7.4492 |
| CHF | 1.2072 | 1.2044 | 1.2318 | 1.2156 |

Essentially, the Polish zloty, the Czech crown, the Hungarian forint and the Swedish crown are affected by revaluation (devaluation). A 10 % revaluation of the euro over all other currencies at 31 December 2012 would mean an increase in equity by T€ 8,564 (previous year: increase by T€ 12,266) and an increase in profit before tax by T€ 8,794 (previous year: increase by T€ 12,266). A devaluation compared to all other currencies would result in a corresponding decrease in equity (previous year: decrease) and a decrease of profit before tax.

The calculation is based on original and derivative foreign currency holdings in non-functional currency as of 31 December as well as underlying transactions for the next twelve months. The effect on tax resulting from changes in currency exchanges rates was not taken into consideration.

## CREDIT RISK

The maximum risk of default of the financial assets, without cash and cash equivalents, on the balance sheet date is T€ 4,238,457 (previous year: T€ 4,425,721) and corresponds to the book values presented in the balance sheet. Thereof T€ 2,626,895 (previous year: T€ 2,703,820) involve trade receivables. Receivables from construction contracts related to consortia involve ongoing construction projects and are therefore not yet payable for the most part. Of the remaining trade receivables in the amount of T€ 1,383,933 (previous year: T€ 1,339,630), less than 1 % are overdue and not impaired.

The risk for receivables from clients can be rated as low due to the wide dispersion, a constant creditworthiness check and the presence of the public sector as an important employer.

The risk of default for other primary financial instruments shown on the assets side can also be regarded as low, as the contract partners are mainly financial institutions with the highest level of creditworthiness and/or the risk of default has been significantly reduced as a result of assumed liabilities of third parties.

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 56,019 (previous year: T€ 45,541).

Financial assets are impaired item by item if the book value of the financial assets is higher than the present value of the future cash flows. This can be triggered by financial difficulties, insolvency of the client, breach of contract or significant default of payment. The impairment is composed of many individual items of which none, seen alone, is significant. In addition to the estimation of the creditworthiness risk, the relevant country risk is also taken into consideration. Graduated valuation adjustments are formed according to risk groups to take into consideration general credit risks.

## LIQUIDITY RISK

Liquidity for the STRABAG SE Group means not only solvency in the strict sense but also the availability of the necessary financial margin for mainstay business through sufficient aval lines.

To guarantee financial flexibility, liquidity reserves are kept in the form of cash and credit lines for cash and aval loans. The STRABAG SE Group keeps bilateral credit lines with banks and a syndicated aval credit line in the amount of € 2.0 billion. The overall line for cash and aval loan amounts to € 6.6 billion. The syndicated surety credit line contains covenants which were fulfilled at the balance sheet date.

The medium- and long-term liquidity needs have so far been covered by the issue of corporate bonds as well. In the years 2008 respectively 2010 tranches of € 75 million, respectively € 100 million, each with a term to maturity of five years and in 2011 a tranche of € 175 million with a term to maturity of seven years was issued. In May 2012, STRABAG issued a further bond in the amount of € 100 million with a term to maturity of seven years. The annual coupon interest of the bond amounts to 4.25 %. The corporate bond from the year 2007 in the amount of € 75 million was paid in June 2012. Depending on the market situation and the appropriate need, further bonds are planned.

The following payment obligations arise from the financial liabilities (interest payments based on interest rate as of 31 December and redemption) for the subsequent years:

### PAYMENT OBLIGATIONS AS OF 31.12.2012

| | CARRYING VALUES 31.12.2012 T€ | CASH FLOWS 2013 T€ | CASH FLOWS 2014–2017 T€ | CASH FLOWS AFTER 2017 T€ |
|---|---|---|---|---|
| **Financial liabilities** | | | | |
| Bonds | 477,500 | 117,658 | 166,346 | 291,813 |
| Bank borrowings | 1,129,383 | 311,539 | 454,725 | 530,862 |
| Liabilities from finance leases | 43,101 | 11,091 | 29,631 | 10,679 |
| | **1,649,984** | **440,288** | **650,702** | **833,354** |

### PAYMENT OBLIGATIONS AS OF 31.12.2011

| | CARRYING VALUES 31.12.2011 T€ | CASH FLOWS 2012 T€ | CASH FLOWS 2013–2016 T€ | CASH FLOWS AFTER 2016 T€ |
|---|---|---|---|---|
| **Financial liabilities** | | | | |
| Bonds | 445,000 | 97,587 | 256,395 | 191,625 |
| Bank borrowings | 1,235,510 | 443,992 | 424,295 | 538,108 |
| Liabilities from finance leases | 46,742 | 11,147 | 34,633 | 11,296 |
| Other liabilities | 4,705 | 0 | 4,800 | 0 |
| | **1,731,957** | **552,726** | **720,123** | **741,029** |

The trade payables and the other liabilities (see item 21) essentially lead to cash outflows in line with the maturity at the amount of the book values.

## (26) SEGMENT REPORTING

The rules of IFRS 8 Operating Segments, apply to the segment reporting. IFRS 8 prescribes defining the segments and reporting the earnings on the basis of the internal reporting (Management Approach). Segment assets are not disclosed as these do not form part of the regular internal reporting.

The internal reporting in the STRABAG Group is based on management board areas, which represent the segments at the same time. The settlement between the single segments is made at arm's length prices.

STRABAG restructured its segments effective 1 July 2012. The operating segments Building Construction & Civil Engineering, Transportation Infrastructures and Special Division & Concessions have been replaced by the operating segments North + West, South + East and International + Special Divisions. The segment defined as Other remains unchanged.

The segment North + West bundles the construction activities in Germany, Poland, Benelux and Scandinavia as well as the ground engineering, hydraulic engineering and offshore wind activities.

The segment South + East comprises the railway structures activities as well as the construction activities in Austria, Switzerland, Hungary, Czech Republic, Slovakia, Adriatic, Rest of Europe and Russia and neighbouring countries and environmental technology.

The segment International + Special Divisions includes the international construction activities, tunnelling, services, real estate development and infrastructure development as well as the construction materials business.

In addition, there are the central divisions and central staff divisions, which handle services in the areas of accounting, group financing, technical development, machine management, quality management, logistics, legal affairs, contract management etc. These services are included in the segment Other. The segment reporting comprises the following business fields:

### SEGMENT REPORTING FOR THE FINANCIAL YEAR 2012

| | NORTH + WEST 2012 T€ | SOUTH + EAST 2012 T€ | INTERNATIONAL + SPECIAL DIVISIONS 2012 T€ | OTHER 2012 T€ | RECONCILIATION TO IFRS FINANCIAL STATEMENTS 2012 T€ | TOTAL 2012 T€ |
|---|---|---|---|---|---|---|
| **Output Volume** | **6,237,167** | **4,755,738** | **2,924,860** | **124,831** | | **14,042,596** |
| **Revenue** | **5,509,526** | **4,792,430** | **2,661,292** | **19,985** | **0** | **12,983,233** |
| Inter-segment revenue | 187,139 | 48,720 | 356,262 | 814,324 | | |
| **EBIT** | **-51,317** | **148,885** | **126,933** | **-1,975** | **-15,340** | **207,186** |
| -thereof share of profit or loss of associates | 6,540 | 0 | -15,757 | 0 | 0 | -9,217 |
| Interest and similar income | 0 | 0 | 0 | 73,145 | 0 | 73,145 |
| Interest expense and similar charges | 0 | 0 | 0 | -123,871 | 0 | -123,871 |
| **Profit before tax** | **-51,317** | **148,885** | **126,933** | **-52,701** | **-15,340** | **156,460** |
| Investments in property, plant and equipment, and in intangible assets | 0 | 0 | 0 | 458,283 | 0 | 458,283 |
| Depreciation and amortisation | 5,803 | 4,416 | 3,993 | 386,956 | 0 | 401,168 |
| -thereof extraordinary depreciation and amortisation | 5,803 | 4,275 | 0 | 18,404 | 0 | 28,482 |

### SEGMENT REPORTING FOR THE FINANCIAL YEAR 2011

| | NORTH + WEST 2011 T€ | SOUTH + EAST 2011 T€ | INTERNATIONAL + SPECIAL DIVISIONS 2011 T€ | OTHER 2011 T€ | RECONCILIATION TO IFRS FINANCIAL STATEMENTS 2011 T€ | TOTAL 2011 T€ |
|---|---|---|---|---|---|---|
| **Output Volume** | **6,397,515** | **4,881,568** | **2,879,556** | **167,212** | | **14,325,851** |
| **Revenue** | **5,960,582** | **4,876,770** | **2,842,324** | **34,128** | **0** | **13,713,804** |
| Inter-segment revenue | 230,403 | 53,012 | 391,977 | 831,283 | | |
| **EBIT** | **149,125** | **140,157** | **59,025** | **685** | **-14,207** | **334,785** |
| -thereof share of profit or loss of associates | 7,016 | 0 | -41,553 | 0 | 0 | -34,537 |
| Interest and similar income | 0 | 0 | 0 | 112,311 | 0 | 112,311 |
| Interest expense and similar charges | 0 | 0 | 0 | -103,767 | 0 | -103,767 |
| **Profit before tax** | **149,125** | **140,157** | **59,025** | **9,229** | **-14,207** | **343,329** |
| Investments in property, plant and equipment, and in intangible assets | 0 | 0 | 455 | 476,695 | 0 | 477,150 |
| Depreciation and amortisation | 12,766 | 3,530 | 19,166 | 376,084 | 0 | 411,546 |
| -thereof extraordinary depreciation and amortisation | 12,766 | 3,386 | 15,000 | 15,349 | 0 | 46,501 |

### RECONCILIATION OF THE SUM OF THE SEGMENT EARNINGS TO PROFIT BEFORE TAX ACCORDING TO IFRS FINANCIAL STATEMENTS

Income and expense in the internal reporting are essentially shown in accordance with IFRS. An exception is income taxes, including those applicable to deferred tax, which are not considered in the internal reporting.

The basis for the internal reporting is formed by all subsidiaries. In the IFRS financial statements, earnings from companies which were not fully consolidated or reported using the equity method are recognised in conformity with dividends, transfer of earnings and/or depreciation and amortisation. For this reason, the internal reporting does not conform 100 % with EBIT in regards to profit before tax in the consolidated financial statements in terms of the net income from investments.

Other minor differences result from the other consolidation entries.

**Reconciliation of the internal reporting to IFRS Financial Statements** is allocated as follows:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Net income from investments | -8,700 | -12,084 |
| Other consolidations | -6,640 | -2,123 |
| **Total** | **-15,340** | **-14,207** |

### BREAKDOWN OF REVENUE BY GEOGRAPHIC REGION

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Germany | 5,686,722 | 5,665,813 |
| Austria | 2,278,299 | 2,254,189 |
| Rest of Europe | 4,463,875 | 5,256,352 |
| Rest of World | 554,337 | 537,450 |
| **Total** | **12,983,233** | **13,713,804** |

Presentation of revenue by region is done according to the company's registered place of business.

## (27) NOTES ON RELATED PARTIES

The core shareholders of STRABAG SE are the Haselsteiner Group, as well as the Raiffeisen-Holding NÖ-Wien Group, the UNIQA Group and Rasperia Trading Limited, owned by Russian businessman Oleg Deripaska.

The core shareholder Rasperia Trading Limited holds one registered share. The company sold its previous interest of 25 % to the other core shareholders. Until 31 December 2012, Rasperia bought back 17.6 % of the shares and the option to purchase the remaining 7.4 % runs until July 2014. The syndicate agreement remains unchanged, with Rasperia remaining part of the syndicate.

Arm's-length finance and insurance transactions exist with the Raiffeisen Holding NÖ-Wien Group and the UNIQA Group.

**Basic Element**

The Basic Element Group, a group with numerous industrial holdings, among other things in the area of construction, raw materials and infrastructure, is owned by Russian businessman Oleg Deripaska. A cooperating agreement lays out the principles for joint operating cooperation in Russia and the CIS states between the STRABAG SE Group and the Basic Element Group.

Russian construction company Glavstroy Corporation, a member of the Basic Element Group, commissioned STRABAG to build the Olympic village in Sochi, Russia. The order includes the construction of residences and hotels ahead of the 2014 Winter Olympics and has a value of about € 278 million. The contract was signed in 2010. The construction works began in 2011 and are scheduled for completion in 2013. By 31 December 2012, services amounting to € 141 million had been provided and payments of € 185 million received.

To consolidate and expand the business in Russia, STRABAG made in 2010 an advance payment secured by a bank guarantee, of € 70 million for a 26 % stake in the leading Russian road construction company Transstroy, part of the diversified industrial holding Basic Element. STRABAG will take the time for a thorough due diligence of Transstroy, which posted revenues of RUB 39 billion in 2009, before the parties agree on a transaction and on the final purchase price. The advance payment is reported under other financial assets.

**IDAG**

IDAG Immobilienbeteiligung u. -Development GmbH is entirely held by private foundations whose beneficiaries are the Haselsteiner Group and the Raiffeisen-Holding NÖ-Wien Group. It is the business purpose of IDAG Immobilienbeteiligung u. -Development GmbH to develop property and to participate in property projects.

STRABAG's office buildings in Vienna and Graz are held in the real estate portfolio of subsidiaries of IDAG Immobilienbeteiligung u. -Development GmbH. The buildings are let to and in part sublet by STRABAG SE at the usual market conditions. Rental costs arising from both buildings in the 2012 financial year amounted to T€ 7,586 (previous year: T€ 7,512). Other services in the amount of T€ 762 (previous year: T€ 1,064) were obtained from the IDAG Group.

Furthermore, revenues of about € 1.4 million (previous year: about € 1.2 million) were made with IDAG Immobilienbeteiligung u. -Development GmbH in the 2012 financial year. At the balance sheet date of 31 December 2012, the STRABAG SE Group had receivables from rental deposits amounting to around € 20.9 million (previous year: € 20.0 million) from IDAG Immobilienbeteiligung u. -Development GmbH.

## ASSOCIATES

In September 2003, Raiffeisen evolution project development GmbH, a joint project development company, was founded together with R.B.T. Beteiligungsgesellschaft m.b.H, "URUBU" Holding GmbH (both Raiffeisen group) and UNIQA Beteiligungs-Holding GmbH.

Raiffeisen evolution project development GmbH bundles project developments in building construction activities of the shareholders (excluding Germany and Benelux). STRABAG SE is employed in the construction work on the basis of arm's-length contracts. In 2012 revenues of about € 122.2 million (previous year: € 42.3 million) were made.

The shareholders of the Raiffeisen evolution project development GmbH have basically agreed to proportionally accept any obligations arising from the project developments.

Lafarge Cement CE Holding bundles the cement activities of Lafarge, a market leader in construction materials manufacturing, and STRABAG in the countries of Central and Eastern Europe. The joint activities aim at maintaining a commensurate cement supply in the group's core countries. In 2012, STRABAG procured cement services worth about € 16.9 million (previous year: € 6 million) from Lafarge. Per balance sheet date, there were liabilities to Lafarge Cement CE Holding GmbH in the amount of € 0.3 milllion (previous year: € 0.5 million).

The **business transactions with the other associates** can be presented as follows:

| | 2012 T€ | 2011[1] T€ |
|---|---|---|
| Work and services performed | 81,494 | 14,380 |
| Work and services received | 33,683 | 33,789 |
| Receivables as of 31.12. | 12,707 | 11,020 |
| Liabilities as of 31.12. | 41 | 2 |

The business transactions with the management board members and the first management level (management in key positions) and with their family members and companies which are controlled by the management in key positions or decisively influenced by them are represented as follows:

| | 2012 T€ | 2011 T€ |
|---|---|---|
| Work and services performed | 28,973 | 23,472 |
| Work and services received | 10,540 | 5,050 |
| Receivables as of 31.12. | 22,167 | 16,118 |
| Liabilities as of 31.12. | 963 | 42 |

The total remuneration including any severance and pension payments for the first management level amounted to T€ 17,939 (previous year: T€ 19,629) in the year under report. Of this amount, T€ 17,630 (previous year: T€ 19,273) is attributable to the current remuneration and T€ 309 (previous year: T€ 355) to severance and pension payments.

1) The previous year's figures were adjusted accordingly for better comparability.

# (28) NOTES ON THE MANAGEMENT AND SUPERVISORY BOARDS

## MANAGEMENT BOARD

Dr. Hans Peter HASELSTEINER (CEO)
Ing. Fritz OBERLERCHNER
(Deputy CEO until 30 June 2012)
Dr. Thomas BIRTEL (Deputy CEO since 1 January 2013)
Mag. Christan HARDER (since 1 January 2013)
DI Dr. Peter KRAMMER
Mag. Hannes TRUNTSCHNIG
DI Siegfried WANKER

## SUPERVISORY BOARD

Dr. Alfred GUSENBAUER (Chairman)
Mag. Erwin HAMESEDER (Vice Chairman)
Andrei ELINSON
Mag. Kerstin GELBMANN
Dr. Gottfried WANITSCHEK
Ing. Siegfried WOLF
DI Andreas BATKE (works council)
Miroslav CERVENY (works council)
Magdolna P. GYULAINÉ (works council)
Wolfgang KREIS (works council)
Gerhard SPRINGER (works council)

The total salaries of the management board members[1)] in the financial year amount to T€ 2,590 (previous year: T€ 8,480). The severance payments for management board members amount to T€ 17 (previous year: T€ 14).

The remunerations for the supervisory board members in the amount of T€ 135 (previous year: T€ 135) are included in the expenses. Neither the management board members nor the supervisory board members of STRABAG SE received advances or loans.

# (29) OTHER NOTES

The expenses for the auditor, KPMG Austria AG, incurred in the financial year amount to T€ 1,196 (previous year: T€ 1,168) of which T€ 1,084 (previous year: T€ 1,052) were for the audit of the consolidated financial statements (including the audit of separate financial statements of group companies) and T€ 111 (previous year: T€ 116) for other services.

# (30) DATE OF AUTHORISATION FOR ISSUE

In Austrian companies organised as corporations limited by shares, the consolidated financial statements prepared by the management board are approved by the supervisory board. The STRABAG SE supervisory board meeting for the approval of the consolidated financial statements for the year ended 31 December 2012 will take place on 29 April 2013.

# (31) EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the close of the financial year.

Villach, 9 April 2013

**Management Board**

**Dr. Hans Peter Haselsteiner**
CEO

**Dr. Thomas Birtel**
Deputy CEO
Responsibility Central Divisions and Central Staff Divisions (except BRVZ)
as well as divisions 3L RANC and 3M RANC[2)]

**Mag. Christian Harder**
CFO

**DI Dr. Peter Krammer**
Responsibility
Segment North + West

**Mag. Hannes Truntschnig**
Responsibility
Segment International + Special Divisions

**DI Siegfried Wanker**
Responsibility Segment South + East
(except divisions 3L RANC and 3M RANC)

1) In the past, the remuneration paid in the respective financial year was disclosed. Starting with the 2012 financial year, the remuneration paid for performance during the financial year will be stated. For better comparability, the figures from the previous year were adjusted.
2) RANC = Russia and neighbouring countries

