

**PROSPECTUS**



**STRABAG SE**  
*(a Societas Europaea (SE) in Austria, registered number FN 88983h)*

**Offering of EUR 75,000,000 [●] % 2008-2013 Bonds  
AT0000A09H96**

**Application for admission to listing on the Second Regulated Market (*Geregelter Freiverkehr*) of  
the Vienna Stock Exchange**

This offering (the *Offering*) consists of (i) a public offering in the Republic of Austria of the EUR 75,000,000 [●] % 2008-2013 bonds with a denomination of EUR 500.00 each (the "Bonds") and (ii) an offering of the Bonds to selected investors outside the Republic of Austria.

The Issuer has reserved the right to increase the total principal amount of the Offering to up to EUR 100,000,000. The final total principal amount will be determined by the Issuer on or about June 6, 2008 and published prior to the beginning of the subscription period.

Interest on the Bonds carrying a fixed annual coupon is payable annually in arrears on an unadjusted basis on June 18 each year, commencing on June 18, 2009.

Prospective investors should be aware that an investment in the Bonds involves a risk and that, if certain risks, in particular those described in the chapter "Risk Factors" occur, the investors may lose all or a very substantial part of their investment.

This document does not constitute an offer to sell, or the solicitation of an offer to buy Bonds in any jurisdiction where such offer or solicitation is unlawful. The Bonds have not been and will not be registered under the United States Securities Act of 1933 (the *Securities Act*).

The accuracy of the information contained in this prospectus is not subject to examination by the Austrian Financial Markets Authority in the course of its review of the prospectus pursuant to the relevant statutory provisions.

Joint Lead Managers

**Raiffeisen Zentralbank Österreich Aktiengesellschaft    Erste Bank der oesterreichischen Sparkassen AG**

The date of this prospectus is June 02, 2008

This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the Bonds offered hereby and does not constitute an offer to sell or a solicitation of an offer to buy any Bonds offered hereby to any person in any jurisdiction in which it is unlawful to make any such offer or solicitation to such person. The delivery of this prospectus shall under no circumstances imply that there has been no change in the affairs of STRABAG SE ("STRABAG" or the "Company" or the "Issuer") or the STRABAG Group or that the information contained herein is correct as of any date subsequent to the earlier of the date hereof or any date specified with respect to such information; irrespective of the obligation of the Issuer to mention in a supplement to the prospectus every significant new factor, material mistake or inaccuracy relating to the information included in the prospectus which is capable of affecting the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the final closing of the offer to the public or, as the case may be, the time when admission to listing on a regulated market is granted (in accordance with § 6 of the Austrian Capital Market Act (*Kapitalmarktgesetz*)).

No person is or has been authorized to give any information or to make any representation in connection with the offer or sale of the Bonds, other than as contained in this prospectus, and, if given or made, any other information or representation must not be relied upon as having been authorized by the Company or the Joint Lead Managers. The delivery of this prospectus at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that the information set out in this prospectus is correct as at any time since its date. The Joint Lead Managers make no representation or warranty, expressed or implied, as to the accuracy or completeness of the information in this prospectus, and nothing in this prospectus is, or shall be relied upon as, a promise or representation by the Joint Lead Managers.

This prospectus has been prepared by the Issuer in connection with the Offering solely for the purpose of enabling a prospective investor to consider the purchase of the Bonds and to comply with the listing requirements of the Vienna Stock Exchange. In making an investment decision regarding the Bonds offered pursuant to this prospectus, investors must rely on their own examination of the STRABAG Group and the terms of the offering, including, without limitation, the merits and risks involved. The offering is being made solely on the basis of this prospectus.

Reproduction and distribution of this prospectus or disclosure or use of the information contained herein for any purpose other than considering an investment in the Bonds is prohibited. The information contained in this prospectus has been provided by STRABAG and other sources identified herein. No representation or warranty, explicit or implied, is made by the Joint Lead Managers as to the accuracy or completeness of the information set forth herein and nothing contained in this prospectus is, or shall be relied upon as a promise or representation, whether as to the past or the future. No person has been authorized to give any information or to make any representation not contained in this prospectus in connection with the Offering and, if given or made, any such information or representation should not be relied upon as having been authorized by STRABAG or the Joint Lead Managers.

The contents of this prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own lawyer, financial adviser or tax adviser for legal, financial or tax advice.

This prospectus comprises a prospectus for the public offering of the Bonds, issued by STRABAG in the Republic of Austria and to selected investors outside the Republic of Austria, and for the admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. This prospectus has been prepared in accordance with Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended, and conforms to the requirements of the Austrian Capital Market Act, as amended, (the "Capital Market Act"), and the Austrian Stock Exchange Act (*Börsegesetz*), as amended (the "Stock Exchange Act"). This prospectus has been approved as a prospectus by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*) (the "FMA") and has been filed with the Notification Office (*Meldestelle*) at Oesterreichische Kontrollbank Aktiengesellschaft in accordance with the Austrian Capital Market Act. This prospectus will be filed as a listing prospectus (*Börseprospekt*) with the Vienna Stock Exchange in accordance with the Stock Exchange Act in connection with the listing application for the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

The Bonds offered hereby have not been and will not be registered under the Securities Act or with any authority of any state of the US, or the applicable securities laws of Australia, Canada, Japan and the

United Kingdom, and may not be offered or sold in the US or to, or for the account of, any US persons or to any person resident in Australia, Canada, Japan, the United Kingdom and the US.

The distribution of this prospectus and the offer and sale of the Bonds offered hereby may be restricted by law in certain jurisdictions. Persons in possession of this prospectus are required to inform themselves about, and to observe, any such restrictions. This prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the Bonds offered hereby in any jurisdiction in which such offer or invitation would be unlawful.

This prospectus contains statements under the captions "Summary of the Prospectus", "Risk Factors", and elsewhere which are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward looking terminology, including the words "believes", "estimates", "anticipates", "expects", "intends", "targets", "may", "will", "plans", "continue" or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, goals, future events or intentions. The forward-looking statements contained in this prospectus include certain "targets". These targets reflect goals that the Issuer is aiming to achieve and do not constitute forecasts.

STRABAG bases forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Investors should not place undue reliance on these forward-looking statements. Many factors could cause STRABAG's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The forward-looking statements contained in this prospectus include all matters that are not historical facts and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy and the industry and markets in which the Issuer operates. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events, and depend on circumstances, that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

Many factors could cause the actual results, performance or achievements of STRABAG to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Some of these factors are discussed in more detail under "Risk Factors" below.

Should one or more of these risks or uncertainties described in this prospectus occur, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this prospectus as anticipated, believed, estimated or expected. The Issuer has no intention to and assumes no responsibility for updating the information contained in this prospectus after the end of the Offering.

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## Definitions

In this prospectus, unless the context otherwise requires,

- "STRABAG SE" or the "Company" or the "Issuer" refer to STRABAG SE; when discussing events occurring prior to August 5, 2006, "STRABAG Group", the "Group" or "STRABAG" refer to FIMAG Finanz Industrie Management AG and its consolidated subsidiaries at the relevant time; and on or after August 5, 2006, "STRABAG Group", the "Group" or "STRABAG" refer to STRABAG SE and its consolidated subsidiaries at the relevant time;
- "FIMAG AG" refers to FIMAG Finanz Industrie Management AG;
- "Raiffeisen NÖ-Wien Group" refers to RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. and its consolidated subsidiaries;
- "UNIQA Group" refers to UNIQA Versicherungen AG and its consolidated subsidiaries;
- "Rasperia" refers to Rasperia Trading Limited, Limassol, Cyprus, a company indirectly controlled by Mr. Oleg Deripaska;
- "Basic Element" refers to Company Bazovy Element LLC, Moscow, Russian Federation, a company indirectly controlled by Mr. Oleg Deripaska;
- "IFRS" refers to International Financial Reporting Standards ("IFRSs") including International Accounting Standards ("IASs") and interpretations published by International Accounting Standard Board, as adopted by the EU; and
- "CEE" refers to Central and Eastern Europe, which for the purposes of this prospectus, includes the Russian Federation.

## Presentation of Financial Statements

This prospectus contains consolidated financial statements (comprising consolidated balance sheets and consolidated statements of income, cash flow and changes in equity as well as the notes thereto) of STRABAG as of and for the two years ended December 31, 2006 and 2007 and for the three months ended March 31, 2008, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the EU. The financial statements are presented as follows:

- the consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2006 (the "2006 Consolidated Financial Statements"), as published and audited jointly by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and T&A Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH.
- the consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2007 (the "2007 Consolidated Financial Statements"), as published and audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.
- the unaudited consolidated financial statements of STRABAG SE as of and for the three months ended March 31, 2008 (the "2008 Unaudited Consolidated Financial Statements" and, together with the 2006 Consolidated Financial Statements and the 2007 Consolidated Financial Statements, the "Consolidated Financial Statements"), as published.

## **Market and Industry Data**

This prospectus includes information regarding market share, market position, growth rates and industry data for the Group's lines of business, which consists of estimates based on the Deloitte European Powers of Construction 2007 study (available on the Deloitte homepage: <http://www.deloitte.com/dtt/research/0,1015,cid%253D183127,00.html>). The Company assumes no responsibility for the correctness of any market share or industry data included in this prospectus. Such third party sources have been accurately reproduced and as far as STRABAG is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company does not have access to the facts and assumptions underlying the numerical data, market data and other information extracted from publicly available sources and has not independently verified market data provided by third parties or industry or general publications. In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. While the Company believes its internal research to be reliable, such research has not been verified by any independent sources and the Company cannot guarantee its accuracy. The Company believes that such data are useful in helping investors understand the industry in which the Group operates and the Group's position within the industry.

## **Documents Available for Inspection**

Copies of the following documents will be available for inspection at the Company's registered office in Villach, Austria, and at the Company's Vienna office at Donau-City-Straße 9, A-1220 Vienna, Austria (Tel: +43 (1) 22 4 22 – 1170), during usual business hours:

- the Articles of Association of STRABAG SE;
- this prospectus; and
- the Consolidated Financial Statements.

## Summary

**Warning.** *The following summary must be read as an introduction to this prospectus, and any decision to invest in the Bonds should be based on a consideration of the prospectus as a whole, including the IFRS Financial Statements and the matters set out under "Risk Factors". Civil liability attaches to those persons who have tabled this summary and applied for its notification, but only if this summary is misleading, inaccurate or inconsistent when read together with the other sections of this prospectus. Where a claim relating to the information contained in this prospectus is brought before a court, a plaintiff investor might, under the national legislation of the relevant member state of the EEA, have to bear the costs of translating this prospectus before the legal proceedings are initiated. In the event that such legal proceedings are initiated before a court in Austria, a German translation of the prospectus will be required, and the costs thereof will have to be borne initially by the plaintiff investor and ultimately by the party held to be responsible therefor in the legal proceedings.*

**Issuer** STRABAG SE with its registered seat in Villach and its business address Donau-City-Straße 9, A-1220 Vienna. The Company is registered with the commercial register of the District Court Klagenfurt under FN 88983h.

**Business activity of the Issuer** The STRABAG Group's main geographic areas of activity are Germany, Austria and the CEE region. STRABAG's comprehensive service range covers all segments of the construction industry. The Group offers its services under the four main brands STRABAG, Züblin, Dywidag and Heilit+Woerner.

The STRABAG Group operates in three segments:

- *Building Construction & Civil Engineering:* Building construction comprises the construction of commercial and industrial buildings, office and administrative buildings, residential construction, and hotel and leisure complexes. Medium-sized and major projects, mainly for private clients, form the core of the business activities. In civil engineering STRABAG constructs complex traffic structures and power plants, major bridge projects, dams, railways, environmental technology, and specialized groundwork.
- *Transportation Infrastructures:* The Transportation Infrastructures Segment comprises the building of asphalt and concrete roadways as well as all activities related to road construction, earthworks, sewer engineering, waterways and dyking, paving, the construction of sports and recreational facilities, protective structures and small-scale bridge building. The production of construction materials such as asphalt, concrete and aggregates also belong to the tasks of the segment.
- *Special Divisions & Concessions:* This segment, formerly known as "Tunnelling & Services" comprises the Group's tunnelling activities as well as special foundation engineering, which includes, amongst others, soil investigations, well exploration, pipe jacking and pile driving. Further, the Group's facility management operations, real estate and infrastructure project developments and concession operations form parts of this segment.

Apart from Europe, the Group's main geographical area is the Middle East. In addition, the Group engages in project business all over the world.

As of year end 2007, the Group had more than 61,000 employees (full time equivalents) worldwide. In 2007, the STRABAG Group generated a total output volume of EUR 10.746 billion.

***Material risk factors***

The Issuer is subject to a number of risks which - in case they materialize - could have a material adverse effect on the Issuer's business, results of operations and financial condition. It is not even possible to entirely exclude a complete loss of the capital invested. The risks are described in detail under the caption "*Risk Factors*" (page 7). The risks are, inter alia, the following:

- Dependency on cyclical construction sector activity levels
- Calculation and pricing of construction projects, in particular lump sum pricing risk
- Seasonality
- Competition in the industry
- Economic instability in the Russian Federation could materially adversely affect the STRABAG Group's business
- In many Central and Eastern European Countries economic and political developments are uncertain, the legal systems and procedural safeguards are not fully developed and material changes in law may occur at any time
- STRABAG faces different economic, political and legal environments and changes in the regions where the Group is active
- The European construction industry suffers from a lack of skilled labor
- Contractual penalties, other losses and reputational risks
- Dependency on certain customers, including governments funding infrastructure projects
- Warranty and liability risks for defective services and products
- Sub-contractors
- The continued internationalization of its business entails certain risks for the STRABAG Group
- The STRABAG Group is subject to risks associated with the acquisition of other businesses
- No controlling interest in some of the companies through which STRABAG conducts its business
- The STRABAG Group may need to raise capital in the future and may be able to do so only on economically unfavourable terms
- Financial and other covenants under certain credit facilities
- Liability and other legal risks
- Environmental and other regulatory matters
- The STRABAG Group is exposed to tax risks
- The STRABAG Group is dependent on its senior management and other key employees
- A failure to maintain and further develop an appropriate risk management could adversely affect the STRABAG Group
- Investigations are currently being conducted against the STRABAG Group and its current and former employees
- Competition law risks
- The STRABAG Group faces risks from pending shareholder



litigation in Germany

- The Company's principal shareholders may exercise significant influence over the STRABAG Group and their interests may not always correspond to the interests of the Company
- The Company is a holding company and its ability to satisfy any debt obligations depends on its receipt of funds from its subsidiaries
- Capital requirements
- Public market for bonds and uncertainty of price development
- Illiquid markets
- A suspension of trading in the Bonds or in the Company's shares could adversely affect the market price of the Bonds.
- Risk of changing interest rates
- Premature redemption and reinvestment risk

***Reasons for the offer and use of proceeds***

The Issuer intends to use the net proceeds of the issue of the Bonds for the redemption of the EUR 50 million 5 1/4% bonds due June 18, 2008 (AT0000341615) issued by Bauholding Strabag AG, the predecessor of the Company, as well as for general corporate purposes.

***Offered Securities***

STRABAG intends to issue the Bonds in the total amount of EUR 75,000,000 with a denomination of EUR 500.00 each.

***Tenor of the Bonds***

5 years, June 18, 2008 until June 17, 2013 (inclusive).

***Interest***

[●] % per year (payable annually in arrears).

***Issue price***

The issue price of the Bonds will be determined after completion of the book building procedure by the Joint Lead Managers in consultation with the Issuer (See "*Allotment, Pricing, Underwriting, Admission to Trading*" on pages 38 et seq).

***Redemption***

The Bonds will be redeemed at their principal amount on June 18, 2013.

***Joint Lead Managers***

Raiffeisen Zentralbank Österreich Aktiengesellschaft and Erste Bank der oesterreichischen Sparkassen AG.

***Paying Agent***

Erste Bank der oesterreichischen Sparkassen AG.

***Listing***

It is intended to file an application for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

***International Securities Identification Number (ISIN)***

AT0000A09H96

**Summary Consolidated Financial Data**

*The following information and data have been extracted from, and are only a summary of, the Consolidated Financial Statements which appear elsewhere in this prospectus. Potential investors are encouraged to read the entire prospectus, including the Consolidated Financial Statements and the other financial information included in the prospectus.*

	Three Months Ended March 31,		Year Ended December 31,	
	2008	2007	2007	2006
	unaudited (TEUR)	unaudited (TEUR)	audited (TEUR)	audited (TEUR)
<b>Selected Income Statement Figures</b>				
Revenue.....	1,762,715	1,475,346	9,878,600	9,430,621
Profit before taxes .....	-136,207	-132,974	276,256	287,203
Profit for the period.....	-109,846	-104,738	207,614	224,004
<b>Selected Balance Sheet Data</b>				
Total non-current assets.....	2,585,360	n.a.	2,469,844	1,902,319
Cash and cash equivalents.....	1,571,384	n.a.	1,965,775	586,265
Total assets.....	7,187,290	n.a.	7,740,814	5,575,826
Equity.....	2,994,449	n.a.	3,096,454	1,035,894
Total non-current liabilities.....	1,144,919	n.a.	1,168,366	1,143,302
<b>Other Financial Data</b>				
EBIT.....	-138,217	-120,822	312,428	272,729
EBITDA.....	-62,296	-61,124	595,899	502,407
	Three Months Ended March 31,		Year Ended December 31,	
	2008	2007	2007	2006
	unaudited (TEUR)	unaudited (TEUR)	unaudited (TEUR)	unaudited (TEUR)
<b>Other Operating Data</b>				
Output volume.....	1,922,568	1,717,690	10,746,223	10,385,111
Order backlog.....	12,581,535	10,013,674	10,742,287	8,505,614
Equity ratio (in %)... ..	41.66	n.a.	40.00	18.58

## **Risk Factors**

*Prospective investors should consider carefully the risk factors set forth below before making an investment in the Bonds. The risks described below constitute, in the STRABAG Group's opinion, the most significant risks of which it is currently aware, but the list does not purport to be exhaustive and the risks described do not constitute the only risks to which the STRABAG Group is exposed. The order in which the individual risks are presented does not provide an indication of the likelihood of their occurrence nor of the severity or significance of the individual risks. Furthermore, other risks and aspects may be of significance of which the STRABAG Group is currently unaware or which it does not currently consider to be material but which may also have a material adverse effect on the STRABAG Group's business and business prospects and on its financial condition and results of operations. If these risks materialize, individually or together with other circumstances, they may materially impair the STRABAG Group's business and may have a material adverse effect on the STRABAG Group's financial condition and results of operations and investors could lose all or part of their investment.*

### ***Dependency on cyclical construction sector activity levels***

The results of the STRABAG Group depend heavily on infrastructure, commercial and to some degree residential construction activity and spending levels. Construction activity and spending levels vary across the STRABAG Group's many markets and generally tend to be cyclical, especially in mature economies. The construction industry is sensitive to interest rates and economic and other factors outside the STRABAG Group's control. Economic downturns may lead to recessions in the construction industry, either in individual markets or globally, and construction spending may fall even in growing economies. The STRABAG Group may thus be affected significantly by global downturns or downturns in one or more individually significant markets.

### ***Calculation and pricing of construction projects, in particular lump sum pricing risk***

Calculation and pricing of construction projects, in particular lump sum pricing and construction projects providing for a functional description of services (*funktionale Ausschreibung*) expose the STRABAG Group to significant risks. Because the margins achieved on most construction projects are relatively low, one or a small number of loss-making construction projects could have a disproportionately large effect on the STRABAG Group's overall results.

### ***Seasonality***

Construction activity decreases substantially during periods of cold weather, snow or heavy or sustained rain. Consequently, demand for construction services is significantly lower during the winter in temperate countries. Further, demand for construction services may be generally volatile. Typically, construction companies' operations are partly seasonal, with turnover generally increasing during the second half of the year in most markets because of better weather conditions. However, high levels of rainfall can adversely impact the operations of such companies during these periods as well. Accordingly, seasonal patterns and adverse weather conditions can materially adversely affect the results of operations of the STRABAG Group, particularly if such conditions occur with unusual intensity, during abnormal periods, or last longer than usual. Also, results achieved during good quarters may not be sufficient to compensate for bad quarters. Further, turnover and profit fluctuations may occur due to the deferral of construction projects. All such effects could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

### ***Competition in the industry***

The STRABAG Group operates in a variety of local and regional markets around the world, and many factors affect the competitive environment the STRABAG Group faces in any particular market. These factors include the number of competitors in the market, their pricing policies and market penetration, pre-existing relationships with customers or customers' prior experience with specific contractors, a

track record of being able to complete construction projects on time, financial strength (including key financial data such as equity ratios, which are prerequisites in certain bidding processes), the total production capacity serving the market, up-to-date technology in terms of construction methods and equipment, market entry barriers, which are typically low, and the proximity of natural resources, as well as general economic conditions and demand within the market. Each of these factors or a combination thereof may influence the competitive environment in the markets in which the STRABAG Group operates and may have a material adverse impact on the demand for its products and services and on its market share.

Implementation of construction projects under legal structures that entail specific risks in addition to the project completion risk. In particular in the Project Development – Infrastructure business segment, major infrastructure projects are increasingly financed by public-private partnerships ("PPP"), where – in the typical scenario – the government assigns responsibility for constructing and operating a piece of infrastructure, such as a highway, to a company but retains regulatory control and ownership. In a particular type of PPP arrangement referred to as build-operate-transfer ("BOT"), a public sector entity grants a concession to a private company, which undertakes to construct, finance and operate a piece of infrastructure over the period of the concession before finally transferring the facility, at no cost to the government, as a fully operational facility. The return on any investment in such projects depends on the duration of the concession, in addition to the amount of usage revenues collected, debt service costs and other factors. Thus in addition to the risk of failure of a construction project as such, the STRABAG Group is exposed to risks involved in the operation of infrastructure projects in the long term, which may materially and adversely affect its results of operations.

***Economic instability in the Russian Federation could materially adversely affect the STRABAG Group's business***

Following the acquisition of an interest in the Company by Rasperia, the STRABAG Group intends to increase the scope of its activities in the region of the Russian Federation. However, the growth of the Russian construction sector depends to a significant extent on the development of the Russian economy as a whole. Therefore, the STRABAG Group's ability to grow its revenues in the Russian Federation is materially influenced by the future development of the Russian economy. Despite recent improvements in the Russian economy, there can be no assurance that this trend will continue. Factors that could lead to a deterioration of the economic situation of the Russian Federation include social, economic and political uncertainty and instability, including regional conflict and the risk of war and acts of terrorism; a reversal of reform policies; a weak banking system providing limited liquidity to domestic enterprises, restrictions on transfers of hard currency outside of the Russian Federation; exchange rate volatility and the lack of available currency hedging instruments; an increase in inflation rates (including the risk of social unrest associated with periods of hyperinflation); significant increases in unemployment; and market downturns and economic slowdowns elsewhere in the world, particularly in emerging markets.

The factors listed above have been characteristic of the Russian economy at various times during the last 15 years. Any of these factors, either alone or in combination with others, could have a material negative influence on the investment climate in the Russian Federation, thereby reducing investment in the construction sector and materially adversely affecting the STRABAG Group's business, financial condition and results of operations.

***In many Central and Eastern European Countries economic and political developments are uncertain, the legal systems and procedural safeguards are not fully developed and material changes in law may occur at any time***

The economic development in the CEE region is subject to risks common to all regions that have recently undergone, or are undergoing, political, economic and social change, including currency fluctuations, evolving regulatory environments, inflation, economic recession, local market disruption, labor unrest, changes in disposable income or gross national product, variations in interest rates and taxation policies, levels of economic growth, declines in birth rate and other similar factors. Far-reaching political and economic reforms mean that political and economic tensions could accompany the development of the new democratic and market-oriented systems. Generally, the countries in the CEE

region that are not EU member states (in particular the Ukraine, Serbia, Croatia, Bosnia, Kosovo, Moldavia, Macedonia and Montenegro) are not yet as stable as the countries in the region that are already EU member states.

Although many EU member states (such as Hungary, the Czech Republic, Slovakia, Poland, Bulgaria and Romania) have undergone economic reform in recent years, public discussion continues as to the need to reform pension and healthcare systems and to balance the fiscal budget. A failure to safeguard the stability of the public finances in these countries, could potentially destabilize such countries, currency, increase inflation and the borrowing costs of such country through lower debt ratings and deteriorate the overall economic situation, which may thereby materially adversely affect the STRABAG Group's business, financial condition and results of operations, in particular in the Group's current CEE geographic segments Hungary, the Czech Republic, Poland and Slovakia.

The legal systems of many CEE countries have undergone dramatic changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in an inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations. This is especially true for Romania and Bulgaria, which joined the EU in the year 2007.

Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations in a reasonably timely manner or at all. Although institutions and legal and regulatory systems characteristic of parliamentary democracies have been developed in certain CEE countries, they lack an institutional history, and there may be no generally observed procedural guidelines. As a result, shifts in government policies and regulations tend to be more frequent and less predictable than in EU-15 countries. Moreover, a lack of legal certainty or the inability to obtain effective legal remedies in a reasonably timely manner may have a material adverse effect on the STRABAG Group's business, financial condition and results of operations.

***STRABAG faces different economic, political and legal environments and changes in the regions where the Group is active***

STRABAG offers its services in more than 30 different countries worldwide and faces different economic, political and legal environments and changes in these markets. The Group may face difficulties to react to these different economic, political and legal situations and changes, leading to a decrease in market share in certain regions and an overall negative effect on the Group's results. Moreover, although no single of the Group's CEE, South Eastern European, Middle Eastern, Asian, African and other overseas markets contributes to the Group's results in a critically high proportion, economic downturns, political instability or adverse changes in the legal environment in any of the Group's markets could materially adversely affect the STRABAG Group's business, financial condition and results of operations.

***The European construction industry suffers from a lack of skilled labor***

The construction industry in Europe increasingly faces a shortage of skilled workers. In CEE, particularly in Poland, the problem is amplified by the fact that since the enlargement of the EU, many construction workers have relocated to other countries that offer higher wages, particularly to the United Kingdom and Ireland. Consequently, competition among the construction companies for skilled labor is intense and may result in both a deterioration of quality of services provided and an increase in labor costs. Occasionally, entire teams of construction personnel decide to accept offers from competitors, which typically has a significant negative impact on the completion of affected ongoing construction projects. Any limited availability of skilled personnel, if enduring and significant, may materially and adversely affect the STRABAG Group's ability to further pursue its growth strategy and the STRABAG Group's business, financial condition and results of operations.

***Contractual penalties, other losses and reputational risks***

Construction projects are time-critical and schedule-driven and for the most part have to be carried out

within the narrow time frame requested by the contractor. Particularly as a result of adverse weather conditions, unexpected technical difficulties, occurrences of damage arising during construction, for example water leakage or breakdown of a structural component, or on account of delays of the start of construction, there is a risk that, with respect to any given project, the STRABAG Group may not in all cases be able to meet the contractually agreed deadlines and that the final acceptance of its services may not occur at all or may be delayed until considerable time has been spent on rectifying defects, which may not be separately remunerated. In the event of any such delay, the applicable contractual provisions regularly provide for a contractual penalty that is partly independent of fault. Further, such delays may require a longer use of resources, which were already scheduled to be used in other projects. An accumulation of such events may have a materially adverse impact on the reputation, business, financial condition and results of operations of the STRABAG Group.

#### ***Dependency on certain customers, including governments funding infrastructure projects***

Companies and governments of countries that regularly award construction contracts could restrict or suspend awarding contracts to the STRABAG Group due to political or other considerations. The construction industry generally is to some extent dependent on the amount of infrastructure work funded by various governmental agencies which, in turn, depends on the condition of the existing infrastructure in the relevant countries, the need for new or expanded infrastructure and federal, state or local government spending levels. In the new EU member states, the STRABAG Group partly depends on the extent to which infrastructure programs are funded by the EU. The award of contracts by contracting authorities is furthermore subject to uncertainties as a result of restricted or altered budgets, the participation in costly tender procedures with uncertain outcome, bureaucracy and corruption. A decrease in government funding of infrastructure projects could decrease the number of construction projects available and limit the STRABAG Group's ability to obtain new contracts, which could reduce revenues and/or profits.

#### ***Warranty and liability risks for defective services and products***

Services provided or products sold by the STRABAG Group may contain defects. This may lead to the relevant customers or buyers asserting a contractual warranty claim against the STRABAG Group. Further, third parties may also bring a claim for damages or for product liability against the STRABAG Group where defective products have caused damage to property or personal injury. Hidden defects that are not detected for years may cause such claims to be raised at a later point in time than expected and may impair the ability to claim recourse from consortium members or sub-contractors or other third parties to which such defects are attributable and thus could materially adversely affect the Group's business, financial condition and results of operations.

#### ***Sub-contractors***

The STRABAG Group relies on sub-contractors to render certain services. Particularly in connection with turnkey construction projects in the building construction segment, if a sub-contractor violates prior commitments to participate in a construction project, the STRABAG Group may face significant increases in costs for the completion of that project or may be obliged to procure alternatives to replace the relevant services. Further, deficiencies in the performance of services rendered by sub-contractors or violations of law by such sub-contractors (e.g., labor law, environmental issues, corruption) may expose the STRABAG Group to warranty and damages claims by customers and other legal action which could materially adversely affect the Group's business, financial condition and results of operations.

#### ***The continued internationalization of its business entails certain risks for the STRABAG Group***

The STRABAG Group aims to further develop its business internationally and to increase its presence in the global construction markets. Based on its current plans the Central and Eastern European countries and Russia will be the regional focus of this expansion. There can be no assurance, however, that the envisaged further expansion will be successful and that the required use of financial and human resources will yield the desired results. Inaccurate projections of market conditions in the relevant countries or a failure to utilize business and growth opportunities may materially and adversely affect

the business, financial condition and results of operations of the STRABAG Group.

***The STRABAG Group is subject to risks associated with the acquisition of other businesses***

The STRABAG Group's growth strategy contemplates the acquisition of new businesses and the integration of those businesses into its organization. Synergies from recent acquisitions and any future acquisitions may prove less than originally expected. Further, acquisition candidates may have liabilities or adverse operating issues, which the STRABAG Group may fail to discover prior to the acquisition. Financing for these acquisitions may be secured through the issuance of new shares or an increase in debt, which could increase the STRABAG Group's debt burden.

Further, acquisition targets may either not be available or the STRABAG Group may fail to successfully complete acquisitions due to competition from other construction companies. Consequently, the STRABAG Group's ability to pursue its growth strategy may be impaired. All this could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

***No controlling interest in some of the companies through which STRABAG conducts its business***

The Company does not have a controlling interest in some of the companies through which it conducts its business and may make future investments in companies in which it will not have a controlling interest. Some key matters, such as the approval of business plans and the timing and amount of cash distributions, require the consent of the other shareholders or may be approved by the other shareholders without the consent of the Company. Consequently, the strategy of such companies may not always be aligned with the Company's and/or the STRABAG Group's interests. These and other limitations arising from investments in companies the Company does not control may prevent the Company from achieving its objectives for these investments. Further, actions by minority investors whose interests are not always aligned with the Company's may adversely impact operating and financial strategies and results by, among other things, impairing or delaying reorganizational measures taken within the STRABAG Group in order to enhance organizational efficiency and could have a materially adverse impact on the business, financial condition and results of operations of the Group.

***The STRABAG Group may need to raise capital in the future and may be able to do so only on economically unfavourable terms***

The STRABAG Group has a significant need for liquidity and financing, which has up to now predominantly been met from cash flow from operations and through bank loans and corporate bonds. Further, the Company has taken out a syndicated facility permitting the issuance of letters of guarantee for various purposes (e.g., bid bonds, performance bonds) at the Company's request. To the extent that the STRABAG Group's cash flow from operations is insufficient, the STRABAG Group may require additional financing. The STRABAG Group's ability to obtain such financing on economically favourable terms in the future will depend in part upon prevailing capital markets conditions, particularly interest rate levels, conditions imposed on its business and operating results and credit ratings. If adequate funds are not available on acceptable terms or at all, the STRABAG Group may not be able to make future investments, acquire businesses, pursue other opportunities or respond to competitive challenges which would have a materially adverse impact on the business, financial condition and results of operations of the Group.

***Financial and other covenants under certain credit facilities***

The STRABAG Group is party to several credit facility agreements that restrict the ability of the STRABAG Group to engage in certain activities, including the ability (subject to certain exceptions) to incur liens or encumbrances, incur additional indebtedness or guarantee obligations in excess of certain thresholds, dispose of a material portion of assets, effect material acquisitions, engage in a merger with a third party or pledge accounts receivable. If the STRABAG Group fails to meet the terms of these covenants or of any other restrictions contained in the credit facility agreements, an event of default could occur, which could result in the acceleration of all of the STRABAG Group's outstanding

indebtedness causing such debt to become immediately due and payable. If such an acceleration occurs, the STRABAG Group may not be able to repay such indebtedness on a timely basis which could have a material adverse effect on its business operations and, in the worst case, lead to its insolvency.

### ***Liability and other legal risks***

The STRABAG Group believes it is currently insured to a reasonable extent against operational risks. There can be no assurance, however, that the STRABAG Group will not incur losses or that no claims will be made which exceed the amounts agreed under its insurance contracts. The STRABAG Group is in particular exposed to the risk of incurring losses for which no or only insufficient insurance coverage exists which would have a materially adverse effect on the business, financial condition and results of operations of the Group.

### ***Environmental and other regulatory matters***

The STRABAG Group's operations are subject to various environmental laws and regulations relating to the management, disposal and remediation of hazardous substances and the emission and discharge of pollutants into the air, water and soil. Despite comprehensive precautionary measures and risk management, such substances may occasionally cause damage to customers, employees and third parties and expose the STRABAG Group to liability. In addition, the STRABAG Group could be held liable under any of these laws and regulations for contamination resulting not only from its own activities but also from the historical activities carried out by others on its project sites or on properties acquired by the STRABAG Group. The STRABAG Group's operations are also subject to laws and regulations relating to workplace safety and workers' health. As a result, the STRABAG Group could become subject to substantial fines and penalties, cleanup obligations, third-party property damage or personal injury claims as well as to reputational damage.

### ***The STRABAG Group is exposed to tax risks***

The STRABAG Group is subject to regular audits by the competent tax authorities. The STRABAG Group is of the view that the tax returns provided by the Company and its subsidiaries have been fully and accurately submitted. To the extent that the STRABAG Group anticipates potential tax liabilities arising from currently pending tax audits, it has established provisions on its balance sheet in amounts that it considers to be reasonable. Nonetheless, with hindsight and because in the course of a tax audit finance authorities may contest the factual basis of those tax returns or may take views that are different from those reflected in such returns, substantial additional tax demands could arise which would have a materially adverse impact on the business, financial condition and results of operations of the Group.

### ***The STRABAG Group is dependent on its senior management and other key employees***

The commercial success of the STRABAG Group depends in large part on the qualification and the continuing service of its senior management, particularly the members of the Management Board, and other key personnel of the STRABAG Group. Qualified personnel is of great importance to the STRABAG Group's continuing success as, by reason of its business experience, it is in the position to recognize and avoid possible risks in the development and implementation of construction projects. The STRABAG Group endeavors to assure sufficient availability of qualified personnel by continuously investing in the further education of its personnel and striving to recruit highly qualified university graduates. However, there can be no assurance that the STRABAG Group will be able to retain its key personnel or, where necessary, attract suitable successors. The risk of loss of senior management and other personnel in key positions, which is particularly pronounced with respect to qualified management personnel in CEE countries, and the shortage of available junior staff, may have material adverse effects on the STRABAG Group's business.

### ***A failure to maintain and further develop an appropriate risk management could adversely affect the STRABAG Group***

The STRABAG Group's risk management system is designed to assist with the assessment, avoidance



and reduction of risks which jeopardize its business. Despite the risk management system in place, there can be no assurance that violations of internal guidelines, applicable law or criminal acts by employees or third parties retained by the STRABAG Group such as sub-contractors or consultants and their employees can be entirely prevented. If the STRABAG Group's risk management system does not achieve its objectives or if the STRABAG Group's internal organizational, information, risk monitoring, and risk management systems are inadequate, corporate or administrative failures or illegal activities could occur or wrong decisions could be made, which in turn could have material adverse effects on the STRABAG Group's reputation, business, financial condition and results of operations.

***Investigations are currently being conducted against the STRABAG Group and its current and former employees***

Investigations are being conducted in Germany, in particular in connection with road construction projects in and around Chemnitz, Eastern Germany with respect to certain road construction projects in Saxony, Eastern Germany, in which the STRABAG Group was involved. The crimes at issue include fraud, embezzlement, money laundering, formation of a criminal organization and bribery. As a result of these investigations, prosecutors, procurement agencies and others may take action against the STRABAG Group and former employees that could have a material adverse effect on the reputation, business, results of operations and financial condition of the Company.

Initially prosecutors estimated that the total damage suffered by third parties as a result of the crimes described above would amount to approximately EUR 27 million. The STRABAG Group established a provision in the amount of EUR 25 million in its 2006 financial statements to cover potential damages, expenses and losses arising out of or in connection with such crimes. The risk was reevaluated as a result of the ongoing inquiries of the crimes by prosecutors and by STRABAG internally in 2007 and accordingly in the financial statements of 2007 the provision was reduced to EUR 15 million for the remaining risks.

As a result of these investigations and proceedings, the STRABAG Group could face substantial damages, criminal and civil fines, penalties, sanctions, injunctions against future conduct, equitable remedies, including profit disgorgement, disqualifications from engaging in certain types of business or participating in public tenders, the cancellation of certain existing contracts, including acquisition and disposition contracts, and the commencement of significant third-party litigation or other restrictions, all of which could have a material adverse effect on the business, results of operations and financial condition of the Company.

The STRABAG Group has not conducted a comprehensive compliance review of all road construction projects. Therefore, it is possible that additional investigations launched by prosecutors will uncover evidence of criminal wrongdoing in other parts of the STRABAG Group of which the STRABAG Group currently has no knowledge. For example, in 2007, the offices of Heilit+Woerner, another organization of the STRABAG Group, which is based in Berlin, Germany and active in road construction, were raided by the local prosecutor, citing suspicions of fraud. Evidence of such wrongdoing may cause authorities to exclude the STRABAG Group from participating in public tenders and lead to reputational and financial harm.

***Competition law risks***

In the construction industry's recent past, a series of investigations by competition authorities have been carried out on both a national and an international level. The STRABAG Group has been, and may from time to time become, involved in such investigations. This risk applies in particular to situations where the STRABAG Group participates in private and public procurement procedures in which a limited number of competitors take part. In such situations there is a risk that competition authorities, competitors, or contractors may suspect the existence of illegal agreements between market participants, which restrict competition, and accordingly proceed against them which may have a materially adverse impact on the reputation, business, financial condition and results of operations of the Group.

### ***The STRABAG Group faces risks from pending shareholder litigation in Germany***

Minority shareholders of the Company's German subsidiaries STRABAG AG, Cologne, and Ed. Züblin AG, Stuttgart, have initiated several legal proceedings against the two companies, challenging, inter alia, various resolutions adopted at the 2006 and 2007 annual shareholders' meetings of STRABAG AG and Ed. Züblin AG and two extraordinary shareholders' meetings of Ed. Züblin AG in 2007 and have taken preparatory action to cause STRABAG AG and Ed. Züblin AG to bring damage claims against members of their Management and Supervisory Boards and against the Company. The Company cannot rule out the possibility that some of the proceedings may continue for several years before courts render final judgments, and the Company is unable to predict the likelihood of its prevailing in these cases. However, on May 30, 2007 the Court of Appeal (Oberlandesgericht) in Stuttgart in three cases ruled in favour of Ed. Züblin AG and STRABAG SE, respectively, without granting leave to appeal to the German Federal Court of Justice (Bundesgerichtshof). The plaintiffs have appealed to the Federal Court of Justice (Bundesgerichtshof) to seek leave of appeal and reversal of the Court of Appeal's decision. As of April 23, 2008 the Federal Court of Justice has not yet decided on the appeal. Any final judgment in favour of the respective plaintiffs in one or more of the pending proceedings may have an adverse effect on the financial condition and results of STRABAG Group.

Furthermore upon request of minority shareholders, an extraordinary shareholders' meeting of Ed. Züblin AG was held on December 3, 2007, in which resolutions were adopted with regard to establishing a special representative (*Besonderer Vertreter*) who is supposed to initiate legal proceedings with regard to alleged damages of the company against STRABAG SE, Bayerische Landesbank and former members of the supervisory board of Ed. Züblin AG resulting from certain measures taken prior to the acquisition of shares in Ed. Züblin AG by STRABAG SE.

### ***The Company's principal shareholders may exercise significant influence over the STRABAG Group and their interests may not always correspond to the interests of the Company***

The Haselsteiner Group, the Raiffeisen NÖ-Wien Group the UNIQA Group and Rasperia Trading Limited hold in the aggregate more than 75% of the shares of STRABAG SE. Each of the Haselsteiner family, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia Trading Limited have entered into a shareholders' agreement. The shareholders' agreement provides for nomination rights with respect to members of the supervisory board of the Company (with the Haselsteiner Group and Rasperia each being entitled to nominate one member), the coordination of voting rights of the shares of the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia at the Company's shareholder meetings and other rights with respect to the shares as well as certain additional core undertakings with respect to strategic business development of the STRABAG Group. The principal shareholders may be able to significantly influence matters requiring shareholder approval, and there can be no assurance that they will align their voting behaviour with the interests of the Company which may have a material adverse effect on the financial condition and results of STRABAG Group.

### ***The Company is a holding company and its ability to satisfy any debt obligations depends on its receipt of funds from its subsidiaries***

The Company is a holding company with no significant assets other than direct and indirect interests in the many subsidiaries through which it conducts its operations. The Company's ability to satisfy any debt obligations depends predominantly upon receipt of sufficient funds from its subsidiaries. The extent of such cash flows to the Company will depend on the business, financial condition and results of operations of its subsidiaries. In addition, payments and transfers of funds may be restricted by the terms of any indebtedness that may be incurred by subsidiaries and by applicable law. Some countries may impose regulations restricting the payment of dividends to foreign shareholders through exchange control regulations. To the Company's knowledge, there are currently no countries in which it has operative subsidiaries operates that directly restrict the payment of dividends. However, there can be no assurance that such restrictions will not arise in the future. The above factors could cause any or all subsidiaries to be unable to pay dividends or make other distributions directly or indirectly to the Company which may have a material adverse effect on the financial condition and results of

STRABAG Group.

### ***Capital requirements***

Due to the rules of the Basel II Accord (International Convergence of Capital Measurement and Capital Standards by the Basel Committee on Banking Supervision), banks will be required to monitor their capital adequacy requirements more closely in the future which in turn may result in higher costs of capital for the Issuer because of higher interest rate payments. This could have a material adverse effect on the Issuer's business, results of operations and financial condition.

### ***Public market for bonds and uncertainty of price development***

The Issuer intends to apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. It cannot be guaranteed that the stock exchange prices at which the Bonds will be quoted in the future will not be below the respective nominal value. Negative consequences on the stock exchange price of the Bonds may be caused in particular by an unsatisfactory business development of the Issuer, a deterioration of the Issuer's branch of business or the economy as a whole, an increase of the current level of interest as well as a general decline of the securities markets. The securities markets have seen material stock exchange price and trading volume fluctuations during the past years. Such fluctuations could result in a material adverse effect for investors.

### ***Illiquid markets***

Although the Issuer intends to apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange, it cannot be guaranteed that active trading in these securities will develop and that the market for the Bonds will be liquid.

Illiquid markets can result in a situation where investors may be forced to sell their securities below a reasonable price, the price they have bought such securities or a price which is appropriate for such securities. This could result in a material adverse effect for investors.

### ***A suspension of trading in the Bonds or in the Company's shares could adversely affect the market price of the Bonds.***

The FMA is authorized to suspend or request the relevant regulated market on which the securities are admitted to trading to suspend such securities from trading, if, in its opinion, the respective issuer's situation is such that continued trading would be detrimental to the investors' interest. The FMA is further authorized to instruct the Vienna Stock Exchange to suspend trading in an issuer's securities in connection with measures taken against market manipulation and insider trading. Any suspension of trading in the Bonds or in the shares of the Company could adversely affect the market price of the Bonds.

### ***Risk of changing interest rates***

A change in the current interest rate level may cause changes in the stock exchange prices for fixed interest securities. Rising interest rates will most likely cause decreasing bond prices and vice versa. The longer the remaining tenor of a corporate bond is, the more impact on the stock exchange price will be caused by a change in the interest rate level. Investors who intend to sell bonds during the tenor of a corporate bond are subject to the risk of falling stock exchange prices driven by an increase of the interest rate level which could result in a material adverse effect for investors.

### ***Premature redemption and reinvestment risk***

In the event that the Bonds are being sold during their tenor or in the event of premature redemption of the Bonds, an investor may be subject to the risk that he may not find any reinvestment opportunities at better or at least the same conditions. The same also applies to the reinvestment of coupon payments derived from the investment. This could result in a material adverse effect for investors.

## Selected Consolidated Financial Data

The following selected consolidated financial data of the Group have been derived from the Consolidated Financial Statements, which appear elsewhere in this prospectus as of and for the three months ended March 31, 2008 and for the twelve months ended December 31, 2006 and 2007.

	Three Months Ended March 31,		Year Ended December 31,	
	2008	2007	2007	2006
	unaudited	unaudited	audited	audited
	(TEUR)	(TEUR)	(TEUR)	(TEUR)
<b>Selected Income Statement Figures</b>				
Revenue .....	1,762,715	1,475,346	9,878,600	9,430,621
Profit before taxes .....	-136,207	-132,974	276,256	287,203
Profit for the period .....	-109,846	-104,738	207,614	224,004
<b>Selected Balance Sheet Data</b>				
Total non-current assets .....	2,585,360	n.a.	2,469,844	1,902,319
Cash and cash equivalents .....	1,571,384	n.a.	1,965,775	586,265
Total assets .....	7,187,290	n.a.	7,740,814	5,575,826
Equity .....	2,994,449	n.a.	3,096,454	1,035,894
Total non-current liabilities .....	1,144,919	n.a.	1,168,366	1,143,302
<b>Other Financial Data</b>				
EBIT .....	-138,217	-120,822	312,428	272,729
EBITDA .....	-62,296	-61,124	595,899	502,407

	Three Months Ended March 31,		Year Ended December 31,	
	2008	2007	2007	2006
	unaudited	unaudited	unaudited	unaudited
	(TEUR)	(TEUR)	(TEUR)	(TEUR)
<b>Other Operating Data</b>				
Output volume <sup>(1)</sup> .....	1,922,568	1,717,690	10,746,223	10,385,111
Order backlog .....	12,581,535	10,013,674	10,742,287	8,505,614
Equity ratio (in %) .....	41.66	n.a.	40.00	18.58

- 1) STRABAG presents output volume because it is widely used in the construction industry and management believes it is a useful measure for assessing the overall construction output of STRABAG and other entities and alliances in which STRABAG holds a direct or indirect interest. It is important to note that output volume is not an IFRS financial measure and is not designed to measure STRABAG's financial performance. Moreover, STRABAG's output volume is not indicative of its revenue. There is no official definition of output volume. Measures bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may be calculated differently.

## **Trends and events that are reasonably likely to have a material effect on STRABAG's prospects**

Since the date of its last published audited financial statements as of December 31, 2007, there has been no material change in the prospects of STRABAG.

The following factors are reasonably likely to have a material effect on STRABAG's prospects:

**Acquisitions and STRABAG's acquisition policy.** The key objectives of STRABAG's acquisition policy are entering into new markets, playing an active role in the consolidation of the construction industry in saturated, fragmented markets and expanding its business in such saturated markets by entering new segments and business fields at all stages of the value chain.

The Group has experience in integrating both small and large acquisitions and believes it can within reasonable time achieve cost savings following an acquisition. The Group's service companies play an important role in providing the necessary backup-facilities for expansion.

The Group intends to further pursue selected acquisitions in order to accelerate its regional penetration, and believes it is well-positioned to be a significant participant in the consolidation of the construction industry.

**General economic conditions and government spending on infrastructure projects.** STRABAG's results in any given period are materially affected by construction sector activity levels, which in turn are primarily driven by general economic conditions and the level of government spending on infrastructure projects.

In Europe, cyclical trends in general economic conditions in recent years have been partially offset by the enlargement of the European Union, as a result of which the construction industry in the new EU member states has experienced significant growth. This growth has been driven primarily by government programs aimed at enhancing the inadequate and frequently outdated infrastructure. STRABAG was present in these markets at an early stage and thus able to benefit from this growth.

**Seasonality.** Due to snow, ice and other adverse weather conditions, STRABAG's revenue in the winter season is typically lower than in the spring and summer seasons. Because a large portion of its costs are fixed, STRABAG has in the past experienced significant losses in the first quarter of each calendar year, which have been offset by higher margin contributions starting in the second quarter. STRABAG typically has reached the break-even point early in the second half of the year. Seasonal patterns are particularly pronounced in the STRABAG Group's road construction business and to a lesser extent in its building construction and civil engineering activities. While these variations do not affect the comparability of STRABAG's revenue, output volume and results from year to year, any interim financial information that STRABAG may publish will be subject to seasonal patterns.

## **Investments in progress and planned investments in 2008**

STRABAG prepares annual budgets for plant and machinery, tools and equipment. For 2008, STRABAG is planning investments of approximately EUR 587 million for such budgeted items. Within the framework of the Group's investment concept, property and acquisitions are approved by STRABAG's management and supervisory boards on a case by case basis. STRABAG assumes that the investments planned for 2008 will be financed primarily from existing liquidity, but also expects to be able to access capital in the debt capital market.

## **Recent Developments**

In January 2008, STRABAG and the Russian real estate developer OTKRYTIE-Nedvizhimost (OTKRYTIE The Real Estate Company) signed a non-binding agreement with respect to a strategic cooperation in Russia according to which OTKRYTIE Nedvizhimost will commission STRABAG as general contractor for the construction of commercial real estate objects in Russia.

In February 2008, STRABAG acquired 100% of the Czech construction firm JHP spol.s r.o., a specialist in bridge-building. JHP generated revenues of about CZK 750 million (EUR 26.5 million) in 2006 and employed 280 people. The company possesses extensive experience and references in the construction of large-width bridges – expertise which STRABAG a.s. previously had to purchase from subcontractors. The antitrust authorities has already approved the transaction.

In February 2008, STRABAG acquired 100% of Bologna-based construction firm Adanti SpA. The Group is planning to position Adanti SpA in the medium term as a well-known construction company in the Italian market. The company is active in all segments in Italy. Adanti SpA generated revenues of EUR 160 million in 2007 and employed 120 white-collar and 250 blue-collar workers at the time of acquisition.

In February 2008, STRABAG acquired a majority stake of 51 % of Trema Engineering 2 Sh. P.K., Albania's third-largest construction company, thus expanding its presence in the Balkan region. Trema employed 230 people at the time of acquisition and generated revenues of about EUR 19 million in the financial year 2006.

In March 2008, STRABAG acquired 85.7% of F. Kirchhoff AG, a significant provider in transportation infrastructures in the German state of Baden-Württemberg. Approval by the competent cartel authorities is pending. In 2007, the company employed 1,600 employees and generated revenues of about EUR 350 million. With the acquisition, STRABAG taps a regional market in which it had to date not been widely represented. The acquisition forms part of the strategic goal to further expand the Group's raw materials basis.

In early April 2008, STRABAG acquired 82.3% of the Swedish construction company ODEN Anläggningentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, ODEN generated revenues of EUR 121 million and employed about 400 people.

In April 2008, STRABAG acquired 80% of Kirchner Holding GmbH, a Germany medium-sized construction enterprise. The transaction is pending approval by the competent cartel authorities. With 1,500 employees and an output volume of EUR 373.4 million in 2007, Kirchner Holding GmbH has international presence, particularly in the Transportation Infrastructures segment in Poland.

In May 2008, STRABAG SE decided to offer to the shareholders of STRABAG AG, Cologne, to acquire their bearer shares (without par value) in STRABAG AG, Cologne, which have a proportionate value in the company's share capital amounting to EUR 26.00 each and respective dividend rights as of 1 January 2008, by means of a voluntary public offer to acquire shares according to Sec. 10 et seq. of the German Act on the Acquisition of Shares and Takeovers (WpÜG), against payment of EUR 260.00 per share in STRABAG AG. STRABAG SE on the date of this decision held approximately 66.6% of the shares in STRABAG AG, Cologne.

In May 2008, STRABAG acquired 100% of the Swiss StraBAG Group, which consists of the construction firms StraBAG Strassenbau und Beton AG, Witta Bau AG and Frey + Götschi AG. The main business activity of the StraBAG Group is in the areas of road construction, civil engineering and underground construction as well as paving and surfacing. In 2007, the group employed 168 people and generated overall revenues of EUR 27.6 million.

In May 2008, STRABAG announced the acquisition of a substantial package of shares in EFKON AG just below a majority holding. EFKON, based in Graz, Austria, is a globally active company with 700 employees in 17 countries and is active in all intelligent transportation system segments including electronic tolling, traffic control, guidance and monitoring systems and transport telematics.

In May 2008 the management board decided to acquire the remaining shares of the M5 highway license company in Hungary, AKA Alföld Koncessziós Autópalya Zrt., Budapest. The Group's share amounted to 25.12% so far. The concession length is until 2031.

## **Business**

STRABAG is one of the major providers of construction services in Europe based on a market study published by Deloitte and the Company's own internal estimates. The Group's main geographic areas of activity are Germany, Austria and the CEE region. STRABAG's comprehensive service range covers all segments of the construction industry. The Group offers its services under the five main brands STRABAG, Dywidag, Heilit+Woerner, Möbius and Züblin.

The STRABAG Group operates in three segments: Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions.

Apart from Europe, the Group's main geographical area is the Middle East. In addition, the Group engages in project business all over the world. As of year end 2007, the Group had more than 61,000 employees worldwide. In 2007, the STRABAG Group generated a total output volume of EUR 10.746 billion.

On August 17, 2007, Rasperia acquired a 25% plus one share (after a subsequent capital increase and initial public offering) interest in the Company. Rasperia is a company indirectly owned by Mr. Deripaska, a Russian entrepreneur owning interests in a variety of industries within and outside of the Russian Federation, including the construction industry. The STRABAG Group collaborates with Rasperia and other companies controlled by Mr. Deripaska with a view to further expanding its activities in the Russian Federation.

### ***Market Position, Basis for Statements regarding STRABAG's competitive position***

Based on a market study published by Deloitte in 2007 and the Company's own internal estimates, Management believes that in 2007 the Group was the number one construction company in Germany, Austria and in the CEE on a combined basis in terms of output volume. About 80% of STRABAG's output volume is generated in markets in which it holds a position among the top three. Based on the aforementioned Deloitte market study, STRABAG held the number one position in Hungary, the number two position in Slovakia, the number three position in the Czech Republic and the number four position in Poland in terms of output volume. Management estimates that upon integration of NCC Roads Polska Sp.z.o.o. the Group will hold the number three position in Poland in terms of output volume. The Group expects that its activities in Croatia, Slovenia, Serbia, Romania and Bulgaria provide a solid platform for further growth. The Russian market enjoys a special status. With the entry of the new core shareholder Rasperia, controlled by Russian industrialist Oleg Deripaska, STRABAG has further improved its opportunities on the Russian market. STRABAG has been continually expanding its geographic area of activity, and in 2007 the Group was active in Saint Petersburg, Yekaterinburg, Vyksa, Tyumen and Novosibirsk as well. STRABAG also enjoys a strong international reputation with projects in the Middle East, Asia, Africa and America.

### ***Organization***

STRABAG SE is the parent company of the Group. Its Management Board is responsible for the Group's management including Group strategy and operative objectives. In performing its overall management functions the Management Board is supported by the central staff units (*Stabstellen*). All operating business is undertaken by the subdivisions (*Direktionen*) which are grouped into divisions (*Unternehmensbereiche*) and segments (*Sparten*). The division managers (*Unternehmensbereichsleiter*) coordinate and control the subdivisions of each division and report directly to the responsible Management Board member. The central business units (*Zentralbereiche*) provide intra-group services in the fields of accounting, treasury, finance, controlling, risk management, human resources, technical development and equipment management.

### ***The STRABAG Group's Segments and Markets***

The Group's primary reporting segments are Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions. Building Construction & Civil Engineering and

Transportation Infrastructures are the most significant of these three Segments; in 2007, they contributed 50.42% and 42.96% respectively to the total output volume, while Special Divisions & Concessions contributed 5.42%.

In 2007, the Group achieved around 80% of its total output volume in Germany, Austria, the Czech Republic, Poland, Hungary and Slovakia. Other important markets for the STRABAG Group are other countries in the CEE region – in particular Russia, Croatia, Slovenia, Serbia, Romania, Bulgaria – and, in addition, Switzerland, Benelux, Scandinavia, the Middle East and Libya. The Group engages in single projects all over the world. In 2007 94% of the Group's total output volume was generated in Europe.