# LIST OF PARTICIPATIONS 31.12.2012

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| “A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH” | Spittal an der Drau | VK | 100.00 |
| “Baltic Business Centre” Sp.z o.o. | Gdynia | NK | 38.00 |
| “Crnagoraput” AD, Podgorica | Podgorica | VK | 89.98 |
| “DOMIZIL” Bauträger GmbH | Wien | VK | 100.00 |
| “Filmforum am Bahnhof” Errichtungs- und Betriebsgesellschaft m.b.H. | Wien | VK | 100.00 |
| “Geschäfts- und Bürohaus Sterneckstraße Errichtungs- und Betriebs GmbH” | Wien | NK | 100.00 |
| “GfB” Gesellschaft für Bauwerksabdichtungen mbH | Kobern-Gondorf | VK | 100.00 |
| “Granite Mining Industries” Sp.z o.o. | Breslau | NK | 100.00 |
| “HEILIT+WOERNER” Budowlana Sp.z o.o. | Breslau | VK | 100.00 |
| “IT” Ingenieur- und Tiefbau GmbH | Kobern | NK | 100.00 |
| “Kabelwerk” Bauträger GmbH | Wien | NK | 25.00 |
| “LSH”-Fischer Baugesellschaft m.b.H. | Linz | NK | 100.00 |
| “MATRA OAZIS” Oktatasi, Üdültetesi es Vendeglato KKT. | Gyöngyöstarjan | NK | 53.37 |
| “Mineral 2000” EOOD | Sofia | NK | 100.00 |
| “Moebius - Bau Polska” Sp.z o.o. | Szczecin | NK | 100.00 |
| “Northern Capital Express” Limited Liability Company | Moskau | NK | 25.00 |
| “PUTEVI” A.D. CACAK | Cacak | VK | 85.02 |
| “SBS Strabag Bau Holding Service GmbH“ | Spittal an der Drau | VK | 100.00 |
| “Strabag Azerbaijan” L.L.C. | Baku | VK | 100.00 |
| “Strabag” d.o.o. Podgorica | Podgorica | NK | 100.00 |
| “VULKANKÖ” KFT. | Keszthely | NK | 50.39 |
| “Wiebau” Hoch-,Tief- und Strassenbau- Gesellschaft m.b.H. | Gerasdorf bei Wien | NK | 100.00 |
| “Wiener Heim” Wohnbaugesellschaft m.b.H. | Wien | VK | 100.00 |
| “Wohngarten Sensengasse” Bauträger GmbH | Wien | VK | 55.00 |
| “Zentrum Puntigam” Errichtungs- und Betriebsgesellschaft m.b .H. | Wien | NK | 50.00 |
| “Zipp Ukraine” | Cholmok | NK | 100.00 |
| 2.Züblin Vorrats GmbH | Stuttgart | NK | 100.00 |
| A.S.T. Bauschuttverwertung GmbH & Co KG | Klagenfurt | NK | 66.67 |
| A.S.T. Bauschuttverwertung GmbH | Klagenfurt | NK | 66.67 |
| A2 Bau-Development GmbH in Liqu. | Spittal an der Drau | NK | 50.00 |
| A2 Strada Sp.z o.o. | Warschau | VK[2] | 100.00 |
| AB Frischbeton Gesellschaft m.b.H. | Wien | NK | 100.00 |
| ABO Asphalt-Bau Oeynhausen GmbH | Oeynhausen | NK | 22.50 |
| ABR Abfall Behandlung und Recycling GmbH | Schwadorf | VK | 100.00 |
| ADI Asphaltmischwerke Donau-Iller GmbH & Co. KG | Inzigkofen | NK | 63.21 |
| ADI Asphaltmischwerke Donau-Iller VerwaltungsgesmbH | Inzigkofen | NK | 63.20 |
| AFRITOL (PROPRIETARY) LIMITED | Pretoria | NK | 100.00 |
| AGS Asphaltgesellschaft Stuttgart GmbH & Co.Kommanditgesellschaft | Stuttgart | NK | 40.00 |
| AGS Asphaltgesellschaft Stuttgart Verwaltungs-GmbH | Stuttgart | NK | 40.00 |
| AKA Zrt. | Budapest | VK | 100.00 |
| AKA-FinCo Zrt. | Budapest | NK | 100.00 |
| AKA-HoldCo Zrt. | Budapest | NK | 100.00 |
| Akilore Grundstücksverwaltungsges. mbH & Co. Vermietungs KG | Wiesbaden | NK | 94.00 |
| AL SRAIYA - STRABAG Road & Infrastructure WLL | Doha | NK | 49.00 |
| A-Lanes A15 Holding B.V. | Nieuwegein | NK | 24.00 |
| A-Lanes Management Services B.V. | Utrecht | NK | 25.00 |
| Al-Hani General Construction Co. | Tripolis | NK | 60.00 |
| Alpines Hartschotterwerk Georg Kässbohrer & Sohn GmbH & Co. KG | Senden | VK | 100.00 |
| AMA Asphalt-Mischwerke GmbH | Königsbrunn | NK | 45.00 |
| AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.& Co.KG | Zistersdorf | NK | 40.00 |
| AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H. | Zistersdorf-Maustrenk | NK | 40.00 |
| AMB Asphaltmischwerke Bodensee GmbH & Co KG | Singen (Hohentwiel) | EK | 24.80 |
| AMG Asphalt-Mischwerk Garbsen Verwaltungsgesellschaft mbH | Berlin | NK | 25.00 |
| AMG Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. | Linz | NK | 33.33 |
| AMG-Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co.KG | Linz | NK | 33.33 |
| AMH Asphaltmischwerk Hauneck GmbH & Co. KG | Hauneck | EK | 50.00 |
| AMH Asphaltmischwerk Hauneck Verwaltungs GmbH | Hauneck | NK | 50.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies
2) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| AMH Asphaltmischwerk Hellweg GmbH | Erwitte | EK | 30.50 |
| AML-Asphaltmischwerk Limberg Gesellschaft m.b.H. | Limberg | NK | 50.00 |
| AMS-Asphaltmischwerk Süd Gesellschaft m.b.H. | Linz | NK | 35.00 |
| AMSS Asphaltmischwerke Sächsische Schweiz GmbH & Co. KG | Dresden | NK | 24.00 |
| AMSS Asphaltmischwerke Sächsische Schweiz Verwaltungs GmbH | Dresden | NK | 24.00 |
| AMWE-Asphaltmischwerke GmbH & Co. KG in Schwerin | Consrade | NK | 49.00 |
| AMWE-Asphaltmischwerke GmbH | Schwerin | NK | 49.00 |
| Anton Beirer Hartsteinwerke GmbH & Co KG | Pinswang | NK | 50.00 |
| ANTREPRIZA DE REPARATII SI LUCRARI A R L CLUJ S.A. | Cluj-Napoca | VK | 100.00 |
| Arena Development | Hasselt | NK | 50.00 |
| ARP Asphaltmischwerke Rheinhessen-Pfalz GmbH & Co. KG | Sprendlingen | NK | 100.00 |
| ARP Asphaltmischwerke Rheinhessen-Pfalz Verwaltungs-GmbH | Sprendlingen | NK | 100.00 |
| ASAMER Baustoff Holding Wien GmbH & Co.KG | Wien | NK | 30.00 |
| ASAMER Baustoff Holding Wien GmbH | Wien | NK | 30.00 |
| ASB Bau GmbH & Co KG | Inzigkofen | NK | 50.00 |
| ASB Transportbeton GmbH & CO.KG | Osterweddingen | NK | 50.00 |
| Asesorías de Ingenería y Construcciones Ltda. | Santiago | NK | 100.00 |
| ASF Frästechnik GmbH & Co KG | Kematen | NK | 40.00 |
| ASF Frästechnik GmbH | Kematen | NK | 40.00 |
| Asfalt Slaski Wprinz Sp.z o.o. | Rybnik | NK | 51.00 |
| ASG INVEST N.V. | Genk | NK | 25.00 |
| ASIA Center Kft. | Budapest | VK | 100.00 |
| Asphalt & Beton GmbH | Spittal an der Drau | VK | 100.00 |
| Asphalt Straßenbau Verwaltungs-GmbH | Inzigkofen | NK | 50.00 |
| Asphaltmischwerk Bendorf GmbH & Co. KG | Bendorf | NK | 49.00 |
| Asphaltmischwerk Bendorf Verwaltung GmbH | Bendorf | NK | 49.00 |
| Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG | Rauchenwarth | NK | 20.00 |
| Asphaltmischwerk Betriebsgesellschaft m.b.H. | Rauchenwarth | NK | 20.00 |
| Asphaltmischwerk Bodensee Verwaltungs GmbH | Singen (Hohentwiel) | NK | 24.80 |
| Asphaltmischwerk Garbsen GmbH & Co. KG | Berlin | NK | 25.00 |
| Asphaltmischwerk Greinsfurth GmbH & Co OG | Amstetten | NK | 25.00 |
| Asphaltmischwerk Greinsfurth GmbH | Amstetten | NK | 25.00 |
| Asphaltmischwerk Rieder Vomperbach GmbH& Co KG | Innsbruck | NK | 60.00 |
| Asphaltmischwerk Rieder Vomperbach GmbH | Innsbruck | NK | 60.00 |
| Asphaltmischwerk Steyregg GmbH in Liqu. | Steyregg | NK | 60.00 |
| Asphaltmischwerk Zeltweg Gesellschaft m.b.H. | Steyr | NK | 100.00 |
| Asphalt-Mischwerke-Hohenzollern GmbH & Co. KG | Inzigkofen | EK | 36.50 |
| Asphalt-Mischwerke-Hohenzollern VerwaltungsgesmbH | Inzigkofen | NK | 36.50 |
| ASTRA-BAU Gesellschaft m.b.H. Nfg. OG | Bergheim | NK | 50.00 |
| Astrada AG | Subingen | VK | 100.00 |
| AStrada Development SRL | Bukarest | NK | 70.00 |
| Atlas Tower GmH & Co. KG | Köln | VK | 100.00 |
| AUSTRIA ASPHALT GmbH & Co OG | Spittal an der Drau | VK | 100.00 |
| AUSTRIA ASPHALT GmbH | Spittal an der Drau | NK | 100.00 |
| AUT Grundstücksverwaltungsgesellschaft mbH | Stuttgart | NK | 40.00 |
| Autocesta Zagreb-Macelj d.o.o. | Krapina | EK | 51.00 |
| A-WAY ITE Zrt. | Újhartyán | NK | 50.00 |
| AWB Asphaltmischwerk Büttelborn GmbH & Co. KG | Büttelborn | NK | 50.00 |
| AWB Asphaltmischwerk Büttelborn Verwaltungs-Gesellschaft mit beschränkter Haftung | Büttelborn | NK | 50.00 |
| AWH Asphaltwerk Haßberge GmbH | Haßfurt | NK | 24.90 |
| AWK Asphaltmischwerk Könnern GmbH | Könnern | NK | 26.25 |
| AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H. | Graz | NK | 50.00 |
| AWM Asphaltwerk Mötschendorf GmbH & Co.KG | Graz | NK | 50.00 |
| AWR Asphalt-Werke Rhön GmbH | Röthlein | NK | 24.90 |
| B + R Baustoff-Handel und -Recycling Köln GmbH | Köln | NK | 100.00 |
| BA GebäudevermietungsgmbH | Wien | NK | 29.00 |
| BASALT-KÖZÉPKÖ Köbányák Kft | Uzsa | NK | 25.14 |
| Bau Holding Beteiligungs AG | Spittal an der Drau | VK | 100.00 |
| Bauer Deponieerschließungs- und Verwertungsgesellschaft m.b.H. | Fischamend | NK | 100.00 |
| Baugesellschaft "Negrelli" Ges.m.b.H. | Wien | NK | 100.00 |
| Baugesellschaft Nowotnik GmbH | Nörvenich | VK | 100.00 |
| Baukontor Gaaden Gesellschaft m.b.H. | Gaaden | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Baumann & Burmeister GmbH | Halle/Saale | VK | 100.00 |
| Baunova AG | Dällikon | VK[2] | 100.00 |
| Bauträgergesellschaft Olande mbH | Hamburg | NK | 51.00 |
| Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung | Straubing | VK | 100.00 |
| Bayerische Asphaltmischwerke Gesellschaft mit beschränkter Haftung | Hofolding | NK | 48.29 |
| Bayerische Asphaltmischwerke GmbH & Co.KG für Straßenbaustoffe | Hofolding | EK | 48.33 |
| BAYSTAG GmbH | Wildpoldsried | NK | 100.00 |
| Baytürk Grup Insaat Ithalat, Ihracat ve Ticaret Limited Sirketi | Ankara | NK | 100.00 |
| BBO Bauschuttaufbereitung Verwaltungsgesellschaft mbH | Steißlingen | NK | 33.33 |
| BBO Bodensee/Hegau Bauschuttaufbereitung GmbH & Co. KG | Steißlingen | NK | 22.22 |
| BBO Bodenseekreis Bauschuttaufbereitung GmbH & Co. KG | Steißlingen | NK | 25.00 |
| BBS Baustoffbetriebe Sachsen GmbH | Hartmannsdorf | VK | 100.00 |
| becker bau GmbH | Bornhöved | VK | 100.00 |
| Beijing Züblin Equipment Production Co., Ltd. | Beijing | NK | 100.00 |
| Betobeja Empreendimentos Imobiliarios, Lda | Beja | NK | 100.00 |
| Beton AG Bürglen | Bürglen TG | NK | 65.60 |
| Beton Pisek spol. s.r.o. | Pisek | NK | 50.00 |
| Betun Cadi SA | Trun | NK | 35.00 |
| BHG Bitumen Adria d.o.o. | Zagreb | NK | 100.00 |
| BHG Bitumen d.o.o. Beograd | Belgrad | NK | 100.00 |
| BHG Bitumen Kft. | Budapest | VK | 100.00 |
| BHG Bitumenhandelsgesellschaft mbH | Hamburg | VK | 100.00 |
| BHG COMERCIALIZARE BITUM S.R.L. | Bukarest | NK | 100.00 |
| BHG CZ s.r.o. | Ceské Budejovice | VK | 100.00 |
| BHG SK s.r.o. | Bratislava | NK | 100.00 |
| BHG Sp.z o.o. | Pruszkow | VK | 100.00 |
| BHV GmbH Brennstoffe - Handel - Veredelung | Lünen | NK | 100.00 |
| Bin Aweida - von der Wettern LLC i.L. | Dubai | NK | 30.00 |
| Biomasseverwertung Großwilfersdorf GmbH | Großwilfersdorf | NK | 50.10 |
| Bipp Asphalt AG | Niederbipp | NK | 20.00 |
| Bitumen Handelsgesellschaft m.b.H. & Co KG | Loosdorf | VK | 100.00 |
| Bitumen Handelsgesellschaft m.b.H. | Wien | NK | 100.00 |
| Bitumenka-Asfalt d.o.o. i.L. | Sarajevo | NK | 51.00 |
| BITUNOVA Baustofftechnik Gesellschaft m.b.H. | Spittal an der Drau | VK | 100.00 |
| BITUNOVA GmbH | Düsseldorf | VK | 100.00 |
| Bitunova Kft. | Budapest | VK | 100.00 |
| Bitunova Romania SRL | Bukarest | VK | 100.00 |
| BITUNOVA Sp.z o.o. | Warszawa | VK | 100.00 |
| BITUNOVA spol. s r.o. | Jihlava | VK | 100.00 |
| BITUNOVA spol. s r.o. | Zvolen | VK | 100.00 |
| BITUNOVA UKRAINA TOW | Brovary | NK | 60.00 |
| BKB AG | Weinfelden | NK | 100.00 |
| Blees-Kölling-Bau GmbH | Köln | VK | 100.00 |
| BMTI - Tehnica Utilajelor Pentru Constructii SRL | Bukarest | NK | 100.00 |
| BMTI BENELUX | Antwerpen | NK | 100.00 |
| BMTI CR s.r.o. | Brünn | VK | 100.00 |
| BMTI d.o.o. Beograd | Novi Beograd | NK | 100.00 |
| BMTI d.o.o. | Zagreb | NK | 100.00 |
| BMTI GmbH | Erstfeld | VK | 100.00 |
| BMTI Kft. | Budapest | VK | 100.00 |
| BMTI SK, s.r.o. | Bratislava | NK | 100.00 |
| BMTI Sp.z o.o. | Pruszkow | VK | 100.00 |
| BMTI-Baumaschinentechnik International GmbH | Köln | VK | 100.00 |
| BMTI-Baumaschinentechnik International GmbH | Trumau | VK | 100.00 |
| Böblingen Quartier 11 GmbH & Co. KG | Köln | NK | 100.00 |
| Böblingen Quartier 11 Verwaltung GmbH | Köln | NK | 100.00 |
| Bodensee – Moränekies Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft Tettnang | Tettnang | EK | 33.33 |
| BOHEMIA ASFALT, s.r.o. | Sobeslav | VK | 100.00 |
| Böhm Stadtbaumeister & Gebäudetechnik GmbH | Wien | VK | 100.00 |
| Borag AG in Liquidation | Zürich | NK | 100.00 |
| BPM Bau Prozess Management GmbH | Wien | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies
2) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| BRANDNER Wasserbau GmbH | Wallsee-Sindelburg | NK | 100.00 |
| Breitenthaler Freizeit Beteiligungsgesellschaft mbH | Breitenthal | NK | 50.00 |
| Breitenthaler Freizeit GmbH & Co. KG | Breitenthal | NK | 50.00 |
| BrennerRast GmbH | Wien | VK | 100.00 |
| BrennerWasser GmbH | Wien | NK | 100.00 |
| Brnenska Obalovna, s.r.o. | Brünn | NK | 50.00 |
| Brunner Erben AG | Zürich | VK | 100.00 |
| Brunner Erben Holding AG | Zürich | VK | 100.00 |
| BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H. | Spittal an der Drau | VK | 100.00 |
| BRVZ Bau- Rechen- und Verwaltungszentrum GmbH | Köln | VK | 100.00 |
| BRVZ Bau-, Rechen- und Verwaltungszentrum AG | Erstfeld | VK | 100.00 |
| BRVZ BENELUX | Antwerpen | NK | 100.00 |
| BRVZ center za racunovodstvo in upravljanje d.o.o. | Ljubljana | VK | 100.00 |
| BRVZ d.o.o. Beograd | Novi Beograd | NK | 100.00 |
| BRVZ d.o.o. | Zagreb | VK | 100.00 |
| BRVZ EOOD | Sofia | NK | 100.00 |
| BRVZ Kft. | Budapest | VK | 100.00 |
| BRVZ s.r.o. | Bratislava | VK | 100.00 |
| BRVZ s.r.o. | Prag | VK | 100.00 |
| BRVZ SERVICII & ADMINISTRARE SRL | Bukarest | VK | 100.00 |
| BRVZ Sp.z o.o. | Pruszkow | VK | 100.00 |
| BRVZ SRL | Bologna | NK | 100.00 |
| BRVZ Sweden AB | Kumla | VK | 100.00 |
| BRVZ Verwaltung GmbH | Köln | NK | 100.00 |
| BRVZ-Contabilidade, Organizacao,Representacao e Administracao de Empresas,S.U.,Lda | Lissabon | NK | 100.00 |
| BRW Baustoff-Recycling GmbH & Co KG | Wesseling | NK | 25.00 |
| BSB Betonexpress Verwaltungsges.mbH | Berlin | NK | 100.00 |
| BS-Baugeräte-Service GmbH & Co.KG i.I. | Augsburg | NK | 25.00 |
| BS-Baugeräte-Service Verwaltungsgesellschaft mbH i.I. | Augsburg | NK | 25.00 |
| BSS Tunnel- & Montanbau GmbH i.L. | Bern | NK | 100.00 |
| Bug-AluTechnic GmbH | Wien | VK | 100.00 |
| BULGARIA ASFALT EOOD | Sofia | NK | 100.00 |
| Büro Campus Deutz Torhaus GmbH | Köln | NK | 100.00 |
| Büro-Center Ruppmannstraße GmbH | Stuttgart | NK | 50.00 |
| BUSINESS BOULEVARD Errichtungs- und Betriebs GmbH | Wien | NK | 100.00 |
| BVHS Betrieb und Verwaltung von Hotel- und Sportanlagen GmbH | Berlin | NK | 100.00 |
| C.S.K.K. 2009. Kft. | Budapest | NK | 30.00 |
| Carb SA | Brasov | VK | 99.47 |
| Center Communication Systems GmbH | Mägenwil | NK | 100.00 |
| Center Communication Systems GmbH | Wien | VK | 100.00 |
| Center Communication Systems SPRL | Diegem | NK | 100.00 |
| Center Systems Deutschland GmbH | Berlin | NK | 100.00 |
| CESTAR d.o.o. | Slavonski Brod | VK | 74.90 |
| Chustskij Karier | Zakarpatska | VK | 95.96 |
| CLS Construction Legal Services GmbH | Köln | VK | 100.00 |
| CLS Construction Legal Services GmbH | Wien | NK | 100.00 |
| CLS CONSTRUCTION SERVICES s. r. o. | Bratislava | NK | 100.00 |
| CLS CONSTRUCTION SERVICES s.r.o. | Prag | NK | 100.00 |
| CLS Kft. | Budapest | NK | 100.00 |
| CLS Legal Sp.z o.o. | Pruszkow | NK | 100.00 |
| Clubdorf Sachrang Betriebs GmbH | Köln | NK | 100.00 |
| Constrovia Construcao Civil e Obras Publicas Lda. | Lissabon | NK | 95.00 |
| Cosima Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Beta KG | Pullach i. Isartal | NK | 94.00 |
| Cottbuser Frischbeton GmbH | Cottbus | NK | 100.00 |
| Crna Glava Seona d.o.o. | Nasice | NK | 51.00 |
| CROATIA ASFALT d.o.o. | Zagreb | NK | 100.00 |
| CSE Centrum-Stadtentwicklung GmbH i.L. | Köln | NK | 50.00 |
| Dalnicni stavby Praha, a.s. | Prag | VK | 100.00 |
| DAM Deutzer Asphaltmischwerke GmbH & Co. KG | Köln | NK | 33.90 |
| DAM Deutzer Asphaltmischwerke Verwaltungs-GmbH | Köln | NK | 33.90 |
| DARWO TRADING NO 14 (PTY) LIMITED | Pretoria | NK | 50.00 |
| DBR Döbelner Baustoff und Recycling GmbH i.L. | Taucha | NK | 50.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Demirtürk Uluslararasi Insaat, Ithalat, Ihracat ve Ticaret Sirketi | Ankara | NK | 100.00 |
| Deponie Berkum GmbH & Co. KG | Hildesheim | NK | 50.00 |
| Deponie Berkum Verwaltungs GmbH | Hildesheim | NK | 50.00 |
| Deutsche Asphalt GmbH | Köln | VK | 100.00 |
| Diabaswerk Nesselgrund GmbH & Co KG | Floh-Seligenthal | NK | 20.00 |
| Diabaswerk Nesselgrund Verwaltungs-GmbH | Floh-Seligenthal | NK | 20.00 |
| Diabaswerk Saalfelden Gesellschaft m.b.H. | Saalfelden am Stein. Meer | VK | 100.00 |
| Dialnicne stavby Slovensko, s.r.o. | Bratislava | NK | 100.00 |
| Dienstencentrum Maasmechelen BVBA | Antwerpen | NK | 50.00 |
| DIMMOPLAN Verwaltungs GmbH | Stuttgart | NK | 100.00 |
| DIRECTROUTE (FERMOY) CONSTRUCTION LIMITED | Dublin | NK | 25.00 |
| DIRECTROUTE (LIMERICK) CONSTRUCTION LIMITED | Fermoy | NK | 40.00 |
| DIRECTROUTE (LIMERICK) HOLDINGS LIMITED | Fermoy | EK | 20.00 |
| Donnersberger Höfe Kita GmbH | Düsseldorf | NK | 100.00 |
| Dreßler Bauträger GmbH & Co. „Erlenbach"-Objekt KG | Aschaffenburg | NK | 50.00 |
| DRP, d.o.o. | Ljubljana | VK | 100.00 |
| DRUMCO SA | Timisoara | VK | 70.00 |
| DYWIDAG & Partner LLC | Oman | NK | 65.00 |
| Dywidag (Malaysia) Sdn. Bhd. | Kuala Lumpur | NK | 100.00 |
| DYWIDAG Bau GmbH | München | VK | 100.00 |
| Dywidag Construction Corporation | Vancouver | NK | 100.00 |
| DYWIDAG Guinea Ecuatorial Sociedad Limitada | Mongomeyen | NK | 65.00 |
| Dywidag Insaat Limited Sirketi | Ankara | NK | 100.00 |
| DYWIDAG International GmbH | München | VK | 100.00 |
| Dywidag LNG Korea Chusikhoesa | Seoul | NK | 100.00 |
| DYWIDAG Romania S.R.L | Bukarest | NK | 100.00 |
| Dywidag Saudi Arabia Co. Ltd. | Jubail | VK | 100.00 |
| DYWIDAG Schlüsselfertig und Ingenieurbau GmbH | München | NK | 100.00 |
| DYWIDAG Verwaltungsgesellschaft mbH | München | NK | 50.00 |
| DYWIDAG-Holding GmbH | Köln | VK | 100.00 |
| DYWIDAG-Service-GmbH Gebäude- und Anlagenmanagement | Frankfurt am Main | NK | 100.00 |
| E S B Kirchhoff GmbH | Leinfelden-Echterdingen | VK | 100.00 |
| E.S.T.M. KFT | Budapest | NK | 100.00 |
| Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH | Bayreuth | VK | 100.00 |
| Eberhardt Bau-Gesellschaft mbH | Berlin | VK | 100.00 |
| Eckstein Holding GmbH | Spittal an der Drau | VK | 100.00 |
| ECS European Construction Services GmbH | Mörfelden-Walldorf | VK | 100.00 |
| Ed. Züblin AG | Stuttgart | VK | 57.26 |
| Edificio Bauvorbereitungs- und Bauträgergesellschaft mb.H. | Wien | NK | 100.00 |
| Eduard Hachmann Gesellschaft mit beschränkter Haftung | Lunden | VK | 100.00 |
| EFKON AG | Raaba | VK | 97.13 |
| EFKON ASIA SDN. BHD. | Kuala Lumpur | NK | 100.00 |
| EFKON AUSTRALIA PTY LTD | Victoria Point | NK | 100.00 |
| EFKON Bulgaria OOD | Sofia | NK | 80.00 |
| EFKON COLOMBIA LTDA | Bogota | NK | 100.00 |
| EFKON Germany GmbH | Berlin | VK | 100.00 |
| EFKON INDIA LIMITED | Maharashtra Mumbai | VK | 100.00 |
| EFKON Road Pricing Limited | London | NK | 100.00 |
| EFKON ROMANIA S.R.L. | Bukarest | NK | 76.00 |
| EFKON SOUTH AFRICA (PTY) LTD | Pretoria | VK | 100.00 |
| EFKON SOUTHERN AFRICA (PROPRIETARY) LIMITED | Pretoria | NK | 30.00 |
| EFKON USA, INC. | Dallas | NK | 100.00 |
| Egolf AG Strassen- und Tiefbau | Weinfelden | VK | 100.00 |
| Eichholz Eivel GmbH | Berlin | VK | 100.00 |
| Eisen Blasy Reutte GmbH | Reutte | NK | 50.00 |
| Emprese Constructora, Züblin Peru S.A.C. | Lima | NK | 99.97 |
| Entwicklung Quartier 21 Nr. 1 GmbH & Co. KG | Hamburg | NK | 48.08 |
| Entwicklung Quartier 21 Nr. 2 GmbH & Co. KG | Hamburg | NK | 48.08 |
| Entwicklung Quartier 21 Nr. 3 GmbH & Co. KG | Hamburg | NK | 48.08 |
| Entwicklung Quartier am Mailänder Platz Beteiligungsgesellschaft mbH | Hamburg | NK | 50.00 |
| Entwicklung Quartier am Mailänder Platz Management GmbH | Hamburg | NK | 50.00 |
| Eraproject Immobilien-, Projektentwicklung und Beteiligungsverwaltung GmbH | Berlin | NK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Erlaaer Straße Liegenschaftsverwertungs-GmbH | Wien | NK | 100.00 |
| ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H. | Wien | NK | 100.00 |
| Errichtungsgesellschaft Strabag Slovensko s.r.o. | Bratislava-Ruzinov | VK | 100.00 |
| Erste Nordsee-Offshore-Holding GmbH | Pressbaum | VK | 51.00 |
| Eslarngasse 16 GmbH | Wien | NK | 75.00 |
| ETG Erzgebirge Transportbeton GmbH | Freiberg | VK | 60.00 |
| EURO SERVICES Catering & Cleaning GmbH | Mörfelden-Walldorf | NK | 100.00 |
| EUROASFALT d.o.o. | Zagreb | NK | 90.00 |
| EUROTEC ANGOLA, LDA | Luanda | NK | 100.00 |
| EVN S.r.l. | Rom | NK | 100.00 |
| Exploitatie Maatschappij A-Lanes A15 B.V. | Nieuwegein | NK | 33.33 |
| F. Kirchhoff GmbH | Leinfelden-Echterdingen | VK | 100.00 |
| F. Kirchhoff Silnice s.r.o. likvidaci | Prag | NK | 100.00 |
| F. Kirchhoff Straßenbau GmbH | Leinfelden-Echterdingen | VK | 100.00 |
| F. KIRCHHOFF SYSTEMBAU GmbH | Münsingen | VK | 100.00 |
| F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG | Eggendorf | VK | 100.00 |
| Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH | Wien | VK | 100.00 |
| Fachmarktzentrum Kielce Projekt GmbH | Berlin | NK | 100.00 |
| Facility Management Holding RF GmbH | Wien | NK | 51.00 |
| Fahrleitungsbau GmbH | Essen | VK | 100.00 |
| Fastighets AB Botvid | Stockholm | NK | 51.00 |
| FDZ Grundstücksverwaltung GmbH & Co. Objekt Stuttgart-Möhringen KG | Mainz | NK | 94.00 |
| Flogopit d.o.o. | Novi Beograd | NK | 100.00 |
| Forum Mittelrhein Beteiligungsgesellschaft mbH | Hamburg | NK | 51.00 |
| Forum Mittelrhein Koblenz Generalübernehmergesellschaft mbH & Co.KG | Oststeinbek | VK | 51.00 |
| Forum Mittelrhein Koblenz Kultur GmbH & Co. KG | Hamburg | VK | 51.00 |
| Freo Projektentwicklung Berlin GmbH | Berlin | NK | 50.10 |
| FRISCHBETON s.r.o. | Prag | VK | 100.00 |
| Frischbeton Wachau GmbH & CO.KG | Wachau | NK | 45.00 |
| Frissbeton Kft. | Budapest | VK | 100.00 |
| FUSSENEGGER Hochbau und Holzindustrie GmbH | Dornbirn | NK | 100.00 |
| G15 Projekt GmbH | Baar | NK | 100.00 |
| Gama Strabag Construction Limited | Dublin | NK | 40.00 |
| Gartensiedlung Lackenjöchel Liegenschaftsverwertungs GmbH | Wien | NK | 100.00 |
| Gaul GmbH | Sprendlingen | VK | 100.00 |
| GBS Gesellschaft für Bau und Sanierung mbH | Leuna | NK | 100.00 |
| Gebr. von der Wettern Gesellschaft mit beschränkter Haftung | Köln | VK | 100.00 |
| Gericke Verwaltungs GmbH | Emmerthal | NK | 100.00 |
| GFR remex Baustoffaufbereitung GmbH & Co. KG, Krefeld | Krefeld | NK | 100.00 |
| GFR remex Baustoffaufbereitung Verwaltungs-GmbH Krefeld | Krefeld | NK | 100.00 |
| GN-Anläggningar AB | Stockholm | NK | 100.00 |
| GN-Asfalt AB | Gävle | NK | 100.00 |
| Goldeck Bergbahnen GmbH | Spittal an der Drau | VK | 100.00 |
| Grandemar SA | Cluj-Napoca | NK | 41.27 |
| GRASTO d.o.o. | Ljubljana | VK | 99.85 |
| Griproad Spezialbeläge und Baugesellschaft mbH | Köln | VK | 100.00 |
| Grundstücksgesellschaft Kaiserplatz Aachen Adalbertstraße GmbH & Co. KG | Hamburg | NK | 50.00 |
| GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H. & Co. KG. | Wien | NK | 62.00 |
| GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H. | Wien | NK | 61.00 |
| GUS Gußasphaltwerk GmbH & Co KG | Stuttgart | NK | 50.00 |
| GUS Gußasphaltwerk Verwaltungs GmbH | Stuttgart | NK | 50.00 |
| GVD Versicherungsvermittlungen - Dienstleistungen GmbH | Köln | NK | 100.00 |
| H S Hartsteinwerke GmbH | Pinswang | NK | 50.00 |
| Harald Zweig Bautenschutz G.m.b.H. | Essen | NK | 100.00 |
| HAW-Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft | Linz | NK | 35.00 |
| Heidelberger Beton Donau-Iller GmbH & Co. KG | Elchingen | NK | 30.00 |
| Heidelberger Beton Donau-Iller Verwaltungs-GmbH | Unterelchingen | NK | 30.20 |
| HEILIT + WOERNER BAU GmbH | Wien | NK | 100.00 |
| HEILIT Umwelttechnik GmbH | Düsseldorf | VK | 100.00 |
| HEILIT Umwelttechnik S.R.L. | Orhei | NK | 100.00 |
| Heilit+Woerner Bau GmbH | München | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Heimfeld Terrassen GmbH | Köln | VK | 100.00 |
| Helmus Beteiligungsgesellschaft mit beschränkter Haftung | Vechta | NK | 100.00 |
| Helmus Straßen-Bau GmbH | Vechta | VK | 100.00 |
| HEOS Berufsschulen Hamburg GmbH & Co. KG | Hamburg | NK | 50.00 |
| Heptan Grundstücksverwaltungsgesellschaft mbH & Co Vermietungs-KG | Mainz | NK | 94.00 |
| Hermann Kirchner Bauunternehmung GmbH | Bad Hersfeld | VK | 100.00 |
| Hermann Kirchner Hoch- und Ingenieurbau GmbH | Bad Hersfeld | VK | 100.00 |
| Hillerstraße - Jungstraße GmbH | Wien | NK | 75.00 |
| HOTEL VIA Kft. | Keszthely | NK | 43.00 |
| Hotelprojekt Messe-West Europa-Allee Frankfurt GmbH & Co. KG | Köln | NK | 100.00 |
| Hrusecka Obalovna, s.r.o. | Hrusky | NK | 100.00 |
| H-TPA Kft. | Budapest | VK | 100.00 |
| Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung | Linz | NK | 35.00 |
| I.C.S. “STRABAG” S.R.L. | Chisinau | NK | 100.00 |
| IBV - Immobilien Besitz- und Verwaltungsgesellschaft mbH Werder | Köln | NK | 99.00 |
| IGM Vukovina d.o.o. | Vukovina b.b. | NK | 80.00 |
| Ilbau GmbH Deutschland | Berlin | VK | 100.00 |
| Ilbau Liegenschaftsverwaltung GmbH | Hoppegarten | VK | 100.00 |
| Ilbau Liegenschaftsverwaltung GmbH | Spittal an der Drau | VK | 100.00 |
| Ilbau OOO | Moskau | NK | 100.00 |
| Immorent Oktatási Kft. | Budapest | NK | 20.00 |
| Industrial Engineering and Contracting Co. S.A.R.L. (INDECO) i.L. | Beirut | NK | 50.00 |
| Industrielles Bauen Betreuungsgesellschaft mbH | Stuttgart | NK | 100.00 |
| Industrija Gradevnog materijala ostra d.o.o. | Zagreb | NK | 100.00 |
| InfoSys Informationssysteme GmbH | Spittal an der Drau | VK | 94.90 |
| Innsbrucker Nordkettenbahnen Betriebs GmbH | Innsbruck | VK | 51.00 |
| Intelligent Traffic Systems Asia | Selangor | NK | 100.00 |
| I-PAY CLEARING SERVICES Pvt. Ltd. | Mumbai Maharashtra | VK | 74.00 |
| ITC Engineering GmbH & Co. KG | Stuttgart | NK | 50.00 |
| JCO s.r.o. | Budweis | NK | 50.00 |
| JHP spol. s.r.o. | Prag | VK | 100.00 |
| Josef Möbius Bau - GmbH | Hamburg | VK | 100.00 |
| Josef Möbius Scandinavia AB | Täby | NK | 100.00 |
| JOSEF MOEBIUS CONSTRUCOES E ENGENHARIA CIVIL LTDA. | Sao Paulo | NK | 100.00 |
| Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH | Regensburg | VK | 100.00 |
| JUKA Justizzentrum Kurfürstenanlage GmbH | Köln | VK | 100.00 |
| Jumbo Betonpumpen Service GmbH & Co.KG | Limbach-Oberfrohna | NK | 50.00 |
| Jumbo Betonpumpen Verwaltungs GmbH | Limbach-Oberfrohna | NK | 50.00 |
| KAB Kärntner Abfallbewirtschaftung GmbH | Klagenfurt | NK | 36.25 |
| KAB Straßensanierung GmbH & Co KG | Spittal an der Drau | VK | 50.60 |
| KAB Straßensanierung GmbH | Spittal an der Drau | NK | 50.60 |
| Kaiserebersdorfer Straße LiegenschaftsverwertungsGmbH | Wien | VK | 100.00 |
| Kamen-Ingrad gradnja i rudarstvo d.o.o. u likvidaciji | Zagreb | NK | 51.00 |
| KAMENOLOM MALI CARDAK d.o.o. | Zagreb | NK | 100.00 |
| KAMENOLOMY CR s.r.o. | Ostrava - Svinov | VK | 100.00 |
| Kanzel Steinbruch Dennig Gesellschaft mit beschränkter Haftung | Gratkorn | VK | 75.00 |
| Karlovarske silnice, a.s. | Ceske Budejovice | NK | 100.00 |
| KASERNEN Projektentwicklungs- und Beteiligungs GmbH | Wien | NK | 24.90 |
| Kelet Aszfalt Kft. | Eger | NK | 100.00 |
| KIAG AG | Kreuzlingen | NK | 100.00 |
| Kies- und Betonwerk AG Sedrun | Sedrun | NK | 35.00 |
| Kiesabbau Gämmerler-Hütwohl GmbH & Co. Aug Kommanditgesellschaft | Königsdorf | NK | 50.00 |
| Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Grafing KG | Königsdorf | NK | 50.00 |
| Kiesabbau Gämmerler-Hütwohl GmbH&Co. Grube Leitzinger Au KG | Königsdorf | NK | 50.00 |
| Kiesabbau Gämmerler-Hütwohl Verwaltungs- GmbH | Königsdorf | NK | 50.00 |
| Kiesgesellschaft Karsee Beteiligungs-GmbH | Immenstaad am Bodensee | NK | 50.00 |
| Kiesgesellschaft Karsee GmbH & Co. KG | Immenstaad am Bodensee | NK | 50.00 |
| Kiesverwertungsgesellschaft Senden mit beschränkter Haftung | Senden | NK | 100.00 |
| Kieswerk Diersheim GmbH | Rheinau/Baden | NK | 60.00 |
| Kieswerk Rheinbach Gesellschaft mit beschränkter Haftung | Köln | NK | 50.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Kieswerk Rheinbach GmbH & Co Kommanditgesellschaft | Rheinbach | EK | 50.00 |
| Kieswerke Gericke GmbH | Köln | NK | 100.00 |
| Kieswerke Schray GmbH & Co. KG | Steißlingen | EK | 50.00 |
| Kieswerke Schray Verwaltungs GmbH | Steißlingen | NK | 50.00 |
| Kirchhoff + Schleith Beteiligungs-GmbH | Steißlingen | NK | 50.00 |
| Kirchhoff + Schleith Straßenbau GmbH & Co. KG | Steißlingen | NK | 50.00 |
| Kirchner & Völker Bauunternehmung GmbH | Erfurt | VK | 90.00 |
| Kirchner Baugesellschaft m.b.H. | Spittal an der Drau | NK | 100.00 |
| Kirchner Holding GmbH | Bad Hersfeld | VK | 100.00 |
| Kirchner PPP Service GmbH | Bad Hersfeld | NK | 100.00 |
| Kirchner Romania s.r.l. | Bukarest | NK | 100.00 |
| Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH | Spittal an der Drau | NK | 30.00 |
| KMG - KLIPLEV MOTORWAY GROUP A/S | Kopenhagen | VK | 100.00 |
| KÖKA Kft. | Budapest | VK | 100.00 |
| Königswall Invest B.V. | AK Den Haag | NK | 100.00 |
| Kopalnie Melafiru w Czarnym Borze Sp.z o.o. | Czarny Bor | VK | 100.00 |
| KRAL ASFALT Sp.z o.o. | Konstantynow Lodzki | NK | 50.00 |
| KSH Kalkstein Heiterwang GmbH & Co KG | Pinswang | NK | 30.00 |
| KSH Kalkstein Heiterwang GmbH | Pinswang | NK | 30.00 |
| KSR - Kamenolomy SR, s.r.o. | Zvolen | VK | 100.00 |
| Lafarge Cement CE Holding GmbH | Wien | EK | 30.00 |
| LAS Lauterhofener Asphalt und Straßenbau Gesellschaft mbH i.L. | Lauterhofen | NK | 100.00 |
| Latasfalts SIA | Milzkalne | NK | 100.00 |
| Leitner Gesellschaft m.b.H. | Hausmening | VK | 100.00 |
| Leonhard Moll Hoch- und Tiefbau GmbH | München | VK | 100.00 |
| Leonhard Moll Tiefbau GmbH | München | NK | 100.00 |
| Liberecka Obalovna s.r.o. | Liberec | NK | 50.00 |
| Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht | Viecht | NK | 66.50 |
| Lieferasphalt Gesellschaft m.b.H. & Co. OG | Maria Gail | NK | 60.00 |
| Lieferasphalt Gesellschaft m.b.H.& Co.OG, Zirl | Wien | NK | 50.00 |
| Lieferasphalt Gesellschaft m.b.H. | Wien | NK | 50.00 |
| Lieferbeton Simmern GmbH & Co. KG | Simmern/Hunsrück | NK | 50.00 |
| Lieferbeton Simmern Verwaltungs-GmbH | Simmern/Hunsrück | NK | 50.00 |
| LIMET Beteiligungs GmbH & Co. Objekt Köln KG | Köln | VK | 94.00 |
| LIMET Beteiligungs GmbH | Köln | VK | 100.00 |
| Linnetorp AB | Sjöbo | NK | 100.00 |
| Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H. | Linz | NK | 33.33 |
| LISAG Linzer Splitt- und Asphaltwerk GmbH. & CO KG | Linz | NK | 50.00 |
| LISAG Linzer Splitt- und Asphaltwerk GmbH. | Linz | NK | 50.00 |
| LPRD (LESZCZYNSKIE PRZEDSIEBIORSTWO ROBOT DROGOWO)-MOSTOWYCH Sp.z o.o. | Leszno | NK | 93.59 |
| Ludwig Voss GmbH | Cuxhaven | VK | 100.00 |
| M5 Beteiligungs GmbH | Wien | VK | 100.00 |
| M5 Holding GmbH | Wien | VK | 100.00 |
| Magyar Aszfalt Kft. | Budapest | VK | 100.00 |
| Magyar Bau Holding Zrt. | Budapest | NK | 100.00 |
| MAK Mecsek Autopalya Koncesszios Zrt. | Budapest | EK | 30.00 |
| MASZ M6 Kft. | Budapest | NK | 100.00 |
| MAV Mineralstoff - Aufbereitung und - Verwertung GmbH | Krefeld | VK | 50.00 |
| MAV Mineralstoff - Aufbereitung und Verwertung Lünen GmbH | Lünen | VK | 100.00 |
| Mazowieckie Asfalty Sp.z o.o. | Pruszkow | NK | 100.00 |
| Mecsek Autopalya-üzemeltetö Zrt. | Budapest | NK | 25.00 |
| Messe City Köln Beteiligungsgesellschaft mbH | Hamburg | NK | 50.00 |
| Messe City Köln GmbH & Co. KG | Hamburg | NK | 50.00 |
| Meyerhans AG Amriswil | Amriswil | VK | 100.00 |
| Meyerhans AG, Strassen- und Tiefbau Uzwil | Uzwil | VK | 100.00 |
| MIEJSKIE PRZEDSIEBIORSTWO ROBOT DROGOWYCH Sp.z o.o. | Bialystok | NK | 100.00 |
| MIGU-Asphalt-Baugesellschaft m.b.H. | Lustenau | NK | 50.00 |
| Mikrobiologische Abfallbehandlungs GmbH | Schwadorf | NK | 51.00 |
| Milet Ditzingen Beteiligungsgesellschaft mbH | Heidelberg | NK | 49.00 |
| Milet Ditzingen Objektgesellschaft mbH & Co. KG | Heidelberg | NK | 48.71 |
| Mineral Abbau GmbH | Spittal an der Drau | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSOLIDATION[1] | DIRECT STAKE % |
|---|---|---|---|
| Mineral Baustoff GmbH | Köln | VK | 100.00 |
| MINERAL IGM d.o.o. | Zapuzane | VK | 100.00 |
| Mineral Kop doo Beograd | Belgrad | NK | 100.00 |
| Mineral L.L.C. | Gllogovc | NK | 100.00 |
| Mineral Polska Sp. z.o.o. | Czarny Bor | VK | 100.00 |
| MINERAL ROM S.R.L. | Brasov | NK | 100.00 |
| Mischek Bauträger Service GmbH | Wien | NK | 100.00 |
| Mischek Leasing eins Gesellschaft m.b.H. | Wien | NK | 100.00 |
| Mischek Systembau GmbH | Wien | VK | 100.00 |
| Mischwerke Koschenberg - Verwaltung GmbH | Großkoschen | NK | 50.00 |
| Mischwerke Koschenberg GmbH & Co. KG | Großkoschen | NK | 50.00 |
| Mister Recrutamento Lda. | Lissabon | NK | 100.00 |
| MiTTaG spol. s.r.o. | Brünn | VK | 100.00 |
| MLT Maschinen und Logistik Thüringen GmbH & Co. KG | Erfurt | NK | 50.00 |
| MLT Verwaltungs GmbH | Erfurt | NK | 50.00 |
| Mobil Baustoffe AG | Steinhausen | NK | 100.00 |
| MOBIL Baustoffe GmbH | München | VK | 100.00 |
| MOBIL Baustoffe GmbH | Reichenfels | VK | 100.00 |
| Mobil Concrete Qatar W.L.L. | Doha | NK | 98.00 |
| MOBIL-CONCRETE OOD | Sofia | NK | 50.00 |
| Möbius Construction Ukraine Ltd | Odessa | VK | 100.00 |
| Möbius Dredging GmbH | Hamburg | NK | 100.00 |
| MOEBIUS-Bau Polska EMO Baczewscy Spolka Jawna | Szczecin | NK | 50.00 |
| Moser & C. SRL | Bruneck | NK | 50.00 |
| MSO Mischanlagen GmbH Ilz & Co KG | Ilz | NK | 47.00 |
| MSO Mischanlagen GmbH Pinkafeld & Co KG | Pinkafeld | NK | 52.67 |
| MSO Mischanlagen GmbH | Ilz | NK | 33.33 |
| MUST Razvoj projekata d.o.o. | Zagreb | NK | 100.00 |
| MYTOLL Sp. z o.o. | Pruszkow | NK | 100.00 |
| N.V. STRABAG Belgium S.A. | Antwerpen | VK | 100.00 |
| N.V. STRABAG Benelux S.A. | Antwerpen | VK | 100.00 |
| Na belidle s.r.o. | Prag | VK | 100.00 |
| Nairobi Motorway Company Limited | Nairobi | NK | 50.00 |
| Natursteinwerke im Nordschwarzwald NSN GmbH & Co. KG | Mühlacker | EK | 25.00 |
| Natursteinwerke im Nordschwarzwald NSN Verwaltungsgesellschaft mit beschränkter Haftung | Mühlacker | NK | 25.00 |
| NE Sander Eisenbau GmbH | Sande | VK | 100.00 |
| NE Sander Immobilien GmbH | Sande | VK | 100.00 |
| NEUE REFORMBAU Gesellschaft m.b.H. | Wien | NK | 100.00 |
| Nimab Anläggning AB | Sjöbo | NK | 100.00 |
| Nimab Entreprenad AB | Sjöbo | VK | 100.00 |
| Nimab Fastigheter AB | Sjöbo | NK | 100.00 |
| Nimab Support AB | Sjöbo | NK | 100.00 |
| Norsk Standardselskap 154 AS | Oslo | NK | 100.00 |
| Northern Energy GAIA I. GmbH | Aurich | VK | 100.00 |
| Northern Energy GAIA II. GmbH | Aurich | VK | 100.00 |
| Northern Energy GAIA III. GmbH | Aurich | VK | 100.00 |
| Northern Energy GAIA IV. GmbH | Aurich | VK | 100.00 |
| Northern Energy GAIA V. GmbH | Aurich | VK | 100.00 |
| Northern Energy GlobalTech II. GmbH | Aurich | VK | 100.00 |
| Northern Energy GlobalTech III. GmbH | Aurich | VK | 100.00 |
| Northern Energy OWP Albatros GmbH | Aurich | VK | 100.00 |
| Northern Energy OWP West GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaStorm I. GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaStorm II. GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaWind I. GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaWind II. GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaWind III GmbH | Aurich | VK | 100.00 |
| Northern Energy SeaWind IV. GmbH | Aurich | VK | 100.00 |
| NR Bau- u. Immobilienverwertung GmbH | Berlin | NK | 100.00 |
| NUOVO MERCATO GIANICOLENSE SRL | Bologna | NK | 40.00 |
| Nyugat Aszfalt Kft. | Györ | NK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| OAT - Bohr- und Fugentechnik Gesellschaft m.b.H. | Spittal an der Drau | VK | 51.00 |
| OAT Kft. | Budapest | VK | 100.00 |
| OAT s.r.o. | Prag | VK | 100.00 |
| OAT spol. s.r.o. | Bratislava | VK | 100.00 |
| OBIT GmbH | Berlin | NK | 100.00 |
| ODEN Anläggning Fastighets AB | Stockholm | NK | 100.00 |
| ODEN Entreprenad Fastighets AB | Stockholm | NK | 100.00 |
| ODEN Maskin Fastighets AB | Stockholm | NK | 100.00 |
| Oder Havel Mischwerke GmbH & Co. KG | Berlin | EK | 33.33 |
| Off-Shore Wind Logistik GmbH | Stuttgart | VK | 100.00 |
| OFIM HOLDINGS LIMITED | Cardiff | NK | 46.25 |
| Onezhskaya Mining Company LLC | Petrozavodsk | NK | 59.00 |
| Ontwikkelingscombinatie Maasmechelen N.V. | Antwerpen | NK | 50.00 |
| Ooms-Ittner-Hof GmbH | Köln | VK | 100.00 |
| OOO “Dywidag” | Moskau | NK | 100.00 |
| OOO “EFKON” | Moskau | NK | 100.00 |
| OOO “Möbius” | St. Petersburg | NK | 75.00 |
| OOO “STRATON-Infrastruktura” | Sotschi | NK | 50.00 |
| OOO BMTI | Moskau | NK | 100.00 |
| OOO CLS Construction Legal Services | Moskau | NK | 100.00 |
| OOO STRABAG PFS | Moskau | NK | 100.00 |
| OOO Züblin Russia | Ufa | NK | 100.00 |
| OOO Züblin | Moskau | NK | 100.00 |
| Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH | Lavant i. Osttirol | VK | 80.00 |
| PAM Pongauer Asphaltmischanlagen GmbH & Co KG | St. Johann im Pongau | NK | 50.00 |
| PAM Pongauer Asphaltmischanlagen GmbH | St. Johann im Pongau | NK | 50.00 |
| PANSUEVIA GmbH & Co. KG | Jettingen-Scheppach | EK | 50.00 |
| PANSUEVIA Service GmbH & Co. KG | Jettingen-Scheppach | EK | 50.00 |
| PARK SERVICE HÜFNER GmbH + Co. KG | Stuttgart | NK | 48.44 |
| Passivhaus Kammelweg Bauträger GmbH | Wien | NK | 100.00 |
| PEKA Entwicklungsgesellschaft Kurfürstenanlage GmbH | Köln | VK | 100.00 |
| PH Bau Erfurt GmbH | Erfurt | NK | 100.00 |
| Philman Holdings Co. | Philippinen | NK | 20.00 |
| PNM, d.o.o. | Ljubljana | NK | 100.00 |
| Polski Asfalt Sp.z o.o. | Pruszkow | VK | 100.00 |
| POLSKI ASFALT TECHNIC Sp.z o.o. | Kraków | NK | 100.00 |
| Poltec Sp.z o.o. | Braslau | NK | 100.00 |
| Pomgrad Inzenjering d.o.o. | Split | VK | 100.00 |
| POßÖGEL & PARTNER STRAßEN- UND TIEFBAU GMBH HERMSDORF/THÜR. | St. Gangloff | VK | 100.00 |
| PPP Conrad-von-Ense-Schule GmbH | Bad Hersfeld | NK | 100.00 |
| PPP Management GmbH | Köln | NK | 100.00 |
| PPP Schulen Kreis Düren GmbH | Bad Hersfeld | NK | 100.00 |
| PPP Schulen Monheim am Rhein GmbH | Monheim | NK | 100.00 |
| PPP SchulManagement Witten GmbH & Co. KG | Köln | NK | 100.00 |
| PPP SeeCampus Niederlausitz GmbH | Bad Hersfeld | NK | 100.00 |
| Preduzece za puteve “Zajecar” a.D.Zajecar | Zajecar | VK | 99.53 |
| Preusse Baubetriebe Gesellschaft mit beschränkter Haftung | Hamburg | VK | 100.00 |
| PRID-CIECHANOW Sp.z o.o. | Ciechanow | NK | 56.00 |
| PRO Liegenschaftsverwaltungs- und Verwertungsgesellschaft m.b.H. | Wien | NK | 100.00 |
| Projekt Elbpark GmbH & Co. KG | Köln | VK | 100.00 |
| Projekt Elbpark Verwaltungs GmbH | Köln | NK | 100.00 |
| Projektgesellschaft Willinkspark GmbH | Köln | NK | 100.00 |
| Prottelith Produktionsgesellschaft mbH | Liebenfels | NK | 52.00 |
| Przedsiebiorstwo Budownictwa Ogólnego i Uslug Technicznych Slask Sp.z o.o. | Katowice | VK | 60.98 |
| PRZEDSIEBIORSTWO ROBOT DROGOWYCH Sp.z o.o. W LIKWIDACJI | Choszczno | NK | 100.00 |
| PWG-Bau Pfersee Wohn- und Gewerbebauträger GmbH & Co.KG | München | NK | 50.00 |
| PWG-Bau Pfersee Wohn-und Gewerbebauträger Verwaltungs GmbH | München | NK | 50.00 |
| Pyhrn Concession Holding GmbH | Köln | VK | 100.00 |
| PZC SPLIT d.d. | Split | VK | 95.12 |
| QMP Generalübernehmer GmbH & Co. KG | Oststeinbek | NK | 50.00 |
| R I M E X GmbH Servicebetriebe | Aalen | VK | 100.00 |
| RAE Recycling Asphaltwerk Eisfeld GmbH & Co KG | Eisfeld | NK | 37.50 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| RAE Recycling Asphaltwerk Eisfeld Verwaltungs-GmbH | Eisfeld | NK | 37.50 |
| Raiffeisen evolution project development GmbH | Wien | EK | 20.00 |
| RAM Regensburger Asphalt-Mischwerke GmbH & Co KG | Barbing | NK | 44.33 |
| Rapp GmbH & Co. KG | Steinheim am Albuch | NK | 20.00 |
| Rapp Verwaltungs-GmbH | Steinheim am Albuch | NK | 20.00 |
| Raststation A 3 GmbH | Wien | VK | 100.00 |
| Raststation A 6 GmbH | Wien | VK | 100.00 |
| Rathaus-Carrée Saarbrücken Grundstücksentwicklungs Gesellschaft mbH i.L. | Köln | NK | 24.97 |
| Rathaus-Carrée Saarbrücken Grundstücksentwicklungsgesellschaft mbH & Co.KG | Köln | NK | 25.00 |
| RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H. | Linz | VK | 100.00 |
| RE Wohnungseigentumserrichtungs GmbH | Wien | NK | 75.00 |
| Regensburger Asphalt-Mischwerke GmbH | Barbing | NK | 44.33 |
| REMEX Coesfeld Gesellschaft für Baustoffaufbereitung mbH | Dülmen-Buldern | NK | 50.00 |
| REPASS-SANIERUNGSTECHNIK GMBH Korrosionsschutz und Betoninstandsetzung | Munderkingen | VK | 100.00 |
| Reutlinger Asphaltmischwerk Verwaltungs GmbH | Reutlingen | NK | 50.00 |
| Rezidencie Machnac, s.r.o. | Bratislava | NK | 50.00 |
| RFM Asphaltmischwerk GmbH & Co KG | Traiskirchen | NK | 33.33 |
| RFM Asphaltmischwerk GmbH. | Wienersdorf-Oeynhausen | NK | 33.33 |
| RGL Rekultivierungsgesellschaft Langentrog mbH | Langenargen | NK | 80.00 |
| Rheinbacher Asphaltmischwerk Gesellschaft mit beschränkter Haftung | Rheinbach | NK | 50.00 |
| Rheinbacher Asphaltmischwerk GmbH & Co. Kommanditgesellschaft für Straßenbaustoffe | Rheinbach | NK | 50.00 |
| Rhein-Regio Neuenburg Projektentwicklung GmbH | Neuenburg am Rhein | NK | 90.00 |
| Rieder Asphaltgesellschaft m.b.H. & Co. KG. | Ried im Zillertal | NK | 50.00 |
| Rieder Asphaltgesellschaft m.b.H. | Ried im Zillertal | NK | 50.00 |
| Rimex Gebäudemanagement GmbH | Ulm | VK | 100.00 |
| riw Industriewartung GmbH | Ulm | VK | 100.00 |
| RKH Rheinkies Hitdorf GmbH & Co. KG i.L. | Bergheim | NK | 33.33 |
| RKH Rheinkies Hitdorf Verwaltungs GmbH i.L. | Bergheim | NK | 33.33 |
| ROBA Kieswerk Merseburg GmbH i.L. | Merseburg | NK | 100.00 |
| ROBA Transportbeton GmbH | Köln | VK | 100.00 |
| ROBA-Neuland Beton GmbH & Co. KG | Hamburg | NK | 50.00 |
| Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung | Hamburg | VK | 100.00 |
| Romania Asfalt s.r.l. | Bukarest | NK | 100.00 |
| RST Rail Systems and Technologies GmbH | Barleben | NK | 82.00 |
| RVB Gesellschaft für Recycling, Verwertung und Beseitigung von Abfällen mbH | Kelheim | NK | 100.00 |
| S.U.S. Abflussdienst Gesellschaft m.b.H. | Wien | NK | 100.00 |
| Salzburger Lieferasphalt GmbH & Co OG | Sulzau | NK | 20.00 |
| SAM Sindelfinger Asphalt-Mischwerke GmbH & Co KG | Sindelfingen | NK | 20.00 |
| SAO BRVZ Ltd | Moskau | VK | 100.00 |
| SAT OOO | Moskau | NK | 100.00 |
| SAT REABILITARE RECICLARE S.R.L. | Cluj-Napoca | NK | 100.00 |
| SAT s.r.o. | Prag | VK | 100.00 |
| SAT SANIRANJE cesta d.o.o. | Zagreb | NK | 100.00 |
| SAT SLOVENSKO s.r.o. | Bratislava | NK | 100.00 |
| SAT Sp.z o.o. | Olawa | VK | 100.00 |
| SAT Straßensanierung GmbH | Köln | VK | 100.00 |
| SAT Ukraine | Brovary | NK | 100.00 |
| SAT Útjavító Kft. | Budapest | NK | 100.00 |
| SAV Südniedersächsische Aufbereitung und Verwertung Verwaltungs GmbH | Hildesheim | NK | 50.00 |
| SB Beton GmbH | Bad Langensalza | NK | 100.00 |
| SBR Verwaltungs-GmbH | Kehl | VK | 100.00 |
| Schlackenkontor Bremen GmbH | Bremen | NK | 25.00 |
| Schotter- und Kies-Union GmbH & Co. KG | Leipzig | NK | 57.90 |
| Schotter- und Kies-Union Verwaltungsgesellschaft mbH | Hirschfeld | NK | 100.00 |
| SCHOTTERWERK EDLING GESELLSCHAFT M.B.H. | Klagenfurt | NK | 74.00 |
| SF Bau vier GmbH | Wien | VK | 100.00 |
| SF-Ausbau GmbH | Freiberg | VK | 100.00 |
| SF-BAU Projektentwicklung GmbH | Köln | NK | 100.00 |
| SF-BAU-Grundstücksgesellschaft "ABC-Bogen" mbH | Köln | NK | 100.00 |
| Shanghai Changjiang-Züblin Construction&Engineering Co.Ltd. | Shanghai | VK | 75.00 |
| Sindelfinger Asphalt-Mischwerke GmbH | Sindelfingen | NK | 20.00 |
| SLOVAKIA ASFALT s.r.o. | Bratislava | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| SMB Construction International GmbH | Sengenthal | NK | 50.00 |
| SOOO “STRABAG Engineering Center” | Minsk | NK | 60.00 |
| SOWI - Investor - Bauträger GmbH | Innsbruck | NK | 33.33 |
| SPK - Errichtungs- und Betriebsges.m.b.H. | Spittal an der Drau | NK | 100.00 |
| Spolecne obalovny, s r.o. | Prag | NK | 50.00 |
| SRE Erste Vermögensverwaltung GmbH | Köln | NK | 100.00 |
| SRK Kliniken Beteiligungs GmbH | Wien | NK | 25.00 |
| STA Asphaltmischwerk Strahlungen GmbH | Strahlungen | NK | 24.90 |
| stahl + verbundbau gesellschaft für industrielles bauen m.b.H. | Dreieich | NK | 30.00 |
| Staßfurter Baubetriebe GmbH | Staßfurt | VK | 100.00 |
| Steffes-Mies GmbH | Sprendlingen | VK | 100.00 |
| Steinbruch Mauterndorf Gesellschaft m.b.H. | St. Michael/Lungau | NK | 50.00 |
| Stephan Beratungs-GmbH | Linz am Rhein | NK | 30.00 |
| Stephan Holzbau GmbH | Stuttgart | VK | 100.00 |
| Storf Hoch- und Tiefbaugesellschaft m.b.H. | Reutte | VK | 100.00 |
| STR Irodaház Kft. | Budapest | NK | 100.00 |
| STR Lakasepitö Kft. | Budapest | NK | 100.00 |
| STRABAG - ZIPP Development s.r.o. | Bratislava | VK | 100.00 |
| Strabag a.s. | Prag | VK | 100.00 |
| STRABAG A/S | Trige | NK | 100.00 |
| STRABAG AB | Stockholm | VK | 100.00 |
| STRABAG ABU DHABI LLC | Abu Dhabi | VK | 100.00 |
| STRABAG AG | Köln | VK | 93.63 |
| STRABAG AG | Spittal an der Drau | VK | 100.00 |
| STRABAG AG | Zürich | VK | 100.00 |
| STRABAG Algerie EURL | Alger | NK | 100.00 |
| STRABAG Anlagentechnik GmbH | Thalgau | VK | 100.00 |
| STRABAG Asset GmbH | Köln | VK | 100.00 |
| STRABAG AUSTRALIA PTY LTD | BRISBANE | NK | 100.00 |
| STRABAG B.V. | Vlaardingen | VK | 100.00 |
| STRABAG Bau GmbH | Wien | VK | 100.00 |
| STRABAG Baustoffaufbereitung und Recycling GmbH | Düsseldorf | NK | 51.00 |
| STRABAG Beograd d.o.o. | Belgrad | VK | 100.00 |
| STRABAG Beteiligungen International AG | Spittal an der Drau | NK | 100.00 |
| STRABAG Beteiligungsverwaltung GmbH | Köln | VK | 100.00 |
| STRABAG Beton GmbH & Co. KG | Berlin | VK | 100.00 |
| STRABAG Construction Nigeria | Ikeja | NK | 100.00 |
| STRABAG d.o.o. Sarajevo | Sarajevo | NK | 100.00 |
| Strabag d.o.o. | Zagreb | VK | 100.00 |
| STRABAG DOOEL Skopje | Skopje | NK | 100.00 |
| STRABAG DROGI WOJEWODZKIE Sp. z o.o. | Pruszków | NK | 100.00 |
| STRABAG Dubai LLC | Dubai | NK | 100.00 |
| STRABAG EAD | Sofia | VK | 100.00 |
| STRABAG Energy Technologies GmbH | Wien | VK | 100.00 |
| STRABAG Facility Management GmbH | Nürnberg | VK | 100.00 |
| STRABAG FACILITY MANAGEMENT S.R.L. | Bukarest | NK | 100.00 |
| STRABAG Gorzów Wielkopolski Sp.z o.o. | Gorzów Wielkopolski | NK | 49.00 |
| STRABAG gradbene storitve d.o.o. | Ljubljana | VK | 100.00 |
| STRABAG Holding GmbH | Wien | VK | 100.00 |
| Strabag Inc. | Toronto | VK | 100.00 |
| STRABAG India Private Limited | Maharashtra | NK | 100.00 |
| STRABAG Industries (Thailand) Co.,Ltd. | Bangkok | NK | 100.00 |
| STRABAG Infrastruktur Development | Moskau | NK | 100.00 |
| STRABAG Infrastrukturprojekt GmbH | Bad Hersfeld | VK | 100.00 |
| STRABAG Installations pour l'Environnement SARL | Champagne au mont d'or | NK | 100.00 |
| Strabag International Benin SARL | Benin | NK | 100.00 |
| Strabag International Corporation | Buena Vista | NK | 100.00 |
| STRABAG International GmbH | Köln | VK | 100.00 |
| STRABAG Invest GmbH | Wien | NK | 51.00 |
| Strabag Kiew TOW | Kiew | NK | 100.00 |
| Strabag Liegenschaftsverwaltung GmbH | Linz | VK | 100.00 |
| STRABAG Offshore Wind GmbH | Cuxhaven | VK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1)] | DIRECT STAKE % |
|---|---|---|---|
| Strabag Oktatási PPP Kft. | Budapest | NK | 30.00 |
| STRABAG OMAN L.L.C. | Muscat | VK | 100.00 |
| Strabag OOO | Moskau | NK | 100.00 |
| STRABAG OW EVS GmbH | Hamburg | NK | 51.00 |
| STRABAG Oy | Helsinki | VK | 100.00 |
| STRABAG Pipeline- und Rohrleitungsbau GmbH | Regensburg | VK | 100.00 |
| STRABAG Projektentwicklung GmbH | Köln | VK | 100.00 |
| STRABAG Projektutveckling AB | Stockholm | VK[2)] | 100.00 |
| STRABAG Property and Facility Services a.s. | Prag | VK | 100.00 |
| STRABAG Property and Facility Services d.o.o. | Zagreb | NK | 100.00 |
| STRABAG Property and Facility Services GmbH | Münster | VK | 100.00 |
| STRABAG Property and Facility Services GmbH | Wien | VK | 100.00 |
| STRABAG Property and Facility Services s.r.o. | Bratislava | NK | 55.00 |
| Strabag Property and Facility Services Sp.z.o.o. | Pruszkow | NK | 100.00 |
| STRABAG Property and Facility Services Zrt. | Budapest | VK | 51.00 |
| Strabag Qatar W.L.L. | Qatar | VK | 100.00 |
| STRABAG Rail Fahrleitungen GmbH | Berlin | VK | 100.00 |
| STRABAG Rail GmbH | Lauda-Königshofen | VK | 100.00 |
| STRABAG RAIL POLSKA Sp.z o.o. | Breslau | NK | 100.00 |
| STRABAG Ray Ltd. Sti. | Ankara | NK | 100.00 |
| STRABAG Real Estate AG | Zürich | NK | 99.80 |
| STRABAG Real Estate GmbH | Köln | VK | 100.00 |
| STRABAG Residential Property Services GmbH | Berlin | NK | 99.51 |
| Strabag RS d.o.o. | Banja Luka | NK | 100.00 |
| STRABAG S.p.A. | Bologna | VK | 100.00 |
| STRABAG s.r.o. | Bratislava | VK | 100.00 |
| Strabag Saudi Arabia | Khobar | NK | 50.00 |
| STRABAG Sh.p.k. | Tirana | NK | 100.00 |
| STRABAG SIA | Milzkalne | NK | 82.08 |
| STRABAG Sp.z o.o. | Pruszkow | VK | 100.00 |
| Strabag SpA | Santiago | VK | 100.00 |
| STRABAG Sportstättenbau GmbH | Dortmund | VK | 100.00 |
| Strabag srl | Bukarest | VK | 100.00 |
| STRABAG Sverige AB | Stockholm | VK | 100.00 |
| STRABAG Umweltanlagen GmbH | Dresden | VK | 100.00 |
| STRABAG Unterstützungskasse GmbH | Köln | VK | 100.00 |
| STRABAG Vasútépítö Kft. | Budapest | NK | 100.00 |
| Strabag z.a.o. | Moskau | VK | 100.00 |
| Strabag Zrt. | Budapest | VK | 100.00 |
| STRABAG-HIDROINZENJERING d.o.o | Split | VK | 100.00 |
| Strabag-Mert Kkt. | Budapest | NK | 50.00 |
| STRABAG-MML Kft. | Budapest | VK | 100.00 |
| STRABAG-PROJEKT Sp.z o.o. | Pruszkow | NK | 100.00 |
| STRABIL STRABAG Bildung im Lauenburgischen GmbH | Köln | NK | 100.00 |
| Straktor Bau Aktien Gesellschaft | Kifisia | NK | 50.00 |
| Straßenbau Thüringen GmbH | Erfurt | EK | 50.00 |
| Stratebau GmbH | Regensburg | VK | 100.00 |
| STRAVIA Kft. | Budapest | NK | 25.00 |
| STRIBA Protonentherapiezentrum Essen GmbH | Köln | NK | 50.00 |
| Südprojekt A-Modell GmbH & Co. KG | Bad Hersfeld | NK | 100.00 |
| Südprojekt A-Modell Verwaltung GmbH | Bad Hersfeld | NK | 100.00 |
| Syrena Immobilien Holding Aktiengesellschaft | Spittal an der Drau | NK | 50.00 |
| Szentesi Vasutepitö Kft | Budapest | VK | 100.00 |
| T S S Technische Sicherheits-Systeme Gesellschaft mit beschränkter Haftung | Köln | VK | 100.00 |
| T1 Objektgesellschaft mbH & Co. KG | Köln | NK | 100.00 |
| TBG Ceske Budejovice spol. s.r.o. | Budweis | NK | 50.00 |
| TBG Frissbeton Kft. | Pecs | NK | 50.00 |
| TBG Transportbeton Saalfeld GmbH & Co.KG | Saalfeld/Saale | NK | 28.33 |
| TBG Transportbeton Saalfeld Verwaltungs-GmbH | Saalfeld/Saale | NK | 28.33 |
| TBG-STRABAG d.o.o. | Zagreb | NK | 50.00 |
| TDE Mitteldeutsche Bergbau Service GmbH | Espenhain | NK | 35.00 |
| TETRA Telekommunikation - Service GmbH | Wien | NK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies
2) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| TH 116 GmbH & Co. KG | Köln | NK | 100.00 |
| THE INTOLLIGENT LIMITED | Dublin | NK | 100.00 |
| Thüringer Straßenwartungs- und Instandhaltungsgesellschaft mbH & Co. KG | Apfelstädt | EK | 50.00 |
| Tierra Chuquicamata SpA | Santiago | NK | 50.00 |
| TOLLINK (PROPRIERTARY) LIMITED | Pretoria | NK | 100.00 |
| TolLink Pakistan (Private) Limited | Islamabad | VK | 60.00 |
| TOO BI-Strabag | Astana | NK | 60.00 |
| TOO STRABAG Kasachstan | Almaty | NK | 100.00 |
| Torkret GmbH | Stuttgart | VK | 100.00 |
| TOW BRVZ | Kiew | NK | 100.00 |
| TPA CR, s.r.o. | Ceske Budejovice | VK | 100.00 |
| TPA EOOD | Sofia | VK | 100.00 |
| TPA Gesellschaft für Qualitätssicherung und Innovation GmbH | Köln | VK | 100.00 |
| TPA Gesellschaft für Qualitätssicherung und Innovation GmbH | Wien | VK | 100.00 |
| TPA Gesellschaft für Quatlitätssicherung und Innovation GmbH | Erstfeld | NK | 100.00 |
| TPA INSTYTUT BADAN TECHNICZNYCH Sp.z o.o. | Pruszków | VK | 100.00 |
| TPA odrzavanje kvaliteta i inovacija d.o.o. | Zagreb | VK | 100.00 |
| TPA OOO | Moskau | NK | 100.00 |
| TPA Societate pentru asigurarea calitatii si inovatii SRL | Bukarest | VK | 100.00 |
| TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o. | Bratislava | VK | 100.00 |
| TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd | Novi Beograd | VK | 100.00 |
| Transportbetonwerk Hirschlanden GmbH & Co KG | Ditzingen | NK | 30.00 |
| Transportbetonwerk Hirschlanden Verwaltungs GmbH | Ditzingen | NK | 30.00 |
| Trema Engineering 2 sh p.k. | Tirana | VK | 51.00 |
| Treuhandbeteiligung B | | NK | 100.00 |
| Treuhandbeteiligung H | | VK[2] | 100.00 |
| Treuhandbeteiligung M | | NK | 100.00 |
| Treuhandbeteiligung Mo | | NK | 100.00 |
| Triplus Beton GmbH & Co KG | Zell am See | NK | 50.00 |
| Triplus Beton GmbH | Zell am See | NK | 50.00 |
| TSI VERWALTUNGS GMBH | Apfelstädt | NK | 50.00 |
| TyresöHandel AB | Stockholm | NK | 100.00 |
| TyresöHandel Holding AB | Stockholm | NK | 100.00 |
| TyresöView1 Holding AB | Stockholm | NK | 100.00 |
| UAB "Miobijus Baltija" | Klaipeda | NK | 100.00 |
| UAB "Strabag Baltija" | Klaipeda | NK | 100.00 |
| ULTRA Transportbeton GmbH & Co KG | Neu-Ulm | NK | 29.00 |
| ULTRA Transportbeton VerwaltungsGmbH | Neu-Ulm | NK | 29.00 |
| UND-FRISCHBETON s.r.o. | Kosice | NK | 75.00 |
| Universitätszentrum Althanstraße Erweiterungsgesellschaft m.b.H. | Wien | NK | 100.00 |
| Unterstützungseinrichtung für die Angestellten der ehemaligen Bau-Aktiengesellschaft "Negrelli" Gesellschaft m.b.H. | Wien | NK | 50.00 |
| Valarea SAS | Lyon | NK | 100.00 |
| VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG | Linz | NK | 75.00 |
| VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. | Linz | NK | 75.00 |
| VARNA EFKON OOD | Varna | NK | 52.00 |
| VCO - Vychodoceska obalovna, s r.o | Hradec Kralove | NK | 33.33 |
| Verbundplan Birecik Isletme Ltd. | Birecik | NK | 25.00 |
| Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG | Spittal an der Drau | NK | 50.00 |
| Vereinigte Asphaltmischwerke Gesellschaft m.b.H. | Spittal an der Drau | NK | 50.00 |
| Verwaltung Forum Mittelrhein Koblenz Generalübernehmergesellschaft mbH | Oststeinbek | NK | 51.00 |
| Verwaltung Grundstücksgesellschaft Kaiserplatz Aachen Adalbertstraße GmbH | Hamburg | NK | 50.00 |
| Verwaltung QMP Generalübernehmer GmbH | Osteinbek | NK | 50.00 |
| Verwaltungsgesellschaft ROBA-Neuland Beton m.b.H. | Hamburg | NK | 50.00 |
| Viamont DSP a.s. | Usti nad Labem | VK | 100.00 |
| VIANOVA - Bitumenemulsionen GmbH | Fürnitz | NK | 24.90 |
| VIANOVA SLOVENIJA d.o.o. | Logatec | NK | 50.00 |
| Viedenska brana s.r.o. | Bratislava | VK | 100.00 |
| VKG-Valentiner Kieswerk Gesellschaft m.b.H. | Linz | NK | 50.00 |
| Vojvodinaput-Pancevo a.d. Pancevo | Pancevo | VK | 82.07 |
| Voss GmbH | Cuxhaven | NK | 100.00 |
| Walter Group International Philippines, Inc. | Philippinen | NK | 26.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies
2) The presentation of interests is done using the economic approach; the interests as defined by civil law may deviate from this presentation.