### ***Building Construction & Civil Engineering***

The Building Construction & Civil Engineering Segment contributed EUR 5.418 billion (representing a share of 50.42%) to STRABAG's total output volume in 2007, EUR 4.899 billion (representing a share of 47.17%) in 2006. In the three months ended March 31, 2008 output volume of the Building Construction & Civil Engineering Segment amounted to EUR 1.123 billion (or 58.40% of STRABAG's total output volume), compared to EUR 1.089 billion (or 63.41%) in the three months ended March 31, 2007. In 2008, one business field, special foundation engineering, was moved to the Special Divisions & Concessions Segment (for effects see "*Special Divisions & Concessions*" on page 22). In recent years the relative importance of the Building Construction & Civil Engineering Segment has increased significantly as a result of dynamic growth and a targeted acquisition policy.

The Group is well positioned in Austria, Germany, the overall CEE region and the Middle East. STRABAG has a diversified product portfolio and a notable technical position in complex civil engineering projects. The Group has turnkey competence for large sized mandates with a special focus on infrastructure, industrial and environmental projects.

The following is a summary of the comprehensive product range of the STRABAG Group's Building Construction & Civil Engineering Segment:

#### **Building Construction**

- *Commercial and Industrial Construction:* Shopping centers and business parks, office and commercial buildings, hotels and banks, multi-storey car parks, underground garages, cinema complexes, swimming pools and thermal baths, stadiums, airports and railway stations, warehouses and production facilities, industrial facilities, industrial chimneys, petrol stations and industrial flooring.
- *Public Buildings:* Administrative buildings, cultural venues, museums, hospitals, rehabilitation centers, old people's and nursing homes, fire brigade and ambulance facilities, educational institutions such as universities, schools and nursery schools.
- *Housing:* Residential buildings and estates, *Production of Prefabricated Building Components, Refurbishment and Facade and Steelwork Construction.*

#### **Civil Engineering**

- *Bridges:* Road and railway bridges, cantilevering, incremental launching, combined concrete and steel bridges, supporting framework reinforcements, underground routing as well as tunnels constructed using an cut-and-cover method.
- *Power Plants:* Hydroelectric power plants, river power plants, thermal power plants, concrete dams and earthfill dams.
- *Environmental Engineering:* Landfills, landfill operation, waste treatment plants, regeneration



of polluted soils and industrial sites, hazardous materials in building construction, water supply installations, as well as waste water collection and treatment.

- *Special Railway Construction*: Solid track bed system.
- *General Civil Engineering*: Underground traffic routes.

In any of these areas the Group may operate as the master builder, the general contractor in collaboration with subcontractors, or as a subcontractor.

### ***Transportation Infrastructures***

The segment, formerly known as “Road Construction” was renamed “Transportation Infrastructures” in 2007. The Transportation Infrastructures Segment contributed EUR 4.617 billion (representing a share of 42.96%) to STRABAG's total output volume in 2007, EUR 4.646 billion (representing a share of 44.74%) in 2006, and EUR 4.172 billion (representing a share of 44.78%) in 2005. In the three months ended March 31, 2008 output volume of the Transportation Infrastructures Segment amounted to EUR 0.591 billion (or 30.73% of STRABAG's total output volume), compared to EUR 0.464 billion (or 26.99%) in the three months ended March 31, 2007.

The Group holds a significant position in Germany, Austria and in the CEE growth markets Hungary, Czech Republic, Slovakia and Poland (after acquisition of NCC Roads Polska Sp.z.o.o.) in terms of output volume.

The following is a summary of the comprehensive product range of the STRABAG Group's Transportation Infrastructures Segment:

- *Roads, Earthworks*: Motorways, roads and paths, drilling and jointing technologies, paving and milling works, road rehabilitation and recycling, constructing smaller road and railway bridges in the context of road and railway construction, foot bridges, recycling of building materials, asphaltic concrete for hydraulic structures, automobile test tracks, landfills and surface sealing as well as operating excavation landfills.
- *Building Materials Production*: STRABAG has established a dense network of concrete and asphalt mixing plants, gravel pits and quarries, predominantly in Bavaria, Austria, Hungary, the Czech Republic, Slovakia and Poland. The Group is also active in the production of bitumen emulsion and insulating materials as well as in the bitumen trade. This field's main goal is supply to the Group; to the extent products are not required for Group supply, they are also sold to third party customers.
- *Hydraulic Engineering*: Construction and maintenance of waterways and dikes.
- *Large-Area Design*: Construction of large area facilities under special conditions, such as terminals for heavy transport or runways for airports, reloading and parking facilities.
- *Railway Construction*: Track superstructure, tracks, solid track bed systems, high-speed routes and track maintenance.
- *Pipe- and Waste Water Construction*: Sewer engineering and pipeline rehabilitation as well as pipeline construction.
- *Security and Protective Edifices*: Protective embankments, terrain securing, galleries and guide bars.
- *Sports and Recreational Facilities*: Constructing and renovating outdoor sports facilities, facilities for trend sports, various surfacings for open air sports facilities, indoor coverings, constructing golf and tennis courses, renovating deteriorating sports facilities as well as

turnkey construction of multifunction arenas, sports halls and swimming pools.

- *Urban Planning, Landscape Architecture and Development, Paving.*

### ***Special Divisions & Concessions***

The Special Divisions & Concessions Segment, which was renamed in 2008 and was formerly referred to as "Tunnelling and Services", contributed EUR 582 million (representing a share of 5.42%) to STRABAG's total output volume in 2007, EUR 693 million (representing a share of 6.68%) in 2006, and EUR 625 million (representing a share of 6.70%) in 2005. In the three months ended March 31, 2008 output volume of the Special Divisions & Concessions Segment amounted to EUR 163 million (or 8.49% of STRABAG's total output volume), compared to EUR 133 million (or 7.76%) in the three months ended March 31, 2007.

In the course of renaming of the Special Divisions & Concessions Segment in 2008, the special foundation engineering business field was moved from the Building Construction & Civil Engineering Segment to the Special Divisions & Concessions Segment. This business field contributed an output volume of about EUR 48 million to the Special Divisions & Concessions Segment in the three months ended March 31, 2008. In the 2007 financial year, the business field's output volume stood at EUR 202 million, which are included in the Building Construction & Civil Engineering Segment data in the 2007 comparison figures.

The following is a summary of the comprehensive product range of the STRABAG Group's Special Divisions & Concessions Segment:

- *Tunnelling:* Cyclical and continuous tunnel driving, using conventional and mechanical driving methods; road and railway tunnels and galleries and caverns.
- *Special Foundation Engineering:* Soil investigations and well exploration, hydro-jetting and anchoring, walls in trench and piles, pipe jacking, bore and injection techniques, deep compaction, diaphragm walls, and pile driving.
- *Facility Management:* Operation, maintenance and marketing of real property.
- *Project Development – Real Estate:* Development and production of multi-functional projects (entertainment, hotel, etc.), commercial buildings (offices and shops), hospitals, commercial real estate (industrial parks, operational premises), shopping centers and residential buildings;  
*Infrastructure:* Traffic, energy and environmental technology
- *Concessions:* Concession projects are predominantly pursued in traffic route construction and PPP-real estate.

### ***Risk Management and Compliance***

Large projects are subject to a three step decision model comprising project selection, review by a price committee before a bid is made and approval by the competent board members. To mitigate risks, STRABAG does not have separate tender teams; the team that is responsible for the execution of a project is also in charge of making the bid. A profit-driven compensation system ensures that management decisions are taken from an entrepreneurial approach with a view to maximizing the Group's profit. Standardized reporting systems including information on the profit contribution of each Division provide a basis for tight project controlling; projects generating a loss exceeding a certain threshold on a monthly or an annual basis become subject to ongoing board monitoring. In addition to these procedures to ensure profitability and mitigate risks, risk-management processes involve joint responsibility of a technical and a commercial director, skilled local quality managers, centralized contract management and active claim management.

The STRABAG Group historically has not had a centralized compliance function. In addition, a number of compliance controls applied only to a limited number of countries and business units. In 2007, the STRABAG Group mandated an external expert to examine the STRABAG Group's internal compliance controls and formulate recommendations for improvement. As a result the Group has put in place a revised code of ethics addressing, among other things, compliance with applicable law, proper recording of business transactions, avoidance of conflicts of interest, acceptance and granting of gifts, as well as prevention of bribery and corruption. Measures to enforce the code include employee education, segregation of duties, risk management systems, job rotation, whistle-blower rules including the appointment of an internal and an external contact person for complaints, internal and external auditing as well as the imposition of appropriate sanctions for violations.

### **Legal Disputes and Other Proceedings**

In the course of its ordinary business operations, the Group is regularly involved in legal disputes as plaintiff or defendant. In the construction business, legal disputes concerning claims for compensation or damages are frequent and often end in settlement. Management believes that sufficient provisions have been made against the risk of pending or threatened litigation.

In addition, the Group, or consortia in which the Group currently participates or has participated, assert and have asserted claims in a series of cases in and out of court, especially for payment of remuneration. As a rule, the Group does not enter claims for unapproved extra work into its books before an agreement with the customer has been reached or a final judgment has been obtained.

With respect to possible competition law offences in Hungary several proceedings are currently pending before Hungarian courts. As a result from such proceedings and in light of court decisions already handed down, a ban from participation in public tenders on STRABAG Zrt. with a duration of up to five years could be imposed. Further, damage claims against STRABAG Zrt. amounting to roughly EUR 54 million have been raised and reputational damage may be suffered.

In February 2006, a minority shareholder filed with the District Court of Cologne a request for a preliminary injunction prohibiting the transfer of the majority of STRABAG AG's building construction and civil engineering related assets and participations to Ed. Züblin AG. The minority shareholder argued, among other things, that the transfers would cause STRABAG AG to fail to comply with its business objectives as set forth in its articles of association. The motion for a preliminary injunction was moot at that time since the transfer had already been completed. Therefore, the court rejected this request. These proceedings are no longer pending.

In July 2006, the annual shareholders' meeting of STRABAG AG resolved to amend the company's business objectives set forth in its articles of association with the aim to avoid future disputes on some of the issues raised by the plaintiff in the preliminary injunction proceedings. The shareholders' resolution with respect to the amendment of the articles of association as well as other resolutions adopted by the shareholders' meeting, including resolutions relating to the discharge of the management board and the supervisory board and the appointment of the auditors for the 2006 financial year, have since then been challenged by five minority shareholders. The plaintiffs have also requested a court order that the shareholders' meeting be deemed to have approved certain resolutions, including a vote of no confidence in the management board, an instruction to the management board to prepare a merger agreement between STRABAG AG and Ed. Züblin AG and the appointment of a special auditor, as was requested previously by a group of minority shareholders. German stock corporation law provides that the company's shareholders' meeting may, by simple majority, appoint an expert as special auditor (*Sonderprüfer*) to investigate matters relating to the company's management board and supervisory board. At the 2006 annual shareholders' meeting, minority shareholders of STRABAG AG had requested that a special auditor be appointed to investigate the transfers between STRABAG AG and Ed. Züblin AG, the preparation of a domination agreement between STRABAG SE and STRABAG AG, any potential violations of information obligations, insider trading or market manipulation laws by the company's management as well as any potential personal liability of the company's management in connection with the above-described matters. The plaintiffs claimed, inter alia, that STRABAG SE forfeited its voting rights regarding its shares in STRABAG AG due to conflicting interests and the

violation of shareholder notification obligations. In its decision of October 5, 2007, the District Court of Cologne ruled in favor of the plaintiffs. The court decided that STRABAG SE's controlling shareholders had violated their respective shareholding notification obligations in respect of STRABAG AG, as a result of which STRABAG SE forfeited its voting rights regarding its shares in STRABAG AG. STRABAG AG has appealed the decision of the District Court to the Court of Appeal (*Oberlandesgericht*) in Cologne. An appeal is pending. Court hearings are tentatively scheduled for August 2008. So far, the Court of Appeal has not given any indication as to how it intends to rule. Should the Court of Appeal uphold the District Court's decision, STRABAG AG intends to appeal to the Federal Court of Justice.

As a precautionary matter, STRABAG AG had its shareholders' meeting of June 1, 2007 confirm, by majority vote, all resolutions of its 2006 shareholders' meeting that have been challenged. However, the newly-adopted resolutions as well as other resolutions adopted at the 2007 shareholders' meeting have also been challenged by several minority shareholders, claiming, inter alia, a violation of procedural rules and, in particular with respect to resolutions on matters in respect of which there could exist a conflict of interest resulting from the fact that Hans Peter Haselsteiner, and other members of the Company's management board, also serve as members of STRABAG AG's management or supervisory boards, the forfeiture of the Company's voting rights in STRABAG AG. Furthermore, the plaintiffs also requested the court to declare that STRABAG AG's 2007 shareholders' meeting is deemed to have appointed, as had been proposed to the shareholders' meeting by one of the plaintiffs, a special auditor to investigate, inter alia, potential violations of obligations of the company's management as well as alleged corrupt practices and bribery relating to STRABAG AG. These proceedings are also pending at the District Court of Cologne; Court hearings are scheduled for July 2008. The Company cannot exclude the risk that a plaintiff may prevail in some or all of the matters described above. In a third complex of proceedings, in November 2006 an action was brought against STRABAG AG requesting a declaratory judgment to the effect that the transfer of (i) the majority of STRABAG AG's building construction and civil engineering related assets and participations and (ii) certain project development, administrative and other services to Ed. Züblin AG or other subsidiaries of the STRABAG Group, as well as the resolutions of the management board and the supervisory board relating to such transfers, had been unlawful and that, therefore, such transfers must be rescinded. The claimant also sought a declaratory judgment stating that the allegedly unlawful measures resulted in an unlawful integration of STRABAG AG into the STRABAG Group in violation of applicable corporate law, and that this integration must also be rescinded. Furthermore, the plaintiff requested that the court state that the management board is obligated to demand that STRABAG SE enter into a domination agreement with STRABAG AG and that STRABAG SE is required to offer adequate compensation to STRABAG AG's minority shareholders. In its decision of November 23, 2007, the District Court ruled in favor of the plaintiff on all counts except for the motions to state that STRABAG SE is required to enter into a domination agreement with STRABAG AG and that STRABAG SE is required to offer adequate compensation to STRABAG AG's minority shareholders, which the District Court found impermissible. STRABAG AG has appealed the decision of the District Court to the Court of Appeal (*Oberlandesgericht*) in Cologne. The plaintiff also appealed with regard to the two motions that were found inadmissible. The appeals are currently pending. Court hearings are tentatively scheduled for August 2008. So far, the Court of Appeal has not given any indication as to how it intends to rule. Should the Court of Appeal uphold the District Court's decision, STRABAG AG intends to appeal to the Federal Court of Justice.

Finally, in March 2007, two shareholders of STRABAG AG, one of them being a plaintiff challenging the 2006 shareholder resolutions of STRABAG AG, filed a request with the Local Court of Cologne for the dismissal and replacement of the auditors of STRABAG AG. The plaintiffs claimed that the auditors are biased and should therefore be replaced by auditors to be appointed by the court. The Local Court of Cologne, however, rejected the plaintiffs' request, and the District Court and the Higher Regional Court of Cologne dismissed the plaintiffs' appeals. These proceedings are no longer pending. One of the plaintiffs of the unsuccessful proceedings initiated similar proceedings in December 2007 with regard to the 2007 audit. In its decision of March 13, 2008, the Local Court of Cologne rejected the request. As of April 23, 2007, STRABAG AG is not aware of an appeal filed by the plaintiff against that ruling.

## *Ed. Züblin AG*

Ed. Züblin AG has been involved as defendant in several civil proceedings before the courts in Stuttgart relating to the transfers between STRABAG AG and Ed. Züblin AG, and the Company has been engaged as defendant in one of them.

Eberhard Lenz, a former member of the supervisory board of Ed. Züblin AG, initiated three declaratory judgment proceedings against the validity of resolutions of the supervisory board of Ed. Züblin AG relating to the transfers. In one of the three declaratory judgment proceedings the District Court of Stuttgart ruled in favor of the plaintiff on procedural grounds. The supervisory board of Ed. Züblin AG has since re-adopted the relevant resolution. In the two other proceedings, the District Court of Stuttgart ruled in favor of Ed. Züblin AG. In May 2007 the plaintiffs' appeal against these two judgments was dismissed by the Higher Regional Court of Stuttgart which also refused leave to appeal to the German Federal Court of Justice. In both proceedings the plaintiff has filed a motion with the German Federal Supreme Court to grant leave to appeal.

In addition, an entity controlled by the Lenz family filed a motion with the District Court of Stuttgart for a judgment prohibiting the transfers in 2006, alternatively reversing these transfers, barring the Company from exercising unlawful influence on Ed. Züblin AG and prohibiting the Company and its subsidiaries from conducting its business in competition to Ed. Züblin AG. Inter alia, the plaintiff maintained that the Company, being the majority shareholder, owes a special duty of loyalty to Ed. Züblin AG, pursuant to which the Company is obligated to refrain from competition with Ed. Züblin AG and to abstain from implementing any restructurings that may result in a limitation of Ed. Züblin AG's ability to compete in the road construction business. The District Court of Stuttgart dismissed the plaintiff's motion. The plaintiff appealed the decision. In May 2007, the Higher Regional Court of Stuttgart dismissed the plaintiff's appeal and refused leave to appeal to the German Federal Court of Justice. The plaintiff has filed a motion with the German Federal Court of Justice to grant leave to appeal.

Finally, certain resolutions of the 2006 annual shareholders' meeting of Ed. Züblin AG have been challenged by two minority shareholders, one of them being an entity controlled by the Lenz family. The plaintiffs also requested the court to declare that the shareholders' meeting is deemed to have approved certain resolutions proposed by the minority shareholders in the 2006 annual shareholders' meeting but refused by the majority of the Company. In February 2007 the District Court of Stuttgart ruled in favor of the plaintiffs and voided the resolutions of the 2006 annual shareholders' meeting regarding (i) the discharge of the management board of Ed. Züblin AG and the supervisory board members appointed by the Company for the 2005 financial year, (ii) the election of the members of the supervisory board proposed by the Company, (iii) the appointment of the auditors for the 2006 financial year, (iv) the appointment of a certain person, who had been proposed by the Company, as special auditor with the task to investigate certain matters relating to, inter alia, the transfers in 2006, the cancellation of the service agreement of the company's former CEO, the appointment of certain officers of the company and certain other actions that may have given rise to personal liability of the members of the company's management board and supervisory board, and (v) the refusal to appoint the supervisory board members, the special auditor and the special shareholders' representative that were proposed by the minority shareholders in the 2006 annual shareholders' meeting. The District Court of Stuttgart also declared the appointment of the supervisory board members, the special auditor and the special shareholders' representative as suggested by the minority shareholders to be valid. In the 2006 annual shareholders' meeting, the minority shareholders had requested to appoint a certain person as special auditor with the task to investigate certain foreign construction projects of the company and certain transactions in the year 2001 involving the former German construction company Walter Bau AG. They had also requested to appoint a special shareholders' representative in order to assert any potential claims for compensation against the Company and the members of Ed. Züblin AG's management board and supervisory board.

The District Court of Stuttgart based its decision on the view that (i) at the time of the 2006 annual shareholders' meeting of Ed. Züblin AG, the then majority shareholder of the Company, FIMAG AG,

was under an obligation under German corporate law to notify Ed. Züblin AG about its indirect interest in Ed. Züblin AG, and (ii) as a mandatory consequence under German corporate law for the violation of such a notification obligation vis-à-vis Ed. Züblin AG, STRABAG Group forfeited its voting rights regarding its Ed. Züblin AG shares. Consequently, the District Court of Stuttgart held that the resolutions adopted with the votes of the Company in the 2006 annual shareholders' meeting of Ed. Züblin AG had not been adopted with the required majority and instead the resolutions proposed by the minority shareholders had been adopted. The Company and Ed. Züblin AG appealed the decision. The appeal is pending at the Higher Regional Court of Stuttgart which has split the proceedings. It continued proceedings regarding the resolution to appoint a special representative (*Besonderer Vertreter*) to file an action against certain members of the board and STRABAG SE in the name of the company, but suspended proceedings with respect to the other motions until the District Court of Stuttgart has rendered judgment in two proceedings relating to actions challenging resolutions of Ed. Züblin AG's 2007 shareholders' meetings. On April 11, 2007, Ed. Züblin AG had certain resolutions on the agenda of the 2006 annual shareholders' meeting confirmed by an extraordinary shareholders' meeting. The extraordinary shareholders' meeting confirmed the resolutions regarding the election of new supervisory board members and the appointment of the auditors for the 2006 financial year. Immediately prior to the extraordinary shareholders' meeting, the Company, as legal successor of FIMAG AG, took the precaution of notifying Ed. Züblin AG about FIMAG AG's shareholding in Ed. Züblin AG before the effectiveness of the merger of FIMAG AG with the Company. However, two minority shareholders who had filed suit to set aside the resolutions of Ed. Züblin AG's 2006 shareholders' meeting also challenged the resolutions of the 2007 extraordinary shareholders' meeting, claiming that procedural rules had been violated as well as that the invitation to the extraordinary shareholders' meeting constituted a misuse of legal rights. Furthermore, the same two minority shareholders have filed suit to set aside the resolutions of the 2007 annual shareholders' meeting of Ed. Züblin AG, which took place on July 5, 2007. Both proceedings are pending at the District Court of Stuttgart.

The special audit was conducted in accordance with the shareholders' resolution in 2006 and resulted in the auditor stating that Ed. Züblin AG had not been marred by STRABAG SE and the decisions of the boards of Ed. Züblin AG.

Upon request of the minority shareholders, an additional extraordinary shareholders' meeting was held on December 3, 2007. In this meeting the audit report of the special auditor was presented. Furthermore resolutions were adopted with regard to establishing a special representative (*Besonderer Vertreter*) who is supposed to initiate legal proceedings with regard to alleged damages of the company against STRABAG SE and certain other persons due to poaching of employees to work in Russia for STRABAG SE affiliates, claims against Bayerische Landesbank and former members of the supervisory board of Ed. Züblin AG prior to the acquisition of shares in Ed. Züblin AG by STRABAG SE and against STRABAG SE and members of the board of STRABAG SE and Ed. Züblin AG regarding alleged continued causing of damages to Ed. Züblin AG due to infringements of German corporate law.

According to German corporate law a special representative may be established with regard to damage claims, if the management and supervisory boards fail to file respective claims on behalf of the company. Usually, such claims are prepared by an audit of a special auditor. Notwithstanding the fact that such special audit had already been conducted in accordance with the shareholders' resolution in 2006 and – with respect to the audit range – found no claims in favour of Ed. Züblin AG or its shareholders, the special representative also assesses the chances for legal proceedings with regard to such claims.

The shareholders' meeting also adopted a resolution that the company and its board shall not file legal actions with regard to above mentioned alleged damage claims against Bayern LB and former members of the boards. This resolution was challenged by the minority shareholders. The Court set a term for the plaintiffs to reply on the company's answer to the complaint until May 2008. Court hearings are not expected before end of August, 2008.

In February 2008 a minority shareholder of Ed. Züblin AG filed a motion with the local court of

Stuttgart in order for the court to empower the minority shareholder to summon an extraordinary shareholders' meeting to adopt certain resolutions to establish another special representative (*Besonderer Vertreter*) to file damage actions allegedly resulting from the sale of certain assets and shareholdings in affiliates and from the special audit according to the resolution in 2006 and to establish such a special representative to furthermore audit the company's system to prevent measures that would constitute an infringement of German corporate law. These proceedings are pending. The Company cannot exclude the risk that a plaintiff may prevail.

### **Material Contracts**

At the date of this Prospectus, STRABAG has no contracts (other than contracts entered into in the ordinary course of business) which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to bondholders in respect of the Bonds.

### **Management**

The members of the Management Board and Supervisory Board may be contacted at the Company's registered office in Villach or at the Company's Vienna office at Donau-City-Straße 9, A-1220 Vienna, Austria.

#### ***Management Board***

The members of the Management Board are appointed by the Supervisory Board for a maximum period of five years; re-election is possible. Pursuant to the Articles of Association of the Company, the Management Board consists of up to eight members. The appointment of the Management Board members terminates after the general shareholders meeting deciding, among other things, upon the discharge of the Management Board for the financial year in which the relevant Management Board member has reached the age of 70. The Supervisory Board may remove a member of the Management Board prior to the expiration of its term for cause, such as gross negligence or deliberate breach of duty.

Unless the Supervisory Board resolves differently upon appointment of a Management Board member, the Company is represented by two members of the Management Board acting jointly.

Currently, the Management Board consists of the following seven members:

<b>Name</b>	<b>Position</b>
Hans Peter Haselsteiner...	Chairman of the Management Board, CEO
Fritz Oberlerchner .....	Vice-Chairman of the Management Board
Thomas Birtel.....	Member
Nematollah Farrokhnia....	Member
Roland Jurecka .....	Member
Wolfgang Merkingner .....	Member
Hannes Truntschnig.....	Member

The Management Board members hold functions predominantly in other STRABAG Group entities which may be regarded as activities for the Group. Other activities performed outside the Group are not significant with respect to the Issuer.

Three Management Board members perform their services on the basis of a contract for services

(*Werkvertrag*) entered into between STRABAG SE and a respective limited liability company (*GmbH*). This does not affect the Management Board members' obligation to personally perform their services and their liability pursuant to the Austrian Stock Corporation Act.

### ***Supervisory Board***

The Supervisory Board consists of up to six members elected by the shareholders' meeting or nominated by certain shareholders, plus the members nominated by the works council.

Currently, the Supervisory Board consists of four members elected by the shareholders' meeting plus two members (Erwin Hameseder and Gulzhan Moldazhanova) who have been nominated by the holders of registered shares number 1 (Haselsteiner Group) and 2 (Rasperia), respectively, plus three additional members nominated by the Company's works council.

The Syndicate Partners (as defined below) have agreed that the Supervisory Board shall consist of six members two of which shall be nominated by each of the Haselsteiner Group, the Raiffeisen Group and Rasperia. For more detailed information on the Shareholders' Agreement see "Principal Shareholders – Shareholders' Agreement".

The current members of the Supervisory Board are:<sup>(1)</sup>

<b>Name</b>	<b>Position</b>	<b>Significant management activities performed outside the STRABAG Group</b>
Waldemar Jud.....	Chairman	Univ. Prof. DDr. Waldemar Jud Unternehmensforschungs GmbH (managing director), UCG Unternehmensforschung GmbH (managing director), managing board member of various private foundations
Erwin Hameseder .....	Vice-Chairman	RAIFFEISEN-HOLDING NÖ-Wien Beteiligungs GmbH (managing director)
Gerhard Gribkowsky ...	Member	
Gulzhan Moldazhanova .....	Member	Basic Element Ltd. (CEO)
Gottfried Wanitschek ..	Member	UNIQA Versicherungen AG (member of the management board)
Siegfried Wolf .....	Member	MAGNA International Europe AG (CEO)
Peter Nimmervoll .....	Member	"STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)
Josef Radosztics .....	Member	"STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)
Gerhard Springer .....	Member	"STRABAG Arbeits- und Sozialfonds" Privatstiftung (chairman of the management board)

(1) Jürgen Kuchenwald was member of the Supervisory Board from November 29, 2006 to July 31, 2007.

Further to illustrated above, the Supervisory Board members hold functions in other supervisory boards or similar functions which are not significant with respect to the Issuer.

### ***Committees of the Supervisory Board***

The Supervisory Board has established an Executive Committee (*Präsidium*), a Presidential and



Nomination Committee (*Präsidential- und Nominierungsausschuss*) and an Audit Committee (*Prüfungsausschuss*). The rules of procedure of the Supervisory Board apply to the Supervisory Board Committees, unless the Supervisory Board resolves differently.

The Executive Committee is responsible for all matters regarding the relations of the Company and the members of the Management Board other than the appointment and revocation to the Management Board and the granting of options for shares of the Company. In particular, the Executive Committee is responsible for the Management Board members' compensation and the content of their employment agreements. The Executive Committee is authorized to conclude, modify or terminate employment agreements and to grant additional variable compensation.

The members of the Executive Committee are Waldemar Jud (the Chairman of the Supervisory Board) and Erwin Hameseder (the Vice-Chairman of the Supervisory Board).

The Audit Committee is responsible for the audit and preparation of the approval of the financial statements and consolidated financial statements of the Company, the preparation of a proposal for the distribution of profits and the review of the management report. The Audit Committee also examines the auditor's management letter and the auditor's report on the assessment of the effectiveness of the Company's risk management. Furthermore, the Audit Committee prepares the proposal for the auditor to be elected by the shareholders' meeting. Upon election of the auditor by the shareholders' meeting, the Audit Committee mandates the auditor and agrees on the auditor's compensation.

One member of the Audit Committee must be a person with special knowledge and practical experience in finance and accounting and reporting (*Finanzexperte*). Persons who were members of the Management Board, executives or auditors of the Company or persons having certified the (consolidated) financial statements of the Company within the last three years may not be *Finanzexperte* or Chairman of the Audit Committee.

The members of the Audit Committee are Waldemar Jud (the Chairman of the Supervisory Board) and Erwin Hameseder (the Vice-Chairman of the Supervisory Board, also as *Finanzexperte*), Gottfried Wanitschek, Gulzhan Moldazhanova, Gerhard Springer and Peter Nimmervoll.

### ***Conflicts of Interest***

No potential conflict of interest exists in respect of any member of the Management Board or Supervisory Board between his duties to the Company and his private duties and/or other duties. There are no family ties between members of the Management Board and the Supervisory Board. However, one member of the Supervisory Board (Gulzhan Moldazhanova) has been nominated by Rasperia and is the CEO and member of the supervisory board of Basic Element. Both companies, Rasperia and Basic Element, are not prohibited from pursuing activities in the construction industry under the terms and conditions of the Shareholders' Agreement (as defined below).

The Company has no outstanding loans to and no guarantees on behalf of any members of the Supervisory Board or Management Board.

No legal relationships exist between the members of the Management Board or the Supervisory Board (including Board members who retired in 2007) and the Company or any of its subsidiaries other than their respective appointments as Board members and the relating service agreements.

### ***Compliance with Corporate Governance Code***

The CGC was published by the Austrian Working Group on Corporate Governance, a group of private organizations and individuals in 2002 and has been amended several times, most recently in June 2007.

The CGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law ("Legal Requirements", "L-Rules"). In addition, the CGC contains rules considered

to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with some of these rules must be explained ("Comply or Explain", "C-Rules").

The Company currently complies in full with all "L Rules" and "C-Rules" of the CGC.

### Principal Shareholders

Currently, the shares of STRABAG SE are held by the following shareholders (the "Existing Shareholders")

	<b>shares owned</b>	
	(shares)	(percentage)
Haselsteiner Group .....	28,600,097	25.090
Raiffeisen NÖ-Wien Group.....	14,250,001	12.500
UNIQA Group.....	14,250,000	12.500
Rasperia.....	28,500,001	25.000
Other shareholders/Free Float <sup>(1)</sup> ...	<u>28,399,901</u>	<u>24.910</u>
<b>Total .....</b>	<b>114,000,000</b>	<b>100.000</b>

<sup>(1)</sup> Not related to any other shareholders listed above or to any other person holding a Management Board or Supervisory Board position in STRABAG SE.

The Company's Existing Shareholders do not have different voting rights from each other or other shareholders.

The Issuer is effectively controlled by the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia, who have entered into a shareholders' agreement (see "Shareholders' Agreements").

In connection with the acquisition of its interest in the Company, Rasperia entered into financing agreements with Deutsche Bank AG which provide, among other things, for a pledge of the shares in the Company held by Rasperia to Deutsche Bank AG (the "Share Pledge Agreement"). Under the Share Pledge Agreement, Rasperia retains the voting rights with respect to its shares in the Company, subject, however, to a number of restrictions, including (with certain exceptions) prohibitions to agree to or to permit capital increases or decreases by the Company, the creation of any obligations convertible into shares, changes to the constitutional documents of the Company and certain restructurings. In an event of default, the Share Pledge Agreement provides for the sale of Rasperia's shares in the Company by public auction or freehand sale without any requirement to conduct court or enforcement proceedings.

### Shareholders' Agreements

On April 23, 2007, the members of the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia, a company indirectly controlled by Mr. Oleg Deripaska, who also controls Basic Element, a conglomerate with industrial participations, *inter alia*, in infrastructure and building and construction (the "Syndicate Partners") concluded a shareholders' agreement ("Shareholders' Agreement"). The Shareholders' Agreement was amended on August 17, 2007 and on September 25, 2007 and became effective on August 17, 2007. The Shareholders' Agreement provides for nomination rights with respect to members of the Supervisory Board, the coordination of voting of the Shareholders' shares and for transfer restrictions and other rights with respect to the shares, all as discussed below.

The Syndicate Partners have agreed on several core undertakings, including (i) a limitation of cash funding of the Company by Rasperia to Rasperia's initial investment, (ii) good faith negotiations on potential contributions in kind or other combinations of assets of Basic Element with those of the Company, (iii) a prohibition of measures which could result in a future dilution of Rasperia to below 25% plus one share, (iv) the joint development of the Russian Federation and the former Soviet Union as core markets of the Company and, upon request of a Syndicate Partner, investments of the Company

in these markets and the provision of certain services by the Company to Rasperia or its nominees at arm's length terms and conditions, as agreed by the Syndicate Partners, (v) a commitment of Hans Peter Haselsteiner to serve as CEO of the Company until at least April 23, 2010 and (vi) a prohibition of measures or transactions of Syndicate Partners which could trigger a mandatory takeover offer pursuant to the Austrian Takeover Act (including an indemnification for damages resulting from a breach).

As to future dividend policy, the Syndicate Partners have agreed to distribute to the shareholders of STRABAG SE annually an amount corresponding to at least 30% of the Group's annual consolidated profit attributable to the equity holders of the parent.

The Syndicate Partners have agreed that, immediately after the initial public offering in 2007, the minimum participation in the share capital of the Company will be 25% plus one share for Rasperia and 50% plus two shares for the HPH Group and the Raiffeisen Group combined and that at any time thereafter, the minimum participation for each of the Haselsteiner Group, the Raiffeisen Group and Rasperia shall be 17%.

The Syndicate Partners have agreed that the Supervisory Board shall consist of six members two of which shall be nominated by each of the Haselsteiner Group, the Raiffeisen Group and Rasperia. These nomination rights include the rights of delegation vested in the Registered Shares with numbers one (1) and two (2) which are held by the Haselsteiner Group and Rasperia, respectively. If a minority representative is elected pursuant to section 87 para 1 Stock Corporation Act or pursuant Rule 54 CGC, the Raiffeisen Group will be entitled to nominate only one member of the Supervisory Board instead of two.

The Syndicate Partners have agreed on the establishment of a syndicate meeting consisting of three members representing the Haselsteiner Group, the Raiffeisen Group and Rasperia, respectively ("Syndicate Meeting"). Resolutions of the Syndicate Meeting are required on matters to be resolved by the Supervisory Board relating to amendments of the rules of procedure for the Management Board or the Supervisory Board and on all matters to be resolved by the shareholders' meetings of the Company ("Relevant Meetings") and may only be passed unanimously, and the Syndicate Partners have agreed to vote their respective Syndicated Shares accordingly. The Syndicate Meeting shall convene prior to Relevant Meetings. The Syndicate Partners shall procure that resolutions in Relevant Meetings will be adopted in accordance with the resolutions of the Syndicate Meeting. If a resolution cannot be passed by unanimous vote in a Syndicate Meeting, the respective item must be removed from the agenda of the respective Relevant Meeting, except for the approval of the annual financial statements and the appropriation of any profits on which the Syndicate Partners are free to vote as they please.

Furthermore, the Shareholders' Agreement provides for a framework for secondary offerings of shares ("SPO"). From 2009 onwards, each member of the Haselsteiner Group, the Raiffeisen Group or Rasperia may request an SPO. If a member of the Haselsteiner Group or of the Raiffeisen Group requests an SPO, Rasperia is entitled to acquire the shareholding envisaged to be offered in such SPO at a price based on the previous stock market price. Any shares so acquired by Rasperia will cease to be Syndicated Shares. Provided that this pre-emption right is not exercised by Rasperia, the respective Syndicate Partner is free to proceed with the SPO, provided it does not include any primary shares. If, through an SPO or otherwise, the combined shareholdings of the Syndicate Partners falls below 75% of the nominal share capital of the Company, the Syndicate Partners will amend (i) the Articles of Association to the effect that a capital increase shall no longer require a majority of 75%, but two thirds of the votes cast (or, if statutorily possible, a simple majority) and (ii) the Shareholders' Agreement to the effect that the dilution protection for the benefit of Rasperia (relating to 25% plus one share at the date of the Shareholders' Agreement) shall refer to the then current shareholding of Rasperia.

The Shareholders' Agreement provides for certain transfer restrictions imposed on the Syndicate Partners. Transfers of shares to affiliates, direct family members and similar third parties are permissible, while transfers of shares representing a holding in the Company in excess of 8% in the aggregate to a competitor are not permitted. In case of transfers of shares by a Syndicate Partner, the shares must first be offered to the other Syndicate Partners. Except where expressly permitted, the Syndicate Partners have agreed not to transfer any of their respective shares on or prior to December 31,

2008.

The Shareholders' Agreement has been entered into for an initial term until December 31, 2017, allowing for extensions for consecutive five-year periods. In the event of termination, the holders of the Registered Shares with numbers one (1) and two (2) will no longer be entitled to exercise their nomination rights and the Syndicate Partners have agreed to implement the termination of these nomination rights.

Management believes that STRABAG's corporate governance structure, together with the provisions of Austrian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

## **General Information about the Company**

### ***Legal and Commercial Name, Registered Seat, Financial Year, Duration, Share Capital***

STRABAG SE is a *Societas Europaea* (SE) formed under Austrian law for an indefinite period and with its registered seat in Villach and its registered business address at Triglavstraße 9, A-9500 Villach, Austria. The Company was founded in Austria as Sobau Beteiligungsgesellschaft m.b.H. on September 4, 1984 and transformed into (now) STRABAG SE on October 12, 2004. The Company may be reached at its Vienna office at Donau-City-Straße 9, A-1220 Vienna (+43 (1) 22 4 22 – 1170) or on its website under [www.strabag.com](http://www.strabag.com). The information on the Company's website is not incorporated by reference into this prospectus. The Company's as well as the Group's commercial name is STRABAG. The Company is registered with the commercial register of the District Court Klagenfurt under FN 88983h. The Company's financial year is identical with the calendar year. As of the date of this prospectus, the Issuer's share capital amounts to EUR 114,000,000 and is divided into 113,999,997 ordinary no par value voting bearer shares (*Inhaberaktien*) and 3 registered shares (*Namensaktien*), each share representing a calculated notional amount of EUR 1.00 of the nominal share capital.

### ***Corporate History and Recent Events Relevant to the Evaluation of the Issuer's Solvency***

STRABAG SE developed as a result of among others the merger of the old established and internationally active construction groups ILBAU, STRABAG und STUAG.

In 2004, BAUHOLDING STRABAG AG changed its legal form to *Societas Europaea* (SE), a company structure based on European law, and the firm's name was changed to BAUHOLDING STRABAG SE. In 2005, the Group took over significant parts of the insolvent WALTER-BAU Group. The acquisition included DYWIDAG International GmbH and the newly founded DYWIDAG Holding GmbH. This company combined DYWIDAG SF- und Ing. Bau GmbH, DYWIDAG Bau GmbH and Walter Heilit Verkehrswegebau GmbH, which changed into Heilit+Woerner Bau GmbH, and was directly managed by the German group company, STRABAG AG in Cologne. In 2005, also the takeover of a majority shareholding in Ed. ZÜBLIN AG, Stuttgart, including more than 7,000 employees and an output volume of approx. EUR 1.5 billion by Bauholding Strabag SE took place. In 2006, BAUHOLDING STRABAG SE changed its name to STRABAG SE. After the merger of FIMAG Finanz Industrie Management AG and A-WAY Holding und Finanz AG into STRABAG SE, the Company has become the new parent company of the STRABAG Group. In 2007 Rasperia acquired a shareholding in the Company of 25% plus one share after a capital increase and initial public offering, which were carried out in the same year. In this capital increase and initial public offering, the Company successfully placed 28,200,001 shares (of which 19,000,000 shares were new shares and 9,200,001 shares were existing shares) and since then all of the Company's 113,999,997 ordinary no-par value bearer shares are listed on the Prime Market of the Vienna Stock Exchange.

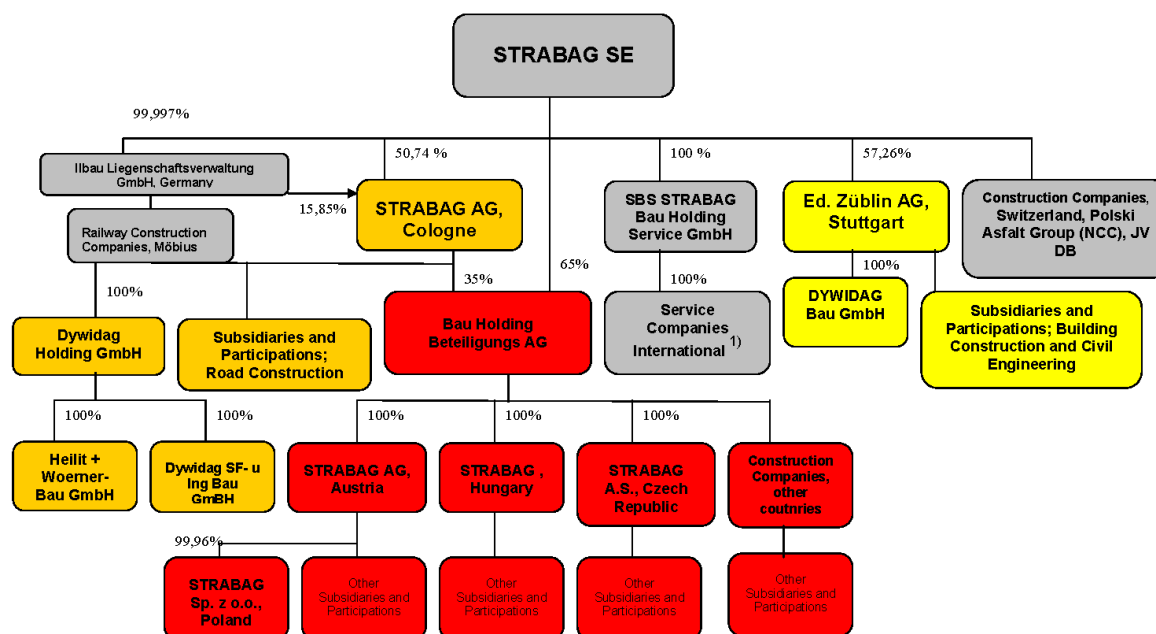
### ***Corporate Purpose***

The Company's business objectives as stated in Section 2 of its Articles of Association include planning, execution and management of constructions of all sorts, in particular road construction,

structural engineering, underground engineering, civil engineering and project development, operation of cement works (*Zement- und Lieferbetonwerke*), quarries, sand- and gravel-pits, exploitation of real estate and similar land rights, related activities including holding functions for the Group. The Company may carry out any business transactions which serve the purpose of the Company.

### Group Structure

STRABAG SE is the parent company of the Group and has direct and indirect interests in the following subsidiaries:



### Significant Subsidiaries

The Company considers the following companies to be its significant subsidiaries:

Name of Company	Country of Incorporation	Registered Seat	Percentage of ownership and voting power
STRABAG AG.....	Germany	Cologne	66.60 <sup>(1)</sup>
Ed. Züblin AG.....	Germany	Stuttgart	57.26
Bau Holding Beteiligungs AG....	Austria	Spittal a d Drau	88.31 <sup>(1)</sup>
STRABAG AG.....	Austria	Spittal a d Drau	88.31 <sup>(1)</sup>
STRABAG Zrt. ....	Hungary	Budapest	88.31 <sup>(1)</sup>
STRABAG a.s.....	Czech Republic	Prague	88.31 <sup>(1)</sup>
Strabag Sp.z o.o.....	Poland	Warsaw	88.31 <sup>(1)</sup>

(1) Combined (indirect) shareholding.

## **Auditors**

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Kudlichstraße 41-43, A-4020 Linz, Austria, certified public auditors and members of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstreuhänder*), has acknowledged the inclusion on pages F-53 and F-114 of its unqualified auditors' certificates in relation to the Consolidated Financial Statements of the Group for the years ended December 31, 2006 and 2007. KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is the legal successor of the audit and assurance unit of KPMG Alpen-Treuhand GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft which unit has been demerged into KPMG Austria GmbH by way of universal succession and is also the legal successor of T&A Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH which has been merged into KPMG Austria GmbH. Apart from the 2006 and 2007 Consolidated Financial Statements, no information in this prospectus has been audited by the auditor.

## **Disclosure for the Securities**

### ***Key Information***

The Joint Lead Managers and the other members of the syndicate are participating in their ordinary course of business in order to generate management and underwriting fees and selling commissions. The Joint Lead Managers and their affiliates have provided or provide various banking, financial advisory and/or similar services to the Company in the ordinary course, and maintain normal business relationships with the Company in their capacity as credit institutions or as lenders under credit facilities for which they have received and may continue to receive customary fees and expenses. Raiffeisen NÖ-Wien Group and the UNIQA Group, collectively hold an ownership interest of 25% plus one share in the Company. Raiffeisen Zentralbank Österreich AG indirectly holds a 25.76% shareholding in UNIQA Versicherungen AG. Raiffeisen NÖ-Wien Group holds a 31.34% shareholding in Raiffeisen Zentralbank Österreich AG.

The net proceeds of the Offering are intended to repay the EUR 50 million 5.25 % bonds due June 18, 2008 (AT0000341615) issued by Bauholding Strabag AG, the predecessor of the Company as well as for general corporate purposes.

### ***Information concerning the securities to be offered / admitted to trading***

It is expected that the Bonds will be listed and traded on the second regulated market (*geregelter Freiverkehr*) of the Vienna Stock Exchange. The Bonds are bearer bonds which will be represented in whole by a global note which will be deposited with Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, 1010 Vienna, for the tenor of the Bonds. Bondholders have no right to request individual bond certificates. The Bonds are denominated in Euro. The Bonds constitute direct and unconditional obligations of the Issuer, ranking *pari passu* among themselves, being neither subordinated nor secured. They shall rank *pari passu* with all other present or future obligations of the Issuer, being neither subordinated nor secured, unless mandatory law privileges these other obligations.

The ISIN (International Securities Identification Number) is AT0000A09H96.

The form and contents of the Bonds and the rights and obligations of the Bondholders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law excluding the mandatory provisions of Austrian international private law. For all disputes which may arise out or in connection with the Bonds, the Commercial Court of Vienna shall have exclusive jurisdiction.

During the tenor of these Bonds, the Issuer undertakes, but no longer than for the time all amounts for the interest and principal on the Bonds have been provided to the Paying Agent, for any other bonds including guarantees or liabilities therefore,

- (i) not to create any security upon any of its present or future assets or revenues; or

- (ii) not to procure that third parties provide any security on the assets of the third party to secure the issued or guaranteed Bonds of the Issuer,

unless, at the same time, the Bondholders are secured equally by such security or such other security as shall be approved as equal security by an independent certified public auditor. The bondholders are creditors of the Issuer with all rights and obligations as can be derived from the statutory provisions and those of the Terms and Conditions beginning on page 40. The rights of the bondholders include the right to interest and redemption payments by the Issuer at the maturity dates. The bondholders may prematurely terminate the bonds in case of events described in § 9 of the Terms and Conditions (pages 44 et seq). The payment of interest and the repayment of capital shall be made by way of crediting the respective amounts to an account held with the respective investor's custodian bank.

Interest on the Bonds will be payable annually, for a period starting on June 18, 2008 (inclusive) and ending on the day preceding the maturity of the Bonds (June 17, 2013), with a coupon expected to range from 5.50% to 6.50% on their principal amount. Interest is payable in arrears at June 18 of each calendar year. The first interest payment is due on June 18, 2009 (see the payment provision on § 4 of the Terms and Conditions beginning on page 41). The nominal interest rate will be determined in the course of the pricing of the Bonds on or around June 6, 2008 on the basis of the five-year Euro swap rate as reference rate. Euro swap rates are quoted by various different data providers (such as Reuters). The current Euro swap rate is increased by a margin reflecting the creditworthiness of the Issuer. The sum of the Euro swap rate and the margin results in a yield which is used to determine the nominal interest rate and the issue price. The limitation period shall be three years in respect of interest due and 30 years in respect of principal due.

To the extent not previously redeemed in whole or in part or repurchased and cancelled in accordance with § 5 para 2, § 5 para 3 or § 9 of the Terms and Conditions, the Bonds shall be redeemed at their final redemption amount on June 18, 2013 (the "Maturity Date") at its principal amount and shall be repaid via the account holder for the respective Bondholder (see the repayment provision described in § 5 para 1 of the Terms and Conditions beginning on page 42). The yield of the Bonds is expected to be between 5.50% and 6.50% (under the assumption that the Bonds are held until maturity and that they are acquired at an issue price of 100% of the principal amount). The calculation of the yield is based on actual/actual (pursuant to the calculation method defined by ICMA). The Terms and Conditions of the Bonds contain no provisions on the representation of the bondholders. Under certain conditions, a joint representative (*Kurator*) may be appointed to represent the Bondholders before the courts in accordance with Imperial Law Gazette RGBI 1874/49 as amended.

The Bonds will be issued by virtue of resolutions by the Issuer's Managing Directors dated April 9, 2008, which the supervisory council has approved with resolution of April 25, 2008. The Bonds will be offered in the period from June 9, 2008 until, including, June 11, 2008 (the right to shorten the subscription period has been reserved). The Bonds are freely tradeable and transferable. Reference is made to the risk factors "*Illiquid Markets*" and "*Public market for bonds and uncertainty of price development*", see page 15. It is expected that the Bonds will be listed and traded on the second regulated market (*geregelter Freiverkehr*) of the Vienna Stock Exchange.

## **Taxation in Austria**

### ***General***

Individuals resident in Austria are subject to income tax (*Einkommensteuer*) on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals are considered resident if they have a permanent residence (*Wohnsitz*) available in Austria and/or if they have their habitual abode (*gewöhnlicher Aufenthalt*) in Austria, otherwise they are non-resident. Non-resident individuals are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations resident in Austria are subject to corporate income tax (*Körperschaftsteuer*) on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*).

Corporations are considered resident if their place of effective management (*Ort der Geschäftsleitung*) is in Austria and/or if they have their registered seat (*Sitz*) in Austria, otherwise they are non-resident. Non-resident companies are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited tax liability Austria's right to tax may be restricted or reduced by double taxation treaties.

### ***Austrian (corporate) income tax***

#### ***Individuals (holding bonds as a non-business asset)***

Individuals subject in Austria to unlimited income tax liability (*unbeschränkt steuerpflichtige natürliche Personen*) holding bonds (*Forderungswertpapiere*) in the sense of § 93(3) of the Austrian Income Tax Act (*Einkommensteuergesetz*) as a non-business asset (*Privatvermögen*) are subject to income tax on all resulting interest payments pursuant to § 27 para 1 No 4 and § 27 para 2 No 2 of the Austrian Income Tax Act. If interest is paid out by an Austrian paying agent (*kuponauszahlende Stelle*), then such payments are subject to a withholding tax of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to § 97 para 1 of the Austrian Income Tax Act; *Endbesteuerung*) if the bonds are in addition legally and factually offered to an indefinite number of persons. If interest is not paid out by an Austrian paying agent, then such payments must be included in the income tax return; in this case they are subject to a flat income tax rate of 25%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments must be included in the income tax return; in this case they are subject to income tax at a marginal rate of up to 50%, any withholding tax being creditable against the income tax liability. Capital gains (*i.e.* the difference between the sales price and the acquisition cost of the bonds) realized upon sale of the bonds within one year after acquisition are subject to income tax at a marginal rate of up to 50% pursuant to § 30 of the Austrian Income Tax Act; other capital gains are tax-free.

#### ***Individuals (holding bonds as a business asset)***

Individuals subject in Austria to unlimited income tax liability holding bonds as a business asset (*Betriebsvermögen*) are subject to income tax on all resulting interest payments. If interest is paid out by an Austrian paying agent, then such payments are subject to a withholding tax of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to § 97 para 1 of the Austrian Income Tax Act) if the bonds are in addition legally and factually offered to an indefinite number of persons. If interest is not paid out by an Austrian paying agent, then such payments must be included in the income tax return; in this case they are subject to a flat income tax rate of 25%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments must be included in the income tax return; in this case they are subject to income tax at a marginal rate of up to 50%, any withholding tax being creditable against the income tax liability. Capital gains (*i.e.* the difference between the sales price and the acquisition cost of the bonds) realized upon sale of the bonds are always subject to income tax at a marginal rate of up to 50%.

### ***Corporations***

Corporations subject in Austria to unlimited corporate income tax liability (*unbeschränkt steuerpflichtige Körperschaften*) are subject to corporate income tax on all interest payments resulting from bonds at a rate of 25%. Under the conditions set forth in § 94 No 5 of the Austrian Income Tax Act no withholding tax is levied. Capital gains (*i.e.* the difference between the sales price and the acquisition cost of the bonds) realized upon sale of the bonds are subject to corporate income tax at a rate of 25%.



### ***Private foundations***

Private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in § 13 para 1 of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*) and holding bonds as a non-business asset are subject to corporate income tax (interim taxation; *Zwischenbesteuerung*) on all resulting interest payments pursuant to § 13 para 3 No 1 of the Austrian Corporate Income Tax Act at a rate of 12.5%, provided that the bonds are in addition legally and factually offered to an indefinite number of persons. If the bonds are not legally and factually offered to an indefinite number of persons, then the interest payments are subject to corporate income tax at a rate of 25%. Under the conditions set forth in § 94 No 11 of the Austrian Income Tax Act no withholding tax is levied. Capital gains (*i.e.* the difference between the sales price and the acquisition cost of the bonds) realized upon sale of the bonds within one year after acquisition are subject to corporate income tax at a rate of 25%; other capital gains are tax-free.

### ***EU withholding tax***

§ 1 of the Austrian EU Withholding Tax Act (*EU-Quellensteuergesetz*) – which transforms into national law the provisions of Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent to a beneficial owner who is an individual resident in another Member State is subject to a withholding tax if no exception from such withholding applies. Currently, the withholding tax amounts to 15%.

### ***Austrian inheritance and gift tax***

Pursuant to the Austrian Inheritance and Gift Tax Act (*Erbschafts- und Schenkungssteuergesetz*), transfers of assets *inter vivos* and *inter mortuos* are taxable. § 15 para 1 No 17 of the Austrian Inheritance and Gift Tax Act provides for a tax exemption in the case of a transfer of bonds *inter mortuos* insofar as the bonds were legally and factually offered to an indefinite number of persons and insofar as the interest resulting from the bonds is subject to final taxation or to the special tax rate of 25%.

In 2007 the Austrian Constitutional Court (*Verfassungsgerichtshof*) has repealed the inheritance as well as the gift tax. The repeal will become effective as of July 31, 2008, unless the Austrian legislator amends the inheritance and gift tax. It is unlikely that the inheritance and gift tax are amended as the governing parties have agreed not to replace the relevant laws. Instead, the government intends to establish a gift notification law (*Schenkungsmitteilungsgesetz*) to prevent tax abuse and money laundering.

THIS SECTION ON TAXATION CONTAINS A BRIEF SUMMARY OF THE ISSUER'S UNDERSTANDING WITH REGARD TO CERTAIN IMPORTANT PRINCIPLES WHICH ARE OF SIGNIFICANCE IN CONNECTION WITH THE PURCHASE, HOLDING OR SALE OF THE BONDS. THIS SUMMARY DOES NOT PURPORT TO EXHAUSTIVELY DESCRIBE ALL POSSIBLE TAX ASPECTS AND DOES NOT DEAL WITH SPECIFIC SITUATIONS WHICH MAY BE OF RELEVANCE FOR CERTAIN POTENTIAL INVESTORS. IT IS BASED ON THE CURRENTLY VALID TAX LEGISLATION, CASE LAW AND REGULATIONS OF THE TAX AUTHORITIES, AS WELL AS THEIR RESPECTIVE INTERPRETATION, ALL OF WHICH MAY BE AMENDED FROM TIME TO TIME. SUCH AMENDMENTS MAY POSSIBLY ALSO BE EFFECTED WITH RETROACTIVE EFFECT AND MAY NEGATIVELY IMPACT ON THE TAX CONSEQUENCES DESCRIBED. IT IS RECOMMENDED THAT POTENTIAL PURCHASERS OF THE BONDS CONSULT WITH THEIR LEGAL AND TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, HOLDING OR SALE OF THE BONDS. TAX RISKS RESULTING FROM THE BONDS SHALL IN ANY CASE BE BORNE BY THE PURCHASER.

### **Terms and Conditions of the Offer**

The Offer is not subject to any conditions. The Issuer issues the Bonds in the total principal amount of EUR 75,000,000.00. The Issuer has reserved the right to increase the total principal amount of the Offering to up to EUR 100,000,000. The final total principal amount will be determined by the Issuer in

the course of the book building procedure (see "Allotment, Pricing, Underwriting, Admission to Trading"). The Bonds will be offered through the Joint Lead Managers in the period from June 9, 2008 until, including, June 11, 2008 (the right to shorten the subscription period has been reserved).

The Issuer and the Joint Lead Managers have reserved the right to prematurely terminate the subscription period and the right to reject subscriptions. In this case all subscriptions for the Bonds received before termination of the subscription period will remain valid and be settled on the value date. The minimum amount for subscription corresponds to the minimum denomination of the Bonds which is EUR 500.00. For the Bonds no maximum subscription amount has been set. The Bonds will be delivered to those investors who have provided the respective funds required on the value date with their custodian bank (*Depotbank*). Delivery of the Bonds will be made by crediting the subscribed Bonds on the respective investors' deposit accounts on the value date (June 18, 2008). The Bonds will be represented in whole by a global note (*veränderbare Sammelurkunde*) pursuant to § 24 lit. b of the Austrian Depository Act (*Depotgesetz*), Federal Law Gazette No 424/1969, as amended, which bears the signatures of the required number of representatives of the Issuer with signing authority and the control signature of the Paying Agent. The global note for the Bonds will be deposited with Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, 1010 Vienna, for the tenor of the Bonds. The bondholders are entitled to joint ownership stakeholdings in the global note which can be transferred within Austria pursuant to the general terms and conditions of OeKB and outside of Austria pursuant to the terms and conditions of Clearstream Banking S.A., Luxembourg and Euroclear Bank S.A./N.V., Brussels, Belgium.

The issue price and coupon of the Bonds are expected to be determined on or around June 6, 2008. The issue price and coupon will be filed with the Financial Market Authorities in accordance with § 7 para 5 of the Capital Market Act and published prior to the beginning of the subscription period in accordance with § 10 para 3 of the Capital Market Act. Investors will be informed by their custodian banks (*Depotbanken*) of the number of Bonds allocated. There are no pre-emption or subscription rights.

#### **Allotment, Pricing, Underwriting, Admission to Trading**

The Bonds will be distributed by the Joint Lead Managers and other syndicate members with the consent of the Issuer. It is intended to offer the Bonds to non-institutional and institutional investors. Investors will be notified about the number of securities allocated to them by their custodian banks (*Depotbanken*). Each investor may directly dispose over the Bonds. Trading will commence, if an approval for listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange is granted.

The issue price for the Bonds is currently not yet fixed and expected to range between 98.00% and 102.00% of the nominal value of the Bonds. The issue price of the Bonds will be calculated on basis of the interest rate, the tenor of the Bonds, the yield and the demand by institutional investors in the course of the determination of the conditions (book building procedure) on or around June 6, 2008, and will be published prior to the start of the subscription period. The book building procedure serves the purpose of recording the demand of institutional investors like credit institutions, insurance companies and funds by the syndicate banks. In the course of a book building procedure, the Joint Lead Managers will accept within a limited period of time binding subscription orders from institutional investors, including yields usually within a predetermined yield range. Subsequently, the Joint Lead Managers determine in consultation with the Issuer the interest rate (coupon) and the issue prices at which the Bonds are issued. The issue price at which retail investors may buy the Bonds during the subscription period is calculated on the basis of the issue price for institutional investors plus an extra charge of up to 1.5%. This issue price will be published prior to the subscription period in accordance with applicable laws as described above. For the placement of the Bonds, the members of the banks' syndicate will receive customary commissions. No taxes will be specifically charged to subscribers or purchasers.

Raiffeisen Zentralbank Österreich Aktiengesellschaft, Am Stadtpark 9, 1030 Vienna and Erste Bank der oesterreichischen Sparkassen AG, Graben 21, 1010 Vienna act as Joint Lead Managers (coordinators) and will form a syndicate with other Austrian banks. Erste Bank der oesterreichischen Sparkassen AG, Graben 21, 1010 Vienna is appointed as Paying Agent for the Bonds. The depository agent for the

global note of the Bonds is OeKB, Am Hof 4/Strauchgasse 1-3, 1010 Vienna.

The Bonds will be completely underwritten by a syndicate of banks under the joint lead management of Raiffeisen Zentralbank Österreich Aktiengesellschaft and Erste Bank der oesterreichischen Sparkassen AG. The management and underwriting fee will range from EUR 187,500 to EUR 262,500 (calculated on the basis of a total nominal amount of EUR 75,000,000). The underwriting agreement will presumably be entered into on June 13, 2008.

The Issuer intends to apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

The following table sets forth the bonds issued by the Company which are currently listed on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

<b>Issuer</b>	<b>Total Amount</b>	<b>Term</b>	<b>Coupon in %</b>	<b>ISIN</b>
Bauholding Strabag Aktiengesellschaft <sup>(1)</sup>	50,000,000	2003-2008	5.25	AT0000341615
Bauholding Strabag Aktiengesellschaft <sup>(1)</sup>	50,000,000	2004-2009	5.5	AT0000342332
FIMAG AG <sup>(2)</sup>	75,000,000	2005-2010	4.25	AT0000492723
FIMAG AG <sup>(2)</sup>	75,000,000	2006-2011	5.25	AT0000A013U3
STRABAG SE	75,000,000	2007-2012	5.75	AT0000A05HY9

1) Bauholding Strabag Aktiengesellschaft was a predecessor of STRABAG SE.

2) FIMAG AG was merged into STRABAG SE in 2006.

No entities have firm commitments to act as intermediaries in secondary trading. STRABAG SE is rated BBB- with a stable outlook by Standard & Poor's. While the 2003 and 2004 senior unsecured notes which were issued under the 2001 debt issuance programme were supported by upstream guarantees from the operating company level to avoid structural subordination and are thus rated the same as the long-term corporate credit rating of the Group as a whole, the Bonds without such guarantee will be rated one notch lower. Standard & Poor's defines BBB as follows: An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

## Conditions of Issue

THE GERMAN TEXT OF THE CONDITIONS OF ISSUE IS LEGALLY BINDING.  
THE ENGLISH TRANSLATION IS FOR CONVENIENCE ONLY.

### ANLEIHEBEDINGUNGEN (die "Bedingungen")

**NOMINALE EUR 75.000.000,--**  
[●]% Teilschuldverschreibungen 2008-2013  
ISIN AT0000A09H96  
der  
**STRABAG SE**

### CONDITIONS OF ISSUE OF THE BONDS (the "Conditions")

**Principal Amount EUR 75.000.000,--**  
[●]% bonds 2008-2013  
ISIN AT0000A09H96  
issued by  
**STRABAG SE**

#### §1

#### WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

- (1) Währung. Stückelung: Die [●]% Teilschuldverschreibungen 2008-2013 (die "Teilschuldverschreibungen" oder die "Anleihe") der STRABAG SE (die "Emittentin") wird in Euro (die "festgelegte Währung") im Gesamtnennbetrag von EUR 75.000.000,-- (in Worten: Euro fünfundsiebzig Millionen) in einer Stückelung von EUR 500,-- (die "festgelegte Stückelung") emittiert.
- (2) Form: Die Teilschuldverschreibungen lauten auf den Inhaber.
- (3) Verbriefung: Die Teilschuldverschreibungen werden durch eine Sammelurkunde gemäß § 24 lit b Depotgesetz (die "Sammelurkunde") ohne Zinsscheine verbrieft. Die Sammelurkunde trägt die eigenhändige(n) Unterschrift(en) der bzw. des bevollmächtigten Vertreter(s) der Emittentin und ist von der Zahlstelle mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.
- (4) Wertpapiersammelstelle: Die Sammelurkunde wird auf die Dauer der Laufzeit der Teilschuldverschreibungen von der Wertpapiersammelstelle verwahrt. "Wertpapiersammelstelle" ist die Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"). Den Inhabern der Teilschuldverschreibungen stehen Miteigentumsanteile an der Sammelurkunde zu, die gemäß den allgemeinen Geschäftsbedingungen der OeKB und außerhalb der Republik Österreich ausschließlich gemäß den Vorschriften der Clearstream Banking Aktiengesellschaft, Luxemburg, und Euroclear Bank S.A./N.V., Brüssel, Belgien, übertragen werden können.
- (5) Anleihegläubiger: "Anleihegläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Teilschuldverschreibungen.

#### §2

#### STATUS, NEGATIVVERPFLICHTUNG

- (1) Status: Die Teilschuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind.

#### §1

#### CURRENCY, DENOMINATION, FORM, DEFINITIONS

- (1) Currency. Denomination: The [●]% bond 2008-2013 (the "Bond") of STRABAG SE (the "Issuer") is issued in Euro (the "Currency") in an aggregate principal amount of EUR 75.000.000,-- (in words: Euro seventy-five million) and with a denomination of EUR 500,-- each (the "Fixed Denomination").
- (2) Form: The Bonds are bearer bonds.
- (3) Global Bond: The Bonds are represented by a global bond pursuant to Section 24 lit b of the Safe Custody Act (the "Global Certificate") without interest coupons. The Global Certificate shall be signed manually by one or more authorised signatories of the Issuer and shall be authenticated by the Paying Agent. Definitive Bonds and interest coupons shall not be issued.
- (4) Central Securities Depository Agent: The Global Bond shall be deposited for the tenor of the Bonds with the Central Securities Depository Agent. Central Securities Depository Agent is the Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"). The Bondholders are entitled to joint ownership shares in the Global Certificate that are transferable in accordance with the general business conditions of OeKB and outside of the Republic of Austria exclusively in accordance with the provisions of Clearstream Banking Aktiengesellschaft, Luxembourg and Euroclear Bank S.A./N.V., Brussels, Belgium.
- (5) Bondholder: "Bondholder" means any holder of a proportional co-ownership participation or right in the Bond.

#### §2

#### STATUS, NEGATIVE PLEDGE

- (1) Status: The obligations of the Issuer under the Bonds constitute unsecured and non-subordinated obligations of the Issuer ranking *pari passu* among themselves and all other unsecured and non-subordinated obligations of the Issuer, unless mandatory law privileges these other obligations.

(2) **Negativverpflichtung:** Die Emittentin verpflichtet sich während der Laufzeit der gegenständlichen Anleihe, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Teilschuldverschreibungen der Emittentin, einschließlich dafür übernommener Garantien oder Haftungen,

- (i) keine Sicherheiten an ihren gegenwärtigen oder zukünftigen Vermögenswerten oder Einkünften zu bestellen oder
- (ii) Dritte, nicht zu veranlassen, zur Besicherung der von der Emittentin emittierten oder garantierten Teilschuldverschreibungen Sicherheiten am Vermögen dieses Dritten zu bestellen,

ohne jeweils die Anleihegläubiger zur gleichen Zeit und im gleichen Rang an solchen Sicherheiten oder an solchen anderen Sicherheiten, die von einem unabhängigen Wirtschaftsprüfer, als gleichwertige Sicherheit anerkannt werden, teilnehmen zu lassen.

### §3 ZINSEN, LAUFZEIT

- (1) **Zinssatz und Zinszahlungstage:** Die Teilschuldverschreibungen werden bezogen auf ihren Nennbetrag vom 18. Juni 2008 (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich [ $\bullet$ ] % verzinst. Die Zinsen sind nachträglich am 18. Juni eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am 18. Juni 2009.
- (2) **Zinsperiode:** "Zinsperiode" bezeichnet den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).
- (3) **Auflaufende Zinsen:** Der Zinslauf der Teilschuldverschreibungen endet an dem Tag, der dem Tag voraus geht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Teilschuldverschreibungen bei Fälligkeit nicht einlöst, endet die Verzinsung des ausstehenden Nennbetrages der Teilschuldverschreibungen nicht an dem der Fälligkeit vorangehenden Tag, sondern erst mit dem Tag, der der tatsächlichen Rückzahlung der Teilschuldverschreibungen vorangeht.
- (4) **Berechnung der Zinsen für Teile von Zeiträumen:** Sofern Zinsen für einen Zeitraum von weniger als einem Jahr (der "Zinsberechnungszeitraum") zu berechnen sind, erfolgt die Berechnung auf der Grundlage der aktuellen Tage in dem Zinsberechnungszeitraum, geteilt durch die Anzahl der aktuellen Tage der Zinsperiode. Berechnungsbasis: Actual/Actual (gemäß ICMA-Regelung).
- (5) **Laufzeit:** Die Laufzeit der Teilschuldverschreibungen beginnt am 18. Juni 2008 und endet mit dem Ablauf des 17. Juni 2013. Die Laufzeit beträgt somit 5 Jahre.

### §4 ZAHLUNGEN

- (1) **Zahlungen:** Die Zahlung von Kapital und Zinsen erfolgt nach Maßgabe von § 4(2) über die Zahlstelle zur Weiterleitung an die Clearingsysteme oder nach deren Anweisung durch Gutschrift auf die jeweilige für den

(2) **Negative Pledge:** During the tenor of these Bonds, the Issuer undertakes, but no longer than for the time all amounts in respect of interest and principal on the Bonds have been provided to the Paying Agent, for any other bonds including guarantees or liabilities therefore,

- (i) not to create any security upon any of its present or future assets or revenues; or
- (ii) not to procure that third parties provide any security on the assets of the third party to secure the issued or guaranteed Bonds of the Issuer,

unless, at the same time, the Bondholders are secured equally by such security or such other security as shall be approved as equal security by an independent certified public auditor.

### §3 INTEREST, TENOR

- (1) **Interest rate and interest payment date:** The Bonds solely bear interest at the rate of [ $\bullet$ ] % per annum on their principal amount as of including June 18, 2008 until the maturity date (as defined in § 5(1)). Interest is payable in arrears on June 18 of each calendar year (each an "Interest Payment Date"). The first interest payment will be made on June 18, 2009.
- (2) **Interest period:** "Interest Period" means the period from and including the start of accrual of interest until and excluding the first interest payment date or respectively the period from and including each interest payment date until and excluding the following respective interest payment date.
- (3) **Accrual of interest:** Each Bond will cease to bear interest from the day, which is preceding the day on which the Bonds are due for redemption. If the Issuer does not redeem the Bonds when due, the Bonds in respect of the outstanding principal amount will not cease to bear interest on the day preceding the maturity date but on the day preceding the effective redemption of the Bonds.
- (4) **Calculation of interest for parts of periods:** If interest is calculated for a period of less than a year (the "Interest Calculation Period") the calculation is carried out on the basis of the actual number of days within the Interest Calculation Period divided by the actual number of in the respective Interest Period. Basis of Calculation: Actual/Actual (according to ICMA rules).
- (5) **Tenor:** The tenor of the Bonds starts on June 18, 2008 and ends on June 17, 2013 (including). The tenor shall therefore be 5 years.

### §4 PAYMENTS

- (1) **Payments:** Payment of principal and interest shall be made pursuant to § 4 (2) through the Paying Agent for on-payment to the clearing systems or to their order for credit to the respective depository bank for the Bondholder.

Anleihegläubiger depotführende Stelle.

- (2) Zahlungsweise: Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Teilschuldverschreibungen in Euro.
- (3) Erfüllung: Die Emittentin wird durch Leistung der Zahlung an die Zahlstelle oder an deren Order von ihrer Zahlungspflicht befreit.
- (4) Zahltag: Fällt der Fälligkeitstag einer Zahlung in Bezug auf Teilschuldverschreibungen auf einen Tag, der kein TARGET Geschäftstag oder kein Bankarbeitstag ist, so verschiebt sich der Zahlungstermin auf jenen unmittelbar folgenden Tag, der sowohl ein TARGET Geschäftstag als auch ein Bankarbeitstag ist. "TARGET Geschäftstag" in dem in diesen Bedingungen verwendeten Sinn bezeichnet einen Tag, an dem das Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System geöffnet ist. "Bankarbeitstag" in dem in diesen Bedingungen verwendeten Sinn bezeichnet einen Tag, an dem die Banken in Wien zum öffentlichen Geschäftsbetrieb geöffnet sind. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.
- (5) Bezugnahmen auf Kapital und Zinsen: Bezugnahmen in diesen Bedingungen auf Kapital der Teilschuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Teilschuldverschreibungen; den vorzeitigen Rückzahlungsbetrag der Teilschuldverschreibungen; sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Teilschuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Bedingungen auf Zinsen auf Teilschuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.
- (2) Method of payment: Save for applicable tax provisions or other statutory provisions or rules, payments on the Bonds shall be made in Euro.
- (3) Performance: Upon performance of the payments to the Paying Agent or to its order the Issuer will be discharged from its obligation to pay.
- (4) Payment date: If the due date for payment of any amount in respect of any Bond is not a TARGET business day or a bank business day, the payment date shall be the day after the due date for payment that is both a TARGET business day and a bank business day. TARGET Business Day in these Conditions means a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System is operational. Banking Business Day in these Conditions means a day on which banks in Vienna are open to public business. A bondholder is not entitled to claim further interest or other payments due to this delay.
- (5) References to principal and interest: references in these Conditions to principal of the Bonds shall be deemed to include, as applicable, the final redemption amount of the Bonds; the early redemption amount of the Bonds; and any premium or any other amounts which may be payable under or in respect of the Bonds. Any reference in these Conditions to interest on Bonds will be deemed to include, as applicable, any additional amount payable pursuant to § 7.

## §5 RÜCKZAHLUNG

- (1) Rückzahlung bei Endfälligkeit: Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Teilschuldverschreibungen zu ihrem Rückzahlungsbetrag am 18. Juni 2013 (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Teilschuldverschreibung entspricht dem Nennbetrag der Teilschuldverschreibungen.
- (2) Vorzeitige Rückzahlung aus steuerlichen Gründen: Die Teilschuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Zahlstelle und gemäß § 11 gegenüber den Anleihegläubigern vorzeitig gekündigt und zu ihrem vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich etwaiger bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze oder Vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften am nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert) zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin zur Verfügung stehender Maßnahmen vermieden

## §5 REDEMPTION

- (1) Redemption at maturity: To the extent not previously redeemed in whole or in part or repurchased and cancelled, the Bonds shall be redeemed at their final redemption amount on June 18, 2013 (the "Maturity Date"). The final redemption amount in respect of each Bond shall be its principal amount.
- (2) Redemption upon early termination for tax reasons: The Issuer shall be entitled to early termination of the Bonds, in whole but not in part, and to redeem the Bonds at the early redemption amount (as defined hereinafter) together with interest accrued up to the date fixed for redemption on giving not less than 30 days nor more than 60 days notice to the Paying Agent and pursuant to § 11 to the Bondholders if, as a result of any change in, or amendment to, the fiscal laws (or any rules or regulations thereunder) of the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria, or any change in or amendment to any official interpretation or application of those laws and regulations, the Issuer is under the obligation to pay Additional Amounts (as defined in § 7) on the next Interest Payment Day (as defined in § 3 (1)) and the Issuer cannot avoid this obligation with measures reasonably expected from the Issuer. Such early termination must not be (i) made with effect earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts, if at that time a payment in

werden kann. Eine solche Kündigung darf allerdings nicht (i) mit Wirkung früher als 90 Tage vor dem frühest möglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Teilschuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen oder zum Einbehalt oder Abzug nicht mehr wirksam ist. Die Veröffentlichung einer solchen Kündigung hat gemäß § 11 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

- (3) Vorzeitiger Rückzahlungsbetrag: Für die Zwecke von § 5(2) und § 9 entspricht der vorzeitige Rückzahlungsbetrag einer Teilschuldverschreibung dem Nennbetrag.

## §6 ZAHLSTELLE

- (1) Bestellung: Die bestellte Zahlstelle ist die Erste Bank der oesterreichischen Sparkassen AG, Wien.
- (2) Änderung der Bestellung oder Abberufung: Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle zu ändern oder zu beenden und eine andere zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Zahlstelle unterhalten und (ii) solange die Teilschuldverschreibungen an der Wiener Börse notiert sind, eine Zahlstelle mit bezeichneter Geschäftsstelle in Wien und/oder an solchen anderen Orten unterhalten, die die Regeln der Wiener Börse verlangen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), wenn die Anleihegläubiger hierüber gemäß § 11 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.
- (3) Beauftragte der Emittentin: Die Zahlstelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Anleihegläubigern. Es wird kein Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.

## §7 STEUERN

Sämtliche auf die Teilschuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Republik Österreich oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Republik Österreich auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "zusätzlichen Beträge") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht für solche Steuern und Abgaben, die:

- (1) anders als durch Einbehalt oder Abzug auf Zahlungen zu

respect of the Bonds were due, or (ii) be made, if at the time on which the termination is effected, the obligation to pay or to deduct or withhold Additional Amounts ceases to be in force. Publication of such notice shall be effected pursuant to § 11. This publication is irrevocable and shall contain the chosen day of redemption and a summary explanation elaborating the facts being constitutive for the Issuer's right of redemption.

- (3) Early redemption amount: For the purpose of § 5(2) und § 9 the early redemption amount of a Bond equals its principal amount.

## §6 PAYING AGENT

- (1) Appointment: The Erste Bank der oesterreichischen Sparkassen AG shall be appointed as paying agent (the "Paying Agent").
- (2) Change of appointment or dismissal: The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint another Paying Agent. The Issuer undertakes that at any time it (i) maintains a Paying Agent and (ii) for as long as the Bonds are listed on the Vienna Stock Exchange a Paying Agent with a designated branch in Vienna and/or in such other locations being subject to the rules of the Vienna Stock Exchange. Any change, dismissal or appointment or any other variation shall only become effective (except in the event of an insolvency where such change shall become effective immediately) if the Bondholders have been informed thereof in advance pursuant to § 11 by giving of not less than 30 days' notice, but no more than 45 days' notice.
- (3) Agents of the Issuer: The Paying Agent acts solely as agent of the Issuer and does not assume any obligations towards the Bondholders. No relationship of contract, agency or trust shall be created between the Paying Agent and the Bondholders.

## §7 TAXATION

All payments in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any present or future taxes or other duties of whatever nature imposed or levied by the Republic of Austria or on the account of it or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (the "Additional Amounts") as will result in receipt by the Bondholders of the same amounts as they would have received if no such withholding or deduction had been required; the obligation to pay such Additional Amounts shall not exist for such taxes and duties that:

- (1) are payable other than by withholding or deduction on

entrichten sind, die die Emittentin an den Anleihegläubiger leistet; oder

- (2) zahlbar sind, weil der Anleihegläubiger (i) zur Republik Österreich eine aus steuerlicher Sicht andere relevante Verbindung hat als den bloßen Umstand, dass er Inhaber der Teilschuldverschreibungen ist, oder (ii) eine Zahlung von Kapital oder Zinsen aus den Teilschuldverschreibungen von einer in der Republik Österreich befindlichen kuponanzahlenden Stelle (im Sinne des § 95 EStG 1988 idgF oder einer allfälligen entsprechenden Nachfolgebestimmung) erhält; oder
- (3) von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder
- (4) nach Zahlung durch die Emittentin im Rahmen des Transfers an den Anleihegläubiger abgezogen oder einbehalten werden; oder
- (5) nicht zahlbar wären, wenn der Anleihegläubiger den Anspruch auf die betreffende Zahlung von Kapital und Zinsen ordnungsgemäß innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag geltend gemacht hätte; oder
- (6) aufgrund oder infolge (i) eines internationalen Vertrages, dessen Partei die Republik Österreich ist, oder (ii) einer Verordnung oder Richtlinie, auferlegt oder erhoben werden; oder
- (7) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 11 wirksam wird; oder
- (8) von einer Zahlstelle auf Grund der vom Rat der Europäischen Union am 3. Juni 2003 erlassenen Richtlinie im Bereich der Besteuerung von Zinserträgen (Richtlinie 2003/48/EG des Rates) einbehalten oder abgezogen wurden, oder auf Grund von Rechts- und Verwaltungsvorschriften, welche zur Umsetzung dieser Richtlinie erlassen wurden; oder
- (9) aufgrund eines Doppelbesteuerungsabkommens oder den Steuergesetzen der Republik Österreich rückerstattbar wären oder aufgrund gemeinschaftsrechtlicher Bestimmungen (EU) an der Quelle entlastbar wären; oder
- (10) die von einem Anleihegläubiger nicht zu leisten wären, soweit er zumutbarer Weise Steuerfreiheit oder eine Steuererstattung oder eine Steuervergütung hätte erlangen können.

## §8 VERJÄHRUNG

Ansprüche auf Zahlung aus fälligen Zinsen verjähren nach 3 Jahren ab Fälligkeit; Ansprüche aus fälligen Tilgungszahlungen verjähren nach 30 Jahren ab Fälligkeit.

## §9 KÜNDIGUNG

- (1) Jeder Anleihegläubiger ist berechtigt, seine Teilschuldverschreibungen zu kündigen und deren sofortige Rückzahlung zu ihrem vorzeitigen Rückzahlungsbetrag (wie in § 5 (3) beschrieben), zuzüglich etwaiger bis zum Tage der

payments that the Issuer makes to the Bondholders; or

- (2) are payable because the Bondholder (i) by reason of having some connection with the Republic of Austria from a tax perspective other than the mere holding of a Bond or (ii) receiving a payment of principal or capital on the Bonds from a coupon paying agent located in Austria (according to § 95 of the 1988 Income Tax Act as amended or any successor provision thereto); or
- (3) are withheld or deducted by a paying agent provided that such payment could have been made by another paying agent without withholding or deduction; or
- (4) are deducted or withheld upon payment made by the Issuer in connection with a transfer to the Bondholders; or
- (5) were not payable if the bondholder had asserted his entitlement to payment of principal and interest in due form within 30 days after the respective due date; or
- (6) are imposed or levied due to or as a result of (i) an international treaty to which the Republic of Austria is a party or (ii) a regulation or directive; or
- (7) are payable due to a change of law, such change becoming effective later than 30 days after the due date of the respective payment, or in case this payment is made later, after proper provision of all due amounts and a respective notice in accordance with § 11; or
- (8) were withheld or deducted by a paying agent pursuant to the directive on the taxation of savings income issued by the Council of the European Union on June 3, 2003 (Council directive 2003/48/EC) or due to statutory or administrative provisions enacted for the implementation of this directive;
- (9) are reimbursable pursuant to double taxation treaties pursuant to the fiscal laws of the Republic of Austria or are dischargeable at source pursuant to community law (EU); or
- (10) would not have to be paid by a Bondholder if it could have obtained tax exemption, a tax restitution or tax rebate in a reasonable way.

## §8 STATUTE OF LIMITATIONS

The limitation period shall be three years in respect of interest due and 30 years in respect of principal due.

## §9 EARLY REDEMPTION

- (1) Each Bondholder shall be entitled to declare its Bonds due and to demand immediate redemption at their early redemption amount (as set out in § 5 (3) together with accrued interest to the date of redemption if



Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

- |   |   |
|---|---|
| <p>(i) die Emittentin Kapital oder Zinsen nicht innerhalb von 7 Tagen nach dem jeweiligen Fälligkeitstag zahlt, oder</p> <p>(ii) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Teilschuldverschreibungen unterlässt und die Unterlassung länger als 15 Tage fort dauert, nachdem die Zahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat, oder</p> <p>(iii) eine von einem (Schieds-)Gericht oder einer Verwaltungsbehörde (im jeweiligen Sitzstaat) rechtskräftig festgestellte Schuld der Emittentin oder einer Haupttochtergesellschaft (wobei im Sinne dieser Bedingungen als "Haupttochtergesellschaft" eine Tochtergesellschaft gilt, deren Umsatz mehr als 10% des konsolidierten Konzernumsatzes der Emittentin erreicht) mit einem EUR 5.000.000,- (oder den Gegenwert in einer anderen Währung) übersteigenden Betrag nicht erfüllt wird und diese Nichterfüllung länger als vier Wochen fort dauert, nachdem die Zahlstelle hierüber von einem Anleihegläubiger eine Benachrichtigung erhalten hat, oder eine Zahlungsverpflichtung der Emittentin infolge Vorliegens eines Kündigungsgrundes vorzeitig fällig werden kann oder eine dafür bestellte Sicherheit geltend gemacht wird, oder</p> <p>(iv) die Emittentin oder eine Haupttochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit allgemein bekannt gibt, oder</p> <p>(v) ein Gericht ein Konkursverfahren gegen die Emittentin oder eine Haupttochtergesellschaft eröffnet oder ein solches Konkursverfahren mangels kostendeckenden Vermögens abgelehnt wird, oder</p> <p>(vi) die Emittentin oder eine Haupttochtergesellschaft ihre Geschäftstätigkeit ganz oder überwiegend einstellt, alle oder wesentliche Teile ihrer Vermögenswerte veräußert oder anderweitig abgibt und dadurch den Wert ihres Vermögens wesentlich vermindert, oder</p> <p>(vii) die Emittentin oder eine Haupttochtergesellschaft in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Teilschuldverschreibungen eingegangen ist, werden von der anderen oder neuen Gesellschaft übernommen.</p> | <p>(i) the Issuer fails to pay principal or interest within 7 days after the respective due date; or</p> <p>(ii) the Issuer fails to duly comply with any other substantial obligation from the Bonds during more than 15 days upon receipt of a Bondholder's notice related thereto by the Paying Agent; or</p> <p>(iii) the Issuer or a Material Subsidiary (for the purpose of these Conditions "Material Subsidiary" means any subsidiary contributing more than 10 per cent. of the consolidated total sales of the Issuer) fails to comply with an obligation which exceeds EUR 5,000,000.-- (or the equivalent thereof in another currency) and this failure was legally recognised by an (arbitration) court or an administrative authority (in the respective state where the Issuer is registered) and non-performance persist longer than 4 weeks after the Paying Agent's receipt of a Bondholder's notice relating thereto, or a payment obligation of the Issuer may be prematurely due following the a reason for early termination or a security created for the obligation is asserted; or</p> <p>(iv) the Issuer or a Material Subsidiary suspend payments or publicly announces its illiquidity; or</p> <p>(v) any order shall be made by a court to open insolvency proceedings against the Issuer or one a Material Subsidiary or such insolvency proceedings are declined for lack of cost covering assets; or</p> <p>(vi) the Issuer or a Material Subsidiary shall cease its business activities, in whole or in part, disposes of or releases otherwise all or substantial parts of its assets thus substantially reducing the value of its assets; or</p> <p>(vii) the Issuer or a Material Subsidiary enters liquidation, save for the purpose of amalgamation or any other form of merger with another company or for the purposes of reorganisation provided that all obligations the Issuer entered into in connection with the Bonds will be taken over by the other or the new company.</p> |
|---|---|

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor wirksamer Ausübung des Rechts geheilt wurde.

- (2) In den Fällen des § 9(1)(ii) oder § 9(1)(iii) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 9(1)(i) oder § 9(1)(iv) bis (vii) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Anleihegläubigern im Nennbetrag von mindestens 1/10 der dann ausstehenden Teilschuldverschreibungen eingegangen sind.
- (3) Eine Benachrichtigung, einschließlich einer Kündigung der Teilschuldverschreibungen gemäß § 9(1) ist schriftlich in deutscher Sprache gegenüber der Zahlstelle zu erklären

The right to terminate shall cease if the reason for termination has been remedied before the right is effectively exercised.

- (2) In the events specified in § 9(1)(ii) or § 9(1)(iii) any termination shall become effective only when the Paying Agent has received such number of notices from the Bondholders amounting to at least 10% of the nominal amount of Bonds then outstanding unless at the same time any of the termination events specified in section § 9(1)(i) or § 9(1) (iv) through § 9(1)(vii) have occurred.
- (3) Notices including notices for early redemption of the Bonds pursuant to § 9(1) shall be made in writing in German language to the Paying Agent and transmitted to the Paying

und per Einschreibesendung an den Sitz der Zahlstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Teilschuldverschreibungen ist. Der Nachweis kann durch eine Bescheinigung der Depotbank oder auf andere geeignete Weise erbracht werden.

#### §10

#### EMISSION WEITERER TEILSCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

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

#### §11

#### MITTEILUNGEN

Bekanntmachungen: Alle die Teilschuldverschreibungen betreffenden Mitteilungen sind im Amtsblatt zur Wiener Zeitung zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag der Veröffentlichung als wirksam erfolgt.

#### §12

#### ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

- (1) Anwendbares Recht: Form und Inhalt der Teilschuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach österreichischem Recht. Erfüllungsort ist Wien.
- (2) Gerichtsstand: Für sämtliche Rechtsstreitigkeiten im Zusammenhang mit den Teilschuldverschreibungen ist das Handelsgericht Wien ausschließlich zuständig.
- (3) Teilnichtigkeit: Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Bedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.

Agent's registered seat by registered mail. A certificate showing that at the time of such notification the respective Bondholder is the holder of the respective Bonds needs to be attached to such notice. The certificate can be a confirmation by the depository bank or can be provided in another appropriate manner.

#### §10

#### ISSUE OF FURTHER BONDS, PURCHASE AND CANCELLATION

- (1) Issue of further bonds: The Issuer shall at any time and without the consent of the Bondholders be entitled to issue further bonds having the same Conditions (if applicable except for the date of issue, the starting date for the accrual of interest and/or the issue price) so that those bonds constitute a single series with the respective Bonds.
- (2) Purchase: The Issuer is entitled to purchase its own Bonds in the market or elsewhere at any price. The purchased Bonds may at the Issuer's option be held, resold or handed in to the Paying Agent for the purpose of cancellation.
- (3) Cancellation: All Bonds completely redeemed must be cancelled without delay and cannot be reissued or sold again.

#### §11

#### NOTICES

Announcements: All notices relating to the Bonds shall be published in the *Amtsblatt zur Wiener Zeitung*. Each such notice shall be deemed effective as of the date of publication.

#### §12

#### GOVERING LAW, JURISDICTION AND JUDICIAL ASSERTION

- (1) Governing law: The form and contents of the Bonds and the rights and obligations of the Bondholders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law. Place of performance is Vienna.
- (2) Jurisdiction: For all disputes which may arise out or in connection with the Bonds, the Commercial Court of Vienna shall have exclusive jurisdiction.
- (3) Partial Invalidity: If a provision in these Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall pursuant to the purpose of these Conditions be replaced by valid provisions that come as close as legally possible from an economic point of view to invalid provision.

**Statement Pursuant to Commission Regulation (EC) No 809/2004 of 29 April 2004 and pursuant to Section 8 Para 1 Capital Market Act**

STRABAG SE, with its corporate seat in Villach, Austria, is responsible for this prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

STRABAG SE

as Issuer (*als Emittent*)

Villach, June 2, 2008



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Hans Peter Haselsteiner

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## 2006 FINANCIAL STATEMENT

### CONSOLIDATED INCOME STATEMENT FOR THE 2006 BUSINESS YEAR

	Notes	2006 T€	2005 T€
Revenue	(1)	9,430,621	6,955,797
Changes in inventories		-173,119	34,387
Own work capitalized		19,438	16,564
Other operating income	(2)	231,500	149,901
Raw materials, consumables and services used	(3)	-6,588,108	-5,019,607
Employee benefits expense	(4)	-1,831,660	-1,401,876
Depreciation and amortization expense	(5)	-229,678	-178,677
Other operating expenses	(6)	-614,264	-400,981
<b>Earnings before financial result and tax</b>		<b>244,730</b>	<b>155,508</b>
Share of profit or loss of associates	(7)	76,986	5,424
Net investment income	(8)	21,638	2,197
Other financial result	(9)	-56,151	-28,414
<b>Financial result</b>		<b>42,473</b>	<b>-20,793</b>
<b>Profit before tax</b>		<b>287,203</b>	<b>134,715</b>
Income tax expense	(10)	-63,199	-40,149
<b>Profit for the period</b>		<b>224,004</b>	<b>94,566</b>
Attributable to:			
Minority interest		32,653	44,628
Equity holders of the parent		191,351	49,938
Earnings per share (in €)	(28)	2.73	7.41

**CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2006**

	Notes	2006 T€	2005 T€
<b>Non-current assets</b>			
Intangible assets	(11)	79,612	67,085
Property, plant and equipment	(11)	1,130,089	985,226
Investment property	(12)	155,208	150,641
Investments in associates	(13)	75,494	64,842
Other financial assets	(13)	318,290	305,770
Trade receivables	(16)	30,573	43,618
Other receivables and other assets	(16)	20,182	33,169
Deferred taxes	(14)	92,871	86,457
		<u><b>1,902,319</b></u>	<u><b>1,736,808</b></u>
<b>Current assets</b>			
Inventories	(15)	456,365	618,717
Trade receivables	(16)	2,315,342	1,948,578
Other receivables and other assets	(16)	315,535	266,967
Cash and cash equivalents	(17)	586,265	555,857
		<u><b>3,673,507</b></u>	<u><b>3,390,119</b></u>
		<u><b>5,575,826</b></u>	<u><b>5,126,927</b></u>
<b>Group equity</b>			
Share capital		70,000	53,938
Capital reserves		448,047	163,800
Retained earnings		339,970	278,785
Minority interests		177,877	408,947
	(18)	<u><b>1,035,894</b></u>	<u><b>905,470</b></u>
<b>Non-current liabilities</b>			
Provisions	(19)	630,303	556,617
Financial liabilities	(20)	484,536	602,630
Trade payables	(20)	13,392	25,077
Other liabilities	(20)	9,015	11,148
Deferred taxes	(14)	6,056	3,517
		<u><b>1,143,302</b></u>	<u><b>1,198,989</b></u>
<b>Current liabilities</b>			
Provisions	(19)	401,650	299,525
Financial liabilities	(20)	434,997	339,234
Trade payables	(20)	2,047,589	1,922,399
Other liabilities	(20)	512,394	461,310
		<u><b>3,396,630</b></u>	<u><b>3,022,468</b></u>
		<u><b>5,575,826</b></u>	<u><b>5,126,927</b></u>

## CONSOLIDATED CASH-FLOW STATEMENT FOR THE 2006 BUSINESS YEAR

	2006 T€	2005 T€
Profit for the period	224,004	94,566
Deferred taxes	-19,718	-4,677
Non-cash effective results from consolidation	-12,846	0
Non-cash effective results from associates	-4,876	-1,110
Depreciations / write-ups	233,176	193,859
Changes in long term provisions	25,598	17,634
Gains/losses on disposal of non-current assets	-87,683	-13,962
<b>Cash-flow from profits</b>	<b><u>357,655</u></b>	<b><u>286,310</u></b>
Change in items:		
– Inventories	219,574	32,502
– Trade receivables, construction contracts and consortia	-262,797	-235,973
– Receivables from subsidiaries and receivables from participation companies	-26,491	26,347
– Other assets	22,974	3,353
– Trade payables, construction contracts and consortia	45,909	117,867
– Liabilities from subsidiaries and liabilities from participation companies	4,398	-6,998
– Other liabilities	26,673	20,194
– Current provisions	58,456	24,153
<b>Cash-flow from operating activities</b>	<b><u>446,351</u></b>	<b><u>267,755</u></b>
Purchase of financial assets	-57,721	-46,296
Purchase of property, plant, equipment and intangible assets	-347,020	-254,688
Gains/losses on disposals of non-current assets	87,683	13,962
Disposals of non-current assets (carrying value)	67,850	58,829
Change in other cash pooling receivables	2,871	23,580
Change in scope of consolidation	-24,821	91,236
<b>Cash-flow from investing activities</b>	<b><u>-271,158</u></b>	<b><u>-113,377</u></b>
Change in bank borrowings	-88,106	90,421
Change in bonds	75,000	75,000
Change in liabilities from finance leases	1,376	5,272
Change in other cash pooling liabilities	-24,746	42,677
Acquisition of minority interest	-3,201	0
Contributions	202,064	25,003
Distribution and withdrawals from partnerships	-310,736	-52,114
<b>Cash-flow from financing activities</b>	<b><u>-148,349</u></b>	<b><u>186,259</u></b>
Cash-flow from operating activities	446,351	267,755
Cash-flow from investing activities	-271,158	-113,377
Cash-flow from financing activities	-148,349	186,259
<b>Net change in cash and cash equivalents</b>	<b><u>26,844</u></b>	<b><u>340,637</u></b>
Cash and cash equivalents at the beginning of the year	555,857	212,399
Change in cash and cash equivalents due to currency translation	3,564	2,821
<b>Cash and cash equivalents at the end of the year</b>	<b><u>586,265</u></b>	<b><u>555,857</u></b>
Interest paid	70,298	51,921
Interest received	38,189	35,680
Taxes paid	69,301	38,773

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital T€	Capital Reserves T€	Retained Earnings T€	Minority Interests T€	Total T€
<b>Balance at 1 January 2005</b>	<b>53,938</b>	<b>163,800</b>	<b>237,380</b>	<b>347,138</b>	<b>802,256</b>
Differences arising from currency translation	0	0	1,143	5,420	6,563
Profit for the period	0	0	49,938	44,628	94,566
Contribution	0	0	0	25,003	25,003
Change in Hedging reserves	0	0	-4,377	-3,903	-8,280
Neutral change of actuarial gains and losses	0	0	-5,053	-4,668	-9,721
Neutral change Financial Instruments IAS 39	0	0	-1,158	-1,772	-2,930
Deferred taxes on changes recognized directly in equity	0	0	912	843	1,755
Change in minority interest resulting from initial consolidation	0	0	0	48,372	48,372
Distribution of dividends	0	0	0	-52,114	-52,114
Balance at 31 December 2005 =					
<b>Balance at 1 January 2006</b>	<b>53,938</b>	<b>163,800</b>	<b>278,785</b>	<b>408,947</b>	<b>905,470</b>
Changes due to merger FIMAG into STRABAG SE	16,062	85,247	159,051	-260,360	0
Differences arising from currency translation	0	0	15,418	2,443	17,861
Profit for the period	0	0	191,351	32,653	224,004
Contribution	0	199,000	3,064	0	202,064
Change in Hedging reserves	0	0	6,474	825	7,299
Neutral change of actuarial gains and losses	0	0	-3,227	572	-2,655
Neutral change Financial Instruments IAS 39	0	0	622	320	942
Deferred taxes on neutral change in equity	0	0	-3,856	-1,298	-5,154
Change in minority interest resulting from initial consolidation	0	0	0	-3,201	-3,201
Distribution of dividends	0	0	-307,712	-3,024	-310,736
<b>Balance at 31 December 2006</b>	<b>70,000</b>	<b>448,047</b>	<b>339,970</b>	<b>177,877</b>	<b>1,035,894</b>

## STATEMENT OF RECOGNIZED INCOME AND EXPENSE

	2006 T€	2005 T€
Differences arising from currency translation	17,861	6,563
Changes in fair value of investments pursuant to IAS 39 recognized in group equity	942	-2,930
Change in Hedging Reserves	7,299	-8,280
Actuarial gains / losses from pensions and similar obligations	-2,655	-9,721
Deferred taxes on changes recognized directly in equity	-5,154	1,755
<b>Net income recognized directly in equity</b>	<b>18,293</b>	<b>-12,613</b>
Profit for the period	224,004	94,566
<b>Total of recognized income and expense for the period</b>	<b>242,297</b>	<b>81,953</b>
Attributable to:		
Minority interest	35,515	40,548
Equity holders of the parent	206,782	41,405



## NOTES TO THE 2006 CONSOLIDATED FINANCIAL STATEMENTS STRABAG SE, Villach

### Basic Principles

The consolidated financial statements of STRABAG SE reporting date 31 December 2006, was drawn up under application of Article 245a Paragraph 2 of the Austrian Commercial 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 Article 245a Paragraph 1 of the Austrian Commercial Code (UGB) were fulfilled as well.

In addition to the income statement and the balance sheet, a cash-flow statement was drawn up in accordance with IAS 7 and the changes in equity will be shown (IAS 1). The group notes will further include a segment reporting in accordance with IAS 14.

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 group notes. The income statement has been drawn up in accordance with the nature of expense method.

### Merger of FIMAG Finanz- Industrie und Management AG into STRABAG SE

With the merger agreement of 3 July 2006, the corporate holding company FIMAG Finanz- Industrie und Management AG was merged as transferring company into STRABAG SE within the context of universal succession.

STRABAG SE thus becomes the new group parent company. The previous year's figures presented in the consolidated financial statement represent the financial statement of FIMAG Finanz- Industrie und Management AG as of 31 December 2005.

With exception of the composition of the shareholders' equity and of the profit for the period concerning minority interest and earnings per-share result, the financial figures can be directly compared to the previous year's figures.

### Changes to Accounting and Valuation Methods

The IASB has passed a series of changes to the existing body of IFRS as well as several new IFRS standards which must be applied as of 1 January 2006. The first-time application of the IFRS standards mentioned had the following consequences on STRABAG SE's consolidated financial statements as of 31 December 2006:

#### IAS 39 (Financial Instruments)

Financial guarantee contracts which were unlikely to be claimed were previously recognized under Contingent Liabilities in the Notes. Since 1 January 2006, such financial guarantee contracts are to be recognized at fair value in the balance sheet and as long as there is no probable loss shall be reported at continued initial recognition. For STRABAG SE Group, the advantages gained from the financial guarantee contracts correspond to the fair value to be classified as liability so that the new rules have no consequences for the consolidated financial statements.

The outstanding amount of the financial guarantee contracts is declared in the Notes as usual.

For annual periods beginning on or after 1 January 2006, the amendments to the fair-value option apply. The fair-value option allows a financial instrument under certain circumstances to be recognized at fair value through profit and loss. This option was not applied in the 2006 financial statement.

## IFRIC 4: Determining whether an Arrangement Contains a Lease

IFRIC 4 requires the determination be made whether an arrangement directly or indirectly contains a lease. Such an arrangement must be accounted for in accordance with IAS 17. The application of IFRIC 4 did not have a material impact in the consolidated financial statement.

## Future Amendments to Accounting Standards

IASB and IFRIC have also passed the following Standards and Interpretations, which are not effective for the 2006 financial year:

	<b>Effective for annual periods beginning on or after</b>
IFRS 7 Financial Instruments: Disclosures	1 January 2007
IFRIC 7 Applying the Restatement Approach under IAS 29	1 March 2006
IFRIC 8 Scope of IFRS 2	1 May 2006
IFRIC 9 Reassessment of Embedded Derivatives	1 June 2006
IFRIC 10 Interim Financial Reporting and Impairment	1 November 2006
IFRS 8 Operating Segments	1 January 2009
IAS 23 Borrowing Costs	1 January 2009

The company does not expect substantial changes to the consolidated financial statement by applying these standards and Interpretations.

## Scope of Consolidation

The consolidated financial statements as of 31 December 2006 include STRABAG SE as well as all major domestic and foreign subsidiaries where STRABAG SE either directly or indirectly holds a majority of the voting rights. Major associated companies are reported in the balance sheet using the equity method.

The annual financial statements of all major consolidated domestic and foreign companies, as well as those subject to statutory audit according to national regulations, were audited by independent chartered accountants and issued with unqualified audit opinions.

Not included were 278 (2005: 245) companies whose influence on the group's asset, finance and profit situation is insignificant. The output volume performed by the subsidiaries not included in the consolidated financial statements comes to less than 1.5% of the total output volume of the group.

Subsidiaries included in the 2006 consolidated financial statements are given in the list of subsidiaries, associated companies and investments (Appendix 2 to the Notes).

The financial year for all consolidated and associated companies – with exception of Viamont DSP a.s., Aussig, Czech Republic and Projekta Bauvorbereitungsgesellschaft m.b.H. Nfg. KG, Vienna, whose financial year ends as of 31 May – is identical with the calendar year.

The number of consolidated companies changed in the 2006 accounting year as follows:

	<b>consolidation</b>	<b>equity method</b>
Situation on 31.12.2005	220	12
First-time inclusions in year under report	41	2
Mergers in year under report	-9	0
Exclusions in year under report	-11	-2
<b>Situation on 31.12.2006</b>	<u>241</u>	<u>12</u>

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

Company	Currency	Nominal Capital	Stake %	Date of Acquisition/ Foundation
<b>Consolidation:</b>				
“Putevi” Cacak, Cacak	TCS D	155,476	68.60	9.3.2006
Augustowskie Przedsiębiorstwo Drogowe S.A., Augustow	TPLN	800	100.00	26.10.2006
Bauträgergesellschaft Olande mbH, Hamburg	T€	25	51.00	1.1.2006 <sup>1)</sup>
Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung, Straubing	T€	51	100.00	10.10.2006
becker bau GmbH u. Co.KG, Bornhöved	T€	3,100	100.00	12.6.2006
Beton und Recycling GmbH & Co. KG, Halberstadt	T€	1,030	100.00	12.6.2006
BHG CZ s.r.o., České Budejovice	TCZK	200	100.00	1.3.2006
BHG Sp. z o.o., Warschau	TPLN	500	100.00	1.1.2006 <sup>1)</sup>
Bitunova Romania SRL, Bukarest	TRON	16	97.77	1.1.2006 <sup>1)</sup>
Bug-AluTechnic GmbH, Kennelbach	T€	5,000	100.00	23.2.2006
CLS Construction Legal Services GmbH, Köln	T€	25	100.00	30.5.2006
Deutsche Asphalt GmbH, Köln	T€	26	100.00	1.1.2006 <sup>1)</sup>
Eckstein Holding GmbH, Kennelbach	TATS	1,000	100.00	23.2.2006
Eduard Hachmann GmbH, Lunden	T€	520	100.00	12.6.2006
Eichholz Rail GmbH, Lauda-Königshofen	T€	25	100.00	1.9.2006
Errichtungsgesellschaft Strabag Slovensko s.r.o., Bratislava-Ruzinov	TSKK	200	100.00	21.12.2006
ETG Erzgebirge Transportbeton GmbH, Freiberg	T€	290	60.00	27.12.2006
Ezel Bauunternehmung Sindelfingen GmbH, Sindelfingen	T€	310	100.00	12.6.2006

<sup>1)</sup> Due to their increased business volume, these companies were included in the group's scope of consolidation for the first time on 1 January 2006. The companies were established or acquired before 1 January 2006.

Company	Currency	Nominal Capital	Stake %	Date of Acquisition/ Foundation
Friedrich Preusse Bauunternehmung Gesellschaft mit beschränkter Haftung, Braunschweig	T€	1,050	100.00	12.6.2006
Jakob Gärtner GmbH, Friedberg	T€	54	100.00	10.10.2006
Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH, Regensburg	T€	900	100.00	1.1.2006
MiTTaG spol. s.r.o. pozemni a prumyslove stavitelstvi, Brno	TCZK	10,100	100.00	7.11.2006
Preduzece za puteve "Zajecar" a.D.Zajecar, Zajecar	TCSD	282,002	93.29	2.11.2005
PREFIN a.s., Chrudim	TCZK	2,250	100.00	21.11.2006
Preusse Baubetriebe Gesellschaft mit beschränkter Haftung, Hamburg	T€	1,050	100.00	12.6.2006
Preusse Baubetriebe und Partner GmbH & Co. KG, Halberstadt	T€	520	100.00	12.6.2006
Preusse Bauholding GmbH & Co. KG, Hamburg	T€	15,340	100.00	12.6.2006
PREZIPP, s.r.o., Chrudim	TCZK	2,580	100.00	21.11.2006
Roba Asphalt GmbH, Augsburg	T€	560	100.00	27.12.2006
Roba Baustoff GmbH, Augsburg	T€	10,226	100.00	27.12.2006
Roba Transportbeton GmbH, Augsburg	T€	520	100.00	27.12.2006
Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung, Hamburg	T€	1,050	100.00	12.6.2006
SAM Sächsische Asphaltmischwerke GmbH & Co. KG, Dresden	T€	3,100	100.00	12.9.2006
SAT Útjavító Korlátolt Felelőségű Társaság, Budapest	THUF	268,000	100.00	20.2.2006
SBR Verwaltungs GmbH, Kehl	T€	7,000	100.00	1.1.2006 <sup>1)</sup>
Storf Hoch- und Tiefbaugesellschaft m.b.H., Reutte	T€	727	100.00	19.7.2006
STRABAG Dubai LLC, Dubai	TAED	300	100.00	1.1.2006 <sup>1)</sup>
Strabag Qatar W.L.L., Qatar	TRIY	200	100.00	1.1.2006 <sup>1)</sup>
Stratebau GmbH, Regensburg	T€	4,090	100.00	10.10.2006
Vojvodinaput-Pancevo a.d. Pancevo, Pancevo	TCSD	179,709	81.51	23.6.2006
Züblin Development GmbH, Köln	T€	5,000	100.00	1.1.2006 <sup>1)</sup>

**Equity Method:**

Bayerische Asphalt-Mischwerke GmbH & Co. KG für Straßenbaustoffe, Hofolding	T€	12,300	48.30	10.10.2006
Slokenbeka SIA, Milkalne	TLVL	1,000	41.04	12.6.2006

<sup>1)</sup> Due to their increased business volume, these companies were included in the group's scope of consolidation for the first time on 1 January 2006. The companies were established or acquired before 1 January 2006.

The initial consolidations essentially concern the following acquisitions:

The Preusse Bauholding GmbH & Co.KG, Hamburg, with its participations, is the market leader in asphalt road construction in Schleswig Holstein and in regional concrete production in Northern Germany. Furthermore the service spectrum also includes industrial flooring which is distributed throughout Germany. As a result of this acquisition, STRABAG will gain an even stronger presence on the North German market.

The purchase price can be broken down into assets and liabilities as follows:

	<b>Preusse- Group T€</b>
<b>Acquired assets and liabilities:</b>	
Negative goodwill	-13,387
Other non-current assets	18,023
Current assets	72,249
Non-current liabilities	-14,253
Current liabilities	-62,543
<b>Purchase price</b>	<u>89</u>
Acquired cash and cash equivalents	-9,019
<b>Net cash inflow from the acquisition</b>	<u><u>-8,930</u></u>

The negative goodwill, which results from the balance between the purchase price and the acquired assets and liabilities, was immediately included under other operating income in the business year in accordance with IFRS 3.56(b), thus affecting the operating result. In 2006 the acquisition of the Preusse Group contributed 148.3 Mio € to the consolidated turnover as well as 4.3 Mio € to the consolidated result.

Stratebau, GmbH, Regensburg, is the Bavarian market leader in bituminous road construction. Stratebau GmbH was included at-equity as a 50% participation in the 2005 consolidated financial statement. The acquisition of the remaining 50% has further improved the market position of the STRABAG Group in Bavaria.

The purchase price can be broken down into assets and liabilities as follows:

	<b>Stratebau- Group T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	8,250
Other non-current assets	33,621
Current assets	45,531
Non-current liabilities	-40,240
Current liabilities	-24,162
<b>Purchase price</b>	<u>23,000</u>
Acquired cash and cash equivalents	-1,720
<b>Net cash outflow from the acquisition</b>	<u><u>21,280</u></u>

The goodwill from the acquisition of Stratebau GmbH is the result of the balance between the purchase price and the fair value of the acquired net assets. The acquisition of Stratebau GmbH contributed 52.5 Mio € to the consolidated turnover and 2.3 Mio € to the consolidated result in 2006.

The ROBA-Group owns eleven mixing plants and further mixing plant participations; it also has business in ready-mixed concrete. The acquisition has advanced the establishment of the new corporate division, building materials, in Germany.

The ROBA-Group was acquired in 2005 as part of the acquisition of the Züblin-Group. The anti trust non-prohibition was only granted in 2006, which is the reason why it was first included in the 2006 business year.

The purchase price can be broken down into assets and liabilities as follows:

	<b>ROBA- Group T€</b>
<b>Acquired assets and liabilities:</b>	
Negative goodwill	-3,080
Other non-current assets	9,960
Current assets	14,778
Non-current liabilities	-652
Current liabilities	-5,706
<b>Purchase price</b>	<u>15,300</u>
Non cash effective purchase price in 2006	-15,300
Acquired cash and cash equivalents	-7,629
<b>Net cash inflow from the acquisition</b>	<u><u>-7,629</u></u>

The negative goodwill, which results from the balance between the purchase price and the acquired assets and liabilities, was immediately included under other operating income in the business year in accordance with IFRS 3.56(b), thus affecting the operating result. The acquisition of the ROBA-Group had no influence on the consolidated turnover nor on the consolidated result in 2006.

The Serbian road construction companies Vojvodinaput-Panchevo a.d, Panchevo, „Putevi” Cacak, Cacak, and Preduzece za puteve „Zajecar” a.d., Zajecar, were included in the consolidated financial statement in the 2006 business year. With these acquisitions the entry into the Serbian market, especially in the road construction segment, was executed.

The purchase price can be broken down into assets and liabilities as follows:

	<b>Acquisitions Serbia T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	5,312
Other non-current assets	14,001
Current assets	20,541
Increase in minority interest in equity	-2,044
Non-current liabilities	-6,780
Current liabilities	-14,232
<b>Purchase price</b>	<u>16,798</u>
Non cash effective purchase price in 2006	-3,939
Acquired cash and cash equivalents	-399
<b>Net cash outflow from the acquisition</b>	<u><u>12,460</u></u>

In Eastern Europe the following acquisitions were carried out:

In the road construction division 100% of the Augustowskie Przedsiębiorstwo Drogowe S.A. (ADP), Augustow, Poland, was acquired to establish the national business in Poland. This was included in the consolidated financial statement as of 31 December 2006, as the anti-trust approval was not granted until December 2006.

The remaining 50% of Prezipp s.r.o, Chrudim, was acquired as a result of the purchase of PREFIN a.s, Chrudim. Both companies were thus initially included in the scope of consolidation in 2006.

100% of the company MiTTaG spol s.r.o, Brno, was acquired with an assignment contract from 7 November 2006 in order to round off the national business in building construction in the Czech Republic.