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| WBA - Walter Birgel Asphaltbau Gesellschaft mit beschränkter Haftung i.L. | Leipzig | NK | 85.00 |
| WIBAU Holding GmbH | Linz | NK | 37.83 |
| Windkraft FiT GmbH | Hamburg | VK | 100.00 |
| WMB Drogbud Sp.z o.o. | Lubojenka | NK | 51.00 |
| WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG | Zistersdorf | NK | 33.33 |
| WMW Weinviertler Mischwerk Gesellschaft m.b.H. | Zistersdorf | NK | 33.33 |
| Wohnbau Tafelgelände Beteiligungs-GmbH | München | NK | 25.00 |
| Wohnbau Tafelgelände GmbH & Co. KG | München | NK | 25.00 |
| Wohnbauträgergesellschaft Objekt "Freising - Westlich der Jagdstraße" mbH | Köln | NK | 100.00 |
| Wohnen am Krautgarten Bauträger GmbH | Wien | NK | 100.00 |
| Wolfer & Goebel Bau GmbH | Stuttgart | VK | 100.00 |
| WTG Walhalla Transportbeton GmbH | Regensburg | NK | 22.20 |
| Xaver Bachner GmbH | Straubing | VK | 100.00 |
| Z.I.P.O.S. d.o.o. | Antunovac | NK | 50.00 |
| Zaklad Surowcow Drogowych "Walmor" Sp.z o.o. | Warschau | NK | 48.08 |
| Z-Bau GmbH | Magdeburg | VK | 100.00 |
| ZDE Projekt Oberaltenallee GmbH | Hamburg | NK | 100.00 |
| ZDE Sechste Vermögensverwaltung GmbH | Köln | VK | 100.00 |
| ZDE Siebte Vermögensverwaltung GmbH | Köln | NK | 100.00 |
| ZDE Vierte Vermögensverwaltung GmbH | Köln | NK | 100.00 |
| Z-Design EOOD | Sofia | NK | 100.00 |
| Zentrum Rennweg S-Bahn Immobilienentwicklung GmbH | Wien | NK | 100.00 |
| Zezelivskij karier TOW | Zezelev | VK | 99.36 |
| ZG1 s.r.o. | Bratislava | NK | 100.00 |
| ZG2 s.r.o. | Bratislava | NK | 100.00 |
| ZG3 s.r.o. | Bratislava | NK | 100.00 |
| ZG4 s.r.o. | Bratislava | NK | 100.00 |
| ZG5 s.r.o. | Bratislava | NK | 100.00 |
| ZIPP BRATISLAVA spol. sr.o. | Bratislava | VK | 100.00 |
| ZIPP Brno s.r.o. | Brünn | NK | 50.00 |
| ZIPP REAL, a.s. | Brünn | NK | 50.00 |
| Züblin A/S | Trige | VK | 100.00 |
| Züblin AS | Oslo | NK | 100.00 |
| Züblin Australia Pty Ltd | Perth | NK | 100.00 |
| Züblin Bau GmbH | Stuttgart | VK | 100.00 |
| Züblin Baugesellschaft m.b.H. | Wien | VK | 100.00 |
| Züblin Bulgaria EOOD | Sofia | NK | 100.00 |
| Züblin Engineering Consulting (Shanghai) Co., Ltd. | Shanghai | NK | 100.00 |
| Züblin Gebäudetechnik GmbH | Erlangen | VK | 100.00 |
| Züblin Ground and Civil Engineering LLC | Dubai | VK | 100.00 |
| Züblin Holding GesmbH | Wien | VK | 100.00 |
| Züblin Holding Thailand Co. Ltd. | Bangkok | NK | 79.35 |
| Züblin Hrvatska d.o.o. | Zagreb | NK | 100.00 |
| Züblin Inc. | Saint John/New Brunswick | VK | 100.00 |
| Züblin International GmbH Chile SpA | Santiago de Chile | VK | 100.00 |
| Züblin International GmbH | Stuttgart | VK | 100.00 |
| Züblin International Malaysia Sdn. Bhd. | Kuala Lumpur | VK | 100.00 |
| Züblin International Qatar LLC | Doha | EK | 49.00 |
| Züblin Ireland Limited | Dublin | NK | 100.00 |
| Züblin K.f.t | Budapest | VK | 100.00 |
| Züblin Nederland BV | Vlaardingen | VK | 100.00 |
| Züblin Projektentwicklung GmbH | Stuttgart | VK | 100.00 |
| Züblin Romania S.R.L. | Bukarest | VK | 100.00 |
| Züblin Scandinavia AB | Stockholm | VK | 100.00 |
| Züblin Services GmbH | Stuttgart | NK | 100.00 |
| Züblin Sp. z o.o. | Poznan | VK | 100.00 |
| Züblin Spezialtiefbau Ges.m.b.H. | Wien | VK | 100.00 |
| Züblin Spezialtiefbau GmbH | Stuttgart | VK | 100.00 |
| Züblin Stahlbau GmbH | Hosena | VK | 100.00 |
| Züblin stavebni spol s.r.o. | Prag | VK | 100.00 |
| Züblin Thailand Co. Ltd. | Bangkok | NK | 100.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

| COMPANY | RESIDENCE | CONSO-LIDATI-ON[1] | DIRECT STAKE % |
|---|---|---|---|
| Züblin Umwelttechnik GmbH | Stuttgart | VK | 100.00 |
| Züblin Wasserbau GmbH | Berlin | VK | 100.00 |
| Zucotec - Sociedade de Construcoes Lda. | Lissabon | VK | 100.00 |
| Zweite Nordsee-Offshore-Holding GmbH | Pressbaum | VK | 51.00 |

1) VK... Consolidated companies
EK... Companies included at-equity
NK .. Not consolidated companies

# GROUP MANAGEMENT REPORT

## IMPORTANT EVENTS

### JANUARY

**€ 254 million transportation infrastructures contract in Poland**
At the beginning of January, the company signed an approx. € 254 million contract to build a 40 km section of the S8 expressway in Poland. The order also includes the construction of 18 bridges, the conversion of adjacent local and municipal roads, as well as the construction of a rest area including the technical infrastructure.

**Offshore wind project companies acquired**
In January, the contracts were finalised and signed for the acquisition of a 51 % interest in nine offshore wind project companies for the development, construction and subsequent operation of offshore wind turbines in the German North Sea. The contracts for six further project companies had already been concluded in 2011.

### FEBRUARY

**Bus rapid transit system in Tanzania**
STRABAG is building a bus rapid transit (BRT) infrastructure – an above-ground bus transport system with separate bus lanes and priority right of way – in Tanzania's main city of Dar es Salaam. The € 134 million contract includes the rehabilitation and expansion of a total of three main traffic arteries.

### MARCH

**Billion-euro Pedemontana Lombarda motorway in Italy**
The order for the STRABAG consortium includes the construction of a 50 km dual carriageway motorway with two or three lanes in each direction as well as 50 km of spurs and connecting routes to the existing road network. The contract also comprises 50 cut-and-cover tunnels as well as two bored tunnels including technical facilities, bridges and an approximately 80 km bicycle trail. Work on the € 1.7 billion order (STRABAG's expected share amounts to approx. € 1.0 billion) is to be completed in time for the Milan Universal Exposition in 2015.

**STRABAG SE places € 140 million bonded loan**
To help diversify its financing structure, STRABAG SE placed a € 140 million bonded loan with European and Asian financial institutions as well as institutional investors from Germany. The volume of the issue is divided among two fixed-interest and two variable tranches with terms to maturity of five and seven years.

**Extension of underground line U1 in Vienna**
STRABAG was awarded the two construction contract sections U1/9 – "Altes Landgut" and U1/10 – "Troststrasse" forming part of the extension of underground line U1 into the south of Vienna, Austria. The order value amounts to a total of around € 90 million.

**STRABAG Switzerland enters into strategic partnership with BH-Holding**
STRABAG reached an agreement over a strategic partnership with BH-Holding AG in the Swiss cantons of Zurich and Zug. The agreement gives STRABAG the option of assuming the construction works for projects acquired or developed by BH-Holding's construction subsidiary, Baunova Group. STRABAG will also assume operating management and a stake of 51 % in Baunova AG.

**Campus for Hamm-Lippstadt University of Applied Sciences for € 100 million**
The Hamm-Lippstadt University of Applied Sciences in Germany opened in temporary premises in 2009. By 2014, STRABAG subsidiary Ed. Züblin AG will have completed the turnkey construction of new lecture halls, laboratories, administration buildings and dining halls, as well as all exterior facilities and the execution planning. Within the planned construction time of 20 months, a total of around 38,000 m² of gross floor area will be built at the Hamm Campus and about 21,000 m² at Lippstadt.

**Ed. Züblin AG awarded large contract for "Stuttgart 21" transportation project**
The order encompasses the construction of the station concourse, of the access tunnels at the south and north ends of the station using the cut-and-cover method, and of the Hauptsammler West, Cannstatter Strasse and Nesenbach culverts in Stuttgart, Germany. The order has a net value of about € 320 million.

APRIL

**Acquisition of Wallsee-based Brandner Wasserbau**
Effective retroactively to 1 January 2012, STRABAG SE acquired 100 % of Brandner Wasserbau GmbH, based in Wallsee, Austria. The family SME has been active in the fields of hydraulic engineering, sand and gravel mining, and hydrography for more than 200 years. The acquisition bolsters the STRABAG Group in the business field of hydraulic engineering and will allow the company to work the market with its own equipment and personnel.

MAY

**STRABAG SE issues € 100 million corporate bond**
STRABAG SE issued a seven-year, € 100 million fixed-interest corporate bond with a face value of € 1,000.00 and a coupon of 4.25 %. The issue price was set at 101.45. The international ratings agency Standard & Poor's rates the 2012 STRABAG bond as investment grade with a rating of BBB-.

**New contracts for EFKON in India**
EFKON AG, a subsidiary of STRABAG SE, was awarded six contracts in the field of intelligent transportation systems (ITS) worth a total of around € 10 million in India.

JUNE

**Renovation of National Road M2 in Moldova**
STRABAG was awarded the contract to renew a 48 km section of National Road M2 between Ghindeşti and Drochia by the Republic of Moldova and the Millennium Challenge Account (MCA Moldova). The project, worth approx. € 35 million, comprises the rehabilitation of roadway and bridges as well as the improvement of junctions within a construction period of 24 months.

**Changes to the organisational structure at STRABAG SE**
Hans Peter Haselsteiner will resign as CEO of STRABAG SE after the Annual General Meeting that will vote on the approval of the management board actions for the 2013 financial year – most likely in June 2014. As his designated successor, he will propose that the supervisory board select current management board member Thomas Birtel. At the same time, Deputy CEO Fritz Oberlerchner resigned from the management board effective 30 June 2012 to objectively lead the "STRABAG 2013ff" task force charged with evaluating the STRABAG Group's options regarding its organisational and strategic future. STRABAG also departed from the principle of assigning board member responsibility according to business segment as well as from the principle of having a technical and commercial director for each segment at the management board level and is instead assigning business responsibility by region. Effective 1 July 2012, the group is organised into the segments North + West, South + East and International + Special Divisions, as well as Other.

JULY

**Tunnelling contract at world's largest copper mine in Chile**
STRABAG won a new tunnelling project at the world's largest copper mine in Chuquicamata in the Chilean desert. The tunnellers from STRABAG, together with those from STRABAG subsidiary Züblin Chile and a local partner, will build several tunnels to improve the infrastructure of the mine. The contract is worth about € 100 million and will be executed over a period of three years.

## SEPTEMBER

**School project in Hamburg**
The city of Hamburg, Germany, commissioned HEOS Berufsschulen Hamburg GmbH, a special purpose company set up in part by STRABAG Real Estate GmbH, with the planning, construction, renovation and management of 15 selected vocational schools. The € 700 million project is being carried out under a public-private partnership (PPP) model over 30 years including the approximately five-year construction and renovation period.

**STRABAG building waste treatment facility in Ljubljana**
The city of Ljubljana, Slovenia, awarded STRABAG the € 112 million contract to build the RCERO waste treatment facility for the generation of biogas from organic waste, the production of refuse-derived fuel and the recycling of reusable materials. The biogas facility with the patented STRABAG LARAN® plug flow fermenter will be one of the most state-of-the-art of its kind in Europe.

## NOVEMBER

**Large contract for Alto Maipo hydropower complex in Chile**
The Chilean tunnelling division of STRABAG SE signed a design and building contract for the majority of the tunnelling and civil engineering works of the Alto Maipo hydropower complex. The contract is one of the biggest private construction contracts in South America. The client is a subsidiary of the Chilean-based AES Gener and the US-based AES Corporation. The complete contract consists of tunnels and shafts with a total length of 46.5 km. The design and construction phase will last approximately four-and-a-half years.

**Contract on Vienna–Salzburg high-performance rail line**
After the opening of the high-performance rail line through the Tullnerfeld, ÖBB Infrastruktur AG is further upgrading the Westbahn line and awarded STRABAG the contract to build the section West between St. Pölten and Loosdorf. The contract has a value of about € 33 million.

## DECEMBER

**STRABAG SE appointed Chief Financial Officer (CFO)**
At its meeting of 14 December 2012, the supervisory board appointed Christian Harder (44), managing director of BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H., the STRABAG SE subsidiary responsible for the service functions of accounting, taxes, finances, IT, human resources, real estate, insurance and organisational development, to the management of STRABAG SE. He has assumed this position as of 1 January 2013. At the same time, Thomas Birtel was appointed Deputy CEO of the STRABAG SE management board.

**Stronger financial position through € 400 million syndicated cash credit line**
STRABAG SE arranged a revolving syndicated cash credit line with a consortium of banks in the amount of € 400 million. With a term of five years, the credit line represents a long-term loan commitment with which STRABAG further safeguards its comfortable liquidity position.

# COUNTRY REPORT

## OUTPUT VOLUME OF STRABAG SE BY COUNTRY 2011–2012

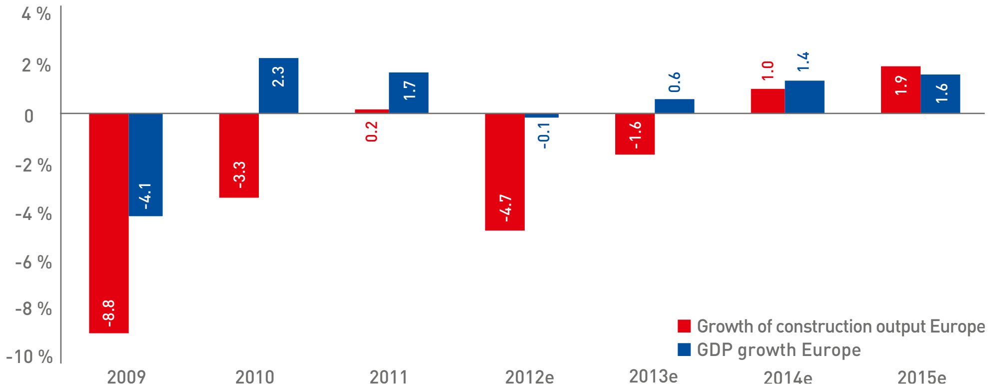
| € MLN. | 2012 | % OF TOTAL OUTPUT VOLUME 2012 | 2011 | CHANGE % | CHANGE ABSOLUTE | % OF TOTAL OUTPUT VOLUME 2011 |
|---|---|---|---|---|---|---|
| Germany | 5,779 | 41 % | 5,609 | 3 % | 170 | 39 % |
| Austria | 1,888 | 13 % | 1,985 | -5 % | -97 | 14 % |
| Poland | 1,139 | 8 % | 1,719 | -34 % | -580 | 12 % |
| Czech Republic | 646 | 5 % | 769 | -16 % | -123 | 5 % |
| Scandinavia | 579 | 4 % | 512 | 13 % | 67 | 4 % |
| Russia and neighbouring countries | 527 | 4 % | 487 | 8 % | 40 | 3 % |
| Benelux | 456 | 3 % | 360 | 27 % | 96 | 3 % |
| Switzerland | 425 | 3 % | 574 | -26 % | -149 | 4 % |
| Slovakia | 400 | 3 % | 441 | -9 % | -41 | 3 % |
| Hungary | 393 | 3 % | 436 | -10 % | -43 | 3 % |
| Romania | 372 | 3 % | 206 | 81 % | 166 | 1 % |
| The Americas | 348 | 2 % | 257 | 35 % | 91 | 2 % |
| Middle East | 305 | 2 % | 309 | -1 % | -4 | 2 % |
| Italy | 157 | 1 % | 186 | -16 % | -29 | 1 % |
| Croatia | 130 | 1 % | 106 | 23 % | 24 | 1 % |
| Africa | 125 | 1 % | 63 | 98 % | 62 | 1 % |
| Asia | 111 | 1 % | 109 | 2 % | 2 | 1 % |
| Rest of Europe | 83 | 1 % | 44 | 89 % | 39 | 0 % |
| Slovenia | 81 | 1 % | 49 | 65 % | 32 | 0 % |
| Serbia | 72 | 0 % | 87 | -17 % | -15 | 1 % |
| Bulgaria | 27 | 0 % | 18 | 50 % | 9 | 0 % |
| **Total** | **14,043** | **100 %** | **14,326** | **-2 %** | **-283** | **100 %** |
| thereof CEE[1)] | 3,787 | 27 % | 4,318 | -12 % | -531 | 30 % |

Despite the strong presence in its home markets of Austria and Germany, STRABAG sees itself as a European company. The group has been active in Central and Eastern Europe for several decades in order to diversify the country risk and to profit from the market opportunities in the region. In the 2012 financial year, business in these countries accounted for 27 % (2011: 30 %) of the total group output volume. This gives STRABAG a unique position in comparison to the competition and makes it the market leader in the construction sector in Central and Eastern Europe. Even if the growth rates have fallen over the past few years, the group is sticking to its geographic orientation: the strategy of diversification calls for a long-term focus. Furthermore, STRABAG has for years pursued the strategy of expanding its market shares on the home and growth markets in order to achieve the necessary economies of scale to become a cost leader.

1) Central and Eastern Europe comprises the following countries: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Russia and neighbouring countries, Serbia, Slovakia, Slovenia.

## STILL NO UPSWING OF THE EUROPEAN CONSTRUCTION SECTOR[1)]

### GROWTH COMPARISON CONSTRUCTION VS. GDP EUROPE



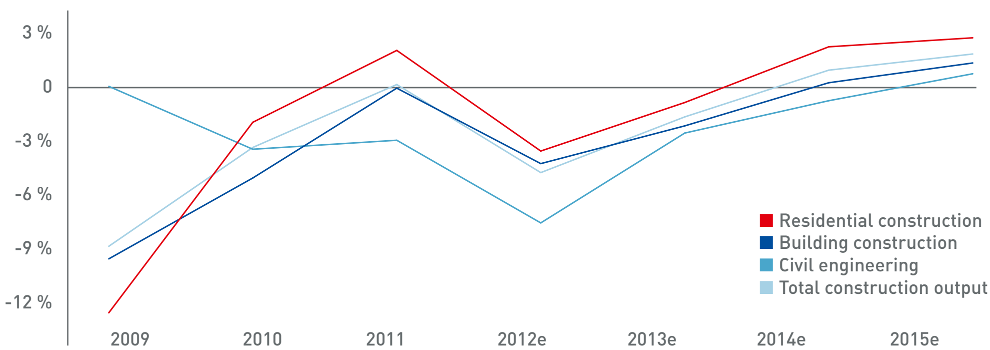

The consequences of the financial crisis continued to burden growth and employment in the euro area. The gross domestic product (GDP) of the 19 Euroconstruct states fell by 0.1 % in 2012. A gradual return to economic growth is not expected until 2013. Flanked by structural reforms, the growth is expected to be stronger and more even in 2014, according to the experts at Euroconstruct, which will be reflected in GDP growth of 0.6 %.

Following slight growth the year before, the European construction industry registered a strong decline by 4.7 % during the period under report. The continuing high unemployment, the dampened macroeconomic outlook and the extensive consolidation measures on the part of the public budgets hindered demand in all three sectors of the construction industry. Further losses of 1.6 % are expected for 2013, and the situation is only expected to improve slightly toward the end of the forecast period – which reaches to 2015.

Due to the restrained public-sector demand in several countries, the field of civil engineering in particular – an important growth driver in the past – has had to register losses. The worsening economy continued to dampen business demand for building construction. Throughout it all, the development of construction production was characterised by country-specific differences: as a general trend, the situation of the construction business was better in northern and central Europe than in the continent's south and east.

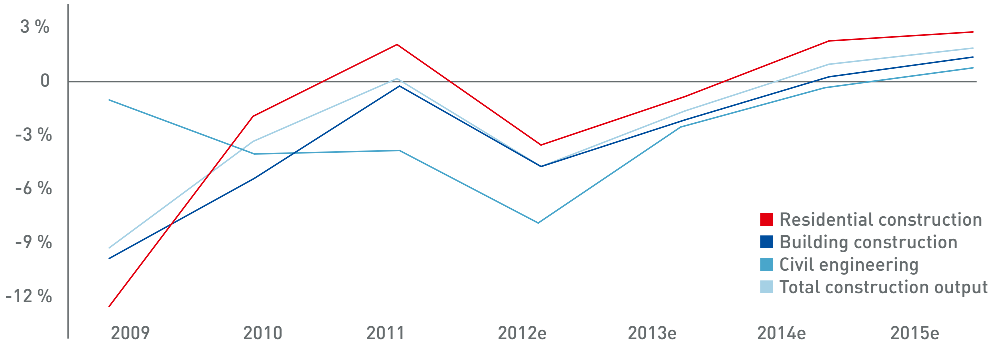
## STRONGEST MEDIUM-TERM GROWTH IN RESIDENTIAL CONSTRUCTION

### DEVELOPMENT CONSTRUCTION SECTOR EUROPE

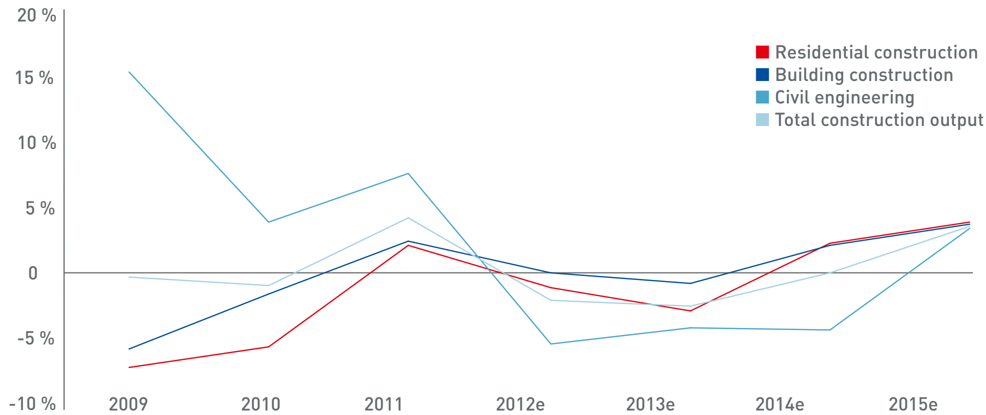



1) All growth forecasts as well as the particular national construction volumes are taken from the Euroconstruct's winter 2012 reports.

## DEVELOPMENT CONSTRUCTION SECTOR WESTERN EUROPE




## DEVELOPMENT CONSTRUCTION SECTOR CENTRAL AND EASTERN EUROPE



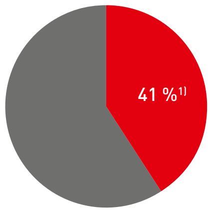

Residential construction in Europe remains strongly influenced by the difficult macroeconomic framework. As a result of the high unemployment, the indebtedness of private households, and the restrictive financing conditions, the field of residential construction slipped another 3.5 % during the period under report, although it still developed better than the fields of building construction or civil engineering. By 2015, stable growth is expected in the Nordic countries in partic-ular, but also in several countries in Central Europe. In all, Euroconstruct forecasts slight growth of 1.5 % for the 19 member countries during the period from 2012 to 2015. But this positive outlook – particularly in new residential construction – depends on stabilisation taking hold in the euro area and in the banking system.

With a minus of 4.2 %, the field of building construction shrank even more strongly than residential construction – and not even in the medium-term is a significant recovery in sight. A country-by-country comparison revealed great differences. While the Central and Eastern European countries – carried by the continued good performance of Poland – were able to avoid negative growth, the countries of Western Europe lost 4.6 % on average. The biggest losses were seen in the countries of Southern Europe, while the Nordic countries, above all Norway and Denmark, already recovered slightly. These regionally distinct trends will continue in the medium-term. Growth of 3.8 % is expected to return to Central and Eastern Europe by the end of the forecast period in 2015, while Southern and Western Europe will continue with only very moderate growth.

The current development in the field of civil engineering reflects the difficult situation of the European economy. The restrictive fiscal policy and the drastic spending cuts led to a 7.5 % decline in this field. The years of growth in the sector also came to an end in the countries of Central and Eastern Europe – a development that will only accelerate even further in the years to come. First positive trends are expected in 2015 at the earliest. This forecast also involves uncertainties and depends on good global economic development.

## GERMANY

OVERALL CONSTRUCTION VOLUME: € 273.70 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH[2] | 0.8 % | 1.0 % |
| CONSTRUCTION GROWTH | -0.2 % | 2.5 % |

The strong economic growth of the past few years also slowed in Germany, where the continuing negative economic climate resulted in low GDP growth of just 0.8 % in 2012. However, the experts at Euroconstruct expect a renewed upswing already in the second half of 2013. In view of the recovery of the global economy and an improvement of the economic situation in the countries of the euro area, the German GDP should again exhibit moderate growth in the years to come.

Against the backdrop of high demand for new buildings and intense renovations activity, German residential construction grew by 3 % in 2012. The situation was encouraged especially by the relatively good economic position of the private households and by the sustained low interest rates. However, this development was unable to balance out the decline in civil engineering so that the overall output volume in the period under report shrank by 0.2 %. Euroconstruct expects renewed growth of 2.5 % already in 2013, however.

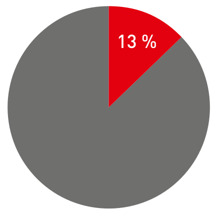
Building construction in Germany continued to suffer greatly from the consequences of the financial and economic crisis. Because of existing overcapacities in office, commercial and industrial buildings, the economic recovery did not lead to an increase of building construction activities. On the whole, this field increased by just 0.9 % during the period under report.

The extensive state stimulus programmes had led to a significant rise in the civil engineering business in the past few years. The discontinuation of these measures resulted in a 5.3 % drop in volume in 2012. In the medium-term, meanwhile, the German government will be suspending its investments especially in the field of transportation. The consequences of this restrictive policy will be felt for years to come.

With a market share of 2.0 %, STRABAG is market leader in Germany. The group's share of the German road construction segment, by comparison, amounts to 10.5 %. With € 5,779.34 million, about 41 % of STRABAG's total group output volume was generated in Germany. Most of this is accounted for by the segment North + West, while the property and facility services provided in Germany are ascribed to the segment International + Special Divisions.

## AUSTRIA

OVERALL CONSTRUCTION VOLUME: € 31.93 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.6 % | 1.0 % |
| CONSTRUCTION GROWTH | 1.1 % | 0.6 % |

Austria's economic growth of 0.6 % in 2012 was considerably below the level of the previous years. Significant factors behind this development include the rising unemployment and lower income growth. Due to the ongoing debt crisis and the weak global economy, no significant recovery is in sight for 2013. The economic upswing forecast for 2014, however, means that higher economic growth rates should again be possible.

The construction output in Austria slowed considerably after a strong 2011, growing by just 1.1 % in 2012. However, the experts at Euroconstruct expect higher growth rates to return in 2014 and 2015. Meanwhile, residential construction managed growth of 2.4 % in 2012 despite the difficult macroeconomic development.

Building construction was characterised greatly by the slower economic development in 2012. While this business field had still been the most dynamic segment the year before, with growth topping 8 % in 2011, it stagnated in the period under report with a growth rate of just 0.1 %. Especially weak was the development of office and industrial buildings as well as shopping centres, while investments in schools and healthcare facilities continued to grow.

1) Country output as percentage of group output volume
2) All growth forecasts as well as the particular national construction volumes are taken from the Euroconstruct's winter 2012 reports.

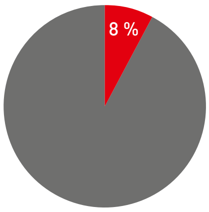
Renovations activities were less affected, as these will continue to be promoted by state measures until 2014. In line with the general economic development, building construction will probably exhibit first signs of a slight recovery in 2014.

Despite the currently very favourable financing conditions, the construction volume in civil engineering sank by 0.2 % in the wake of state austerity programmes and postponed infrastructure projects. The objectives of the Austrian stability pact – the federal government's consolidation project – will put pressure on this business field over the entire forecast period. Especially affected are investments in railway infrastructure. In the years 2014 and 2015, however, the economic growth rates should again reach 1.2 % and 2.3 %, respectively.

In 2012, STRABAG generated a total of 13 % of the group output volume (2011: 14 %) in its home market of Austria. Alongside Germany and Poland, Austria thus continues to be one of the group's top three markets. With a share of 6.2 %, STRABAG also remains market leader here. In road construction, the market share amounts to 15.2 %. The output volume in 2012 reached a volume of € 1,888.14 million.

## POLAND

### OVERALL CONSTRUCTION VOLUME: € 47.11 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 2.3 % | 2.0 % |
| CONSTRUCTION GROWTH | 1.6 % | -3.4 % |

Economic growth in Poland slowed in 2012 and reached only 2.3 % – compared to 4.2 % the year before. The causes can be found in the difficult economic situation of the most important Polish trade partners, on the one hand, and in the declining domestic demand on the other. The rising unemployment led to a significant reduction of budget income. Meanwhile, public spending was also down as part of the government's austerity measures. The experts at Euroconstruct expect a significant recovery in 2014 at the earliest.

With growth of just 1.6 %, the Polish construction industry reacted earlier and more strongly than expected to the macroeconomic decline – with no improvement in sight in the years to come. Euroconstruct does not expect to see an upswing of the construction industry until 2015.

Residential construction remained quite dynamic in the first half of the year, but construction activity slowed due to higher interest rates and more restrictive loan approval processes for private households as the year went on. At the end of the year, growth reached a total of 3.2 %.

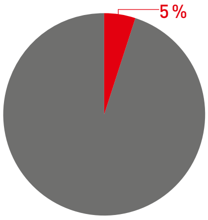
With a growth rate of 3.6 %, building construction proved more stable than residential construction. The main factors driving this development, however, were not the EU-financed projects, but the activities of private investors. The strongest growth rates were seen in hotel construction, followed by office and industrial buildings as well as warehouses. Due to the weaker economic performance, however, this development is expected to slow once more in the years to come.

The weak growth of the overall construction output is explained mainly by the negative growth of civil engineering. With the holding of Euro 2012 and the thus connected completion of sports and tourism structures, the field of civil engineering had to accept a decline of 1.7 % after the high growth rates of the previous years. Road construction activity also shrank significantly, although growth was recorded with airports and runways, rail-way lines, bridge building and tunnelling. A recovery in the civil engineering business is not expected until 2015.

STRABAG is number one in the construction industry in Poland. The country contributed € 1,138.81 million, or 8 %, to the overall group output in 2012, making it STRABAG's third-largest market – despite expectations that the output volume will decline continuously against the backdrop of a difficult market environment. STRABAG's share of the entire Polish construction market amounted to 3.6 %, that of road construction to 12.9 %.

## CZECH REPUBLIC

OVERALL CONSTRUCTION VOLUME:
€ 18.38 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.9 % | 0.8 % |
| CONSTRUCTION GROWTH | -5.4 % | -1.9 % |

The year 2012 again failed to bring a recovery to the Czech economy. Following low growth rates in the past two years, the Czech Republic slid back into recession in 2012 – the economy shrank by 0.9 %. Unfavourable factors included especially the unstable political situation, the higher value added tax, the rising unemployment and the constant decline of public-sector investments. Growth is expected to return into positive territory in the coming years, however, albeit at a low level.

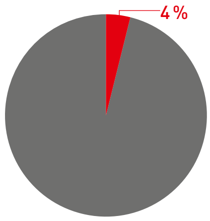
In line with the economic development, the Czech construction output also shrank by 5.4 %. A slight recovery of the construction market is currently expected in 2014 or 2015 at the earliest. Residential construction was affected the most by the renewed recession, with high prices a burden on the already weak demand. Even low interest rates could not compensate this development, so that the volume of residential construction declined by 9.7 % in the period under report.

In building construction, state-financed projects were especially affected by the austerity measures. In this area, EU aid remains the main financing source. Due to the difficult economic situation, however, uncertainty was also on the rise among private clients, so that private investments came to a standstill as well. On the whole, the field of building construction fell by 2.8 % in the period under report. The increasing caution among banks in the field of real estate development also had a negative impact on the sector. Euroconstruct expects slight growth in this field starting in 2014.

Civil engineering suffered the most from the decline in public-sector investments. The austerity measures that were introduced in 2010 prevented a positive development of the sector in the period under report, with an overall decline of 11.2 % the result.

STRABAG is number two on the market in the Czech Republic. With an output volume of € 646.33 million, the group generated around 5 % of its overall output volume on the Czech market in 2012. The share of the construction market as a whole amounts to 4.2 %, even reaching 20.0 % in road construction.

## SCANDINAVIA




## SWEDEN

OVERALL CONSTRUCTION VOLUME:
€ 31.38 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.9 % | 1.8 % |
| CONSTRUCTION GROWTH | -2.4 % | 0.2 % |

## FINLAND

OVERALL CONSTRUCTION VOLUME:
€ 28.56 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.5 % | 0.5 % |
| CONSTRUCTION GROWTH | -3.4 % | -2.3 % |

## DENMARK

OVERALL CONSTRUCTION VOLUME:
€ 25.09 billion

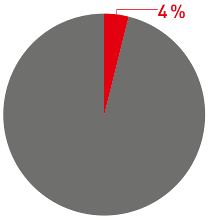
| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.5 % | 1.0 % |
| CONSTRUCTION GROWTH | 0.5 % | 2.2 % |

The economic performance in Scandinavia again developed quite poorly in 2012. Sweden and Denmark recorded only moderate growth of 0.9 % and 0.5 %, respectively, while Finland exhibited an adverse trend. In 2013, however, the economic performance is expected to grow once more.

Even more significant were the differences in the construction output in Scandinavia. Against the backdrop of declining volumes in residential construction, Denmark's construction business stagnated and Sweden's construction output even shrank by 2.4 %.

STRABAG's output volume in Scandinavia amounted to € 578.53 million in 2012. The main activities include infrastructure and residential construction in Sweden. In the future, STRABAG intends to strengthen the focus on proprietary project developments.

## RUSSIA AND NEIGHBOURING COUNTRIES (RANC)




### RUSSIA

OVERALL CONSTRUCTION VOLUME:
€ 155.78 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 3.5 % | 3.8 % |
| CONSTRUCTION GROWTH | 9.2 % | 5.9 % |

### UKRAINE

OVERALL CONSTRUCTION VOLUME:
€ 9.47 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 3.0 % | 3.5 % |
| CONSTRUCTION GROWTH | 8.0 % | 2.5 % |

Although the Russian economy grew by 3.5 % in 2012, a return to the growth rates from before the 2008 crisis is currently not in sight. Future growth will continue to depend greatly on the development of the oil price. Foreign investment has also failed to reach the levels from before the 2008 crisis year. The country's membership in the WTO should make Russia more attractive for international investors, however. Further positive impulses should come from a general improvement of the investment climate in the country: the Russian government is planning to put Russia into the top 20 countries as regards investment climate.

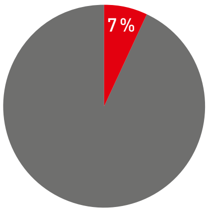
With 9.2 %, growth of the Russian construction output in 2012 was clearly higher than the economic growth. The field of residential construction exhibited the strongest dynamism, reaching 2008 levels already in 2011. Against the backdrop of the positive economic development, remarkable growth rates were recorded in the field of building construction. Office and commercial buildings exhibited especially strong growth rates, at times even reaching the double digits. While residential construction is strongly focused on the Moscow region, building construction is also showing positive development in the regions outside of Moscow and Saint Petersburg.

The strongest growth, with a plus of 12.1 %, was achieved in civil engineering. This development was the result of both major international events as well as ambitious infrastructure projects. Civil engineering continues to hold by far the greatest share of the country's overall construction output and will continue to exhibit substantial growth in the years to come.

With a plus of 3.0 %, the Ukrainian economy grew somewhat more slowly in 2012 than Russia; the 8.0 % plus in construction output also remained slightly below the level of the neighbouring country. The field of civil engineering was significantly less dynamic here, growing by just 0.5 %. Despite a sustained good economic development, the experts at Euroconstruct do not believe that Ukraine will be able to maintain the high growth of the construction output in the years to come.

STRABAG generated an output volume of € 527.39 million in Russia and its neighbouring countries (RANC) in 2012. The contribution to the overall group output volume in the period under report amounted to 4 %. In this region, STRABAG is active almost exclusively in building construction and civil engineering.

## REST OF WESTERN AND NORTHERN EUROPE




## NETHERLANDS

OVERALL CONSTRUCTION VOLUME:
€ 66.79 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.5 % | 0.8 % |
| CONSTRUCTION GROWTH | -6.9 % | -2.8 % |

## BELGIUM

OVERALL CONSTRUCTION VOLUME:
€ 9.47 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.1 % | 0.7 % |
| CONSTRUCTION GROWTH | 0.2 % | 0.1 % |

Against the backdrop of the ongoing turbulence in the euro area, and with a slight decline of the economic performance, the Benelux countries rank at or just above the European average. Euroconstruct expects moderate GDP growth here as early as next year.

With a decline of 6.9 %, the overall construction output in the Netherlands developed significantly below the country's economic performance. The negative trend was distributed fairly evenly across all segments of the construction industry. In Belgium, on the other hand, the growth of 7.2 % in civil engineering was able to compensate negative developments in the other areas. While the construction output in the Netherlands is expected to grow significantly in 2014 and 2015, Euroconstruct expects only continued moderate growth in Belgium.

STRABAG achieved an output volume of € 456.24 million in the Benelux countries in 2012. A stronger involvement is of interest to the company especially in motorway construction.

## SWITZERLAND

OVERALL CONSTRUCTION VOLUME:
€ 49.46 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.9 % | 1.3 % |
| CONSTRUCTION GROWTH | 1.1 % | 2.5 % |

The slower global economic growth led to a stagnation of the Swiss export market and a dampening of the economic growth to 0.9 %. Private consumption, on the other hand, exhibited sustained stable development. The growth rates should pick up again in the coming years.

In line with the economic performance, the construction industry registered only moderate growth of 1.1 % in 2012. Declines because of inclement weather at the beginning of the year also contributed to the reduced dynamism.

With growth of 2 % in 2012, the field of residential construction continued the good development of the previous years. Meanwhile, a consolidation in residential construction is expected as of 2014 due to stricter legislation regarding secondary residences. A regulation for more restrictive credit approval will also negatively impact the sector as of 2014.

After the strong growth of the previous year, the building construction business suffered from the difficult industry situation in several individual branches in 2012, growing by just 0.8 % in the period under report. While the negative environment led to stagnating investments in mechanical engineering and automation technology, investments are increasingly being made in educational facilities as well as in the culture and healthcare sectors. This field should also provide for renewed stronger growth rates in the future.

Investments in road and rail have – after a decline the previous year – led to renewed growth of 2.0 % in civil engineering. As part of the state infrastructure programmes, extensive investments in this sector are also planned for the years to come.

In 2012, Switzerland contributed € 424.68 million, or 3 %, to the group's overall output volume.

## ITALY

### OVERALL CONSTRUCTION VOLUME: € 178.12 billion

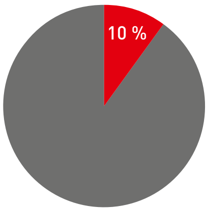
| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -2.4 % | -0.4 % |
| CONSTRUCTION GROWTH | -5.8 % | -1.4 % |

The Italian economy has been in a recession since the second half of 2011. In 2012, the GDP shrank by 2.4 %, and positive growth rates are not expected until 2014.

The Italian construction output continued its negative trend for the sixth time in a row, shrinking by 5.8 % during the year under report. Euroconstruct expects a moderate recovery of the construction industry in 2014 at the earliest. In all, the market has lost nearly one third since 2006, with new construction collapsing by a total of 40 %. Investments in civil engineering have fallen by 32 % since the high of 2004.

STRABAG's output volume in Italy amounted to € 156.87 million in 2012. The company is mainly active in tunnelling and road construction in the north of the country, which is why most of the output volume is to be found in the segment International + Special Divisions.

## REST OF CEE




## SLOVAKIA

### OVERALL CONSTRUCTION VOLUME: € 5.30 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 2.5 % | 2.1 % |
| CONSTRUCTION GROWTH | -13.3 % | -1.0 % |

The Slovak economy grew by 2.5 % in 2012, somewhat more slowly than in the previous years. Growth will likely be even less dynamic in 2013, but it should again cross the 3 % mark in 2014. The growth of Slovakia's economic performance remains to a high degree dependent on foreign demand from large economies such as Germany, France and China.

Despite the solid economic development, the negative trend continued in the country's construction industry. The overall construction output suffered greatly under the European financial crisis and, with a minus of 13.3 %, shrank even more strongly than in 2009. The continuous decline of the order backlog, the restrictive budget measures from the government and the renewed postponement of planned infrastructure projects allow only a slight recovery to be expected in 2013.

After moderate growth the previous year, the field of building construction shrank by 11.1 % in the period under report. Cause for this negative development was the completion of several large projects as well as the postponement or resizing of new projects. The realisation of planned structures is not expected until 2014 to 2015.

Because of postponed infrastructure projects, the field of civil engineering shrank by a total of 25.7 %. Besides the restrictive budget policy, this development can be blamed on difficulties with contract partners, the necessary repetition of tender procedures, and the suspension of projects due to negative feasibility studies. The situation should improve significantly in the long-term, as the demand for modern infrastructure is continuously on the rise. The financing of such projects, however, is greatly dependent on EU aid.

With a market share of 8.3 % and an output volume of € 399.60 million in 2012, STRABAG is market leader in the Slovak market. STRABAG's share of the road construction market even amounts to 17.7 %. In 2012, Slovakia contributed 3 % to the group's overall output volume.

## HUNGARY

### OVERALL CONSTRUCTION VOLUME: € 8.18 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -1.5 % | 0.8 % |
| CONSTRUCTION GROWTH | -9.0 % | 0.9 % |

Hungary's economic performance suffered strongly from the consequences of the budget restructuring, registering a decline of 1.5 % in 2012. For 2013, the experts at Euroconstruct expect a return to growth, but the ongoing difficult framework will keep it below the 1 % mark. Declining private consumption in particular, as well as the uncertain agreements with the European Union and the International Monetary Fund, resulted in more expensive financing. If conditions improve, and especially given accelerated delivery of EU funds, growth in the amount of 3–4 % could again be achieved in the years 2014 to 2015.

The construction output in Hungary has been falling continuously for seven straight years, with another decline of 9 % in 2012. Residential construction sank by 9.4 % in the year under report due to the difficult environment, rising unemployment and declining incomes. Without the necessary state stimulus, the renovations business was also unable to provide a positive impulse.

Building construction's share of the overall construction output slipped to about 38 % in 2012 and the sector is not expected to recover until 2015 at the earliest. While the volume of new construction lost 20 %, renovations remained close to the previous year's levels. The financing of public buildings in the future will continue to depend to a high degree on the government's budget policy and the availability of EU funds. Private investments are very strongly guided by the macroeconomic development of the country.

The field of civil engineering also recorded another decline by 4.9 % in 2012. The approval of EU aid accelerated the realisation of infrastructure projects, but growth is unlikely to be possible until next year. Factors driving growth will be the metro construction in Budapest, new IT services, water management and investments in energy.

With an output volume of € 392.65 million in 2012, STRABAG is the leading provider on the Hungarian construction market. The share of the overall market reached 5.3 %; in the road construction business, STRABAG even generated 14.8 % of the total output volume.