The purchase price can be broken down into assets and liabilities as follows:

	<b>Acquisitions Eastern Europe T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	8,069
Other non-current assets	4,417
Current assets	15,937
Non-current liabilities	-886
Current liabilities	-13,826
<b>Purchase price</b>	<b>13,711</b>
Acquired cash and cash equivalents	-2,711
<b>Net cash outflow from the acquisition</b>	<b><u>11,000</u></b>

In Austria, the remaining 76% of Eckstein Holding GmbH, Kennelbach, with its 100% subsidiary Bug-Alu Technic GmbH, Kennelbach, as well as 100% of Storf Hoch- und Tiefbaugesellschaft m.b.H., Reutte, were acquired in the 2006 financial year.

The purchase price can be broken down into assets and liabilities as follows:

	<b>Acquisitions Austria T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	7,419
Other non-current assets	15,414
Current assets	27,607
Non-current liabilities	-17,718
Current liabilities	-28,272
<b>Purchase price</b>	<b>4,450</b>
Acquired cash and cash equivalents	-6,656
<b>Net cash inflow from the acquisition</b>	<b><u>-2,206</u></b>

The purchase prices, acquired assets and liabilities of the remaining initial consolidations is represented as follows:

	<b>Others T€</b>
<b>Acquired assets and liabilities:</b>	
Non-current assets	7,167
Current assets	18,773
Increase in minority interest in equity	-20
Non-current liabilities	-4,488
Current liabilities	-10,379
<b>Purchase price</b>	<b>11,053</b>
Acquired cash and cash equivalents	-3,395
<b>Net cash outflow from the acquisition</b>	<b><u>7,658</u></b>

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

Assuming a fictitious first-time consolidation on 1st January 2006 for all acquisitions in the financial year 2006 the consolidated revenue would amount to T€ 9,700,626 and consolidated profit would have decreased by a total of T€ -1,523.

All companies, which were consolidated for the first time in 2006 contributed T€ 348,674 to revenue and T€ -5,874 to profit.

As of 31 December 2006, the following companies were no longer included in the **scope of consolidation**:

**Consolidation:**

A-WAY Holding und Finanz AG, Spittal an der Drau	merger with STRABAG SE, Spittal an der Drau
Alfa Beteiligungs a.s., Budweis	merger with Ilbau Plzen a.s., Budweis
BHG a.s., Budweis	merger with Ilbau Plzen a.s., Budweis
BL-Baulogistik GmbH, Stuttgart	reduction of business activity
Epsilon Beteiligungs a.s., Budweis	merger with Ilbau Plzen a.s., Budweis
FIMAG Finanz- Industrie und Management AG, Spittal an der Drau	merger with STRABAG SE, Spittal an der Drau
Gama Beteiligungs a.s., Budweis	merger with Ilbau Plzen a.s., Budweis
Goldeck - Flug Gesellschaft m.b.H., Spittal an der Drau	sale to third parties
IBV-Immobilien Besitz- und Verwaltungs- gesellschaft mbH Werder, Köln	reduction of business activity
Ilbau Plzen a.s., Budweis	merger with Strabag a.s., Prag
Infosys Informationssysteme GmbH, Spittal an der Drau	reduction of business activity
J + O Alsterfleet Grundstücks GmbH, Hamburg	reduction of business activity
MELYGARAZS 2000 Epitö, Szervező, Lebonylito es Uzemetető KFT, Budapest	sale to third parties
PPP SchulManagement Witten GmbH & Co. KG, Köln	reduction of business activity
Rhein-Regio Neuenburg Projektentwicklung GmbH, Neuenburg am Rhein	reduction of business activity
SF-BAU Gesellschaft für Projektentwicklung und schlüsselfertiges Bauen mbH, Leipzig	reduction of business activity
SF-BAU Grundstücksgesellschaft "ABC-Bogen" mbH, Köln	reduction of business activity
Strabag Eta Group a.s., Brünn	merger with Ilbau Plzen a.s., Budweis
Strabag Sibe Group a.s., Beroun	merger with Ilbau Plzen a.s., Budweis
Wohnbauträgergesellschaft Objekt "Freising – Westlich der Jagdstraße" mbH, Köln	reduction of business activity
<b>Equity Method:</b>	
DEUTAG GmbH & Co. KG, Linz am Rhein	sale to third parties
Stratebau GmbH, Regensburg	consolidation due to aquisition

The de-consolidation of companies lead in addition to the disposal of immaterial current assets and liabilities to a disposal of non-current assets of T€ 26,186 and of bank borrowings of T€ 30,917.

The purchase price received in exchange amounted to T€ 8,926 in total.

**Methods of Consolidation**

The financial statements of the domestic and foreign companies included in the 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 debts 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 business combinations, is recognized separately from goodwill. If a useful life can be allocated to these assets, the planned amortization is made over the projected useful life. Intangible assets with an undefined useful life are tested annually for their fair value and amortized if necessary on the basis of an impairment test.



Any remaining differences on the assets side are capitalized as goodwill and submitted once annually to an impairment test in accordance with IAS 36. For impairment testing cash generating units are identified and the goodwill is assigned accordingly. If the book value of a cash-generating unit including its goodwill exceeds the highest of its fair value or its value in use, an impairment loss must be recognized.

The internal reporting figures formed the basis for the impairment test. Within the framework of the application of the DCF-method market interest rates after tax were applied in a spread of between 8.5% and 10.0%.

In the 2006 financial year, T€ 30,001 (previous year: T€ 50,143) in goodwill arising from capital consolidation were recognized as asset.

Negative goodwill stemming from capital consolidation are recorded directly through profit and loss. In the 2006 accounting year, a balance on the liabilities side of T€ 16,552 (previous year T€ 2,954) is reflected as other operating income.

The same principles of capital consolidation are applied to investments accounted for 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. In the case of companies recognized under the equity method, the local valuation principles are kept only in the event of insignificant differences. A goodwill of T€ 18,951 (2005: T€ 6,790) in the account balance results from the first-time application of the equity method of the newly acquired companies.

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 recognized in the non-current and current assets have been eliminated if they are material.

Minority 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 Euro. The financial statements for foreign companies are converted into Euro according to the functional currency concept (IAS 21). In all companies this is the respective local currency.

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€ 17,861 (previous year T€ 6,563) are recognized directly in equity in the 2006 financial year. The currency translation differences between the closing rate for the balance sheet and the average rate for the income statement are allocated to equity.

The recognition of forward exchange operations directly in equity (hedging) increased the retained earnings by T€ 7,299 (previous year decrease of T€ 8,280).

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

## **Accounting policies**

### **Property, plant and equipment and intangible assets**

Acquired intangible assets and property, plant and equipment are recognized at their initial costs or costs of production minus depreciations and impairments. Both the direct and the appropriate parts of overhead costs for the self-constructed plants are included in the production costs. Borrowing costs in connection with the purchase or production are not capitalized.

Goodwill and intangible assets without a determinable useful life are subject to an annual impairment test in accordance with IAS 36 based on which the valuation adjustment is undertaken.

Other intangible and tangible assets are depreciated according to the straight-line method over its 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 asset's recoverable amount must be calculated in accordance with IAS 36.

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

	<b>Useful Life in Years</b>
<b>Intangible Assets:</b>	
Property Rights	5 - 20
Software	2 - 5
Patents, Licences	3 - 10
<b>Tangible Assets:</b>	
Buildings	10 - 50
Investment Property	10 - 35
Investments in Third-Party Buildings	5 - 40
Machinery	3 - 18
Office equipment/Furnitures and fixtures	3 - 15
Vehicles	4 - 10

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, are stated as investment property in accordance with IAS 40 since 2006. The amount reported and the evaluation are made in accordance with the cost model. Investment property is recognized 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 cashflow method.

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

In addition there are leasing agreements for tangible assets, which are regarded as operating leases. Leasing payments resulting from these contracts are recognized as expenditure.

### **Financial Assets**

In accordance with IAS 28, investments in associates are recognized 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 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 discounted to their present value.

Securities classified as available for sale are on initial recognition valued according to acquisition costs and later recognized at fair value. Fair value changes are in principle recognized directly in equity and only recognized in the consolidated income statement upon disposal of the security. The permanent impairment of securities classified as available for sale is recorded through profit and 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 realizable 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 recognized if the associated tax advantage is likely to be realizable. 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 realizable 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 in connection to the production are not capitalized.

### **Trade and other receivables**

Trade receivables and other receivables are evaluated at their nominal value minus valuation adjustments for realizable individual risks. Graduated valuation adjustments are 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 or, in the case of hedging, at the hedged rate.

In the case of receivables from construction contracts, the results are realized according to the percentage of completion method (IAS 11). The output volume actually attained at the balance sheet date serves as a benchmark for the degree of completion. Impending losses from the further construction process are accounted for by means of appropriate depreciations.

If the costs incurred plus recognized profits exceeds 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 realized 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 depreciations. 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.

The valuation of other assets is made at purchase cost minus impairments.

### **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 dismissal or at retirement.

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 2 and 12 monthly salaries. A provision is made for this obligation.

The provision for severance payments is determined 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 deadline day is recognized 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 effect in value of the change to these assumptions is recognized as actuarial gains and losses and is fully and directly recognized in equity. Service costs are recognized 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 other provisions take into consideration all realizable risks and uncertain obligations. They are recognized at the respective amount, which is necessary at the balance sheet date according to commercial judgement in order to cover future payment obligations, realizable risks and uncertain obligations within the group. Hereby the respective amount is recognized, 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 utilization.

## **Liabilities**

Liabilities are basically recognized 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 leasing liabilities, are accounted at the present value of the repayment obligation.

Costs related to the issue of corporate bonds are capitalized in the year of issue and deducted over the term.

## **Contingent Liabilities**

Contingent liabilities are present or possible future obligations which are not reflected in the balance sheet as liabilities either because an outflow of resources is not probable or because the amount of the obligation cannot be assessed in advance with sufficient reliability. 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 exchange rates and interest rates. The utilization 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 Receivables or Other 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 financial mathematic 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 recognized 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 realization of the hedge transaction. Any potential changes in results due to the ineffectiveness of these financial instruments are recognized in the income statement with an immediate effect on income.

### **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 realization of profits, the accounting and evaluation of provisions 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 development 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 case if such a development occurs the assumptions and, if necessary, the carrying values of the affected assets and liabilities are adjusted to the latest information. As the consolidated financial statement is being prepared, there are no signs which indicate the necessity to significantly change the underlying assumptions and estimations.

## Notes on the Items in the Consolidated Income Statement

### (1) Revenue

The revenue of T€ 9,430,621 (2005: T€ 6,955,797) 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 containing the annualized part of profits according to the level of completion of the respective contract (percentage of completion method) amount to T€ 8,769,273) (2005: T€ 6,379,703).

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:

	2006 in Mio €	2005 in Mio €
<b>Germany</b>	<b>3,988</b>	<b>3,523</b>
<b>Austria</b>	<b>2,079</b>	<b>1,924</b>
<b>Hungary</b>	<b>806</b>	<b>938</b>
<b>Czech Republic</b>	<b>791</b>	<b>714</b>
Poland	551	433
Slovakia	300	253
Croatia	191	241
Russian Federation	173	92
other CEE countries	220	157
<b>Rest of CEE</b>	<b>1,435</b>	<b>1,176</b>
Switzerland	323	295
Benelux	219	209
other European countries	159	83
<b>Rest of Europe</b>	<b>701</b>	<b>587</b>
Middle East	203	127
America	144	82
Africa	128	112
Asia	110	132
<b>Rest of World</b>	<b>585</b>	<b>453</b>
<b>Total Output Volume</b>	<b>10,385</b>	<b>9,315</b>

### (2) Other Operating Income

	2006 T€	2005 T€
Gains on disposal or write-up of property, plant, equipment excluding financial assets	24,390	21,539
Income from reversal of provisions	12,306	3,063
Other	194,804	125,299
	<u>231,500</u>	<u>149,901</u>

The other remaining operating income includes revenue from letting and leasing, insurance compensation, exchange rate differences, reversal of valuation allowances, as well as revenue from re-charging as well as income from initial and de-consolidation of companies, which is not attributable to other items.

### (3) Raw materials, consumables and services used

	2006 T€	2005 T€
Raw materials, consumables	2,214,915	1,621,586
Services used	4,373,193	3,398,021
	<u>6,588,108</u>	<u>5,019,607</u>

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

	2006 T€	2005 T€
Wages	705,556	557,586
Salaries	771,791	554,610
Social security and related costs	323,946	266,238
Expenses for severance payments and contributions to employee provident fund	10,859	7,830
Expenses for pensions and similar obligations	3,035	3,564
Other social expenditure	16,473	12,048
	<u>1,831,660</u>	<u>1,401,876</u>

The expenses for severance payment 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. Actuarial gains and losses were recognized directly in equity. The proportion of interest included in the expenses for severance payments as well as for pensions and other obligations are recognized in the financial result.

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

	2006	2005
Salaried Employees	19,133	16,805
Labourers	33,838	27,708
	<u>52,971</u>	<u>44,513</u>

#### (5) Depreciation and Amortization Expense

Depreciations and impairments on property, plant and equipment and intangible assets are represented in the consolidated statement of changes in fixed assets. In the year under report impairments on property, plant and equipment to the amount of T€ 3,940 were made (2005: T€ 402). Impairment on goodwill amounts to T€ 15,120 (2005: T€ 15,188) and mainly result from two factors: On the one side the decision of the restructuring of the niche business field façade construction in 2006 and one the other side an impairment on goodwill allocated to Heilit+Woerner Budowlana, Poland, due to ongoing losses of the company was necessary.

#### (6) Other Operating Expenses

The other operating expenses of T€ 614,264 (2005: T€ 400,981) 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€ 29,392 (2005: T€ 27,479) are included.

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 recognized in full in income statement.

#### (7) Share of Profit or Loss of Associates

	2006 T€	2005 T€
Income from investments in associates	77,087	6,980
Expenses arising from investments in associates	-101	-1,556
	<u>76,986</u>	<u>5,424</u>

**(8) Net Investment income**

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Investment income	25,713	19,691
Expenses arising from investments	-5,353	-2,473
Gains on the disposal and write-up of investments	3,737	939
Impairment of investments	-2,432	-15,958
Losses on the disposal of investments	-27	-2
	<u>21,638</u>	<u>2,197</u>

**(9) Other Financial Results**

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Interest and similar income	35,616	35,458
Interest and similar expenses	-91,999	-65,863
<b>Net interest income</b>	<b>-56,383</b>	<b>-30,405</b>
Other financial income	2,126	2,463
Other financial expenses	-1,894	-472
<b>Other financial results</b>	<b>232</b>	<b>1,991</b>
	<u><b>-56,151</b></u>	<u><b>-28,414</b></u>

Included in interest and similar expenses are interest components from the allocation of severance payment and pension provisions amounting to T€ 14,888 (2005: T€ 9,568).

**(10) Income tax expense**

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

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Current Taxes	82,917	44,826
Deferred Taxes	-19,718	-4,677
	<u>63,199</u>	<u>40,149</u>

The reasons for the difference between the Austrian corporate income tax rate of 25 % valid in 2006 and the actual consolidated tax rate are as follows:

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Earnings before taxes	287,203	134,715
Theoretical tax expenditure 25 %	71,800	33,679
Differences to foreign tax rates	2,476	-2,530
Non-tax-deductible expenses	2,207	6,635
Tax-free earnings	-6,850	-4,629
Tax effects of result from associates	-561	-620
Capital Consolidation	-1,154	2,123
Additional tax payments	300	1,463
Change of valuation adjustment on deferred tax assets	-98	8,844
Other	-4,921	-4,816
<b>Recognized income tax</b>	<u><b>63,199</b></u>	<u><b>40,149</b></u>



## Notes on Items in the Consolidated Balance Sheet

### (11) Property, Plant and Equipment and Intangible Assets

The composition and changes in tangible and intangible assets is shown apart in Appendix 1 to the Notes (Consolidated statement of changes in fixed assets).

#### Leasing

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

	<b>31.12.2006</b>	<b>31.12.2005</b>
	<b>T€</b>	<b>T€</b>
Property leasing	43,435	45,209
Machinery leasing	<u>26,262</u>	<u>25,488</u>
	<u>69,697</u>	<u>70,697</u>

Offset against these are liabilities arising from the present value of leasing obligations amounting to T€ 63,296 (2005: T€ 61,920).

The terms of the finance leases for property are between 4 and 20 years, while those for machines are between 2 and 5 years.

In subsequent business years the following payments will arise from financial leases:

	<b>31.12.2006</b>	<b>31.12.2005</b>
	<b>T€</b>	<b>T€</b>
Term up to one year	16,398	16,837
Term between one and five years	32,809	29,444
Term over five years	<u>26,357</u>	<u>18,274</u>
	<u>75,564</u>	<u>64,555</u>

In addition to the finance leases, there are also operating leases for the utilization of technical equipment and machinery. The expenses from these contracts are recognized in the income statement. The payments made for the 2006 business year amount to T€ 54,252 (2005: T€ 47,216).

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

	<b>31.12.2006</b>	<b>31.12.2005</b>
	<b>T€</b>	<b>T€</b>
Term up to one year	24,141	20,201
Term between one and five years	60,172	47,248
Term over five years	<u>60,097</u>	<u>57,644</u>
	<u>144,410</u>	<u>125,093</u>

#### Restrictions on property, plant and equipment

On the reporting date, there were collaterals for aval loans of 5.2 Mio €.

On the balance sheet date there were no significant contractual commitments for acquisition of property, plant and equipment which have not been considered in the financial statement.

### (12) Investment Property

The development of investment property is shown in the consolidated change of fixed assets (see Appendix 1 of the Notes), as of 31 December 2006 the fair value of the investment property basically corresponds to the carrying value.

The rental income from investment property amounted to T€ 10,516 in the 2006 financial year. Direct operating expenses totalling T€ 10,841 consisted of T€ 10,822 in expenses for rented and T€ 19 for unrented investment properties.

### (13) Financial Assets

Detailed information on the group's investments (shares of more than 20 %) can be found in the list of subsidiaries, associated companies and investments.

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

	Balance on 1.1.2006	Currency Translation	Changes in Scope of Consolidation	Changes according to IAS 39 not effecting net income	Additions	Transfers	Disposals	Impairments	Balance on 31.12.2006
	T€	T€	T€	T€	T€	T€	T€	T€	T€
Investments in associates	64,842	550	11,235	0	18,853	0	19,986	0	75,494
Investments in subsidiaries	76,322	-159	-15,849	0	12,861	2,375	2,661	1,311	71,578
Loans to subsidiaries	385	0	92	0	3,003	385	1,386	544	1,935
Other investments	112,303	135	-1,455	942	24,005	-2,375	540	1,121	131,894
Loans to participation companies	5,800	0	-475	0	527	-3,485	1,045	0	1,322
Securities	26,788	-11	4,220	0	1,164	0	3,205	523	28,433
Other loans	84,172	0	25	0	2,184	0	3,253	0	83,128
	<u>370,612</u>	<u>515</u>	<u>-2,207</u>	<u>942</u>	<u>62,597</u>	<u>-3,100</u>	<u>32,076</u>	<u>3,499</u>	<u>393,784</u>

Of the securities, T€ 6,705 (2005: T€ 22,098) have been pledged as collateral for sector-typical contingent liabilities.

The following table shows financial information of the associated companies (100 %):

	2006 T€	2005 T€
Total assets	391,935	649,675
Total liabilities	250,030	508,184
Revenue	437,031	457,555
Profit for the period	30,264	22,306

### (14) Deferred Taxes

Temporary differences in amounts stated in the IFRS financial statements and the respective tax amounts stated affect the tax accruals and deferrals recognized in the balance sheet as follows:

	31.12.2006		31.12.2005	
	Assets T€	Liabilities T€	Assets T€	Liabilities T€
Property, plant and equipment and intangible assets	8,788	-37,816	6,510	-36,526
Financial assets	1,204	-9,489	1,891	-673
Inventories	4,943	-849	6,334	-172
Trade and other receivables	18,310	-72,094	35,847	-89,791
	<u>33,245</u>	<u>-120,248</u>	<u>50,582</u>	<u>-127,162</u>
Provisions	80,072	-10,364	68,574	-9,654
Liabilities	11,104	-398	11,500	-2,456
Tax loss carryforward	93,404	0	91,556	0
<b>Deferred tax assets/liabilities</b>	<u>217,825</u>	<u>-131,010</u>	<u>222,212</u>	<u>-139,272</u>
Netting out of deferred tax assets and liabilities to the same tax authorities	<u>-124,954</u>	<u>124,954</u>	<u>-135,755</u>	<u>135,755</u>
<b>Deferred taxes netted out</b>	<u>92,871</u>	<u>-6,056</u>	<u>86,457</u>	<u>-3,517</u>

Based on the currently valid tax regulations, it can be assumed that the differences between the tax-related investments and the proportional equity of the subsidiaries included in the consolidated financial statements remain basically tax-free. Therefore there was no accrual or deferral of taxes.

Deferred taxes on losses carried forward were capitalized as these can probably be offset with future taxable profits. No deferred tax assets were made for differences in book value on the assets side and tax losses carried forward of 473.1 Mio € (2005: 464.6 Mio €), as their effectiveness as final tax relief is not sufficiently assured.

### (15) Inventories

	31.12.2006 T€	31.12.2005 T€
Raw materials, auxiliary supplies and fuel	115,341	95,055
Finished goods and buildings	84,258	134,608
Unfinished goods and buildings	176,970	285,534
Development land	73,073	97,950
Payments made	6,723	5,570
	<u>456,365</u>	<u>618,717</u>

### (16) Receivables and Other Assets

	total T€	31.12.2006 current T€	non-current T€	total T€	31.12.2005 current T€	non-current T€
Receivables from construction contracts	3,251,843	3,251,843	0	2,667,355	2,666,266	1,089
Advances received	-2,379,855	-2,379,855	0	-1,785,929	-1,785,929	0
	871,988	871,988	0	881,426	880,337	1,089
Other trade receivables	1,172,633	1,142,060	30,573	811,721	769,192	42,529
Receivables from consortia	301,294	301,294	0	299,049	299,049	0
<b>Trade receivables</b>	<u>2,345,915</u>	<u>2,315,342</u>	<u>30,573</u>	<u>1,992,196</u>	<u>1,948,578</u>	<u>43,618</u>
	total T€	31.12.2006 current T€	non-current T€	total T€	31.12.2005 current T€	non-current T€
Receivables from subsidiaries	78,992	78,992	0	62,526	56,272	6,254
Receivables from participation companies	39,790	39,076	714	29,534	27,541	1,993
Other receivables and accruals and deferrals	216,935	197,467	19,468	208,076	183,154	24,922
<b>Other receivables and other assets</b>	<u>335,717</u>	<u>315,535</u>	<u>20,182</u>	<u>300,136</u>	<u>266,967</u>	<u>33,169</u>

Receivables from construction contracts were as follows:

	31.12.2006 T€	31.12.2005 T€
<b>All contracts in progress at balance sheet date:</b>		
Costs incurred to balance sheet date	4,927,564	4,500,341
Profits arising to balance sheet date	171,717	162,003
Accumulated losses	-179,238	-148,268
minus receivables recognized under liabilities	-1,668,200	-1,846,721
	<u>3,251,843</u>	<u>2,667,355</u>

Receivables from construction contracts amounting to T€ 1,668,200 (2005: T€ 1,846,721) are recognized in liabilities, as advances received exceed the receivables.

As is 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).

Trade receivables in 2005 contained trade receivables from the Republic of Iraq in the amount of 80.5 Mio €. This amount was fully received in March 2006.

### (17) Cash and Cash Equivalents

	31.12.2006	31.12.2005
	T€	T€
Securities	3,908	10,236
Cash on hand	2,783	2,302
Bank deposits	579,574	543,319
	<u>586,265</u>	<u>555,857</u>

Of the cash and cash equivalents, T€ 9,741 (2005: T€ 1,023) are pledged to secure guarantees.

### (18) Equity

The fully paid-in share capital amounts to EUR 70,000,000 and is split into 70,000,000 no par shares.

The Annual General Meeting of 29 November 2006 authorized the Management Board, with approval by the Supervisory Board, to increase the company's share capital against cash contributions or contributions in kind by up to € 35,000,000 through the issue of 35,000,000 new shares to € 105,000,000 (approved capital) within five years of entry of the amendments to the articles of incorporation in the company register.

Retained earnings include differences arising from currency translation, statutory and mandatory reserves, financial instrument changes recorded directly in equity (including hedging reserves), as well as changes in equity from actuarial gains/losses from the calculation of provisions for personnel. The retained earnings also include the profit for the period as well as the result brought forward from previous periods of STRABAG SE and its consolidated subsidiaries, as far as these were not eliminated by the capital consolidation.

Following the merger of the corporate holding company FIMAG Finanz- Industrie und Management AG into STRABAG SE, the consolidated financial statements now reflect the share capital and capital reserves of STRABAG SE. Minority interests resulting from the 59.9% stake of FIMAG Finanz- Industrie und Management AG in STRABAG SE were disposed effective 3 July 2006 and recognized directly in equity as retained earnings of the amount of 260 Mio €.

Changes in equity arising from the merger and details on the equity of STRABAG SE can be found in the statement of Changes in Equity (see Appendix IV/1).

### (19) Provisions

	Balance on 1.1.2006	Reclassification	Currency Translation	Changes in Scope of Consolidation	Allocation	Appropriation	Utilisation	Balance on 31.12.2006
	T€	T€	T€	T€	T€	T€	T€	T€
Provisions for severance payments	54,380	1,141	0	1,910	9,312	0	7,177	59,566
Provisions for pensions	257,395	0	0	30,119	13,466	0	18,399	282,581
Provisions for taxes	23,474	0	-7	1,243	17,452	46	5,026	37,090
Other provisions								
Construction related provisions	295,889	-615	6,074	29,717	121,586	8,377	77,819	366,455
Personnel-related provisions	114,017	-13,130	-2,935	16,972	64,648	236	42,278	137,058
Other provisions	110,987	777	-1,458	9,144	59,980	3,647	26,580	149,203
	<u>856,142</u>	<u>-11,827</u>	<u>1,674</u>	<u>89,105</u>	<u>286,444</u>	<u>12,306</u>	<u>177,279</u>	<u>1,031,953</u>

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

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Present value of the defined benefit obligation (severance payment) on 1 January	54,380	48,990
Changes in scope of consolidation	1,910	807
Reclassifications	1,141	0
Current Service costs	3,096	2,181
Interest costs	2,629	2,430
Severance payments	-7,177	-4,244
Actuarial gains/losses	<u>3,587</u>	<u>4,216</u>
<b>Present value of the defined benefit obligation (severance payment) on 31 December</b>	<u><b>59,566</b></u>	<u><b>54,380</b></u>

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 (and length of service, salary of employee). Basically no new commitments have been awarded since 1999.

The company pension scheme consists of a non-fund-financed, defined benefit pension plan. In the case of defined benefit pension systems, the company is obliged to fulfill 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 1999 (Austria). This is based on a discounting rate of 4.75% (2005: 4.75%) for provisions for severance payments and pensions and a salary increase of 2.00% (2005: 2.00%) in the case of salary-related commitments. 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.

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

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Present value of the defined benefit obligation (pension) on 1 January	257,395	141,688
Changes in scope of consolidation	30,119	113,874
Current Service costs	2,140	1,019
Interest costs	12,259	7,138
Pension payments	-18,399	-11,829
Actuarial gains / losses	<u>-933</u>	<u>5,505</u>
<b>Present value of the defined benefit obligation (pension) on 31 December</b>	<u><b>282,581</b></u>	<u><b>257,395</b></u>

thereof deducted plan assets T€ -4,709 (2005: T€ 4,797)

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. The provision in connection to the fraud and betrayal suspicion Chemitz is also reflected under other provisions.

**(20) Liabilities**

The liabilities can be represented as follows:

	<b>total</b>	<b>31.12.2006</b>	<b>non-current</b>	<b>total</b>	<b>31.12.2005</b>	<b>non-current</b>
	<b>T€</b>	<b>current</b>	<b>T€</b>	<b>T€</b>	<b>current</b>	<b>T€</b>
		<b>T€</b>			<b>T€</b>	
<b>Financial Liabilities:</b>						
Bonds	300,000	50,000	250,000	225,000	0	225,000
Bank borrowings	552,384	374,022	178,362	651,241	330,335	320,906
Liabilities from finance leases	63,296	10,975	52,321	61,920	8,899	53,021
Other liabilities, accruals and deferrals	3,853	0	3,853	3,703	0	3,703
	<u>919,533</u>	<u>434,997</u>	<u>484,536</u>	<u>941,864</u>	<u>339,234</u>	<u>602,630</u>
	<b>total</b>	<b>31.12.2006</b>	<b>non-current</b>	<b>total</b>	<b>31.12.2005</b>	<b>non-current</b>
	<b>T€</b>	<b>current</b>	<b>T€</b>	<b>T€</b>	<b>current</b>	<b>T€</b>
		<b>T€</b>			<b>T€</b>	
<b>Trade payables:</b>						
Liabilities from construction contracts	-1,668,200	-1,668,200	0	-1,846,721	-1,846,721	0
Advances received	1,910,274	1,910,274	0	2,239,086	2,238,141	945
Other trade payables	1,611,592	1,598,200	13,392	1,341,139	1,317,007	24,132
Payables to consortia	207,315	207,315	0	213,972	213,972	0
	<u>2,060,981</u>	<u>2,047,589</u>	<u>13,392</u>	<u>1,947,476</u>	<u>1,922,399</u>	<u>25,077</u>
	<b>total</b>	<b>31.12.2006</b>	<b>non-current</b>	<b>total</b>	<b>31.12.2005</b>	<b>non-current</b>
	<b>T€</b>	<b>current</b>	<b>T€</b>	<b>T€</b>	<b>current</b>	<b>T€</b>
		<b>T€</b>			<b>T€</b>	
<b>Other Liabilities:</b>						
Payables to subsidiaries	35,950	35,950	0	39,741	39,741	0
Payables to participation companies	24,905	24,905	0	18,035	18,035	0
Other liabilities, accruals and deferrals	460,554	451,539	9,015	414,682	403,534	11,148
	<u>521,409</u>	<u>512,394</u>	<u>9,015</u>	<u>472,458</u>	<u>461,310</u>	<u>11,148</u>

In order to secure liabilities to banks, real securities amounting to T€ 364,730 (2005: T€ 440,642) have been booked.

**(21) Contingent Liabilities**

The company has accepted the following guarantees:

	<b>31.12.2006</b>	<b>31.12.2005</b>
	<b>T€</b>	<b>T€</b>
Guarantees without financial guarantees	<u>37,007</u>	<u>31,228</u>

Due to new regulations in IAS 39 financial guarantees are not shown as contingent liabilities but are instead reflected in the balance sheet. The amount of outstanding financial guarantees are shown under credit risk (see 23). Prior year figures have been adjusted accordingly.

As customary in the industry the STRABAG-group has issued bid, performance, advance payment and warranty guarantees and incurred joint liabilities with other partners in consortia.

**(22) 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:

	<b>31.12.2006</b>	<b>31.12.2005</b>
	<b>T€</b>	<b>T€</b>
Securities	3,908	10,236
Cash on hand	2,783	2,302
Bank deposits	579,574	543,319
	<u>586,265</u>	<u>555,857</u>

**(23) Financial Instruments**

The financial instruments basically include primary and derivative financial instruments. Financial assets, trade receivables, cash at banks, financial liabilities and trade and other payables form the most significant basis for the existing group primary financial instruments. The amount of primary financial instruments arises from the balance sheet.

Derivative instruments are exclusively used to secure existing risks in changes of currency and interest rates. The use of derivative financial instruments in the group is subject to the appropriate authorization and supervision processes. The connection to a mainstay business is a must, trading is not permissible.

STRABAG SE agreed a medium-term note programme of 500 Mio € in the 2001 business year. There were issued 3 tranches of 50 Mio € each within the scope of the medium-term note programme and one tranche of 75 Mio € between 2002 - 2005. In June 2006 an additional tranche of 75 Mio € with a term of 5 years was issued. The annual coupon of this tranche is 5.25 %. Borrowing via the capital markets is significant. According to the market situation on the capital markets, further bonds are planned. The corporate bonds improve the matching of maturities in the financing structure.

**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 decreasing interest revenue resulting from an unfavourable change in market interest rates. Fixed interest obligations mainly result from the tranches of the bonds issued amounting to a total of 300 Mio € as well as from the derivative interest instruments. As of 31 December 2006, the following hedging transactions existed:

	<b>2006</b>		<b>2005</b>	
	<b>Nominal value</b>	<b>Market Value</b>	<b>Nominal value</b>	<b>Market Value</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>
Interest rate swaps	25,594	364	135,000	-795
	1,250	<u>23</u>	0	<u>0</u>
		<u>387</u>		<u>-795</u>

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

### Bank deposits

	Carrying Value T€	Weighted average interest rate 2006
EUR	451,643	2.64
CZK	30,242	1.56
PLN	23,301	3.07
RON	22,855	3.90
Other	51,533	2.26
	<u>579,574</u>	

### Bank borrowings

	Carrying Value T€	Weighted average interest rate 2006
EUR	426,597	4.45
HUF	114,569	8.61
PLN	5,238	4.80
CHF	4,918	3.17
Other	1,062	4.94
	<u>552,384</u>	

### Currency Risk

Due to the decentralized nature of the group, characterized by local companies in the respective countries, mainly closed currency positions appear in the balance sheet. This means that receivables and liabilities from business activities mainly offset each other in the same currency.

Loan financing and investments were predominantly made by the group companies in the respective country's local currency. In order to secure the remaining currency risk, derivative financial instruments, above all forward exchange operations, were transacted. The respective term is under one year. On 31 December 2006 following hedging transactions existed:

	Currency	2006		2005	
		Nominal Value	Market Value T€	Nominal Value	Market Value T€
Currency Swaps	TCZK	0	0	934,000	-109
	TPLN	0	0	120,175	8
	TSKK	0	0	65,000	1
	THRK	0	0	57,200	6
			<u>0</u>		<u>-94</u>
Forward Exchange Operations	THUF	23,069,362	8,695	0	0
	TPLN	96,378	1,076	151,366	2,525
	TPLN	251,708	-553	0	0
	TCZK	413,396	71	0	0
	TCAD	3,500	-7	0	0
	TDKK	1,140	0	0	0
			<u>9,282</u>		<u>2,525</u>
			<u>9,282</u>		<u>2,431</u>



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

Currency	Exchange Rate	Average Rate	Exchange Rate	Average Rate
	31.12.2006	2006	31.12.2005	2005
	1 euro =	1 euro =	1 euro =	1 euro =
HUF	251.7700	264.1729	252.6650	248.6283
CZK	27.4850	28.2358	28.9900	29.7575
SKK	34.4350	37.0575	37.8700	38.5742
PLN	3.8310	3.9066	3.8686	4.0329
HRK	7.3504	7.3177	7.3625	7.3928
CHF	1.6069	1.5767	1.5555	1.5476

As of the balance sheet date, a commodity hedge with the market value of T€ 61 (Previous year: T€ 0) exists.

Of the derivative financial instruments classified as cash-flow hedges as of 31 December 2005, T€ 2,431 were shifted from equity and recognized in the consolidated statement of income.

**Credit Risk**

The risk for receivables from clients can, due to the wide dispersion and a constant creditworthiness check, be rated as very low.

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 exclusively financial institutions with the highest level of creditworthiness. The maximum risk of default is the book values of each financial asset in the balance sheet.

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 30,700 (previous year: T€ 36,984).

**Market Values**

The market value of the financial assets and liabilities with variable interest rates are depicted under the respective items. The market value of fixed interest bearing financial liabilities and derivative financial instruments were calculated on the basis of recognised measurement methods. Market values of derivative financial instruments are shown under the hedging transactions. Market values of the fixed interest bearing financial liabilities amount to T€ 324,005 as of 31 December 2006 (Carrying amount as of 31 December 2006 T€ 328,420).

**(24) Segment Reporting**

The segments are presented according to business fields (primary segment reporting) and regions (secondary segment reporting). The segmentation according to business fields corresponds to the internal group reporting. Assets and liabilities as well as expense and revenue were attributed to the individual segments only as far as they could be attributed directly or by applying an allocation according to the principle of causation to the respective segment. Items not attributed in this way are shown under Miscellaneous. This segment primarily includes group management, commercial administration, IT and machine management. Intra-segment transactions are based on arm's-length prices.

**Primary Segment Reporting**

The primary segment reporting comprises the following business fields:

**Building Construction & Civil Engineering**

In the field of Building Construction, both classical building services as well as turnkey building projects are executed as part of the mainstay business. The range of construction services in this field includes housing; commercial and industrial facilities such as shopping centres, business parks, office buildings, hotels, airports and railway stations; public buildings such as hospitals, universities, schools and other public buildings; the production of prefabricated elements; and steel-girder and façade construction.

In particular medium-sized and large-scale projects – predominantly for private clients – form the core of the business activities. Regional organizational units work the respective local markets and are active as self-contained and independent profit centres.

Civil Engineering activities include the construction of bridges, power plants and special foundation engineering. Environmental engineering activities – including the construction of landfills, waste treatment plants, and waste water collection and treatment systems, as well as the regeneration of polluted soils and industrial sites – are handled by the Civil Engineering business field as well.

### Road Construction

This business field covers mainly asphalt and concrete road construction in the Group's relevant country markets. Other services encompassed by the Road Construction division include the remaining activities attributable to civil engineering, e.g. sewer engineering and pipeline construction, smaller and medium-sized engineering-related concrete structures, and paving. The Road Construction segment further comprises the construction of large-area works such as runways and taxiways, reloading and parking facilities, sport and recreation facilities and railway structures.

The production of asphalt, concrete and other construction materials, as well as bitumen trading, are important parts of the Road Construction segment as well. The construction materials business includes a dense network of asphalt and concrete mixing facilities, as well as excellent access to raw materials (in particular gravel pits and quarries).

Unlike is the case with projects handled by the Civil Engineering division, the services in this business field are carried out by smaller, local organizational units working a limited, regional market as independent profit centres.

### Tunneling & Services

The range of Tunnelling services includes the construction of road and railway tunnels as well as underground galleries and chambers with various technology. Tunnelling work is done employing both cyclical and continuous driving. Projects around the world are managed and executed by central organizational units.

The Services business field encompasses those project development contracts around the world which include all integrated services such as financing, operation, marketing and utilization, as well as the usual construction services, within the framework of a value-added chain in an overall project. Services include infrastructure projects (e.g. traffic, energy), as well as building projects for office and commercial properties or hotels.

The **EBIT** can be broken down as follows:

	<b>2006</b>	<b>2005</b>
	<b>T€</b>	<b>T€</b>
Earnings before financial result and tax	244,730	155,508
Share of profit or loss of associates	76,986	5,424
Net investment income	<u>21,638</u>	<u>2,197</u>
<b>EBIT</b>	<u><u>343,354</u></u>	<u><u>163,129</u></u>

The revenues and expenses from investments as well as from associated companies concern business-induced investments which form an important component of the group's operating activity.

**STRABAG SE GROUP**  
**2006 Segment Report**

BUSINESS FIELD	Road Construction		Building Construction and Civil Engineering		Tunnelling and Services		Miscellaneous and Consolidation		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Output Volume	4,646,303	4,171,527	4,898,764	4,356,938	693,218	624,528	146,826	161,854	10,385,111	9,314,847
Revenue	4,216,820	3,655,248	4,257,243	2,733,300	935,213	540,110	21,345	27,139	9,430,621	6,955,797
Inter-segment revenue	27,819	132,900	105,654	66,311	5,000	0	443,601	357,533		
EBIT	220,408	75,828	53,392	48,686	68,096	37,977	1,458	638	343,354	163,129
thereof share of profit or loss of associates	74,284	1,250	0	0	2,753	4,174	-51	0	76,986	5,424
Segment assets	1,376,584	1,197,796	1,455,970	1,525,650	453,977	734,601	2,289,295	1,668,880	5,575,826	5,126,927
thereof investments in associates	53,633	48,670	0	0	21,861	16,172	0	0	75,494	64,842
Segment liabilities	1,110,097	1,038,264	1,455,313	1,520,146	365,512	634,660	1,609,010	1,028,387	4,539,932	4,221,457
Investments in tangible and intangible assets	0	0	0	0	13,258	7,220	333,762	297,611	347,020	304,831
Depreciation on tangible and intangible assets	0	0	0	0	6,814	9,502	222,864	169,175	229,678	178,677
thereof impairment	0	0	0	0	0	0	19,060	15,590	19,060	15,590
Employees	25,047	21,937	22,525	17,283	1,538	1,459	3,861	3,834	52,971	44,513

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**Secondary Segment**

REGION	Germany		Austria		Rest of Europe		Rest of World and Consolidation		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Revenue	3,716,611	2,357,768	2,212,468	2,191,931	3,051,886	2,296,245	449,656	109,853	9,430,621	6,955,797
Segment assets	2,160,823	2,107,896	1,381,231	1,402,424	1,849,930	1,517,738	183,842	98,869	5,575,826	5,126,927
Investments in tangible and intangible assets	99,858	38,105	84,746	71,205	143,124	142,806	19,292	52,715	347,020	304,831

The representation of the secondary segmentation reporting is made according to the location of the company headquarters

## (25) Notes on Related Parties

The shareholders of STRABAG SE are the Haselsteiner-Group, as well as the Raiffeisen-Holding NÖ-Wien Group and the UNIQA-Group, with whom arm's-length business relations exist.

In past business years, the STRABAG SE Group transferred property project companies against the granting of participation rights to IDAG Immobilienbeteiligung u. –Development GmbH which is held by third parties. It is the business purpose of IDAG Immobilienbeteiligung u. –Development GmbH to develop property and to participate in property projects.

In the 2001 business year, all shares in IDAG Immobilienbeteiligung u. –Development GmbH as well as all the participation rights held by STRABAG SE and by STRABAG AG, were acquired by ATLAS Immobilien & Development Privatstiftung. In November 2002 50% of the shares and participation rights of IDAG Immobilienbeteiligung u. –Development Aktiengesellschaft were transferred by ATLAS Immobilien & Development Privatstiftung to ARION Immobilien & Development Privatstiftung.

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 2006 financial year amounted to T€ 6,086 (Previous year: T€ 6,067).

In the 2006 financial year, revenue of around 6 Mio € were generated with IDAG Immobilienbeteiligung u. –Development GmbH. On the balance sheet date of 31 December 2006, the STRABAG SE Group had receivables amounting to around 77 Mio € and rent deposits amounting to 14 Mio € from IDAG Immobilienbeteiligung u. –Development GmbH, ATLAS Immobilien & Development Privatstiftung and ARION Immobilien & Development Privatstiftung and their subsidiaries.

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, a joint project development company, was founded in September 2003.

Raiffeisen evolution project development GmbH bundles project developments in building construction activities of the shareholders (without Germany and Benelux). The STRABAG SE Group is employed in the construction work on the basis of arm's-length contracts.

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

## (26) Notes on the Management and Supervisory Boards and the Employees

### Board of Management:

Dr. Hans Peter Haselsteiner (Chairman)

Prof. Dr. Ing. e.h. Manfred Nußbaumer (Vice Chairman) (since 1.1.2006)

Ing. Fritz Oberlerchner (Vice Chairman)

Dr. Thomas Birtel (since 1.1.2006)

Dipl.-Ing. Nematollah Farrokhnia

Dipl.-Ing. Roland Jurecka (since 3.7.2006)

Mag. Wolfgang Merkinger

Mag. Hannes Truntschnig (since 3.7.2006)

**Supervisory Board:**

Univ. Prof. DDr. Waldemar Jud (Chairman) (since 29.11.2006)

Dr. Christian Konrad (Chairman) (until 29.11.2006)

Mag. Erwin Hameseder (Vice Chairman) (since 29.11.2006)

KR Herbert Schimetschek (Vice Chairman) (until 29.11.2006)

Mag. Arch. Julius Eberhardt (until 3.7.2006)

Dr. Gerhard Gribkowsky (since 3.7.2006)

Dr. Jürgen Kuchenwald

Dr. Gottfried Wanitschek

Peter Nimmervoll (works council)

Josef Radosztics (works council)

Gerhard Springer (works council)

The employee benefits expenses and other operating expenses include the total salaries of the members of the board with T€ 5,751 (2005: T€ 5,580). The severance payments of T€ -68 (2005: T€ 421) affect the members of the board.

No remuneration was paid to members of the supervisory board. Neither the members of the management board nor the members of the supervisory board of STRABAG SE received advances or loans.

**(27) Events after the Balance Sheet Date**

Pending approval by the cartel authorities, STRABAG will acquire the Polish construction company NCC Poland from its Swedish parent NCC for EUR 110 million. In 2006, NCC Poland turned over EUR 110 million and employed 900 people. NCC Poland is active in the road construction segment and has a number of quarries and asphalt mixing facilities at its disposal. With the acquisition, STRABAG significantly expands its current activities in Poland.

In January 2007, STRABAG acquired Linde KCA-Umweltanlagen GmbH, Dresden, from The Linde Group. Linde KCA has been active in the field of environmental technology for decades and has achieved an excellent market position through the development of proprietary processes and technologies as well as custom solutions for specific tasks in the fields of waste treatment, waste water purification, water treatment and waste gas and air purification.

Also in January, STRABAG acquired Ottokar Klug Ges.m.b.H. The Vienna-based company is active in the field of waste management. The range of services provided by the previously family-owned company includes container services, sand and gravel deliveries, demolition and exaction works and a waste sorting facility.

To complete the range of services in railway construction, STRABAG acquired the Essen-based Fahrleitungsbau GmbH in March 2007. The deal is pending approval by the cartel authorities. The company's business activities cover the entire value-added chain for the construction of railroad overhead lines. While specialized in the construction of overhead lines for local public transport systems (tramways and suburban metropolitan railways), the company also carries out selected projects on the long-distance railway network.

Subject to the granting of the anti-trust approval parts of the Kurz group, Walchsee, were acquired. Through this acquisition building construction and civil engineering in the Tyrol region (Austria) can be extended and new regional markets in the field of raw materials can be opened up.

**(28) Earnings per Share**

The earnings per share are calculated by dividing the profit for the period attributable to equity holders of the parent by the weighted average number of the ordinary shares and participation rights outstanding during the year.

The earnings per share shown for 2006 are not comparable to 2005 due to the change of the head of group from FIMAG Finanz Industrie und Management AG to STRABAG SE:

	<b>2006</b>	<b>2005</b>
Profit for the period attributable to equity holders of the parent in T€	191,351	49,938
Weighted number of shares outstanding during the year	70,000,000	6,742,240
Earnings per share in €	2.73	7.41

Villach, 10 April 2007

Board of Management

Dr. Hans Peter Haselsteiner

Prof. Dr. Ing. e.h. Manfred Nußbaumer

Ing. Fritz Oberlerchner

Dr. Thomas Birtel

Dipl.-Ing. Nematollah Farrokhnia

Dipl.-Ing. Roland Jurecka

Mag. Wolfgang Merkinger

Mag. Hannes Truntschnig

Appendix 1 to Notes: Consolidated Statement of Changes in Fixed Assets

Appendix 2 to Notes: List of Subsidiaries, associated companies and investments

Consolidated Statement of Changes in Fixed Assets as of 31 December 2006

	Balance on 31.12.2005 T€	Changes in Scope of Consolidation T€	Acquisition and Production Costs				Disposals T€	Balance on 31.12.2006 T€	Balance on 31.12.2005 T€	Changes in Scope of Consolidation T€	Accumulated Depreciation			Disposals <sup>2)</sup> T€	Balance on 31.12.2006 T€	Carrying Values	
			Currency Translation T€	Balance on 1.1.2006 T€	Additions T€	Transfers T€					Currency Translation T€	Additions <sup>1)</sup> T€	Transfers T€			31.12.2006 T€	31.12.2005 T€
<b>I. Intangible Assets:</b>																	
1. Concessions; industrial property rights and similar rights, advantages and licences	32,205	2,336	87	34,628	4,592	-35	2,762	36,423	24,844	2,037	80	4,338	-87	2,627	28,585	7,838	7,361
2. Goodwill	98,737	29,462	3	128,202	951	0	10,045	119,108	39,123	0	0	15,120	0	6,789	47,454	71,654	59,614
3. Advances paid	110	0	0	110	10	0	0	120	0	0	0	0	0	0	120	110	110
	<b>131,052</b>	<b>31,798</b>	<b>90</b>	<b>162,940</b>	<b>5,553</b>	<b>-35</b>	<b>12,807</b>	<b>155,651</b>	<b>63,967</b>	<b>2,037</b>	<b>80</b>	<b>19,458</b>	<b>-87</b>	<b>9,416</b>	<b>76,039</b>	<b>79,612</b>	<b>67,085</b>
<b>II. Tangible Assets:</b>																	
1. Properties; land rights equivalent to real property; buildings including buildings on third-party property	645,101	29,157	4,367	678,625	40,386	-3,555	20,160	695,296	196,010	10,218	140	21,124	-70	11,483	215,939	479,357	449,091
2. Technical equipment and machinery	1,065,178	76,883	6,044	1,148,105	161,333	24,346	99,524	1,234,260	707,689	76,503	4,037	111,556	6,598	86,705	819,678	414,582	357,489
3. Other facilities, furniture and fixtures and office equipment	467,754	87,092	2,580	557,426	94,500	-7,078	69,805	575,043	324,933	66,898	2,416	69,593	-6,441	63,612	393,787	181,256	142,821
4. Advances paid and facilities under construction	35,825	119	750	36,694	36,352	-18,040	112	54,894	0	0	0	0	0	0	54,894	35,825	35,825
	<b>2,213,858</b>	<b>193,251</b>	<b>13,741</b>	<b>2,420,850</b>	<b>332,571</b>	<b>-4,327</b>	<b>189,601</b>	<b>2,559,493</b>	<b>1,228,632</b>	<b>153,619</b>	<b>6,593</b>	<b>202,273</b>	<b>87</b>	<b>161,800</b>	<b>1,429,404</b>	<b>1,130,089</b>	<b>985,226</b>
<b>III. Investment Property</b>	286,808	0	1,770	288,578	5,865	7,393	1,482	300,354	136,167	0	1,032	7,947	0	0	145,146	155,208	150,641
	<b>2,631,718</b>	<b>225,049</b>	<b>15,601</b>	<b>2,872,368</b>	<b>343,989</b>	<b>3,031</b>	<b>203,890</b>	<b>3,015,498</b>	<b>1,428,766</b>	<b>155,656</b>	<b>7,705</b>	<b>229,678</b>	<b>0</b>	<b>171,216</b>	<b>1,650,589</b>	<b>1,364,909</b>	<b>1,202,952</b>

<sup>1)</sup> of this amount, impairments of T€ 19,060 (2005: T€ 15,590)

<sup>2)</sup> of this amount, reversal of depreciation of T€ 318 (2005: T€ 0)

**Consolidated Statement of Changes in Fixed Assets as of 31 December 2005**

	Acquisition and Production Costs							Accumulated depreciation							Carrying Values		
	Balance on 31.12.2004 T€	Changes in Scope of Consolidation T€	Currency Translation T€	Balance on 1.1.2005 T€	Additions T€	Transfers T€	Disposals T€	Balance on 31.12.2005 T€	Balance on 31.12.2004 T€	Changes in Scope of Consolidation T€	Currency Translation T€	Additions <sup>1)</sup> T€	Transfers T€	Disposals <sup>2)</sup> T€	Balance on 31.12.2005 T€	31.12.2005 T€	31.12.2004 T€
<b>I. Intangible Assets:</b>																	
1. Concessions; industrial property rights and similar rights, advantages and licences	25,680	4,804	39	30,523	2,407	36	761	32,205	17,641	5,053	-34	2,988	22	826	24,844	7,361	8,039
2. Goodwill	53,801	155	0	53,956	50,143	0	5,362	98,737	29,297	0	0	15,188	0	5,362	39,123	59,614	24,504
3. Advances paid	7	0	0	7	115	-12	0	110	0	0	0	0	0	0	0	110	7
	<b>79,488</b>	<b>4,959</b>	<b>39</b>	<b>84,486</b>	<b>52,665</b>	<b>24</b>	<b>6,123</b>	<b>131,052</b>	<b>46,938</b>	<b>5,053</b>	<b>-34</b>	<b>18,176</b>	<b>22</b>	<b>6,188</b>	<b>63,967</b>	<b>67,085</b>	<b>32,550</b>
<b>II. Tangible Assets:</b>																	
1. Properties; land rights equivalent to real property; buildings including buildings on third-party property	876,940	45,243	2,955	925,138	23,731	264	29,461	919,672	322,446	-8,286	190	25,176	-429	11,240	327,857	591,815	554,494
2. Technical equipment and machinery	804,436	164,702	5,707	974,845	138,358	5,743	45,264	1,073,682	545,891	114,754	2,968	82,536	1,804	36,921	711,032	362,650	258,545
3. Other facilities, furniture and fixtures and office equipment	373,180	70,927	3,473	447,580	63,476	-1,097	38,624	471,335	251,877	53,268	2,151	52,789	-1,397	32,778	325,910	145,425	121,303
4. Advances paid and facilities under construction	21,565	2,142	490	24,197	26,601	-4,934	9,887	35,977	0	0	0	0	0	0	0	35,977	21,565
	<b>2,076,121</b>	<b>283,014</b>	<b>12,625</b>	<b>2,371,760</b>	<b>252,166</b>	<b>-24</b>	<b>123,236</b>	<b>2,500,666</b>	<b>1,120,214</b>	<b>159,736</b>	<b>5,309</b>	<b>160,501</b>	<b>-22</b>	<b>80,939</b>	<b>1,364,799</b>	<b>1,135,867</b>	<b>955,907</b>
	<b>2,155,609</b>	<b>287,973</b>	<b>12,664</b>	<b>2,456,246</b>	<b>304,831</b>	<b>0</b>	<b>129,359</b>	<b>2,631,718</b>	<b>1,167,152</b>	<b>164,789</b>	<b>5,275</b>	<b>178,677</b>	<b>0</b>	<b>87,127</b>	<b>1,428,766</b>	<b>1,202,952</b>	<b>988,457</b>

<sup>1)</sup> of this amount, impairments of T€ 15,590 (2004: T€ 61,668)

<sup>2)</sup> of this amount, reversal of depreciation of T€ 0 (2004: T€ 5,710)



**Group Companies as of 31 December 2006**

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
“A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH”	Spittal an der Drau	VK	100.00
“BAT”-Liegenschaftsverwaltung GmbH	Kennelbach	NK	100.00
“Brema” Bau- und Spengler-Ges.m.b.H.	Vienna	NK	100.00
“Crnagoraput” AD	Podgorica	NK	30.92
“Daheim” Bau- und Wohnungseigentumsgesellschaft m.b.H.	Vienna	VK	100.00
“DOMIZIL” Bauträger GmbH	Vienna	VK	100.00
“ETG” elektrotechnische Anlagen Gesellschaft m.b.H.	Vienna	NK	100.00
“Filmforum am Bahnhof” Errichtungs- und Betriebsgesellschaft m.b.H.	Vienna	VK	100.00
“Geschäfts- und Bürohaus Sterneckstraße Errichtungs- und Betriebs GmbH”	Vienna	VK	100.00
“Granite Mining Industries” Spolka z.o.o.	Wroclaw	NK	100.00
“Health Care Company” KRANKENHAUS BETRIEBSFÜHRUNGS-Aktiengesellschaft	Vienna	NK	50.00
“Kabelwerk” Bauträger GmbH	Vienna	NK	25.00
“LSH”-Fischer Baugesellschaft m.b.H.	Linz	NK	100.00
“MATRA OAZIS” Oktatasi, Üdültetesi es Vendeglato Közkereseti Tarsasag	Gyöngyöstarjan	NK	53.37
“Mineral 2000” EOOD	Sofia	NK	100.00
“Putevi” Cacak	Cacak	VK	68.60
“Ring” Körütepitö Közkereseti Tarsasag	Budapest	NK	50.00
“SBS Strabag Bau Holding Service GmbH”	Spittal an der Drau	VK	100.00
“Schöner Wohnen in Klosterneuburg” Bauträger GmbH	Vienna	NK	100.00
“Solar City Zentrum” Errichtung GmbH	Linz	NK	100.00
“Wiener Heim” Wohnbaugesellschaft m.b.H.	Vienna	VK	100.00
“Wohngarten Sensengasse” Bauträger GmbH	Vienna	NK	55.00
“Zentrum Puntigam” Errichtungs- und Betriebsgesellschaft m.b.H.	Vienna	NK	50.00
2. Züblin Vorrats GmbH	Stuttgart	NK	100.00
5. Züblin Vorrats GmbH	Stuttgart	NK	100.00
6. Züblin Vorrats GmbH	Stuttgart	NK	100.00
A.H.I-BAU Allgemeine Hoch- und Ingenieurbau-GmbH	Cologne	VK	100.00
A.S.T. Bauschuttverwertung GmbH	Klagenfurt	NK	66.67
A.S.T. Bauschuttverwertung GmbH & Co KG	Klagenfurt	NK	66.67
A2 Bau-Development GmbH	Spittal an der Drau	NK	50.00
AAL Asphaltanlage Leukersdorf Verwaltungs-GmbH	Jahnsdorf	NK	100.00
AB Frischbeton Gesellschaft m.b.H.	Wien	NK	100.00
ABN Asphalt-Beteiligungsgesellschaft Neustrelitz mbH	Berlin	NK	25.00
ABN Asphalt-Betriebsgesellschaft Neustrelitz mbH & Co. KG	Berlin	NK	25.00
ABO Asphalt-Bau Oeynhausen GmbH	Oeynhausen	NK	22.50
ABR Abfall Behandlung und Recycling Schwadorf GmbH	Schwadorf	VK	100.00
AET-Asfalt-emulsni technologie s.r.o.	Litomerice	NK	95.00
Agencja Inicjatyw Gospodarczych S.A.	Polen	NK	49.00
AGS Asphaltgesellschaft Stuttgart GmbH & Co.Kommanditgesellschaft	Stuttgart	NK	40.00
AGS Asphaltgesellschaft Stuttgart Verwaltungs-GmbH	Stuttgart	NK	40.00
AKA Alföld Koncesszios Autopalya Reszvenytarsasag	Budapest	NK	25.12
AM Haßberge GmbH	Haßfurt	NK	24.90
AM Königsbrunn GmbH	Königsbrunn	NK	45.00
AM Rhön GmbH	Rötlen	NK	24.90
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	Zistersdorf- Maustrenk	NK	40.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.& Co.KG	Zistersdorf	NK	40.00
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 Hafen GmbH & Co.KG, Hamburg	Hamburg	NK	100.00
AMH Asphaltmischwerk Hafen Verwaltungs GmbH	Hamburg	NK	100.00
AMH Asphaltmischwerk Hellweg GmbH	Erwitte	EK	30.50
AML – Asphaltmischwerk Limberg Gesellschaft m.b.H.	Limberg	NK	50.00
AML – Asphaltmischwerke GmbH Leipzig	Taucha	NK	20.00
AMN Asphaltmischwerk KG Straßenbaustoffe Nonnendamm GmbH & Co.	Berlin	NK	33.10
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
AMW Asphaltmischwerk Hinzenbach GmbH	Linz	NK	24.00
AMW Asphaltmischwerk Hinzenbach GmbH & Co KG	Linz	NK	24.00
AMWE-Asphaltmischwerke GmbH	Schwerin	NK	49.00
AMWE-Asphaltmischwerke GmbH & Co. KG	Schwerin	NK	49.00
ANLAGENTECHNIK GMBH	Thalgau	VK	100.00
Anton Beirer Hartsteinwerke Gesellschaft m.b.H.	Pinswang	NK	50.00
Appartementhaus Scharmützel Projekt-Beteiligungs G.m.b.H.	Bad Saarow-Pieskow	NK	100.00
Arab Consult GmbH	Vienna	NK	30.00
Arena Development	Hasselt	NK	50.00
Arthur Hellberg GmbH	Bad Segeberg	NK	100.00
AS-Bau Handels- und Beteiligungsgesellschaft mit beschränkter Haftung	Hamburg	NK	100.00
Asamer & Hufnagl Baustoff Holding Wien GmbH	Vienna	NK	30.00
Asamer & Hufnagl Baustoff Holding Wien GmbH & Co.KEG	Vienna	NK	30.00
ASB Transportbeton GmbH & CO.KG	Osterweddingen	NK	50.00
ASF Frästechnik GmbH	Kematen	NK	50.00
ASF Frästechnik GmbH & Co KG	Kematen	NK	50.00
ASG Invest N.V.	Genk	NK	49.90
ASIA Center Ingatlanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelősségű Társaság	Budapest	VK	100.00
Asphalt & Beton GmbH	Lendorf	VK	100.00
Asphalt Gesellschaft Riegler GmbH.	Klagenfurt	NK	50.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	Rauchenwarth	NK	20.00
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	Rauchenwarth	NK	20.00
Asphaltmischwerk Düsseldorf GmbH & Co.KG	Düsseldorf	EK	24.50
Asphaltmischwerk Düsseldorf Verwaltungs GmbH	Düsseldorf	NK	24.50
Asphaltmischwerk Greinsfurth GmbH	Amstetten	NK	25.00
Asphaltmischwerk Greinsfurth GmbH & Co.	Amstetten	NK	25.00
Asphaltmischwerk Mötschendorf Gesellschaft m.b.H.	Graz	NK	100.00
Asphaltmischwerk Rieder Vomperbach GmbH	Innsbruck	NK	60.00
Asphaltmischwerk Rieder Vomperbach GmbH & Co KG	Innsbruck	NK	60.00
Asphaltmischwerk Steyregg GmbH	Steyregg	NK	60.00
Asphaltmischwerk Steyregg GmbH & Co KG	Linz	NK	60.00
Asphaltmischwerk Zeltweg Gesellschaft m.b.H.	Steyr	NK	100.00
ASTRA-BAU Gesellschaft m.b.H. Nfg. OHG	Kalsdorf	NK	50.00
AStrada Development SRL	Bucharest	NK	70.00
August & Jean Hilpert GmbH & Co. KG	Nürnberg	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Augustowskie Przedsiębiorstwo Drogowe S.A.	Augustow	VK	100.00
AUSTRIA ASPHALT GmbH	Spittal an der Drau	NK	100.00
AUSTRIA ASPHALT GmbH & Co OHG	Spittal an der Drau	VK	100.00
AUT Grundstücksverwaltungsgesellschaft mbH	Stuttgart	NK	40.00
Autocesta Zagreb-Macelj d.o.o.	Zagreb	NK	51.00
A-WAY Toll Systems GmbH	Vienna	NK	80.00
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H.	Graz	NK	50.00
AWM Asphaltwerk Mötschendorf GmbH & Co.KG	Graz	NK	50.00
B+R Baustoff-Handel und -Recycling Cologne GmbH	Cologne	NK	100.00
BA-CA-GebäudevermietungsgmbH	Vienna	NK	50.00
Baltic Business Centre	Gdynia	NK	38.00
BAMCO Alagút- és Metróépítő Közkereseti Társaság	Budaörs	NK	50.00
Basalt-Közepko Kobanyak Kft	Budapest	NK	25.14
Basaltwerk Pauliberg GmbH	Eisenstadt	NK	35.00
Basaltwerk Pauliberg GmbH & CO KG.	Eisenstadt	NK	35.00
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.	Vienna	NK	100.00
Bauimmobilien GmbH	Chemnitz	NK	100.00
Baumann & Burmeister GmbH	Halle/Saale	VK	100.00
Baupartner GmbH Freies Wohnungsunternehmen	Stuttgart	NK	100.00
BAUTRÄGERGESELLSCHAFT OLANDE MBH	Hamburg	VK	51.00
Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung	Straubing	VK	100.00
BauXund Forschung und Beratung GmbH	Wien	NK	100.00
Bayerische Asphalt-Mischwerke GmbH & Co. KG für Straßenbaustoffe	Hofolding	EK	33.33
becker bau GmbH u. Co.KG	Bornhöved	VK	100.00
becker bau Rostock GmbH	Rövershagen	NK	100.00
becker Verwaltungsgesellschaft mbH	Bornhöved	NK	100.00
Berliner Asphalt GmbH	Hamburg	NK	100.00
BeTePe Bau Gesellschaft m.b.H.	Vienna	NK	100.00
Betobeja Empreendimentos Imobiliarios, Lda	Beja	NK	74.00
Betolojas-Sociedade de Construcao Reparacao e Comercializacao de Imoveis, Lda	Lisbon	NK	90.00
Beton AG	Bürglen	NK	64.80
Beton und Recycling GmbH & Co. KG	Halberstadt	VK	100.00
Beton und Recycling Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
Beton Pisek spol. s.r.o.	Pisek	NK	50.00
Betonuepítő Rt. Es Tarsai M.3. Autoalyaepítő PJT	Budapest	NK	77.82
Betun Cadi SA	Trun	NK	35.00
BHG Bitumen Adria drustvo s ogranicenom odgovornoscu za graditeljstvo	Zagreb	NK	100.00
BHG Bitumen Handelsgesellschaft mbH	Hamburg	NK	100.00
BHG Bitumen Kereskedelmi Korlatolt Felelőssegű Társaság	Budapest	VK	100.00
BHG COMERCIALIZARE BITUM S.R.L.	Bucuresti Sectorul 5	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.	Warsaw	VK	100.00
Bitumen Handelsgesellschaft m.b.H.	Vienna	NK	100.00
Bitumen Handelsgesellschaft m.b.H. & Co KG	Loosdorf	VK	100.00
Bitumenka-Asfalt d.o.o. i.L.	Sarajevo/Bosnien	NK	51.00
BITUNOVA Baustofftechnik Gesellschaft m.b.H.	Spittal an der Drau	VK	100.00
Bitunova Romania SRL	Bucharest	NK	97.77
BITUNOVA UKRAINA GmbH	Brovary	NK	60.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Bitupol SP z.o.o.	Warsaw	VK	60.00
BKB AG Weinfeldern	Weinfeldern	NK	100.00
BL Baulogistik GmbH	Stuttgart	NK	100.00
Blees-Kölling-Bau GmbH	Cologne	VK	100.00
BMTI – Baumaschinentechnik International GmbH	Cologne	VK	100.00
BMTI – gradevinski strojevi international d.o.o.	Zagreb	VK	100.00
BMTI – Tehnica Utilajelor Pentru Constructii SRL	Bucaresti	VK	100.00
BMTI CR s.r.o.	Brünn	VK	100.00
BMTI GmbH	Erstfeld	VK	100.00
BMTI Nemzetközi Epitőgepeszeti Korlatolt Feelőséggü			
Tarsasag	Budapest	VK	100.00
BMTI Polska sp.z.o.o.	Pruszkow	VK	100.00
BMTI SK, s.r.o.	Bratislava	VK	100.00
BMTI-Baumaschinentechnik International GmbH	Trumau	VK	100.00
Bodensanierung Bischofswerda GmbH	Stuttgart	NK	100.00
Bohemia Bitunova, spol s.r.o.	Jihlava	VK	100.00
BOT BÖRNER Oberflächentechnik GmbH & Co. KG	Ritschenhausen	NK	50.00
BOT BÖRNER Oberflächentechnik Verwaltungs- und			
Beteiligungs GmbH	Ritschenhausen	NK	50.00
Brnenska Obalovna, s.r.o.	Brünn	NK	50.00
BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H.	Spittal an der Drau	VK	100.00
BRVZ Bau-, Rechen- und Verwaltungszentrum AG	Erstfeld	VK	100.00
BRVZ Bau-Rechen-und Verwaltungszentrum GmbH	Dahlwitz/Hoppegarten	VK	100.00
BRVZ Bau-Rechen-und Verwaltungszentrum GmbH	Cologne	VK	100.00
BRVZ center za racunovodstvo in upravljanje d.o.o.	Ljubljana	VK	100.00
BRVZ EOOD	Sofia	VK	100.00
BRVZ s.r.o.	Budweis	VK	100.00
BRVZ s.r.o.	Bratislava	VK	100.00
BRVZ SERVICII & ADMINISTRARE SRL	Bucharest	VK	100.00
BRVZ SP z.o.o.	Warsaw	VK	100.00
BRVZ-Contabilidade, Organizacao, Representacao e			
Administracao de Empresas, S.U., Lda	Lisbon	NK	100.00
BRVZ-gradevinski-, racunovodstveni- i upravni centar d.o.o.	Zagreb	VK	100.00
BRW Baustoff-Recycling GmbH & Co KG	Wesseling	NK	25.00
BS Baugeräteservice Verwaltungs GmbH	Augsburg	NK	33.33
BSB Betonexpress Verwaltungsges.mbH	Berlin	NK	100.00
BSL Tunnel- und Montanbau GmbH	Bad Frankenhausen	NK	100.00
BSS Tunnel- und Montanbau GmbH	Bern	NK	100.00
BT-Plan Gesellschaft für bautechnisches Planen mbH	Cologne	NK	100.00
Büro Center Ruppmanstraße GmbH	Stuttgart	NK	50.00
Bürozentrum Honauerstraße Projektentwicklungsgesellschaft			
m.b.H.	Vienna	NK	100.00
Bug-AluTechnic GmbH	Kennelbach	VK	100.00
Bug-Alu Technic GmbH	Günzburg	NK	100.00
Bug-Alu Technic UK Limited	Chertsey	NK	100.00
BUG Metalltechnik GmbH	Wien	NK	76.00
BUSINESS BOULEVARD Errichtungs- und Betriebs GmbH	Vienna	VK	100.00
BVHS Betrieb und Verwaltung von Hotel- und Sportanlagen			
GmbH	Berlin	NK	100.00
C.S. Bitunova spol. s.r.o.	Zvolen	VK	100.00
CAG Cottbuser Asphaltgesellschaft mbH & Co. KG	Vetschau	NK	100.00
CAG Cottbuser Asphaltgesellschaft mbH	Vetschau	NK	100.00
Carb SA	Brasov	VK	99.47
Cariera Mateias Sud SRL	Arges, Sat Leresti	NK	100.00
CAW Chemnitzer Asphaltmischwerk GmbH	Chemnitz	NK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
China Harbour Engineering & Co. GmbH	Duisburg	NK	50.00
Clubdorf Sachrang GmbH	Cologne	NK	100.00
CLS Construction Legal Services GmbH	Cologne	VK	100.00
CMO-Ceske a moravske obalovny s.r.o.	Sobeslav	VK	100.00
Colonus Carré Entwicklungsgesellschaft mbH	Cologne	VK	51.00
Cottbuser Frischbeton GmbH	Cottbus	NK	100.00
CSE Centrum-Stadtentwicklung GmbH	Cologne	NK	50.00
D Development Senica, a.s.	Bratislava	NK	41.00
d+p Ingenieurgesellschaft für Straßendaten und Baustoffprüfungen GmbH	Berlin	NK	49.91
D-47 Holding Company B.V.	Amsterdam	NK	47.50
Dalnicni stavby Praha, a.s.	Prague	VK	100.00
Dalnicne stavby Slovensko, s.r.o.	Bratislava	NK	100.00
Damm BV	AK Den Haag	NK	100.00
DBR Döbelner Baustoff und Recycling GmbH	Taucha	NK	50.00
De Brand 2 BV	AK Den Haag	NK	100.00
Deutsche Asphalt GmbH	Cologne	VK	100.00
Deutsche Asphalt Polska Sp.z.o.o.	Breslau	NK	100.00
Deutsche Immobilien Kurhaus-Hotel Travemünde GmbH & Co. KG	Rostock	NK	50.00
Dialnicne stavby Slovensko s.r.o.	Bratislava	NK	100.00
DIFMA Deutsches Institut für Facility Management GmbH	Nürnberg	NK	57.00
Dimmoplan Verwaltungs GmbH	Tübingen	NK	100.00
DIRECTROUTE (FERMOY) CONSTRUCTION LIMITED	Dublin	EK	25.00
Dordrecht Diensten B.V.	Dordrecht	NK	100.00
Dreßler Bauträger GmbH & Co. "Erlenbach"-Objekt KG	Aschaffenburg	NK	50.00
DRUMCO SA	Timisoara	VK	70.00
DRUMURI SI PODURI SA	Buzau	NK	100.00
DUF Rent Ingatlanhasznosító és Szolgáltató Korlátoli Felelősségű Társaság	Budapest	NK	30.00
Dyckerhoff & Widmann AG and Partner LLC	Oman	VK	100.00
Dywidag (Malaysia) Sdn. Bhd.	Kuala Lumpur	NK	100.00
DYWIDAG Bau GmbH	Munich	VK	100.00
DYWIDAG Construction GmbH	Dresden	NK	100.00
DYWIDAG Guinea Ecuatorial Sociedad Limitada	Mongomeyen	NK	65.00
Dywidag India Private Limited	Maharashtra	NK	100.00
Dywidag Insaat Limited Sirketi	Ankara	NK	100.00
DYWIDAG International GmbH	Munich	VK	100.00
Dywidag LNG Korea Chusikhoesa	Seoul	NK	100.00
DYWIDAG Romania S.R.L	Bucharest	NK	100.00
Dywidag Saudi Arabia Limited	Jubail Saudi Arabia	VK	100.00
DYWIDAG Schlüsselfertig und Ingenieurbau GmbH	Munich	VK	100.00
DYWIDAG-Holding GmbH	Cologne	VK	100.00
E.S.-Erdbau GmbH	Innsbruck	NK	100.00
Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH	Bayreuth	VK	100.00
Eberhardt Bau-Gesellschaft mbH	Berlin	VK	100.00
EBERHARDT Bau-GmbH	Vienna	NK	100.00
Eckstein Holding GmbH	Kennelbach	VK	100.00
Eduard Hachmann GmbH	Lunden	VK	100.00
Edificio Bauvorbereitungs- und Bauträgersgesellschaft mb.H.	Vienna	NK	100.00
Eggstein AG	Kriens	VK	100.00
Egolf AG Strassen- und Tiefbau (Zurich)	Wallisellen	NK	100.00
Egolf AG Weinfeldern	Weinfeldern	VK	100.00
Egolf Baustoffe AG	Bürglen	VK	100.00
Egolf Bauunternehmungen AG	Weinfeldern	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Eichholz Eivel GmbH	Berlin	NK	100.00
Eichholz Rail GmbH	Lauda-Königshofen	VK	100.00
Eisen Blasy Reutte GmbH	Reutte	NK	50.00
Eisenkappler Edelsplittwerk Gesellschaft m.b.H.	Eisenkappel-Vellach	NK	100.00
Elmbaurent Beteiligungs-GmbH Schöningen	Schöningen	NK	33.26
Elmbaurent GmbH & Co.KG Schöningen	Schöningen	NK	28.00
ERA Epitö es Letesitmenyfejllesztö Korlatolt Felelössegü Tarsasag	Budapest	NK	100.00
ERA Stav s.r.o.	Prague	NK	100.00
Eraproject Immobilien-, Projektentwicklung und Beteiligungsverwaltung GmbH	Berlin	VK	100.00
Erlaaer Straße Liegenschaftsverwertungs-GmbH	Vienna	NK	99.72
ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H.	Vienna	VK	100.00
Errichtungsgesellschaft Strabag Slovensko s.r.o.	Bratislava-Ruzinov	VK	100.00
Erschließungsgesellschaft "Am Schloßberg" Pantelitz mbH	Neubrandenburg	VK	100.00
ETG Erzgebirge Transportbeton GmbH	Freiberg	VK	60.00
EURL DYWIDAG ALGERIE	Alger	NK	100.00
Euro Services GmbH, Möhrfelden-Walldorf	Möhrfelden-Walldorf	NK	100.00
EUROPARK Wien Garagen- Errichtungs- und Verwertungsgesellschaft m.b.H.	Vienna	NK	30.00
Ezel Bauunternehmung Sindelfingen GmbH	Sindelfingen	VK	100.00
F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG	Eggendorf	VK	100.00
Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH	Vienna	VK	100.00
Fachmarktzentrum Kielce Projekt GmbH	Berlin	NK	100.00
Facility Management Austria GmbH	Spittal an der Drau	VK	100.00
FACILITY MANAGEMENT Croatia drustvo s ogranicenom odgovoroscu za odrzavanje i upravljanje nekretninama	Zagreb	NK	100.00
Facility Management Hungaria Letesitmenygazdalkodasi Tanacsado es Szolgaltato Korlatolt Felelössegü Tarsasag	Budapest	NK	100.00
Facility Management o.o.o.	Moscow	NK	100.00
Facility Management Polska Sp.z.o.o.	Warsaw	VK	100.00
FACILITY MANAGEMENT Romania SRL	Bucharest	NK	100.00
Friedrich Preusse Bauunternehmung Gesellschaft mit beschränkter Haftung	Braunschweig	VK	100.00
Frischbeton Wachau GmbH & CO.KG	Wachau	NK	45.00
FUSSENEGGER Hochbau und Holzindustrie GmbH	Dornbirn	VK	100.00
Gama Strabag Construction limited	Dublin	NK	40.00
Gartensiedlung Lackenjöchel Liegenschaftsverwertungs GmbH	Vienna	NK	99.73
Gesellschaft für Umweltanalytik mbH	Chemnitz	NK	100.00
Gesundheitszentrum Bremen-Findorff GbR	Bremen	NK	50.00
GFR remex Baustoffaufbereitung GmbH & Co. KG, Krefeld	Krefeld	NK	50.00
GFR remex Baustoffaufbereitung Verwaltungs-GmbH Krefeld	Krefeld	NK	50.00
Goldeck Bergbahnen GmbH	Spittal an der Drau	VK	100.00
GRADBENO PODJETJE IN KAMNOLOM GRASTO d.o.o.	Ljubljana	VK	99.85
Grand Hotel Interests Limited	Guernsey	NK	75.00
Grandemar S.A.	Cluj-Napoca	NK	41.27
Gröne-Bau GmbH & Co. KG	Halberstadt	NK	100.00
Gröne-Bau Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H.	Vienna	NK	61.00
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H. & Co. KG.	Vienna	NK	62.00
GVD Versicherungsvermittlungen – Dienstleistungen GmbH	Cologne	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
GWP Steinbruch Ges.m.b.H.	Oberpetersdorf	NK	100.00
H. Westerthaler Baugesellschaft m.b.H.	St. Johann i. Pongau	VK	100.00
H.I.C. Gesellschaft für Projektierung und Bau von sozialen Einrichtungen mbH	Bremen	NK	98.00
HAW-Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft	Cologne	NK	35.00
HEILIT + WOERNER Bau GmbH	Munich	VK	100.00
HEILIT + WOERNER Budowlana Sp. z o.o.	Breslau	VK	100.00
HEILIT Umwelttechnik GmbH	Düsseldorf	VK	100.00
HEILIT+WOERNER Bau GmbH	Vienna	VK	100.00
Helmus Beteiligungsgesellschaft mit beschränkter Haftung	Vechta	NK	100.00
Helmus Straßen-Bau-Gesellschaft mbH und Co. KG	Vechta	VK	100.00
HILU Leitungsbau GmbH	Nürnberg	NK	100.00
HOTEL VIA Közkereseti Tarsasag	Keszthely	NK	43.00
H-PROJEKT II.Ingatlanfejlesztö Korlatolt Felelőségi Tarsasag	Budapest	NK	100.00
Hrusecka Obalovna s.r.o.	Hrusky	NK	80.00
HRG Rohrsanierungs-GmbH	Cologne	NK	100.00
H-TPA Innovacios es Minösegvizsgalo Korlatolt Felelőségi Tarsasag	Budapest	VK	100.00
Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung	Cologne	NK	35.00
I.D.D. Promet za promet gradevinskih proizvoda drustvo s ogranicenom odgovornoscu	Vukovina b.b.	NK	80.00
IBV-Immobilien Besitz- und Verwaltungsgesellschaft mbH Werder	Cologne	NK	99.00
IGM VELIKA Industrija Gradevnog Materijala d.o.o.	Zagreb	NK	100.00
Ilbau GmbH Deutschland	Berlin	VK	100.00
Ilbau Liegenschaftsverwaltung GmbH	Spittal an der Drau	VK	100.00
Ilbau Liegenschaftsverwaltung GmbH	Dahlwitz-Hoppegarten	VK	100.00
Ilbau S.r.l.	Bozen	NK	100.00
Ilbau spol s.r.o.	Prague	VK	100.00
Ilbau-Kirchner A4 Motorway Construction S.C.	Opole	NK	50.00
IMOPROJEKT Immobilienentwicklungsgesellschaft mbH	Freiburg	NK	100.00
IMOTAVIRA — Promocao Imobiliaria S.A.	Lisbon	NK	50.00
Industrial Engineering and Contracting Co. S.A.R.L. i.L.	Beirut	NK	50.00
Industrial Engineering and contracting NV	Genk	NK	50.00
Industrielles Bauen Betreuungsgesellschaft GmbH	Stuttgart	VK	100.00
Industrija Gradevnog materijala ostra drustvo s ogranicenom odgovornoscu za proizvodnju	Zagreb	NK	51.00
InfoSys Informationssysteme GmbH	Spittal an der Drau	NK	100.00
INGSTROY SOFIA AD	Sofia	VK	100.00
Innerebner Baustahl GmbH	Wiener Neustadt	VK	100.00
INSOND Spezialtiefbau Gesellschaft mbH	Wien	VK	100.00
J + O Alsterfleet Grundstücks GmbH	Hamburg	NK	94.00
JAB Tarnava SP z.o.o.	Bobrovice	NK	50.00
Jafrem-Sociedade de Construcoes,Lda	Matosinhos	NK	75.00
Jakob Gärtner GmbH	Friedberg	VK	100.00
Jihoceska Obalovna, spol. s.r.o.	Budweis	NK	66.67
Josef Riepl Unternehmen für Hoch- und Tiefbau GmbH	Regensburg	VK	100.00
Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH	Schermsbeck	VK	100.00
JUMBO Betonpumpen Service GmbH & Co. KG	Lombach-Oberfohna	NK	50.00
KAB Kärntner Abfallbewirtschaftung GmbH	Klagenfurt	NK	36.25
KAB Straßensanierung GmbH	Spittal an der Drau	NK	50.60
KAB Straßensanierung GmbH & Co KG	Spittal an der Drau	VK	50.60

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Kaiserebersdorfer Straße Liegenschaftsverwertungs GmbH	Vienna	NK	99.73
KAMEN-INGRAD GRADNJA I RUDARSTVO drustvo s organicenom odgovornoscu	Zagreb	NK	51.00
KAMEN-INGRAD NISKOGRADNJA d.o.o.	Pozega	NK	51.00
KAMEN-INGRAD PROIZVODNJA d.o.o.	Velika	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	81.75
Kies- und Betonwerk AG Sedrun	Tujetsch	NK	35.00
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Grafing KG	Geretsried	NK	50.00
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Leitzinger Au KG	Geretsried	NK	50.00
Kiesabbau Gämmerler-Hütwohl Verwaltungs- GmbH	Königsdorf	NK	50.00
Kieswerk Diersheim GmbH	Rheinau-Diersheim	NK	60.00
Kieswerk Hohenwarthe GmbH	Hohenwarthe	NK	100.00
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH	Spittal an der Drau	NK	100.00
KÖKA Kö-es Kavicsbanyaszati Korlatolt Felelőségi Tarsaság	Budapest	VK	100.00
Königswall Invest B.V.	AK Den Haag	NK	100.00
Kopalnia Granitu Mikoszow Sp. z o.o.	Strzelin	VK	100.00
Kopalnie Melafiru w Czarnym Borze Sp. z o.o.	Czarny Bor	VK	99.23
KSR – Kamenolomy SR, s.r.o.	Zvolen	VK	100.00
Lafrentz Bau Berlin GmbH & Co. KG	Hamburg	NK	100.00
Lafrentz Bau Verwaltungsgesellschaft Berlin mbH	Hamburg	NK	100.00
LAS GmbH Lauterhofener Asphalt und Straßenbau GmbH	Lauterhofen	NK	100.00
Latasfalts GmbH	Milzkalne	NK	50.00
Leipziger Straßen- und Brückenbau GmbH & Co. KG	Halberstadt	NK	100.00
Leipziger Straßen- und Brückenbau Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
Leitner Gesellschaft m.b.H.	Hausmening	VK	100.00
Leonhard Moll Hoch- und Tiefbau GmbH	Munich	VK	100.00
Leonhard Moll Tiefbau GmbH	Munich	VK	100.00
Les Tuyaux Centrifugés du Rhin S.A.R.L.	Kilstett/Frankreich	NK	100.00
Liberecka Obalovna s.r.o.	Liberec	NK	50.00
Lieferasphalt Gesellschaft m.b.H.	Vienna	NK	50.00
Lieferasphalt Gesellschaft m.b.H. & Co.OHG	Maria Gail	NK	60.00
Lieferasphalt Gesellschaft m.b.H.& Co,Viecht	Viecht	NK	66.50
Lieferasphalt Gesellschaft m.b.H.& Co.OHG, Zirl	Vienna	NK	50.00
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	Linz	NK	33.33
LISAG Linzer Splitt- und Asphaltwerk GmbH.	Linz	NK	50.00
LISAG Linzer Splitt- und Asphaltwerk GmbH. & CO KG	Linz	NK	50.00
LRD AM GmbH & Co KG	Weimar	NK	50.00
Lumirova EP, spol s.r.o.	Prague	NK	100.00
M5 Autópálya Zártkörűen Működő Részvénytársaság	Kiskunfélegyháza	NK	50.00
M – Z Baugesellschaft mbH	Vienna	NK	100.00
Magyar Aszfalt Keverekgyarto es Epitölpari Korlatolt	Budapest	VK	100.00
Magyar Bau Holding Rt.	Budapest	NK	100.00
MAV Mineralstoff-Aufbereitung und -Verwertung GmbH	Krefeld	VK	50.00
MBSZ Magyar Betonpumpa Szolgáltató Korlatolt Felelőségi Tarsaság	Budapest	NK	100.00
Meyerhans AG Amriswil	Amriswil	VK	100.00
Meyerhans AG, Strassen- und Tiefbau Uzwil	Uzwil	VK	100.00
MIGU-Asphalt-Baugesellschaft m.b.H.	Lustenau	NK	50.00
Millonig + Schuster GmbH	Freistritz an der Drau	NK	66.00



<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
MIL-MERT Epitö Közkereseti Tarsasag	Budapest	NK	50.00
Mineral Abbau GmbH	Spittal an der Drau	VK	100.00
MINERAL IGM dionicko drustvo za proizvodnju i trgovinu gradevnim materijalom	Benkovac	VK	100.00
MINERAL K. S. K. drustvo s ogranicenom odgovornoscu	Rijeka	NK	100.00
MINERAL ROM S.R.L.	Brasov	NK	100.00
Mineral Trading Sp.z o.o.	Szczawno Zdroj	NK	100.00
Mischek Arbeiterwohnheim GmbH	Vienna	NK	100.00
Mischek Bauträger Service GmbH	Wien	VK	100.00
Mischek Leasing eins Gesellschaft m.b.H.	Vienna	VK	100.00
Mischek Systembau GmbH	Vienna	VK	100.00
Miskolci Shopping Center Ingatlanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelőségi Társaság	Budapest	NK	100.00
Mister Recrutamento Lda.	Lisbon	NK	100.00
MiTTaG spol. s.r.o. pozemni a prumyslove stavitelstvi	Brno	VK	100.00
Mitteldeutsche Braunkohle Strukturförderungsgesellschaft mbH (MBS)	Espenhain	NK	35.00
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H.	Ilz	NK	33.33
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. & Co.KG	Ilz	NK	52.67
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. und Co KG	Pinkafeld	NK	47.00
Murer SA Sedrun	Erstfeld	NK	100.00
Murer-Strabag AG	Erstfeld	VK	100.00
MUSIKVIERTEL Grundstücksentwicklung GmbH	Cologne	NK	100.00
N.R.C.S., s.r.o.	Bratislava	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 spol s.r.o.	Prague	VK	100.00
NEGUS LTD ZAO	Moscow	NK	100.00
Neubau Augasse 9 Errichtungs- und Vermietungsgesellschaft m.b.H.	Vienna	EK	50.00
NEUE REFORMBAU Gesellschaft m.b.H.	Vienna	NK	100.00
Newco Ramiz Sadiku Cikatova Quarry L.L.C.	Pristina	NK	100.00
NGM Verwaltungs GmbH	Nürnberg	NK	75.20
NGT Gebäudetechnik GmbH	Erlangen	NK	100.00
Niersberger Gebäudemanagement GmbH & Co. KG	Erlangen	VK	75.00
Niersberger Romania S.R.L.	Sibiu	NK	100.00
NOAG Autobahnerrichtungs AG	Vienna	NK	32.00
Nordostlabor Beteiligungsgesellschaft m.b.H. Nievelt Polen	Stockerau	NK	30.00
Nordpark Errichtungs- und Betriebs GmbH	Innsbruck	VK	100.00
NOSTRA Cement Gyártó és Kereskedelmi Korlátolt Felelőségi Társaság	Budaörs	NK	100.00
Novy Urengoy Bau- und Montage GmbH	Munich	NK	100.00
NR Bau- u. Immobilienverwertung GmbH	Berlin	NK	100.00
OAT – Bohr- und Fugentechnik Gesellschaft m.b.H.	Spittal an der Drau	VK	51.00
OAT s.r.o.	Prague	VK	80.00
OAT spol. s.r.o.	Bratislava	VK	100.00
OAT Uszczelnianie i Obrobka Betonu Sp.u.o.	Warsaw	NK	49.00
OAT Közlekedési Felületek Specialis Javitása Korlátolt	Budapest	VK	100.00
Obit spol. s.r.o.	Prague	NK	100.00
ODRA-ASFALT Sp. z o.o.	Szczecin	NK	33.33
OFIM HOLDINGS LIMITED	Cardiff	NK	46.25
ONTWIKKELINGSCOMBINATIE MAASMECHELEN N.V.	Antwerpen	NK	50.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Ooms-Ittner-Hof GmbH	Cologne	VK	100.00
OOO Züblin Ural	Ufa	NK	100.00
OSKEP JSC	Kiew	NK	51.00
Ostsächsische Brücken- und Ingenieur-Tiefbau GmbH	Neustadt/Sachsen	NK	100.00
Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH	Lavant i. Osttirol	VK	80.00
Otto Rohr GmbH	Helmstedt	VK	100.00
Ottokar Klug Gesellschaft m.b.H.	Wien	NK	100.00
Pagitz Metalltechnik GmbH	Spittal an der Drau	VK	100.00
PAM Pongauer Asphaltmischanlagen GmbH	St. Johann i.Pongau	NK	50.00
PAM Pongauer Asphaltmischanlagen GmbH & Co KG	St. Johann i. Pongau	NK	50.00
Park Service Hüfner GmbH & Co.KG	Stuttgart	NK	48.44
Parking Bowling Green GmbH	Stuttgart	NK	100.00
Passivhaus Kammelmweg Bauträger GmbH	Lauterbach	NK	100.00
Patrona Versicherungsvermittlungs-GmbH	Stuttgart	NK	100.00
Peter Geisler Tiefbauunternehmen GmbH	Hamburg	NK	100.00
Philman Holdings Company, Inc.	Makati City/Philippinen	NK	20.00
PL-Bitunova SP z.o.o.	Bierawa	VK	95.00
PLINIUS VASTGOED N.V.	Hasselt	NK	27.37
Plzenska obalovna, s.r.o.	Pilsen	NK	100.00
Poduzece ZA Ceste Split dionicko drustvo	Split	VK	87.31
POLSKI ASFALT Sp. z o.o.	Warsaw	NK	100.00
PP Prottelith GmbH i.L.	Hamburg	NK	100.00
PP Prottelith Produktionsgesellschaft mbH	Liebfens	NK	52.00
PPE Preusse Projektentwicklungsgesellschaft mbH	Hamburg	NK	100.00
PPP Management GmbH	Cologne	NK	100.00
PPP SchulManagement Witten GmbH & Co. KG	Cologne	NK	100.00
Preduzece za puteve "Zajecar" a.D.Zajecar	Zajecar	VK	93.29
PREFABRIKAT, spol. s.r.o.	Vel'ké Leváre	VK	100.00
PREFIN a.s.	Chrudim	VK	100.00
Preusse Baubetriebe Berlin-Brandenburg GmbH	Cologne	NK	100.00
Preusse Baubetriebe Gesellschaft mit beschränkter Haftung	Halberstadt	VK	100.00
Preusse Baubetriebe und Partner GmbH & Co. KG	Halberstadt	VK	100.00
Preusse Baubetriebe und Partner Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
Preusse Bauholding GmbH & Co. KG	Hamburg	VK	100.00
Preusse Bauholding Verwaltungsgesellschaft mbH	Hamburg	NK	100.00
PREZIPP, s.r.o.	Chrudim	VK	100.00
PRO Liegenschaftsverwaltungs- und Verwertungsgesellschaft m.b.H.	Vienna	VK	100.00
Projekta Bauvorbereitungsgesellschaft m.b.H. Nfg.KG	Vienna	EK	50.00
PRO-Lassallestraße-Grundstücksverwertungsgesellschaft m.b.H.	Vienna	NK	50.00
PROTECTA Gesellschaft für Oberflächenschutzschichten mbH	Düsseldorf	VK	75.00
PROTTELITH Zlín, s.r.o.	Napajedla	NK	100.00
Przedsiębiorstwo Budownictwa Ogólnego i Usług Technicznych, Slask Sp. z o.o.	Katowice	VK	60.98
PWG-Bau Pfersee Wohn- und Gewerbebauträger GmbH & Co.KG	Munich	NK	50.00
PWG-Bau Pfersee Wohn-und Gewerbebauträger Verwaltungs GmbH	Munich	NK	50.00
Pyhrn Concession Holding GmbH	Cologne	VK	100.00
Pyhrn Motorway GmbH	Aschheim	VK	100.00
RAE Recycling-Asphaltwerk Eisfeld GmbH & Co.KG	Eisfeld	NK	25.00
RAE Recycling-Asphaltwerk Eisfeld Verwaltungs GmbH	Eisfeld	NK	25.00
Raiffeisen evolution project development GmbH	Vienna	EK	20.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
RAM Regensburger Asphalt-Mischwerke GmbH & Co KG	Barbing	NK	44.33
Rathaus-Carrée Saarbrücken Grundstücksentwicklungs Gesellschaft mbH	Cologne	NK	24.97
Rathaus-Carrée Saarbrücken Grundstücksentwicklungsgesellschaft mbH & Co.KG	Cologne	NK	25.00
RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H.	Linz	VK	100.00
RE Wohnungseigentumserrichtungs GmbH	Vienna	NK	75.00
Regensburger Asphalt-Mischwerke GmbH	Barbing	NK	44.33
REMEX Coesfeld Gesellschaft für Baustoffaufbereitung mbH	Dülmen-Buldern	NK	50.00
RFM Asphaltmischwerk GmbH & Co KG	Traiskirchen	NK	33.33
RFM Asphaltmischwerk GmbH.	Wienersdorf-Oeynhausen	NK	33.33
Rhein-Regio Neuenburg Projektentwicklung GmbH	Neuenburg am Rhein	NK	90.00
Rieder Asphaltgesellschaft m.b.H.	Ried im Zillertal	NK	50.00
Rieder Asphaltgesellschaft m.b.H. & Co. KG.	Ried im Zillertal	NK	50.00
RKB Rohrleitungs- und Kanalbau GmbH	Berlin	VK	100.00
RKH Rheinkies Hitdorf GmbH & Co. KG	Bergheim	NK	33.33
RKH Rheinkies Hitdorf Verwaltungs GmbH	Bergheim	NK	33.33
Roba Asphalt GmbH	Augsburg	VK	100.00
Roba Asphaltmischwerke Düsseldorf GmbH	Düsseldorf	NK	100.00
Roba Asphaltmischwerke Hohenlimburg GmbH	Hohenlimburg	NK	100.00
Roba Baustoff GmbH	Augsburg	VK	100.00
Roba Baustoff Leipzig GmbH	Leipzig	NK	100.00
Roba Kieswerk Merseburg GmbH	Merseburg	NK	100.00
Roba Quarzsplitzwerk Profen GmbH	Profen	NK	100.00
Roba Transportbeton GmbH	Augsburg	VK	100.00
Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung	Hamburg	VK	100.00
Rodinger Ingenieurbau GmbH	Roding	VK	100.00
RVE Gesellschaft für Reststoffverwertung und Entsorgung mbH	Lünen	EK	50.00
S.U.S. Abflussdienst Gesellschaft m.b.H.	Vienna	NK	100.00
Saale Asphalt GmbH & Co. KG	Dehlitz/Lösau	NK	73.50
Saale Asphalt Verwaltungs GmbH	Dehlitz/Lösau	NK	73.80
Sächsische Bauprüf- und Kontrollgesellschaft mbH	Chemnitz	NK	100.00
SALGO Shopping Center Ingatalanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelőségi Társaság	Budapest	NK	100.00
Salzburger Lieferasphalt OHG	Sulzau	NK	20.00
SAM Sächsische Asphaltmischwerke GmbH & Co. KG	Dresden	VK	100.00
SAM Sächsische Asphaltmischwerke Verwaltung GmbH	Dresden	NK	100.00
SAO BRVZ Ltd	Moscow	VK	100.00
SAT Útjavító Korlátolt Felelőségi Társaság	Budapest	VK	100.00
SAT s.r.o.	Prague	VK	100.00
SAT Sp. z o.o.	Olawa	VK	100.00
SAT Straßensanierung GmbH	Horhausen	VK	100.00
SAV Südniedersächsische Aufbereitungs- und Verwertungsgesellschaft mbH	Hildesheim	NK	50.00
SBR Verwaltungs GmbH	Kehl	VK	100.00
Schlackenkontor Bremen GmbH	Bremen	NK	50.00
SCHOTTERWERK EDLING GESELLSCHAFT M.B.H.	Klagenfurt	NK	74.00
Schotterwerk Schmohlhöhe GmbH	Bobritzsch	NK	100.00
Servis Kadr sp.z.o.o.	Wroclaw	NK	100.00
SF – Bau Ploiesti srl	Ploiest	NK	100.00
SF Cologne Ingenieurs Cameroun S.A.	Yaounde	NK	100.00
SF Consultants Nigeria	Lagos	NK	60.00
SF-Ausbau GmbH	Freiberg	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
SF-BAU Drei Vermögensverwaltung GmbH	Vienna	NK	100.00
SF-BAU Gesellschaft für Projektentwicklung und schlüsselfertiges Bauen mbH	Leipzig	NK	100.00
SF-BAU Grundstücksgesellschaft "ABC-Bogen" mbH	Cologne	NK	100.00
SF-BAU Projektentwicklung GmbH	Cologne	NK	100.00
SF-Immobilienfonds Beteiligungs-GmbH & Co.Nr.1 KG	Cologne	NK	100.00
Siroki Brijek	Mostar	NK	49.00
Slokenbeka SIA	Milkalne	EK	41.04
Slovasfalt, spol.s.r.o.	Bratislava	VK	100.00
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.	Prague	NK	50.00
Sportstättenervice Gesellschaft m.b.H.	Niederleis	NK	100.00
Stadtbaumeister Architekt Franz Böhm GmbH	Vienna	VK	100.00
Stahl + Verbundbau Gesellschaft für industrielles Bauen m.b.H.	Dreieich-Dreieichenhain	NK	30.00
Stalexport Autostrada Slaska S.A.	Katowice	NK	25.00
Stapelfeldt Baugesellschaft mbH & Co. KG	Soltau	NK	100.00
Stapelfeldt Verwaltungsgesellschaft mbH	Soltau	NK	100.00
Steinbruch Mauterndorf Gesellschaft m.b.H.	Mauterndorf im Lungau	NK	50.00
Stephan Beratungs-GmbH	Linz am Rhein	NK	30.00
Storf Hoch- und Tiefbaugesellschaft m.b.H.	Reutte	VK	100.00
Stoppacher Metalltechnik GmbH	Spittal an der Drau	NK	51.00
STR Lakasepitö Korlatolt Felelőssegü Tarsasag	Budapest	VK	100.00
Strabag a.s.	Prague	VK	100.00
STRABAG ABU DHABI LLC	Abu Dhabi	NK	100.00
STRABAG AG	Cologne	VK	65.85
STRABAG AG	Spittal an der Drau	VK	100.00
STRABAG Bau.S.L.	Madrid	NK	100.00
STRABAG Beograd d.o.o.	Belgrad	VK	100.00
STRABAG Beton GmbH & Co. KG	Berlin	VK	100.00
Strabag BiH, d.o.o.	Mostar	NK	100.00
STRABAG BMTI Benelux	Antwerpen	VK	100.00
STRABAG Bouw en Ontwikkeling B.V.	Dortrecht	VK	100.00
STRABAG BRVZ BENELUX	Antwerpen	VK	100.00
STRABAG Construction Nigeria	Ikeja	NK	100.00
Strabag za gradevinske poslove d.o.o.	Zagreb	VK	100.00
STRABAG Development SK s.r.o.	Bratislava	NK	100.00
Strabag Domodedovo OOO	Moscower Gebiet	NK	100.00
STRABAG Dubai LLC	Dubai	VK	100.00
STRABAG EAST AFRICA Ltd.	Nairobi	NK	100.00
STRABAG EOOD	Sofia	NK	100.00
Strabag Epitö Zartkörüen Muködo Reszvenytarsasag	Budapest	VK	100.00
STRABAG gradbene storitve d.o.o.	Ljubljana	VK	100.00
STRABAG Imobilija-agencija za posrednistvo v prometu z nepre micninami d.o.o.	Ljubljana	VK	100.00
Strabag Inc.	Toronto	VK	100.00
STRABAG Infrastruktur Development	Moscow	NK	100.00
Strabag International Benin SARL	Benin	NK	100.00
Strabag International GmbH	Cologne	VK	100.00
STRABAG Invest GmbH	Wien	NK	100.00
Strabag Kiew	Kiew	NK	100.00
Strabag Liegenschaftsverwaltung GmbH	Linz	VK	100.00
STRABAG OMAN	Muscat	VK	100.00
Strabag OOO	Moscow	NK	100.00
STRABAG Projektentwicklung GmbH	Cologne	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Strabag Qatar W.L.L.	Qatar	VK	100.00
STRABAG s.r.o.	Bratislava	VK	100.00
Strabag Sp. z o.o. Kirchner Gorzow Bypass spolka jawna	Gorzow	NK	49.00
STRABAG Sp. z o.o.	Warsaw	VK	100.00
STRABAG Sportstättenbau GmbH	Dortmund	VK	100.00
Strabag srl	Bucharest	VK	100.00
STRABAG Straßen- und Tiefbau Verwaltung GmbH	Spergau	NK	100.00
STRABAG Truppenkamp GmbH	Truppenkamp	NK	100.00
STRABAG Unterstützungskasse GmbH	Cologne	VK	100.00
Strabag z.a.o.	Moscow	VK	100.00
Strabag-Mert Építő Közkereseti Társaság	Budapest	NK	50.00
STRABAG-PROJEKT Sp. z o.o.	Warsaw	NK	100.00
Straßenbau Thüringen GmbH	Gotha	EK	50.00
Straßenbaustoffe Nonnendamm GmbH	Teltow	NK	33.10
Stratebau GmbH	Regensburg	VK	100.00
Stratebau Konsortium GbR	Regensburg	NK	50.00
STRAVIA Emulziogyarto es Utfenntarto Kft.	Budapest	NK	25.00
STRIBA Protonentherapiezentrum Essen GmbH	Cologne	NK	50.00
Stuag Bau Development GmbH	Cottbus	NK	100.00
SVG Stoll Gesellschaft für Vermietung und Verpachtung GmbH	Berlin	NK	100.00
Syrena Immobilien Holding Aktiengesellschaft	Spittal an der Drau	NK	50.00
Szamoto- es Ügyviteli Központ Korlatolt Felelőségi Társaság	Budapest	VK	100.00
Szentesi Vasutepítő Korlatolt Felelőségi Társaság	Budapest	VK	100.00
TBG Ceske Budejovice spol. s.r.o.	Budweis	NK	33.33
TBG drustvo s ogranicenom odgovornoscu za proizvodnju i distribuciju proizvoda od betona	Zagreb	NK	50.00
TBG Frissbeton Betongyarto Kft.	Pecs	NK	50.00
Tek Ermolino Sao	Moscow	NK	25.00
Tek Tunoschna Sao	Moscow	NK	25.00
Territorium Bauprojektentwicklungs-GmbH	Stuttgart	NK	100.00
Thüringer Straßenwartungs- und Instandhaltungsgesellschaft mbH	Apfelstädt	EK	33.33
Tiefbautechnik Gesellschaft m.b.H.	Linz	NK	100.00
Tiefbautechnik Gesellschaft m.b.H. & Co OHG	Linz	NK	100.00
Towarzystwo z obmeshenouj widpowidalnistju “Dywidag Ukraina GmbH”	Kiew	NK	99.00
TPA CR s.r.o.	Beroun	VK	100.00
TPA EOOD	Sofia	VK	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Cologne	VK	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Vienna	VK	100.00
TPA Instytut Badan Technicznych sp.z.o.o.	Pozan	VK	100.00
TPA odzavanje kvaliteta i inovacija drustvo s ogranicenom odgovornoscu	Zagreb	VK	100.00
TPA s.r.o.	Bratislava	VK	100.00
TPA Societate pentru asigurarea calitatii si inovatii SRL	Bucharest	VK	100.00
Transkipper Sp. z o.o.	Szczawno Zdroj	NK	100.00
Treuhandbeteiligung		VK	100.00
Treuhandbeteiligung M		NK	100.00
Ucka Asphalt d.o.o.	Potpican	NK	25.00
UND-FRISCHBETON s.r.o.	Kosice	NK	75.00
UNI-BAU Wohnungseigentumserrichtungs GmbH	Vienna	NK	100.00
UNIPROJEKT Bau- und Innenbau GmbH	Vienna	VK	100.00
Universitätszentrum Althanstraße Erweiterungsgesellschaft m.b.H.	Vienna	NK	100.00
Unterstützungseinrichtung für die Angestellten der ehemaligen Bau-Aktiengesellschaft “Negrelli” GesellschaftmbH	Vienna	NK	50.00
VAB d.o.o.	Varazdin	NK	34.50

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
VAL DI CHIEN TI SOCIETA' CONSORTILE PER AZIONI	Ravenna	NK	36.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H.	Linz	NK	75.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG	Linz	VK	75.00
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.	Spittal an der Drau	NK	50.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	Spittal an der Drau	VK	50.00
VIALIT-ASPHALT Podjetje za asfaltiranje in trgovino, d.o.o.	Laibach	NK	50.00
Viamont DSP a.s.	Aussig	EK	50.00
VIANOVA – Bitumenemulsionen GmbH	Fürnitz	NK	24.90
Vierte Vorratsgesellschaft mbH	Dresden	NK	100.00
Villacher Parkgaragen Gesellschaft m.b.H. & Co. KG	Spittal an der Drau	NK	100.00
VKG-Valentiner Kieswerk Gesellschaft m.b.H.	Linz	NK	50.00
Vojvodinaput-Pancevo a.d. Pancevo	Pancevo	VK	81.51
VULKANKÖ Banyaszati es Kereskedelmi Kft.	Keszthely	NK	50.39
Walter-Heilit/EpkerEpítőipari Kft.	Nyíregyháza	NK	50.00
WARSZAWSKIE ASFALTY Sp.z.o.o	Warsaw	NK	100.00
WE Pro Bauträger Gesellschaft m.b.H.	Vienna	NK	25.00
Westfuga GmbH	Cologne	NK	100.00
WIBAU Holding GmbH	Linz	NK	24.80
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	Zistersdorf	NK	33.33
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	Zistersdorf	NK	33.33
Wohnbau Tafelgelände Beteiligungs-GmbH	Nürnberg	NK	25.00
Wohnbau Tafelgelände GmbH & Co. KG	Nürnberg	NK	25.00
Wohnbauträgergesellschaft Objekt "Freising – Westlich der Jagdstraße" mbH	Cologne	NK	100.00
Wohnen am Krautgarten Bauträger GmbH	Wien	NK	100.00
WWOM Projektentwicklung GmbH	Vienna	NK	87.50
Xaver Bachner Gesellschaft m.b.H.	Straubing	NK	100.00
ZDE-Projekt Bahnhofs-Arkaden Hildesheim GmbH & Co.KG	Cologne	NK	100.00
Z.I.P.O.S. d.o.o.	Antunovac	NK	50.00
Z-Bau GmbH	Magdeburg	VK	100.00
Zentrum Rennweg S-Bahn Immobilienentwicklung GmbH	Vienna	VK	99.00
ZIPP BRATISLAVA spol. sr.o.	Bratislava	VK	100.00
ZIPP Brno s.r.o.	Brünn	NK	50.00
ZIPP CZ a.s.	Prague	NK	100.00
ZIPP GECA, s.r.o.	Geca	NK	100.00
ZIPP PRAHA, s.r.o.	Prague	VK	100.00
ZIPP REAL, a.s.	Brünn	NK	50.00
ZIPP SKALICA, spol.s.r.o.	Skalica	NK	46.00
Züblin Construction Consulting Co. Ltd.	Shanghai	NK	100.00
Züblin Construct s.r.l.	Bucharest	NK	100.00
Züblin Baugesellschaft m.b.H.	Wien	VK	100.00
Züblin Bulgaria EOOD	Sofia	NK	100.00
Züblin Chile Ingenieria y Construcciones Ltd.	Santiago	NK	100.00
Züblin Development GmbH	Cologne	VK	100.00
Züblin Ed. AG	Stuttgart	VK	57.26
Züblin Ground & Civil Engineering (L.L.C.)	U.A.E. Dubai	NK	100.00
Züblin Holding Ges. mbH	Wien	VK	100.00
Züblin Holding Thailand Co. Ltd.	Bangkok	NK	79.35
Züblin Hrvatska d.o.o.	Zagreb	VK	100.00
Züblin International GmbH	Stuttgart	VK	100.00
Züblin International GmbH Chile Ltda.	Santiago	VK	100.00
Züblin International Malaysia Sdn.Bhd	Kuala Lumpur	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Züblin International Qatar LLC	Doha Qatar	NK	49.00
Züblin K.F.T	Budapest	VK	100.00
Züblin Logistik und Informationssysteme GmbH	Stuttgart	NK	100.00
Züblin Maschinen- und Anlagenbau GmbH	Kehl	NK	100.00
Züblin Polska Sp. z o.o.	Poznan	VK	100.00
Züblin Projektentwicklung GmbH	Stuttgart	VK	100.00
Züblin Rohrvertriebs-GmbH	Kehl	NK	100.00
Züblin Romania S.R.L.	Bucharest	NK	100.00
Züblin Scandinavia AB	Sollentuna	VK	100.00
Züblin Scandinavia A/S	Viby	VK	100.00
Züblin Services GmbH	Stuttgart	NK	100.00
Züblin Shanghai Changjiang Construction Engineering Co. Ltd.	Shanghai	VK	75.00
Züblin Slovensko s.r.o.	Bratislava	NK	100.00
Züblin Spezialtiefbau GmbH	Stuttgart	VK	100.00
Züblin spol s.r.o.	Prague	VK	100.00
Züblin Stahlbau GmbH	Hosena	VK	100.00
Züblin Thailand Co. Ltd.	Bangkok	NK	99.98
Züblin Umwelttechnik GmbH	Stuttgart	VK	100.00
Züblin-Strabag AG	Zurich	VK	100.00
ZUCOTEC Sociedade de Construcoes, Lda.	Lisbon	VK	100.00
Zuidermeent B.V.	AK Den Haag	NK	100.00
Z-Design EOOD	Sofia	NK	100.00
Z-zwo Verwaltungsgesellschaft mbH & Co. KG	Stuttgart	NK	100.00

<sup>1)</sup> VK...Full consolidation  
EK...Equity accounting  
NK...No consolidation

# UNQUALIFIED AUDIT CERTIFICATE

## Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of

**STRABAG SE,  
Villach, Austria,**

for the financial year from January 1 to **December 31, 2006**. These consolidated financial statements comprise the balance sheet as at December 31, 2006, and the income statement, statement of changes in equity and cash-flow statement for the year ended December 31, 2006, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU. 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.

### Auditor's Responsibility

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 in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 entity'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 entity'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. Based on the results of our audit in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the group as of December 31, 2006, and of its financial performance and its cash-flows for the financial year from January 1 to December 31, 2006 in accordance with International Financial Reporting Standards as adopted by the EU.



## Report on Other Legal and Regulatory Requirements

Laws and regulations applicable in Austria require us to perform audit procedures whether the consolidated management report is consistent with the consolidated financial statements and whether the other disclosures made in the consolidated management report do not give rise to misconception of the position to the group.

In our opinion, the consolidated management report for the group is consistent with the consolidated financial statements.

Linz, April 10, 2007

*T&A*  
*Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH*

*KPMG Austria GmbH*  
*Wirtschaftsprüfungs- und Steuerberatungsgesellschaft*

/s/ Helge Löffler  
Dr. Helge Löffler  
Austrian Certified  
Public Accountant

/s/ Peter Humer  
Mag. Peter Humer  
Austrian Certified  
Public Accountant

/s/ Helge Löffler  
Dr. Helge Löffler  
Austrian Certified  
Public Accountant

/s/ Peter Humer  
Mag. Peter Humer  
Austrian Certified  
Public Accountant

This report is a translation of the original report in German.