## ROMANIA

### OVERALL CONSTRUCTION VOLUME: € 18.84 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 1.0 % | 2.5 % |
| CONSTRUCTION GROWTH | 0.3 % | 2.9 % |

The Romanian economy grew by 1.0 % in 2012. Although the country saw its share of political turmoil, it has so far been possible to keep the consequences for the economy at a minimum.

Romania's construction output, on the other hand, achieved only moderate growth of 0.3 %. Private residential construction continued to suffer from the very low demand, leading to declines of more than 10 %. Building construction, which holds the lowest share of the overall productive output, declined slightly during the period under report. A moderate recovery is expected here for the years 2013 or 2014. The negative developments in residential and housing construction were compensated by growth in civil engineering, which again grew by 10.3 %. More than 40 % of the output volume could be attributed to the field of road construction.

With an output volume of € 372.04 million, corresponding to a market share of 1.3 %, STRABAG took second place on the Romanian construction market in 2012. In road construction, the share amounts to 1.5 %. The rather lively business for the company in Romania can be explained by several large projects in transportation infrastructures that were won in the past few years and are now being executed, as well as by successful acquisitions of orders in building construction.

## CROATIA

### OVERALL CONSTRUCTION VOLUME:
€ 2.82 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.8 % | 1.2 % |
| CONSTRUCTION GROWTH | 2.7 % | 1.1 % |

The Croatian economy continued to suffer from the consequences of the financial and economic crisis in 2012, achieving growth of just 0.8 % against this backdrop. Due to the low level of exports, the development of the Croatian market is more strongly dependent on domestic demand than other CEE countries. Domestic demand, however, is increasingly affected by the government's strict austerity programme.

Against the backdrop of the weak economic development, only a moderate recovery could be seen in the construction industry; still, the construction output was able to grow by 2.7 % during the period under report. Growth potential exists especially in private residential construction, although the construction boom of the past few years has left a high number of unsold flats. As public-sector investment in building construction also fell victim to the austerity measures, growth in this field is greatly dependent on private investments. Croatia's accession to the EU in July of this year could bring some momentum into individual market segments.

Civil engineering remains the most difficult sector to judge; its development is strongly dependent on state spending and is thus the most affected by the government's savings measures. The Croatian government has announced an ambitious infrastructure programme, but its realisation is in doubt.

In 2012, STRABAG generated an output volume of € 129.63 million in Croatia, where it ranks among the top five construction companies.

## SLOVENIA

### OVERALL CONSTRUCTION VOLUME:
€ 1.83 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.9 % | 1.2 % |
| CONSTRUCTION GROWTH | -6.2 % | 23.4 % |

Due to its high export ratio, the Slovenian economy suffered greatly from the consequences of the economic and financial crisis of 2008 and 2009. After a brief recovery phase, the GDP shrank again by 0.9 % in 2012 due primarily to the weak domestic demand and Slovenia's low competitiveness.

Slovenia's weak economic performance again prevented an upswing of the construction industry, so that the crisis in the sector continued with a 6.2 % decline of the construction output in the period under report. Residential construction shrank due to the high number of unsold buildings, the ongoing difficulties on the credit market and a sustained high price level. The generally restrained investment climate in the country had a dampening effect on both building construction and civil engineering. As extensive infrastructure measures are currently in the planning phase, the civil engineering business should again achieve significant gains in 2013.

In 2012, STRABAG generated an output volume of € 81.44 million in Slovenia, placing itself among the top five construction companies in the country.

## SERBIA

### OVERALL CONSTRUCTION VOLUME:
€ 2.25 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -1.9 % | 2.0 % |
| CONSTRUCTION GROWTH | 3.7 % | 15.0 % |

Serbia also continues to suffer from the consequences of the global economic and financial crisis, registering another decline by 1.9 % of its economic performance in 2012. Based on an agreement with the IMF as well as a number of bilateral trade agreements, the export volume should grow once more in the years to come and will move the economic performance back into the positive already next year.

Counter to the general economic trends, public-sector financing measures helped the Serbian construction output grow by 3.7 % in the year under report. A return to the double-digit growth rates of the previous year are expected in 2013. While the volume in residential construction fell further, the building construction business delivered renewed solid growth. With growth of just 1.5 %, the development of the civil engineering business slowed significantly in the year under report. As a result of large planned infrastructure projects in road and rail construction, as well as projects in the field of energy, Euroconstruct expects growth of 13 % in 2013, however.

STRABAG generated an output volume of € 71.55 million on the Serbian market in 2012.

## BULGARIA

Due to declining exports, Bulgaria was

OVERALL CONSTRUCTION VOLUME: € 5.21 billion

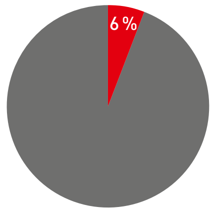
| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 1.1 % | 2.1 % |
| CONSTRUCTION GROWTH | -4.4 % | -0,1 % |

unable to fulfil the high expectations of its economic performance in 2012. With growth of just 1.1 %, the GDP development remained clearly below the value of the previous year. The impulses from the slow recovery of the domestic demand contributed little to the growth of the economy.

With a 4.4 % decline of the construction output, the enormous collapse of the past years could at least be slowed. Due to the low domestic demand and the economic uncertainties, private residential construction remains unattractive for investors. The field of building construction also developed only moderately, with large shopping centres serving as the main factors driving growth. Despite the negative development in the past few years, civil engineering continues to hold the largest share of the construction output. Stable growth is expected in this sector, but an intense price battle has set in for the upcoming public-sector tenders.

STRABAG generated € 27.43 million in the Bulgarian market in 2012.

## MIDDLE EAST, AFRICA, THE AMERICAS, ASIA – REST OF WORLD




In addition to its main markets in Europe, the STRABAG Group is also active in individual non-European regions – these include Asia, Canada, Chile, Africa and the Middle East – in order to become more independent from the economic framework in the past growth markets. In all, the group generated € 888.97 million in these regions in 2012, which corresponds to 6 % of the group's overall output volume.

In the non-European markets, STRABAG is usually active as a general contractor through direct export. The focus in these regions is on civil engineering, industrial and infrastructure projects and tunnelling – areas in which high technological expertise is required.

Among the most important new orders received in the past year are two projects in Chile, including the tunnelling contract at the world's largest copper mine in Chuquicamata.

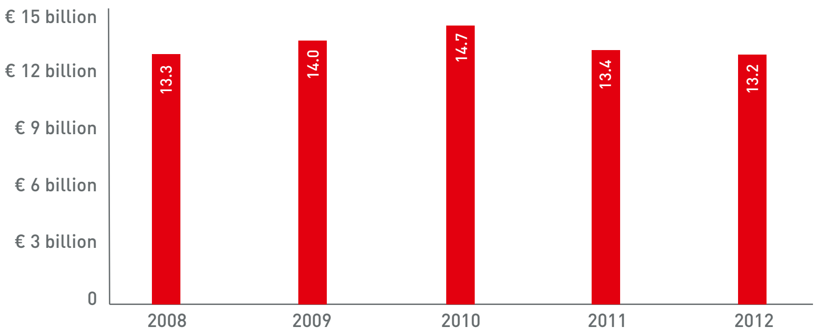
STRABAG's activities in non-European countries are included – with a few minor exceptions – in the segment International + Special Divisions.

# ORDER BACKLOG

## ORDER BACKLOG OF STRABAG SE BY SEGMENT 2011–2012

| 31.12. € MLN. | TOTAL (INCL. OTHER) 2012 | NORTH + WEST | SOUTH + EAST | INTERNATIONAL + SPECIAL DIVISIONS | TOTAL (INCL. OTHER) 2011 | CHANGE GROUP % | CHANGE GROUP ABSOLUTE |
|---|---|---|---|---|---|---|---|
| Germany | 4,544 | 3,251 | 246 | 1,039 | 3,909 | 16 % | 635 |
| Austria | 1,466 | 14 | 964 | 486 | 1,633 | -10 % | -167 |
| Italy | 1,351 | 3 | 316 | 1,032 | 435 | 211 % | 916 |
| Poland | 700 | 432 | 234 | 33 | 932 | -25 % | -232 |
| Russia and neighbouring countries | 635 | 27 | 599 | 9 | 1,121 | -43 % | -486 |
| Middle East | 596 | 8 | 27 | 561 | 746 | -20 % | -150 |
| Benelux | 555 | 391 | 3 | 161 | 724 | -23 % | -169 |
| Czech Republic | 499 | 0 | 486 | 12 | 408 | 22 % | 91 |
| Scandinavia | 434 | 432 | 0 | 2 | 668 | -35 % | -234 |
| The Americas | 416 | 237 | 6 | 173 | 601 | -31 % | -185 |
| Slovakia | 331 | 0 | 322 | 9 | 328 | 1 % | 3 |
| Hungary | 326 | 2 | 296 | 28 | 272 | 20 % | 54 |
| Romania | 326 | 3 | 306 | 17 | 573 | -43 % | -247 |
| Switzerland | 268 | 12 | 196 | 60 | 330 | -19 % | -62 |
| Africa | 236 | 0 | 8 | 228 | 145 | 63 % | 91 |
| Asia | 163 | 1 | 6 | 156 | 189 | -14 % | -26 |
| Slovenia | 144 | 3 | 141 | 0 | 61 | 136 % | 83 |
| Croatia | 113 | 0 | 110 | 3 | 140 | -19 % | -27 |
| Rest of Europe | 78 | 11 | 40 | 27 | 92 | -15 % | -14 |
| Bulgaria | 14 | 0 | 12 | 2 | 17 | -18 % | -3 |
| Serbia | 8 | 0 | 8 | 0 | 30 | -73 % | -22 |
| **Order backlog total** | **13,203** | **4,827** | **4,326** | **4,038** | **13,354** | **-1 %** | **-151** |
| thereof CEE[1] | 3,096 | 467 | 2,514 | 113 | 3,882 | -20 % | -786 |
| Segment contribution to group order backlog | | 36 % | 33 % | 31 % | | | |

## DEVELOPMENT OF ORDER BACKLOG 2008–2012




## CONSTRUCTION SITES INCLUDED IN THE ORDER BACKLOG ON 31 DECEMBER 2012

**Categories of order size**

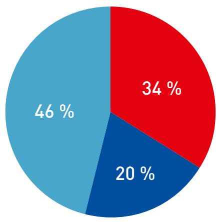
Small: € 0 million to € 15 million
Medium: € 15 million to € 50 million
Large: over € 50 million

| CATEGORY | NUMBER OF CONSTRUCTION SITES | ORDER BACKLOG T€ |
|---|---|---|
| Small orders | 15,015 | 4,487 |
| Medium-sized orders | 211 | 2,682 |
| Large orders | 86 | 6,033 |
| **Total** | **15,312** | **13,203** |

1) Central and Eastern Europe comprises the following countries: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Russia and neighbouring countries, Serbia, Slovakia, Slovenia.

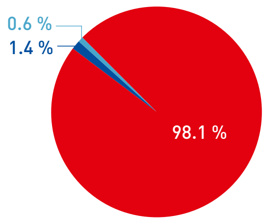
At € 13.20 billion, the order backlog on 31 December 2012 remained at about the previous year's level (-1 %). Large projects were worked off in Poland, in the RANC region (Russia and neighbouring countries) and in Romania, thus transforming order backlog into output. Meanwhile, the order backlog was bolstered by a large road construction project in Italy and significant building construction projects in Germany.

### ORDER BACKLOG ON 31 DECEMBER 2012
BY ORDER SIZE




- Small projects
- Medium-sized projects
- Large projects

### NUMBER OF PROJECTS IN PROCESS ON 31 DECEMBER 2012 BY ORDER SIZE




- Small projects
- Medium-sized projects
- Large projects

The overall order backlog is comprised of 15,312 individual projects. More than 15,000 of these are small projects with a volume of up to € 15 million each. They account for 34 % of the order backlog; a further 20 % are medium-sized projects with order volumes between € 15 million and € 50 million; 46 % are large projects of € 50 million or more. The high number of individual contracts guarantees that the risk involved with one project does not threaten the group success as a whole. The ten largest projects in the order backlog on 31 December 2012 added up to 24 % of the order backlog, compared to 19 % at the end of 2011.

### THE TEN LARGEST PROJECTS CURRENTLY IN PROGRESS

| COUNTRY | PROJECT | ORDER BACKLOG IN € MLN | AS % OF TOTAL ORDER BACKLOG |
|---|---|---|---|
| Italy | Pedemontana motorway | 1,051 | 8.0 % |
| Austria | Koralm Tunnel, contract section 2 | 408 | 3.1 % |
| Germany | Stuttgart 21, underground railway station | 318 | 2.4 % |
| Russia | Kautschuk residential complex | 305 | 2.3 % |
| United Arab Emirates | STEP wastewater systems | 274 | 2.1 % |
| Netherlands | A-Lanes A15 motorway | 180 | 1.4 % |
| Germany | Upper West Berlin | 177 | 1.3 % |
| Germany | Milaneo Stuttgart | 170 | 1.3 % |
| Chile | Candelaria Mine 2011 | 147 | 1.1 % |
| Russia | Olympic Village | 138 | 1.0 % |
| **Total** | | **3,169** | **24.0 %** |

## IMPACT OF CHANGES TO THE SCOPE OF CONSOLIDATION

In the 2012 financial year, 43 companies (thereof 20 mergers with fully consolidated companies) were included in the scope of consolidation for the first time. These companies contributed a total of € 46.02 million to the consolidated revenue and € -7.04 million to the net income. As a result of first-time inclusions, current and non-current assets increased by € 152.62 million, current and non-current liabilities by € 85.67 million.

# FINANCIAL PERFORMANCE

STRABAG SE generated an output volume of € 14,042.60 million in the 2012 financial year. Even against the backdrop of low public-sector infrastructure expenditures, the output volume, with a decrease of just 2 %, remained practically at the same high level of the previous year. The largest reduction was registered in Poland due to the end of the construction boom in that country. Declines in several countries in Eastern Europe were countered by increases in Germany and in Romania.

The consolidated group revenue for the 2012 financial year stood at € 12,983.23 million, which corresponds to a decrease of 5 %. The ratio of revenue to construction output sank from the high levels in the previous years to 92 % (2011: 96 %). The segment North + West contributed 42 %, South + East 37 % and International + Special Divisions 20 % to the revenue.

The changes in inventories fell by nearly one half despite the fact that the real estate project development business was pursued as actively as in the past. The own work capitalised remained at a very low level – the year before, this item had still included final works related to the construction of the proprietary cement work in Hungary.

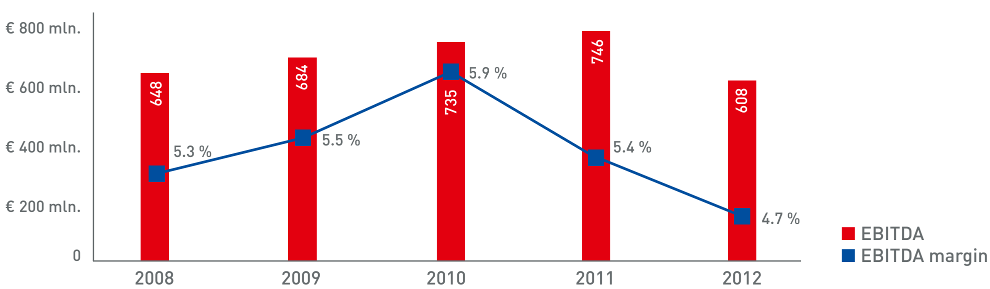
With the slightly lower revenue, the raw materials, consumables and services used were down as well, falling by 7 % to € 8,655.10 million, while the employee benefits expense grew slightly (2 %) to € 3,051.78 million. In total, however, the ratio of these two items versus revenue remained unchanged at 90 %.

In line with revenue, the other operating expenses fell significantly by 7 % despite charges to this item in the form of damage compensation payments amounting to € 43 million related to an arbitration ruling on a failed acquisition in the concrete business as well as noteworthy losses from consortia. At the same time, the other operating income was down by 17 %. This item also includes income from the fully consolidated concession companies.

| | 2012 € MLN. | 2011 € MLN. | CHANGE % |
|---|---|---|---|
| Raw materials, consumables and services used | 8,655 | 9,320 | -7 % |
| Employee benefits expense | 3,052 | 3,004 | 2 % |
| Other operating expenses | 938 | 1,014 | -7 % |
| Depreciation and amortisation | 401 | 412 | -3 % |

The share of profit or loss of associates was less strongly in negative territory in the 2012 financial year than in the previous year, when it still included an extraordinary write-down in the mid-double-digit millions related to an interest in cement activities. With € 4.35 million, the net income from investments, composed of the dividends and expenses of many smaller companies or financial investments, remained at about the previous year's level. The missing revenue for services already rendered in Central and Eastern Europe, as well as damage compensation payments and loss-making acquisitions of joint ventures, led to a decline of the earnings before interest, taxes, depreciation and amortisation (EBITDA) by 18 % to € 608.35 million and an associated decline of the EBITDA margin from 5.4 % to 4.7 %.

## DEVELOPMENT OF EBITDA AND EDITDA MARGIN 2008–2012



The depreciation and amortisation fell by 3 % to € 401.17 million. The goodwill impairment contained in this item was down from € 16.15 million in 2011 to € 10.08 million in 2012. This resulted in a decrease in the earnings before interest and taxes (EBIT) by 38 % to € 207.19 million and an EBIT margin of 1.6 % versus 2.4 % in the previous year.

While positive exchange rate differences amounting to € 37.27 million had still been registered in 2011, the net interest income in the past financial year now contained negative foreign currency effects of € 11.75 million. This resulted in a negative net interest income of € -50.73 million compared to a positive figure of € 8.54 million in the previous year. As a result, the profit before tax fell by more than half to € 156.46 million.

STRABAG considers an average tax rate of 30 % to be realistic. The actual rate of 29.7 % in 2012 confirms this expectation. This led to a net income of € 110.04 million.

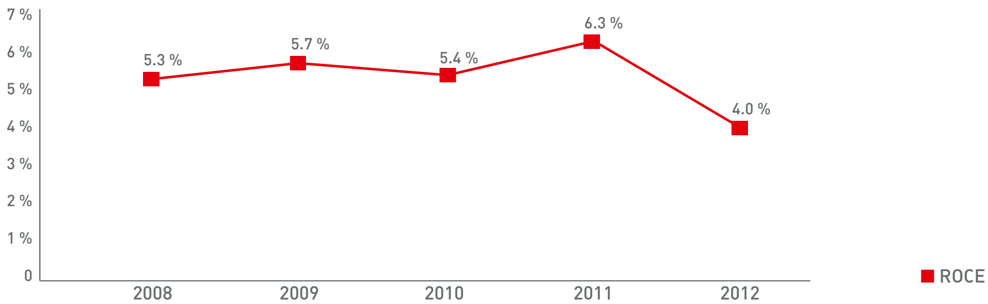
EFFECTIVE TAX RATE: 29.7 %

The earnings owed to the other shareholders (minority interest) again climbed from € 44.30 million to € 49.41 million in the past financial year. The net income after minorities for 2012 therefore stood at € 60.63 million, 69 % below the level of the previous year. The number of weighted outstanding shares decreased due to the buyback of own shares from 111,424,186 to 104,083,238, so that the earnings per share fell by about two thirds to € 0.58.

EARNINGS PER SHARE: € 0.58

The return on capital employed (ROCE)[1] sank to 4.0 % (2011: 6.3 %), its lowest value since the IPO in 2007.

DEVELOPMENT OF ROCE 2008–2012




## FINANCIAL POSITION AND CASH FLOWS

| | 2012 € MLN. | % OF BALANCE SHEET TOTAL | 2011 € MLN. | % OF BALANCE SHEET TOTAL |
|---|---|---|---|---|
| Non-current assets | 4,546 | 45 % | 4,534 | 44 % |
| Current assets | 5,591 | 55 % | 5,852 | 56 % |
| Equity | 3,163 | 31 % | 3,150 | 30 % |
| Non-current liabilities | 2,432 | 24 % | 2,359 | 23 % |
| Current liabilities | 4,543 | 45 % | 4,877 | 47 % |
| **Balance sheet total** | **10,138** | **100 %** | **10,386** | **100 %** |

The balance sheet total of STRABAG SE remained very stable at € 10.14 billion. This was in large part due to the renewed increase of inventories in response to several new real estate project developments as well as the finalisation of the transaction to acquire a 51 % interest in a portfolio of several companies to develop, build and operate offshore wind turbines in the German North Sea. This also led to an increase in the minority interest in shareholders' equity, resulting in an improvement of the equity ratio from 30.3 % to 31.2 % despite the lower retained earnings – a result of the buyback programme of own shares and the lower net income. The management board considers an equity ratio between 20 % and 25 % to be a realistic target in the medium-term.

1) ROCE = (net income + interest on debt – interest tax shield (25 %)) / (average group equity + interest-bearing debt)

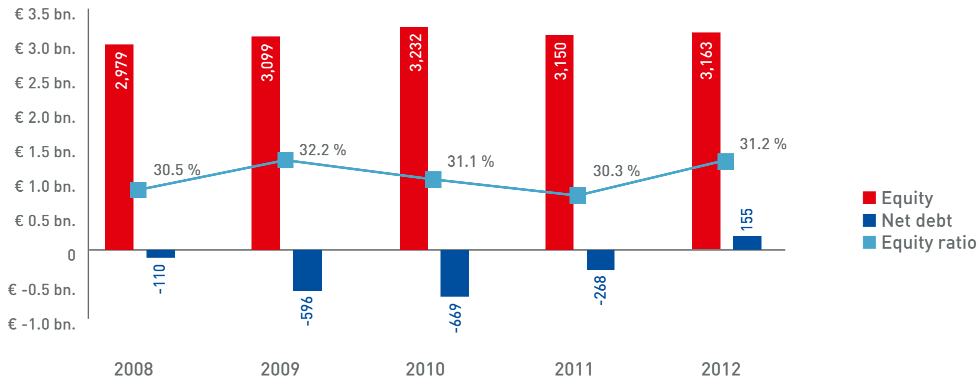
| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Equity ratio % | 31.2 % | 30.3 % | 31.1 % |
| Net debt. € mln. | 155 | -268 | -669 |
| Gearing Ratio % | 4.9 % | -8.5 % | -20.7 % |
| Capital employed € mln. | 5,322 | 5,336 | 5,236 |

As expected, but unlike in previous years, STRABAG did not register a net cash position on 31 December 2012, but instead a net debt in the amount of € 154.55 million. This is due on the one hand to the lower cash and cash equivalents – noteworthy here are investments of € 42.88 million for the purchase of own shares as well as the build-up of working capital in the year under report – and, on the other hand, to the significantly higher pension and severance provisions resulting from a change to the mathematical interest rate.

## CALCULATION OF NET DEBT (€ MLN.)

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Financial liabilities | 1,650 | 1,732 | 1,559 |
| Severance provisions | 80 | 70 | 69 |
| Pension provisions | 430 | 384 | 375 |
| Non-recourse debt | -630 | -754 | -720 |
| Cash and cash equivalents | -1,375 | -1,700 | -1,952 |
| **Net debt** | **155** | **-268** | **-669** |

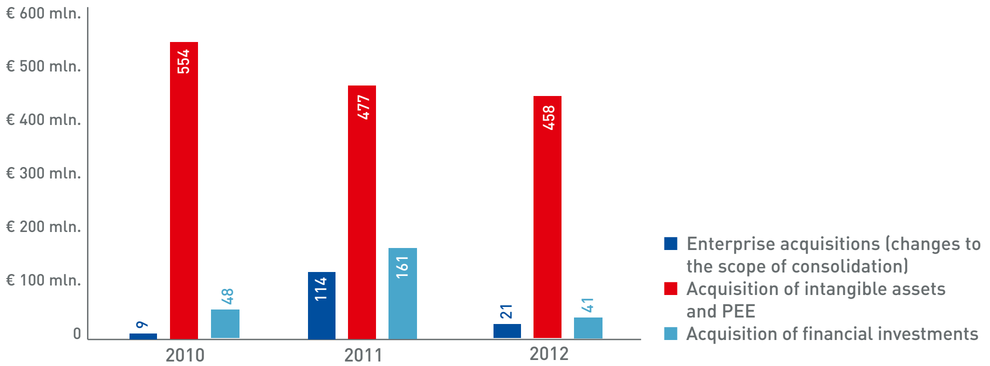
## EQUITY, NET DEBT AND EQUITY RATIO 2008–2012




Due to the 28 % decline of the cash flow from profits and the somewhat stronger build-up of working capital, the cash flow from operating activities in the past financial year fell by 46 % to € 268.80 million. In the previous year, the investment for an interest in a cement plant had still affected the cash flow from investing activities. The absence of this investment in the past financial year, and the cautious attitude regarding enterprise acquisitions, let the cash flow from investing activities fall by 27 % to € -447.19 million. The cash flow from financing activities, which amounted to € -176.26 million, was defined by a significant repayment of bank borrowings related to a motorway concession project in Denmark that was completed and transferred to the client. This could not be compensated for by increasing the financial resources from the bonded loan and from the bond.

# CAPITAL EXPENDITURES

## COMPOSITION OF CAPEX




STRABAG had forecast capital expenditures (CAPEX) in the amount of approximately € 475 million for the 2012 financial year. In the end, the net capital expenditures totalled € 447.19 million and so remained slightly under budget. CAPEX before subtraction of proceeds from asset disposals stood at € 520.65 million. This figure includes expenditures on intangible assets and on property, plant and equipment of € 458.28 million, the purchase of financial assets amounting to € 41.17 million and enterprise acquisitions (changes to the scope of consolidation) of € 21.19 million.

About € 250 million is spent annually as maintenance expenditures related to the equipment fleet in order to prevent inventory obsolescence. The high proportion of expansion expenditures is due to STRABAG's focus of its capital expenditures: a large portion went to expansions in the equipment fleet for large construction sites in tunnelling in Austria and in the international business, e.g. in Abu Dhabi and Tanzania. The company also made significant investments in 2012 in equipment for hydraulic engineering, including a ship. Another focus still remains on increasing the level of self-sufficiency with construction materials and on the German market.

Expenditures on intangible assets and on property, plant and equipment during the year under report must be seen against amortisation on intangible assets and depreciation on property, plant and equipment in the amount of € 401.17 million. This figure also includes goodwill impairment in the amount of € 10.08 million.

# FINANCING/TREASURY

The number one objective for the treasury management of STRABAG SE is assuring the continued existence of the company through the maintenance of constant solvency. This objective is to be reached through the provision of sufficient short-term, medium-term and long-term liquidity.

Liquidity for STRABAG SE means not only solvency in the strict sense but also the availability of guarantees. The building activity requires the constant availability of bid, contract fulfilment, pre-payment and warranty guarantees and/or sureties. The financial scope of action is thus defined on the one hand by sufficient cash and cash credit lines, on the other hand by sufficient surety credit lines.

The management of liquidity risks has become a central element of the corporate management at STRABAG. In practice, liquidity risks come in various forms:

- In the short-term, all daily payment obligations must be covered in time and/or in their entirety.
- In the medium-term, liquidity levels must be sufficient so that no transaction or projects become impossible due to a lack of sufficient financial means or guarantees or that they cannot be executed at the desired pace.
- In the long-term, there should be sufficient financial means available to be able to pursue the strategic development targets.

In the past, STRABAG has always oriented its financing decisions according to the risk aspects outlined above and has organised the maturity structure of the financial liabilities in such a way as to avoid a refinancing risk. In this way, the company has been able to maintain a great scope for action, which is of particular importance in a difficult market environment.

The necessary liquidity is determined by liquidity planning. Based on this, liquidity assurance measures are made and a liquidity reserve is defined for the entire group.

**TOTAL CREDIT LINE FOR CASH AND SURETY LOANS: € 6.6 BILLION**

The medium- and long-term liquidity needs have so far also been covered by the issue of corporate bonds. STRABAG SE has regularly issued bonds on the Austrian capital market since 2002. However, due to the market conditions, STRABAG opted against issuing a new bond in the 2009 financial year. In the 2012 financial year, STRABAG successfully issued a € 100 million tranche with a coupon of 4.25 % and a term to maturity of seven years. The proceeds from the issue were used for general business purposes and to pay back a bond which matured in 2012. At present, this leaves four bonds of STRABAG SE with a total volume of € 450 million on the market.

In order to diversify the financing structure, STRABAG SE placed its first bonded loan in the amount of € 140 million in the past financial year. This long-term debt financing instrument is in many ways similar to a bond, with an important difference being that bonded loans are issued directly to institutional investors without using an organised capital market, i.e. an exchange.

In December 2012, STRABAG SE arranged a revolving syndicated cash credit line with a consortium of banks in the amount of € 400 million. With a term of five years, the credit line represents a long-term loan commitment with which STRABAG will be able to maintain its comfortable liquidity position. The syndicated cash credit line partially replaces already existing short-term bilateral credit lines, provides an overall improvement of the liquidity reserves and in particular can be used to balance out the cash infusions as required over the course of the year.

The existing liquidity of € 1.4 billion and cash credit lines of € 0.6 billion assure the group's liquidity needs. Nevertheless, further bond issues are planned, depending on the market situation, in order to maintain a high level of liquidity reserves in the future as well.

STRABAG SE has a total credit line for cash and surety loans in the amount of € 6.6 billion at its disposal. These credit lines include a syndicated surety credit line in the amount of € 2.0 billion and the syndicated cash credit of € 0.4 billion. Furthermore, there exist bilateral credit lines with banks. A high degree of diversification creates an adequate risk spread in the provision of the credit lines.

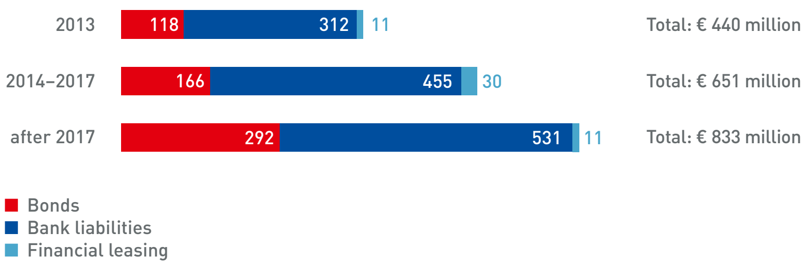
In December 2012, S&P again confirmed its BBB- rating and stable outlook as STRABAG SE benefits from the well-diversified and vertically integrated business, its good access to raw materials and the group's adequately high liquidity.

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Interest and other income (€ million) | 73 | 112 | 79 |
| Interest and other expense (€ million) | -124 | -104 | -98 |
| EBIT/net interest income | -4.1x | 39.2x | -15.2x |
| Net Debt/EBITDA | 0.3x | -0.4x | -0.9x |

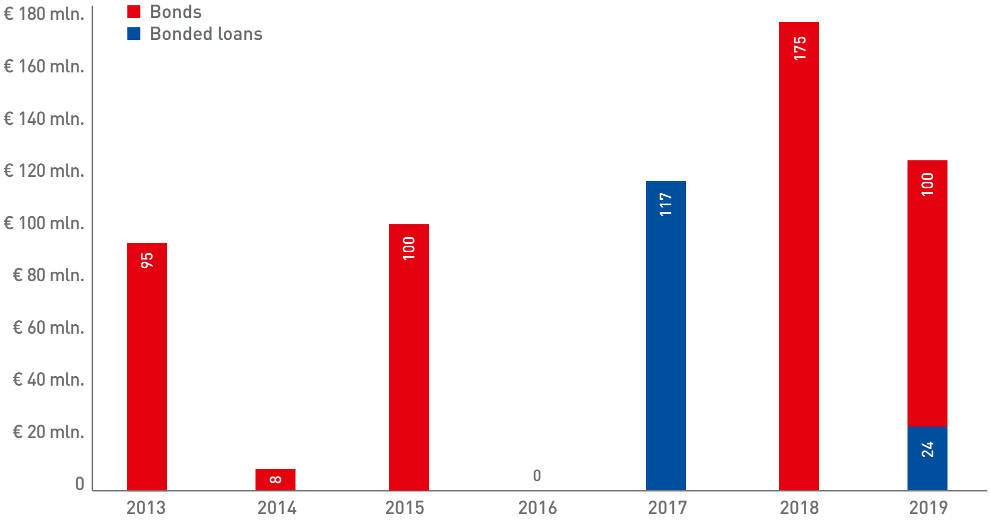
## PAYMENT OBLIGATIONS

| | BOOK VALUE 31 DECEMBER 2012 € MLN. |
|---|---|
| Bonds | 478 |
| Bank borrowings | 1,129 |
| Liabilities from finance leases | 43 |
| **Total** | **1,650** |

## PAYMENTS INCL. INTERESTS




## PAYMENT PROFILE



# SEGMENT REPORT

## OVERVIEW OF THE SEGMENTS OF STRABAG SE

The operating business of STRABAG SE is divided into three segments: North + West, South + East and International + Special Divisions. A further segment defined as "Other" encompasses expenditures, income and employees at the group's service companies and central staff units. Since 1 July 2012, STRABAG presents its business mainly by region and not – as it had done in the past – by construction segment.

The segments are comprised as follows:

**North + West**
**Management board responsibility:**
**Peter Krammer**
Germany, Poland, Benelux, Scandinavia, Ground and Hydraulic Engineering, Offshore Wind

**South + East**
**Management board responsibility:**
**Siegfried Wanker**
Austria, Switzerland, Hungary, Czech Republic, Slovakia, Adriatic, Rest of Europe, Railway Structures, Environmental Technology
**Management board responsibility:**
**Thomas Birtel**
Russia and neighbouring countries

**International + Special Divisions**
**Management board responsibility:**
**Hannes Truntschnig**
International, Tunnelling, Services, Real Estate Development, Infrastructure Development, Construction Materials

**Service Companies**
**Management board responsibility:**
**Thomas Birtel and Christian Harder**

Construction projects are assigned to one of the segments (see chart below). Of course, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part is assigned to its respective geographic segment, but the concession part is assigned to the concessions unit of International + Special Divisions. In projects which span more than one segment, the commercial and technical responsibility is generally assigned to that segment which has the higher share of the overall project value.

With only a few exceptions, we offer our services in all areas of the construction industry in the individual European markets in which we operate and cover the entire construction value chain. Our services include:

| | NORTH + WEST | SOUTH + EAST | INTERNATIONAL + SPECIAL DIVISIONS |
|---|---|---|---|
| Residential Construction | ✓ | ✓ | ✓ |
| Commercial and Industrial Facilities | ✓ | ✓ | ✓ |
| Public Buildings | ✓ | ✓ | ✓ |
| Production of Prefabricated Elements | ✓ | ✓ | ✓ |
| Civil Engineering | ✓ | ✓ | ✓ |
| Bridges | ✓ | ✓ | ✓ |
| Power Plants | ✓ | ✓ | ✓ |
| Environmental Technology | | ✓ | |
| Railway Structures | | ✓ | |
| Roads, Earthworks | ✓ | ✓ | ✓ |
| Hydraulic Engineering, Waterways, Dyking | ✓ | ✓ | |
| Landscape Architecture and Development | ✓ | ✓ | |
| Paving | ✓ | ✓ | |
| Large-Area Works | ✓ | ✓ | ✓ |
| Sports and Recreational Facilities | ✓ | ✓ | |
| Protective Structures | ✓ | ✓ | ✓ |
| Sewer Systems | ✓ | ✓ | ✓ |
| Production of Construction Materials | ✓ | ✓ | ✓ |
| Ground Engineering | ✓ | | |
| Offshore Wind | ✓ | | ✓ |
| Tunnelling | | | ✓ |
| Real Estate Development | | | ✓ |
| Infrastructure Development | | | ✓ |
| Operation/Maintenance/Marketing of PPP Projects | | | ✓ |
| Property and Facility Services | | | ✓ |

## SEGMENT NORTH + WEST

The segment North + West executes construction services of nearly any kind and size with a focus on Germany, Poland, the Benelux countries and Scandinavia. Ground and hydraulic engineering as well as offshore wind can also be found in this segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 6,237 | -3 % | 6,397 |
| Revenue | 5,510 | -8 % | 5,961 |
| Order backlog | 4,827 | -2 % | 4,912 |
| EBIT | -51 | n.a. | 149 |
| EBIT margin % of revenue | -0.9 % | | 2.5 % |
| Employees | 25,108 | -3 % | 25,962 |

### OUTPUT VOLUME NORTH + WEST 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Germany | 4,185 | 4,103 | 2 % | 82 |
| Poland | 777 | 1,290 | -40 % | -513 |
| Scandinavia | 575 | 487 | 18 % | 88 |
| Benelux | 329 | 271 | 21 % | 58 |
| The Americas | 131 | 92 | 42 % | 39 |
| Russia and neighbouring countries | 88 | 52 | 69 % | 36 |
| Switzerland | 35 | 38 | -8 % | -3 |
| Rest of Europe | 33 | 14 | 136 % | 19 |
| Slovenia | 19 | 0 | n.a. | 19 |
| Austria | 18 | 18 | 0 % | 0 |
| Hungary | 16 | 9 | 78 % | 7 |
| Italy | 9 | 2 | 350 % | 7 |
| Asia | 7 | 8 | -13 % | -1 |
| Romania | 6 | 6 | 0 % | 0 |
| Middle East | 5 | 4 | 25 % | 1 |
| Serbia | 3 | 0 | n.a. | 3 |
| Africa | 1 | 3 | -67 % | -2 |
| **Output volume total** | **6,237** | **6,397** | **-3 %** | **-160** |

### Output volume, revenue and result

With € 6,237.17 million, the segment North + West exhibited a 3 % lower output volume in 2012 as compared to the year before. Good demand in the German building construction and civil engineering business, as well as the expansion in Northern Europe, were unable to fully compensate the significant decline in Poland that followed the end of the construction boom in that country.

The revenue for the segment even fell by 8 %, and the earnings before interest and taxes (EBIT) moved from positive territory deep into the negative. While satisfactory earnings contributions could still be reported from Poland and Germany during the same period of the previous year, losses on large projects in hydraulic engineering, the tense price situation affecting the asphalt mixing plants in Germany, and losses in Poland have been a burden on the segment result in the past few months.

### Order backlog

The order backlog decreased only slightly by 2 % to € 4,826.52 million. Here, too, Germany – with several new large contracts in building construction and civil engineer-ing – helped to narrow the decline in countries such as Poland, for example. In the first half of the year, STRABAG subsidiary Ed. Züblin was able to win the tender for the station building and further infrastructure measures related to the Stuttgart 21 rail project. The company was also selected to construct new buildings for the Hamm-Lippstadt University of Applied Sciences. It also won the nearly € 95 million contract to build the new Germany headquarters for the Thales Group in Ditzingen near Stuttgart.

**Employees**

The employee figures, like the output volume, offer a reflection of the economic situation. An increase in Germany was accompanied by a significant reduction in Poland. A decline was also registered in the Americas region: although all non-European activities are concentrated in the segment International + Special Divisions, the activities of Züblin Chile and Züblin Ground Engineering globally are represented in the segment North + West.

**Outlook**

The absence of negative special items, for example in hydraulic engineering or in Poland, should lead to an improved result in the segment North + West in the 2013 financial year. Regarding the output volume, on the other hand, the STRABAG SE management board expects to see a decline to € 5.8 billion.

STRABAG expects the employment situation in the German building construction and civil engineering business to remain at a high level. Here STRABAG was able to start the year 2013 with an order backlog accounting for around three quarters of the expected output volume. Positive impulses are expected from the expansion of the timber engineering business field.

The German entities in transportation infrastructures are cautiously optimistic as well: the financial policy framework for the most important client, the public sector, may be solid, but while the federal and state governments are expected to make transportation infrastructure investments at last year's levels, it is uncertain to which extent local governments will use their financing flexibility for investments. Despite the fact that some communities will devote their budget surpluses toward debt reduction, STRABAG expects to maintain a constant output volume in the German transportation infrastructures segment in 2013 as in 2012.

A burden in Germany is the business with asphalt mixing facilities. It remains difficult to sell asphalt at a sufficiently high price everywhere where it is needed. Because of this tense market situation, dependence on bitumen price developments is expected to remain high.

In Poland, the number of public-sector tenders for infrastructure projects in 2013 will be below the previous year's levels. In connection with the new EU budget for the years 2014–2020, however, there is a possibility of higher tender activity toward the end of the year. Until then, business will be hindered by price battles. The low volume of public-sector tenders is also having an impact on building construction and civil engineering. In the face of restrictive credit approvals, the field of residential construction is also subject to reductions. STRABAG therefore sees shopping and logistics centres as well as industrial construction as the segments of the future in the Polish building construction sector.

In Sweden, the market is expected to shrink slightly in 2013. However, the housing market for project developments is booming in Stockholm, which, according to forecasts by STRABAG, will last for several more years. In the Stockholm, Gothenburg and Helsingborg/Malmö regions, there is high demand for new commercial real estate, hotels and shopping centres. The situation is expected to remain unchanged in the field of infrastructure and tunnelling, with stable public-sector finances contributing significantly to the positive outlook. The long-term activities in the Greater Stockholm Area and in the north of Sweden therefore offer good potential.

In the field of hydraulic engineering, STRABAG in 2012 managed to enter the market for port construction in Russia and in Ukraine. The company sees the entire Northern and Baltic area and Black Sea region as a strategic area and is therefore working on several bids for large projects here.

## SELECTED PROJECTS NORTH + WEST

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Chile | Candelaria Mine 2011 | 147 | 1.12 % |
| Germany | Motorway A8 Ulm–Augsburg | 113 | 0.86 % |
| Germany | Taunus Tower Frankfurt on the Main | 99 | 0.75 % |
| Germany | Naval port Wilhelmshaven | 98 | 0.75 % |
| Poland | S8 Złoczew–Sieradz section 4 | 93 | 0.71 % |
| Poland | S8 Złoczew–Sieradz section 2 | 91 | 0.69 % |

## SEGMENT SOUTH + EAST

The geographic focus of the segment South + East is on Austria, Switzerland, Hungary, the Czech Republic, Slovakia, Russia and neighbouring countries as well as the region South-East Europe. The railway construction and environmental technology activities are also handled within this segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 4,756 | -3 % | 4,882 |
| Revenue | 4,792 | -2 % | 4,877 |
| Order backlog | 4,326 | -7 % | 4,647 |
| EBIT | 149 | 6 % | 140 |
| EBIT margin % of revenue | 3.1 % | | 2.9 % |
| Employees | 22,699 | -2 % | 23,197 |

## OUTPUT VOLUME SOUTH + EAST 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Austria | 1,573 | 1,621 | -3 % | -48 |
| Czech Republic | 532 | 640 | -17 % | -108 |
| Russia and neighbouring countries | 432 | 420 | 3 % | 12 |
| Slovakia | 360 | 396 | -9 % | -36 |
| Switzerland | 351 | 438 | -20 % | -87 |
| Germany | 339 | 312 | 9 % | 27 |
| Romania | 315 | 159 | 98 % | 156 |
| Hungary | 293 | 330 | -11 % | -37 |
| Poland | 232 | 276 | -16 % | -44 |
| Croatia | 111 | 87 | 28 % | 24 |
| Serbia | 66 | 86 | -23 % | -20 |
| Slovenia | 49 | 35 | 40 % | 14 |
| Rest of Europe | 42 | 31 | 35 % | 11 |
| Bulgaria | 24 | 15 | 60 % | 9 |
| Italy | 13 | 7 | 86 % | 6 |
| Asia | 7 | 11 | -36 % | -4 |
| Middle East | 7 | 1 | 600 % | 6 |
| The Americas | 6 | 4 | 50 % | 2 |
| Benelux | 2 | 13 | -85 % | -11 |
| Scandinavia | 2 | 0 | n.a. | 2 |
| **Output volume total** | **4,756** | **4,882** | **-3 %** | **-126** |

### Output volume, revenue and result

The segment South + East generated an output volume of € 4,755.74 million in the 2012 financial year. This is just slightly lower, specifically by 3 %, than the previous year. The result of working off several large contracts in the transportation infrastructures business in Romania more or less balanced out the declines in the Czech Republic and in Switzerland.

With a minus of 2 % the revenue developed similary to the output volume. The segment is characterised by a strong competition and price pressure. Additional burdens include charges in the field of environmental technology and reorganisation costs in Switzerland. Nonetheless, the earnings before interest and taxes (EBIT) could be grown by 6 % to € 148.89 million, the EBIT margin from 2.9 % to 3.1 %.

**Order backlog**

The order backlog of this segment was down by 7 % to € 4,326.12 million. A country-by-country comparison reveals quite a differentiated situation, however: Despite the large contracts for the extension of the U1 underground line in Vienna and the construction of the high-performance rail line between Vienna–Salzburg, the order backlog in Austria fell slightly due to a significant reluctance on the part of public-sector clients, in particular in the federal states of the country's south. The order backlog was also burdened in part by contract cancellations in the RANC region (Russia and neighbouring countries). Here, strategic changes are on the agenda, with activities gradually shifting from building construction in the major cities to industrial projects in the regions. STRABAG is also preparing for market entry in Turkmenistan and Kazakhstan.

In Slovenia, Hungary, the Czech Republic and Italy, on the other hand, new projects helped to enlarge the order backlog. In Ljubljana, Slovenia, STRABAG is building a waste treatment facility for € 112 million to produce biogas from organic waste, among other things. In Hungary, STRABAG is working in a consortium to renew the Gyoma–Békéscsaba rail line; and in Italy, the order backlog was bolstered by the contract award of a portion of the construction works for a bypass around the city of Milan.

**Employees**

The employee figures exhibited a similar situation as the output volume: growth in Romania, with a reduction of the employee levels in nearly all other markets. In total, the workforce fell by 2 % to 22,699 employees.

**Outlook**

The management board expects a slight improvement of the EBIT and a higher output volume of € 5.0 billion in the segment South + East for 2013. Price pressure will remain high in the Central and Eastern European transportation infrastructures business, but there is hope for a series of tenders – albeit at lower prices – in markets such as Romania, Moldova and the Czech Republic. Meanwhile, interesting projects are expected to be awarded soon in the field of railway construction in Poland and in building construction in Slovakia. The reorganisation in Switzerland should be concluded and individual loss-making projects in environmental technology – a business on which STRABAG will focus more in the core markets in the future – will no longer burden the results.

The management board expects continuous positive business in the building construction sector in Vienna, while the price pressure in the rest of Austria is unlikely to let up. The stagnating to declining market for transportation infrastructures is a hotly contested one here. The Hungarian market lost significant volume – and attractiveness – in the past few years. Currently only a few public-sector tenders, mostly in the fields of environmental protection and railway construction, are still ongoing; long-awaited highway investments, however, could improve the climate in the construction sector in 2013.