**FINANCIAL STATEMENT 31.12.2007**

**CONSOLIDATED INCOME STATEMENT FOR 1.1.2007 – 31.12.2007**

	Notes	2007 T€	2006 T€
Revenue	(1)	9,878,600	9,430,621
Changes in inventories		-173,404	-173,119
Own work capitalized		44,692	19,438
Other operating income	(2)	192,384	219,194
Raw materials, consumables and services used	(3)	-6,730,453	-6,588,108
Employee benefits expense	(4)	-2,102,182	-1,831,660
Other operating expenses	(5)	-551,612	-601,958
Share of profit or loss of associates	(6)	19,407	6,361
Net investment income	(7)	18,467	21,638
<b>EBITDA</b>		<b>595,899</b>	<b>502,407</b>
Depreciation and amortization expense	(8)	-283,471	-229,678
<b>EBIT</b>		<b>312,428</b>	<b>272,729</b>
<b>Profit from the sale of associates</b>	(9)	<b>0</b>	<b>70,625</b>
Interest income	(10)	50,318	37,742
Interest expense	(10)	-86,490	-93,893
<b>Net interest income</b>		<b>-36,172</b>	<b>-56,151</b>
<b>Profit before tax</b>		<b>276,256</b>	<b>287,203</b>
Income tax expense	(11)	-68,642	-63,199
<b>Profit for the period</b>		<b>207,614</b>	<b>224,004</b>
Attributable to: Minority interest		37,385	32,653
Attributable to: Equity holders of the parent		170,229	191,351
Earnings per share (in €)	(28)	2.05	2.73

**STATEMENT OF RECOGNIZED INCOME AND EXPENSE**

	2007 T€	2006 T€
Differences arising from currency translation	9,995	17,861
Change in hedging reserves	707	7,299
Changes in actuarial gains and losses	2,432	-2,655
Changes in financial instruments IAS 39 and equity method	218	942
Deferred taxes on neutral change in equity	892	-5,154
<b>Net income recognized directly in equity</b>	<b>14,244</b>	<b>18,293</b>
Profit for the period	207,614	224,004
<b>Total of recognized income and expense for the period</b>	<b>221,858</b>	<b>242,297</b>
Attributable to: Minority interest	39,708	35,515
Equity holders of the parent	182,150	206,782

## CONSOLIDATED BALANCE SHEET AS OF 31.12.2007

Assets	Notes	31.12.2007 T€	31.12.2006 T€
<b>Non-current assets</b>			
Intangible assets	(12)	239,852	79,612
Property, plant and equipment	(12)	1,543,569	1,130,089
Investment property	(13)	149,407	155,208
Investments in associates	(14)	139,260	75,494
Other financial assets	(14)	223,567	318,290
Trade receivables	(17)	40,062	30,573
Other receivables and other assets	(17)	40,599	20,182
Deferred taxes	(15)	93,528	92,871
		<u>2,469,844</u>	<u>1,902,319</u>
<b>Current assets</b>			
Inventories	(16)	477,443	456,365
Trade receivables	(17)	2,448,074	2,315,342
Other receivables and other assets	(17)	379,678	315,535
Cash and cash equivalents	(18)	1,965,775	586,265
		<u>5,270,970</u>	<u>3,673,507</u>
		<u>7,740,814</u>	<u>5,575,826</u>
 <b>Equity and Liabilities</b>			
		<b>31.12.2007</b>	<b>31.12.2006</b>
		<b>T€</b>	<b>T€</b>
<b>Group equity</b>			
Share capital		114,000	70,000
Capital reserves		2,311,384	448,047
Retained earnings		445,120	339,970
Minority interests		225,950	177,877
	(19)	<u>3,096,454</u>	<u>1,035,894</u>
<b>Non-current liabilities</b>			
Provisions	(20)	625,863	630,303
Financial liabilities	(21)	484,772	484,536
Trade payables	(21)	30,556	13,392
Other liabilities	(21)	6,075	9,015
Deferred taxes	(15)	21,100	6,056
		<u>1,168,366</u>	<u>1,143,302</u>
<b>Current liabilities</b>			
Provisions	(20)	448,109	401,650
Financial liabilities	(21)	199,320	434,997
Trade payables	(21)	2,275,687	2,047,589
Other liabilities	(21)	552,878	512,394
		<u>3,475,994</u>	<u>3,396,630</u>
		<u>7,740,814</u>	<u>5,575,826</u>

## CONSOLIDATED CASH-FLOW STATEMENT FOR 1.1.2007 – 31.12.2007

	2007 T€	2006 T€
Profit for the period	207,614	224,004
Deferred taxes	-3,518	-19,718
Non-cash effective results from consolidation	1,513	-12,846
Non-cash effective results from associates	-7,091	-4,876
Depreciation/write-ups	288,781	233,176
Changes in long-term provisions	-16,616	25,598
Gains/losses on disposal of non-current assets	-21,844	-87,683
<b>Cash-flow from profits</b>	<b>448,839</b>	<b>357,655</b>
Change in items:		
Inventories	32,115	219,574
Trade receivables, construction contracts and consortia	-51,656	-262,797
Receivables from subsidiaries and receivables from participation companies	-9,576	-26,491
Other assets	-1,091	22,974
Trade payables, construction contracts and consortia	165,441	45,909
Liabilities from subsidiaries and liabilities from participation companies	-49,659	4,398
Other liabilities	-7,666	26,673
Current provisions	-32,758	58,456
<b>Cash-flow from operating activities</b>	<b>493,989</b>	<b>446,351</b>
Purchase of financial assets	-65,961	-57,721
Purchase of property, plant, equipment and intangible assets	-543,842	-347,020
Gains/losses on disposals of non-current assets	21,844	87,683
Disposals of non-current assets (carrying value)	165,495	67,850
Change in other cash pooling receivables	-19,064	2,871
Change in scope of consolidation	-199,385	-24,821
<b>Cash-flow from investing activities</b>	<b>-640,913</b>	<b>-271,158</b>
Change in bank borrowings	-330,825	-88,106
Change in bonds	25,000	75,000
Change in liabilities from finance leases	9,675	1,376
Change in other cash pooling liabilities	-4,275	-24,746
Acquisition of minority interest	0	-3,201
Capital increase/contributions	1,907,337	202,064
Distribution and withdrawals from partnerships	-82,857	-310,736
<b>Cash-flow from financing activities</b>	<b>1,524,055</b>	<b>-148,349</b>
Cash-flow from operating activities	493,989	446,351
Cash-flow from investing activities	-640,913	-271,158
Cash-flow from financing activities	1,524,055	-148,349
<b>Net change in cash and cash equivalents</b>	<b>1,377,131</b>	<b>26,844</b>
Cash and cash equivalents at the beginning of the year	586,265	555,857
Change in cash and cash equivalents due to currency translation	2,379	3,564
<b>Cash and cash equivalents at the end of the year</b>	<b>1,965,775</b>	<b>586,265</b>
Interest paid	65,741	70,298
Interest received	45,463	38,189
Taxes paid	71,170	69,301
Dividends received	21,194	21,255

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31.12.2007

### Basic Principles

STRABAG SE is one of Europe's leading construction groups. The company has its headquarters in Villach, Austria. From the 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 of Western Europe, on the Arabian Peninsula as well as in the project business in Africa, Asia and America. STRABAG's activities span the entire construction industry (Building Construction and 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 with reporting date of 31 December 2007 were drawn up under application of Article 245a Paragraph 2 of the Austrian Commercial 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 Article 245a Paragraph 1 of the Austrian Commercial Code (UGB) were fulfilled as well.

In addition to the Income Statement and the Balance Sheet, the Financial Statements include a Cash-flow Statement in accordance with IAS 7, a Statement of Changes in Equity and a Statement of Recognized Income and Expense (IAS 1). The Disclosures in the Notes also contain a Segment Reporting section in accordance with IAS 14.

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 group 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 to Accounting and Valuation Methods

The IASB has passed a series of changes to the existing body of IFRS as well as several new IFRS standards which must be applied as of 1 January 2007. The first-time application of the IFRS standards mentioned had the following consequences on STRABAG SE's consolidated financial statements as of 31 December 2007:

#### IFRS 7 Financial Instruments: Disclosures

IFRS 7 requires extensive disclosures about the significance of financial instruments for an entity's financial position and performance as well as qualitative and quantitative disclosures concerning the nature and extent of exposure to risks arising from financial instruments. These additional disclosure requirements resulted in no changes to the accounting and valuation methods.

#### IAS 1 Capital Disclosures

The amendments to IAS 1 involve additional disclosure requirements in the Consolidated Financial Statements. The new capital disclosure requirements had no effect on the accounting and valuation methods.

## Future Changes of Financial Reporting Standards

The IASB and the IFRIC approved further standards and interpretations. However, these were not required to be applied in the 2007 financial year. The amendments affect the following standards and interpretations:

	<b>Application for financial years which begin on or after</b>
IFRS 3 Business Combinations	1.1.2009
IFRS 8 Operating Segments	1.1.2009
IAS 1 Presentation of Financial Statements	1.1.2009
IAS 23 Borrowing Costs	1.1.2009
IAS 27 Consolidated Financial Statements and Accounting for Investments in Subsidiaries	1.7.2009
IAS 32 Financial Instruments: Presentation	1.1.2009
IFRIC 11 IFRS 2 – Group and Treasury Share Transactions	1.3.2007
IFRIC 12 Service Concession Arrangements <sup>1)</sup>	1.1.2008
IFRIC 13 Customer Loyalty Programmes	1.1.2008
IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1.7.2008

<sup>1)</sup> pending EU recognition

Effects on the Consolidated Financial Statements are expected in particular from the application of IAS 23 (Borrowing Costs) and from IFRIC 12 (Service Concession Arrangements). IAS 23 requires the capitalization of borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets. IFRIC 12 deals with the accounting of service concession arrangements and foresees the accounting of the arrangement as either a financial asset or an intangible asset.

Early application of the new standards is not planned.

## Scope of Consolidation

The Consolidated Financial Statements as of 31 December 2007 include STRABAG SE as well as all major domestic and foreign subsidiaries where STRABAG SE either directly or indirectly holds a majority of the voting rights. Major associated companies are reported in the Balance Sheet using the equity method.

Not included were 311 (Previous year: 278) companies whose influence on the Group's financial position, financial performance and cash-flows is insignificant. The output volume performed by the subsidiaries not included in the consolidated financial statements comes to less than 1.8% of the total output volume of the group.

Subsidiaries included in the 2007 Consolidated Financial Statements are given in the List of Subsidiaries, Associated Companies and Investments.

The financial year for all consolidated and associated companies – with the exception of Viamont DSP a.s., Aussig, Czech Republic, whose financial year ends on 31 May – is identical with the calendar year.

The number of consolidated companies changed in the 2007 financial year as follows:

	<b>consolidation</b>	<b>equity method</b>
Situation on 31.12.2006	241	12
First-time inclusions in year under report	50	4
Mergers in year under report	-9	0
Exclusions in year under report	-4	-2
<b>Situation on 31.12.2007</b>	<b><u>278</u></b>	<b><u>14</u></b>

## Additions to Scope of Consolidation

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

Company	Stake %	Date of acquisition or foundation
<b>Consolidation:</b>		
“Crnagoraput” AD, Podgorica	50.99	1.1.2007 <sup>1)</sup>
“GfB” Gesellschaft für Bauwerksabdichtungen mbH, Kobern-Gondorf	100.00	10.12.2007
“IT” Ingenieur- und Tiefbau GmbH, Kobern-Gondorf	100.00	10.12.2007
“Slaskie Drogi” SPOLKA z Ograniczona Odopowiedzialnoscia, Rybnik	100.00	5.11.2007
Al Hani General Construction Co., Tripoli	60.00	18.7.2007
ANTREPRIZA DE REPARATII SI LUCRARI ARL CLUJ S.A., Cluj-Napoca	100.00	4.9.2007
ASFALT SLASKI sp. z o.o., Gliwice	51.00	13.4.2007
Baugesellschaft Claus Alpen mbH, Neustadt	100.00	19.12.2007
Baukontor Gaaden Gesellschaft m.b.H., Gaaden	100.00	22.11.2007
BBS Baustoffbetriebe Sachsen GmbH, Hartmannsdorf	100.00	18.6.2007
Bitunova Kft., Budapest	100.00	28.08.2007 <sup>2)</sup>
BITUNOVA UKRAINA TOV, Brovary	60.00	1.1.2007 <sup>1)</sup>
BMTI d.o.o. Beograd, Belgrad	100.00	8.1.2007
BRVZ d.o.o. Beograd, Belgrad	100.00	8.1.2007
Cestar d.o.o., Slavonski Brod	74.90	3.7.2007
Diabaswerk Saalfelden Gesellschaft mbH, Saalfelden	100.00	1.1.2007
DRUMURI SI PODURI SA, Buzau	100.00	30.11.2007
ECS European Construction Services GmbH, Möhrfelden-Walldorf	100.00	1.1.2007
Eichholz Eivel GmbH, Berlin	100.00	1.1.2007 <sup>1)</sup>
Gebr. von der Wettern Gesellschaft mit beschränkter Haftung, Cologne	100.00	10.12.2007
GEORG BOERNER DACH UND STRASSE GMBH, Bad Hersfeld	75.00	21.2.2007
GRIPROAD Spezialbeläge und Baugesellschaft mbH, Cologne	100.00	10.12.2007
Fahrleitungsbau GmbH, Essen	100.00	25.4.2007
Frissbeton Kft., Budapest	100.00	28.8.2007 <sup>2)</sup>
Josef Möbius Bau-Aktiengesellschaft, Hamburg	70.00	26.11.2007
Kieswerke Weserbergland GmbH & Co. KG, Emmerthal	100.00	6.9.2007
Kurz Hoch- und Ingenieurbau GmbH, Walchsee	100.00	4.6.2007
LPRD Leszczynskie Przedsiębiorstwo Robot Drogowo-Mostowych sp. z o.o., Leszno	57.29	13.4.2007
Möbius Construction Ukraine Ltd., Nikolayev City	100.00	26.11.2007
NOSTRA Cement Gyártó és Kereskedelmi Korlátolt Felelősségű Társaság, Budapest	100.00	1.1.2007 <sup>1)</sup>
Ottokar Klug Gesellschaft m.b.H., Vienna	100.00	1.1.2007
Passivhaus Kammelmweg Bauträger GmbH, Vienna	100.00	1.1.2007 <sup>1)</sup>
Polski Asfalt sp. z o.o., Wroclaw	100.00	13.4.2007
Polski Asfalt Szczecin sp. z o.o., Stargard Szczecinski	100.00	13.4.2007
Polskie Kruszywa sp. z o.o., Wroclaw	100.00	13.4.2007
Stoppacher Metalltechnik GmbH, Spittal an der Drau	51.00	1.1.2007
STRABAG Development SK s.r.o., Bratislava	100.00	1.1.2007 <sup>1)</sup>
Strabag-MML Kft., Budapest	100.00	28.8.2007 <sup>2)</sup>
STRABAG Ras Al Khaimah LLC, Ras Al Khaimah	100.00	31.1.2007
Strabag Umwelthanlagen GmbH, Dresden	100.00	5.6.2007
TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd, Belgrad	100.00	8.1.2007
T S S Technische Sicherheits-Systeme GmbH, Cologne	100.00	10.12.2007
Utepitogepek Kft., Budapest	100.00	28.8.2007 <sup>2)</sup>
Weserbergland Verwaltungs GmbH, Emmerthal	100.00	6.9.2007
WMB Drogbud sp. z o.o., Czestochowa	51.00	13.4.2007
WOHNGARTEN SENSEGASSE BAUTRÄGER GMBH, Vienna	55.00	1.1.2007 <sup>1)</sup>
Wohnen am Krautgarten Bauträger GmbH, Vienna	100.00	1.1.2007 <sup>1)</sup>
Xaver Bachner Bauunternehmung GmbH, Straubing	100.00	1.1.2007 <sup>1)</sup>

Company	Stake %	Date of acquisition or foundation
Zezelivskij karier TOV, Zezelev	94.00	31.10.2007
Züblin Construct s.r.l., Bucarest	100.00	1.1.2007 <sup>1)</sup>
<b>Equity Method</b>		
AKA Alföld Koncesszios Autopalya Zrt., Budapest	25.12	1.1.2007 <sup>1)</sup>
Autocesta Zagreb-Macelj d.o.o., Krapina	50.98	1.1.2007 <sup>1)</sup>
Directroute (Limerick) Construction Limited, Fermoy	40.00	1.1.2007 <sup>1)</sup>
Kieswerk Rheinbach GmbH & Co. Kommanditgesellschaft, Cologne	50.00	10.12.2007

<sup>1)</sup> 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 2007. The foundation/acquisition of the company occurred before 1 January 2007.

<sup>2)</sup> The companies were created by spinning off from the fully consolidated Strabag Epitö Zartköröen Muködo Reszvenytársasag, Budapest.

In April 2007, the cartel authorities gave their approval for the takeover of the direct and indirect Polish subsidiaries of the Swedish construction group NCC. The group owns a number of asphalt mixing facilities and quarries. In the future, the acquired entities will do business under the name Polski Asphalt.

Due to price adaptation clauses in the transfer agreement, the final purchase price has not yet been determined.

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

	<b>Polski Asphalt- Group T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	65,369
Other non-current assets	42,561
Current assets	48,676
Increase in minority interest in equity	-4,729
Non-current liabilities	-552
Current liabilities	-45,299
	<b>106,026</b>
<b>Purchase price</b>	<b>106,026</b>
Acquired cash and cash equivalents	-8,633
<b>Net cash outflow from the acquisition</b>	<b>97,393</b>

Effective 1 January 2007, Linde-KCA-Dresden GmbH spun out its Environmental Plants business unit into a separate company and transferred it to STRABAG SE as Strabag Umwelanlagen GmbH. With the acquisition, STRABAG SE bolsters its environmental technology business with valuable know-how in process engineering and plant construction.

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

	<b>Strabag Umwelanlagen T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	5,683
Other non-current assets	1,398
Current assets	34,918
Non-current liabilities	-661
Current liabilities	-40,266
	<b>1,072</b>
<b>Purchase price</b>	<b>1,072</b>
Acquired cash and cash equivalents	-1,476
<b>Net cash inflow from the acquisition</b>	<b>-404</b>

In April 2007, STRABAG SE acquired the Essen, Germany-based Fahrleitungsbau GmbH. The company's business activities cover the entire value-added chain for the construction of railroad overhead lines.



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

	<b>Fahrleitungsbau T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	11,693
Other non-current assets	1,521
Current assets	15,613
Non-current liabilities	-4,899
Current liabilities	-8,932
<b>Purchase price</b>	<b>14,996</b>
Acquired cash and cash equivalents	-1,671
<b>Net cash outflow from the acquisition</b>	<b><u>13,325</u></b>

In October 2007, STRABAG acquired 100% of Cologne-based Gebr. von der Wettern GmbH. The cartel authorities approved the transaction on 10 December 2007. The acquisition serves to bolster the Group's competencies in the Transportation Infrastructure Segment and to expand the access to resources and raw materials in Germany.

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

	<b>Gebr. von der Wettern T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	27,853
Other non-current assets	25,433
Current assets	20,162
Non-current liabilities	-16,956
Current liabilities	-33,942
<b>Purchase price</b>	<b>22,550</b>
Acquired cash and cash equivalents	-3,069
<b>Net cash outflow from the acquisition</b>	<b><u>19,481</u></b>

In September 2007, STRABAG acquired a 70% stake in Hamburg-based Josef Möbius AG, a specialist in soil and hydraulic engineering. The deal was approved by the cartel authorities in November 2007. Möbius' area of competence largely comprises heavy earthmoving, road, railway and airport construction, the development of large industrial sites, the construction and maintenance of waterways, and dyking. Due to an existing put option by the previous owner, the company has been consolidated with 100% and the minority interest shown as a liability.

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

	<b>Möbius T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	10,165
Other non-current assets	72,305
Current assets	48,461
Non-current liabilities	-38,884
Current liabilities	-37,333
<b>Purchase price</b>	<b>54,714</b>
Acquired cash and cash equivalents	-15,466
Less non-cash-effective purchase price component	-16,414
<b>Net cash outflow from the acquisition</b>	<b><u>22,834</u></b>

To expand and strengthen the Building Materials business field, STRABAG acquired the following companies in the financial year 2007 or included them in the consolidated financial statements for the first time due to the increased volume of their business: GEORG BÖRNER DACH UND STRASSE GMBH, Bad Hersfeld; Dia-baswerk Saalfelden Gesellschaft mbH, Saalfelden; Baukontor Gaaden Gesellschaft m.b.H., Gaaden; Bitunova Ukraina Tov, Brovary; Zezelivsky Karier Tov, Zezeliv; BBS Baustoffbetriebe Sachsen GmbH, Hartmannsdorf; Kieswerke Weserbergland GmbH & Co. KG, Emmerthal.

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

	<b>Acquisitions Building Materials T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	3,472
Other non-current assets	38,766
Current assets	14,172
Increase in minority interest in equity	-1,377
Non-current liabilities	-23,123
Current liabilities	-1,134
<b>Purchase price</b>	<b>30,776</b>
Acquired cash and cash equivalents	-1,322
Less non-cash-effective purchase price component	-615
<b>Net cash outflow from the acquisition</b>	<b><u>28,839</u></b>

To expand an area-wide presence in the Transportation Infrastructures Segment in the CEE region, STRABAG acquired the following companies in the financial year 2007: ANTEPRIZA DE REPARATII SI LUCRARI ARL CLUJ S.A., Cluj-Napoca, Romania; “Crnagoraput” AD, Podgorica, Montenegro; and Cestar d.o.o., Slavonski Brod, Croatia.

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

	<b>Acquisitions CEE T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	14,317
Other non-current assets	30,247
Current assets	23,456
Increase in minority interest in equity	-4,517
Non-current liabilities	-8,982
Current liabilities	-26,849
<b>Purchase price</b>	<b>27,672</b>
Acquired cash and cash equivalents	-1,469
Less non-cash-effective purchase price component	-8,400
<b>Net cash outflow from the acquisition</b>	<b><u>17,803</u></b>

In Austria and Germany, the following companies were acquired or newly founded in the financial year 2007: Baugesellschaft Claus Alpen mbH, Neustadt, active in the Transportations Infrastructures Segment in Northern Germany; Stoppacher Metalltechnik GmbH, Spittal an der Drau, and Ottokar Klug Gesellschaft m.b.H, Vienna, and Kurz Hoch- und Ingenieurbau GmbH, Walchsee, all active in the Building Construction & Civil Engineering Segment.

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

	<b>Acquisitions Austria/ Germany T€</b>
<b>Acquired assets and liabilities:</b>	
Goodwill	2,685
Other non-current assets	13,482
Current assets	7,366
Increase in minority interest in equity	-49
Non-current liabilities	-6,139
Current liabilities	-13,126
<b>Purchase price</b>	<b>4,219</b>
Acquired cash and cash equivalents	-876
Less non-cash-effective purchase price component	-650
<b>Net cash outflow from the acquisition</b>	<b><u>2,693</u></b>

The purchase prices, acquired assets and liabilities of the remaining initial consolidations is represented as follows:

	<b>Others T€</b>
<b>Acquired assets and liabilities:</b>	
Other non-current assets	16,819
Current assets	19,798
Increase in minority interest in equity	-1,692
Non-current liabilities	-3,019
Current liabilities	-22,868
<b>Purchase price</b>	<b>9,038</b>
Acquired cash and cash equivalents	-2,762
Less non-cash-effective purchase price component	-7,230
<b>Net cash inflow from the acquisition</b>	<b><u>-954</u></b>

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

In the financial year 2007, negative goodwill in the amount of T€ 613 (Previous year: T€ 16,552) occurred. This amount is reported under Other Operating Income.

Assuming a fictitious first-time consolidation on 1 January 2007 for all acquisitions in the 2007 financial year, the consolidated revenue would amount to T€ 10,213,122 and consolidated profit would have decreased by a total of T€ -12,338.

All companies which were consolidated for the first time in 2007 contributed T€ 305,102 to revenue and T€ -48,721 to profit.

### **Acquisitions after the Reporting Period**

Further acquisitions were made between the end of the reporting period and the approval of the consolidated financial statements:

In February 2008, STRABAG acquired 100 % of Czech construction firm JHP spol s.r.o., a specialist in bridge-building. JHP spol s.r.o. generated revenues of about € 26.5 million in 2006 and last employed 280 people. The competent cartel authorities have already approved the transaction.

In February 2008, STRABAG acquired 51 % of Albanian construction firm Trema Engineering 2 Sh. P.K. Trema Engineering employs about 230 people and generated revenues of € 19 million in the 2006 financial year.

Pending approval by the cartel authorities, STRABAG acquired 100 % of Italian construction firm Adanti SpA. Adanti SpA is active in all segments in Italy. The company generated revenues of € 160 million in 2007 and employed 370 people. STRABAG Group has not obtained control over the company yet.

In March 2008, STRABAG acquired a majority stake in F. Kirchhoff AG. The Kirchhoff Group is the market leader in road construction in Baden-Württemberg. Kirchhoff is also active in the fields of raw materials extraction and processing as well as in the field of building construction and civil engineering. In 2007, the group generated an output volume of € 350 million and employed 1,600 people. STRABAG Group has not obtained control over the company yet.

In early April 2008, STRABAG acquired 85 % of Swedish construction company ODEN Anläggningars entreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, ODEN generated revenues of € 121 million and employed about 400 people. STRABAG Group has not obtained control over the company yet.

## Disposals from the Scope of Consolidation

As of 31 December 2007, the following companies were **no longer included in the scope of consolidation**:

### Consolidation:

“Slaskie Drogi” SPOLKA z Ograniczona Odpowiedzialnoscia, Rybnik	merger with Polski Asfalt Sp z o.o., Wroclaw
Colonus-Carré Entwicklungsgesellschaft mbH, Cologne	reduction of business activity
DRUMURI SI PODURI SA, Buzau	merger with Strabag srl, Bucharest
Dyckerhoff & Widmann AG and Partner LLC, Oman	reduction of business activity
DYWIDAG Schlüsselfertig und Ingenieurbau GmbH, Munich	reduction of business activity
Egolf AG Strassen- und Tiefbau, Weinfeld	merger with Egolf AG Strassen- und Tiefbau (former Egolf Bauunternehmungen AG), Weinfeld
Egolf Baustoffe AG, Bürglen	merger with Egolf AG Strassen- und Tiefbau (former Egolf Bauunternehmungen AG), Weinfeld
GVD Versicherungsvermittlungen – Dienstleistungen GmbH, Cologne	reduction of business activity
PREFABRIKAT, spol. s.r.o., Vel’ké Leváre	merger with ZIPP BRATISLAVA spol. s.r.o., Bratislava
Murer-Strabag AG, Erstfeld	merger with ZÜBLIN MURER AG, Zurich
Polski Asfalt Szczecin sp. z o.o., Stargard Szczecinski	merger with Polski Asfalt Sp z o.o., Wroclaw
Preusse Bauholding GmbH & Co. KG, Hamburg	accretion to Strabag AG, Cologne
Pyhrn Motorway GmbH, Aschheim	merger with Strabag International GmbH, Cologne

The de-consolidation of companies led to insignificant disposals among assets and liabilities.

## Methods of Consolidation

The financial statements of the domestic and foreign companies included in the 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 business combinations, is recognized separately from goodwill. If a useful life can be allocated to these assets, the planned amortization is made over the projected useful life. Intangible assets with an undefined useful life are tested annually for their fair value and amortized if necessary on the basis of an impairment test.

Any remaining differences on the assets side are capitalized as goodwill and submitted once annually to an impairment test in accordance with IAS 36.

In the financial year 2007, T€ 141,237 (Previous year: T€ 30,001) in goodwill arising from capital consolidation were recognized as asset.

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

The same principles of capital consolidation as in the case of consolidated companies, are applied to investments included under the equity method whereby the respective last available financial statements serve as the basis for the equity method. A goodwill of T€ 1,613 (Previous year: T€ 18,951) in the account balance results from the first-time application of the equity method of the newly acquired companies.

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 recognized in the non-current and current assets have been eliminated if they are material.

Minority 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 are converted into euro according to the functional currency concept (IAS 21). In all companies this is the respective local currency.

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€ 9,995 (Previous year T€ 17,861) are recognized directly in equity in the financial year 2007. The currency translation differences between the closing rate for the Balance Sheet and the average rate for the Income Statement are allocated to equity.

The recognition of forward exchange operations directly in equity (hedging) increased the retained earnings by T€ 707 (Previous year increase of T€ 7,299).

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

## **Accounting Policies**

### **Property, Plant and Equipment and Intangible Assets**

Acquired intangible assets and property, plant and equipment are recognized 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 in connection with the purchase or production are not capitalized.

Goodwill and intangible assets without a determinable useful life are subject to an annual impairment test in accordance with IAS 36 based on which the impairment is undertaken.

The annual impairment test identifies cash-generating units and assigns them a goodwill value. If the book value of a cash-generating unit including its goodwill exceeds the highest attainable value, an impairment loss will be recognized.

Amortization and depreciation of intangible and tangible assets is made 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 an impairment to asset's recoverable amount is made in accordance with IAS 36.

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

	<b>Useful life in years</b>
<b>Intangible assets:</b>	
Property rights / Utilization rights	5 - 50
Software	2 - 5
Patents, licences	3 - 10
<b>Tangible assets:</b>	
Buildings	10 - 50
Investment Property	10 - 35
Investments in third-party buildings	5 - 40
Machinery	3 - 18
Office equipment/furniture and fixtures	3 - 15
Vehicles	4 - 10

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 recognized 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 recognized 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 capitalized at the present value of the minimum payments at the beginning of leasing relations and depreciated over its useful life or over shorter contract terms. These are offset by the liabilities arising from future leasing payments, whereby the former are recognized 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 recognized as expenditure.

### **Financial Assets**

In accordance with IAS 28, investments in associates are recognized 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 due to immateriality not consolidated 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 discounted to their present value.

Securities classified as available for sale are on initial recognition recorded at acquisition costs and later recognized at fair value. Fair value changes are in principle recognized directly in equity and only recognized in the Consolidated Income Statement upon disposal of the security. The permanent impairment of securities classified as available for sale is recorded through profit and 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 realizable 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 recognized if the associated tax advantage is likely to be realizable. 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 realizable 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 in connection with the production are not capitalized.

## Trade and other Receivables

Trade receivables and other receivables are evaluated at their nominal value less impairment for realizable 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 or, in the case of hedging, at the hedged rate.

In the case of receivables from construction contracts, the results are realized 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. Impending losses from the further construction process are accounted for by means of appropriate depreciation.

If the costs incurred plus recognized 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 realized 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.

## Other Receivables and other Assets

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

Non-financial assets are measured at cost less impairment.

## 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 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 dismissal or at retirement.

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 2 and 12 monthly salaries. A provision is made for this obligation.

The provision for severance 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 recognized 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 effect in value of the change to these assumptions is recognized as actuarial gains and losses and is directly recognized in equity. Service costs are recognized in the employee benefits expense, interest costs in the allocation of provisions in the interest 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 other provisions take into consideration all realizable risks and uncertain obligations. They are recognized at the respective amount, which is necessary at the balance sheet date according to commercial judgement in order to cover future payment obligations, realizable risks and uncertain obligations within the group. Hereby the respective amount is recognized, 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 re-cultivate gravel sites are allocated according to the rate of utilization.

### **Financial Liabilities**

Liabilities are basically recognized 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 capitalized in the year of issue and deducted over the term.

### **Non-financial Liabilities**

Non-financial liabilities reported under Other Liabilities are carried at the repayment amount.

### **Contingent Liabilities**

Contingent liabilities are present or possible future obligations which are not reflected in the balance sheet as liabilities either because an outflow of resources is not probable. 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 utilization 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 Receivables or Other Liabilities.



Derivative financial instruments are measured on the basis of inter-bank conditions considering the loan margin applicable for STRABAG or on the basis of stock exchange prices, 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 financial mathematic 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 recognized 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 realization of the hedge transaction. Any potential changes in results due to the ineffectiveness of these financial instruments are recognized 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 realized 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 own projects, from trade to and services for consortia or joint ventures, from other services and from the sale of construction materials and bitumen are realized with the transfer of significant risks and rewards of ownership of the goods respectively with the rendering of the services.

### **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 realization of profits, the accounting and evaluation of provisions 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 development 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€ 9,878,600 (Previous year: T€ 9,430,621) 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 containing the annualized part of profits according to the level of completion of the respective contract (percentage of completion method) amount to T€ 9,033,845 (Previous year: T€ 8,769,273).

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:

	2007 mln. €	2006 mln. €
<b>Germany</b>	<b>3,802</b>	<b>3,988</b>
<b>Austria</b>	<b>2,114</b>	<b>2,079</b>
<b>Czech Republic</b>	<b>864</b>	<b>791</b>
<b>Poland</b>	<b>714</b>	<b>551</b>
<b>Hungary</b>	<b>614</b>	<b>806</b>
Slovakia	371	300
Russia	258	173
Croatia	160	191
other CEE countries	319	220
<b>Rest of CEE</b>	<b>1,108</b>	<b>884</b>
Switzerland	346	323
Benelux	248	219
other European countries	251	159
<b>Rest of Europe</b>	<b>845</b>	<b>701</b>
Middle East	316	203
Africa	145	128
Asia	114	110
America	110	144
<b>Rest of World</b>	<b>685</b>	<b>585</b>
<b>Total Output Volume</b>	<b><u>10,746</u></b>	<b><u>10,385</u></b>

### (2) Other Operating Income

The other operating income includes revenue from letting and leasing in the amount of € 23.3 million (Previous year: € 22.1 million), insurance compensation and indemnification in the amount of € 30.5 million (Previous year: € 25.6 million) and gains from exchange rate differences in the amount of € 35.5 million (Previous year: € 15.2 million) as well as gains from the disposal of fixed assets without financial assets in the amount of € 30.3 million (Previous year: € 24.4 million).

The income from reversal of provisions and impairment charges offset by a corresponding other expense are reported as Other Operating Expense as of the financial year 2007. The values for the previous years were adapted accordingly.

### (3) Raw Materials, Consumables and Services Used

	2007 T€	2006 T€
Raw materials, consumables	2,328,526	2,214,915
Services used	4,401,927	4,373,193
	<b><u>6,730,453</u></b>	<b><u>6,588,108</u></b>

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

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Wages	811,869	705,556
Salaries	890,011	771,791
Social security and related costs	361,424	323,946
Expenses for severance payments and contributions to employee provident fund	15,757	10,859
Expenses for pensions and similar obligations	4,997	3,035
Other social expenditure	18,124	16,473
	<u><b>2,102,182</b></u>	<u><b>1,831,660</b></u>

The expenses for severance payment 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. Actuarial gains and losses were recognized directly in equity. The proportion of interest included in the expenses for severance payments as well as for pensions and other obligations are recognized in the financial result.

Expenses from defined contribution plans amounted to T€ 6,334 (Previous year: T€ 5,694).

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

	<b>2007</b>	<b>2006</b>
Salaried Employees	21,513	19,133
Labourers	39,612	33,838
	<u><b>61,125</b></u>	<u><b>52,971</b></u>

#### (5) Other Operating Expenses

The other operating expenses of T€ 551,612 (Previous year: T€ 601,958) 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€ 38,438 (Previous year: T€ 29,392) are included.

The other operating expenses include losses from exchange rate differences in the amount of € 25.5 million (Previous year: € 22.0 million).

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

#### (6) Share of Profit or Loss of Associates

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Income from investments in associates	20,487	6,462
Expenses arising from investments in associates	-1,080	-101
	<u><b>19,407</b></u>	<u><b>6,361</b></u>

**(7) Net Investment Income**

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Investment income	27,540	25,713
Expenses arising from investments	-2,324	-5,353
Gains on the disposal and write-up of investments	1,697	3,737
Impairment of investment	-7,254	-2,432
Losses on the disposal of investments	-1,192	-27
	<u><b>18,467</b></u>	<u><b>21,638</b></u>

**(8) Depreciation and Amortization Expense**

Depreciation and amortization on property, plant and equipment and intangible assets are represented in the Consolidated Statement of Changes in Fixed Assets. In the year under report, impairment on property, plant and equipment to the amount of T€ 3,163 were made (Previous year: T€ 3,940). Impairment on goodwill amounts to T€ 3,924 (Previous year: T€ 15,120) and mainly concerns the in the Transportation Infrastructure Segment active company in Montenegro.

**(9) Profit from the sale of associates**

100% of the previous year's amount was from the sale of DEUTAG GmbH & Co KG due to anti-monopoly reasons. Previous year the amount was contained in the item "Share of profit or loss of associates".

**(10) Other Financial Results**

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Interests and similar income	50,318	37,742
Interests and similar expenses	-86,490	-93,893
<b>Net interest income</b>	<u><b>-36,172</b></u>	<u><b>-56,151</b></u>

Included in interest and similar expenses are interest components from the allocation of severance payment and pension provisions amounting to T€ 15,982 (Previous year: T€ 14,888).

**(11) Income Tax Expense**

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

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Current Taxes	72,160	82,917
Deferred Taxes	-3,518	-19,718
	<u><b>68,642</b></u>	<u><b>63,199</b></u>

The reasons for the difference between the Austrian corporate income tax rate of 25% valid in 2007 and the actual consolidated tax rate are as follows:

	2007 T€	2006 T€
Profit before tax	276,256	287,203
Theoretical tax expenditure 25%	69,064	71,800
Differences to foreign tax rates	-1,619	2,476
Change in tax rate Germany	-5,710	0
Non-tax-deductible expenses	6,954	2,207
Tax-free earnings	-9,450	-6,850
Tax effects of result from associates	-3,570	-561
Capital consolidation / Goodwill	-1,454	-1,154
Additional tax payments	3,562	300
Change of valuation adjustment on deferred tax assets	14,869	-98
Others	-4,004	-4,921
<b>Recognized income tax</b>	<b><u>68,642</u></b>	<b><u>63,199</u></b>

Change in tax rate Germany includes the effects due to the change of the corporate tax rate from 25% to 15% effective 1 January 2008.

### Notes on Items in the Consolidated Balance Sheet

#### (12) Property, Plant and Equipment and Intangible Assets

The composition and changes of intangible assets, goodwill and property, plant and equipment is represented in the Consolidated Statement of Fixed Assets.

#### Goodwill

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

	31.12.2007 T€	31.12.2006 T€
Polski Asphalt Group	68,538	0
Gebr. von der Wettern GmbH, Cologne	27,853	0
Acquisitions in Eastern Europe	24,790	13,382
Strabag AG, Cologne	18,000	18,000
Ed. Züblin AG, Stuttgart	14,938	14,938
Fahrleitungsbau GmbH, Essen	11,693	0
Josef Möbius Bau-Aktiengesellschaft, Hamburg	10,165	0
Acquisitions Austria/Germany	8,462	2,305
Dywidag Holding Group	9,396	9,396
Stratebau Group	8,250	8,250
Strabag Umwelтанlagen GmbH, Dresden	5,683	0
Others	5,052	5,383
	<b><u>212,820</u></b>	<b><u>71,654</u></b>

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 recoverable value is the fair value or value in use determined from the discounted future cash-flows. The internal reporting figures, which are based on past experience as well as on future expectations of market performance, form the basis for the calculation. The discount rate for the future cash-flow corresponds to the segmental and country-specific weighted average cost of capital. The weighted average cost of capital ranged between 8.5% and 12%.

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€ 3,924 (Previous year: T€ 15,120) at 31 December 2007.

### Leasing

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

	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>T€</b>	<b>T€</b>
Property leasing	51,951	43,435
Machinery leasing	<u>58,884</u>	<u>26,262</u>
	<b><u>110,835</u></b>	<b><u>69,697</u></b>

Offset against these are liabilities arising from the present value of leasing obligations amounting to T€ 102,687 (Previous year: T€ 63,296).

The terms of the finance leases for property are between 4 and 20 years, while those for machines are between 2 and 8 years.

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

	<b>Present values</b>		<b>Payments</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>
Term up to one year	15,709	10,975	25,870	16,398
Term between one and five years	51,014	24,785	62,671	32,809
Term over five years	<u>35,964</u>	<u>27,536</u>	<u>37,775</u>	<u>26,357</u>
	<b><u>102,687</u></b>	<b><u>63,296</u></b>	<b><u>126,316</u></b>	<b><u>75,564</u></b>

In addition to the finance leases, there are also operating leases for the utilization of technical equipment and machinery. The expenses from these contracts are recognized in the income statement. The payments made for the financial year 2007 amount to T€ 63,663 (Previous year: T€ 54,252).

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

	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>T€</b>	<b>T€</b>
Term up to one year	33,351	24,141
Term between one and five years	81,944	60,172
Term over five years	<u>60,756</u>	<u>60,097</u>
	<b><u>176,051</u></b>	<b><u>144,410</u></b>

### Restrictions on Property, Plant and Equipment/Purchase Obligations

On the reporting date, there were no collaterals for aval loans (Previous year: € 5.2 million).

On the balance sheet date, there were € 32.8 million in contractual commitments for acquisition of property, plant and equipment which were not considered in the financial statement.

### (13) Investment Property

The development of investment property is shown in the Consolidated Change of Fixed Assets. As of 31 December 2007 the fair value of the investment property basically corresponds to the carrying value.

The rental income from investment property in the 2007 financial year amounted to T€ 12,112 (Previous year: T€ 10,516). Direct operating expenses totalling T€ 12,291 (Previous year: T€ 10,841) consisted of T€ 12,162 (Previous year: T€ 10,822) in expenses for rented and T€ 129 (Previous year: T€ 19) for unrented investment properties. Additionally, gains from asset disposals in the amount of T€ 1,305 (Previous year: T€ 0) were achieved and write-ups in the amount of T€ 302 (Previous year: T€ 0) were made.

#### (14) Financial Assets

Detailed information as to the group's investments (shareholdings of more than 20 %) can be found in the list of subsidiaries, associated companies and investments contained in the Financial Statements.

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

	Balance on 01.01.2007 T€	Currency translation T€	Change in scope of consolidation T€	Additions T€	Transfers T€	Disposals T€	Impairments T€	Balance on 31.12.2007 T€
Investments in associates	75,494	390	1,737	23,413	43,745	-5,519	0	139,260
Investments in subsidiaries	71,578	29	-4,199	23,239	556	-881	-3,922	86,400
Loans to subsidiaries	1,935	0	0	3,966	0	-649	0	5,252
Other investment	131,894	58	-4,576	15,608	-44,301	-4,504	-3,332	90,847
Loans to participation companies	1,322	0	500	2,120	0	-569	0	3,373
Securities	28,433	-10	362	154	0	-690	-443	27,806
Other loans	83,128	0	2	4,552	0	-77,793	0	9,889
	<b>393,784</b>	<b>467</b>	<b>-6,174</b>	<b>73,052</b>	<b>0</b>	<b>-90,605</b>	<b>-7,697</b>	<b>362,827</b>

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

	2007 T€	2006 T€
Total assets	2,124,858	391,935
Total liabilities	1,694,396	250,030
Revenue	593,661	437,031
Profit for the period	51,029	30,264

#### (15) Deferred Taxes

Temporary differences in amounts stated in the IFRS financial statements and the respective tax amounts stated affect the tax accruals and deferrals recognized in the balance sheet as follows:

	31.12.2007		31.12.2006	
	Assets T€	Liabilities T€	Assets T€	Liabilities T€
Property, plant and equipment and intangible assets	11,020	-57,764	8,788	-37,816
Financial assets	1,432	-9,535	1,204	-9,489
Inventories	2,714	-3,687	4,943	-849
Trade and other receivables	10,046	-71,181	18,310	-72,094
	<b>25,212</b>	<b>-142,167</b>	<b>33,245</b>	<b>-120,248</b>
Provisions	78,701	-9,184	80,072	-10,364
Liabilities	9,677	-4,324	11,104	-398
Tax loss carryforward	114,513	0	93,404	0
Deferred tax assets/liabilities	228,103	-155,675	217,825	-131,010
Netting out of deferred tax assets and liabilities of the same tax authorities	-134,575	134,575	-124,954	124,954
<b>Deffered taxes netted out</b>	<b>93,528</b>	<b>-21,100</b>	<b>92,871</b>	<b>-6,056</b>

Based on the currently valid tax regulations, it can be assumed that the differences between the tax-related investments and the proportional equity of the subsidiaries included in the consolidated financial statements remain basically tax-free. Therefore there was no accrual or deferral of taxes.

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

No deferred tax assets were made for differences in book value on the assets side and tax losses carried forward of € 487.4 million (Previous year: € 473.1 million), as their effectiveness as final tax relief is not sufficiently assured.

## (16) Inventories

	31.12.2007 T€	31.12.2006 T€
Raw materials, auxiliary supplies and fuel	204,748	115,341
Finished goods and buildings	84,344	84,258
Unfinished goods and buildings	100,712	176,970
Development land	71,191	73,073
Payments made	16,448	6,723
	<u>477,443</u>	<u>456,365</u>

In the financial year, impairment in the amount of T€ 1,527 (Previous year: T€ 13,632) was recognized on inventories excluding raw materials, auxiliary supplies and fuel. T€ 88,467 (Previous year: T€ 96,448) of the inventories excluding raw materials, auxiliary supplies and fuel were reported with the net realizable value.

## (17) Receivables and Other Assets

	total T€	31.12.2007 thereof current T€	thereof non-current T€	total T€	31.12.2006 thereof current T€	thereof non-current T€
<b>Trade receivables :</b>						
Receivables from construction contracts	4,016,768	4,016,768	0	3,251,843	3,251,843	0
Advances received	-3,125,418	-3,125,418	0	-2,379,855	-2,379,855	0
	891,350	891,350	0	871,988	871,988	0
Other trade receivables	1,262,486	1,222,896	39,590	1,172,633	1,142,060	30,573
Receivables from consortia	334,300	333,828	472	301,294	301,294	0
	<u>2,488,136</u>	<u>2,448,074</u>	<u>40,062</u>	<u>2,345,915</u>	<u>2,315,342</u>	<u>30,573</u>
<b>Other receivables and other assets :</b>						
Receivables from subsidiaries	84,459	74,501	9,958	78,992	78,992	0
Receivables from participation companies	39,471	37,754	1,717	39,790	39,076	714
Other receivables and accruals and deferrals	217,077	194,173	22,904	136,520	119,045	17,475
Non-financial assets	79,270	73,250	6,020	80,415	78,422	1,993
	<u>420,277</u>	<u>379,678</u>	<u>40,599</u>	<u>335,717</u>	<u>315,535</u>	<u>20,182</u>



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

	31.12.2007	31.12.2006
	T€	T€
<b>All contracts in progress at balance sheet date:</b>		
Costs incurred to balance sheet date	5,709,986	4,927,564
Profits arising to balance sheet date	274,943	171,717
Accumulated losses	-190,204	-179,238
less receivables recognized under liabilities	-1,777,957	-1,668,200
	<u><b>4,016,768</b></u>	<u><b>3,251,843</b></u>

Receivables from construction contracts amounting to T€ 1,777,957 (Previous year: T€ 1,668,200) are recognized in liabilities as advances received exceed the receivables.

As is 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 year under review, impairment on trade receivables developed as follows:

	31.12.2007	31.12.2006
	T€	T€
<b>Trade receivables before impairment</b>	<b>1,334,332</b>	<b>1,247,350</b>
<b>Impairment</b>		
<b>As of 1.1.</b>	<b>74,717</b>	<b>59,560</b>
Currency translation	268	548
Changes in scope of consolidation	4,531	3,978
Allocation/utilization	-7,670	10,631
<b>As of 31.12.</b>	<b>71,846</b>	<b>74,717</b>
<b>Book value of trade receivables</b>	<u><b>1,262,486</b></u>	<u><b>1,172,633</b></u>

## (18) Cash and Cash Equivalents

	31.12.2007	31.12.2006
	T€	T€
Securities	53,747	3,908
Cash on hand	3,097	2,783
Bank deposits	1,908,931	579,574
	<u><b>1,965,775</b></u>	<u><b>586,265</b></u>

## (19) Equity

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

The Annual General Meeting of 20 April 2007 voted to pay out a dividend of € 77 million. At the same time, non-operational loans made by the company were paid back ahead of schedule by the borrower, so that there was no liquidity outflow in the company (see also Notes on Related Parties).

The Annual General Meeting of 20 April 2007 also voted to increase the company's share capital from € 70,000,000 by € 25,000,000 to € 95,000,000 through the issue of no-par bearer shares. The previous shareholders expressly abstained from exercising their option on the new shares during the capital increase.

Of the new no-par shares, € 25,000,000 worth are being issued at a pro-rata value in the registered share capital of € 1 per share, and € 1,025,000,000 worth are being issued at a pro-rata value of € 41 per share, in the form of a premium, for a total of € 1,050,000,000.

The new shares were acquired in full by RASPERIA TRADING LIMITED, which is based in Limassol, Cyprus, and owned by Russian businessman Oleg Deripaska.

Following the occurrence of the condition precedent for the acquisition of the new shares (mostly the cartel approval), the capital increase subscribed by RASPERIA HOLDING LIMITED, Limassol, Cyprus, was paid in and entered into the commercial register on 21 August 2007.

For the implementation of the public offering, the General Meetings of 25 September 2007 and 2 October 2007 authorized the Management Board, with approval from the Supervisory Board, to increase the company's share capital from € 95,000,000 by up to € 19,000,000 to € 114,000,000 through the issue of no-par bearer shares.

STRABAG SE launched its public offering in October 2007, increasing its capital in two tranches from € 95,000,000 by € 19,000,000 to € 114,000,000 through the issue of 19,000,000 no-par bearer shares. The pre-IPO shareholders expressly waived their subscription rights. The issue price stood at € 47 per share.

The first tranche of the capital increase, in the amount of € 16,000,000, was entered into the commercial register on 19 October 2007; the second tranche, in the amount of € 3,000,000 related to the Green Shoe, was entered into the commercial register on 26 October 2007.

Shares of STRABAG SE have traded in the Prime Market Segment of the Vienna Stock Exchange (Wiener Börse) since 19 October 2007 and were accepted for listing in the ATX on 22 October 2007.

The expenses for the IPO in the amount of € 47,5 million were reconized directly in equity and deducted from the capital reserves. The tax effects were also eliminated and seperately shown in the capital reserves.

Retained earnings include differences arising from currency translation, statutory and mandatory reserves, financial instrument changes recorded directly in equity (including hedging reserves), as well as changes in equity from actuarial gains/losses from the calculation of provisions for personnel. The retained earnings also include the profit for the period as well as the result brought forward from previous periods of STRABAG SE and its consolidated subsidiaries, as far as these were not eliminated by the capital consolidation.

Details as to the equity of STRABAG SE are represented in the Statement of Changes in Equity:

### Statement of Changes in Equity

	Share capital T€	Capital reserves T€	Retained Earnings T€	Foreign currency reserves T€	Minority interests T€	Equity T€
<b>Balance at 1.1.2006</b>	<b>53,938</b>	<b>163,800</b>	<b>287,978</b>	<b>-9,193</b>	<b>408,947</b>	<b>905,470</b>
Changes FIMAG merger	16,062	85,247	159,051	0	-260,360	0
Differences arising from currency translation	0	0	0	15,418	2,443	17,861
Profit for the period			191,351	0	32,653	224,004
Changes in hedging reserves	0	0	6,474	0	825	7,299
Changes financial instruments IAS 39	0	0	622	0	320	942
Change of actuarial gains and losses	0	0	-3,227	0	572	-2,655
Deferred taxes on change in equity	0	0	-3,856	0	-1,298	-5,154
Change in minority interest resulting from initial consolidation					-3,201	-3,201
Contributions <sup>1)</sup>		199,000	3,064	0	0	202,064
Distribution of dividends <sup>1)</sup>			-307,712	0	-3,024	-310,736
Balance at 31.12.2006 =						
<b>Balance at 01.01.2007</b>	<b>70,000</b>	<b>448,047</b>	<b>333,745</b>	<b>6,225</b>	<b>177,877</b>	<b>1,035,894</b>
Differences arising from currency translation				8,689	1,306	9,995
Profit for the period			170,229		37,385	207,614
Change in hedging reserves			579		128	707
Changes financial instruments IAS 39 and equity method			117		101	218
Change of actuarial gains and losses			1,315		1,117	2,432
Deferred taxes on change in equity		11,890	1,221		-329	12,782
Change in minority interest resulting from initial consolidation					14,222	14,222
Capital increase	44,000	1,851,447				1,895,447
Distribution of dividends <sup>2)</sup>			-77,000		-5,857	-82,857
<b>Balance at 31.12.2007</b>	<b>114,000</b>	<b>2,311,384</b>	<b>430,206</b>	<b>14,914</b>	<b>225,950</b>	<b>3,096,454</b>

<sup>1)</sup> The dividend payments in 2006 included dividends of T€ 229,978 of FIMAG Finanz Industrie und Management AG (until 3 July 2006 group parent company) and dividends of STRABAG SE of T€ 194,025, of which T€ 116,290 remained in the group. This results in a total dividend of T€ 307,712. From this amount, shareholder contributions of T€ 202,064 must be deducted. For 2006, this results in a net reduction of equity of T€ 105,648. Expressed as a per-share amount given a total of 70,000,000 shares of STRABAG SE at 31 December 2006, this results in a distribution of dividends per share of € 1.51.

<sup>2)</sup> The total dividend payment of T€ 77,000 corresponds to a dividend per share of € 0.68 based on 114,000,000 shares at 31.12.2007.

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 is to safeguard the continuity of the group and protect 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 section 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 at 31 December divided by the balance sheet sum at 31 December. The equity contains all parts of the equity according to the balance sheet: share capital, capital reserves, retained earnings and minority interests.

The group equity ratio at 31 December 2007 amounted to 40% (Previous year: 18.58%). 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 on 1.1.2007 T€	Currency translations T€	Changes in scope of consolidation T€	Additions T€	Disposals T€	Impairments T€	Balance on 31.12.2007 T€
Provisions for severance payments	59,566	0	675	6,536	0	5,602	61,175
Provisions for pensions	282,581	0	21,851	15,072	0	25,968	293,536
Provisions for taxes	37,090	-178	1,490	10,211	1,101	9,431	38,081
Construction- related provisions	366,455	-4,489	56,166	71,623	12,972	103,092	373,691
Personnel-related provisions	137,058	-2,716	5,282	51,621	463	58,979	131,803
Other provisions	149,203	6,035	4,469	64,016	18,459	29,578	175,686
	<u>1,031,953</u>	<u>-1,348</u>	<u>89,933</u>	<u>219,079</u>	<u>32,995</u>	<u>232,650</u>	<u>1,073,972</u>

The short-term provisions involve provisions for taxes as well as other provisions in the amount of T€ 410,028 (Previous year: T€ 364,560). The long-term provisions amounting to T€ 625,863 (Previous year: T€ 630,303) involve for the most part severance provisions, pension provisions and provisions for guarantees.

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

	2007 T€	2006 T€
Present value of the defined benefit obligation (severance payment) on 1 January	59,566	54,380
Changes in scope of consolidation	675	1,910
Reclassifications	0	1,141
Current Service costs	3,231	3,096
Interest costs	2,722	2,629
Severance payments	-5,602	-7,177
Actuarial gains/losses	583	3,587
<b>Present value of the defined benefit obligation (severance payment) on 31 December</b>	<u>61,175</u>	<u>59,566</u>

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 (and length of service, salary of employee). Basically no new commitments have been awarded since 1999.

The company pension scheme 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 1999 (Austria). This is based on a discounting rate of 5.25% (Previous year: 4.75%) for

provisions for severance payments and pensions and a salary increase of 2.00% (Previous year: 2.00%) in the case of salary-related commitments. 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.

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

	2007 T€	2006 T€
Present value of the defined benefit obligation (pension) on 1 January	282,581	257,395
Changes in scope of consolidation	21,851	30,119
Current Service costs <sup>1)</sup>	1,812	2,140
Interest costs	13,260	12,259
Pension payments	-22,953	-18,399
Actuarial gains/losses	-3,015	-933
<b>Present value of the defined benefit obligation (pension) on 31 December <sup>2)</sup></b>	<b><u>293,536</u></b>	<b><u>282,581</u></b>

<sup>1)</sup> thereof change of plan assets T€ 4,515 (Previous year: T€ 88)

<sup>2)</sup> thereof deducted plan assets T€ 194 (Previous year: T€ 4,709)

The accumulated actuarial gains and losses for defined pension benefit plans and severance provisions, which were recognized directly in equity, as of 31 December 2007 amounted to T€ 14,392 (Previous year: T€ 16,824).

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

	31.12.2007 T€	31.12.2006 T€	31.12.2005 T€	31.12.2004 T€
Present value of the defined benefit obligation	61,175	59,566	54,380	48,990
Present value of defined benefit obligation (pension provision)	293,730	287,290	262,192	141,688
Fair value of plan assets (pension provision)	-194	-4,709	-4,797	0
<b>Budgeted deficit</b>	<b><u>354,711</u></b>	<b><u>342,147</u></b>	<b><u>311,775</u></b>	<b><u>190,678</u></b>
Experience adjustments of severance provision	583	3,587	4,216	2,182
Experience adjustments of pension provision	-3,015	-933	5,505	2,267
<b>Experience adjustments</b>	<b><u>-2,432</u></b>	<b><u>2,654</u></b>	<b><u>9,721</u></b>	<b><u>4,449</u></b>

### 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 litigation and restructuring. The provision in connection with the fraud and betrayal suspicions concerning Chemnitz is also reflected under other provisions. This provision was newly evaluated and adapted accordingly considering the present inquiries of the attorney.