## SELECTED PROJECTS SOUTH + EAST

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Russia | Kautschuk residential complex, Moscow | 305 | 2.31 % |
| Russia | Olympic village, Sochi | 138 | 1.04 % |
| Slovenia | Ljubljana waste treatment facility | 112 | 0.85 % |
| Czech Republic | Road I/11 Rudna | 75 | 0.57 % |
| Romania | Modernisation of national road DN67B | 58 | 0.44 % |
| Romania | Promenada Mall, Bucharest | 48 | 0.37 % |
| Slovakia | D1 motorway | 43 | 0.32 % |

## SEGMENT INTERNATIONAL + SPECIAL DIVISIONS

The segment International + Special Divisions includes, on the one hand, the field of tunnelling. The concessions business, on the other hand, represents a further important area of business, with global project development activities in transportation infrastructures in particular. Regardless of where the services are rendered, our construction materials business, including our dense network of raw materials operations but with the exception of asphalt, also belongs to this segment. The real estate business, which stretches from project development and planning to construction and operation and also includes the property and facility services business, completes the wide range of services. Additionally, most of the services in non-European markets are also bundled in the International + Special Divisions segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 2,925 | 2 % | 2,880 |
| Revenue | 2,661 | -6 % | 2,842 |
| Order backlog | 4,038 | 7 % | 3,782 |
| EBIT | 127 | 115 % | 59 |
| EBIT margin % of revenue | 4.8 % | | 2.1 % |
| Employees | 20,426 | -7 % | 22,068 |

### OUTPUT VOLUME INTERNATIONAL + SPECIAL DIVISIONS 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Germany | 1,196 | 1,132 | 6 % | 64 |
| Middle East | 293 | 304 | -4 % | -11 |
| Austria | 268 | 297 | -10 % | -29 |
| The Americas | 211 | 161 | 31 % | 50 |
| Italy | 135 | 177 | -24 % | -42 |
| Benelux | 124 | 76 | 63 % | 48 |
| Africa | 124 | 57 | 118 % | 67 |
| Poland | 118 | 132 | -11 % | -14 |
| Czech Republic | 109 | 119 | -8 % | -10 |
| Asia | 96 | 90 | 7 % | 6 |
| Hungary | 80 | 92 | -13 % | -12 |
| Romania | 50 | 40 | 25 % | 10 |
| Slovakia | 39 | 44 | -11 % | -5 |
| Switzerland | 35 | 92 | -62 % | -57 |
| Croatia | 18 | 18 | 0 % | 0 |
| Slovenia | 13 | 14 | -7 % | -1 |
| Rest of Europe | 8 | 0 | n.a. | 8 |
| Russia and neighbouring countries | 5 | 9 | -44 % | -4 |
| Bulgaria | 2 | 2 | 0 % | 0 |
| Serbia | 1 | 0 | n.a. | 1 |
| Scandinavia | 0 | 24 | -100 % | -24 |
| **Output volume total** | **2,925** | **2,880** | **2 %** | **45** |

### Output volume, revenue and result

The output volume in the segment International + Special Divisions improved slightly by 2 % to € 2,924.86 million. Germany – specifically the field of Property & Facility Services – continues to generate the most significant portion of the output volume, followed by the non-European markets.

The revenue, on the other hand, fell by 6 % to € 2,661.29 million. This can be explained by the completion of a public-private partnership project which had defined the revenue in 2011. Nonetheless, the earnings before interest and taxes (EBIT) could be more than doubled to € 126.93 million despite the volatile business in tunnelling and internationally – and despite the fact that this figure includes damage compensation payments in the amount of € 43 million.

**Order backlog**

The order backlog registered a significant increase of 7 % to € 4,038.33 million. While the completion of infrastructure contracts in the Netherlands helped to reduce the order backlog, the segment International + Special Divisions added several new large orders to the books in the 2012 financial year. One of these was in Italy: The project volume of € 1.7 billion (STRABAG's share amounts to about € 1.0 billion, that of the segment to about € 720 million) for the Milan bypass includes the construction of a 50 km section of dual-carriage motorway with two to three lanes in each direction plus 50 km of spurs and connecting routes to the existing road network. The works also include 50 cut-and-cover tunnels as well as two bored tunnels including technical facilities, several bridges and an approx. 80 km bicycle trail.

In Germany, the city of Hamburg commissioned a special purpose company set up in part by STRABAG Real Estate GmbH to plan, build, modernise and operate 15 vocational schools. The project has a total value of € 700 million (STRABAG's share is 50 %) and is being carried out under a public-private partnership model. STRABAG also won several contracts internationally, including one to set up a bus rapid transit system in Tanzania as well as a tunnelling project at the world's largest copper mine in Chuquicamata in the desert of Chile.

The services sector also contributed several new large projects to the order backlog: STRABAG Property and Facility Services was awarded contracts in the field of facility management from DFS Deutsche Flugsicherung GmbH and maintenance contracts from telecommunications provider Versatel AG and AOK Bayern. In property management, the company won Union Investment and real estate investor Pramerica Real Estate Investors as new clients. The acquisition of Berlin-based real estate manager BWG (GSW Betreuungsgesellschaft für Wohnungs- und Gewerbebau mbH) allowed us to expand our own range of services in property management to include the field of residential real estate.

**Employees**

Development of the employee figures ran counter to the order backlog. This number fell by 7 % to 20,426 employees in part due to the completion of construction projects in the Middle East.

**Outlook**

The output volume in the segment International + Special Divisions is expected to reach about € 3.0 billion in 2013. The EBIT should remain at a high level due to the absence of the one-time compensation expense in 2012 in the amount of € 43 million as a result of partially lost arbitration proceedings. At the same time, the construction materials business will continue to put pressure on the margins of the segment. In the field of concrete, the situation is burdened by delays in the tendering of large-scale projects as well as by overcapacities on the market. Growth of production in Central Europe is not expected until the spring of 2013 at the earliest. In the field of stone and gravel, ruinous price competition has become apparent in several regions, with no improvement in sight for the next one to two years.

Target markets which are currently being worked more intensely outside of Europe regardless of the type of service are the United Arab Emirates, Algeria, Qatar – STRABAG expects the construction boom in preparation for the 2022 FIFA World Cup to begin here soon –, Oman and Saudi Arabia. Because of the low price level in these regions as a result of the high degree of competition, STRABAG is successfully offering specialty construction services such as pipe jacking (a special form of tunnelling), test track construction or services in the field of liquefied natural gas (LNG). In India, STRABAG subsidiary EFKON AG was awarded six new contracts in the field of intelligent transportation systems in the last financial year.

Competition is also on the rise in the PPP infrastructure business. For this reason, STRABAG is exploring other markets besides the core markets in Europe, such as Canada, India, selected countries in South America, and the Middle East. Despite the high costs involved in bid processing, some of these countries are also of interest for tunnelling projects. Although several projects will be tendered in Austria, Germany and Norway in the short to medium term, the prices in the home markets are in part at a ruinously low level. Meanwhile, STRABAG already has an established tunnelling presence in Canada and the company entered the mining market with contracts in Chile and Australia in the past financial year.

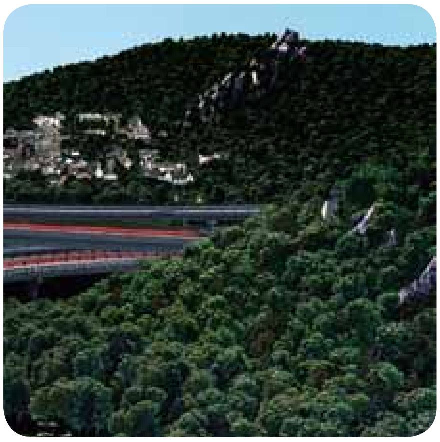
By contrast, the activities of the PPP building construction business are concentrated on the home market of Germany. PPP financing widens the public sector's scope of action on the one hand; on the other hand, the consequences of the financial crisis – significantly higher interest premiums and liquidity costs with a trend to shorter financing terms – are still having an inhibitory effect. The efficiency advantages of having an integrated solutions approach, i.e. through the observation of the lifecycle costs, are offsetting the disadvantages in the current market environment. Thanks to the inclusion of specialist providers from within the group, such as STRABAG Property and Facility Services, STRABAG is in a position to completely cover all specifications from structuring to financing and planning all the way to construction and operation.

A positive mood can be observed in the field of real estate development. In Germany, growth forces have shifted toward residential construction, which, given the clear lack of rental flats in urban agglomerations, should provide some positive impulses. STRABAG therefore remains active in the development of apartment buildings, i.e. residential properties for global investors. In September 2012, the Donnersberger Höfe, a residential building project in Munich, was handed over to the investor with full tenant occupancy. Several successes were also registered in the field of commercial real estate last year: STRABAG began construction on the Milaneo shopping centre in Stuttgart and on the multiuse building Upper West in Berlin. Additionally, several properties were acquired for future project developments, for example in Aachen and in Bremen.

## SELECTED PROJECTS INTERNATIONAL + SPECIAL DIVISIONS

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Italy | Pedemontana motorway, Milan bypass | 1,051 | 7.96 % |
| Austria | Koralm Tunnel, contract section 2 | 379 | 2.87 % |
| Germany | Upper West, project development | 168 | 1.27 % |
| Netherlands | A-Lanes A15, bridge construction | 138 | 1.05 % |
| Oman | Duqm port facility | 118 | 0.89 % |
| Tanzania | Bus rapid transit system Dar Es Salaam | 90 | 0.68 % |





# RISK MANAGEMENT

The STRABAG Group is subject to a number of risks in the course of its business activities. These risks are identified and assessed using an active risk management system and dealt with using an appropriate risk policy.

The group's goals are defined at all company levels. This was a prerequisite to setting up processes for the timely identification of potential risks standing in the way of the achievement of company objectives. The organisation of STRABAG's risk management builds on project-related jobsite and acquisitions controlling, supplemented by the higher-level assessment and steering management. The risk controlling process includes a certified quality management system, internal group guidelines for the workflow in the operating units, a central administration, controlling, auditing and contract management. Through the establishment of company-wide quality standards in quotation processing and supplemental services man-agement, the centrally organised contract management department can better assert claims for outstanding debt.

The group's internal risk report defines the following central risk groups:

## EXTERNAL RISKS

The entire construction industry is subject to cyclical fluctuations and reacts to varying degrees depending on region and sector. Overall economic growth, development of the construction market, the competitive situation, the conditions on the capital markets and technological changes in construction can all result in risks. These risks are continually observed and monitored by the central departments and operating units. Changes in external risks lead to adjustments in STRABAG's organisation, market presence and range of services as well as the adaptation of strategic and operating planning. STRABAG further responds to market risk with geographic and product-related diversification in order to keep the influence on the company's success exerted by an individual market or by the demand for certain services as low as possible. To avoid bearing the entire risk of rising prices by itself, STRABAG makes efforts at signing cost escalation clauses and "cost-plus-fee" contracts in which the client pays a previously agreed margin on the costs of the project.

## OPERATING RISKS

The operating risks primarily include the complex risks of project selection and execution. STRABAG keeps acquisition lists in order to review the project choice. Business transactions requiring consent are reviewed and approved by business unit and subdivision managers or by division managers according to internal rules of procedure. Depending on the risk profile, bids must be analysed by commissions and reviewed for their technical and economic feasibility. Cost accounting and expense allocation guidelines have been set up to assure a uniform process of costing and to establish a performance profile at the construction sites. Project execution is man-aged by the construction team on site and controlled by monthly target/performance comparisons; at the same time, the central controlling provides constant commercial backing, ensuring that risks of individual proj-ects do not endanger the continuance of the company.

## FINANCIAL RISKS

Under financial risks, STRABAG understands risks in financial matters and in accounting, including instances of manipulation. Special attention is paid to the liquidity and account-ing receivables management, which is secured through continuous financial planning and daily status reports. Compliance with internal commercial guidelines is guaranteed by the central accounting and controlling departments, which are also responsible for internal reporting and the periodic planning process.

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by all business areas in general and by the internal audit department in particular. STRABAG last commissioned PwC Wirtschaftsprüfung GmbH in 2007 to review and assess the group's compliance systems and the activities designed to combat corruption and unethical behaviour. The results were presented to the management board of STRABAG SE and the auditors' recommendations were passed on to the relevant departments for implementation.

In order to convey STRABAG's values and principles, the group drew up its Code of

Ethics and internal Compliance Guidelines in 2007. The values and principles contained within these documents are reflected in the guidelines and instructions of the STRABAG companies and divisions. Compliance with these values and principles is expected not only from the members of the management and supervisory boards as well as from other management-level employees but from all group employees. The Compliance Guidelines and the Code of Ethics are designed to guarantee honest and ethical business practices. The Code of Ethics is available for download at www.strabag.com > Investor Relations > Corporate Governance > Code of Ethics.

Detailed information regarding interest risk, currency risk, credit risk and liquidity risk can be found in the Notes under item 25 Financial Instruments.

## ORGANISATIONAL RISKS

Risks concerning the design of personnel contracts are covered by the central personnel department with the support of a specialised data base. The company's IT configuration and infrastructure (hardware and software) is handled by the central IT department, controlled by the internation-al IT steering committee.

## PERSONNEL RISIKS

Past experience has shown that having a highly qualified and motivated workforce is an important factor in competition. In order to properly assess the potential of employees, STRABAG uses an IT-supported aptitude diagnostics process, the so-called behaviour profile analysis. In subsequent feedback talks and employee appraisal interviews, employees and their supervisors analyse the results and agree on specific training and further education measures.

## INVESTMENT RISKS

STRABAG can exert influence on the management of associated companies through its shareholder position and, if applicable, any existing advisory functions. The shares in asphalt and concrete mixing companies usually involve minority holdings, which is typical for the sector. With these companies, economies of scope are at the fore.

## POLITICAL RISK

The group also operates in countries which experience political instability. Interruptions of construction activity, restrictions on ownership interests of foreign investors, and even dispossession or expropriations could be the consequence of political changes which could have an impact on the group's financial structure.

**A review of the current risk situation reveals that the reporting period shows no risks which jeopardised the company's existence, nor were there any visible future risks.**

NO RISKS JEOPARDISING THE COMPANY'S EXISTENCE

## REPORT ON KEY FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS

### Introduction

The control structure as defined by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) provides the basis for the description of the key features of the internal control and risk management systems. The COSO framework consists of five related components: control environment, risk assessment, control activities, information and communication, and monitoring. On this basis, the STRABAG Group set up a company-wide risk management system according to generally accepting principles.

The aim of the internal control system is to support management in such a way that it is capable of assuring internal controls in relation to financial reporting which are effective and which are improved on an ongoing basis. The system is geared to the compliance with rules and regulations and to creating conditions which are conducive to performing specific controls in key accounting processes.

### Control environment

The corporate culture determines the control environment in which management and employees operate. STRABAG is constantly working to improve its communication and to convey its corporate values as defined in the STRABAG Code of Ethics in order to guarantee moral standards, ethics and integrity within the company and in its dealings with others.

The implementation of the internal control system in relation to the financial reporting process is done on the basis of internal rules and guidelines. Responsibilities for internal control were adapted to fit the corporate organisation.

The internal audit department carries out periodic, unannounced inspections of all relevant business units as part of its responsibility for monitoring compliance with the law and corporate guidelines in the technical and commercial areas. The internal audit department also monitors the effectiveness of the compliance organisation. During these inspections, the internal audit department analyses the legality and correctness of individual actions. The internal audit department also conducts regular, independent reviews of compliance with internal guidelines in the area of accounting. The head of the internal audit department reports directly to the CEO.

**Risk assessment**

The management identifies and monitors risks relating to the financial reporting process, with a focus on those risks that are typically considered to be material.

The preparation of the financial statements requires regular forecasts, with the inherent risk that the actual future development will deviate from the forecast. This especially affects the following matters/items of the consolidated financial statements: assessment of unfinished construction projects, recognition and measurement of provisions (including social capital), the outcome of legal disputes, the collectability of receivables as well as the recoverability of investments and goodwill. In individual cases, external experts are called in or publicly available sources are considered in order to minimise the risk of a false assessment.

**Control activities**

All control activities are applied in the current business process to ensure that errors or deviations in financial reporting are prevented or detected and subsequently corrected. The control activities range from a management review of the period results to specific monitoring of accounts to the analysis of ongoing accounting processes.

It is the responsibility of the management to design the levels of hierarchy in such a way that an activity and the control of that activity are not performed by the same person ("four-eyes" principle).

IT security control activities represent a cornerstone of the internal control system. The separation of sensitive activities is supported by a restrictive approach to IT access authorisation. For its accounting and financial reporting, the company mainly uses self-developed software which reflects the unique features of the construction sector. The effectiveness of the financial reporting system is further assured through automated IT controls included in the system.

**Information and Communication**

The management regularly updates the rules and regulations for financial reporting and communicates them to all employees concerned. Regular discussions regarding the financial reporting and the rules and regulations in this context take place in various committees. These committees are composed of the corporate management as well as the department head and senior staff from the accounting department. The committee's work aims, amongst others, at guaranteeing compliance with accounting rules and regulations and to identifying and communicating weak points and potential areas for improvement in the financial reporting process. Accounting employees receive regular training regarding new methods of national and international financial reporting in order to identify risks of unintended misreporting at an early stage.

**Monitoring**

The management and supervisory boards bear responsibility for the ongoing company-wide monitoring. Additionally, the remaining management levels – all the way to the department heads – are responsible for the monitoring of their respective areas of responsibility. Controls and plausibility checks are carried out at regular intervals. The internal audit department is also involved in the monitoring process.

The top management receives monthly summary financial reports on the development of the output volume, the results of the respective segments and countries, and the liquidity. Financial statements to be published are submitted for final appraisal to the senior accounting staff and the commercial management board members before they are passed on to the audit committee of the supervisory board.

## EMPLOYEES

In 2012, STRABAG employed an average of 74,010 employees in all countries in which the group operates (2011: 76,866 employees), of which 28,295 were white-collar and 45,715 were blue-collar workers. Consequently, the number of employees sank by 4 % in comparison to the previous year – more strongly than the group's output volume. The largest portion of the decline can be attributed to the conclusion of large projects – for example, in Poland or the Middle East. With difficult economic conditions affecting construction activity, however, employee levels were on the decline in other markets as well.

The segment North + West accounted for 25,108 (-3 %), South + East for 22,699 (-2 %) and International + Special Divisions for 20,426 employees (-7 %). The percentage of women in the group in 2012 remained unchanged at 13 % overall and 8 % (2011: 9 %) at the group management level. There were 1,129 blue-collar apprentices (2011: 1,093) and 259 white-collar trainees (2011: 246) in the group.

Several human resource development projects were launched in 2012. STRABAG implemented a new process to systematically identify and appropriately develop high-potential employees. The company is also offering new career opportunities: the model, developed by an interdisciplinary task force, gives current and future employees a more varied choice of development opportunities within the group than before. Following initial specialist training or experience as a team leader, employees now have a total of three different career paths which they can follow: the classical management ladder, the project ladder or the expert ladder.

## RESEARCH AND DEVELOPMENT

With public-sector as well as private clients cutting costs, competitive pressure in the construction industry has been on the rise in recent years. This has led to a situation in which clients are looking not only at the quality of the services being offered, but are also increasingly seeing the price as a decisive argument. Despite this price pressure, it is important for STRABAG to continue to offer convincing services. An essential part of this is the investment in research and development (R&D).

Within the STRABAG Group, Zentrale Technik (ZT) is in overall charge of the planning and execution of research and development projects. Organised as a central division with 700 highly qualified employees at 19 locations, ZT reports directly to the Deputy CEO. The division supports the group's operating units in the areas of tunnelling and civil engineering, structural engineering and turnkey construction. The range of services covers the entire construction process, from the early acquisition stage and bid processing to execution planning and site management. Research and development activities include the areas of building and construction physics, software, information & communications technology, energy, construction materials technology, civil engineering and tunnelling, transportation infrastructures and safety. ZT also fosters international innovation networks.

Central topics for our innovation activities are sustainable construction and renewable energy. The employees at the R&D locations develop methods and tools to control the impact that construction activities have on the environment. In this context, the CarbonTracker software developed by STRABAG was presented in 2012. CarbonTracker involves the systematic, automatic calculation of energy and carbon data contained within the available group databases.

2012 saw structural changes at the group's internal Gesellschaft zur Optimierung von Technischen Prozessen, Arbeitssicherheit und Qualität (TPA). TPA will remain the STRABAG Group's competence centre for quality management and construction materials-related research and devel-opment. Lean management adds new competences for the efficient planning of supply and production chains. The restructured TPA has 868 employees at 129 locations.

STRABAG's EFKON AG subsidiary provides the group with expertise in the research and development of intelligent transportation systems in general and electronic toll collection solutions in particular. The company has developed innovative products and solutions in the electronic toll collection segment for multi-lane traffic flow and has already introduced these onto the international market. The technology company based in Raaba near Graz, Austria, is seeing a lot of international demand and was able to achieve an export ratio of 87 % in 2012.

In addition to specific research projects at the group's units and subsidiaries, a large part of the research and development activities takes place at ongoing construction projects – especially involving façade technology, tunnelling, construction engineering and ground engineering. During construction in these areas, new challenges or concrete questions often arise which require new technological processes or innovative solutions on site and which thus also contribute to the group's research, development and innovation activity.

The STRABAG Group spent about € 17 million (2011: € 15 million) on research, development and innovation activities during the 2012 financial year.

# ENVIRONMENT

Ecological responsibility has been a topic within the group for years. It begins with the planning of buildings and structures and continues through to their construction and related services such as property and facility management. A topic of increasing relevance is energy. In the year under report, the energy costs for the companies within STRABAG SE's scope of consolidation amounted to nearly € 347 million and represented a considerable portion of the total costs within the group. Without measures to raise energy efficiency, energy costs in the next few years can be expected to go up in response to price hikes and legislative changes. For this reason, the company has begun with the realisation of a comprehensive energy management programme. This is targeted on the following positive results: reduced energy costs, increased potential for tax savings, better environmental protection as a result of reduced emissions, and more sustainability regarding resource use.

Energy management at STRABAG consists of the three stages of "measure", "analyse & develop" and "implement". The group's carbon footprint for 2012, which comprises all consolidated companies in 60 countries, yielded the following results: within the group, a total of 1,293,352 tonnes of $CO_2$ were emitted in the period under report, which represents a decline of 1 %, or approx. 19,500 tonnes of $CO_2$, compared to the previous year.

Following data calculation, the focus was on data analysis. The company is working on an "energy atlas" to make the data for energy and resource use within the STRABAG Group easier to compare. This involves defining key performance indicators, assigning energy and resource use to individual areas and comparing these with each other using the data from the CarbonTracker as a basis.

# DISCLOSURES PURSUANT TO SECTION 243A PARA 1 UGB

**1.** The share capital of STRABAG SE amounts to € 114,000,000 and consists of 114,000,000 fully paid-in, no-par value shares with a pro-rata value of € 1 per share of the share capital. 113,999,997 shares are bearer shares and are traded on the Prime Market Segment of the Vienna Stock Exchange. Three shares are registered shares. Each bearer share and each registered share accounts for one vote (one share – one vote). The nomination rights associated with registered shares No. 1 and No. 2 are described in more detail under Item 4.

**2.** The Haselsteiner Group (Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner), the Raiffeisen Group (Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H, BLR-Baubeteiligungs GmbH, "Octavia" Holding GmbH), the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Österreich Versicherungen AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., Raiffeisen Versicherung AG) and Rasperia Trading Limited (controlled by Oleg Deripaska), as shareholders of STRABAG SE, have signed a syndicate agreement governing (1) nom-ination rights regarding the supervisory board, (2) the coordination of voting during the Annual General Meeting, (3) restriction on the transfer of shares and (4) joint development of the Russian market as a core market. The Haselsteiner Group, the Raiffeisen Group together with the UNIQA Group, and Rasperia Trading Limited each have the right to nominate two members of the supervisory board. The syndicate agreement also requires the syndicate partners to exercise their voting rights from syndicated shares unanimously at the Annual General Meeting of STRABAG SE. The syndicate agreement further foresees restrictions on the transfer of shares in the form of mutual preemptive rights as well as a minimum shareholding on the part of the syndicate partners.

In accordance with Sec 65 Para 5 of the Austrian Stock Corporation Act (AktG), all rights were suspended for 10,912,340 no-par shares (about 9.57 % of the share capital) effective 31 December 2012 as these shares are held by STRABAG SE as own shares as defined in Sec 65 Para 1 No 8 of the Austrian Stock Corporation Act (AktG) (see also Item 7).

**3.** To the knowledge of STRABAG SE, the following shareholders held a direct or indirect interest of at least 10 % of the share capital of STRABAG SE on 31 December 2012:

- Haselsteiner Familien-Privatstiftung 29.21 %
- Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H. (Raiffeisen Group) 15.31 %
- UNIQA Versicherungen AG (UNIQA Group) 14.88 %
- Rasperia Trading Limited 17.60 %

In addition to its 17.60 % interest, core shareholder Rasperia Trading Limited also holds an option, valid until 15 July 2014, to buy a further 7.40 % of STRABAG SE from the other core shareholders mentioned above.

In exercising the authorisation by the 7th Annual General Meeting from 10 June 2011 and the renewed authorisation by the 8th Annual General Meeting from 15 June 2012 to acquire own shares in accordance with Sec 65 Para 1 No 8 of the Austrian Stock Corporation Act (AktG), the company by 31 December 2012 acquired 10,912,340 no-par shares, corresponding to about 9.57 % of the share capital (see also Item 7).

The remaining shares of the share capital of STRABAG SE, amounting to about 13.42 % of the share capital, are in free float.

**4.** Three shares are – as mentioned under Item 1 – registered shares entered in the shareholder register. Registered shares No. 1 and No. 3 are held by the Haselsteiner Group and registered share No. 2 is held by Rasperia Trading Limited. Registered shares No. 1 and No. 2 allow their bearers to nominate a member each to the supervisory board of STRABAG SE.

**5.** No employee stock option programmes exist.

**6.** No further regulations exist beyond Items 2 and 4 regarding the nomination and recall of members of the management and supervisory boards or regarding changes to the Articles of Association which do not result directly from relevant law and legislation.

**7.** The management board of STRABAG SE was again authorised by resolution of the 8th Annual General Meeting of 15 June 2012, in accordance with Sec 65 Para 1 No 8 and Para 1a and 1b of the Austrian Stock Corporation Act (AktG), to acquire bearer or registered no-par shares of the company on the stock market or over the counter to the extent of up to 10 % of the share capital during a period of twelve months from 10 July 2012 at a minimum price per share of € 1.00 and a maximum price per share of € 34.00. The purpose of the acquisition may not be to trade with own shares. The authorisation can be exercised in full or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Sec 228 Para 3 UGB) or third parties acting on behalf of the company. The management board can decide to acquire shares on the stock exchange but must inform the supervisory board following decision to do so. Over-the-counter purchases require prior approval by the supervisory board. The management board was further authorised, in accordance with Sec 65 Para 1b AktG, for a period of five years from this resolution, to sell or assign its own shares, with approval by the supervisory board, in a manner other than on the stock market or through a public tender, to the exclusion of the shareholders' buyback rights (subscription rights), and to determine the conditions of sale. The authorisation can be exercised in full or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Sec 228 Para 3 UGB) or third parties acting on behalf of the company.

**8.** With the exception of the agreements over a syndicated surety loan and a syndicated cash credit line, there exist no significant agreements to which STRABAG SE is party and which would become effective, change or end due to a change of ownership in STRABAG SE following a takeover offer.

**9.** No compensation agreements exist between STRABAG SE and its management and supervisory board members or employees in the event of a public takeover offer.

# RELATED PARTIES

Business transactions with related parties are described in item 27 of the Notes.

# SUPPORTING INFORMATION

At the beginning of March 2009, an accident occurred during underground construction at the South Lot for the North-South urban metro line in Cologne, resulting in the collapse of the Historical Archive of the City of Cologne and significant portions of two neighbouring buildings. Debris collapsed into a hole which opened next to the North-South construction site at the Waidmarkt crossover junction. Two people were trapped under the rubble, and rescuers were only able to recover their bodies. Construction on the underground is being carried out by a joint venture (JV) of Bilfinger SE (formerly Bilfinger Berger SE), Wayss & Freytag Ingenieurbau AG and STRABAG. The JV is led by Bilfinger SE on the technical side and by Wayss & Freytag Ingenieurbau AG on the commercial side. STRABAG holds a 33.3 % interest in the JV.

The cause of the collapse remains unknown. The public prosecutor's office began an investigation with three separate experts into possible negligent homicide and endangerment in construction. Two independent proceedings are being conducted by the District Court in Cologne: one to collect evidence as to the cause of the accident and another to establish the damage to the buildings and archives. A model of the building is currently being built to help determine the cause and the damages, with completion expected no sooner than 2014. We continue to believe that the incident will not result in any significant damages for the company.

# OUTLOOK AND OBJECTIVES

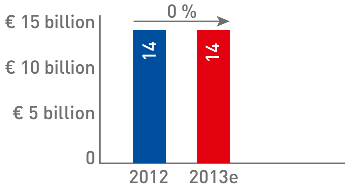
Thanks to STRABAG's successful strategy of diversification and the related diversification of risk, the lack of public-sector infrastructure investments in Europe have so far not resulted in any major declines in the company's output. Based on the balanced business in terms of regions and segments, STRABAG SE expects the output for the 2013 financial year to remain unchanged over 2012 at € 14.0 billion. This will likely be composed of € 5.8 billion from the segment North + West, € 5.0 billion from the segment South + East and € 3.0 billion from the segment International + Special Divisions. The rest can be allotted to "Other". A further, expected reduction in Poland should be countered by increases in tunnelling, in the international business and in building construction in Austria.

While the management board of STRABAG SE expects another slight worsening of the business environment in the European construction sector in 2013, it also believes that there will be no larger negative nonrecurrence items as in 2012. The management board therefore expects to see the group's EBIT grow to at least € 260 million in the 2013 financial year. Against this backdrop, the net investments (CAPEX incl. minor acquisitions) should remain at the same level as 2012 and will likely come to rest at about € 475 million.

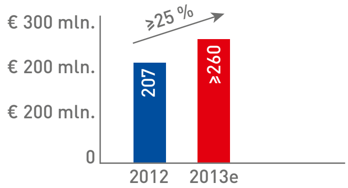
STRABAG makes these forecasts on the assumption that the economic framework in Europe will remain unchanged in the coming year. This means that the financing environment for the private and industrial clients should not worsen further, conversely, however, that a rapid recovery of the conditions or a significant increase in government spending cannot be expected in the STRABAG core markets.

DETAILED OUTLOOK IN THE SEGMENT REPORTS

## OUTPUT OUTLOOK




## EBIT-OUTLOOK




# EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the close of the financial year.

# AUDITOR'S REPORT

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of

**STRABAG SE,**
**Villach,**

for the year from 1 January to 31 December 2012. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2012, the consolidated income statement/consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 31 December 2012 and a summary of significant accounting policies and other explanatory notes.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND FOR THE ACCOUNTING SYSTEM

The company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITOR'S RESPONSIBILITY AND DESCRIPTION OF TYPE AND SCOPE OF THE STATUTORY AUDIT

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing, as well as in accordance with International Standards on Auditing (ISAs), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the group as of 31 December 2012 and of its financial performance and its cash flows for the year from 1 January to 31 December 2012 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

## REPORT ON THE MANAGEMENT REPORT FOR THE GROUP

Pursuant to statutory provisions, the management report for the group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the company's position. The auditor's report also has to contain a statement as to whether the management report for the group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Business Enterprise Code) are appropriate.

In our opinion, the management report for the group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Business Enterprise Code) are appropriate.

Linz, 9 April 2013

KPMG Austria AG
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Dr. Helge Löffler
Wirtschaftsprüfer

Mag. Peter Humer
Wirtschaftsprüfer

(Austrian Chartered Accountants)

This report is a translation of the original report in German, which is solely valid.

Publication of the financial statements together with our auditor's opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Business Enterprise Code) applies.

# INDIVIDUAL FINANCIAL STATEMENTS

# BALANCE SHEET FOR THE YEAR ENDING 31. DECEMBER 2012

| ASSETS | 31.12.2012 € | 31.12.2011 T€ |
|---|---|---|
| **A. Non-current assets:** | | |
| I. Property, plant and equipment: | | |
| Other facilities, furniture and fixtures and office equipment | 974,914.52 | 980 |
| II. Financial assets: | | |
| 1. Investments in subsidiaries | 2,143,546,276.35 | 2,009,833 |
| 2. Loans to subsidiaries | 108,000,000.00 | 0 |
| 3. Investments in participation companies | 25,803,173.58 | 320,855 |
| 4. Own shares | 228,115,014.03 | 185,234 |
| 5. Other loans | 1,716,714.37 | 1,952 |
| | **2,507,181,178.33** | **2,517,875** |
| | **2,508,156,092.85** | **2,518,855** |
| **B. Current Assets:** | | |
| I. Accounts receivable and other assets: | | |
| 1. Trade receivables | 516,135.12 | 589 |
| 2. Receivables from subsidiaries | 632,654,052.41 | 584,060 |
| 3. Receivables from participation companies | 6,132,320.46 | 5,719 |
| 4. Other receivables and assets | 100,896,706.52 | 98,616 |
| | **740,199,214.51** | **688,984** |
| II. Cash assets, including bank accounts | 9,125,256.84 | 3,088 |
| | **749,324,471.35** | **692,072** |
| **C. Accruals and deferrals** | **7,448,383.00** | **2,591** |
| | **3,264,928,947.20** | **3,213,518** |

| EQUITY AND LIABILITIES | 31.12.2012 € | 31.12.2011 T€ |
|---|---|---|
| **A. Equity:** | | |
| I. Share capital | 114,000,000.00 | 114,000 |
| II. Capital reserves | | |
| 1. Committed | 2,148,047,129.96 | 2,148,047 |
| 2. Uncommitted | 0.00 | 13,768 |
| | **2,148,047,129.96** | **2,161,815** |
| III. Retained earnings | | |
| 1. Legally required reserves | 72,672.83 | 73 |
| 2. Voluntary reserves | 34,823,759.42 | 74,195 |
| | **34,896,432.25** | **74,268** |
| IV. Reserve for own shares | 228,115,014.03 | 185,234 |
| V. Unappropriated net profit (thereof profit brought forward € 5,908,200.00; previous year: T€ 0) | 22,800,000.00 | 68,400 |
| | **2,547,858,576.24** | **2,603,717** |
| **B. Provisions:** | | |
| 1. Provisions for severance payments | 315,788.00 | 293 |
| 2. Provisions for taxes | 13,361,814.89 | 13,362 |
| 3. Other provisions | 15,163,726.91 | 28,760 |
| | **28,841,329.80** | **42,414** |
| **C. Accounts payable:** | | |
| 1. Bonds | 450,000,000.00 | 425,000 |
| 2. Bank borrowings | 198,440,924.65 | 93,000 |
| 3. Trade payables | 1,916,030.87 | 1,481 |
| 4. Payables to subsidiaries | 11,468,845.55 | 15,577 |
| 5. Other payables (thereof taxes € 39,753.15; previous year: T€ 38; thereof social security liabilities € 25,451.91; previous year: T€ 24) | 26,403,240.09 | 32,328 |
| | **688,229,041.16** | **567,386** |
| | **3,264,928,947.20** | **3,213,518** |
| Contingent liabilities | 253,639,084.09 | 233,203 |

# INCOME STATEMTENT FOR THE 2012 FINANCIAL YEAR

| | 2012 € | 2011 T€ |
|---|---|---|
| 1. Revenue (Sales) | 56,826,406.44 | 53,093 |
| 2. Other operating income | 2,272,935.19 | 1,568 |
| 3. Cost of materials and services: | | |
| a) Materials | -74,862.61 | -61 |
| b) Services used | -16,083,338.30 | -16,954 |
| | **-16,158,200.91** | **-17,015** |
| 4. Employee benefits (Personnel expense): | | |
| a) Salaries | -2,259,009.18 | -8,233 |
| b) Severance payments and contributions to employee benefit plans | -114,447.40 | -140 |
| c) Statutory social security contributions, as well as payroll-related and other mandatory contributions | -449,777.98 | -428 |
| d) Other social expenditure | -141,264.51 | -154 |
| | **-2,964,499.07** | **-8,955** |
| 5. Depreciation | -5,185.37 | -5 |
| 6. Other operating expenses: | | |
| a) Taxes, other than those included in item 15 | -94,806.39 | -195 |
| b) Miscellaneous | -63,454,689.74 | -23,520 |
| | **-63,549,496.13** | **-23,715** |
| 7. Subtotal of items 1 through 6 **(operating result)** | **-23,578,039.85** | **4,971** |
| 8. Income from investments (thereof from subsidiaries € 77,028,216.68; previous year: T€ 118,525) | 85,404,649.56 | 119,010 |
| 9. Other interest and similar income (thereof from subsidiaries € 27,477,630.45; previous year: T€ 27,635) | 28,693,103.17 | 28,438 |
| 10. Income from disposal and write-up of financial assets and marketable securities | 279,182.60 | 0 |
| 11. Expenses related to financial assets and marketable securities: | | |
| a) Depreciation of investments in subsidiaries | -4,673,256.71 | -33,394 |
| b) Depreciation (others) | 0.00 | -55,500 |
| c) Expenses from subsidiaries | -46,320,495.60 | -5,567 |
| d) Miscellaneous | -0.07 | -15,387 |
| | **-50,993,752.38** | **-109,847** |
| 12. Interest and similar expenses (thereof from subsidiaries € 74,941.59; previous year: T€ 15) | -30,369,438.26 | -26,176 |
| 13. Subtotal of item 8 through 12 (**financial result**) | **33,013,744.69** | **11,425** |
| **14. Results from ordinary business activities** | **9,435,704.84** | **16,396** |
| 15. Taxes on income and gains: | | |
| a) Income tax | -27,145.93 | -263 |
| b) Tax allocation | -2,775,506.50 | -2,309 |
| | **-2,802,652.43** | **-2,572** |
| **16. Net income for the year** | **6,633,052.41** | **13,824** |
| 17. Changes in retained earnings (voluntary reserves) | 10,258,747.59 | 54,576 |
| **18. Profit for the period** | **16,891,800.00** | **68,400** |
| 19. Profit brought forward | 5,908,200.00 | 0 |
| **20. Unappropriated net profit** | **22,800,000.00** | **68,400** |

# NOTES TO THE 2012 FINANCIAL STATEMENTS OF STRABAG SE, VILLACH

## I. APPLICATION OF AUSTRIAN BUSINESS ENTERPRISE CODE

These 2012 financial statements were prepared in accordance with the Austrian Business Enterprise Code (UGB).

The income statement was prepared in report form using the nature of expense method.

Additional information was provided in the Notes as far as it was necessary to ensure a true and fair view of the financial position, financial performance and cash flows.

The company is the topmost parent company of the companies within the scope of consolidation of STRABAG SE, Villach. The consolidated financial statements are deposited with the Landes- als Handelsgericht Klagenfurt (District and Commercial Court Klagenfurt).

The company is governed by the legal framework which applies to a large corporation (Kapitalgesellschaft) as defined by Section 221 of the Austrian Business Enterprise Code (UGB).

## II. ACCOUNTING POLICIES

The financial statements were prepared in accordance with the “principles of orderly accounting” and following the general norm of presenting a true and fair view of the financial position, financial performance and cash flows.

The financial statements were prepared in conformity with the “principle of completeness”.

The valuation premise adopted is that of a going concern.

Individual assets and liabilities were valued in accordance with the “principle of individual valuation”.

The financial statements were prepared in accordance with the “principle of prudence” by only reporting profit which was realised on the balance sheet date.

All recognisable risks and impending losses which occurred in 2012 or an earlier financial year were taken into consideration.

The previously applied valuation method was kept.

Property, plant and equipment are valued at historical cost less accumulated depreciation.

Low-value assets are depreciated in full in the year in which they are acquired.

Extraordinary depreciation is undertaken where it is necessary to apply the lower value method.

Financial assets are valued at historical cost or a lesser value if one is attributable.

The company has not exercised its option to capitalise deferred taxes in accordance with Section 198 Paragraph 10 of the Austrian Business Enterprise Code (UGB).

Trade and other receivables are reported at nominal value. The valuation of foreign currency receivables follows the strict “lowest value principle”.

Individual value adjustments are made for recognisable risks.

All recognisable risks and impending losses were taken into account in the calculation of provisions in accordance with the legal framework.

The provisions for severance payments were calculated using recognised actuarial principles, an interest rate of 3.5 % (previous year: 4 %), and a retirement age of 62 for women (previous year: 62) and 62 for men (previous year: 62).

Liabilities are valued at the amount repayable. Foreign currency liabilities are valued in accordance with the “highest value principle”.

## III. NOTES TO THE BALANCE SHEET

### Non-current assets

The non-current assets are itemised and their changes in the year under report are recorded in the Statement of Changes in Non-current Assets. (Appendix 1 to the notes)

Due to long-term rentals, letting and leasing, the use of property, plant and equipment not shown in the balance sheet results in an obligation of € 6,637,823.52 (previous year: T€ 6,468) for the 2013 financial year. The sum of all obligations for the next five years is € 33,189,117.60 (previous year: T€ 32,340).

Information on investments can be found in the list of Participations. (Appendix 2 to the notes)

### Accounts receivable and other assets

The following trade and other receivables have a remaining term of more than one year:

| | 31.12.2012 € | 31.12.2011 T€ |
|---|---:|---:|
| Receivables from subsidiaries | 264,400,000.00 | 263,123 |
| Other receivables and other assets | 18,556,000.00 | 17,656 |
| | 282,956,000.00 | 280,779 |

All other reported trade and other receivables have a remaining term of up to one year.

Receivables from subsidiaries involve financing, routine clearing and the calculation of group and tax allocations as well as transfers of profits.

The item “Other receivables and other assets” includes income of € 171,723.16 (previous year: T€ 120) which will be cash effective after the balance sheet date.

### Equity

The fully paid in share capital amounts to € 114,000,000.00 and is divided into 113,999,997 no-par bearer shares and three registered shares.

The management board was authorised, with the approval of the supervisory board, to increase the share capital of the company by up to € 57,000,000.00 by 19 June 2014, in several tranches if necessary, by issuing up to 57,000,000 registered no-par shares for cash or contributions in kind (approved capital). In the case of capital increase through contributions in kind, the partial or full exclusion of the shareholders’ subscription rights is possible.

The exercise, issue price and conditions of issue shall be determined with the approval of the supervisory board. The supervisory board was authorised to determine the necessary changes to the Articles of Association required upon the issuance of shares from the approved capital.

The following resolutions were passed at the Annual General Meeting of 15 June 2012:

The management board was authorised to acquire no-par bearer or registered shares of the company on the stock market or over the counter to the extent of up to 10 % of the share capital during a period of twelve months from 10 July 2012 at a minimum price per share of  € 1.00 and a maximum price per share of € 34.00. The purpose of the acquisition may not be to trade with own shares. The authorisation can be exercised in full, in part or in several partial amounts for one or several purposes by the company, a subsidiary (Section 228 Paragraph 3 of the Austrian Business Enterprise Code) or third parties acting on behalf of the company.

The management board of STRABAG SE can decide to acquire shares on the stock exchange but must inform the supervisory board following decision to do so. Over-the-counter purchases require prior approval by the supervisory board.

The management board was also authorised, for a period of five years from this resolution (Section 65 Paragraph 1b of the Austrian Stock Corporation Act), to sell or assign its own shares, with approval by the supervisory board, in a manner other than on the stock market or through a public tender, to the exclusion of the shareholders’ buyback rights (subscription rights), and to determine the conditions of sale. The authorisation can be exercised in full, or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Section 228 Paragraph 3 of the Austrian Business Enterprise Code) or third parties acting on behalf of the company.

The renewed authorisation of the management board to acquire own shares thus seamlessly follows the authorisation as per resolution by the Annual General Meeting of 10 June 2011.

The authorisation is to be exercised by the management board in such a way that, under consideration of the already acquired number of shares, a maximum of 11,400,000 shares is not exceeded and at no time the acquisition of own shares exceeds the 10 % limit.

The management board was authorised, with approval from the supervisory board, to issue financial instruments within the meaning of Section 174 of the Austrian Stock Corporation Act (AktG), in particular convertible bonds, income bonds, profit participation rights with a total nominal value of up to € 1,000,000,000.00 which may also confer subscription and/or exchange rights for the acquisition of up to 50,000,000 shares of the company and/or may be designed in such a way that they can be issued as equity, also in several tranches and in different combinations, up to five years inclusive from the day of this resolution, also indirectly by way of a guarantee for the issue of financial instruments through an associate or related entity of the company with conversion rights on shares of the company. For the servicing, the management board may use the conditional capital or own shares. The issue amount and issue conditions, as well as the possible exclusion of the shareholders' subscription rights for the issued financial instruments, are to be determined by the management board with the approval of the supervisory board.

Also approved was a conditional increase of the share capital of the company pursuant to Section 159 Paragraph 2 No. 1 of the Austrian Stock Corporation Act (AktG) by up to € 50,000,000.00 through the issue of up to 50,000,000 new bearer shares with no face value (no-par shares) for issue to creditors of financial instruments within the meaning of the Annual General Meeting resolution of 15 June 2012, provided the creditors of financial instruments exercise their subscription and/or exchange rights for shares of the company. The issue amount and the exchange ratio are to be determined based on recognised actuarial methods and the price of the shares of the company in a recognised pricing procedure. The newly issued shares of the conditional capital increase carry a dividend entitlement corresponding to that of the shares traded on the stock market at the time of the issue. The management board is authorised, with the approval of the supervisory board, to establish the further details of the implementation of the conditional capital increase. The supervisory board is authorised to pass resolution on any amendments to the Articles of Association resulting from the issue of shares within the scope of the conditional capital.

By 31 December 2012, 10,912,340 no-par shares corresponding to 9.57 % of the share capital were acquired by the company. This corresponds to an amount of € 10,912,340.00 of the share capital. The acquisition was between July 2011 and December 2012. The average purchase price per share was € 20.90.

**Provisions**

Other provisions were made for profit sharing, investment risks, claims and legal and consulting fees.

**Accounts payable**

| | REMAINING TERM < ONE YEAR € | REMAINING TERM > ONE YEAR € | REMAINING TERM > FIVE YEARS € | BOOK VALUE € | REAL SECURITIES € |
|---|---|---|---|---|---|
| 1. Bonds | 75,000,000.00 | 100,000,000.00 | 275,000,000.00 | 450,000,000.00 | 0.00 |
| *Previous year in T€* | *75,000* | *175,000* | *175,000* | *425,000* | *0* |
| 2. Bank borrowings | 58,440,924.65 | 116,500,000.00 | 23,500,000.00 | 198,440,924.65 | 0.00 |
| *Previous year in T€* | *38,000* | *55,000* | *0* | *93,000* | *0* |
| 3. Trade payables | 1,916,030.87 | 0.00 | 0.00 | 1,916,030.87 | 0.00 |
| *Previous year in T€* | *1,481* | *0* | *0* | *1,481* | *0* |
| 4. Payables to subsidiaries | 11,468,845.55 | 0.00 | 0.00 | 11,468,845.55 | 0.00 |
| *Previous year in T€* | *15,577* | *0* | *0* | *15,577* | *0* |
| 5. Other payables | 25,024,426.39 | 1,378,813.70 | 0.00 | 26,403,240.09 | 0.00 |
| *Previous year in T€* | *29,121* | *3,208* | *0* | *32,328* | *0* |
| | **171,850,227.46** | **217,878,813.70** | **298,500,000.00** | **688,229,041.16** | **0.00** |
| *Previous year in T€* | *159,178* | *233,208* | *175,000* | *567,386* | *0* |

Payables to subsidiaries involve routine clearing, liabilities from cash-clearing as well as the clearing of tax allocation.

The item "Other payables" includes costs of € 14,794,949.07 (previous year: T€ 12,447) which will be cash effective after the balance sheet date.

**Contingent liabilities**

The contingent liabilities which must be shown in the balance sheet in accordance with Article 199 of the Austrian Business Enterprise Code (UGB) involve exclusively guarantee and indemnity liabilities.

The contingent liabilities reported include € 240,416,678.24 (previous year: T€ 219,914) in contingent liabilities for affiliated companies.

**Off-balance sheet transactions**

Performance bonds in the amount of € 194,315,906.56 (previous year: T€ 192,428) exist for construction projects of subsidiaries.

## IV. NOTES TO THE INCOME STATEMENT

**Revenue (Sales)**

| | 2012<br>€ | 2011<br>T€ |
|---|---|---|
| Domestic revenue | 25,673,052.10 | 18,585 |
| Foreign revenue | 31,153,354.34 | 34,508 |
| | **56,826,406.44** | **53,093** |

**Employee benefits (personnel expense)**

The company employed on the average 6 employees during the year (previous year: 6 employees).

100 % of the expenses for severance payments were recognised for management board members.

An amount of € 91,256.09 (previous year: T€ 85) for contributions to employee benefit plans is included in the severance payment expenses.

The salaries of the management board members[1)] in the 2012 financial year amounted to T€ 2,590 (previous year: T€ 8,480).

Supervisory board member salaries in the period under review amounted to € 135,000.00 (previous year: T€ 135).

**Other operating expense**

The other operating expenses reported mainly include indemnity payments, impairments of receivables, surety fees, legal and advisory costs, travel and advertising costs, insurance costs and other general administrative expenses.

**Expenses related to financial assets and marketable securities**

Losses on the disposal of financial assets with an amount of € 45,660,122.15 (previous year T€ 8) is included in the item expenses from subsidiaries.

**Taxes on income and gains**

The amount for active deferred taxes pursuant to Article 198 Paragraph 10 of the Austrian Business Enterprise Code (UGB) which may be capitalised is € 0.00 (previous year: T€ 0) because there is no additional tax expense except the minimum tax due to the fiscal losses of the company.

The reported tax expenses involve tax allocations to group members and foreign tax expenses.

1) In the past the remuneration paid in the respective financial year was disclosed. Starting with the 2012 financial year, the remuneration paid for the performance during the financial year will be stated. For better comparability, the figures from the previous year were adjusted.

## V. MISCELLANEOUS

The company is a group parent under Article 9 Paragraph 8 of the Austrian Corporate Income Tax Act (KStG) of 1988 as amended by BGBl. I 180/2004. Tax adjustments (both positive and negative allocations) between the group parent and the company were arranged in the form of tax allocation agreements.

An agreement was concluded with BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H., Spittal an der Drau, covering financial and management accounting, operating and cost accounting, payroll accounting, cash management, insurance management and facility management.

The **members** of the management and supervisory boards are listed separately (Appendix 3 to the notes).

The expenses for the auditor, KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz, for the financial year amount to € 619,890.00 (previous year: T€ 623), of which € 57,000.00 (previous year: T€ 56) are for the audit of the financial statements, € 520,000.00 (previous year: T€ 510) for other audit services and € 42,890.00 (previous year: T€ 57) for miscellaneous services.

Villach, 9 April 2013

**Management Board**

**Dr. Hans Peter Haselsteiner**

**Dr. Thomas Birtel** **Mag. Christian Harder**

**Dr. Peter Krammer** **Mag. Hannes Truntschnig**

**Dipl.-Ing. Siegfried Wanker**

Appendix 1 to the Notes: Statement of Changes in Non-Current Assets
Appendix 2 to the Notes: List of Participations
Appendix 3 to the Notes: Management and Supervisory Board

# STATEMENT OF CHANGES IN NON-CURRENT ASSETS AS OF 31 DECEMBER 2012

| | ACQUISITION AND PRODUCTION COSTS | | |
|---|---|---|---|
| | BALANCE 1.1.2012 € | ADDITIONS € | DISPOSALS € |
| **I. Tangible Assets:** | | | |
| **Other facilities, furniture and fixtures and office equipment** | **1,140,556.36** | **0.00** | **0.00** |
| **II. Financial Assets:** | | | |
| 1. Investments in subsidiaries | 2,156,467,028.46 | 583,468,150.95 | 553,949,307.82 |
| 2. Loans to subsidiaries | 0.00 | 108,000,000.00 | 0.00 |
| 3. Investments in participation companies | 384,306,376.15 | 5,364,500.00 | 355,416,694.57 |
| 4. Own shares | 185,234,377.63 | 42,880,636.40 | 0.00 |
| 5. Other loans | 1,952,233.51 | 61,480.87 | 297,000.01 |
| | **2,727,960,015.75** | **739,774,768.22** | **909,663,002.40** |
| | **2,729,100,572.11** | **739,774,768.22** | **909,663,002.40** |

| BALANCE 31.12.2012 € | ACCUMULATED DEPRECIATION € | CARRYING VALUES 31.12.2012 € | CARRYING VALUES 31.12.2011 € | DEPRECIATION FOR THE PERIOD € |
|---|---|---|---|---|
| | | | | |
| **1,140,556.36** | **165,641.84** | **974,914.52** | **980,099.89** | **5,185.37** |
| | | | | |
| 2,185,985,871.59 | 42,439,595.24 | 2,143,546,276.35 | 2,009,832,525.27 | 4,673,256.71 |
| 108,000,000.00 | 0.00 | 108,000,000.00 | 0.00 | 0.00 |
| 34,254,181.58 | 8,451,008.00 | 25,803,173.58 | 320,855,368.15 | 0.00 |
| 228,115,014.03 | 0.00 | 228,115,014.03 | 185,234,377.63 | 0.00 |
| 1,716,714.37 | 0.00 | 1,716,714.37 | 1,952,233.51 | 0.00 |
| **2,558,071,781.57** | **50,890,603.24** | **2,507,181,178.33** | **2,517,874,504.56** | **4,673,256.71** |
| **2,559,212,337.93** | **51,056,245.08** | **2,508,156,092.85** | **2,518,854,604.45** | **4,678,442.08** |

# LIST OF PARTICIPATIONS (20.00 % INTEREST MINIMUM)

| NAME AND RESIDENCE OF THE COMPANY | INTEREST % | EQUITY/ NEGATIVE EQUITY T€1) | RESULT OF THE LAST FINANCIAL YEAR T€2) |
|---|---|---|---|
| **Investments in subsidiaries:** | | | |
| AKA-FinCo Zrt., Budapest | 100.00 | 19 4) | -1 4) |
| AKA-HoldCo Zrt., Budapest | 100.00 | 19 4) | -1 4) |
| Asphalt & Beton GmbH, Spittal an der Drau | 100.00 | 612 | 1,051 |
| Astrada AG, Subingen | 100.00 | 12,570 | 397 |
| "A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH", Spittal an der Drau | 100.00 | 28,582 | 1,083 |
| Bau Holding Beteiligungs AG, Spittal an der Drau | 65.00 | 1,088,538 | 55,922 |
| Baukontor Gaaden Gesellschaft m.b.H., Gaaden | 100.00 | 1,738 | 6 |
| BHG Bitumen d.o.o. Beograd, Belgrad | 100.00 | 179 | 13 |
| BHG Sp.z o.o., Pruszkow | 100.00 | 1,454 | 328 |
| Brunner Erben Holding AG, Zürich | 100.00 | 20,216 | 306 |
| CESTAR d.o.o., Slavonski Brod | 74.90 | 2,666 | 592 |
| CLS Construction Legal Services GmbH, Köln | 100.00 | 146 | 121 |
| CLS Construction Legal Services GmbH, Wien | 100.00 | 36 4) | 5 4) |
| CLS CONSTRUCTION SERVICES s. r. o., Bratislava | 100.00 | 14 | 5 |
| CLS CONSTRUCTION SERVICES s.r.o., Prag | 100.00 | -9 | 5 |
| CLS Kft., Budapest | 100.00 | 88 | 1 |
| CLS Legal Sp.z o.o., Pruszkow | 100.00 | 275 | 3 |
| CROATIA ASFALT d.o.o., Zagreb | 100.00 | 5) | 5) |
| DRP, d.o.o., Ljubljana | 100.00 | 386 | 715 |
| Ed. Züblin AG, Stuttgart | 57.26 | 140,615 | 59,918 |
| Egolf AG Strassen- und Tiefbau, Weinfelden | 100.00 | 11,893 | 5,020 |
| Errichtungsgesellschaft Strabag Slovensko s.r.o., Bratislava-Ruzinov | 100.00 | 480 | 235 |
| Erste Nordsee-Offshore-Holding GmbH, Pressbaum | 51.00 | 40,004 | -193 |
| EVN S.r.l., Rom | 100.00 | 100 6) | -41 6) |
| Facility Management Holding RF GmbH, Wien | 51.00 | 81 4) | -7 4) |
| Flogopit d.o.o., Novi Beograd | 100.00 | 15 | -54 |
| G15 Projekt GmbH, Baar | 100.00 | 3) | 3) |
| GRADBENO PODJETJE IN KAMNOLOM GRASTO d.o.o., Ljubljana | 99.85 | 3,844 | 247 |
| Ilbau Liegenschaftsverwaltung GmbH, Hoppegarten | 99.99 | 59,019 | -89,408 |
| Kamen-Ingrad gradnja i rudarstvo d.o.o. u likvidaciji, Zagreb | 51.00 | 5) | 5) |
| Karlovarske silnice, a. s., Ceske Budejovice | 100.00 | 2,548 | 13 |
| KMG - KLIPLEV MOTORWAY GROUP A/S, Kopenhagen | 100.00 | 440 | 1,215 |
| LPRD (LESZCZYNSKIE PRZEDSIEBIORSTWO ROBOT DROGOWO)-MOSTOWYCH Sp.z o.o., Leszno | 57.29 | 6,319 | -535 |
| Mazowieckie Asfalty Sp.z o.o., Warschau | 100.00 | -13 4) | -5 4) |
| Mikrobiologische Abfallbehandlungs GmbH, Schwadorf | 51.00 | 1,422 4) | 320 4) |
| Mineral Abbau GmbH, Spittal an der Drau | 100.00 | -458 | 0 |
| MINERAL ROM S.R.L., Brasov | 26.87 | -2,094 | -468 |
| Norsk Standardselskap 154 AS, Oslo | 100.00 | 5) | 5) |
| Onezhskaya Mining Company LLC, Petrozavodsk | 59.00 | 5) | 5) |
| OOO CLS Construction Legal Services, Moskau | 100.00 | 131 | 85 |
| PNM, d.o.o., Ljubljana | 100.00 | 5) | 5) |
| Prottelith Produktionsgesellschaft mbH, Liebenfels | 52.00 | -2,360 4) | 45 4) |
| Przedsiebiorstwo Budownictwa Ogólnego i Uslug Technicznych Slask Sp.z o.o., Katowice | 60.98 | 2,300 | -1,312 |
| PRZEDSIEBIORSTWO ROBOT DROGOWYCH Sp.z o.o. W LIKWIDACJI, Choszczno | 100.00 | 5) | 5) |
| SAT OOO, Moskau | 51.00 | 853 | -16 |
| SAT REABILITARE RECICLARE S.R.L., Cluj-Napoca | 100.00 | 87 | 296 |
| SAT SANIRANJE cesta d.o.o., Zagreb | 100.00 | 218 | -2 |
| SAT SLOVENSKO s.r.o., Bratislava | 100.00 | 1,086 | 192 |
| SAT Ukraine, Brovary | 100.00 | 5) | 5) |
| "SBS Strabag Bau Holding Service GmbH", Spittal an der Drau | 100.00 | 300,566 | 31,958 |
| SF Bau vier GmbH, Wien | 100.00 | 2 | -11 |
| SOOO "STRABAG Engineering Center", Minsk | 60.00 | 38 | 0 |
| STR Irodaház Kft., Budapest | 100.00 | 105 4) | -190 4) |
| STRABAG A/S, Trige | 100.00 | -22 4) | -89 4) |
| STRABAG AG, Köln | 74.80 | 416,771 | 52,170 |

1) according to § 224 Para 3 UGB
2) Net income / loss of the year
3) New foundation (no financial statement as of 31.12.2012)
4) Financial statements as of 31.12.2011
5) No statement according to § 241 Para 2 UGB
6) Financial statements as of 30.06.2011

| NAME AND RESIDENCE OF THE COMPANY | INTEREST % | EQUITY/ NEGATIVE EQUITY T€[1] | RESULT OF THE LAST FINANCIAL YEAR T€[2] |
|---|---|---|---|
| STRABAG AG, Zürich | 100.00 | 19,238 | 2,075 |
| “Strabag Azerbaijan” L.L.C., Baku | 100.00 | -30,417 | -27,816 |
| STRABAG Beteiligungen International AG, Spittal an der Drau | 100.00 | 996 | 10 |
| STRABAG DOOEL Skopje, Skopje | 100.00 | [5] | [5] |
| STRABAG Infrastruktur Development, Moskau | 100.00 | -61 | 41 |
| STRABAG Installations pour l´Environenment SARL, Champagne | 100.00 | [5] | [5] |
| STRABAG Invest GmbH, Wien | 51.00 | -427[4] | -15[4] |
| STRABAG Oy, Helsinki | 100.00 | 822 | -1,278 |
| STRABAG Property and Facility Services a.s., Prag | 100.00 | 3,328 | 25 |
| STRABAG Ray Ltd. Sti., Ankara | 99.00 | [3] | [3] |
| STRABAG Real Estate GmbH, Köln | 84.50 | 21,117 | 3,354 |
| Strabag RS d.o.o., Banja Luka | 100.00 | [5] | [5] |
| STRABAG Sh.p.k., Tirana | 100.00 | -14[4] | -92[4] |
| STRABAG-HIDROINZENJERING d.o.o., Split | 100.00 | 3,078 | -43 |
| “STRABAG” d.o.o. Podgorica, Podgorica | 100.00 | 976[4] | 35[4] |
| TOO BI-Strabag, Astana | 60.00 | [5] | [5] |
| TOO STRABAG Kasachstan, Almaty | 100.00 | -142[4] | -187[4] |
| Treuhandbeteiligung MO | 100.00 | [5] | [5] |
| Zweite Nordsee-Offshore-Holding GmbH, Pressbaum | 51.00 | 77,625 | -322 |

| **Investments in participation companies:** | | | |
|---|---|---|---|
| A-Lanes A15 Holding B.V., Nieuwegein | 24.00 | [5] | [5] |
| ASAMER Baustoff Holding Wien GmbH, Wien | 20.00 | [5] | [5] |
| Asamer & Hufnagl Baustoff Holding Wien GmbH & Co. KG, Wien | 20.00 | [5] | [5] |
| DYWIDAG Verwaltungsgesellschaft mbH, München | 50.00 | [5] | [5] |
| Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH, Spittal an der Drau | 30.00 | [5] | [5] |
| Moser & C. SRL, Bruneck | 50.00 | [5] | [5] |
| OOO “STRATON-Infrastruktura”, Sotschi | 50.00 | [5] | [5] |
| SRK Kliniken Beteiligungs GmbH, Wien | 25.00 | [5] | [5] |
| Straktor Bau Aktien Gesellschaft, Kifisia | 50.00 | [5] | [5] |
| Syrena Immobilien Holding Aktiengesellschaft, Spittal an der Drau | 50.00 | [5] | [5] |

1) according to § 224 Para 3 UGB
2) Net income / loss of the year
3) New foundation (no financial statement as of 31.12.2012)
4) Financial statements as of 31.12.2011
5) No statement according to § 241 Para 2 UGB

# MANAGEMENT AND SUPERVISORY BOARD

## MANAGEMENT BOARD

Dr. Hans Peter HASELSTEINER (CEO)
Dr. Thomas BIRTEL (Deputy CEO since 1 January 2013)
Mag. Christan HARDER (since 1 January 2013)
Dr. Peter KRAMMER
Ing. Fritz OBERLERCHNER (Deputy CEO until 30 June 2012)
Mag. Hannes TRUNTSCHNIG
DI Siegfried WANKER

## SUPERVISORY BOARD

Dr. Alfred GUSENBAUER (Chairman)
Mag. Erwin HAMESEDER (Vice Chairman)
Andrei ELINSON
Mag. Kerstin GELBMANN
Dr. Gottfried WANITSCHEK
Ing. Siegfried WOLF

DI Andreas BATKE (works council)
Miroslav CERVENY (works council)
Magdolna P. GYULAINÉ (works council)
Wolfgang KREIS (works council)
Gerhard SPRINGER (works council)


STRABAG
STRABAG

# GROUP MANAGEMENT REPORT

## IMPORTANT EVENTS

### JANUARY

**€ 254 million transportation infrastructures contract in Poland**
At the beginning of January, the company signed an approx. € 254 million contract to build a 40 km section of the S8 expressway in Poland. The order also includes the construction of 18 bridges, the conversion of adjacent local and municipal roads, as well as the construction of a rest area including the technical infrastructure.

**Offshore wind project companies acquired**
In January, the contracts were finalised and signed for the acquisition of a 51 % interest in nine offshore wind project companies for the development, construction and subsequent operation of offshore wind turbines in the German North Sea. The contracts for six further project companies had already been concluded in 2011.

### FEBRUARY

**Bus rapid transit system in Tanzania**
STRABAG is building a bus rapid transit (BRT) infrastructure – an above-ground bus transport system with separate bus lanes and priority right of way – in Tanzania's main city of Dar es Salaam. The € 134 million contract includes the rehabilitation and expansion of a total of three main traffic arteries.

### MARCH

**Billion-euro Pedemontana Lombarda motorway in Italy**
The order for the STRABAG consortium includes the construction of a 50 km dual carriageway motorway with two or three lanes in each direction as well as 50 km of spurs and connecting routes to the existing road network. The contract also comprises 50 cut-and-cover tunnels as well as two bored tunnels including technical facilities, bridges and an approximately 80 km bicycle trail. Work on the € 1.7 billion order (STRABAG's expected share amounts to approx. € 1.0 billion) is to be completed in time for the Milan Universal Exposition in 2015.

**STRABAG SE places € 140 million bonded loan**
To help diversify its financing structure, STRABAG SE placed a € 140 million bonded loan with European and Asian financial institutions as well as institutional investors from Germany. The volume of the issue is divided among two fixed-interest and two variable tranches with terms to maturity of five and seven years.

**Extension of underground line U1 in Vienna**
STRABAG was awarded the two construction contract sections U1/9 – "Altes Landgut" and U1/10 – "Troststrasse" forming part of the extension of underground line U1 into the south of Vienna, Austria. The order value amounts to a total of around € 90 million.

**STRABAG Switzerland enters into strategic partnership with BH-Holding**
STRABAG reached an agreement over a strategic partnership with BH-Holding AG in the Swiss cantons of Zurich and Zug. The agreement gives STRABAG the option of assuming the construction works for projects acquired or developed by BH-Holding's construction subsidiary, Baunova Group. STRABAG will also assume operating management and a stake of 51 % in Baunova AG.

**Campus for Hamm-Lippstadt University of Applied Sciences for € 100 million**
The Hamm-Lippstadt University of Applied Sciences in Germany opened in temporary premises in 2009. By 2014, STRABAG subsidiary Ed. Züblin AG will have completed the turnkey construction of new lecture halls, laboratories, administration buildings and dining halls, as well as all exterior facilities and the execution planning. Within the planned construction time of 20 months, a total of around 38,000 m² of gross floor area will be built at the Hamm Campus and about 21,000 m² at Lippstadt.

**Ed. Züblin AG awarded large contract for "Stuttgart 21" transportation project**
The order encompasses the construction of the station concourse, of the access tunnels at the south and north ends of the station using the cut-and-cover method, and of the Hauptsammler West, Cannstatter Strasse and Nesenbach culverts in Stuttgart, Germany. The order has a net value of about € 320 million.

## APRIL

**Acquisition of Wallsee-based Brandner Wasserbau**
Effective retroactively to 1 January 2012, STRABAG SE acquired 100 % of Brandner Wasserbau GmbH, based in Wallsee, Austria. The family SME has been active in the fields of hydraulic engineering, sand and gravel mining, and hydrography for more than 200 years. The acquisition bolsters the STRABAG Group in the business field of hydraulic engineering and will allow the company to work the market with its own equipment and personnel.

## MAY

**STRABAG SE issues € 100 million corporate bond**
STRABAG SE issued a seven-year, € 100 million fixed-interest corporate bond with a face value of € 1,000.00 and a coupon of 4.25 %. The issue price was set at 101.45. The international ratings agency Standard & Poor's rates the 2012 STRABAG bond as investment grade with a rating of BBB-.

**New contracts for EFKON in India**
EFKON AG, a subsidiary of STRABAG SE, was awarded six contracts in the field of intelligent transportation systems (ITS) worth a total of around € 10 million in India.

## JUNE

**Renovation of National Road M2 in Moldova**
STRABAG was awarded the contract to renew a 48 km section of National Road M2 between Ghindeşti and Drochia by the Republic of Moldova and the Millennium Challenge Account (MCA Moldova). The project, worth approx. € 35 million, comprises the rehabilitation of roadway and bridges as well as the improvement of junctions within a construction period of 24 months.

**Changes to the organisational structure at STRABAG SE**
Hans Peter Haselsteiner will resign as CEO of STRABAG SE after the Annual General Meeting that will vote on the approval of the management board actions for the 2013 financial year – most likely in June 2014. As his designated successor, he will propose that the supervisory board select current management board member Thomas Birtel. At the same time, Deputy CEO Fritz Oberlerchner resigned from the management board effective 30 June 2012 to objectively lead the "STRABAG 2013ff" task force charged with evaluating the STRABAG Group's options regarding its organisational and strategic future. STRABAG also departed from the principle of assigning board member responsibility according to business segment as well as from the principle of having a technical and commercial director for each segment at the management board level and is instead assigning business responsibility by region. Effective 1 July 2012, the group is organised into the segments North + West, South + East and International + Special Divisions, as well as Other.

## JULY

**Tunnelling contract at world's largest copper mine in Chile**
STRABAG won a new tunnelling project at the world's largest copper mine in Chuquicamata in the Chilean desert. The tunnellers from STRABAG, together with those from STRABAG subsidiary Züblin Chile and a local partner, will build several tunnels to improve the infrastructure of the mine. The contract is worth about € 100 million and will be executed over a period of three years.

## SEPTEMBER

**School project in Hamburg**
The city of Hamburg, Germany, commissioned HEOS Berufsschulen Hamburg GmbH, a special purpose company set up in part by STRABAG Real Estate GmbH, with the planning, construction, renovation and management of 15 selected vocational schools. The € 700 million project is being carried out under a public-private partnership (PPP) model over 30 years including the approximately five-year construction and renovation period.

**STRABAG building waste treatment facility in Ljubljana**
The city of Ljubljana, Slovenia, awarded STRABAG the € 112 million contract to build the RCERO waste treatment facility for the generation of biogas from organic waste, the production of refuse-derived fuel and the recycling of reusable materials. The biogas facility with the patented STRABAG LARAN® plug flow fermenter will be one of the most state-of-the-art of its kind in Europe.

## NOVEMBER

**Large contract for Alto Maipo hydropower complex in Chile**
The Chilean tunnelling division of STRABAG SE signed a design and building contract for the majority of the tunnelling and civil engineering works of the Alto Maipo hydropower complex. The contract is one of the biggest private construction contracts in South America. The client is a subsidiary of the Chilean-based AES Gener and the US-based AES Corporation. The complete contract consists of tunnels and shafts with a total length of 46.5 km. The design and construction phase will last approximately four-and-a-half years.

**Contract on Vienna–Salzburg high-performance rail line**
After the opening of the high-performance rail line through the Tullnerfeld, ÖBB Infrastruktur AG is further upgrading the Westbahn line and awarded STRABAG the contract to build the section West between St. Pölten and Loosdorf. The contract has a value of about € 33 million.

## DECEMBER

**STRABAG SE appointed Chief Financial Officer (CFO)**
At its meeting of 14 December 2012, the supervisory board appointed Christian Harder (44), managing director of BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H., the STRABAG SE subsidiary responsible for the service functions of accounting, taxes, finances, IT, human resources, real estate, insurance and organisational development, to the management of STRABAG SE. He has assumed this position as of 1 January 2013. At the same time, Thomas Birtel was appointed Deputy CEO of the STRABAG SE management board.

**Stronger financial position through € 400 million syndicated cash credit line**
STRABAG SE arranged a revolving syndicated cash credit line with a consortium of banks in the amount of € 400 million. With a term of five years, the credit line represents a long-term loan commitment with which STRABAG further safeguards its comfortable liquidity position.

# COUNTRY REPORT

## OUTPUT VOLUME OF STRABAG SE BY COUNTRY 2011–2012

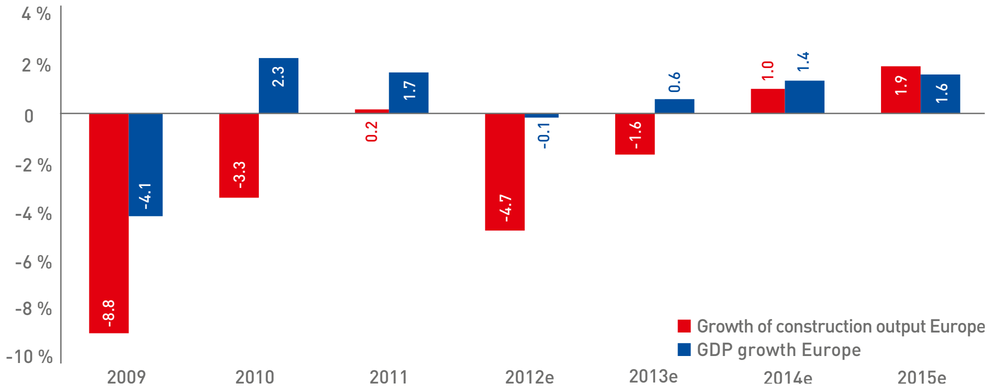
| € MLN. | 2012 | % OF TOTAL OUTPUT VOLUME 2012 | 2011 | CHANGE % | CHANGE ABSOLUTE | % OF TOTAL OUTPUT VOLUME 2011 |
|---|---|---|---|---|---|---|
| Germany | 5,779 | 41 % | 5,609 | 3 % | 170 | 39 % |
| Austria | 1,888 | 13 % | 1,985 | -5 % | -97 | 14 % |
| Poland | 1,139 | 8 % | 1,719 | -34 % | -580 | 12 % |
| Czech Republic | 646 | 5 % | 769 | -16 % | -123 | 5 % |
| Scandinavia | 579 | 4 % | 512 | 13 % | 67 | 4 % |
| Russia and neighbouring countries | 527 | 4 % | 487 | 8 % | 40 | 3 % |
| Benelux | 456 | 3 % | 360 | 27 % | 96 | 3 % |
| Switzerland | 425 | 3 % | 574 | -26 % | -149 | 4 % |
| Slovakia | 400 | 3 % | 441 | -9 % | -41 | 3 % |
| Hungary | 393 | 3 % | 436 | -10 % | -43 | 3 % |
| Romania | 372 | 3 % | 206 | 81 % | 166 | 1 % |
| The Americas | 348 | 2 % | 257 | 35 % | 91 | 2 % |
| Middle East | 305 | 2 % | 309 | -1 % | -4 | 2 % |
| Italy | 157 | 1 % | 186 | -16 % | -29 | 1 % |
| Croatia | 130 | 1 % | 106 | 23 % | 24 | 1 % |
| Africa | 125 | 1 % | 63 | 98 % | 62 | 1 % |
| Asia | 111 | 1 % | 109 | 2 % | 2 | 1 % |
| Rest of Europe | 83 | 1 % | 44 | 89 % | 39 | 0 % |
| Slovenia | 81 | 1 % | 49 | 65 % | 32 | 0 % |
| Serbia | 72 | 0 % | 87 | -17 % | -15 | 1 % |
| Bulgaria | 27 | 0 % | 18 | 50 % | 9 | 0 % |
| **Total** | **14,043** | **100 %** | **14,326** | **-2 %** | **-283** | **100 %** |
| thereof CEE[1)] | 3,787 | 27 % | 4,318 | -12 % | -531 | 30 % |

Despite the strong presence in its home markets of Austria and Germany, STRABAG sees itself as a European company. The group has been active in Central and Eastern Europe for several decades in order to diversify the country risk and to profit from the market opportunities in the region. In the 2012 financial year, business in these countries accounted for 27 % (2011: 30 %) of the total group output volume. This gives STRABAG a unique position in comparison to the competition and makes it the market leader in the construction sector in Central and Eastern Europe. Even if the growth rates have fallen over the past few years, the group is sticking to its geographic orientation: the strategy of diversification calls for a long-term focus. Furthermore, STRABAG has for years pursued the strategy of expanding its market shares on the home and growth markets in order to achieve the necessary economies of scale to become a cost leader.

1) Central and Eastern Europe comprises the following countries: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Russia and neighbouring countries, Serbia, Slovakia, Slovenia.

## STILL NO UPSWING OF THE EUROPEAN CONSTRUCTION SECTOR[1)]

### GROWTH COMPARISON CONSTRUCTION VS. GDP EUROPE



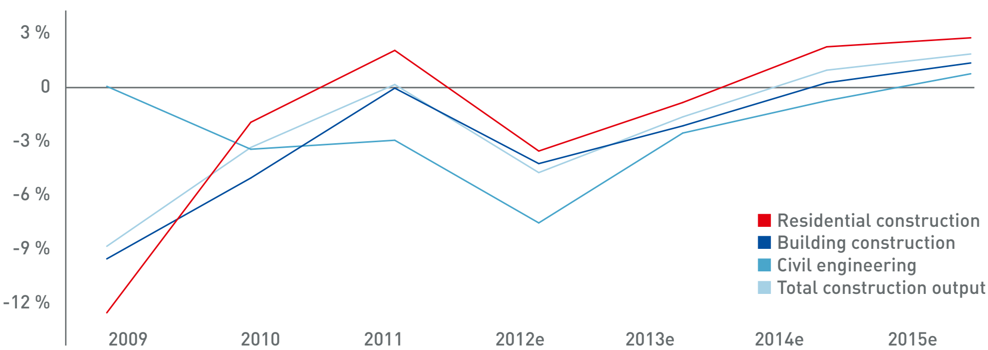

The consequences of the financial crisis continued to burden growth and employment in the euro area. The gross domestic product (GDP) of the 19 Euroconstruct states fell by 0.1 % in 2012. A gradual return to economic growth is not expected until 2013. Flanked by structural reforms, the growth is expected to be stronger and more even in 2014, according to the experts at Euroconstruct, which will be reflected in GDP growth of 0.6 %.

Following slight growth the year before, the European construction industry registered a strong decline by 4.7 % during the period under report. The continuing high unemployment, the dampened macroeconomic outlook and the extensive consolidation measures on the part of the public budgets hindered demand in all three sectors of the construction industry. Further losses of 1.6 % are expected for 2013, and the situation is only expected to improve slightly toward the end of the forecast period – which reaches to 2015.

Due to the restrained public-sector demand in several countries, the field of civil engineering in particular – an important growth driver in the past – has had to register losses. The worsening economy continued to dampen business demand for building construction. Throughout it all, the development of construction production was characterised by country-specific differences: as a general trend, the situation of the construction business was better in northern and central Europe than in the continent's south and east.

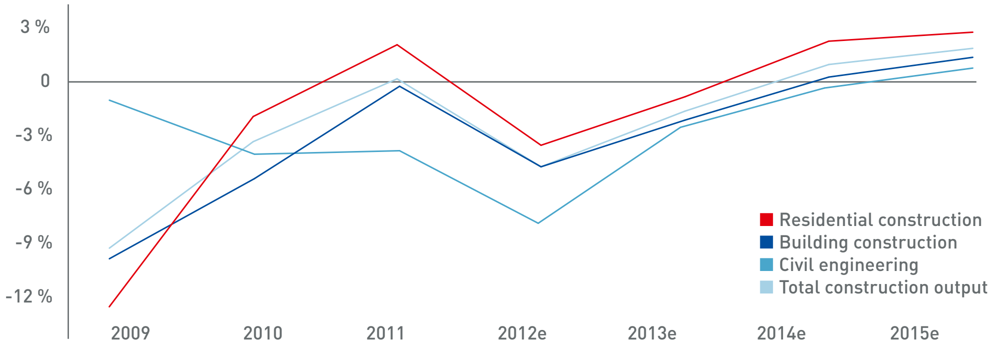
## STRONGEST MEDIUM-TERM GROWTH IN RESIDENTIAL CONSTRUCTION

### DEVELOPMENT CONSTRUCTION SECTOR EUROPE

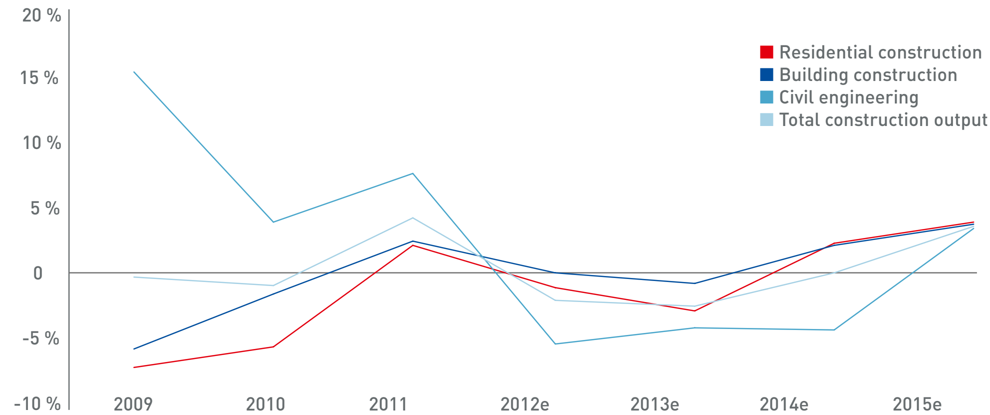



1) All growth forecasts as well as the particular national construction volumes are taken from the Euroconstruct's winter 2012 reports.

## DEVELOPMENT CONSTRUCTION SECTOR WESTERN EUROPE




## DEVELOPMENT CONSTRUCTION SECTOR CENTRAL AND EASTERN EUROPE



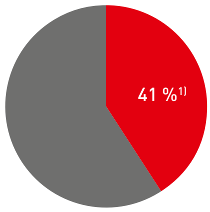

Residential construction in Europe remains strongly influenced by the difficult macro-economic framework. As a result of the high unemployment, the indebtedness of private households, and the restrictive financing conditions, the field of residential construction slipped another 3.5 % during the period under report, although it still developed better than the fields of building construction or civil engineering. By 2015, stable growth is expected in the Nordic countries in partic-ular, but also in several countries in Central Europe. In all, Euroconstruct forecasts slight growth of 1.5 % for the 19 member countries during the period from 2012 to 2015. But this positive outlook – particularly in new residential construction – depends on stabilisation taking hold in the euro area and in the banking system.

With a minus of 4.2 %, the field of building construction shrank even more strongly than residential construction – and not even in the medium-term is a significant recovery in sight. A country-by-country comparison revealed great differences. While the Central and Eastern European countries – carried by the continued good performance of Poland – were able to avoid negative growth, the countries of Western Europe lost 4.6 % on average. The biggest losses were seen in the countries of Southern Europe, while the Nordic countries, above all Norway and Denmark, already recovered slightly. These regionally distinct trends will continue in the medium-term. Growth of 3.8 % is expected to return to Central and Eastern Europe by the end of the forecast period in 2015, while Southern and Western Europe will continue with only very moderate growth.

The current development in the field of civil engineering reflects the difficult situation of the European economy. The restrictive fiscal policy and the drastic spending cuts led to a 7.5 % decline in this field. The years of growth in the sector also came to an end in the countries of Central and Eastern Europe – a development that will only accelerate even further in the years to come. First positive trends are expected in 2015 at the earliest. This forecast also involves uncertainties and depends on good global economic development.

## GERMANY

### OVERALL CONSTRUCTION VOLUME: € 273.70 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH[2] | 0.8 % | 1.0 % |
| CONSTRUCTION GROWTH | -0.2 % | 2.5 % |

The strong economic growth of the past few years also slowed in Germany, where the continuing negative economic climate resulted in low GDP growth of just 0.8 % in 2012. However, the experts at Euroconstruct expect a renewed upswing already in the second half of 2013. In view of the recovery of the global economy and an improvement of the economic situation in the countries of the euro area, the German GDP should again exhibit moderate growth in the years to come.

Against the backdrop of high demand for new buildings and intense renovations activity, German residential construction grew by 3 % in 2012. The situation was encouraged especially by the relatively good economic position of the private households and by the sustained low interest rates. However, this development was unable to balance out the decline in civil engineering so that the overall output volume in the period under report shrank by 0.2 %. Euroconstruct expects renewed growth of 2.5 % already in 2013, however.

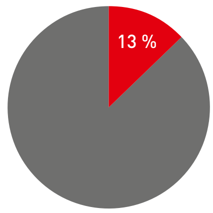
Building construction in Germany continued to suffer greatly from the consequences of the financial and economic crisis. Because of existing overcapacities in office, commercial and industrial buildings, the economic recovery did not lead to an increase of building construction activities. On the whole, this field increased by just 0.9 % during the period under report.

The extensive state stimulus programmes had led to a significant rise in the civil engineering business in the past few years. The discontinuation of these measures resulted in a 5.3 % drop in volume in 2012. In the medium-term, meanwhile, the German government will be suspending its investments especially in the field of transportation. The consequences of this restrictive policy will be felt for years to come.

With a market share of 2.0 %, STRABAG is market leader in Germany. The group's share of the German road construction segment, by comparison, amounts to 10.5 %. With € 5,779.34 million, about 41 % of STRABAG's total group output volume was generated in Germany. Most of this is accounted for by the segment North + West, while the property and facility services provided in Germany are ascribed to the segment International + Special Divisions.

## AUSTRIA

### OVERALL CONSTRUCTION VOLUME: € 31.93 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.6 % | 1.0 % |
| CONSTRUCTION GROWTH | 1.1 % | 0.6 % |

Austria's economic growth of 0.6 % in 2012 was considerably below the level of the previous years. Significant factors behind this development include the rising unemployment and lower income growth. Due to the ongoing debt crisis and the weak global economy, no significant recovery is in sight for 2013. The economic upswing forecast for 2014, however, means that higher economic growth rates should again be possible.

The construction output in Austria slowed considerably after a strong 2011, growing by just 1.1 % in 2012. However, the experts at Euroconstruct expect higher growth rates to return in 2014 and 2015. Meanwhile, residential construction managed growth of 2.4 % in 2012 despite the difficult macroeconomic development.

Building construction was characterised greatly by the slower economic development in 2012. While this business field had still been the most dynamic segment the year before, with growth topping 8 % in 2011, it stagnated in the period under report with a growth rate of just 0.1 %. Especially weak was the development of office and industrial buildings as well as shopping centres, while investments in schools and healthcare facilities continued to grow.

1) Country output as percentage of group output volume
2) All growth forecasts as well as the particular national construction volumes are taken from the Euroconstruct's winter 2012 reports.

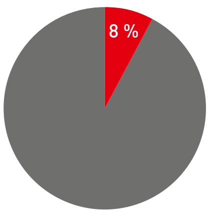
Renovations activities were less affected, as these will continue to be promoted by state measures until 2014. In line with the general economic development, building construction will probably exhibit first signs of a slight recovery in 2014.

Despite the currently very favourable financing conditions, the construction volume in civil engineering sank by 0.2 % in the wake of state austerity programmes and postponed infrastructure projects. The objectives of the Austrian stability pact – the federal government's consolidation project – will put pressure on this business field over the entire forecast period. Especially affected are investments in railway infrastructure. In the years 2014 and 2015, however, the economic growth rates should again reach 1.2 % and 2.3 %, respectively.

In 2012, STRABAG generated a total of 13 % of the group output volume (2011: 14 %) in its home market of Austria. Alongside Germany and Poland, Austria thus continues to be one of the group's top three markets. With a share of 6.2 %, STRABAG also remains market leader here. In road construction, the market share amounts to 15.2 %. The output volume in 2012 reached a volume of € 1,888.14 million.

## POLAND

### OVERALL CONSTRUCTION VOLUME: € 47.11 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 2.3 % | 2.0 % |
| CONSTRUCTION GROWTH | 1.6 % | -3.4 % |

Economic growth in Poland slowed in 2012 and reached only 2.3 % – compared to 4.2 % the year before. The causes can be found in the difficult economic situation of the most important Polish trade partners, on the one hand, and in the declining domestic demand on the other. The rising unemployment led to a significant reduction of budget income. Meanwhile, public spending was also down as part of the government's austerity measures. The experts at Euroconstruct expect a significant recovery in 2014 at the earliest.

With growth of just 1.6 %, the Polish construction industry reacted earlier and more strongly than expected to the macroeconomic decline – with no improvement in sight in the years to come. Euroconstruct does not expect to see an upswing of the construction industry until 2015.

Residential construction remained quite dynamic in the first half of the year, but construction activity slowed due to higher interest rates and more restrictive loan approval processes for private households as the year went on. At the end of the year, growth reached a total of 3.2 %.

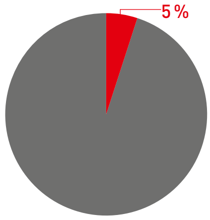
With a growth rate of 3.6 %, building construction proved more stable than residential construction. The main factors driving this development, however, were not the EU-financed projects, but the activities of private investors. The strongest growth rates were seen in hotel construction, followed by office and industrial buildings as well as warehouses. Due to the weaker economic performance, however, this development is expected to slow once more in the years to come.

The weak growth of the overall construction output is explained mainly by the negative growth of civil engineering. With the holding of Euro 2012 and the thus connected completion of sports and tourism structures, the field of civil engineering had to accept a decline of 1.7 % after the high growth rates of the previous years. Road construction activity also shrank significantly, although growth was recorded with airports and runways, rail-way lines, bridge building and tunnelling. A recovery in the civil engineering business is not expected until 2015.

STRABAG is number one in the construction industry in Poland. The country contributed € 1,138.81 million, or 8 %, to the overall group output in 2012, making it STRABAG's third-largest market – despite expectations that the output volume will decline continuously against the backdrop of a difficult market environment. STRABAG's share of the entire Polish construction market amounted to 3.6 %, that of road construction to 12.9 %.

## CZECH REPUBLIC

OVERALL CONSTRUCTION VOLUME:
€ 18.38 billion




| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.9 % | 0.8 % |
| CONSTRUCTION GROWTH | -5.4 % | -1.9 % |

The year 2012 again failed to bring a recovery to the Czech economy. Following low growth rates in the past two years, the Czech Republic slid back into recession in 2012 – the economy shrank by 0.9 %. Unfavourable factors included especially the unstable political situation, the higher value added tax, the rising unemployment and the constant decline of public-sector investments. Growth is expected to return into positive territory in the coming years, however, albeit at a low level.

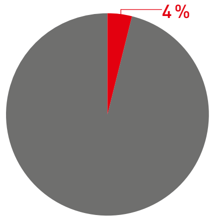
In line with the economic development, the Czech construction output also shrank by 5.4 %. A slight recovery of the construction market is currently expected in 2014 or 2015 at the earliest. Residential construction was affected the most by the renewed recession, with high prices a burden on the already weak demand. Even low interest rates could not compensate this development, so that the volume of residential construction declined by 9.7 % in the period under report.

In building construction, state-financed projects were especially affected by the austerity measures. In this area, EU aid remains the main financing source. Due to the difficult economic situation, however, uncertainty was also on the rise among private clients, so that private investments came to a standstill as well. On the whole, the field of building construction fell by 2.8 % in the period under report. The increasing caution among banks in the field of real estate development also had a negative impact on the sector. Euroconstruct expects slight growth in this field starting in 2014.

Civil engineering suffered the most from the decline in public-sector investments. The austerity measures that were introduced in 2010 prevented a positive development of the sector in the period under report, with an overall decline of 11.2 % the result.

STRABAG is number two on the market in the Czech Republic. With an output volume of € 646.33 million, the group generated around 5 % of its overall output volume on the Czech market in 2012. The share of the construction market as a whole amounts to 4.2 %, even reaching 20.0 % in road construction.

## SCANDINAVIA




## SWEDEN

OVERALL CONSTRUCTION VOLUME:
€ 31.38 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.9 % | 1.8 % |
| CONSTRUCTION GROWTH | -2.4 % | 0.2 % |

## FINLAND

OVERALL CONSTRUCTION VOLUME:
€ 28.56 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.5 % | 0.5 % |
| CONSTRUCTION GROWTH | -3.4 % | -2.3 % |

## DENMARK

OVERALL CONSTRUCTION VOLUME:
€ 25.09 billion

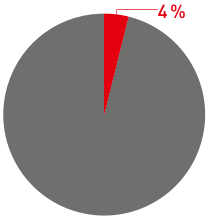
| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.5 % | 1.0 % |
| CONSTRUCTION GROWTH | 0.5 % | 2.2 % |

The economic performance in Scandinavia again developed quite poorly in 2012. Sweden and Denmark recorded only moderate growth of 0.9 % and 0.5 %, respectively, while Finland exhibited an adverse trend. In 2013, however, the economic performance is expected to grow once more.

Even more significant were the differences in the construction output in Scandinavia. Against the backdrop of declining volumes in residential construction, Denmark's construction business stagnated and Sweden's construction output even shrank by 2.4 %.

STRABAG's output volume in Scandinavia amounted to € 578.53 million in 2012. The main activities include infrastructure and residential construction in Sweden. In the future, STRABAG intends to strengthen the focus on proprietary project developments.