**(21) Liabilities**

	total	31.12.2007 thereof current	thereof non-current	total	31.12.2006 thereof current	thereof non-current
	T€	T€	T€	T€	T€	T€
<b>Financial liabilities:</b>						
Bonds	325,000	50,000	275,000	300,000	50,000	250,000
Bank borrowings	252,395	133,611	118,784	552,384	374,022	178,362
Liabilities from finance leases	102,687	15,709	86,978	63,296	10,975	52,321
Other liabilities, accruals and deferrals	4,010	0	4,010	3,853	0	3,853
	<b>684,092</b>	<b>199,320</b>	<b>484,772</b>	<b>919,533</b>	<b>434,997</b>	<b>484,536</b>
	total	31.12.2007 thereof current	thereof non-current	total	31.12.2006 thereof current	thereof non-current
	T€	T€	T€	T€	T€	T€
<b>Trade payables:</b>						
Liabilities from construction contracts	-1,777,957	-1,777,957	0	-1,668,200	-1,668,200	0
Advances received	2,125,374	2,125,374	0	1,910,274	1,910,274	0
Other trade payables	1,766,741	1,736,185	30,556	1,611,592	1,598,200	13,392
Payables to consortia	192,085	192,085	0	207,315	207,315	0
	<b>2,306,243</b>	<b>2,275,687</b>	<b>30,556</b>	<b>2,060,981</b>	<b>2,047,589</b>	<b>13,392</b>
	total	31.12.2007 thereof current	thereof non-current	total	31.12.2006 thereof current	thereof non-current
	T€	T€	T€	T€	T€	T€
<b>Other liabilities:</b>						
Payables to subsidiaries	49,875	49,867	8	35,950	35,950	0
Payables to participation companies	22,769	22,769	0	24,905	24,905	0
Other liabilities, accruals and deferrals	214,764	209,282	5,482	206,374	197,989	8,385
Other receivables and other assets	271,545	270,960	585	254,180	253,550	630
	<b>558,953</b>	<b>552,878</b>	<b>6,075</b>	<b>521,409</b>	<b>512,394</b>	<b>9,015</b>

In order to secure liabilities to banks amounting to T€ 101,739 (Previous year: T€ 259,766) real securities have been booked.

**(22) Contingent Liabilities**

The Group has accepted the following **guarantees**:

	31.12.2007 T€	31.12.2006 T€
Guarantees without financial guarantees	14,029	37,007

As is customary in the industry, the STRABAG Group shares liability with the other partners of consortia and joint ventures in which companies of the STRABAG Group have a stake and takes out aval loans to cover bid, contract fulfilment and warranty obligations as well as prepayments.

**(23) 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:

	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>T€</b>	<b>T€</b>
Securities	53,747	3,908
Cash on hand	3,097	2,783
Bank deposits	<u>1,908,931</u>	<u>579,574</u>
	<u><b>1,965,775</b></u>	<u><b>586,265</b></u>

The cash and cash equivalents include deposits abroad in the amount of T€ 17,889 (Previous year: T€ 7,571), subject to the restriction that they may only be transferred to another country following official completion of the construction order.

Of the cash and cash equivalents, T€ 10,190 (Previous year: T€ 9,741) are pledged as collateral (see also item 24).

## **(24) 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 borrowing, bonds, liabilities arising from financial leasing and trade payables.

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

	Measurement category according to IAS 39	31.12.2007 Carrying Value	31.12.2007 Fair Value	31.12.2006 Carrying Value	31.12.2006 Fair Value
		T€	T€	T€	T€
<b>ASSETS</b>					
<b>Valuation at historical cost</b>					
Loans to subsidiaries	L&R	5,252	5,252	1,935	1,935
Loans to participation companies	L&R	3,373	3,373	1,322	1,322
Other loans	L&R	9,889	9,889	83,128	83,128
Trade receivables	L&R	2,488,136	2,488,136	2,345,915	2,345,915
Other receivables	L&R	330,569	330,569	245,572	245,572
Non-financial assets	no FI	79,270		80,415	
		<u>2,916,489</u>	<u>2,837,219</u>	<u>2,758,287</u>	<u>2,677,872</u>
<b>Valuation at fair value</b>					
Investments in subsidiaries	AfS	86,400	86,400 <sup>1)</sup>	71,578	71,578 <sup>1)</sup>
Other investments	AfS	90,847	90,847 <sup>1)</sup>	131,894	131,894 <sup>1)</sup>
Securities	AfS	27,806	27,806	28,433	28,433
Cash and cash equivalents	AfS	1,965,775	1,965,775	586,265	586,265
Derivatives (hedge accounting)		10,438	10,438	9,730	9,730
		<u>2,181,266</u>	<u>2,181,266</u>	<u>827,900</u>	<u>827,900</u>
<b>LIABILITIES</b>					
<b>Valuation at historical cost</b>					
Financial liabilities	FLaC	-684,092	-680,386	-919,533	-915,118
Trade payables	FLaC	-1,958,826	-1,958,826	-1,818,907	-1,818,907
Liabilities from construction contracts	no FI	-347,417		-242,074	
Other liabilities	FLaC	-287,408	-287,408	-267,229	-267,229
Non-financial liabilities	no FI	-271,545		-254,180	
		<u>-3,549,288</u>	<u>-2,926,620</u>	<u>-3,501,923</u>	<u>-3,001,254</u>
<b>Total</b>		<u>1,548,467</u>	<u>2,091,865</u>	<u>84,264</u>	<u>504,518</u>
<b>Measurement Categories according to IAS 39</b>					
Loans and Receivables (L&R)		2,837,219	2,837,219	2,677,872	2,677,872
Available for sale (Afs)		2,170,828	2,170,828	818,170	818,170
Financial liabilities at amortised costs (FLaC)		-2,930,326	-2,926,620	-3,005,669	-3,001,254
Derivatives (hedge accounting)		10,438	10,438	9,730	9,730
no financial instruments		-539,692		-415,839	
<b>Total</b>		<u>1,548,467</u>	<u>2,091,865</u>	<u>84,264</u>	<u>504,518</u>

<sup>1)</sup> Investments in subsidiaries and other investments amounting to T€ 168,386 (Previous year: 197,575) are recognized at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.

Cash and cash equivalents, trade receivables and other financial 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 carrying amounts 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 associated with them under consideration of the relevant applicable market parameters as far as market values were not available.



T€ 10,190 (Previous year: T€ 9,741) of the cash and cash equivalents, T€ 6,392 (Previous year: T€ 6,705) of the securities and T€ 9,333 (Previous year: T€ 12,607) of the other financial asset were pledged as collateral to secure liabilities.

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

	<b>L&amp;R</b>	<b>AfS</b>	<b>FLaC</b>	<b>Derivatives</b>	<b>L&amp;R</b>	<b>AfS</b>	<b>FLaC</b>	<b>Derivatives</b>
	<b>2007</b>	<b>2007</b>	<b>2007</b>	<b>2007</b>	<b>2006</b>	<b>2006</b>	<b>2006</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>
Interest	48,811		-67,645		36,893		-77,692	
Income from securities		1,138				637		
Impairment losses	-26,224	-8,079			-21,203	-3,323		
Reversal of								
Impairment losses	7,206	736			1,047	89		
Disposal losses/profits		507				4,601		
Gains from de-recognition of liabilities and payments of written off receivables	5,494		12,953		3,308		12,583	
<b>Net income recognized in profit or loss</b>	<b>35,287</b>	<b>-5,698</b>	<b>-54,692</b>	<b>0</b>	<b>20,045</b>	<b>2,004</b>	<b>-65,109</b>	<b>0</b>
Value changes recognized directly in equity	0	328		707		942		7,299
<b>Net income</b>	<b>35,287</b>	<b>-5,370</b>	<b>-54,692</b>	<b>707</b>	<b>20,045</b>	<b>2,946</b>	<b>-65,109</b>	<b>7,299</b>

Dividends and expenses from investments shown in the net investment income are part of the operating income and therefore not part of the net income. Impairment losses, reversal of impairment losses, disposal gains and disposal losses of Loans & Receivables (L&R) and of Financial Liabilities measured at amortized 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 (AfS) are carried in the net investment income if they are investments in subsidiaries or other investments, otherwise in net interest.

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 transactions. The goal of financial risk management is to minimize these risks through ongoing financially oriented activities.

The basics of the financial policy are set by the Board of Management 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 Board of Management, 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 € 325 million. As of 31 December 2007, following hedging transactions existed:

	2007		2006	
	Nominal value T€	Market value T€	Nominal value T€	Market value T€
Interest rate swaps	0	0	25,594	364
	0	0	1,250	23
		<u>0</u>		<u>387</u>

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 T€	Weighted average interest rate 2007
EUR	1,445,876	4.33
CZK	150,298	3.08
PLN	115,039	5.44
HUF	45,039	6.49
Others	152,679	3.23
<b>Total</b>	<b><u>1,908,931</u></b>	

### Bank Borrowings

	Carrying value T€	Weighted average interest rate 2007
EUR	244,488	5.48
Others	7,907	9.27
<b>Total</b>	<b><u>252,395</u></b>	

Had the interest rate level at 31 December 2007 been higher by 100 bp, then the result would have been higher by T€ 17,416 (Previous year: T€ 1,835) and the equity at 31 December 2007 would have been higher by T€ 17,416 (Previous year: T€ 2,550). Had the interest rate level been lower by 100 bp, 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 decentralized structure of the group, characterized 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 results when the currency of the order deviates from the functional currency of the subsidiary.

This involves in particular orders in Eastern Europe and the CIS states which are concluded in EUR. The planned proceeds are received in the currency of the order while an important part of the associated costs are made in the local currency.

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 2007, the following hedging transactions existed for the underlying transactions mentioned below:

Currency	Expected cash-flows 2008 in T€	Expected cash-flows 2009 in T€	Total	Positive market value of the designated hedging transaction	Negative market value of the designated hedging transaction
CZK	21,500		21,500	1,094	
HUF	114,300	75,000	189,300	1,511	-338
PLN	143,339	37,000	180,339	8,903	-814
SKK	30,043		30,043	82	
<b>Total</b>	<b>309,182</b>	<b>112,000</b>	<b>421,182</b>	<b>11,590</b>	<b>-1,152</b>

As of 31 December 2006, the following hedging transactions existed for the underlying transactions mentioned below:

Currency	Expected cash-flows 2007 in T€	Expected cash-flows 2008 in T€	Total	Positive market value of the designated hedging transaction	Negative market value of the designated hedging transaction
CAD	2,298		2,298		-7
DKK	153		153		0
CZK	15,000		15,000	71	
HUF	74,700	6,300	81,000	8,695	
PLN	75,000	15,000	90,000	1,076	-553
<b>Total</b>	<b>167,151</b>	<b>21,300</b>	<b>188,451</b>	<b>9,842</b>	<b>-560</b>

Of the derivative financial instruments classified as cash-flow hedges as of 31 December 2006, T€ 9,282 (Previous year: T€ 2,431) were shifted from equity and recognized in the consolidated income statement in the 2007 financial year.

No commodity hedges existed at 31 December 2007 (Previous year: Fair value T€ 61).

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

Currency	Exchange rate 31.12.2007 1 € =	Average 2007 1 € =	Exchange rate 31.12.2006 1 € =	Average 2006 1 € =
HUF	253.73	251.3742	251.77	264.1729
CZK	26.628	27.7325	27.485	28.2358
SKK	33.583	33.7698	34.435	37.0575
PLN	3.5935	3.7749	3.831	3.9066
HRK	7.3308	7.334	7.3504	7.3177
CHF	1.6547	1.6459	1.6069	1.5767

Essentially, the Polish zloty, the Czech crown, the Slovak crown and the Hungarian forint are affected by revaluation (devaluation). A 10% revaluation of the Euro over all other currencies at 31 December 2007 would have meant a heightening in equity by T€ 15,585 (Previous year: increase by T€ 17,628) and an increase in profit before tax by T€ 26,785 (Previous year: increase by T€ 19,758). A devaluation compared to all other currencies would have resulted in a corresponding decrease in equity and a reduction 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 12 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 or cash equivalents at the balance sheet date amounted to T€ 3,052,710 (Previous year: T€ 2,919,507), which corresponds to the book values shown in the balance sheet. Thereof T€ 2,488,136 (Previous year: T€ 2,345,915) involve trade receivables. Receivables from construction contracts and receivables to consortia involve ongoing construction projects and are therefore not yet payable in full. Of the remaining trade receivables in the amount of T€ 1,262,486 (Previous year: T€ 1,172,633), less than 1% are overdue and not impaired.

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

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 exclusively financial institutions with the highest level of creditworthiness.

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 34,955 (Previous year: T€ 30,700).

Financial assets are impaired 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 € 1.5 billion. The overall line for cash and aval loans amounts to € 5.1 billion.

The medium- and long-term liquidity needs have so far been covered by the issue of corporate bonds as well. From 2002 to 2006, the group issued three tranches of € 50 million each and two tranches of € 75 million each with a term to maturity of 5 years each. In June 2007, a further bond in the amount of € 75 million and a term to maturity of 5 years was issued. The annual coupon of the bond is 5.75%. The first corporate bond from the year 2002 in the amount of € 50 million became due and was paid in June 2007. Depending on 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:

	Carrying values 31.12.2007 T€	Cash-flows 2008 T€	31.12.2007 Cash-flows 2009-2012 T€	Cash-flows after 2012 T€
<b>Financial liabilities:</b>				
Bonds	325,000	66,813	313,188	
Bank borrowings	252,395	100,099	59,159	50,519
Liabilities from financial leasing	102,687	25,870	62,671	37,775
Other liabilities, accruals and deferrals	4,010		4,800	
	<u>684,092</u>	<u>192,782</u>	<u>439,818</u>	<u>88,294</u>

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.

## **(25) Segment Reporting**

The segments are presented according to business fields (primary segment reporting) and regions (secondary segment reporting). The segmentation according to business fields corresponds to the internal group reporting. Assets and liabilities as well as expense and revenue were attributed to the individual segments only as far as they could be attributed directly or by applying an allocation according to the principle of causation to the respective segment. Items not attributed in this way are shown under Miscellaneous. This segment primarily includes group management, commercial administration, IT and machine management. Intra-segment transactions are based on arm's-length prices.

### **Primary Segment Reporting**

The primary segment reporting comprises the following business fields:

#### **Building Construction & Civil Engineering**

In the field of Building Construction, both classical building services as well as turnkey building projects are executed as part of the mainstay business. The range of construction services in this field includes housing, commercial and industrial facilities such as shopping centres, business parks, office buildings, hotels, airports and railway stations; public buildings such as hospitals, universities, schools and other public buildings; the production of prefabricated elements and steel-girder and facade construction.

In particular medium-sized and large-scale projects – predominantly for private clients – form the core of the business activities. Regional organizational units work the respective local markets and are active as self-contained and independent profit centres.

Civil Engineering activities include the construction of bridges, power plants and special foundation engineering. Environmental engineering activities – including the construction of landfills, waste treatment plants, and waste water collection and treatment systems, as well as the regeneration of polluted soils and industrial sites – are handled by the Civil Engineering business field as well.

#### **Transportation Infrastructures**

This business field covers mainly asphalt and concrete road construction in the group's relevant country markets. Other services encompassed by the Transportation Infrastructures division include the remaining activities attributable to civil engineering, e.g. sewer engineering and pipeline construction, smaller and medium-sized engineering-related concrete structures, and paving. The Transportation Infrastructures segment further comprises the construction of large-area works such as runways and taxiways, reloading and parking facilities, sport and recreation facilities and railway structures.

The production of asphalt, concrete and other construction materials, as well as bitumen trading, are important parts of the Transportation Infrastructures segment as well. The construction materials business includes a dense network of asphalt and concrete mixing facilities, as well as excellent access to raw materials (in particular gravel pits and quarries).

As opposed to projects handled by the Civil Engineering division, the services in this business field are carried out by smaller, local organizational units working a limited, regional market as independent profit centres.

#### **Tunnelling & Services**

The range of Tunnelling services includes the construction of road and railway tunnels as well as underground galleries and chambers with various technologies. Tunnelling work is done employing both cyclical and continuous driving. Projects around the world are managed and executed by central organizational units.

The Services business field encompasses those project development contracts around the world which include all integrated services such as financing, operation, marketing and utilization, as well as the usual construction services, within the framework of a value-added chain in an overall project. Services include infrastructure projects (e.g. traffic, energy), as well as building projects for office and commercial properties or hotels.

## 2007 Segment Report

Business Field	Building Construction & Civil Engineering		Transportation Infrastructures		Tunnelling & Services		Miscellaneous and Consolidation		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Output Volume	5,417,841	4,898,764	4,616,841	4,646,303	582,077	693,218	129,464	146,826	10,746,223	10,385,111
Revenue	4,815,571	4,257,243	4,455,142	4,216,820	584,961	935,213	22,926	21,345	9,878,600	9,430,621
Inter-segment revenue	147,719	105,654	24,793	27,819	5,367	5,000	507,082	443,601		
EBIT	76,565	53,392	185,646	149,783	48,455	68,096	1,762	1,458	312,428	272,729
thereof share of profit or loss of associates	0	0	6,636	3,659	12,771	2,753	0	-51	19,407	6,361
Segment assets	2,929,302	1,455,970	2,604,574	1,376,584	602,337	453,977	1,604,601	2,289,295	7,740,814	5,575,826
thereof investments in associates	0	0	57,511	53,633	81,749	21,861	0	0	139,260	75,494
Segment liabilities	1,721,501	1,455,313	1,312,955	1,110,097	298,088	365,512	1,311,816	1,609,010	4,644,360	4,539,932
Investments in tangible and intangible assets	0	0	0	0	1,882	13,258	541,960	333,762	543,842	347,020
Depreciation on tangible and intangible assets	0	0	3,319	0	7,231	6,814	272,921	222,864	283,471	229,678
thereof impairment	0	0	3,319	0	0	0	3,768	19,060	7,087	19,060
Employees	26,322	22,525	28,352	25,047	1,824	1,538	4,627	3,861	61,125	52,971

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## Secondary Segment

Region	Germany		Austria		Rest of Europe		Rest of World and Consolidation		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€
Revenue	3,672,952	3,716,611	2,270,684	2,212,468	3,583,804	3,051,886	351,160	449,656	9,878,600	9,430,621
Segment assets	2,223,101	2,160,823	2,843,317	1,381,231	2,502,239	1,849,930	172,157	183,842	7,740,814	5,575,826
Investments in tangible and intangible assets	157,124	99,858	86,878	84,746	265,764	143,124	34,076	19,292	543,842	347,020

The representation of the secondary segment reporting is made according to the location of the company headquarters.

## (26) Notes on Related Parties

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

Arm's-length business relations exist with the Raiffeisen-Holding NÖ-Wien Group and the UNIQA-Group.

### BASIC Element

The Basic Element Group, fully controlled by Russian businessman Oleg Deripaska, is a conglomerate with numerous industrial holdings in the area of resources and raw materials as well as in infrastructure, among others. A cooperation agreement between the STRABAG SE Group and the Basic Element Group lays out the basics for the joint operating cooperation in Russia and the CIS states. The two companies plan to offer large-scale project developments on a 50:50 basis with industrial leadership by the STRABAG SE Group.

On 5 December 2007, STRABAG and Basic Element signed a declaration of intention over the founding of a new holding company in the construction sector in Ukraine, STRABAG UKRAINE. The company will be held at equal parts by STRABAG SE, the Basic Element Group and the DCH Group, controlled by Ukrainian businessman Alexander Yaroslavskiy. STRABAG UKRAINE will specialize in large-scale projects in Ukraine.

### IDAG

IDAG Immobilienbeteiligung u. Development GmbH is 100% held by private foundations whose beneficiaries are the Haselsteiner Group and the Raiffeisen-Holding NÖ-Wien Group. The business purpose of IDAG Immobilienbeteiligung u. -Development GmbH is the development of real estate and the participation in real estate projects.

At 31 December 2006, non-operational loans to subsidiaries of the private foundations existed in the amount of € 77 million. These were paid back ahead of schedule during the 2007 financial year.

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 2007 financial year amounted to T€ 7,072 (Previous year: T€ 6,086).

In the financial year 2007, revenue of about € 4 million (Previous year: € 6 million) were generated by IDAG Immobilienbeteiligung u. -Development GmbH. On the balance sheet date of 31 December 2007, the STRABAG SE Group had rent deposit receivables amounting to around € 15 million (Previous year: € 14 million) from IDAG Immobilienbeteiligung u. -Development GmbH.

### Associates

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

Raiffeisen evolution project development GmbH bundles project developments in building construction activities of the shareholders (without Germany and Benelux). The STRABAG SE Group is employed in the construction work on the basis of arm's-length contracts.

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

The business relationships to the other associates can be presented as follows:

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Work and services performed	66,010	96,894
Work and services received	17,263	3,763
Receivables at 31.12.	5,649	12,970
Liabilities at 31.12.	4	164

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

	<b>2007</b>	<b>2006</b>
	<b>T€</b>	<b>T€</b>
Work and services performed	3,753	764
Work and services received	5,038	3,049
Receivables at 31.12.	1,862	742
Liabilities at 31.12.	234	96

## **(27) Notes on the Management and Supervisory Boards and the Employees**

### **Board of Management**

Dr. Hans Peter HASELSTEINER (Chairman)

Prof. Dr. Ing. e.h. Manfred NUSSBAUMER (Vice Chairman) (until 31.12.2007)

Ing. Fritz OBERLERCHNER (Vice Chairman)

Dr. Thomas BIRTEL

Dipl.-Ing. Nematollah FARROKHNIYA

Dipl.-Ing. Roland JURECKA

Mag. Wolfgang MERKINGER

Mag. Hannes TRUNTSCHNIG

### **Supervisory Board**

Univ. Prof. DDr. Waldemar JUD (Chairman)

Mag. Erwin HAMESEDER (Vice Chairman)

Dr. Gerhard GRIBKOWSKY

Dr. Jürgen KUCHENWALD (until 31.7.2007)

Dr. Gulzhan MOLDAZHANOVA (since 17.8.2007)

Dr. Gottfried WANITSCHKE

Ing. Siegfried WOLF (since 17.8.2007)

Peter NIMMERVOLL (works council)

Josef RADOSZTICS (works council)

Gerhard SPRINGER (works council)

The total salaries of the members of the Board of Management in the financial year 2007 amount to T€ 9,304 (Previous year: T€ 5,751). The severance payments for management board members amounted to €1,361 (Previous year: T€ -68).

The members of the Supervisory Board received remuneration in the amount of T€ 50 (Previous year: T€ 0). Neither the members of the Management Board nor the members of the Supervisory Boards of STRABAG SE received advances or loans.



**(28) Earnings Per Share**

The earnings per share are calculated by dividing the consolidated profit or loss by the weighted average number of ordinary shares and/or options.

	<b>2007</b>	<b>2006</b>
Profit or loss attributable to equity holders of the parent (consolidated profit/loss) in T€	170,229	191,351
Weighted number of shares outstanding during the year	82,904,110	70,000,000
<b>Earnings per share in €</b>	<b>2.05</b>	<b>2.73</b>

**(29) Events after the Balance Sheet Date**

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

Villach, 9 April 2008

Board of Management

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS AS OF 31 DECEMBER 2006

	Acquisition and Production Costs							Accumulated Depreciation							Carrying Values			
	Balance on	Changes in		Balance on	Additions	Transfers	Disposals	Balance on	Balance on	Changes in		Additions <sup>1)</sup>	Transfers	Disposals <sup>2)</sup>	Balance on	Values	Values	
	31.12.2005	Scope of	Currency	1.1.2006				31.12.2006	31.12.2005	Scope of	Currency				31.12.2006	31.12.2006	31.12.2005	
T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	T€	
<b>I. Intangible Assets:</b>																		
1. Concessions; industrial property rights and similar rights, advantages and licences	32,205	2,336	87	34,628	4,592	-35	2,762	36,423	24,844	2,037	80	4,338	-87	2,627	28,585	7,838	7,361	
2. Goodwill	98,737	29,462	3	128,202	951	0	10,045	119,108	39,123	0	0	15,120	0	6,789	47,454	71,654	59,614	
3. Advances paid	110	0	0	110	10	0	0	120	0	0	0	0	0	0	120	110	110	
	<b>131,052</b>	<b>31,798</b>	<b>90</b>	<b>162,940</b>	<b>5,553</b>	<b>-35</b>	<b>12,807</b>	<b>155,651</b>	<b>63,967</b>	<b>2,037</b>	<b>80</b>	<b>19,458</b>	<b>-87</b>	<b>9,416</b>	<b>76,039</b>	<b>79,612</b>	<b>67,085</b>	
<b>II. Tangible Assets:</b>																		
1. Properties; land rights equivalent to real property; buildings including buildings on third-party property	645,101	29,157	4,367	678,625	40,386	-3,555	20,160	695,296	196,010	10,218	140	21,124	-70	11,483	215,939	479,357	449,091	
2. Technical equipment and machinery	1,065,178	76,883	6,044	1,148,105	161,333	24,346	99,524	1,234,260	707,689	76,503	4,037	111,556	6,598	86,705	819,678	414,582	357,489	
3. Other facilities, furniture and fixtures and office equipment	467,754	87,092	2,580	557,426	94,500	-7,078	69,805	575,043	324,933	66,898	2,416	69,593	-6,441	63,612	393,787	181,256	142,821	
4. Advances paid and facilities under construction	35,825	119	750	36,694	36,352	-18,040	112	54,894	0	0	0	0	0	0	54,894	35,825	35,825	
	<b>2,213,858</b>	<b>193,251</b>	<b>13,741</b>	<b>2,420,850</b>	<b>332,571</b>	<b>-4,327</b>	<b>189,601</b>	<b>2,559,493</b>	<b>1,228,632</b>	<b>153,619</b>	<b>6,593</b>	<b>202,273</b>	<b>87</b>	<b>161,800</b>	<b>1,429,404</b>	<b>1,130,089</b>	<b>985,226</b>	
<b>III. Investment Property</b>	286,808	0	1,770	288,578	5,865	7,393	1,482	300,354	136,167	0	1,032	7,947	0	0	145,146	155,208	150,641	
	<b>2,631,718</b>	<b>225,049</b>	<b>15,601</b>	<b>2,872,368</b>	<b>343,989</b>	<b>3,031</b>	<b>203,890</b>	<b>3,015,498</b>	<b>1,428,766</b>	<b>155,656</b>	<b>7,705</b>	<b>229,678</b>	<b>0</b>	<b>171,216</b>	<b>1,650,589</b>	<b>1,364,909</b>	<b>1,202,952</b>	

<sup>1)</sup> of this amount, impairments of T€ 19,060 (Previous year: T€ 15,590);

<sup>2)</sup> of this amount, reversal of depreciation T€ 318 (Previous year: T€ 0)

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS AS OF 31 DECEMBER 2007

	Acquisition and Production Costs							Accumulated Depreciation					Carrying Values				
	Balance on 31.12.2006 T€	Changes in Scope of Consolidation T€	Currency Translation T€	Balance on 1.1.2007 T€	Additions T€	Transfers T€	Disposals T€	Balance on 31.12.2007 T€	Balance on 31.12.2006 T€	Changes in Scope of Consolidation T€	Currency Translation T€	Additions <sup>1)</sup> T€	Transfers T€	Disposals <sup>2)</sup> T€	Balance on 31.12.2007 T€	Values 31.12.2007 T€	Values 31.12.2006 T€
<b>I. Intangible Assets:</b>																	
1. Concessions; industrial property rights and similar rights, advantages and licences	36,423	19,545	134	56,102	6,422	150	2,626	60,048	28,585	3,569	45	3,202	65	2,450	33,016	27,032	7,838
2. Goodwill	119,108	142,384	3,581	265,073	594	0	786	264,881	47,454	1,064	3	3,924	0	384	52,061	212,820	71,654
3. Advances paid	120	0	0	120	0	-120	0	0	0	0	0	0	0	0	0	0	120
	<b>155,651</b>	<b>161,929</b>	<b>3,715</b>	<b>321,295</b>	<b>7,016</b>	<b>30</b>	<b>3,412</b>	<b>324,929</b>	<b>76,039</b>	<b>4,633</b>	<b>48</b>	<b>7,126</b>	<b>65</b>	<b>2,834</b>	<b>85,077</b>	<b>239,852</b>	<b>79,612</b>
<b>II. Tangible Assets:</b>																	
1. Properties; land rights equivalent to real property; buildings including buildings on third-party property	695,296	99,539	1,759	796,594	56,194	22,121	21,755	853,154	215,939	38,290	693	24,797	6,607	6,382	279,944	573,210	479,357
2. Technical equipment and machinery	1,234,260	306,120	6,119	1,546,499	259,737	26,290	111,999	1,720,527	819,678	176,747	3,666	155,413	9,902	90,158	1,075,248	645,279	414,582
3. Other facilities, furniture and fixtures and office equipment	575,043	62,146	-101	637,088	136,883	1,106	90,979	684,098	393,787	50,097	53	87,083	-16,574	56,624	457,822	226,276	181,256
4. Advances paid and facilities under construction	54,894	13,348	500	68,742	75,204	-45,142	0	98,804	0	0	0	0	0	0	98,804	54,894	
	<b>2,559,493</b>	<b>481,153</b>	<b>8,277</b>	<b>3,048,923</b>	<b>528,018</b>	<b>4,375</b>	<b>224,733</b>	<b>3,356,583</b>	<b>1,429,404</b>	<b>265,134</b>	<b>4,412</b>	<b>267,293</b>	<b>-65</b>	<b>153,164</b>	<b>1,813,014</b>	<b>1,543,569</b>	<b>1,130,089</b>
<b>III. Investment Property</b>	300,354	0	-926	299,428	4,403	0	3,804	300,027	145,146	0	-130	9,052	0	3,448	150,620	149,407	155,208
	<b>3,015,498</b>	<b>643,082</b>	<b>11,066</b>	<b>3,669,646</b>	<b>539,437</b>	<b>4,405</b>	<b>231,949</b>	<b>3,981,539</b>	<b>1,650,589</b>	<b>269,767</b>	<b>4,330</b>	<b>283,471</b>	<b>0</b>	<b>159,446</b>	<b>2,048,711</b>	<b>1,932,828</b>	<b>1,364,909</b>

<sup>1)</sup> of this amount, impairments of T€ 7,087 (Previous year: T€ 19,060);

<sup>2)</sup> of this amount, reversal of depreciation of T€ 2,387 (Previous year: T€ 318)

**Group Companies as of 31 December 2007**

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
“A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH”	Spittal an der Drau	VK	100.00
“Baltic Business Centre” Sp.z o.o.	Gdynia	NK	38.00
“Brema” Bau- und Spengler-Ges.m.b.H.	Vienna	NK	100.00
“Crnagoraput” AD	Podgorica	VK	50.99
“Daheim” Bau- und Wohnungseigentumsgesellschaft m.b.H.	Vienna	VK	100.00
“DOMIZIL” Bauträger GmbH	Vienna	VK	100.00
“ETG” elektrotechnische Anlagen Gesellschaft m.b.H.	Vienna	NK	100.00
“Filmforum am Bahnhof” Errichtungs- und Betriebsgesellschaftm.b.H.	Vienna	VK	100.00
“Geschäfts- und Bürohaus Sterneckstraße Errichtungs- und Betriebs GmbH”	Vienna	VK	100.00
“GfB” Gesellschaft für Bauwerksabdichtungen mbH	Kobern-Gondorf	VK	100.00
“Granite Mining Industries” Sp z.o.o.	Wroclaw	NK	100.00
“Health Care Company” KRANKENHAUS BETRIEBSFÜHRUNGS-Aktiengesellschaft	Vienna	NK	50.00
“IT” Ingenieur- und Tiefbau GmbH	Kobern-Gondorf	VK	100.00
“LSH”-Fischer Baugesellschaft m.b.H.	Linz	NK	100.00
“MATRA OAZIS” Oktatasi, Üdültetesi es Vendeglato KözkeresetiTársaság	Gyöngyöstarjan	NK	53.37
“Mineral 2000” EOOD	Sofia	NK	100.00
“Putevi” Cacak	Cacak	VK	85.02
“RING” Körutepítő Közkereseti Társaság “végeleszámolás alatt”	Budapest	NK	50.00
“SBS Strabag Bau Holding Service GmbH”	Spittal an der Drau	VK	100.00
“Schöner Wohnen in Klosterneuburg” Bauträger GmbH	Vienna	NK	100.00
“Solar City Zentrum” Errichtung GmbH	Linz	NK	100.00
“VULKANKÖ” Banyaszati es Kereskedelmi Korlátolt Felelősségű Társaság	Keszthely	NK	50.39
“Wiener Heim” Wohnbaugesellschaft m.b.H.	Vienna	VK	100.00
“Zentrum Puntigam” Errichtungs- und Betriebsgesellschaft m.b.H.	Vienna	NK	50.00
“Zipp Ukraine”	Cholmok	NK	100.00
2. Züblin Vorrats GmbH	Stuttgart	NK	100.00
A & R Asphalt und Recycling Verwaltungsgesellschaft mbH	Plaidt	NK	24.00
A.F.C. Spolka Projektrowa Sp.z o.o.	Breslau	NK	33.30
A.H.I-BAU Allgemeine Hoch- und Ingenieurbau-GmbH	Köln	VK	100.00
A.S.T. Bauschuttverwertung GmbH	Klagenfurt	NK	66.67
A.S.T. Bauschuttverwertung GmbH & Co KG	Klagenfurt	NK	66.67
A2 Bau-Development GmbH	Spittal an der Drau	NK	50.00
AAL Asphaltanlage Leukersdorf Verwaltungs-GmbH	Jahnsdorf	NK	100.00
AB Frischbeton Gesellschaft m.b.H.	Vienna	NK	100.00
ABN Asphalt-Beteiligungsgesellschaft Neustrelitz mbH	Berlin	NK	25.00
ABN Asphalt-Betriebsgesellschaft Neustrelitz mbH & Co. KG	Berlin	NK	25.00
ABO Asphalt-Bau Oeynhausen GmbH	Oeynhausen	NK	22.50
ABR Abfall Behandlung und Recycling Schwadorf GmbH	Schwadorf	VK	100.00
AET-Asfalt-emulsni technologie s.r.o.	Litomerice	NK	95.00
Agencja Inicjatyw Gospodarczych S.A.	Warschau	NK	49.00
AGS Asphaltgesellschaft Stuttgart GmbH & Co.Kommanditgesellschaft	Stuttgart	NK	40.00
AGS Asphaltgesellschaft Stuttgart Verwaltungs-GmbH	Stuttgart	NK	40.00
AKA Alföld Koncesszios Autopalya Zárkörűen Működő Részvénytársaság	Budapest	EK	25.12

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Al Hani General Construction Co.	Tripoli	VK	60.00
AL SRAIYA – STRABAG Road & Infrastructure WLL	Doha	NK	49.00
ALP Asphalt-Mischwerke Lech-Paar GmbH	Augsburg	NK	100.00
Alpen-Bau Mecklenburg GmbH	Satow	NK	100.00
AMA Asphalt-Mischwerke Augsburg GmbH	Augsburg	NK	55.00
amb Asphalt- und Bitumen-Mischwerke GmbH	Augsburg	NK	50.00
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	Zistersdorf-Maustrenk	NK	40.00
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.& Co.KG	Zistersdorf	NK	40.00
AME Asphalt-Mischwerk Eging GmbH	Eging am See	NK	81.81
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 Hafen GmbH & Co. KG	Hamburg	NK	100.00
AMH Asphaltmischwerk Hafen Verwaltungs GmbH	Hamburg	NK	100.00
AMH Asphaltmischwerk Hellweg GmbH	Erwitte	EK	30.50
AMIT Asphalt-Mischwerk Illertal Verwaltungs-GmbH	Augsburg	NK	49.00
AML – Asphaltmischwerk Limberg Gesellschaft m.b.H.	Limberg	NK	50.00
AMN Asphaltmischwerk KG Straßenbaustoffe Nonnendamm GmbH & Co.	Berlin	NK	33.10
amo Asphalt-Mischwerke Oberfranken GmbH & Co.KG	Untersiemau	NK	45.00
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
AMU Asphalt-Mischwerk Unterfranken GmbH & Co. KG	Thüngersheim	NK	50.00
AMU Asphalt-Mischwerk Unterfranken Verwaltung GmbH	Thüngersheim	NK	50.00
AMW Asphaltmischwerk Westhafen GmbH	Berlin	NK	33.10
AMW Asphalt-Mischwerke Würzburg GmbH & Co.KG	Würzburg	NK	81.50
AMW Asphalt-Mischwerke Würzburg Verwaltungs-GmbH	Würzburg	NK	81.50
AMWE-Asphaltmischwerke GmbH	Schwerin	NK	49.00
AMWE-Asphaltmischwerke GmbH & Co. KG	Schwerin	NK	49.00
Anton Beirer Hartsteinwerke Gesellschaft m.b.H.	Pinswang	NK	50.00
ANTREPRIZA DE REPARATII SI LUCRARI A R L CLUJ S.A.	Cluj-Napoca	VK	100.00
Appartementhaus Scharmützel Projekt-Beteiligungs G.m.b.H.	Bad Saarow-Pieskow	NK	100.00
Arab Consult GmbH	Vienna	NK	30.00
Arena Development	Hasselt	NK	50.00
Arthur Hellberg Gesellschaft mit beschränkter Haftung	Bad Segeberg	NK	100.00
Asamer & Hufnagl Baustoff Holding Wien GmbH	Vienna	NK	30.00
Asamer & Hufnagl Baustoff Holding Wien GmbH & Co.KEG	Vienna	NK	30.00
ASB Transportbeton GmbH & CO.KG	Osterweddingen	NK	50.00
AS-Bau Handels- und Beteiligungsgesellschaft mit beschränkter Haftung	Hamburg	NK	100.00
ASF Frästechnik GmbH	Kematen	NK	50.00
ASF Frästechnik GmbH & Co KG	Kematen	NK	50.00
ASFALT SLASKI Sp. z o.o.	Gliwice	VK	51.00
Asfalt Slaski Wprinz Sp. z o.o.	Rybnik	NK	51.00
ASG INVEST N.V.	Genk	NK	49.98
ASIA Center Inगतlanforgalmazo, Berbeado, Hasznositoes Kereskedelmi Korlatolt Felelőssegü Tarsasag	Budapest	VK	100.00
Asphalt & Beton GmbH	Lendorf	VK	100.00
Asphalt Gesellschaft Riegler GmbH	Völkermarkt	NK	100.00
Asphaltmischwerk Bendorf GmbH & Co. KG	Bendorf	NK	49.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Asphaltmischwerk Bendorf Verwaltung GmbH	Bendorf	NK	49.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	Rauchenwarth	NK	20.00
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	Rauchenwarth	NK	20.00
Asphaltmischwerk Düsseldorf GmbH & Co.KG	Düsseldorf	EK	24.50
Asphaltmischwerk Düsseldorf Verwaltungs GmbH	Düsseldorf	NK	24.50
Asphaltmischwerk Greinsfurth GmbH	Amstetten	NK	25.00
Asphaltmischwerk Greinsfurth GmbH & Co.	Amstetten	NK	25.00
Asphaltmischwerk Rieder Vomperbach GmbH	Innsbruck	NK	60.00
Asphaltmischwerk Rieder Vomperbach GmbH & Co KG	Innsbruck	NK	60.00
Asphaltmischwerk Steyregg GmbH	Steyregg	NK	60.00
Asphaltmischwerk Steyregg GmbH & Co KG	Linz	NK	60.00
Asphaltmischwerk Zeltweg Gesellschaft m.b.H.	Steyr	NK	100.00
Asphalt-Mischwerke Oberfranken GmbH	Untersiemau	NK	44.92
ASTRA-BAU Gesellschaft m.b.H. Nfg. OHG	Bergheim	NK	50.00
AStrada Development SRL	Bucharest	NK	70.00
August & Jean Hilpert GmbH & Co. KG	Nürnberg	VK	100.00
Augustowskie Przedsiębiorstwo Drogowe S.A.	Augustow	VK	100.00
AUSTRIA ASPHALT GmbH	Spittal an der Drau	NK	100.00
AUSTRIA ASPHALT GmbH & Co OHG	Spittal an der Drau	VK	100.00
AUT Grundstücksverwaltungsgesellschaft mbH	Stuttgart	NK	40.00
Autocesta Zagreb-Macelj d.o.o.	Krapina	EK	50.98
Autostrada Centralna S.A.	Warsaw	NK	35.00
A-WAY Toll Systems GmbH	Vienna	NK	80.00
AWH Asphaltwerk Haßberge GmbH	Röthlein	NK	24.90
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H.	Graz	NK	50.00
AWM Asphaltwerk Mötschendorf GmbH & Co.KG	Graz	NK	50.00
B+R Baustoff-Handel und -Recycling Köln GmbH	Köln	NK	100.00
B+S Vereinigte Natursteinwerke GmbH + Co. Vertriebs KG	Hartmannsdorf	NK	100.00
B+S Vereinigte Natursteinwerke Verwaltungs- und Beteiligungsgesellschaft mbH	Hartmannsdorf	NK	100.00
BA-CA-GebäudevermietungsgmbH	Vienna	NK	50.00
BAMCO Alagút- és Metróépítő Közkereseti Társaság	Budaörs	NK	50.00
BASALT-KÖZÉPKÖ Kőbányák Korlátolt Felelősségű Társaság	Uzsa	NK	25.14
Basaltwerk Pauliberg GmbH	Eisenstadt	NK	35.00
Basaltwerk Pauliberg GmbH & CO KG	Eisenstadt	NK	35.00
Bau Holding Beteiligungs AG	Spittal an der Drau	VK	100.00
Bauer Deponieerschließungs- und Verwertungsgesellschaftm.b.H.	Fischamend	NK	100.00
Baugesellschaft "Negrelli" Ges.m.b.H.	Vienna	NK	100.00
Baugesellschaft Claus Alpen mbH	Neustadt	VK	100.00
Bauimmobilien GmbH	Chemnitz	NK	100.00
Baukontor Gaaden Gesellschaft m.b.H.	Gaaden	VK	100.00
Baumann & Burmeister GmbH	Halle/Saale	VK	100.00
Baupartner GmbH Freies Wohnungsunternehmen	Stuttgart	NK	100.00
Bauträgergesellschaft "Justus-Brinkmann-Straße" mbH	Hamburg	NK	51.00
Bauträgergesellschaft Olande mbH	Hamburg	VK	51.00
Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung	Straubing	VK	100.00
BauXund Forschung und Beratung GmbH	Vienna	NK	100.00
Bayerische Asphalt-Mischwerke GmbH	Hofolding	NK	48.29
Bayerische Asphalt-Mischwerke GmbH & Co.KG für Straßenbaustoffe	Hofolding	EK	48.33
BBS Baustoffbetriebe Sachsen GmbH	Hartmannsdorf	VK	100.00
becker bau GmbH u. Co. KG	Bornhöved	VK	100.00
becker Verwaltungsgesellschaft mbH	Bornhöved	NK	100.00
Beijing Züblin Equipment Production Co., Ltd.	Beijing	NK	100.00
Berliner Asphalt Gesellschaft mit beschränkter Haftung	Hamburg	NK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
BeTePe Bau Gesellschaft m.b.H.	Vienna	NK	100.00
Betobeja Empreendimentos Imobiliarios, Lda	Beja	NK	74.00
Betolojas-Sociedade de Construcao Reparacao e Comercializacao de Imoveis, Lda	Lissabon	NK	90.00
Beton AG Bürglen	Bürglen	NK	64.80
Beton Pisek spol. s.r.o.	Pisek	NK	50.00
Beton und Recycling GmbH & Co. KG	Emersleben	VK	100.00
Beton und Recycling Verwaltungsgesellschaft mbH	Emersleben	NK	100.00
Betonpumpenservice Elbe GmbH & Co.KG	Magdeburg	NK	50.00
Betonpumpenservice Elbe Verw.GmbH	Magdeburg	NK	33.30
Betonpumpenservice Götz GmbH & CO.KG	Raßnitz	NK	50.00
Betonpumpenservice Götz Verwaltungsges.mbH	Raßnitz	NK	50.00
Betonuepitő Rt. es Tarsai M.3. Autoalyaepitő PJT	Budapest	NK	77.82
Betun Cadi SA	Trun	NK	35.00
BHG Bitumen Adria drustvo s ogranicenom odgovornoscu za graditeljstvo	Zagreb	NK	100.00
BHG Bitumen d.o.o. Beograd	Belgrade	NK	100.00
BHG Bitumen Kereskedelmi Korlatolt Felelőségi Tarsasag	Budapest	VK	100.00
BHG Bitumenhandelsgesellschaft mbH	Hamburg	NK	100.00
BHG COMERCIALIZARE BITUM S.R.L.	Bucurest	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.	Warsaw	VK	100.00
Bin Aweida – von der Wettern LLC	Dubai	NK	30.00
Bitumen Handelsgesellschaft m.b.H.	Vienna	NK	100.00
Bitumen Handelsgesellschaft m.b.H. & Co KG	Loosdorf	VK	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 Romania SRL	Bucharest	VK	100.00
BITUNOVA UKRAINA TOV	Brovary	VK	60.00
Bitunova Útfenntartó és Emulziógyártó Korlátolt Felelőségi Társaság	Budapest	VK	100.00
BITUPOL Sp z.o.o.	Warsaw	VK	100.00
BKB AG	Weinfelden	NK	100.00
BL-Baulegistik GmbH	Stuttgart	NK	100.00
Blees-Kölling-Bau GmbH	Cologne	VK	100.00
BMTI – gradevinski strojevi international d.o.o.	Zagreb	VK	100.00
BMTI – Tehnica Utilajelor Pentru Constructii SRL	Bucaresti	VK	100.00
BMTI BENELUX	Antwerp	VK	100.00
BMTI CR s.r.o.	Brünn	VK	100.00
BMTI d.o.o. Beograd	Novi Beograd	VK	100.00
BMTI GmbH	Erstfeld	VK	100.00
BMTI Nemzetközi Epitőgepeszeti Korlatolt Felelőségi Társaság	Budapest	VK	100.00
BMTI Polska sp.z.o.o.	Pruszkow	VK	100.00
BMTI SK, s.r.o.	Bratislava	VK	100.00
BMTI-Baumaschinentechnik International GmbH	Trumau	VK	100.00
BMTI-Baumaschinentechnik International GmbH	Cologne	VK	100.00
Bodensanierung Bischofswerda GmbH	Stuttgart	NK	100.00
Bohemia Bitunova, spol s.r.o.	Jihlava	VK	100.00
BOT BÖRNER Oberflächentechnik GmbH & Co. KG	Ritschenhausen	NK	75.00
BOT BÖRNER Oberflächentechnik Verwaltungs- und BeteiligungsGmbH	Ritschenhausen	NK	75.00
Brenz Asphaltmischwerke GmbH	Langenau	NK	25.00
Brnenska Obalovna, s.r.o.	Brünn	NK	50.00
BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H.	Spittal an der Drau	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
BRVZ Bau- Rechen- und Verwaltungszentrum GmbH	Cologne	VK	100.00
BRVZ Bau-, Rechen- und Verwaltungszentrum AG	Erstfeld	VK	100.00
BRVZ Bau-Rechen-und Verwaltungszentrum GmbH	Dahlwitz/Hoppegarten	VK	100.00
BRVZ BENELUX	Antwerp	VK	100.00
BRVZ center za racunovodstvo in upravljanje d.o.o.	Ljubljana	VK	100.00
BRVZ d.o.o. Beograd	Novi Beograd	VK	100.00
BRVZ EOOD	Sofia	VK	100.00
BRVZ s.r.o.	Budweis	VK	100.00
BRVZ s.r.o.	Bratislava	VK	100.00
BRVZ SERVICII & ADMINISTRARE SRL	Bucharest	VK	100.00
BRVZ SPOLKA z.o.o.	Warsaw	VK	100.00
BRVZ-Contabilidade	Lisbon	NK	100.00
BRVZ-gradevinski-, racunovodstveni- i upravni centar d.o.o.	Zagreb	VK	100.00
BRW Baustoff-Recycling GmbH & Co KG	Wesseling	NK	25.00
BSB Betonexpress Verwaltungsges.mbH	Berlin	NK	100.00
BSL Tunnel- und Montanbau GmbH	Bad Frankenhausen	NK	100.00
BSS Tunnel- und Montanbau GmbH	Bern	NK	100.00
BT-Plan Gesellschaft für bautechnisches Planen mbH	Cologne	NK	100.00
BUG Metalltechnik GmbH	Vienna	NK	76.00
Bug-Alu Technic GmbH	Cologne	NK	100.00
Bug-Alu Technic UK Limited	Chertsey, Surrey	NK	100.00
Bug-AluTechnic GmbH	Dornbirn	VK	100.00
Büro-Center Ruppmannstraße GmbH	Stuttgart	NK	50.00
Bürozentrum Honauerstraße			
Projektentwicklungsgesellschaftm.b.H.	Vienna	NK	100.00
BUSINESS BOULEVARD Errichtungs- und Betriebs GmbH	Vienna	VK	100.00
BVHS Betrieb und Verwaltung von Hotel- und Sportanlagen GmbH	Berlin	NK	100.00
C.S. Bitunova spol. s.r.o.	Zvolen	VK	100.00
CAG Cottbuser Asphaltgesellschaft mbH & Co. KG	Cottbus	NK	100.00
Carb SA	Brasov	VK	99.47
CAW Chemnitzer Asphaltwerke GmbH	Chemnitz	NK	100.00
CESTAR drustvo s ogranicenom odgovornoscu za gradenje,proizvodnju, projektiranje, trgovinu i usluge	Slavonski Brod	VK	74.90
China Harbour Engineering & Co. GmbH	Duisburg	NK	50.00
CLS Construction Legal Services GmbH	Cologne	VK	100.00
Clubdorf Sachrang GmbH	Cologne	NK	100.00
CMO-Ceske a moravske obalovny, s.r.o.	Sobeslav	VK	100.00
Colonus Carré Entwicklungsgesellschaft mbH	Cologne	NK	100.00
Compact INVEST d.o.o.	Belgrade	NK	100.00
Cottbuser Asphaltgesellschaft mbH	Cottbus	NK	100.00
Cottbuser Frischbeton GmbH	Cottbus	NK	100.00
CSE Centrum-Stadtentwicklung GmbH	Cologne	NK	50.00
d+p Ingenieurgesellschaft für Straßendaten undBaustoffprüfungen GmbH	Schöneiche by Berlin	NK	49.91
D-47 Holding Company B.V.	Amsterdam	NK	47.50
Dalnicni stavby Praha, a.s.	Prague	VK	100.00
DAM Deutzer Asphaltmischwerke GmbH & Co. KG	Cologne	NK	33.90
DAM Deutzer Asphaltmischwerke Verwaltungs-GmbH	Cologne	NK	33.90
Damm BV	AK The Hague	NK	100.00
DB Development Holdings Limited	Lanarca	NK	49.00
DBR Döbelner Baustoff und Recycling GmbH	Taucha	NK	50.00
De Brand 2 BV	AK The Hague	NK	100.00
Debus Naturstein GmbH & Co. KG	Untersiemau	NK	49.00
Debus Naturstein Verwaltungs-GmbH	Untersiemau	NK	48.83



<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Delitzscher Kieswerke GmbH	Delitz	NK	50.00
Deutsche Asphalt GmbH	Cologne	VK	100.00
Deutsche Asphalt Polska Sp z.o.o.	Olawa	NK	100.00
Diabaswerk Berge GmbH & Co. KG	Nuremberg	NK	100.00
Diabaswerk Saalfelden Gesellschaft m.b.H.	Saalfelden am Stein.Meer	VK	80.00
Dialnicne stavby Slovensko	Bratislava	NK	100.00
DIFMA Deutsches Institut für Facility Management GmbH	Nuremberg	NK	57.00
Dimmoplan Verwaltungs GmbH	Stuttgart	NK	100.00
DIRECTROUTE (FERMOY) CONSTRUCTION LIMITED	Dublin	EK	25.00
DIRECTROUTE (LIMERICK) CONSTRUCTION LIMITED	Fermoy	EK	40.00
DLA Donau-Lech-Asphaltwerke GmbH	Augsburg	NK	50.00
Dordrecht Diensten B.V.	Dordrecht	NK	100.00
Dreßler Bauträger GmbH & Co. "Erlenbach"-Objekt KG	Aschaffenburg	NK	50.00
DRUMCO SA	Timisoara	VK	70.00
DWA Donau-Wald Asphaltmischwerke GmbH & Co.KG	Platting	NK	50.00
DWA Donau-Wald Asphaltmischwerke Verwaltungs-GmbH	Platting	NK	50.00
DYNAMIC ASPHALT SP. z o.o.	Torun	NK	51.00
DYWIDAG Bau GmbH	Munich	VK	100.00
DYWIDAG Construction GmbH	Dresden	NK	100.00
DYWIDAG Guinea Ecuatorial Sociedad Limitada	Mongomeyen	NK	65.00
Dywidag India Private Limited	Maharashtra	NK	100.00
Dywidag Insaat Limited Sirketi	Ankara	NK	100.00
DYWIDAG International GmbH	Munich	VK	100.00
Dywidag LNG Korea Chusikhoesa	Seoul	NK	100.00
DYWIDAG Romania S.R.L	Bucharest	NK	100.00
Dywidag Saudi Arabia Limited	Jubail	VK	100.00
DYWIDAG Schlüsselfertig und Ingenieurbau GmbH	Munich	NK	100.00
Dywidag Sdn. Bhd.	Kuala Lumpur	NK	100.00
DYWIDAG-Holding GmbH	Cologne	VK	100.00
E.S.-Erdbau GmbH	Innsbruck	NK	100.00
E.S.T.M. Ipari es Kereskedelmi Korlatolt FelelőssegüTarsasag	Budapest	NK	100.00
Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH	Bayreuth	VK	100.00
Eberhardt Bau-Gesellschaft mbH	Berlin	VK	100.00
EBERHARDT Bau-GmbH	Vienna	NK	100.00
Eckstein Holding GmbH	Kennelbach	VK	100.00
ECS European Construction Services GmbH	Möhrfelden-Walldorf	VK	100.00
Ed. Züblin AG	Stuttgart	VK	57.26
Edificio Bauvorbereitungs- und Bauträgeregesellschaft mb.H.	Vienna	NK	100.00
Eduard Hachmann Gesellschaft mit beschränkter Haftung	Lunden	VK	100.00
Eggstein AG	Kriens	VK	100.00
Egolf AG Strassen- und Tiefbau (ehem. Egolf Bauunternehmungen AG)	Weinfeld	VK	100.00
Eichholz Eivel GmbH	Berlin	VK	100.00
Eichholz Rail GmbH	Lauda-Königshofen	VK	100.00
Eisen Blasy Reutte GmbH	Reutte	NK	50.00
Eisenkappler Edelsplittwerk Gesellschaft m.b.H.	Eisenkappel-Vellach	NK	100.00
Elmbaurent Beteiligungs-GmbH Schöningen	Schöningen	NK	33.26
ERA Epitö es Letesitmenyfejesztö Korlatolt FelelőssegüTarsasag	Budapest	NK	100.00
Eraproject Immobilien-, Projektentwicklung und Beteiligungsverwaltung GmbH	Berlin	VK	100.00
ERA-Stav s.r.o.	Prague	NK	100.00
Erlaaer Straße Liegenschaftsverwertungs-GmbH	Vienna	NK	99.72