## RUSSIA AND NEIGHBOURING COUNTRIES (RANC)




### RUSSIA

OVERALL CONSTRUCTION VOLUME:
€ 155.78 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 3.5 % | 3.8 % |
| CONSTRUCTION GROWTH | 9.2 % | 5.9 % |

### UKRAINE

OVERALL CONSTRUCTION VOLUME:
€ 9.47 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 3.0 % | 3.5 % |
| CONSTRUCTION GROWTH | 8.0 % | 2.5 % |

Although the Russian economy grew by 3.5 % in 2012, a return to the growth rates from before the 2008 crisis is currently not in sight. Future growth will continue to depend greatly on the development of the oil price. Foreign investment has also failed to reach the levels from before the 2008 crisis year. The country's membership in the WTO should make Russia more attractive for international investors, however. Further positive impulses should come from a general improvement of the investment climate in the country: the Russian government is planning to put Russia into the top 20 countries as regards investment climate.

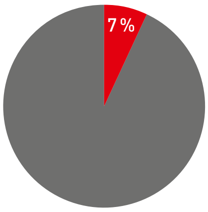
With 9.2 %, growth of the Russian construction output in 2012 was clearly higher than the economic growth. The field of residential construction exhibited the strongest dynamism, reaching 2008 levels already in 2011. Against the backdrop of the positive economic development, remarkable growth rates were recorded in the field of building construction. Office and commercial buildings exhibited especially strong growth rates, at times even reaching the double digits. While residential construction is strongly focused on the Moscow region, building construction is also showing positive development in the regions outside of Moscow and Saint Petersburg.

The strongest growth, with a plus of 12.1 %, was achieved in civil engineering. This development was the result of both major international events as well as ambitious infrastructure projects. Civil engineering continues to hold by far the greatest share of the country's overall construction output and will continue to exhibit substantial growth in the years to come.

With a plus of 3.0 %, the Ukrainian economy grew somewhat more slowly in 2012 than Russia; the 8.0 % plus in construction output also remained slightly below the level of the neighbouring country. The field of civil engineering was significantly less dynamic here, growing by just 0.5 %. Despite a sustained good economic development, the experts at Euroconstruct do not believe that Ukraine will be able to maintain the high growth of the construction output in the years to come.

STRABAG generated an output volume of € 527.39 million in Russia and its neighbouring countries (RANC) in 2012. The contribution to the overall group output volume in the period under report amounted to 4 %. In this region, STRABAG is active almost exclusively in building construction and civil engineering.

## REST OF WESTERN AND NORTHERN EUROPE




## NETHERLANDS

OVERALL CONSTRUCTION VOLUME:
€ 66.79 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.5 % | 0.8 % |
| CONSTRUCTION GROWTH | -6.9 % | -2.8 % |

## BELGIUM

OVERALL CONSTRUCTION VOLUME:
€ 9.47 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.1 % | 0.7 % |
| CONSTRUCTION GROWTH | 0.2 % | 0.1 % |

Against the backdrop of the ongoing turbulence in the euro area, and with a slight decline of the economic performance, the Benelux countries rank at or just above the European average. Euroconstruct expects moderate GDP growth here as early as next year.

With a decline of 6.9 %, the overall construction output in the Netherlands developed significantly below the country's economic performance. The negative trend was distributed fairly evenly across all segments of the construction industry. In Belgium, on the other hand, the growth of 7.2 % in civil engineering was able to compensate negative developments in the other areas. While the construction output in the Netherlands is expected to grow significantly in 2014 and 2015, Euroconstruct expects only continued moderate growth in Belgium.

STRABAG achieved an output volume of € 456.24 million in the Benelux countries in 2012. A stronger involvement is of interest to the company especially in motorway construction.

## SWITZERLAND

OVERALL CONSTRUCTION VOLUME:
€ 49.46 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.9 % | 1.3 % |
| CONSTRUCTION GROWTH | 1.1 % | 2.5 % |

The slower global economic growth led to a stagnation of the Swiss export market and a dampening of the economic growth to 0.9 %. Private consumption, on the other hand, exhibited sustained stable development. The growth rates should pick up again in the coming years.

In line with the economic performance, the construction industry registered only moderate growth of 1.1 % in 2012. Declines because of inclement weather at the beginning of the year also contributed to the reduced dynamism.

With growth of 2 % in 2012, the field of residential construction continued the good development of the previous years. Meanwhile, a consolidation in residential construction is expected as of 2014 due to stricter legislation regarding secondary residences. A regulation for more restrictive credit approval will also negatively impact the sector as of 2014.

After the strong growth of the previous year, the building construction business suffered from the difficult industry situation in several individual branches in 2012, growing by just 0.8 % in the period under report. While the negative environment led to stagnating investments in mechanical engineering and automation technology, investments are increasingly being made in educational facilities as well as in the culture and healthcare sectors. This field should also provide for renewed stronger growth rates in the future.

Investments in road and rail have – after a decline the previous year – led to renewed growth of 2.0 % in civil engineering. As part of the state infrastructure programmes, extensive investments in this sector are also planned for the years to come.

In 2012, Switzerland contributed € 424.68 million, or 3 %, to the group's overall output volume.

## ITALY

### OVERALL CONSTRUCTION VOLUME: € 178.12 billion

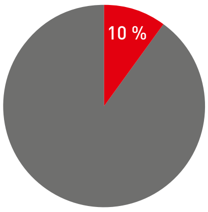
| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -2.4 % | -0.4 % |
| CONSTRUCTION GROWTH | -5.8 % | -1.4 % |

The Italian economy has been in a recession since the second half of 2011. In 2012, the GDP shrank by 2.4 %, and positive growth rates are not expected until 2014.

The Italian construction output continued its negative trend for the sixth time in a row, shrinking by 5.8 % during the year under report. Euroconstruct expects a moderate recovery of the construction industry in 2014 at the earliest. In all, the market has lost nearly one third since 2006, with new construction collapsing by a total of 40 %. Investments in civil engineering have fallen by 32 % since the high of 2004.

STRABAG's output volume in Italy amounted to € 156.87 million in 2012. The company is mainly active in tunnelling and road construction in the north of the country, which is why most of the output volume is to be found in the segment International + Special Divisions.

## REST OF CEE




## SLOVAKIA

### OVERALL CONSTRUCTION VOLUME: € 5.30 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 2.5 % | 2.1 % |
| CONSTRUCTION GROWTH | -13.3 % | -1.0 % |

The Slovak economy grew by 2.5 % in 2012, somewhat more slowly than in the previous years. Growth will likely be even less dynamic in 2013, but it should again cross the 3 % mark in 2014. The growth of Slovakia's economic performance remains to a high degree dependent on foreign demand from large economies such as Germany, France and China.

Despite the solid economic development, the negative trend continued in the country's construction industry. The overall construction output suffered greatly under the European financial crisis and, with a minus of 13.3 %, shrank even more strongly than in 2009. The continuous decline of the order backlog, the restrictive budget measures from the government and the renewed postponement of planned infrastructure projects allow only a slight recovery to be expected in 2013.

After moderate growth the previous year, the field of building construction shrank by 11.1 % in the period under report. Cause for this negative development was the completion of several large projects as well as the postponement or resizing of new projects. The realisation of planned structures is not expected until 2014 to 2015.

Because of postponed infrastructure projects, the field of civil engineering shrank by a total of 25.7 %. Besides the restrictive budget policy, this development can be blamed on difficulties with contract partners, the necessary repetition of tender procedures, and the suspension of projects due to negative feasibility studies. The situation should improve significantly in the long-term, as the demand for modern infrastructure is continuously on the rise. The financing of such projects, however, is greatly dependent on EU aid.

With a market share of 8.3 % and an output volume of € 399.60 million in 2012, STRABAG is market leader in the Slovak market. STRABAG's share of the road construction market even amounts to 17.7 %. In 2012, Slovakia contributed 3 % to the group's overall output volume.

## HUNGARY

### OVERALL CONSTRUCTION VOLUME: € 8.18 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -1.5 % | 0.8 % |
| CONSTRUCTION GROWTH | -9.0 % | 0.9 % |

Hungary's economic performance suffered strongly from the consequences of the budget restructuring, registering a decline of 1.5 % in 2012. For 2013, the experts at Euroconstruct expect a return to growth, but the ongoing difficult framework will keep it below the 1 % mark. Declining private consumption in particular, as well as the uncertain agreements with the European Union and the International Monetary Fund, resulted in more expensive financing. If conditions improve, and especially given accelerated delivery of EU funds, growth in the amount of 3–4 % could again be achieved in the years 2014 to 2015.

The construction output in Hungary has been falling continuously for seven straight years, with another decline of 9 % in 2012. Residential construction sank by 9.4 % in the year under report due to the difficult environment, rising unemployment and declining incomes. Without the necessary state stimulus, the renovations business was also unable to provide a positive impulse.

Building construction's share of the overall construction output slipped to about 38 % in 2012 and the sector is not expected to recover until 2015 at the earliest. While the volume of new construction lost 20 %, renovations remained close to the previous year's levels. The financing of public buildings in the future will continue to depend to a high degree on the government's budget policy and the availability of EU funds. Private investments are very strongly guided by the macroeconomic development of the country.

The field of civil engineering also recorded another decline by 4.9 % in 2012. The approval of EU aid accelerated the realisation of infrastructure projects, but growth is unlikely to be possible until next year. Factors driving growth will be the metro construction in Budapest, new IT services, water management and investments in energy.

With an output volume of € 392.65 million in 2012, STRABAG is the leading provider on the Hungarian construction market. The share of the overall market reached 5.3 %; in the road construction business, STRABAG even generated 14.8 % of the total output volume.

## ROMANIA

### OVERALL CONSTRUCTION VOLUME: € 18.84 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 1.0 % | 2.5 % |
| CONSTRUCTION GROWTH | 0.3 % | 2.9 % |

The Romanian economy grew by 1.0 % in 2012. Although the country saw its share of political turmoil, it has so far been possible to keep the consequences for the economy at a minimum.

Romania's construction output, on the other hand, achieved only moderate growth of 0.3 %. Private residential construction continued to suffer from the very low demand, leading to declines of more than 10 %. Building construction, which holds the lowest share of the overall productive output, declined slightly during the period under report. A moderate recovery is expected here for the years 2013 or 2014. The negative developments in residential and housing construction were compensated by growth in civil engineering, which again grew by 10.3 %. More than 40 % of the output volume could be attributed to the field of road construction.

With an output volume of € 372.04 million, corresponding to a market share of 1.3 %, STRABAG took second place on the Romanian construction market in 2012. In road construction, the share amounts to 1.5 %. The rather lively business for the company in Romania can be explained by several large projects in transportation infrastructures that were won in the past few years and are now being executed, as well as by successful acquisitions of orders in building construction.

## CROATIA

### OVERALL CONSTRUCTION VOLUME: € 2.82 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 0.8 % | 1.2 % |
| CONSTRUCTION GROWTH | 2.7 % | 1.1 % |

The Croatian economy continued to suffer from the consequences of the financial and economic crisis in 2012, achieving growth of just 0.8 % against this backdrop. Due to the low level of exports, the development of the Croatian market is more strongly dependent on domestic demand than other CEE countries. Domestic demand, however, is increasingly affected by the government's strict austerity programme.

Against the backdrop of the weak economic development, only a moderate recovery could be seen in the construction industry; still, the construction output was able to grow by 2.7 % during the period under report. Growth potential exists especially in private residential construction, although the construction boom of the past few years has left a high number of unsold flats. As public-sector investment in building construction also fell victim to the austerity measures, growth in this field is greatly dependent on private investments. Croatia's accession to the EU in July of this year could bring some momentum into individual market segments.

Civil engineering remains the most difficult sector to judge; its development is strongly dependent on state spending and is thus the most affected by the government's savings measures. The Croatian government has announced an ambitious infrastructure programme, but its realisation is in doubt.

In 2012, STRABAG generated an output volume of € 129.63 million in Croatia, where it ranks among the top five construction companies.

## SLOVENIA

### OVERALL CONSTRUCTION VOLUME: € 1.83 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -0.9 % | 1.2 % |
| CONSTRUCTION GROWTH | -6.2 % | 23.4 % |

Due to its high export ratio, the Slovenian economy suffered greatly from the consequences of the economic and financial crisis of 2008 and 2009. After a brief recovery phase, the GDP shrank again by 0.9 % in 2012 due primarily to the weak domestic demand and Slovenia's low competitiveness.

Slovenia's weak economic performance again prevented an upswing of the construction industry, so that the crisis in the sector continued with a 6.2 % decline of the construction output in the period under report. Residential construction shrank due to the high number of unsold buildings, the ongoing difficulties on the credit market and a sustained high price level. The generally restrained investment climate in the country had a dampening effect on both building construction and civil engineering. As extensive infrastructure measures are currently in the planning phase, the civil engineering business should again achieve significant gains in 2013.

In 2012, STRABAG generated an output volume of € 81.44 million in Slovenia, placing itself among the top five construction companies in the country.

## SERBIA

### OVERALL CONSTRUCTION VOLUME: € 2.25 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | -1.9 % | 2.0 % |
| CONSTRUCTION GROWTH | 3.7 % | 15.0 % |

Serbia also continues to suffer from the consequences of the global economic and financial crisis, registering another decline by 1.9 % of its economic performance in 2012. Based on an agreement with the IMF as well as a number of bilateral trade agreements, the export volume should grow once more in the years to come and will move the economic performance back into the positive already next year.

Counter to the general economic trends, public-sector financing measures helped the Serbian construction output grow by 3.7 % in the year under report. A return to the double-digit growth rates of the previous year are expected in 2013. While the volume in residential construction fell further, the building construction business delivered renewed solid growth. With growth of just 1.5 %, the development of the civil engineering business slowed significantly in the year under report. As a result of large planned infrastructure projects in road and rail construction, as well as projects in the field of energy, Euroconstruct expects growth of 13 % in 2013, however.

STRABAG generated an output volume of € 71.55 million on the Serbian market in 2012.

### BULGARIA

Due to declining exports, Bulgaria was unable to fulfil the high expectations of its economic performance in 2012. With growth of just 1.1 %, the GDP development remained clearly below the value of the previous year. The impulses from the slow recovery of the domestic demand contributed little to the growth of the economy.

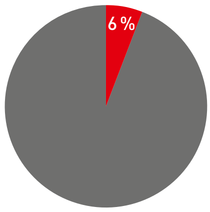
OVERALL CONSTRUCTION VOLUME: € 5.21 billion

| | 2012e | 2013e |
|---|---|---|
| GDP GROWTH | 1.1 % | 2.1 % |
| CONSTRUCTION GROWTH | -4.4 % | -0,1 % |

With a 4.4 % decline of the construction output, the enormous collapse of the past years could at least be slowed. Due to the low domestic demand and the economic uncertainties, private residential construction remains unattractive for investors. The field of building construction also developed only moderately, with large shopping centres serving as the main factors driving growth. Despite the negative development in the past few years, civil engineering continues to hold the largest share of the construction output. Stable growth is expected in this sector, but an intense price battle has set in for the upcoming public-sector tenders.

STRABAG generated € 27.43 million in the Bulgarian market in 2012.

### MIDDLE EAST, AFRICA, THE AMERICAS, ASIA – REST OF WORLD




In addition to its main markets in Europe, the STRABAG Group is also active in individual non-European regions – these include Asia, Canada, Chile, Africa and the Middle East – in order to become more independent from the economic framework in the past growth markets. In all, the group generated € 888.97 million in these regions in 2012, which corresponds to 6 % of the group's overall output volume.

In the non-European markets, STRABAG is usually active as a general contractor through direct export. The focus in these regions is on civil engineering, industrial and infrastructure projects and tunnelling – areas in which high technological expertise is required.

Among the most important new orders received in the past year are two projects in Chile, including the tunnelling contract at the world's largest copper mine in Chuquicamata.

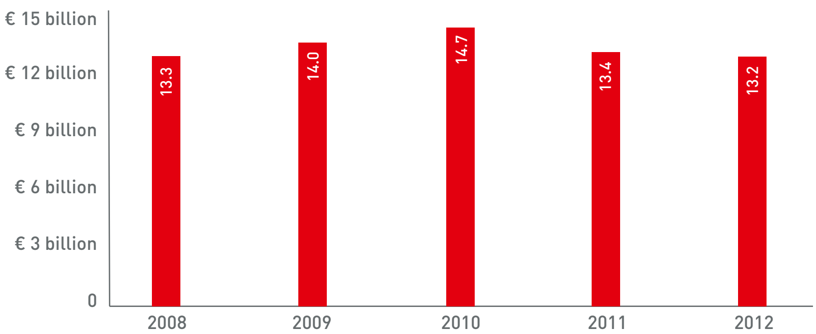
STRABAG's activities in non-European countries are included – with a few minor exceptions – in the segment International + Special Divisions.

# ORDER BACKLOG

## ORDER BACKLOG OF STRABAG SE BY SEGMENT 2011–2012

| 31.12. € MLN. | TOTAL (INCL. OTHER) 2012 | NORTH + WEST | SOUTH + EAST | INTERNATIONAL + SPECIAL DIVISIONS | TOTAL (INCL. OTHER) 2011 | CHANGE GROUP % | CHANGE GROUP ABSOLUTE |
|---|---|---|---|---|---|---|---|
| Germany | 4,544 | 3,251 | 246 | 1,039 | 3,909 | 16 % | 635 |
| Austria | 1,466 | 14 | 964 | 486 | 1,633 | -10 % | -167 |
| Italy | 1,351 | 3 | 316 | 1,032 | 435 | 211 % | 916 |
| Poland | 700 | 432 | 234 | 33 | 932 | -25 % | -232 |
| Russia and neighbouring countries | 635 | 27 | 599 | 9 | 1,121 | -43 % | -486 |
| Middle East | 596 | 8 | 27 | 561 | 746 | -20 % | -150 |
| Benelux | 555 | 391 | 3 | 161 | 724 | -23 % | -169 |
| Czech Republic | 499 | 0 | 486 | 12 | 408 | 22 % | 91 |
| Scandinavia | 434 | 432 | 0 | 2 | 668 | -35 % | -234 |
| The Americas | 416 | 237 | 6 | 173 | 601 | -31 % | -185 |
| Slovakia | 331 | 0 | 322 | 9 | 328 | 1 % | 3 |
| Hungary | 326 | 2 | 296 | 28 | 272 | 20 % | 54 |
| Romania | 326 | 3 | 306 | 17 | 573 | -43 % | -247 |
| Switzerland | 268 | 12 | 196 | 60 | 330 | -19 % | -62 |
| Africa | 236 | 0 | 8 | 228 | 145 | 63 % | 91 |
| Asia | 163 | 1 | 6 | 156 | 189 | -14 % | -26 |
| Slovenia | 144 | 3 | 141 | 0 | 61 | 136 % | 83 |
| Croatia | 113 | 0 | 110 | 3 | 140 | -19 % | -27 |
| Rest of Europe | 78 | 11 | 40 | 27 | 92 | -15 % | -14 |
| Bulgaria | 14 | 0 | 12 | 2 | 17 | -18 % | -3 |
| Serbia | 8 | 0 | 8 | 0 | 30 | -73 % | -22 |
| **Order backlog total** | **13,203** | **4,827** | **4,326** | **4,038** | **13,354** | **-1 %** | **-151** |
| thereof CEE[1)] | 3,096 | 467 | 2,514 | 113 | 3,882 | -20 % | -786 |
| Segment contribution to group order backlog | | 36 % | 33 % | 31 % | | | |

## DEVELOPMENT OF ORDER BACKLOG 2008–2012




## CONSTRUCTION SITES INCLUDED IN THE ORDER BACKLOG ON 31 DECEMBER 2012

**Categories of order size**

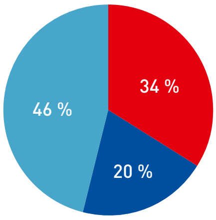
Small: € 0 million to € 15 million
Medium: € 15 million to € 50 million
Large: over € 50 million

| CATEGORY | NUMBER OF CONSTRUCTION SITES | ORDER BACKLOG T€ |
|---|---|---|
| Small orders | 15,015 | 4,487 |
| Medium-sized orders | 211 | 2,682 |
| Large orders | 86 | 6,033 |
| **Total** | **15,312** | **13,203** |

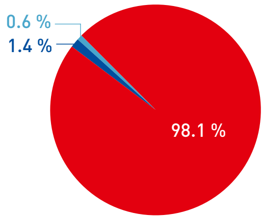
1) Central and Eastern Europe comprises the following countries: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Russia and neighbouring countries, Serbia, Slovakia, Slovenia.

At € 13.20 billion, the order backlog on 31 December 2012 remained at about the previous year's level (-1 %). Large projects were worked off in Poland, in the RANC region (Russia and neighbouring countries) and in Romania, thus transforming order backlog into output. Meanwhile, the order backlog was bolstered by a large road construction project in Italy and significant building construction projects in Germany.

### ORDER BACKLOG ON 31 DECEMBER 2012
BY ORDER SIZE




### NUMBER OF PROJECTS IN PROCESS ON 31 DECEMBER 2012 BY ORDER SIZE




The overall order backlog is comprised of 15,312 individual projects. More than 15,000 of these are small projects with a volume of up to € 15 million each. They account for 34 % of the order backlog; a further 20 % are medium-sized projects with order volumes between € 15 million and € 50 million; 46 % are large projects of € 50 million or more. The high number of individual contracts guarantees that the risk involved with one project does not threaten the group success as a whole. The ten largest projects in the order backlog on 31 December 2012 added up to 24 % of the order backlog, compared to 19 % at the end of 2011.

### THE TEN LARGEST PROJECTS CURRENTLY IN PROGRESS

| COUNTRY | PROJECT | ORDER BACKLOG IN € MLN | AS % OF TOTAL ORDER BACKLOG |
|---|---|---|---|
| Italy | Pedemontana motorway | 1,051 | 8.0 % |
| Austria | Koralm Tunnel, contract section 2 | 408 | 3.1 % |
| Germany | Stuttgart 21, underground railway station | 318 | 2.4 % |
| Russia | Kautschuk residential complex | 305 | 2.3 % |
| United Arab Emirates | STEP wastewater systems | 274 | 2.1 % |
| Netherlands | A-Lanes A15 motorway | 180 | 1.4 % |
| Germany | Upper West Berlin | 177 | 1.3 % |
| Germany | Milaneo Stuttgart | 170 | 1.3 % |
| Chile | Candelaria Mine 2011 | 147 | 1.1 % |
| Russia | Olympic Village | 138 | 1.0 % |
| **Total** | | **3,169** | **24.0 %** |

## IMPACT OF CHANGES TO THE SCOPE OF CONSOLIDATION

In the 2012 financial year, 43 companies (thereof 20 mergers with fully consolidated companies) were included in the scope of consolidation for the first time. These companies contributed a total of € 46.02 million to the consolidated revenue and € -7.04 million to the net income. As a result of first-time inclusions, current and non-current assets increased by € 152.62 million, current and non-current liabilities by € 85.67 million.

# FINANCIAL PERFORMANCE

STRABAG SE generated an output volume of € 14,042.60 million in the 2012 financial year. Even against the backdrop of low public-sector infrastructure expenditures, the output volume, with a decrease of just 2 %, remained practically at the same high level of the previous year. The largest reduction was registered in Poland due to the end of the construction boom in that country. Declines in several countries in Eastern Europe were countered by increases in Germany and in Romania.

The consolidated group revenue for the 2012 financial year stood at € 12,983.23 million, which corresponds to a decrease of 5 %. The ratio of revenue to construction output sank from the high levels in the previous years to 92 % (2011: 96 %). The segment North + West contributed 42 %, South + East 37 % and International + Special Divisions 20 % to the revenue.

The changes in inventories fell by nearly one half despite the fact that the real estate project development business was pursued as actively as in the past. The own work capitalised remained at a very low level – the year before, this item had still included final works related to the construction of the proprietary cement work in Hungary.

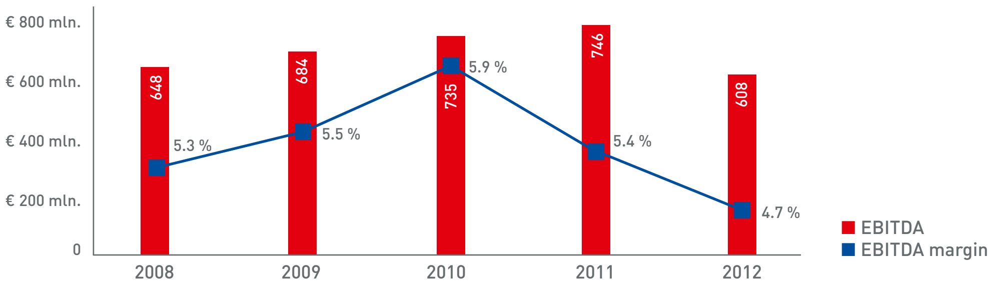
With the slightly lower revenue, the raw materials, consumables and services used were down as well, falling by 7 % to € 8,655.10 million, while the employee benefits expense grew slightly (2 %) to € 3,051.78 million. In total, however, the ratio of these two items versus revenue remained unchanged at 90 %.

In line with revenue, the other operating expenses fell significantly by 7 % despite charges to this item in the form of damage compensation payments amounting to € 43 million related to an arbitration ruling on a failed acquisition in the concrete business as well as noteworthy losses from consortia. At the same time, the other operating income was down by 17 %. This item also includes income from the fully consolidated concession companies.

| | 2012 € MLN. | 2011 € MLN. | CHANGE % |
|---|---|---|---|
| Raw materials, consumables and services used | 8,655 | 9,320 | -7 % |
| Employee benefits expense | 3,052 | 3,004 | 2 % |
| Other operating expenses | 938 | 1,014 | -7 % |
| Depreciation and amortisation | 401 | 412 | -3 % |

The share of profit or loss of associates was less strongly in negative territory in the 2012 financial year than in the previous year, when it still included an extraordinary write-down in the mid-double-digit millions related to an interest in cement activities. With € 4.35 million, the net income from investments, composed of the dividends and expenses of many smaller companies or financial investments, remained at about the previous year's level. The missing revenue for services already rendered in Central and Eastern Europe, as well as damage compensation payments and loss-making acquisitions of joint ventures, led to a decline of the earnings before interest, taxes, depreciation and amortisation (EBITDA) by 18 % to € 608.35 million and an associated decline of the EBITDA margin from 5.4 % to 4.7 %.

## DEVELOPMENT OF EBITDA AND EDITDA MARGIN 2008–2012



The depreciation and amortisation fell by 3 % to € 401.17 million. The goodwill impairment contained in this item was down from € 16.15 million in 2011 to € 10.08 million in 2012. This resulted in a decrease in the earnings before interest and taxes (EBIT) by 38 % to € 207.19 million and an EBIT margin of 1.6 % versus 2.4 % in the previous year.

While positive exchange rate differences amounting to € 37.27 million had still been registered in 2011, the net interest income in the past financial year now contained negative foreign currency effects of € 11.75 million. This resulted in a negative net interest income of € -50.73 million compared to a positive figure of € 8.54 million in the previous year. As a result, the profit before tax fell by more than half to € 156.46 million.

STRABAG considers an average tax rate of 30 % to be realistic. The actual rate of 29.7 % in 2012 confirms this expectation. This led to a net income of € 110.04 million.

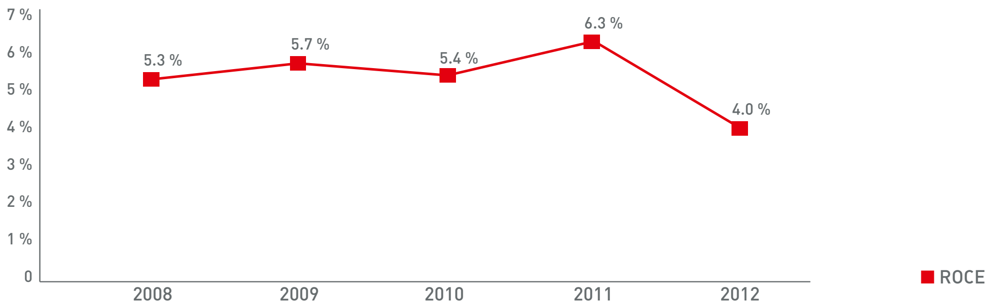
EFFECTIVE TAX RATE: 29.7 %

The earnings owed to the other shareholders (minority interest) again climbed from € 44.30 million to € 49.41 million in the past financial year. The net income after minorities for 2012 therefore stood at € 60.63 million, 69 % below the level of the previous year. The number of weighted outstanding shares decreased due to the buyback of own shares from 111,424,186 to 104,083,238, so that the earnings per share fell by about two thirds to € 0.58.

EARNINGS PER SHARE: € 0.58

The return on capital employed (ROCE)[1] sank to 4.0 % (2011: 6.3 %), its lowest value since the IPO in 2007.

DEVELOPMENT OF ROCE 2008–2012




## FINANCIAL POSITION AND CASH FLOWS

| | 2012 € MLN. | % OF BALANCE SHEET TOTAL | 2011 € MLN. | % OF BALANCE SHEET TOTAL |
|---|---|---|---|---|
| Non-current assets | 4,546 | 45 % | 4,534 | 44 % |
| Current assets | 5,591 | 55 % | 5,852 | 56 % |
| Equity | 3,163 | 31 % | 3,150 | 30 % |
| Non-current liabilities | 2,432 | 24 % | 2,359 | 23 % |
| Current liabilities | 4,543 | 45 % | 4,877 | 47 % |
| **Balance sheet total** | **10,138** | **100 %** | **10,386** | **100 %** |

The balance sheet total of STRABAG SE remained very stable at € 10.14 billion. This was in large part due to the renewed increase of inventories in response to several new real estate project developments as well as the finalisation of the transaction to acquire a 51 % interest in a portfolio of several companies to develop, build and operate offshore wind turbines in the German North Sea. This also led to an increase in the minority interest in shareholders' equity, resulting in an improvement of the equity ratio from 30.3 % to 31.2 % despite the lower retained earnings – a result of the buyback programme of own shares and the lower net income. The management board considers an equity ratio between 20 % and 25 % to be a realistic target in the medium-term.

1) ROCE = (net income + interest on debt – interest tax shield (25 %)) / (average group equity + interest-bearing debt)

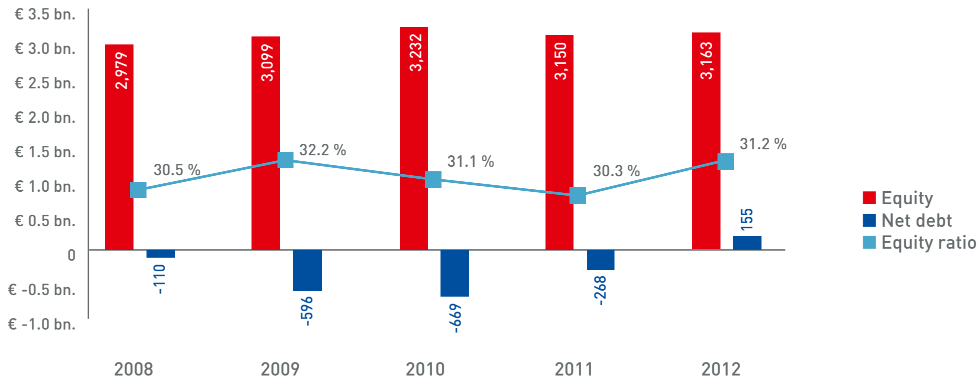
| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Equity ratio % | 31.2 % | 30.3 % | 31.1 % |
| Net debt. € mln. | 155 | -268 | -669 |
| Gearing Ratio % | 4.9 % | -8.5 % | -20.7 % |
| Capital employed € mln. | 5,322 | 5,336 | 5,236 |

As expected, but unlike in previous years, STRABAG did not register a net cash position on 31 December 2012, but instead a net debt in the amount of € 154.55 million. This is due on the one hand to the lower cash and cash equivalents – noteworthy here are investments of € 42.88 million for the purchase of own shares as well as the build-up of working capital in the year under report – and, on the other hand, to the significantly higher pension and severance provisions resulting from a change to the mathematical interest rate.

## CALCULATION OF NET DEBT (€ MLN.)

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Financial liabilities | 1,650 | 1,732 | 1,559 |
| Severance provisions | 80 | 70 | 69 |
| Pension provisions | 430 | 384 | 375 |
| Non-recourse debt | -630 | -754 | -720 |
| Cash and cash equivalents | -1,375 | -1,700 | -1,952 |
| **Net debt** | **155** | **-268** | **-669** |

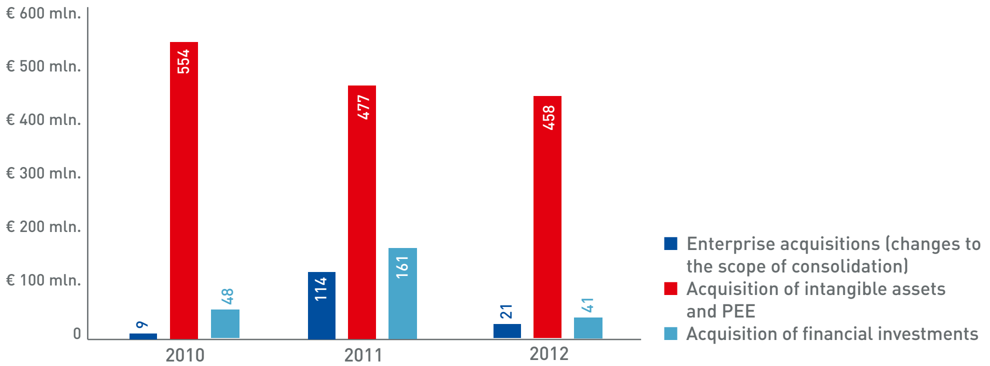
## EQUITY, NET DEBT AND EQUITY RATIO 2008–2012




Due to the 28 % decline of the cash flow from profits and the somewhat stronger build-up of working capital, the cash flow from operating activities in the past financial year fell by 46 % to € 268.80 million. In the previous year, the investment for an interest in a cement plant had still affected the cash flow from investing activities. The absence of this investment in the past financial year, and the cautious attitude regarding enterprise acquisitions, let the cash flow from investing activities fall by 27 % to € -447.19 million. The cash flow from financing activities, which amounted to € -176.26 million, was defined by a significant repayment of bank borrowings related to a motorway concession project in Denmark that was completed and transferred to the client. This could not be compensated for by increasing the financial resources from the bonded loan and from the bond.

# CAPITAL EXPENDITURES

## COMPOSITION OF CAPEX




STRABAG had forecast capital expenditures (CAPEX) in the amount of approximately € 475 million for the 2012 financial year. In the end, the net capital expenditures totalled € 447.19 million and so remained slightly under budget. CAPEX before subtraction of proceeds from asset disposals stood at € 520.65 million. This figure includes expenditures on intangible assets and on property, plant and equipment of € 458.28 million, the purchase of financial assets amounting to € 41.17 million and enterprise acquisitions (changes to the scope of consolidation) of € 21.19 million.

About € 250 million is spent annually as maintenance expenditures related to the equipment fleet in order to prevent inventory obsolescence. The high proportion of expansion expenditures is due to STRABAG's focus of its capital expenditures: a large portion went to expansions in the equipment fleet for large construction sites in tunnelling in Austria and in the international business, e.g. in Abu Dhabi and Tanzania. The company also made significant investments in 2012 in equipment for hydraulic engineering, including a ship. Another focus still remains on increasing the level of self-sufficiency with construction materials and on the German market.

Expenditures on intangible assets and on property, plant and equipment during the year under report must be seen against amortisation on intangible assets and depreciation on property, plant and equipment in the amount of € 401.17 million. This figure also includes goodwill impairment in the amount of € 10.08 million.

# FINANCING/TREASURY

The number one objective for the treasury management of STRABAG SE is assuring the continued existence of the company through the maintenance of constant solvency. This objective is to be reached through the provision of sufficient short-term, medium-term and long-term liquidity.

Liquidity for STRABAG SE means not only solvency in the strict sense but also the availability of guarantees. The building activity requires the constant availability of bid, contract fulfilment, pre-payment and warranty guarantees and/or sureties. The financial scope of action is thus defined on the one hand by sufficient cash and cash credit lines, on the other hand by sufficient surety credit lines.

The management of liquidity risks has become a central element of the corporate management at STRABAG. In practice, liquidity risks come in various forms:

- In the short-term, all daily payment obligations must be covered in time and/or in their entirety.
- In the medium-term, liquidity levels must be sufficient so that no transaction or projects become impossible due to a lack of sufficient financial means or guarantees or that they cannot be executed at the desired pace.
- In the long-term, there should be sufficient financial means available to be able to pursue the strategic development targets.

In the past, STRABAG has always oriented its financing decisions according to the risk aspects outlined above and has organised the maturity structure of the financial liabilities in such a way as to avoid a refinancing risk. In this way, the company has been able to maintain a great scope for action, which is of particular importance in a difficult market environment.

The necessary liquidity is determined by liquidity planning. Based on this, liquidity assurance measures are made and a liquidity reserve is defined for the entire group.

**TOTAL CREDIT LINE FOR CASH AND SURETY LOANS: € 6.6 BILLION**

The medium- and long-term liquidity needs have so far also been covered by the issue of corporate bonds. STRABAG SE has regularly issued bonds on the Austrian capital market since 2002. However, due to the market conditions, STRABAG opted against issuing a new bond in the 2009 financial year. In the 2012 financial year, STRABAG successfully issued a € 100 million tranche with a coupon of 4.25 % and a term to maturity of seven years. The proceeds from the issue were used for general business purposes and to pay back a bond which matured in 2012. At present, this leaves four bonds of STRABAG SE with a total volume of € 450 million on the market.

In order to diversify the financing structure, STRABAG SE placed its first bonded loan in the amount of € 140 million in the past financial year. This long-term debt financing instrument is in many ways similar to a bond, with an important difference being that bonded loans are issued directly to institutional investors without using an organised capital market, i.e. an exchange.

In December 2012, STRABAG SE arranged a revolving syndicated cash credit line with a consortium of banks in the amount of € 400 million. With a term of five years, the credit line represents a long-term loan commitment with which STRABAG will be able to maintain its comfortable liquidity position. The syndicated cash credit line partially replaces already existing short-term bilateral credit lines, provides an overall improvement of the liquidity reserves and in particular can be used to balance out the cash infusions as required over the course of the year.

The existing liquidity of € 1.4 billion and cash credit lines of € 0.6 billion assure the group's liquidity needs. Nevertheless, further bond issues are planned, depending on the market situation, in order to maintain a high level of liquidity reserves in the future as well.

STRABAG SE has a total credit line for cash and surety loans in the amount of € 6.6 billion at its disposal. These credit lines include a syndicated surety credit line in the amount of € 2.0 billion and the syndicated cash credit of € 0.4 billion. Furthermore, there exist bilateral credit lines with banks. A high degree of diversification creates an adequate risk spread in the provision of the credit lines.

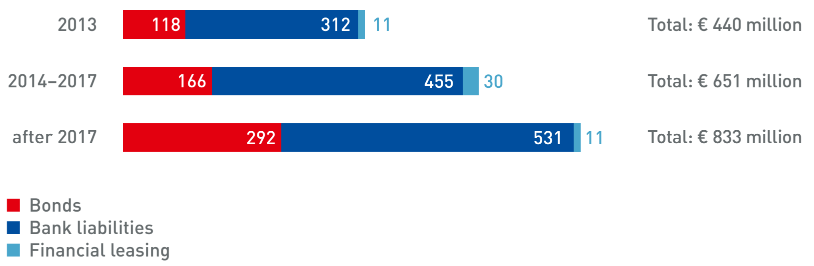
In December 2012, S&P again confirmed its BBB- rating and stable outlook as STRABAG SE benefits from the well-diversified and vertically integrated business, its good access to raw materials and the group's adequately high liquidity.

| | 2012 | 2011 | 2010 |
|---|---|---|---|
| Interest and other income (€ million) | 73 | 112 | 79 |
| Interest and other expense (€ million) | -124 | -104 | -98 |
| EBIT/net interest income | -4.1x | 39.2x | -15.2x |
| Net Debt/EBITDA | 0.3x | -0.4x | -0.9x |

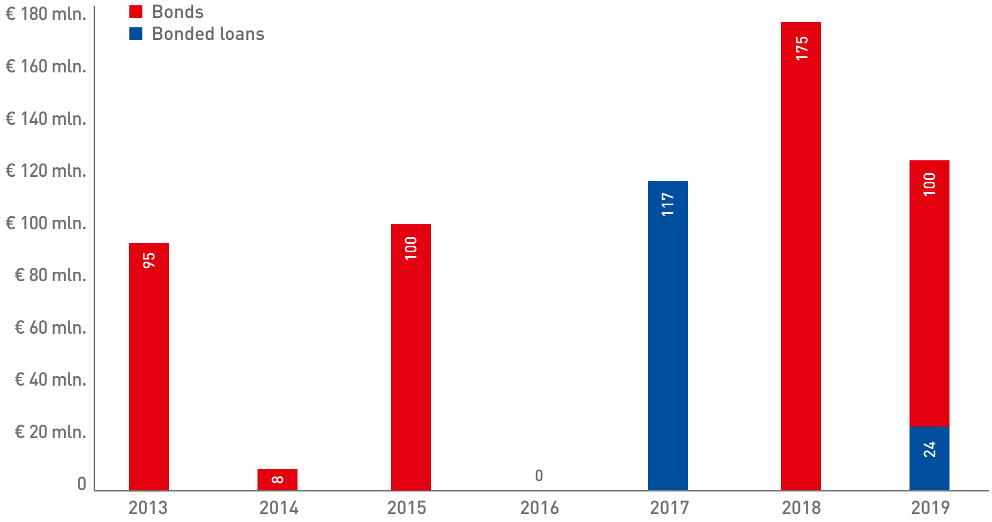
## PAYMENT OBLIGATIONS

| | BOOK VALUE 31 DECEMBER 2012<br>€ MLN. |
|---|---:|
| Bonds | 478 |
| Bank borrowings | 1,129 |
| Liabilities from finance leases | 43 |
| **Total** | **1,650** |

## PAYMENTS INCL. INTERESTS




## PAYMENT PROFILE



# MANAGEMENT REPORT

## REPORT ON THE FINANCIAL PERFORMANCE, FINANCIAL POSITION AND CASH FLOWS OF STRABAG SE (INDIVIDUAL FINANCIAL STATEMENT)

### FINANCIAL PERFORMANCE

The company's revenues increased year-on-year by € 3.74 million from € 53.09 million to € 56.83 million due largely to an increase in the intra-group allocations.

| | 2012 | 2011 |
|---|---|---|
| Revenues in T€ (Sales) | 56,826 | 53,093 |
| Earnings before interest and taxes in T€ (EBIT) | 11,112 | 14,134 |
| Return on sales in % (ROS)[1] | 19.6 | 26.6 |
| Return on equity in % (ROE)[2] | 0.4 | 0.6 |
| Return on investment in % (ROI)[3] | 0.3 | 0.4 |

The earnings before interest and taxes (EBIT) decreased by € 3.02 million year-on-year to € 11.11 million and are characterised by a significantly higher net income from investments and a strongly negative operating result.

The operating result includes a charge for the extraordinary damage compensation expenses related to the Cemex arbitration, as well as charges for year-on-year higher valuation allowances for receivables from subsidiaries and for sponsoring costs. The reduced salary expense and higher revenues had a positive effect.

The growth in the net income from investments results mainly from the significantly lower expenses for financial assets and the continued high investment income.

The changed result had a direct effect on the profitability figures, as the average equity and total assets remained nearly the same.

The interest income of € -1.68 million fell by € -3.94 million over the previous year (€ 2.26 million) largely as a result of the higher expenses; this was caused by the increased volume of interest-bearing liabilities – the corporate bond and the issue of bonded loans.

Overall, the company generated a net profit of € 6.63 million, compared to € 13.82 million in the previous year.

### FINANCIAL POSITION AND CASH FLOWS

The balance sheet total of STRABAG SE remained relatively stable, coming to rest at € 3.3 billion in 2012 compared to € 3.2 billion in the previous year, with changes among only a few balance sheet items.

The most important enterprise acquisitions in the non-current assets concern the acquisition of Zweite Nordsee-Offshore-Holding GmbH, Pressbaum, and Przedsiębiorstwo Budownictwa Ogólnego i Usług Technicznych Śląsk Sp. z o.o., Katowice. Formations of new companies concern STRABAG Ray Ltd. Sti., Ankara, and G15 Projekt GmbH, Baar.

There was a significant addition in loans to subsidiaries; this concerns a long-term loan in the amount of € 108.00 million to STRABAG AG, Cologne.

The remaining additions resulted from capital increases and injections in subsidiaries, as well as from the continued buyback of bearer shares.

Restructuring measures within the group led to a shifting of the individual items of the financial assets. Overall, this only resulted in a slight decrease of the financial assets.

1) ROS = EBIT / revenues
2) ROE = EBT / ø equity
3) ROI = EBIT / ø total capital

| | 2012 | 2011 |
|---|---|---|
| Net debt in T€[1] | 384,937 | 415,408 |
| Working capital in T€[2] | 22,983 | 118,356 |
| Equity ratio in % | 78.0 | 81.0 |
| Gearing ratio in % | 15.1 | 16.0 |

A net debt position in the amount of € 384.94 million was calculated on 31 December 2012. The reduction over the year before resulted – despite an increase in interest-bearing liabilities – from the growth of cash and cash equivalents. This led to a decrease of the gearing ratio in the year under report to 15.1 %.

The net working capital declined in the period under report from € 118.36 million by € 95.38 million to € 22.98 million. This results mainly from the reduction of the receivables from subsidiaries.

The equity ratio fell by about 3 percentage points to 78.0 % because the proportion of equity had fallen while the balance sheet total remained nearly the same.

| | 2012 | 2011 |
|---|---|---|
| Cash flow from operating activities T€ | 57,529 | 90,358 |
| Cash flow from investing activities T€ | -43,296 | -478,579 |
| Cash flow from financing activities T€ | 141,997 | -18,759 |

The cash flow from operating activities in the amount of € 57.53 million is largely the result of cash flow from earnings, whereby the reduction in payables to subsidiaries and other provisions, as well as the growth in accruals and deferred income, could not entirely be compensated by the reduction in receivables from subsidiaries.

The cash flow from investing activities saw an outflow of cash and cash equivalents in the amount of € 43.30 million in the year under report; this resulted from removals from financial assets due to the restructuring within the group.

The cash flow from financing activities in the year under report led to growth of the cash and cash equivalents in the amount of € 142.00 million due largely to the issue of bonded loans, the issue of the bond and the reduction in financial receivables from subsidiaries. An outflow of cash and cash equivalents resulted from the redemption of bond tranches which matured during the financial year and from the payment of the dividend.