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H.	Vienna	VK	100.00
Ernst Meyer Bauunternehmung GmbH	Berlin	NK	100.00
Errichtungsgesellschaft Strabag Slovensko s.r.o.	Bratislava-Ruzinov	VK	100.00
Erschließungsgesellschaft "Am Schloßberg" Pantelitz GmbH	Neubrandenburg	VK	100.00
ETG Erzgebirge Transportbeton GmbH	Freiberg	VK	60.00
EURL DYWIDAG ALGERIE	Alger	NK	100.00
Ezel Bauunternehmung Sindelfingen GmbH	Sindelfingen	VK	100.00
F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG	Eggendorf	VK	100.00
Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH	Vienna	VK	100.00
Fachmarktzentrum Kielce Projekt GmbH	Berlin	NK	100.00
Facility Management Hungaria Letesitmenygzaldalkodasi Tanacsado es Szolgaltato Korlatolt Felelőssegü Tarsasag	Budapest	NK	100.00
Facility Management o.o.o.	Moscow	NK	100.00
Facility Management Polska Sp.z.o.o.	Warsaw	VK	100.00
Fahrleitungsbau GmbH	Essen	VK	100.00
Finkenau Grundstücksgesellschaft mbH	Hamburg	NK	50.00
Flogopit d.o.o.	Zvecka, Obrenovac	NK	100.00
Friedrich Preusse Bauunternehmung Gesellschaft mit beschränkter Haftung	Braunschweig	VK	100.00
Frischbeton Wachau GmbH & CO.KG	Wachau	NK	45.00
Frissbeton Betongyártó és Forgalmazó Korlátolt Felelőssegü Társaság	Budapest	VK	100.00
FUSSENEGGER Hochbau und Holzindustrie GmbH	Dornbirn	VK	100.00
Gama Strabag Construction limited	Dublin	NK	40.00
Gartensiedlung Lackenjöchel Liegenschaftsverwertungs GmbH	Vienna	NK	99.73
GBS Gesellschaft für Bau und Sanierung mbH	Kötschlitz	NK	85.00
Gebr. von der Wettern Gesellschaft mit beschränkter Haftung	Cologne	VK	100.00
GEORG BOERNER DACH UND STRASSE GMBH	Bad Hersfeld	VK	75.00
Gesundheitszentrum Bremen-Findorff GbR	Bremen	NK	50.00
GFR remex Baustoffaufbereitung GmbH & Co. KG	Krefeld	NK	100.00
GFR remex Baustoffaufbereitung Verwaltungs-GmbH Krefeld	Krefeld	NK	50.00
Goldeck Bergbahnen GmbH	Spittal an der Drau	VK	100.00
GRADBENO PODJETJE IN KAMNOLOM GRASTO d.o.o.	Ljubljana	VK	99.85
Grand Hotel Interests Limited	Guernsey	NK	75.00
Grandemar SA	Cluj-Napoca	NK	41.27
GRIPROAD Spezialbeläge und Baugesellschaft mbH	Cologne	VK	100.00
Gröne-Bau GmbH & Co. KG	Halberstadt	NK	100.00
Gröne-Bau Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H.	Vienna	NK	61.00
GTE-Gebäude-Technik-Energie-Betriebs-und Verwaltungsgesellschaft m.b.H. & Co. KG.	Vienna	NK	62.00
GVD Versicherungsvermittlungen – Dienstleistungen GmbH	Cologne	NK	100.00
GWP Steinbruch Ges.m.b.H.	Oberpetersdorf	NK	100.00
H. Westertaler Baugesellschaft m.b.H.	St. Johann i.Pongau	VK	100.00
H.I.C. Gesellschaft für Projektierung und Bau von sozialen Einrichtungen mbH	Bremen	NK	98.00
Hartsteinwerk Seifersbach GmbH & Co. KG	Hartmannsdorf	NK	100.00
Hartsteinwerk Seifersbach Verwaltungs GmbH	Hartmannsdorf	NK	100.00
HAW-Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft	Cologne	NK	35.00
HEILIT + WOERNER Budowlana Sp.z o.o.	Breslau	VK	100.00
HEILIT Umwelttechnik GmbH	Düsseldorf	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
HEILIT+WOERNER Bau GmbH	Vienna	NK	100.00
Heilit+Woerner Bau GmbH	Munich	VK	100.00
Helmus Beteiligungsgesellschaft mit beschränkter Haftung	Vechta	NK	100.00
Helmus Straßen-Bau-Gesellschaft mbH & Co. KG	Vechta	VK	100.00
HILU Leitungsbau GmbH	Nuremberg	NK	100.00
HOTEL VIA Szallodai Korlatolt Felelőssegű Tarsasag	Keszthely	NK	43.00
H-PROJEKT II. Ingatlanfejlesztő Korlatolt Felelőssegű Tarsasag	Budapest	NK	100.00
HRG Rohrsanierungs-GmbH	Hamburg	NK	100.00
Hrusecka Obalovna, s.r.o.	Hrusky	NK	80.00
H-TPA Innovacios es Minősegvizsgalo Korlatolt Felelőssegű Tarsasag	Budapest	VK	100.00
Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung	Cologne	NK	35.00
IBV-Immobilien Besitz- und Verwaltungsgesellschaft mbH	Cologne	NK	99.00
IGM Vukovina d.o.o.	Vukovina b.b.	NK	80.00
ILBAU GmbH	Graz	NK	100.00
Ilbau GmbH Deutschland	Berlin	VK	100.00
Ilbau Liegenschaftsverwaltung GmbH	Spittal an der Drau	VK	100.00
Ilbau Liegenschaftsverwaltung GmbH	Dahlwitz-Hoppegarten	VK	100.00
Ilbau spol s.r.o.	Prague	VK	100.00
Ilbau-Kirchner A4 Motorway Construction S.C.	Opole	NK	50.00
Immorent Oktatási, Ingatlanhasznosító és Szolgáltató Kft	Budapest	NK	20.00
IMOPROJEKT Immobilienentwicklungsgesellschaft mbH	Freiburg	NK	100.00
IMOTAVIRA – Promocao Imobiliaria S.A.	Lison	NK	50.00
Industrial Engineering and Contracting Co. S.A.R.L.i.L	Beirut	NK	50.00
Industrial Engineering and contracting NV	Genk	NK	50.00
Industrielles Bauen Betreuungsgesellschaft mbH	Stuttgart	VK	100.00
Industrija Gradevnog materijala ostra drustvo s ogranicenom odgovornoscu za proizvodnju	Zagreb	NK	51.00
InfoSys Informationssysteme GmbH	Spittal an der Drau	NK	100.00
INGSTROY SOFIA EAD	Sofia	VK	100.00
Innerebner Baustahl GmbH	Wiener Neustadt	VK	100.00
Insond Spezialtiefbau Gesellschaft m.b.H	Vienna	VK	100.00
J + O Alsterfleet Grundstücks GmbH	Hamburg	NK	94.00
JAB Tarnava Sp z.o.o.	Bobrovice	NK	50.00
Jakob Gärtner GmbH	Friedberg	VK	100.00
Jihoceska Obalovna spol. s.r.o.	Budweis	NK	66.67
Josef Möbius Bau-Aktiengesellschaft	Hamburg	VK	70.00
Josef Möbius Bau-Gesellschaft Rostock m.b.H.	Rostock	NK	100.00
Josef Möbius Scandinavia AB	Täby	NK	100.00
Josef Riepl Unternehmen für Hoch- und Tiefbau GmbH	Regensburg	VK	100.00
Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH	Schermbeck	VK	100.00
JUKA Justizzentrum Kurfürstenanlage GmbH	Cologne	NK	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	Spittal an der Drau	NK	50.60
KAB Straßensanierung GmbH & Co KG	Spittal an der Drau	VK	50.60
Kaiserebersdorfer Straße LiegenschaftsverwertungsGmbH	Vienna	NK	99.73
Kamen-Ingrad gradnja i rudarstvo drustvo s ogranicenom odgovornoscu	Zagreb	NK	51.00
Kamen-Ingrad Niskogradnja, drustvo s ogranicenom odgovornoscu za gradenje	Pozega	NK	51.00
Kamen-Ingrad Proizvodnja, drustvo s ogranicenom odgovornoscu za proizvodnju	Velika	NK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
KAMENOLOMY CR s.r.o.	Ostrava - Svinov	VK	100.00
KANAL TOTAL Brus GmbH	Graz	NK	100.00
Kanzel Steinbruch Dennig Gesellschaft mit beschränkter Haftung	Gratkorn	VK	75.00
Kapsch Telematic Services Telematikai Szolgaltato Kft.	Budapest	NK	33.33
Karlovarske silnice, a.s.	Ceske Budejovice	NK	83.32
Kies- und Betonwerk AG Sedrun	Tujetsch	NK	35.00
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Grafing KG	Geretsried	NK	50.00
Kiesabbau Gämmerler-Hütwohl GmbH&Co. Grube Leitzinger Au KG	Geretsried	NK	50.00
Kiesabbau Gämmerler-Hütwohl Verwaltungs- GmbH	Königsdorf	NK	50.00
Kieswerk Diersheim GmbH Sand- und Edelsplittwerke	Rheinau/ Diersersheim	NK	60.00
Kieswerk Hohenwarthe GmbH	Hohenwarthe	NK	100.00
Kieswerk Rheinbach Gesellschaft mit beschränkter Haftung	Cologne	NK	50.00
Kieswerk Rheinbach GmbH & Co. KG	Cologne	EK	50.00
Kieswerke Weserbergland GmbH & Co. KG	Emmerthal	VK	100.00
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH	Spittal an der Drau	NK	100.00
KÖKA Kö-es Kavicsbanyaszati Korlatolt Felelőségi Társaság	Budapest	VK	100.00
Königswall Invest B.V.	AK The Hague	NK	100.00
Kopalnia Granitu Mikoszew Sp. z o.o.	Strzelin	VK	100.00
Kopalnie Melafiru w Czarnym Borze Sp. z o.o.	Czarny Bor	VK	100.00
KRAL ASFALT SPOLKA z o.o.	Konstantynow Lodzki	NK	50.00
KSR – Kamenolomy SR, s.r.o.	Zvolen	VK	100.00
Kurz Hoch- und Ingenieurbau GmbH	Walchsee	VK	100.00
KWP Kieswerk Penig GmbH	Penig	NK	85.00
Lafrentz Bau GmbH & Co. KG	Hamburg	NK	100.00
Lafrentz Bau Verwaltungsgesellschaft mbH	Hamburg	NK	100.00
LAS Lauterhofener Asphalt und Straßenbau Gesellschaft mbH	Lauterhofen	NK	100.00
Latasfalts SIA	Milzkalne	NK	50.00
Leipziger Straßen- und Brückenbau- Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
Leitner Gesellschaft m.b.H.	Hausmening	VK	100.00
Leonhard Moll Hoch- und Tiefbau GmbH	Munich	VK	100.00
Leonhard Moll Tiefbau GmbH	Munich	VK	100.00
Liberecka Obalovna s.r.o.	Liberec	NK	50.00
Lieferasphalt Gesellschaft m.b.H.	Vienna	NK	50.00
Lieferasphalt Gesellschaft m.b.H. & Co.OHG	Maria Gail	NK	60.00
Lieferasphalt Gesellschaft m.b.H.& Co	Viecht	NK	66.50
Lieferasphalt Gesellschaft m.b.H.& Co.OHG	Vienna	NK	50.00
Liefergemeinschaft Transportbeton Arneburg GbR	Stendal	NK	33.33
Linzer Schlackenaufbereitungs- und vertriebsgesellschaftm.b.H.	Linz	NK	33.33
LISAG Linzer Splitt- und Asphaltwerk GmbH.	Linz	NK	50.00
LISAG Linzer Splitt- und Asphaltwerk GmbH. & CO KG	Linz	NK	50.00
LPRD LESZCZYNSKIE PRZEDSIĘBIORSTWO			
ROBOT DROGOWO-MOSTOWYCH SPOLKA z o.o.	Leszno	VK	57.29
LRD AM GmbH & Co.KG	Weimar	NK	50.00
M – Z Baugesellschaft mbH	Vienna	NK	100.00
M5 Autópálya Zártkörűen Működő Részvénytársaság	Budaörs	NK	50.00
Magyar Aszfalt Keverekgyarto es Epitölpari Korlatolt	Budapest	VK	100.00
Magyar Bau Holding Zártkörűen Működő Részvénytársaság	Budapest	NK	100.00
MAK Mecsek Autopalya Koncessziós Zrt.	Budaörs	NK	30.00
MAV Mineralstoff-Aufbereitung und -Verwertung GmbH	Krefeld	VK	50.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Mazowieckie Asfalty Sp. z o.o.	Warsaw	NK	100.00
MBSZ Magyar Betonpumpa Szolgaltato Korlatolt Felelössegü Tarsasag	Budapest	NK	100.00
Mecsek Autopalya-üzemeltető Zrt.	Budaörs	NK	25.00
Meyerhans AG Amriswil	Amriswil	VK	100.00
Meyerhans AG, Strassen- und Tiefbau Uzwil	Uzwil	VK	100.00
Miejskie Przedsiębiorstwo Robot Drogowych Spolka z Organiczo Na Odpowiedzialnoscia	Bialystok	NK	62.30
MIGU-Asphalt-Baugesellschaft m.b.H.	Lustenau	NK	50.00
Millonig + Schuster GmbH	Gummern	NK	66.00
MIL-MERT Epitő Közkereseti Tarsasag	Budapest	NK	50.00
Mineral Abbau GmbH	Spittal an der Drau	VK	100.00
MINERAL IGM drustvo s ogranicenom odgovornoscju zaproizvodnju i trogovinu gradevnim materijalom	Zapuzane	VK	100.00
MINERAL K. S. K. drustvo s ogranicenom odgovornoscju za graditeljstvo i proizvodnju grad.	Cavle	NK	100.00
Mineral L.L.C.	Pristina	NK	100.00
MINERAL ROM S.R.L.	Brasov	NK	100.00
Mineral Trading sp.z o.o.	Warszawa	NK	100.00
MINKO Mineral- und Baustoff-Kontor GmbH	Hartmannsdorf	NK	100.00
Mischek Arbeiterwohnheim GmbH	Vienna	NK	100.00
Mischek Bauträger Service GmbH	Vienna	VK	100.00
Mischek Leasing eins Gesellschaft m.b.H.	Vienna	VK	100.00
Mischek Systembau GmbH	Vienna	VK	100.00
Miskolci Shopping Center Ingatlanforgalmazo, Berbeado	Budapest	NK	100.00
Mister Recrutamento Lda.	Lisbon	NK	100.00
MiTTaG spol. s.r.o. pozemni a prumyslove stavitelstvi	Brno	VK	100.00
Möbius Construction Ukraine Ltd.	Nikolayev City	VK	100.00
Möbius Dredging-Aktiengesellschaft	Hamburg	NK	100.00
Möbius-Verwaltungsgesellschaft m.b.H.	Hamburg	NK	50.00
Mörteldienst Saale-Elster GmbH & CO.KG	Wachau	NK	50.00
Mörteldienst Saale-Elster Verw.GmbH	Wachau	NK	50.00
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H.	Ilz	NK	33.33
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. & Co.KG	Ilz	NK	52.67
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. und CoKG	Pinkafeld	NK	47.00
MTG Möbius Transportgesellschaft Geesthacht m.b.H.	Geesthacht	NK	100.00
MUSIKVIERTEL Grundstücksentwicklung GmbH	Cologne	NK	100.00
MUST Razvoj projekata d.o.o.	Zagreb	NK	100.00
N.V. STRABAG Belgium S.A.	Antwerp	VK	100.00
N.V. STRABAG Benelux S.A.	Antwerp	VK	100.00
Na belidle spol s.r.o.	Prague	VK	100.00
NEGUS LTD ZAO	Moscow	NK	100.00
Neubau Augasse 9 Errichtungs- und Vermietungsgesellschaftm.b.H.	Vienna	NK	50.00
NEUE REFORMBAU Gesellschaft m.b.H.	Vienna	NK	100.00
NGM Verwaltungs GmbH	Nuremberg	NK	75.20
NGT Gebäudetechnik GmbH	Erlangen	NK	100.00
Niersberger Gebäudemanagement GmbH & Co. KG	Nuremberg	VK	75.00
Niersberger Romania s.r.l.	Sibiu	NK	100.00
NOAG GmbH	Vienna	NK	32.00
Nordostlabor Beteiligungsgesellschaft m.b.H. Nievelt Polen	Stockerau	NK	30.00
Nordpark Errichtungs- und Betriebs GmbH	Innsbruck	VK	51.00
NOSTRA Cement Gyártó és Kereskedelmi Korlátolt Felelössegü Társaság	Budapest	VK	100.00
Novy Urengoy Bau- und Montage GmbH	Munich	NK	100.00
NowBit Sp. z o.o.	Nowy Tomysl	NK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
NR Bau- u. Immobilienverwertung GmbH	Berlin	NK	100.00
OAT – Bohr- und Fugentechnik Gesellschaft m.b.H.	Spittal an der Drau	VK	51.00
OAT Kőzlekedesi Felūletek Specialis Javitasa Korlatolt	Budapest	VK	100.00
OAT s.r.o.	Prague	VK	80.00
OAT spol. s.r.o.	Bratislava	VK	100.00
Obit spol. s.r.o.	Prague	NK	100.00
OFIM HOLDINGS LIMITED	Cardiff	NK	46.25
ONTWIKKELINGSCOMBINATIE MAASMECHELEN N.V.	Antwerp	NK	50.00
Ooms-Ittner-Hof GmbH	Cologne	VK	100.00
OOO Zūblin	Moscow	NK	100.00
OOO Zūblin Ural	Ufa	NK	100.00
OSKEP JSC	Kiev	NK	51.00
Ostsāchsische Brūcken- und Ingenieur-Tiefbau GmbH	Neustadt/Sachsen	NK	100.00
Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH	Lavant i. Osttirol	VK	80.00
Otto Rohr GmbH	Helmstedt	VK	100.00
Ottokar Klug Gesellschaft m.b.H.	Vienna	VK	100.00
Pagitz Metalltechnik GmbH	Spittal an der Drau	VK	100.00
PAM Pongauer Asphaltmischanlagen GmbH	St. Johann		
	i.Pongau	NK	50.00
PAM Pongauer Asphaltmischanlagen GmbH & Co KG	St. Johann i.		
	Pongau	NK	50.00
Park Service Hūfner GmbH & Co. KG	Stuttgart	NK	48.44
Parking Bowling Green GmbH	Stuttgart	NK	100.00
Passivhaus Kammelmweg Bautrāger GmbH	Vienna	VK	100.00
PEKA Entwicklungsgesellschaft Kurfūrstenanlage GmbH	Cologne	NK	100.00
Peter Geisler Tiefbauunternehmen GmbH	Hamburg	NK	100.00
Philman Holdings Co.	Makati City	NK	20.00
Pikaso, spol.sro	Prague	NK	100.00
PL-BITUNOVA Sp z.o.o.	Bierawa	VK	95.00
PLINIUS VASTGOED N.V.	Hasselt	NK	43.48
Plzenska obalovna s.r.o.	Pilsen	NK	100.00
PMB Projektinitiative Mittelstāndischer Bauindustrie GmbH	Cologne	NK	25.00
Poduzece ZA Ceste Split dionicko drustvo	Split	VK	87.31
Polski Asphalt Spolka z Ograniczona Odpowiedzialnoscia	Wroclaw	VK	100.00
POLSKI ASFALT TECHNIC SPOLKA Z Ograniczona Odpowiedzialnoscia	Kraków	NK	100.00
POLSKI ASFALT USLUGI BUDOWLANE SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA	Wroclaw	NK	100.00
Polskie Kruszywa Sp z.o.o.	Wroclaw	VK	100.00
Poßōgel & Partner Straßen- und Tiefbau GmbH	Hermsdorf	NK	100.00
PP Protelith GmbH i.L.	Hamburg	NK	100.00
PP Protelith Produktionsgesellschaft mbH	Liebfels	NK	52.00
PPP Management GmbH	Cologne	NK	100.00
PPP SchulManagement Witten GmbH & Co. KG	Cologne	NK	100.00
Preduzece za puteve "Zajecar" a.D.Zajecar	Zajecar	VK	93.29
PREFIN a.s.	Chrudim	VK	100.00
Preusse Baubetriebe Berlin-Brandenburg GmbH	Halberstadt	NK	100.00
Preusse Baubetriebe Gesellschaft mit beschrānktter Haftung	Hamburg	VK	100.00
Preusse Baubetriebe und Partner GmbH & Co. KG	Halberstadt	VK	100.00
Preusse Baubetriebe und Partner Verwaltungsgesellschaft mbH	Halberstadt	NK	100.00
Preusse Bauholding Verwaltungsgesellschaft mbH	Hamburg	NK	100.00
PREZIPP, s.r.o.	Chrudim	VK	100.00
PRO Liegenschaftsverwaltungs- und Verwertungsgesellschaftm.b.H.	Vienna	VK	100.00
Projekta Bauvorbereitungsgesellschaft m.b.H. Nfg.KG	Vienna	NK	50.00
Projektgemeinschaft Feste Fahrbahn System SATO GmbH	Plauen	NK	25.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
PRO-Lassallestraße-Grundstücksverwertungsgesellschaft m.b.H.	Vienna	NK	50.00
PROTECTA Gesellschaft für Oberflächenschutzschichten mbH	Düsseldorf	VK	75.00
PROTTELITH Zlín, s.r.o.	Napajedla	NK	100.00
Przedsiębiorstwo Budownictwa Ogólnego i Usług Technicznych, Slask Sp. z o.o.	Katowice	VK	60.98
PRZEDSIĘBIORSTWO ROBOT DROGOWYCH SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA W LIKWIDACJI	Choszczno	NK	100.00
PVP Kies GmbH & Co. KG	Lübeck	NK	100.00
PWG-Bau Pfersee Wohn- und Gewerbebauträger GmbH & Co.KG	Munich	NK	50.00
PWG-Bau Pfersee Wohn-und Gewerbebauträger Verwaltungs GmbH	Munich	NK	50.00
Pyhrn Concession Holding GmbH	Cologne	VK	100.00
RAE Recycling Asphaltwerk Eisfeld GmbH & Co.KG	Eisfeld	NK	25.00
RAE Recycling Asphaltwerk Eisfeld Verwaltungs-GmbH	Eisfeld	NK	25.00
Raiffeisen evolution project development GmbH	Vienna	EK	20.00
RAM Regensburger Asphalt-Mischwerke GmbH & Co KG	Barbing	NK	44.33
Raststation A 6 GmbH	Vienna	NK	100.00
Rathaus-Carrée Saarbrücken GrundstücksentwicklungsGesellschaft mbH	Cologne	NK	24.97
Rathaus-Carrée Saarbrücken Grundstücksentwicklungsgesellschaft mbH & Co.KG	Cologne	NK	25.00
RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H.	Linz	VK	100.00
RE Wohnungseigentumserrichtungs GmbH	Vienna	NK	75.00
Regensburger Asphalt-Mischwerke GmbH	Barbing	NK	44.33
REMEX Coesfeld Gesellschaft für Baustoffaufbereitung mbH	Dülmen-Buldern	NK	50.00
RFM Asphaltmischwerk GmbH & Co KG	Traiskirchen	NK	33.33
RFM Asphaltmischwerk GmbH.	Wienersdorf- Oeynhausen	NK	33.33
RFPB Kieswerk GmbH	Wienersdorf- Oeynhausen	NK	50.00
RFPB Kieswerk GmbH & Co KG	Wienersdorf- Oeynhausen	NK	50.00
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.	Ried im Zillertal	NK	50.00
Rieder Asphaltgesellschaft m.b.H. & Co. KG.	Ried im Zillertal	NK	50.00
RKB Rohrleitungs- und Kanalbau GmbH	Berlin	VK	100.00
RKH Rheinkies Hitdorf GmbH & Co. KG	Bergheim	NK	33.33
RKH Rheinkies Hitdorf Verwaltungs GmbH	Bergheim	NK	33.33
ROBA AM Düsseldorf GmbH	Düsseldorf	NK	100.00
ROBA AM Hohenlimburg GmbH	Hagen- Hohenlimburg	NK	100.00
ROBA Asphalt GmbH	Augsburg	VK	100.00
ROBA Baustoff GmbH	Augsburg	VK	100.00
ROBA Baustoff Leipzig GmbH	Leipzig	NK	100.00
ROBA Kieswerk Merseburg GmbH	Merseburg	NK	100.00
ROBA Quarzitsplittwerk Profen GmbH	Profen	NK	100.00
ROBA Transportbeton GmbH	Augsburg	VK	100.00
Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung	Hamburg	VK	100.00
Rodinger Ingenieurbau GmbH	Roding	VK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
RST Rail Systems and Technologies GmbH	Barleben	NK	82.00
RVE Gesellschaft für Reststoffverwertung und Entsorgung mbH	Lünen	EK	50.00
S.U.S. Abflusssdienst Gesellschaft m.b.H.	Vienna	NK	100.00
Saale Asphalt GmbH & Co. KG	Dehlitz/Lösau	NK	73.50
Saale Asphalt Verwaltungs GmbH	Dehlitz/Lösau	NK	73.80
SALGO Shopping Center Ingatalanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelőségi Társaság	Budapest	NK	100.00
Salzburger Lieferasphalt OHG	Sulzau	NK	20.00
SAM Sächsische Asphaltmischwerke GmbH & Co. KG	Dresden	VK	100.00
SAM Sächsische Asphaltmischwerke Verwaltung GmbH	Dresden	NK	100.00
SAO BRVZ Ltd	Moscow	VK	100.00
SAT OOO	Moscow	NK	51.00
SAT s.r.o.	Prague	VK	100.00
SAT SANIRANJE d.o.o.	Zagreb	NK	100.00
SAT Sp. z o.o.	Olawa	VK	100.00
SAT Straßensanierung GmbH	Horhausen	VK	100.00
SAT Útjavító Korlátolt Felelőségi Társaság	Budapest	VK	100.00
SAV Südniedersächsische Aufbereitung und Verwertung Verwaltungs GmbH	Hildesheim	NK	50.00
SBR Verwaltungs-GmbH	Kehl/Rhein	VK	100.00
Schlackenkontor Bremen GmbH	Bremen	NK	50.00
SCHOTTERWERK EDLING GESELLSCHAFT M.B.H.	Klagenfurt	NK	74.00
Schotterwerk Schmohlhöhe GmbH	Bobritzsch	NK	100.00
Servis Kadr sp.z o.o.	Wrochlaw	NK	100.00
SF – Bau Ploiesti srl	Ploiest	NK	100.00
SF Cologne Ingenieurs Cameroun S.A.	Yaounde	NK	100.00
SF Consultants Nigeria	Lagos	NK	60.00
SF-Ausbau GmbH	Freiberg	VK	100.00
SF-BAU Drei Vermögensverwaltung GmbH	Vienna	NK	100.00
SF-BAU Gesellschaft für Projektentwicklung und schlüsselfertiges Bauen mbH	Leipzig	NK	100.00
SF-BAU Grundstücksgesellschaft “ABC-Bogen” mbH	Cologne	NK	100.00
SF-BAU Projektentwicklung GmbH	Cologne	NK	100.00
SF-Immobilienfonds Beteiligungs-GmbH&Co. Nr.1 KG	Cologne	NK	100.00
Siroki Brijek	Mostar	NK	49.00
SK BV Grundstücksentwicklung GmbH & Co.KG	Cologne	NK	50.00
Slokenbeka SIA	Milkalne	EK	41.04
Slovasfalt, spol.s.r.o.	Bratislava	VK	100.00
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.	Prague	NK	50.00
Sportstättenervice Gesellschaft m.b.H.	Niederleis	NK	100.00
SPROSSENER Asphaltmischanlage GmbH	Zeitz	NK	50.00
STA Asphaltmischwerk Strahlungen GmbH	Strahlungen	NK	24.90
Stadtbaumeister Architekt Franz Böhm GmbH	Vienna	VK	100.00
Stahl + Verbundbau Gesellschaft für industrielles Bauen m.b.H.	Dreieich- Dreieichenhain	NK	30.00
Stalexport Autostrada Dolnoslaska S.A.	Katowice	NK	25.00
Stapelfeldt Baugesellschaft mbH & Co. KG	Soltau	NK	100.00
Stapelfeldt Verwaltungsgesellschaft mbH	Soltau	NK	100.00
Steinbruch Mauterndorf Gesellschaft m.b.H.	St. Michael/ Lungau	NK	50.00
Stephan Beratungs-GmbH	Linz am Rhein	NK	30.00
Stoppacher Metalltechnik GmbH	Spittal an der Drau	VK	51.00
Storf Hoch- und Tiefbaugesellschaft m.b.H.	Reutte	VK	100.00



<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
STR Lakasepitő Korlátolt Felelőségi Társaság	Budapest	VK	100.00
Strabag a.s.	Prague	VK	100.00
STRABAG ABU DHABI LLC	Abu Dhabi	NK	100.00
STRABAG AG	Spittal an der Drau	VK	100.00
STRABAG AG	Cologne	VK	65.85
STRABAG Anlagentechnik GmbH	Thalgau	VK	100.00
STRABAG Bau GmbH	Vienna	NK	100.00
STRABAG Bau.S.L.	Madrid	NK	100.00
STRABAG Beograd d.o.o.	Belgrad	VK	100.00
STRABAG Beton GmbH & Co. KG	Berlin	VK	100.00
Strabag BiH, d.o.o.	Sarajevo	NK	100.00
STRABAG Bouw en Ontwikkeling B.V.	Dordrecht	VK	100.00
STRABAG Construction Nigeria	Ikeja	NK	100.00
STRABAG Development SK s.r.o.	Bratislava	VK	100.00
Strabag Domodedovo OOO	Moscow	NK	100.00
STRABAG Dubai LLC	Dubai	VK	100.00
STRABAG EAST AFRICA Ltd.	Nairobi	NK	100.00
STRABAG EOOD	Sofia	NK	100.00
Strabag Epitő Zártkörűen Működő Részvénytársaság	Budapest	VK	100.00
STRABAG Facility Management d.o.o.	Zagreb	NK	100.00
STRABAG Facility Management GmbH	Spittal an der Drau	VK	100.00
STRABAG FACILITY MANAGEMENT S.R.L.	Bukarest	NK	100.00
STRABAG gradbene storitve d.o.o.	Ljubljana	VK	100.00
STRABAG Imobilija-agencija za posrednistvo v prometu z nepremicninami d.o.o.	Ljubljana	VK	100.00
Strabag Inc.	Toronto	VK	100.00
STRABAG Infrastruktur Development	Moscow	NK	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 GmbH	Cologne	VK	100.00
STRABAG Invest GmbH	Vienna	NK	51.00
Strabag Kiew	Kiew	NK	100.00
Strabag Liegenschaftsverwaltung GmbH	Linz	VK	100.00
Strabag Oktatási PPP Ingatlanhasznosító és Szolgáltató Korlátolt	Budapest	NK	30.00
Strabag Oman	Muscat	VK	100.00
Strabag OOO	Moscow	NK	100.00
STRABAG Projektentwicklung GmbH	Cologne	VK	100.00
Strabag Qatar W.L.L.	Qatar	VK	100.00
STRABAG Ras Al Khaimah LLC	Ras Al Khaimah	VK	100.00
Strabag RS d.o.o.	Banja Luka	NK	100.00
Strabag S.R.L.	Chisinau	NK	100.00
STRABAG s.r.o.	Bratislava	VK	100.00
Strabag Saudi Arabia	Khobar	NK	50.00
Strabag Sp. z o.o. Kirchner Gorzow Bypass spolka jawna	Gorzow	NK	49.00
STRABAG Sp.z o.o.	Warsaw	VK	100.00
STRABAG Sportstättenbau GmbH	Dortmund	VK	100.00
Strabag srl	Bucharest	VK	100.00
STRABAG Straßen- und Tiefbau Verwaltung GmbH	Spergau	NK	100.00
STRABAG Truppenkamp GmbH	Truppenkamp	NK	100.00
STRABAG Umwelteinrichtungen GmbH	Dresden	VK	100.00
STRABAG Unterstützungskasse GmbH	Cologne	VK	100.00

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Strabag z.a.o.	Moscow	VK	100.00
Strabag za gradevinske poslove d.o.o.	Zagreb	VK	100.00
Strabag-Mert Építő Közkereseti Társaság	Budapest	NK	50.00
STRABAG-MML Magas- és Mérnöki Létesítmény Építő Korlátolt Felelősségű Társaság	Budapest	VK	100.00
STRABAG-PROJEKT Sp. z o.o.	Warsaw	NK	100.00
Straßen- und Asphaltbau Nord GmbH	Satow	NK	100.00
Straßenbau Thüringen GmbH	Gotha	EK	50.00
Straßenbaustoffe Nonnendamm GmbH	Teltow	NK	33.10
Stratebau GmbH	Regensburg	VK	100.00
STRAVIA Emulziogyarto es Utfenntarto Korlatolt Felelőssegű Tarsasag	Budapest	NK	25.00
STRIBA Protontherapiezentrum Essen GmbH	Cologne	NK	50.00
Stuag Bau Development GmbH	Cottbus	NK	100.00
SVG Stoll Gesellschaft für Vermietung und Verpachtung GmbH	Berlin	NK	100.00
Syrena Immobilien Holding Aktiengesellschaft	Spittal an der Drau	NK	50.00
Szamito- es Ügyviteli Központ Korlatolt Felelőssegű Tarsasag	Budapest	VK	100.00
Szentesi Vasutepítő Korlatolt Felelőssegű Tarsasag	Budapest	VK	100.00
T S S Technische Sicherheits-Systeme GmbH	Cologne	VK	100.00
TBG Ceske Budejovice spol. s.r.o.	Budweis	NK	50.00
TBG Frissbeton Betongyártó Korlátolt Felelőssegű Társaság	Pecs	NK	50.00
TBG Transportbeton Saalfeld GmbH & Co.KG	Saalfeld	NK	28.33
TBG-STRABAG drustvo s ogranicenom odgovornosuczaproizvodnju i distribuciju betona	Zagreb	NK	50.00
TBR Technologiezentrum GmbH	Bernburg	NK	50.00
TBR Technologiezentrum GmbH & CO.KG	Bernburg	NK	33.33
TBR Verwaltungszentrum GmbH	Landsberg	NK	20.00
TBR Verwaltungszentrum GmbH & CO.KG	Landsberg	NK	20.00
TDE Mitteldeutsche Bergbau Service GmbH	Espenhain	NK	35.00
Techno Celik Yapi Sanayi ve Ticaret A.S.	Istanbul	NK	50.00
Tek Ermolino Sao	Moscow	NK	25.00
Tek Tunoschna Sao	Moscow	NK	25.00
Territorium Bauprojektentwicklungs-GmbH	Stuttgart	NK	100.00
TGS Transport – Gesellschaft Süssel mbH	Süssel	NK	100.00
Thüringer Straßenwartungs- und InstandhaltungsgesellschaftmbH	Apfelstädt	EK	33.33
Tiefbautechnik Gesellschaft m.b.H.	Linz	NK	100.00
Tiefbautechnik Gesellschaft m.b.H. & Co OHG	Linz	NK	100.00
TOO Züblin Kasachstan	Almaty	NK	100.00
Towarzystwo z obmeshenoju widpowidalnistju “Dywidag UkrainaGmbH”	Kiev	NK	99.00
TPA EOOD	Sofia	VK	100.00
TPA Gesellschaft für Qualitätssicherung u. Innovation GmbH	Cologne	VK	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Vienna	VK	100.00
TPA INSTYTUT BADAN TECHNICZNYCH SPÓLKA .z.o.o.	Pruszków	VK	100.00
TPA odzavanje kvaliteta i inovacija drustvo s ogranicenom odgovornoscu	Zagreb	VK	100.00
TPA OOO	Moscow	NK	100.00
TPA Societate pentru asigurarea calitatii si inovatii SRL	Bucharest	VK	100.00
TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o.	Beroun	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
Transkipper sp.z o.o.	Warszawa	NK	100.00
Treuhandbeteiligung		VK	100.00
Treuhandbeteiligung M		NK	50.00
UAB “Miobijus Baltija”	Klaipeda	NK	100.00

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
Ucka Asphalt drustvo s ogranicenom odgovornoscu za proizvodnju i usluge	Potpican	NK	25.00
UND-FRISCHBETON s.r.o.	Kosice	NK	75.00
UNI-BAU Wohnungseigentumserrichtungs GmbH	Vienna	NK	100.00
UNIPROJEKT Bau- und Innenbau GmbH	Vienna	VK	100.00
Universitätszentrum Althanstraße Erweiterungsgesellschaft m.b.H.	Vienna	NK	100.00
Unterstützungseinrichtung für die Angestellten der ehemaligen Bau-Aktiengesellschaft "Negrelli" GesellschaftmbH	Vienna	NK	50.00
Útépítőgépek Szolgáltató Korlátolt Felelősségű Társaság	Budapest	VK	100.00
VAB graditeljstvo drustvo s ogranicenom odgovornoscu	Varazdin	NK	34.50
VAL DI CHIENZI SOCIETA' CONSORTILE PER AZIONI	Ravenna	NK	36.00
VAMA Vereinigte Asphalt-Mischwerke Aachen GmbH & Co.KG	Alsdorf	NK	45.00
VAMA Vereinigte Asphalt-Mischwerke Aachen Verwaltungs GmbH	Alsdorf	NK	45.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H.	Linz	NK	75.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG	Linz	VK	75.00
VCO – Vychodoceska obalovna, s r.o	Hradec Kralove	NK	33.33
vdw Transrapid GmbH	Cologne	NK	100.00
Verbundplan Birecik Isletme Ltd.	Birecik	NK	25.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	Spittal an der Drau	NK	50.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	Spittal an der Drau	VK	50.00
VIALIT-ASPHALT Podjetje za asfaltiranje in trgovino, d.o.o.	Ljubljana	NK	50.00
Viamont DSP a.s.Usti nad LABem	Usti nad Labem	EK	50.00
VIANOVA – Bitumenemulsionen GmbH	Fürnitz	NK	24.90
Vierte Vorratsgesellschaft mbH	Dresden	NK	100.00
Villacher Parkgaragen Gesellschaft m.b.H. & Co. KG	Spittal an der Drau	NK	100.00
VKG-Valentiner Kieswerk Gesellschaft m.b.H.	Linz	NK	50.00
Vojvodinaput-Pancevo a.d. Pancevo	Pancevo	VK	81.51
Walter Group International Philippines, Inc.	Philippinen	NK	26.00
WALTER-HEILIT/EPKER Epitőipari Korlátolt	Nyíregyháza	NK	50.00
WARSZAWSKIE ASFALTY Sp.z.o.o	Warsaw	NK	100.00
WBA – Walter Birgel Asphaltbau Gesellschaft mit beschränkter Haftung	Leipzig	NK	85.00
WE Pro Bauträger Gesellschaft m.b.H.	Vienna	NK	25.00
Werner Stapelfeldt Bauwerksabdichtungen GmbH	Soltau	NK	100.00
Weserbergland Verwaltungs GmbH	Emmerthal	VK	100.00
Western High-Speed Diameter "Nevskij Meridian" Co. Ltd.	St. Petersburg	NK	25.00
WIBAU Holding GmbH	Linz	NK	24.80
WMB Drogbud Sp. z o.o.	Czestochowa	VK	51.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	Zistersdorf	NK	33.33
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	Zistersdorf	NK	33.33
Wohnbau Tafelgelände Beteiligungs-GmbH	Nuremberg	NK	25.00
Wohnbau Tafelgelände GmbH & Co. KG	Nuremberg	NK	25.00
Wohnbauträgergesellschaft Objekt "Freising – Westlich der Jagdstraße" mbH	Cologne	NK	100.00
Wohnen am Krautgarten Bauträger GmbH	Vienna	VK	100.00
WOHNGARTEN SENSENGASSE BAUTRÄGER GMBH	Vienna	VK	55.00
WSI Westenfelder Stein Industrie GmbH & Co. KG	Sundern	NK	100.00
WWOM Projektentwicklung GmbH	Vienna	NK	87.50
Xaver Bachner Gesellschaft m.b.H.	Straubing	VK	100.00
Z-Bau GmbH	Magdeburg	VK	100.00
Zbrinjavanje i postupanje otpadom Slavonije drustvo s ogranicenom odgovornoscu za zbrinjavanje otpada	Antunovac	NK	50.00
ZDE Dritte Vermögensverwaltung GmbH	Cologne	NK	100.00
ZDE Immobilien AG	Zurich	NK	99.80

<b>Company</b>	<b>Headquarters</b>	<b>Type of consolidation <sup>1)</sup></b>	<b>Interest %</b>
ZDE Projekt Oberaltenallee GmbH	Hamburg	NK	100.00
ZDE Vierte Vermögensverwaltung GmbH	Cologne	NK	100.00
ZDE-Projekt Bahnhofs-Arkaden Hildesheim GmbH & Co.KG	Cologne	NK	100.00
Z-Design EOOD	Sofia	NK	100.00
Zentrum Rennweg S-Bahn Immobilienentwicklung GmbH	Vienna	VK	100.00
Zezelevskij karier TOV	Zezelev	VK	94.00
ZIBA Partikeltherapiezentrum Kiel GmbH	Kiel	NK	50.00
ZIPP BRATISLAVA spol. sr.o.	Bratislava	VK	100.00
ZIPP Brno s.r.o.	Brno	NK	50.00
ZIPP CZ a.s.	Prague	NK	100.00
ZIPP Elitgladstroy RF	Moscow	NK	100.00
ZIPP GECA, s.r.o.	Geca	NK	100.00
ZIPP PRAHA, s.r.o.	Prague	VK	100.00
ZIPP REAL, a.s.	Brno	NK	50.00
ZIPP SKALICA, spol.s.r.o.	Skalica	NK	46.00
ZPSV Olcnavá	Olcnavá	NK	100.00
Züblin Baugesellschaft m.b.H.	Vienna	VK	100.00
Züblin Bulgaria EOOD	Sofia	NK	100.00
Züblin Chile Ingenieria y Construcciones Ltd	Santiago	NK	100.00
Züblin Construct s.r.l.	Bucharest	VK	100.00
Züblin Development GmbH	Cologne	VK	100.00
Züblin Ground & Civil Engineering L.L.C.	Dubai	NK	100.00
Züblin Holding GmbH	Vienna	VK	100.00
Züblin Holding Thailand Co. Ltd.	Bangkok	NK	47.67
Züblin Hrvatska d.o.o.	Zagreb	VK	100.00
Züblin International Chile Ltda.	Santiago	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 Qatar	NK	49.00
Züblin K.f.t	Budapest	VK	100.00
Züblin Logistik- und Informationssysteme GmbH	Stuttgart	NK	100.00
Züblin Maschinen- und Anlagenbau GmbH	Kehl/Rhein	NK	100.00
ZÜBLIN MURER AG	Zurich	VK	100.00
Züblin Polska Sp.z o.o.	Poznan	VK	100.00
Züblin Projektentwicklung GmbH	Stuttgart	VK	100.00
Züblin Romania S.R.L.	Bucharest	NK	100.00
Züblin Scandinavia a.s.	Viby	VK	100.00
Züblin Scandinavia AB	Sollentuna	VK	100.00
Züblin Services GmbH	Stuttgart	NK	100.00
Züblin Shanghai Changjiang Construction Engineering Co.Ltd.	Shanghai	VK	75.00
Züblin Slovensko s.r.o.	Bratislava	NK	100.00
Züblin Spezialtiefbau GmbH	Stuttgart	VK	100.00
Züblin spol s.r.o.	Prague	VK	100.00
Züblin Stahlbau GmbH	Hosena	VK	100.00
Züblin Thailand Co. Ltd.	Bangkok	NK	99.97
Züblin Umwelttechnik GmbH	Stuttgart	VK	100.00
Zucotec – Sociedade de Construcoes Lda.	Lisbon	VK	100.00
ZUEBLIN AUSTRALIA PTY LTD	Pearth	NK	100.00
Zuidermeent B.V.	AK The Hague	NK	100.00
Z-zwo Verwaltungsgesellschaft mbH & Co.KG	Stuttgart	NK	100.00

<sup>1)</sup> VK...Full consolidation  
EK...Equity accounting  
NK...No consolidation

# UNQUALIFIED INDEPENDENT AUDITOR'S REPORT

## Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of STRABAG SE, Villach, Austria for the financial year from January 1 to December 31, 2007. These consolidated financial statements comprise the balance sheet as at December 31, 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended December 31, 2007, and a summary of significant accounting policies and other explanatory notes.

## Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU. 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.

## Auditor's Responsibility

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 in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 entity'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 entity'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. Based on the results of our audit in our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the group as of December 31, 2007, and of its financial performance and its cash flows for the financial year from January 1 to December 31, 2007 in accordance with International Financial Reporting Standards as adopted by the EU.

## Report on Other Legal and Regulatory Requirements

Laws and regulations applicable in Austria require us to perform audit procedures whether the consolidated management report is consistent with the consolidated financial statements and whether the other disclosures made in the consolidated management report do not give rise to misconception of the position of the group.

In our opinion, the consolidated management report for the group is consistent with the consolidated financial statements.

Linz, 9 April 2008

*KPMG Austria GmbH*  
*Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH*

/s/ Ernst Pichler  
Mag. Ernst Pichler  
Austrian Certified  
Public Accountant

/s/ Stephan Beurle  
Mag. Stephan Beurle  
Austrian Certified  
Public Accountant

This report is a translation of the original report in German, which is solely valid. The consolidated financial statement may only be published with our auditor's opinion in the version audited and approved by us. For any modified version (e.g. shortened versions or translations) Article 281 Paragraph 2 of the Austrian Commercial Code (UGB) applies.

**CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2008**

**CONSOLIDATED INCOME STATEMENT FOR 1.1.- 31.3.2008**

	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2007</b>
	<b>T€</b>	<b>T€</b>
Revenue	1,762,715	1,475,346
Changes in inventories	-12,227	37,215
Own work capitalized	12,927	11,582
Other operating income	45,128	49,194
Raw materials, consumables and services used	-1,281,088	-1,131,710
Employee benefits expense	-465,655	-404,650
Other operating expenses	-126,062	-99,407
Share of profit or loss of associates	-2,036	-687
Net investment income	4,002	1,993
<b>EBITDA</b>	<b>-62,296</b>	<b>-61,124</b>
Depreciation and amortization expense	-75,921	-59,698
<b>EBIT</b>	<b>-138,217</b>	<b>-120,822</b>
Interest and similar income	23,104	8,457
Interest expense and similar charges	-21,094	-20,609
<b>Net interest</b>	<b>2,010</b>	<b>-12,152</b>
<b>Profit before tax</b>	<b>-136,207</b>	<b>-132,974</b>
Income tax expense	26,361	28,236
<b>Profit for the period</b>	<b>-109,846</b>	<b>-104,738</b>
Attributable to: Minority interest	-28,606	-21,990
Attributable to: Equity holders of the parent	-81,240	-82,748
Earnings per share (in €)	-0.71	-1.18

**STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR 1.1.-31.3.2008**

	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2007</b>
	<b>T€</b>	<b>T€</b>
Differences arising from currency translation	13,346	-1,839
Change in hedging reserves	-1,909	-6,244
Deferred taxes on neutral change in equity	477	1,567
<b>Net income recognized directly in equity</b>	<b>11,914</b>	<b>-6,516</b>
Profit for the period	-109,846	-104,738
<b>Total of recognized income and expense for the period</b>	<b>-97,932</b>	<b>-111,254</b>
Attributable to: Minority interest	-70,699	-88,377
Attributable to: Equity holders of the parent	-27,233	-22,877

## CONSOLIDATED BALANCE SHEET AS AT 31.3.2008

### Assets

	31.3.2008 T€	31.12.2007 T€
<b>Non-current assets</b>		
Intangible assets	249,559	239,852
Property, plant and equipment	1,633,594	1,543,569
Investment property	147,086	149,407
Investments in associates	137,963	139,260
Other financial assets	232,503	223,567
Trade receivables	37,979	40,062
Other receivables and other assets	38,554	40,599
Deferred taxes	108,122	93,528
	<b><u>2,585,360</u></b>	<b><u>2,469,844</u></b>
<b>Current assets</b>		
Inventories	489,706	477,443
Trade receivables	2,109,239	2,448,074
Other receivables and other assets	431,601	379,678
Cash and cash equivalents	1,571,384	1,965,775
	<b><u>4,601,930</u></b>	<b><u>5,270,970</u></b>
	<b><u>7,187,290</u></b>	<b><u>7,740,814</u></b>

### Equity and Liabilities

	31.3.2008 T€	31.12.2007 T€
<b>Group equity</b>		
Share capital	114,000	114,000
Capital reserves	2,311,384	2,311,384
Retained earnings	374,421	445,120
Minority interests	194,644	225,950
	<b><u>2,994,449</u></b>	<b><u>3,096,454</u></b>
<b>Non-current liabilities</b>		
Provisions	620,568	625,863
Financial liabilities	485,516	484,772
Trade payables	31,008	30,556
Other liabilities	5,389	6,075
Deferred taxes	2,438	21,100
	<b><u>1,144,919</u></b>	<b><u>1,168,366</u></b>
<b>Current liabilities</b>		
Provisions	418,402	448,109
Financial liabilities	208,572	199,320
Trade payables	1,969,849	2,275,687
Other liabilities	451,099	552,878
	<b><u>3,047,922</u></b>	<b><u>3,475,994</u></b>
	<b><u>7,187,290</u></b>	<b><u>7,740,814</u></b>



## CONSOLIDATED CASH-FLOW STATEMENT FOR 1.1.-31.3.2008

	1.1.-31.3.2008	1.1.-31.3.2007
	T€	T€
Profit for the period	-109,846	-104,738
Deferred taxes	-32,745	-36,954
Non-cash effective results from associates	2,036	3,486
Depreciations/write ups	75,980	59,706
Changes in long term provisions	-5,296	-7,400
Gains/losses on disposal of non-current assets	-6,919	-5,848
<b>Cash-flow from profits</b>	<b>-76,790</b>	<b>-91,748</b>
Change in items:		
Inventories	-12,085	-46,968
Trade receivables, construction contracts and consortia	349,312	408,887
Receivables from subsidiaries and receivables from participation companies	-10,272	-15,300
Other assets	-22,696	-19,487
Trade payables, construction contracts and consortia	-311,258	-345,394
Liabilities from subsidiaries and liabilities from participation companies	-6,476	4,800
Other liabilities	-121,669	-98,741
Current provisions	-29,705	-30,478
<b>Cash-flow from operating activities</b>	<b>-241,639</b>	<b>-234,429</b>
Purchase of financial assets	-11,032	-7,113
Purchase of property, plant, equipment and intangible assets	-155,710	-82,991
Gains/losses on disposal of non-current assets	6,919	5,848
Disposals of non-current assets (carrying value)	17,868	10,198
Change in other cash pooling receivables	2,749	-4,006
Change in scope of consolidation	-15,793	0
<b>Cash-flow from investing activities</b>	<b>-154,999</b>	<b>-78,064</b>
Change in bank borrowings	904	93,725
Change in liabilities from finance leases	-1,419	-463
Change in other cash pooling liabilities	249	-2,992
Distribution and withdrawals from partnership	-4,073	-2,972
<b>Cash-flow from financing activities</b>	<b>-4,339</b>	<b>87,298</b>
Cash-flow from operating activities	-241,639	-234,429
Cash-flow from investing activities	-154,999	-78,064
Cash-flow from financing activities	-4,339	87,298
<b>Net change in cash and cash equivalents</b>	<b>-400,977</b>	<b>-225,195</b>
Cash and cash equivalents at the beginning of the year	1,965,775	586,265
Change in cash and cash equivalents due to currency translation	6,586	-809
<b>Cash and cash equivalents at the end of the period</b>	<b>1,571,384</b>	<b>360,261</b>
Interest paid	11,509	9,957
Interest received	21,146	10,722
Taxes paid	7,196	10,089

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### STRABAG SE, VILLACH AS OF 31.3.2008

#### Basic principles

The consolidated interim financial statements of STRABAG SE, based in Villach, Austria, with reporting date 31 March 2008 was drawn up under application of IAS 34 in accordance with the International Financial Reporting Standards (IFRS) – issued by the International Accounting Standards Board (IASB) in London and recognized by the European Union – including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) valid on the reporting date. Applied were exclusively those IASB standards and interpretations adopted by the European Commission before the reporting deadline and published in the Official Journal of the European Union.

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

The consolidated financial statements of the Group as at and for the year ended 31 December 2007 are available at [www.strabag.com](http://www.strabag.com).

#### Accounting and Valuation Methods

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

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

#### Estimates

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

#### Scope of Consolidation

The consolidated interim financial statements as of 31 March 2008 include STRABAG SE as well as all major domestic and foreign subsidiaries where STRABAG SE either directly or indirectly holds a majority of the voting rights. Major associated companies are reported in the balance sheet using the equity method.

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

	<b>Consolidation</b>	<b>equity method</b>
Situation on 31.12.2007	278	14
First time inclusion in the period under report	3	0
Mergers in the period under report	0	0
Exclusions in the period under report	0	0
<b>Situation on 31.3.2008</b>	<b><u>281</u></b>	<b><u>14</u></b>

#### Additions to Scope of Consolidation

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

<b>Company</b>	<b>Direct Stake %</b>	<b>Date of Acquisition/ Foundation</b>
<b>Consolidation:</b>		
Montmontaža Hidroinženjering d.o.o., Split	100.00	14.2.2008
M.A. d.o.o., Split	100.00	14.2.2008
Pomgrad Inženjering d.o.o., Split	100.00	14.2.2008

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

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

In the Q1/2008 period, negative goodwill amounting to T€ 8 occurred. This amount is reported under other operating income.

Assuming a fictitious first-time consolidation on 1 January 2008 for all acquisitions in the Q1/2008 period, the consolidated revenue would amount to T€ 1,775,217 and consolidated profit would have decreased by a total of T€ 0.

All companies which were consolidated for the first time in Q1/2008 contributed T€ 12,502 to revenue and T€ 0 to profit.

### **Methods of Consolidation and Currency Translation**

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

In the Q1/2008 period, T€ 9,041 in goodwill arising from capital consolidation were recognized as asset.

### **Goodwill**

Goodwill assets are subject to an annual impairment test in accordance with IAS 36. The impairment test is carried out in the last two months of the financial year. Effective 31 March 2008, there was no indication that goodwill impairment was necessary.

## **Notes on the Items in the Consolidated Income Statement**

### **Seasonality**

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

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

## **Notes on the Items in the Consolidated Balance Sheet**

### **Property, Plant and Equipment and Intangible Assets**

In Q1/2008, tangible and intangible assets in the amount of T€ 155,710 (Q1/2007 T€ 82,991) were acquired.

In the same period, tangible and intangible assets in the amount of a book value of T€ 15,596 were sold (Q1/2007 T€ 9,469).

Extraordinary impairment on property, plant and equipment in the amount of T€ 0 (Q1/2007 T€ 23) were made. Impairment on goodwill amounts to T€ 0 (Q1/2007 T€ 0)

## Purchase Obligations

On the reporting date, there were € 136 million in contractual commitments for the acquisition of property, plant and equipment which were not considered in the financial statement.

## Equity

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

The changes in equity are shown as follows:

	Share Capital	Capital Reserves	Retained Earnings	Foreign currency reserve	Minority Interest	Total
	T€	T€	T€	T€	T€	T€
<b>Balance at 1.1.2007</b>	<b>70,000</b>	<b>448,047</b>	<b>333,745</b>	<b>6,225</b>	<b>177,877</b>	<b>1,035,894</b>
Differences arising from currency translation	0	0	0	-1,232	-607	-1,839
Profit for the period	0	0	-82,748	0	-21,990	-104,738
Change in hedging reserves	0	0	-5,868	0	-376	-6,244
Deffered taxes on neutral change in equity	0	0	1,471	0	96	1,567
Distribution of dividends	0	0	0	0	-2,972	-2,972
<b>Balance at 31.3.2007</b>	<b>70,000</b>	<b>448,047</b>	<b>246,600</b>	<b>4,993</b>	<b>152,028</b>	<b>921,668</b>
<b>Balance at 1.1.2008</b>	<b>114,000</b>	<b>2,311,384</b>	<b>430,206</b>	<b>14,914</b>	<b>225,950</b>	<b>3,096,454</b>
Differences arising from currency translation	0	0	0	11,803	1,543	13,346
Profit for the period	0	0	-81,240	0	-28,606	-109,846
Change in hedging reserves	0	0	-1,682	0	-227	-1,909
Deffered taxes on neutral change in equity	0	0	420	0	57	477
Distribution of dividends	0	0	0	0	-4,073	-4,073
<b>Balance at 31.3.2008</b>	<b>114,000</b>	<b>2,311,384</b>	<b>347,704</b>	<b>26,717</b>	<b>194,644</b>	<b>2,994,449</b>

## Contingent Liabilities

The company has accepted the following guarantees:

	31.3.2008	31.12.2007
	T€	T€
Guarantees without financial guarantees	12,776	14,029

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 27,434 (31 December 2007 T€ 34,955).

## Segment Reporting

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

**Segment Reporting for 1.1.-31.3.2008**

	<b>Building Construction &amp; Civil Engineering</b>	<b>Transportation Infrastructures</b>	<b>Special Divisions &amp; Concessions</b>	<b>Miscellaneous and Consolidation</b>	<b>Total</b>
	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2008</b>	<b>1.1.-31.3.2008</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>
Output Volume	1,122,777	590,901	163,282	45,608	1,922,568
Revenue	1,029,993	579,122	147,275	6,325	1,762,715
EBIT	<b>-30,084</b>	<b>-90,241</b>	<b>-15,608</b>	<b>-2,284</b>	<b>-138,217</b>

**Segment Reporting for 1.1.-31.3.2007**

	<b>Building Construction &amp; Civil Engineering</b>	<b>Transportation Infrastructures</b>	<b>Special Divisions &amp; Concessions</b>	<b>Miscellaneous and Consolidation</b>	<b>Total</b>
	<b>1.1.-31.3.2007</b>	<b>1.1.-31.3.2007</b>	<b>1.1.-31.3.2007</b>	<b>1.1.-31.3.2007</b>	<b>1.1.-31.3.2007</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>
Output Volume	1,089,248	463,519	133,360	31,563	1,717,690
Revenue	932,403	438,308	98,042	6,593	1,475,346
EBIT	<b>-24,787</b>	<b>-81,162</b>	<b>-12,674</b>	<b>-2,199</b>	<b>-120,822</b>

**Notes on Related Parties**

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

**Events after Reporting Date**

In early April 2008, STRABAG acquired 85% of Swedish construction company ODEN Anläggningentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, ODEN generated revenues of € 121 million and employed about 400 people.

In April 2008, STRABAG acquired 80% of Kirchner Holding GmbH, one of Germany's leading construction SMEs. In 2007, the company employed approx. 1,500 people and generated a construction output volume of € 373 million. Kirchner is mainly active in the areas of infrastructure construction and environmental technology.

In May 2008 STRABAG SE acquired the Swiss StraBAG group. The main business activity of the group is in the areas of road construction, civil engineering and underground construction as well as paving and surfacing. In 2007, the group employed 168 people and generated overall revenues of € 28 million.

In May 2008 the management board decided to acquire the remaining shares of the M5 highway license company in Hungary, AKA Alföld Koncessziós Autópálya Zrt., Budapest. The Group's share amounted to 25.12% so far. The concession length is until 2031.

**Audit Waiver**

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

**ISSUER**

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