1) Net debt = interest-bearing liabilities + non-current provisions – cash and cash equivalents
2) Working capital = current assets – cash and cash equivalents – current liabilities

# SEGMENT REPORT

## OVERVIEW OF THE SEGMENTS OF STRABAG SE

The operating business of STRABAG SE is divided into three segments: North + West, South + East and International + Special Divisions. A further segment defined as "Other" encompasses expenditures, income and employees at the group's service companies and central staff units. Since 1 July 2012, STRABAG presents its business mainly by region and not – as it had done in the past – by construction segment.

The segments are comprised as follows:

**North + West**
**Management board responsibility:**
**Peter Krammer**
Germany, Poland, Benelux, Scandinavia, Ground and Hydraulic Engineering, Offshore Wind

**South + East**
**Management board responsibility:**
**Siegfried Wanker**
Austria, Switzerland, Hungary, Czech Republic, Slovakia, Adriatic, Rest of Europe, Railway Structures, Environmental Technology
**Management board responsibility:**
**Thomas Birtel**
Russia and neighbouring countries

**International + Special Divisions**
**Management board responsibility:**
**Hannes Truntschnig**
International, Tunnelling, Services, Real Estate Development, Infrastructure Development, Construction Materials

**Service Companies**
**Management board responsibility:**
**Thomas Birtel and Christian Harder**

Construction projects are assigned to one of the segments (see chart below). Of course, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part is assigned to its respective geographic segment, but the concession part is assigned to the concessions unit of International + Special Divisions. In projects which span more than one segment, the commercial and technical responsibility is generally assigned to that segment which has the higher share of the overall project value.

With only a few exceptions, we offer our services in all areas of the construction industry in the individual European markets in which we operate and cover the entire construction value chain. Our services include:

| | NORTH + WEST | SOUTH + EAST | INTERNATIONAL + SPECIAL DIVISIONS |
|---|---|---|---|
| Residential Construction | ✓ | ✓ | ✓ |
| Commercial and Industrial Facilities | ✓ | ✓ | ✓ |
| Public Buildings | ✓ | ✓ | ✓ |
| Production of Prefabricated Elements | ✓ | ✓ | ✓ |
| Civil Engineering | ✓ | ✓ | ✓ |
| Bridges | ✓ | ✓ | ✓ |
| Power Plants | ✓ | ✓ | ✓ |
| Environmental Technology | | ✓ | |
| Railway Structures | | ✓ | |
| Roads, Earthworks | ✓ | ✓ | ✓ |
| Hydraulic Engineering, Waterways, Dyking | ✓ | ✓ | |
| Landscape Architecture and Development | ✓ | ✓ | |
| Paving | ✓ | ✓ | |
| Large-Area Works | ✓ | ✓ | ✓ |
| Sports and Recreational Facilities | ✓ | ✓ | |
| Protective Structures | ✓ | ✓ | ✓ |
| Sewer Systems | ✓ | ✓ | ✓ |
| Production of Construction Materials | ✓ | ✓ | ✓ |
| Ground Engineering | ✓ | | |
| Offshore Wind | ✓ | | ✓ |
| Tunnelling | | | ✓ |
| Real Estate Development | | | ✓ |
| Infrastructure Development | | | ✓ |
| Operation/Maintenance/Marketing of PPP Projects | | | ✓ |
| Property and Facility Services | | | ✓ |

## SEGMENT NORTH + WEST

The segment North + West executes construction services of nearly any kind and size with a focus on Germany, Poland, the Benelux countries and Scandinavia. Ground and hydraulic engineering as well as offshore wind can also be found in this segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 6,237 | -3 % | 6,397 |
| Revenue | 5,510 | -8 % | 5,961 |
| Order backlog | 4,827 | -2 % | 4,912 |
| EBIT | -51 | n.a. | 149 |
| EBIT margin % of revenue | -0.9 % | | 2.5 % |
| Employees | 25,108 | -3 % | 25,962 |

### OUTPUT VOLUME NORTH + WEST 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Germany | 4,185 | 4,103 | 2 % | 82 |
| Poland | 777 | 1,290 | -40 % | -513 |
| Scandinavia | 575 | 487 | 18 % | 88 |
| Benelux | 329 | 271 | 21 % | 58 |
| The Americas | 131 | 92 | 42 % | 39 |
| Russia and neighbouring countries | 88 | 52 | 69 % | 36 |
| Switzerland | 35 | 38 | -8 % | -3 |
| Rest of Europe | 33 | 14 | 136 % | 19 |
| Slovenia | 19 | 0 | n.a. | 19 |
| Austria | 18 | 18 | 0 % | 0 |
| Hungary | 16 | 9 | 78 % | 7 |
| Italy | 9 | 2 | 350 % | 7 |
| Asia | 7 | 8 | -13 % | -1 |
| Romania | 6 | 6 | 0 % | 0 |
| Middle East | 5 | 4 | 25 % | 1 |
| Serbia | 3 | 0 | n.a. | 3 |
| Africa | 1 | 3 | -67 % | -2 |
| **Output volume total** | **6,237** | **6,397** | **-3 %** | **-160** |

### Output volume, revenue and result

With € 6,237.17 million, the segment North + West exhibited a 3 % lower output volume in 2012 as compared to the year before. Good demand in the German building construction and civil engineering business, as well as the expansion in Northern Europe, were unable to fully compensate the significant decline in Poland that followed the end of the construction boom in that country.

The revenue for the segment even fell by 8 %, and the earnings before interest and taxes (EBIT) moved from positive territory deep into the negative. While satisfactory earnings contributions could still be reported from Poland and Germany during the same period of the previous year, losses on large projects in hydraulic engineering, the tense price situation affecting the asphalt mixing plants in Germany, and losses in Poland have been a burden on the segment result in the past few months.

### Order backlog

The order backlog decreased only slightly by 2 % to € 4,826.52 million. Here, too, Germany – with several new large contracts in building construction and civil engineer-ing – helped to narrow the decline in countries such as Poland, for example. In the first half of the year, STRABAG subsidiary Ed. Züblin was able to win the tender for the station building and further infrastructure measures related to the Stuttgart 21 rail project. The company was also selected to construct new buildings for the Hamm-Lippstadt University of Applied Sciences. It also won the nearly € 95 million contract to build the new Germany headquarters for the Thales Group in Ditzingen near Stuttgart.

**Employees**

The employee figures, like the output volume, offer a reflection of the economic situation. An increase in Germany was accompanied by a significant reduction in Poland. A decline was also registered in the Americas region: although all non-European activities are concentrated in the segment International + Special Divisions, the activities of Züblin Chile and Züblin Ground Engineering globally are represented in the segment North + West.

**Outlook**

The absence of negative special items, for example in hydraulic engineering or in Poland, should lead to an improved result in the segment North + West in the 2013 financial year. Regarding the output volume, on the other hand, the STRABAG SE management board expects to see a decline to € 5.8 billion.

STRABAG expects the employment situation in the German building construction and civil engineering business to remain at a high level. Here STRABAG was able to start the year 2013 with an order backlog accounting for around three quarters of the expected output volume. Positive impulses are expected from the expansion of the timber engineering business field.

The German entities in transportation infrastructures are cautiously optimistic as well: the financial policy framework for the most important client, the public sector, may be solid, but while the federal and state governments are expected to make transportation infrastructure investments at last year's levels, it is uncertain to which extent local governments will use their financing flexibility for investments. Despite the fact that some communities will devote their budget surpluses toward debt reduction, STRABAG expects to maintain a constant output volume in the German transportation infrastructures segment in 2013 as in 2012.

A burden in Germany is the business with asphalt mixing facilities. It remains difficult to sell asphalt at a sufficiently high price everywhere where it is needed. Because of this tense market situation, dependence on bitumen price developments is expected to remain high.

In Poland, the number of public-sector tenders for infrastructure projects in 2013 will be below the previous year's levels. In connection with the new EU budget for the years 2014–2020, however, there is a possibility of higher tender activity toward the end of the year. Until then, business will be hindered by price battles. The low volume of public-sector tenders is also having an impact on building construction and civil engineering. In the face of restrictive credit approvals, the field of residential construction is also subject to reductions. STRABAG therefore sees shopping and logistics centres as well as industrial construction as the segments of the future in the Polish building construction sector.

In Sweden, the market is expected to shrink slightly in 2013. However, the housing market for project developments is booming in Stockholm, which, according to forecasts by STRABAG, will last for several more years. In the Stockholm, Gothenburg and Helsingborg/Malmö regions, there is high demand for new commercial real estate, hotels and shopping centres. The situation is expected to remain unchanged in the field of infrastructure and tunnelling, with stable public-sector finances contributing significantly to the positive outlook. The long-term activities in the Greater Stockholm Area and in the north of Sweden therefore offer good potential.

In the field of hydraulic engineering, STRABAG in 2012 managed to enter the market for port construction in Russia and in Ukraine. The company sees the entire Northern and Baltic area and Black Sea region as a strategic area and is therefore working on several bids for large projects here.

## SELECTED PROJECTS NORTH + WEST

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Chile | Candelaria Mine 2011 | 147 | 1.12 % |
| Germany | Motorway A8 Ulm–Augsburg | 113 | 0.86 % |
| Germany | Taunus Tower Frankfurt on the Main | 99 | 0.75 % |
| Germany | Naval port Wilhelmshaven | 98 | 0.75 % |
| Poland | S8 Złoczew–Sieradz section 4 | 93 | 0.71 % |
| Poland | S8 Złoczew–Sieradz section 2 | 91 | 0.69 % |

## SEGMENT SOUTH + EAST

The geographic focus of the segment South + East is on Austria, Switzerland, Hungary, the Czech Republic, Slovakia, Russia and neighbouring countries as well as the region South-East Europe. The railway construction and environmental technology activities are also handled within this segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 4,756 | -3 % | 4,882 |
| Revenue | 4,792 | -2 % | 4,877 |
| Order backlog | 4,326 | -7 % | 4,647 |
| EBIT | 149 | 6 % | 140 |
| EBIT margin % of revenue | 3.1 % | | 2.9 % |
| Employees | 22,699 | -2 % | 23,197 |

## OUTPUT VOLUME SOUTH + EAST 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Austria | 1,573 | 1,621 | -3 % | -48 |
| Czech Republic | 532 | 640 | -17 % | -108 |
| Russia and neighbouring countries | 432 | 420 | 3 % | 12 |
| Slovakia | 360 | 396 | -9 % | -36 |
| Switzerland | 351 | 438 | -20 % | -87 |
| Germany | 339 | 312 | 9 % | 27 |
| Romania | 315 | 159 | 98 % | 156 |
| Hungary | 293 | 330 | -11 % | -37 |
| Poland | 232 | 276 | -16 % | -44 |
| Croatia | 111 | 87 | 28 % | 24 |
| Serbia | 66 | 86 | -23 % | -20 |
| Slovenia | 49 | 35 | 40 % | 14 |
| Rest of Europe | 42 | 31 | 35 % | 11 |
| Bulgaria | 24 | 15 | 60 % | 9 |
| Italy | 13 | 7 | 86 % | 6 |
| Asia | 7 | 11 | -36 % | -4 |
| Middle East | 7 | 1 | 600 % | 6 |
| The Americas | 6 | 4 | 50 % | 2 |
| Benelux | 2 | 13 | -85 % | -11 |
| Scandinavia | 2 | 0 | n.a. | 2 |
| **Output volume total** | **4,756** | **4,882** | **-3 %** | **-126** |

### Output volume, revenue and result

The segment South + East generated an output volume of € 4,755.74 million in the 2012 financial year. This is just slightly lower, specifically by 3 %, than the previous year. The result of working off several large contracts in the transportation infrastructures business in Romania more or less balanced out the declines in the Czech Republic and in Switzerland.

With a minus of 2 % the revenue developed similary to the output volume. The segment is characterised by a strong competition and price pressure. Additional burdens include charges in the field of environmental technology and reorganisation costs in Switzerland. Nonetheless, the earnings before interest and taxes (EBIT) could be grown by 6 % to € 148.89 million, the EBIT margin from 2.9 % to 3.1 %.

**Order backlog**

The order backlog of this segment was down by 7 % to € 4,326.12 million. A country-by-country comparison reveals quite a differentiated situation, however: Despite the large contracts for the extension of the U1 underground line in Vienna and the construction of the high-performance rail line between Vienna–Salzburg, the order backlog in Austria fell slightly due to a significant reluctance on the part of public-sector clients, in particular in the federal states of the country's south. The order backlog was also burdened in part by contract cancellations in the RANC region (Russia and neighbouring countries). Here, strategic changes are on the agenda, with activities gradually shifting from building construction in the major cities to industrial projects in the regions. STRABAG is also preparing for market entry in Turkmenistan and Kazakhstan.

In Slovenia, Hungary, the Czech Republic and Italy, on the other hand, new projects helped to enlarge the order backlog. In Ljubljana, Slovenia, STRABAG is building a waste treatment facility for € 112 million to produce biogas from organic waste, among other things. In Hungary, STRABAG is working in a consortium to renew the Gyoma–Békéscsaba rail line; and in Italy, the order backlog was bolstered by the contract award of a portion of the construction works for a bypass around the city of Milan.

**Employees**

The employee figures exhibited a similar situation as the output volume: growth in Romania, with a reduction of the employee levels in nearly all other markets. In total, the workforce fell by 2 % to 22,699 employees.

**Outlook**

The management board expects a slight improvement of the EBIT and a higher output volume of € 5.0 billion in the segment South + East for 2013. Price pressure will remain high in the Central and Eastern European transportation infrastructures business, but there is hope for a series of tenders – albeit at lower prices – in markets such as Romania, Moldova and the Czech Republic. Meanwhile, interesting projects are expected to be awarded soon in the field of railway construction in Poland and in building construction in Slovakia. The reorganisation in Switzerland should be concluded and individual loss-making projects in environmental technology – a business on which STRABAG will focus more in the core markets in the future – will no longer burden the results.

The management board expects continuous positive business in the building construction sector in Vienna, while the price pressure in the rest of Austria is unlikely to let up. The stagnating to declining market for transportation infrastructures is a hotly contested one here. The Hungarian market lost significant volume – and attractiveness – in the past few years. Currently only a few public-sector tenders, mostly in the fields of environmental protection and railway construction, are still ongoing; long-awaited highway investments, however, could improve the climate in the construction sector in 2013.

## SELECTED PROJECTS SOUTH + EAST

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Russia | Kautschuk residential complex, Moscow | 305 | 2.31 % |
| Russia | Olympic village, Sochi | 138 | 1.04 % |
| Slovenia | Ljubljana waste treatment facility | 112 | 0.85 % |
| Czech Republic | Road I/11 Rudna | 75 | 0.57 % |
| Romania | Modernisation of national road DN67B | 58 | 0.44 % |
| Romania | Promenada Mall, Bucharest | 48 | 0.37 % |
| Slovakia | D1 motorway | 43 | 0.32 % |

## SEGMENT INTERNATIONAL + SPECIAL DIVISIONS

The segment International + Special Divisions includes, on the one hand, the field of tunnelling. The concessions business, on the other hand, represents a further important area of business, with global project development activities in transportation infrastructures in particular. Regardless of where the services are rendered, our construction materials business, including our dense network of raw materials operations but with the exception of asphalt, also belongs to this segment. The real estate business, which stretches from project development and planning to construction and operation and also includes the property and facility services business, completes the wide range of services. Additionally, most of the services in non-European markets are also bundled in the International + Special Divisions segment.

| | 2012 € MLN. | CHANGE 2011–2012 % | 2011 € MLN. |
|---|---|---|---|
| Output volume | 2,925 | 2 % | 2,880 |
| Revenue | 2,661 | -6 % | 2,842 |
| Order backlog | 4,038 | 7 % | 3,782 |
| EBIT | 127 | 115 % | 59 |
| EBIT margin % of revenue | 4.8 % | | 2.1 % |
| Employees | 20,426 | -7 % | 22,068 |

### OUTPUT VOLUME INTERNATIONAL + SPECIAL DIVISIONS 2011–2012

| € MLN. | OUTPUT VOLUME TOTAL 2012 | OUTPUT VOLUME TOTAL 2011 | CHANGE % | CHANGE ABSOLUTE |
|---|---|---|---|---|
| Germany | 1,196 | 1,132 | 6 % | 64 |
| Middle East | 293 | 304 | -4 % | -11 |
| Austria | 268 | 297 | -10 % | -29 |
| The Americas | 211 | 161 | 31 % | 50 |
| Italy | 135 | 177 | -24 % | -42 |
| Benelux | 124 | 76 | 63 % | 48 |
| Africa | 124 | 57 | 118 % | 67 |
| Poland | 118 | 132 | -11 % | -14 |
| Czech Republic | 109 | 119 | -8 % | -10 |
| Asia | 96 | 90 | 7 % | 6 |
| Hungary | 80 | 92 | -13 % | -12 |
| Romania | 50 | 40 | 25 % | 10 |
| Slovakia | 39 | 44 | -11 % | -5 |
| Switzerland | 35 | 92 | -62 % | -57 |
| Croatia | 18 | 18 | 0 % | 0 |
| Slovenia | 13 | 14 | -7 % | -1 |
| Rest of Europe | 8 | 0 | n.a. | 8 |
| Russia and neighbouring countries | 5 | 9 | -44 % | -4 |
| Bulgaria | 2 | 2 | 0 % | 0 |
| Serbia | 1 | 0 | n.a. | 1 |
| Scandinavia | 0 | 24 | -100 % | -24 |
| **Output volume total** | **2,925** | **2,880** | **2 %** | **45** |

### Output volume, revenue and result

The output volume in the segment International + Special Divisions improved slightly by 2 % to € 2,924.86 million. Germany – specifically the field of Property & Facility Services – continues to generate the most significant portion of the output volume, followed by the non-European markets.

The revenue, on the other hand, fell by 6 % to € 2,661.29 million. This can be explained by the completion of a public-private partnership project which had defined the revenue in 2011. Nonetheless, the earnings before interest and taxes (EBIT) could be more than doubled to € 126.93 million despite the volatile business in tunnelling and internationally – and despite the fact that this figure includes damage compensation payments in the amount of € 43 million.

**Order backlog**

The order backlog registered a significant increase of 7 % to € 4,038.33 million. While the completion of infrastructure contracts in the Netherlands helped to reduce the order backlog, the segment International + Special Divisions added several new large orders to the books in the 2012 financial year. One of these was in Italy: The project volume of € 1.7 billion (STRABAG's share amounts to about € 1.0 billion, that of the segment to about € 720 million) for the Milan bypass includes the construction of a 50 km section of dual-carriage motorway with two to three lanes in each direction plus 50 km of spurs and connecting routes to the existing road network. The works also include 50 cut-and-cover tunnels as well as two bored tunnels including technical facilities, several bridges and an approx. 80 km bicycle trail.

In Germany, the city of Hamburg commissioned a special purpose company set up in part by STRABAG Real Estate GmbH to plan, build, modernise and operate 15 vocational schools. The project has a total value of € 700 million (STRABAG's share is 50 %) and is being carried out under a public-private partnership model. STRABAG also won several contracts internationally, including one to set up a bus rapid transit system in Tanzania as well as a tunnelling project at the world's largest copper mine in Chuquicamata in the desert of Chile.

The services sector also contributed several new large projects to the order backlog: STRABAG Property and Facility Services was awarded contracts in the field of facility management from DFS Deutsche Flugsicherung GmbH and maintenance contracts from telecommunications provider Versatel AG and AOK Bayern. In property management, the company won Union Investment and real estate investor Pramerica Real Estate Investors as new clients. The acquisition of Berlin-based real estate manager BWG (GSW Betreuungsgesellschaft für Wohnungs- und Gewerbebau mbH) allowed us to expand our own range of services in property management to include the field of residential real estate.

**Employees**

Development of the employee figures ran counter to the order backlog. This number fell by 7 % to 20,426 employees in part due to the completion of construction projects in the Middle East.

**Outlook**

The output volume in the segment International + Special Divisions is expected to reach about € 3.0 billion in 2013. The EBIT should remain at a high level due to the absence of the one-time compensation expense in 2012 in the amount of € 43 million as a result of partially lost arbitration proceedings. At the same time, the construction materials business will continue to put pressure on the margins of the segment. In the field of concrete, the situation is burdened by delays in the tendering of large-scale projects as well as by overcapacities on the market. Growth of production in Central Europe is not expected until the spring of 2013 at the earliest. In the field of stone and gravel, ruinous price competition has become apparent in several regions, with no improvement in sight for the next one to two years.

Target markets which are currently being worked more intensely outside of Europe regardless of the type of service are the United Arab Emirates, Algeria, Qatar – STRABAG expects the construction boom in preparation for the 2022 FIFA World Cup to begin here soon –, Oman and Saudi Arabia. Because of the low price level in these regions as a result of the high degree of competition, STRABAG is successfully offering specialty construction services such as pipe jacking (a special form of tunnelling), test track construction or services in the field of liquefied natural gas (LNG). In India, STRABAG subsidiary EFKON AG was awarded six new contracts in the field of intelligent transportation systems in the last financial year.

Competition is also on the rise in the PPP infrastructure business. For this reason, STRABAG is exploring other markets besides the core markets in Europe, such as Canada, India, selected countries in South America, and the Middle East. Despite the high costs involved in bid processing, some of these countries are also of interest for tunnelling projects. Although several projects will be tendered in Austria, Germany and Norway in the short to medium term, the prices in the home markets are in part at a ruinously low level. Meanwhile, STRABAG already has an established tunnelling presence in Canada and the company entered the mining market with contracts in Chile and Australia in the past financial year.

By contrast, the activities of the PPP building construction business are concentrated on the home market of Germany. PPP financing widens the public sector's scope of action on the one hand; on the other hand, the consequences of the financial crisis – significantly higher interest premiums and liquidity costs with a trend to shorter financing terms – are still having an inhibitory effect. The efficiency advantages of having an integrated solutions approach, i.e. through the observation of the lifecycle costs, are offsetting the disadvantages in the current market environment. Thanks to the inclusion of specialist providers from within the group, such as STRABAG Property and Facility Services, STRABAG is in a position to completely cover all specifications from structuring to financing and planning all the way to construction and operation.

A positive mood can be observed in the field of real estate development. In Germany, growth forces have shifted toward residential construction, which, given the clear lack of rental flats in urban agglomerations, should provide some positive impulses. STRABAG therefore remains active in the development of apartment buildings, i.e. residential properties for global investors. In September 2012, the Donnersberger Höfe, a residential building project in Munich, was handed over to the investor with full tenant occupancy. Several successes were also registered in the field of commercial real estate last year: STRABAG began construction on the Milaneo shopping centre in Stuttgart and on the multiuse building Upper West in Berlin. Additionally, several properties were acquired for future project developments, for example in Aachen and in Bremen.

## SELECTED PROJECTS INTERNATIONAL + SPECIAL DIVISIONS

| COUNTRY | PROJECT | ORDER BACKLOG € MLN. | PERCENTAGE OF TOTAL GROUP ORDER BACKLOG % |
|---|---|---|---|
| Italy | Pedemontana motorway, Milan bypass | 1,051 | 7.96 % |
| Austria | Koralm Tunnel, contract section 2 | 379 | 2.87 % |
| Germany | Upper West, project development | 168 | 1.27 % |
| Netherlands | A-Lanes A15, bridge construction | 138 | 1.05 % |
| Oman | Duqm port facility | 118 | 0.89 % |
| Tanzania | Bus rapid transit system Dar Es Salaam | 90 | 0.68 % |

# RISK MANAGEMENT

The STRABAG Group is subject to a number of risks in the course of its business activities. These risks are identified and assessed using an active risk management system and dealt with using an appropriate risk policy.

The group's goals are defined at all company levels. This was a prerequisite to setting up processes for the timely identification of potential risks standing in the way of the achievement of company objectives. The organisation of STRABAG's risk management builds on project-related jobsite and acquisitions controlling, supplemented by the higher-level assessment and steering management. The risk controlling process includes a certified quality management system, internal group guidelines for the workflow in the operating units, a central administration, controlling, auditing and contract management. Through the establishment of company-wide quality standards in quotation processing and supplemental services man-agement, the centrally organised contract management department can better assert claims for outstanding debt.

The group's internal risk report defines the following central risk groups:

## EXTERNAL RISKS

The entire construction industry is subject to cyclical fluctuations and reacts to varying degrees depending on region and sector. Overall economic growth, development of the construction market, the competitive situation, the conditions on the capital markets and technological changes in construction can all result in risks. These risks are continually observed and monitored by the central departments and operating units. Changes in external risks lead to adjustments in STRABAG's organisation, market presence and range of services as well as the adaptation of strategic and operating planning. STRABAG further responds to market risk with geographic and product-related diversification in order to keep the influence on the company's success exerted by an individual market or by the demand for certain services as low as possible. To avoid bearing the entire risk of rising prices by itself, STRABAG makes efforts at signing cost escalation clauses and "cost-plus-fee" contracts in which the client pays a previously agreed margin on the costs of the project.

## OPERATING RISKS

The operating risks primarily include the complex risks of project selection and execution. STRABAG keeps acquisition lists in order to review the project choice. Business transactions requiring consent are reviewed and approved by business unit and subdivision managers or by division managers according to internal rules of procedure. Depending on the risk profile, bids must be analysed by commissions and reviewed for their technical and economic feasibility. Cost accounting and expense allocation guidelines have been set up to assure a uniform process of costing and to establish a performance profile at the construction sites. Project execution is man-aged by the construction team on site and controlled by monthly target/performance comparisons; at the same time, the central controlling provides constant commercial backing, ensuring that risks of individual proj-ects do not endanger the continuance of the company.

## FINANCIAL RISKS

Under financial risks, STRABAG understands risks in financial matters and in accounting, including instances of manipulation. Special attention is paid to the liquidity and account-ing receivables management, which is secured through continuous financial planning and daily status reports. Compliance with internal commercial guidelines is guaranteed by the central accounting and controlling departments, which are also responsible for internal reporting and the periodic planning process.

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by all business areas in general and by the internal audit department in particular. STRABAG last commissioned PwC Wirtschaftsprüfung GmbH in 2007 to review and assess the group's compliance systems and the activities designed to combat corruption and unethical behaviour. The results were presented to the management board of STRABAG SE and the auditors' recommendations were passed on to the relevant departments for implementation.

In order to convey STRABAG's values and principles, the group drew up its Code of

Ethics and internal Compliance Guidelines in 2007. The values and principles contained within these documents are reflected in the guidelines and instructions of the STRABAG companies and divisions. Compliance with these values and principles is expected not only from the members of the management and supervisory boards as well as from other management-level employees but from all group employees. The Compliance Guidelines and the Code of Ethics are designed to guarantee honest and ethical business practices. The Code of Ethics is available for download at www.strabag.com > Investor Relations > Corporate Governance > Code of Ethics.

Detailed information regarding interest risk, currency risk, credit risk and liquidity risk can be found in the Notes under item 25 Financial Instruments.

### ORGANISATIONAL RISKS

Risks concerning the design of personnel contracts are covered by the central personnel department with the support of a specialised data base. The company's IT configuration and infrastructure (hardware and software) is handled by the central IT department, controlled by the internation-al IT steering committee.

### PERSONNEL RISIKS

Past experience has shown that having a highly qualified and motivated workforce is an important factor in competition. In order to properly assess the potential of employees, STRABAG uses an IT-supported aptitude diagnostics process, the so-called behaviour profile analysis. In subsequent feedback talks and employee appraisal interviews, employees and their supervisors analyse the results and agree on specific training and further education measures.

### INVESTMENT RISKS

STRABAG can exert influence on the management of associated companies through its shareholder position and, if applicable, any existing advisory functions. The shares in asphalt and concrete mixing companies usually involve minority holdings, which is typical for the sector. With these companies, economies of scope are at the fore.

### POLITICAL RISK

The group also operates in countries which experience political instability. Interruptions of construction activity, restrictions on ownership interests of foreign investors, and even dispossession or expropriations could be the consequence of political changes which could have an impact on the group's financial structure.

**A review of the current risk situation reveals that the reporting period shows no risks which jeopardised the company's existence, nor were there any visible future risks.**

NO RISKS JEOPARDISING THE COMPANY'S EXISTENCE

### REPORT ON KEY FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS

**Introduction**

The control structure as defined by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) provides the basis for the description of the key features of the internal control and risk management systems. The COSO framework consists of five related components: control environment, risk assessment, control activities, information and communication, and monitoring. On this basis, the STRABAG Group set up a company-wide risk management system according to generally accepting principles.

The aim of the internal control system is to support management in such a way that it is capable of assuring internal controls in relation to financial reporting which are effective and which are improved on an ongoing basis. The system is geared to the compliance with rules and regulations and to creating conditions which are conducive to performing specific controls in key accounting processes.

**Control environment**

The corporate culture determines the control environment in which management and employees operate. STRABAG is constantly working to improve its communication and to convey its corporate values as defined in the STRABAG Code of Ethics in order to guarantee moral standards, ethics and integrity within the company and in its dealings with others.

The implementation of the internal control system in relation to the financial reporting process is done on the basis of internal rules and guidelines. Responsibilities for internal control were adapted to fit the corporate organisation.

The internal audit department carries out periodic, unannounced inspections of all relevant business units as part of its responsibility for monitoring compliance with the law and corporate guidelines in the technical and commercial areas. The internal audit department also monitors the effectiveness of the compliance organisation. During these inspections, the internal audit department analyses the legality and correctness of individual actions. The internal audit department also conducts regular, independent reviews of compliance with internal guidelines in the area of accounting. The head of the internal audit department reports directly to the CEO.

**Risk assessment**

The management identifies and monitors risks relating to the financial reporting process, with a focus on those risks that are typically considered to be material.

The preparation of the financial statements requires regular forecasts, with the inherent risk that the actual future development will deviate from the forecast. This especially affects the following matters/items of the consolidated financial statements: assessment of unfinished construction projects, recognition and measurement of provisions (including social capital), the outcome of legal disputes, the collectability of receivables as well as the recoverability of investments and goodwill. In individual cases, external experts are called in or publicly available sources are considered in order to minimise the risk of a false assessment.

**Control activities**

All control activities are applied in the current business process to ensure that errors or deviations in financial reporting are prevented or detected and subsequently corrected. The control activities range from a management review of the period results to specific monitoring of accounts to the analysis of ongoing accounting processes.

It is the responsibility of the management to design the levels of hierarchy in such a way that an activity and the control of that activity are not performed by the same person ("four-eyes" principle).

IT security control activities represent a cornerstone of the internal control system. The separation of sensitive activities is supported by a restrictive approach to IT access authorisation. For its accounting and financial reporting, the company mainly uses self-developed software which reflects the unique features of the construction sector. The effectiveness of the financial reporting system is further assured through automated IT controls included in the system.

**Information and Communication**

The management regularly updates the rules and regulations for financial reporting and communicates them to all employees concerned. Regular discussions regarding the financial reporting and the rules and regulations in this context take place in various committees. These committees are composed of the corporate management as well as the department head and senior staff from the accounting department. The committee's work aims, amongst others, at guaranteeing compliance with accounting rules and regulations and to identifying and communicating weak points and potential areas for improvement in the financial reporting process. Accounting employees receive regular training regarding new methods of national and international financial reporting in order to identify risks of unintended misreporting at an early stage.

**Monitoring**

The management and supervisory boards bear responsibility for the ongoing company-wide monitoring. Additionally, the remaining management levels – all the way to the department heads – are responsible for the monitoring of their respective areas of responsibility. Controls and plausibility checks are carried out at regular intervals. The internal audit department is also involved in the monitoring process.

The top management receives monthly summary financial reports on the development of the output volume, the results of the respective segments and countries, and the liquidity. Financial statements to be published are submitted for final appraisal to the senior accounting staff and the commercial management board members before they are passed on to the audit committee of the supervisory board.

## EMPLOYEES

In 2012, STRABAG employed an average of 74,010 employees in all countries in which the group operates (2011: 76,866 employees), of which 28,295 were white-collar and 45,715 were blue-collar workers. Consequently, the number of employees sank by 4 % in comparison to the previous year – more strongly than the group's output volume. The largest portion of the decline can be attributed to the conclusion of large projects – for example, in Poland or the Middle East. With difficult economic conditions affecting construction activity, however, employee levels were on the decline in other markets as well.

The segment North + West accounted for 25,108 (-3 %), South + East for 22,699 (-2 %) and International + Special Divisions for 20,426 employees (-7 %). The percentage of women in the group in 2012 remained unchanged at 13 % overall and 8 % (2011: 9 %) at the group management level. There were 1,129 blue-collar apprentices (2011: 1,093) and 259 white-collar trainees (2011: 246) in the group.

Several human resource development projects were launched in 2012. STRABAG implemented a new process to systematically identify and appropriately develop high-potential employees. The company is also offering new career opportunities: the model, developed by an interdisciplinary task force, gives current and future employees a more varied choice of development opportunities within the group than before. Following initial specialist training or experience as a team leader, employees now have a total of three different career paths which they can follow: the classical management ladder, the project ladder or the expert ladder.

## RESEARCH AND DEVELOPMENT

With public-sector as well as private clients cutting costs, competitive pressure in the construction industry has been on the rise in recent years. This has led to a situation in which clients are looking not only at the quality of the services being offered, but are also increasingly seeing the price as a decisive argument. Despite this price pressure, it is important for STRABAG to continue to offer convincing services. An essential part of this is the investment in research and development (R&D).

Within the STRABAG Group, Zentrale Technik (ZT) is in overall charge of the planning and execution of research and development projects. Organised as a central division with 700 highly qualified employees at 19 locations, ZT reports directly to the Deputy CEO. The division supports the group's operating units in the areas of tunnelling and civil engineering, structural engineering and turnkey construction. The range of services covers the entire construction process, from the early acquisition stage and bid processing to execution planning and site management. Research and development activities include the areas of building and construction physics, software, information & communications technology, energy, construction materials technology, civil engineering and tunnelling, transportation infrastructures and safety. ZT also fosters international innovation networks.

Central topics for our innovation activities are sustainable construction and renewable energy. The employees at the R&D locations develop methods and tools to control the impact that construction activities have on the environment. In this context, the CarbonTracker software developed by STRABAG was presented in 2012. CarbonTracker involves the systematic, automatic calculation of energy and carbon data contained within the available group databases.

2012 saw structural changes at the group's internal Gesellschaft zur Optimierung von Technischen Prozessen, Arbeitssicherheit und Qualität (TPA). TPA will remain the STRABAG Group's competence centre for quality management and construction materials-related research and devel-opment. Lean management adds new competences for the efficient planning of supply and production chains. The restructured TPA has 868 employees at 129 locations.

STRABAG's EFKON AG subsidiary provides the group with expertise in the research and development of intelligent transportation systems in general and electronic toll collection solutions in particular. The company has developed innovative products and solutions in the electronic toll collection segment for multi-lane traffic flow and has already introduced these onto the international market. The technology company based in Raaba near Graz, Austria, is seeing a lot of international demand and was able to achieve an export ratio of 87 % in 2012.

In addition to specific research projects at the group's units and subsidiaries, a large part of the research and development activities takes place at ongoing construction projects – especially involving façade technology, tunnelling, construction engineering and ground engineering. During construction in these areas, new challenges or concrete questions often arise which require new technological processes or innovative solutions on site and which thus also contribute to the group's research, development and innovation activity.

The STRABAG Group spent about € 17 million (2011: € 15 million) on research, development and innovation activities during the 2012 financial year.

# ENVIRONMENT

Ecological responsibility has been a topic within the group for years. It begins with the planning of buildings and structures and continues through to their construction and related services such as property and facility management. A topic of increasing relevance is energy. In the year under report, the energy costs for the companies within STRABAG SE's scope of consolidation amounted to nearly € 347 million and represented a considerable portion of the total costs within the group. Without measures to raise energy efficiency, energy costs in the next few years can be expected to go up in response to price hikes and legislative changes. For this reason, the company has begun with the realisation of a comprehensive energy management programme. This is targeted on the following positive results: reduced energy costs, increased potential for tax savings, better environmental protection as a result of reduced emissions, and more sustainability regarding resource use.

Energy management at STRABAG consists of the three stages of "measure", "analyse & develop" and "implement". The group's carbon footprint for 2012, which comprises all consolidated companies in 60 countries, yielded the following results: within the group, a total of 1,293,352 tonnes of $CO_2$ were emitted in the period under report, which represents a decline of 1 %, or approx. 19,500 tonnes of $CO_2$, compared to the previous year.

Following data calculation, the focus was on data analysis. The company is working on an "energy atlas" to make the data for energy and resource use within the STRABAG Group easier to compare. This involves defining key performance indicators, assigning energy and resource use to individual areas and comparing these with each other using the data from the CarbonTracker as a basis.

## DISCLOSURES PURSUANT TO SECTION 243A PARA 1 UGB

**1.** The share capital of STRABAG SE amounts to € 114,000,000 and consists of 114,000,000 fully paid-in, no-par value shares with a pro-rata value of € 1 per share of the share capital. 113,999,997 shares are bearer shares and are traded on the Prime Market Segment of the Vienna Stock Exchange. Three shares are registered shares. Each bearer share and each registered share accounts for one vote (one share – one vote). The nomination rights associated with registered shares No. 1 and No. 2 are described in more detail under Item 4.

**2.** The Haselsteiner Group (Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner), the Raiffeisen Group (Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H, BLR-Baubeteiligungs GmbH, "Octavia" Holding GmbH), the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Österreich Versicherungen AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., Raiffeisen Versicherung AG) and Rasperia Trading Limited (controlled by Oleg Deripaska), as shareholders of STRABAG SE, have signed a syndicate agreement governing (1) nom-ination rights regarding the supervisory board, (2) the coordination of voting during the Annual General Meeting, (3) restriction on the transfer of shares and (4) joint development of the Russian market as a core market. The Haselsteiner Group, the Raiffeisen Group together with the UNIQA Group, and Rasperia Trading Limited each have the right to nominate two members of the supervisory board. The syndicate agreement also requires the syndicate partners to exercise their voting rights from syndicated shares unanimously at the Annual General Meeting of STRABAG SE. The syndicate agreement further foresees restrictions on the transfer of shares in the form of mutual preemptive rights as well as a minimum shareholding on the part of the syndicate partners.

In accordance with Sec 65 Para 5 of the Austrian Stock Corporation Act (AktG), all rights were suspended for 10,912,340 no-par shares (about 9.57 % of the share capital) effective 31 December 2012 as these shares are held by STRABAG SE as own shares as defined in Sec 65 Para 1 No 8 of the Austrian Stock Corporation Act (AktG) (see also Item 7).

**3.** To the knowledge of STRABAG SE, the following shareholders held a direct or indirect interest of at least 10 % of the share capital of STRABAG SE on 31 December 2012:

- Haselsteiner Familien-Privatstiftung 29.21 %
- Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H. (Raiffeisen Group) 15.31 %
- UNIQA Versicherungen AG (UNIQA Group) 14.88 %
- Rasperia Trading Limited 17.60 %

In addition to its 17.60 % interest, core shareholder Rasperia Trading Limited also holds an option, valid until 15 July 2014, to buy a further 7.40 % of STRABAG SE from the other core shareholders mentioned above.

In exercising the authorisation by the 7th Annual General Meeting from 10 June 2011 and the renewed authorisation by the 8th Annual General Meeting from 15 June 2012 to acquire own shares in accordance with Sec 65 Para 1 No 8 of the Austrian Stock Corporation Act (AktG), the company by 31 December 2012 acquired 10,912,340 no-par shares, corresponding to about 9.57 % of the share capital (see also Item 7).

The remaining shares of the share capital of STRABAG SE, amounting to about 13.42 % of the share capital, are in free float.

**4.** Three shares are – as mentioned under Item 1 – registered shares entered in the shareholder register. Registered shares No. 1 and No. 3 are held by the Haselsteiner Group and registered share No. 2 is held by Rasperia Trading Limited. Registered shares No. 1 and No. 2 allow their bearers to nominate a member each to the supervisory board of STRABAG SE.

**5.** No employee stock option programmes exist.

**6.** No further regulations exist beyond Items 2 and 4 regarding the nomination and recall of members of the management and supervisory boards or regarding changes to the Articles of Association which do not result directly from relevant law and legislation.

**7.** The management board of STRABAG SE was again authorised by resolution of the 8th Annual General Meeting of 15 June 2012, in accordance with Sec 65 Para 1 No 8 and Para 1a and 1b of the Austrian Stock Corporation Act (AktG), to acquire bearer or registered no-par shares of the company on the stock market or over the counter to the extent of up to 10 % of the share capital during a period of twelve months from 10 July 2012 at a minimum price per share of € 1.00 and a maximum price per share of € 34.00. The purpose of the acquisition may not be to trade with own shares. The authorisation can be exercised in full or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Sec 228 Para 3 UGB) or third parties acting on behalf of the company. The management board can decide to acquire shares on the stock exchange but must inform the supervisory board following decision to do so. Over-the-counter purchases require prior approval by the supervisory board. The management board was further authorised, in accordance with Sec 65 Para 1b AktG, for a period of five years from this resolution, to sell or assign its own shares, with approval by the supervisory board, in a manner other than on the stock market or through a public tender, to the exclusion of the shareholders' buyback rights (subscription rights), and to determine the conditions of sale. The authorisation can be exercised in full or in part or in several partial amounts for one or several purposes by the company, a subsidiary (Sec 228 Para 3 UGB) or third parties acting on behalf of the company.

**8.** With the exception of the agreements over a syndicated surety loan and a syndicated cash credit line, there exist no significant agreements to which STRABAG SE is party and which would become effective, change or end due to a change of ownership in STRABAG SE following a takeover offer.

**9.** No compensation agreements exist between STRABAG SE and its management and supervisory board members or employees in the event of a public takeover offer.

## RELATED PARTIES

Business transactions with related parties are described in item 27 of the Notes.

## SUPPORTING INFORMATION

At the beginning of March 2009, an accident occurred during underground construction at the South Lot for the North-South urban metro line in Cologne, resulting in the collapse of the Historical Archive of the City of Cologne and significant portions of two neighbouring buildings. Debris collapsed into a hole which opened next to the North-South construction site at the Waidmarkt crossover junction. Two people were trapped under the rubble, and rescuers were only able to recover their bodies. Construction on the underground is being carried out by a joint venture (JV) of Bilfinger SE (formerly Bilfinger Berger SE), Wayss & Freytag Ingenieurbau AG and STRABAG. The JV is led by Bilfinger SE on the technical side and by Wayss & Freytag Ingenieurbau AG on the commercial side. STRABAG holds a 33.3 % interest in the JV.

The cause of the collapse remains unknown. The public prosecutor's office began an investigation with three separate experts into possible negligent homicide and endangerment in construction. Two independent proceedings are being conducted by the District Court in Cologne: one to collect evidence as to the cause of the accident and another to establish the damage to the buildings and archives. A model of the building is currently being built to help determine the cause and the damages, with completion expected no sooner than 2014. We continue to believe that the incident will not result in any significant damages for the company.

# OUTLOOK AND OBJECTIVES

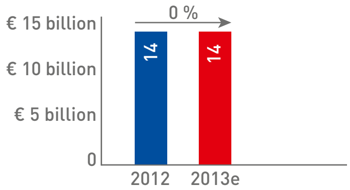
Thanks to STRABAG's successful strategy of diversification and the related diversification of risk, the lack of public-sector infrastructure investments in Europe have so far not resulted in any major declines in the company's output. Based on the balanced business in terms of regions and segments, STRABAG SE expects the output for the 2013 financial year to remain unchanged over 2012 at € 14.0 billion. This will likely be composed of € 5.8 billion from the segment North + West, € 5.0 billion from the segment South + East and € 3.0 billion from the segment International + Special Divisions. The rest can be allotted to "Other". A further, expected reduction in Poland should be countered by increases in tunnelling, in the international business and in building construction in Austria.

While the management board of STRABAG SE expects another slight worsening of the business environment in the European construction sector in 2013, it also believes that there will be no larger negative nonrecurrence items as in 2012. The management board therefore expects to see the group's EBIT grow to at least € 260 million in the 2013 financial year. Against this backdrop, the net investments (CAPEX incl. minor acquisitions) should remain at the same level as 2012 and will likely come to rest at about € 475 million.

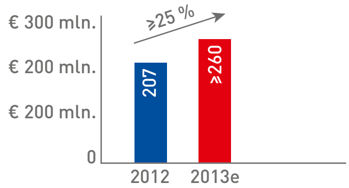
STRABAG makes these forecasts on the assumption that the economic framework in Europe will remain unchanged in the coming year. This means that the financing environment for the private and industrial clients should not worsen further, conversely, however, that a rapid recovery of the conditions or a significant increase in government spending cannot be expected in the STRABAG core markets.

DETAILED OUTLOOK IN THE SEGMENT REPORTS

## OUTPUT OUTLOOK




## EBIT-OUTLOOK




# EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the close of the financial year.

# AUDITOR'S REPORT

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements, including the accounting system, of

**STRABAG SE,**
**Villach, Austria,**

for the fiscal year from 1 January 2012 to 31 December 2012. These financial statements comprise the balance sheet as of 31 December 2012, the income statement for the fiscal year ended 31 December 2012, and the notes.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS AND FOR THE ACCOUNTING SYSTEM

The company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITORS' RESPONSIBILITY AND DESCRIPTION OF TYPE AND SCOPE OF THE STATUTORY AUDIT

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the company as of 31 December 2012 and of its financial performance for the year from 1 January 2012 to 31 December 2012 in accordance with Austrian Generally Accepted Accounting Principles.

## REPORT ON OTHER LEGAL REQUIREMENTS (MANAGEMENT REPORT)

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Business Enterprise Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to Section 243a UGB (Austrian Business Enterprise Code) are appropriate.

Linz, 9 April 2013

KPMG Austria AG
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Dr. Helge Löffler
Wirtschaftsprüfer

Mag. Peter Humer
Wirtschaftsprüfer

(Austrian Chartered Accountants)

This report is a translation of the original report in German, which is solely valid.

Publication of the financial statements together with our auditor's opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Business Enterprise Code) applies.

# STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the consolidated 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 development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Villach, 9 April 2013

**Management Board**

**Dr. Hans Peter Haselsteiner**
CEO

**Dr. Thomas Birtel**
Deputy CEO
Responsibility Internal Service Units
and region RANC[1]

**Mag. Christian Harder**
CFO

**DI Dr. Peter Krammer**
Responsibility Segment North + West

**Mag. Hannes Truntschnig**
Responsibility Segment
International + Special Divisions

**DI Siegfried Wanker**
Responsibility Segment South + East
(except divisions 3L RANC and 3M RANC)

1) RANC = Russia and neighbouring countries