



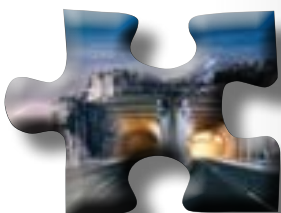
## FINANCIAL REPORT 2007

**STRABAG**  
SOCIETAS EUROPAEA



<b>Financial Statement</b>	<b>2</b>
<b>Individual Financial Statement</b>	<b>120</b>

# Financial Statement



The consolidated financial statements of STRABAG SE 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), including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).



# 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
<b>Earnings per share (in €)</b>	(28)	<b>2.05</b>	<b>2.73</b>

## 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		31.12.2007	31.12.2006
	Notes	T€	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
		<b>2,469,844</b>	<b>1,902,319</b>
<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
		<b>5,270,970</b>	<b>3,673,507</b>
		<b>7,740,814</b>	<b>5,575,826</b>

EQUITY AND LIABILITIES		31.12.2007	31.12.2006
		T€	T€
<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)	<b>3,096,454</b>	<b>1,035,894</b>
<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
		<b>1,168,366</b>	<b>1,143,302</b>
<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
		<b>3,475,994</b>	<b>3,396,630</b>
		<b>7,740,814</b>	<b>5,575,826</b>

# FINANCIAL STATEMENT 31.12.2007

## 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



**FINANCIAL STATEMENT**

INDIVIDUAL FINANCIAL  
STATEMENT

# FINANCIAL STATEMENT 31.12.2007

## CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS AS OF 31 DECEMBER 2006

				Acquisition and Production Costs			
	Balance on 31.12.2005 T€	Changes in Scope of Con- solidation T€	Currency Translation T€	Balance on 1.1.2006 T€	Additions T€	Transfers T€	Disposals 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
2. Goodwill	98,737	29,462	3	128,202	951	0	10,045
3. Advances paid	110	0	0	110	10	0	0
	<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>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
2. Technical equipment and machinery	1,065,178	76,883	6,044	1,148,105	161,333	24,346	99,524
3. Other facilities, furniture and fixtures and office equipment	467,754	87,092	2,580	557,426	94,500	-7,078	69,805
4. Advances paid and facilities under construction	35,825	119	750	36,694	36,352	-18,040	112
	<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>III. Investment Property</b>	286,808	0	1,770	288,578	5,865	7,393	1,482
	<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>

<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			
	Balance on 31.12.2006 T€	Changes in Scope of Con- solidation T€	Currency Translation T€	Balance on 1.1.2007 T€	Additions T€	Transfers T€	Disposals 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
2. Goodwill	119,108	142,384	3,581	265,073	594	0	786
3. Advances paid	120	0	0	120	0	-120	0
	<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>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
2. Technical equipment and machinery	1,234,260	306,120	6,119	1,546,499	259,737	26,290	111,999
3. Other facilities, furniture and fixtures and office equipment	575,043	62,146	-101	637,088	136,883	1,106	90,979
4. Advances paid and facilities under construction	54,894	13,348	500	68,742	75,204	-45,142	0
	<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>III. Investment Property</b>	300,354	0	-926	299,428	4,403	0	3,804
	<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>

<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)



Accumulated Depreciation							Carrying Values		
Balance on 31.12.2006 T€	Balance on 31.12.2005 T€	Changes in Scope of Con- solidation T€	Currency Trans- lation T€	Additions <sup>1)</sup> T€	Transfers T€	Disposals <sup>2)</sup> T€	Balance on 31.12.2006 T€	Values 31.12.2006 T€	Values 31.12.2005 T€
36,423	24,844	2,037	80	4,338	-87	2,627	28,585	7,838	7,361
119,108	39,123	0	0	15,120	0	6,789	47,454	71,654	59,614
120	0	0	0	0	0	0	0	120	110
<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>
695,296	196,010	10,218	140	21,124	-70	11,483	215,939	479,357	449,091
1,234,260	707,689	76,503	4,037	111,556	6,598	86,705	819,678	414,582	357,489
575,043	324,933	66,898	2,416	69,593	-6,441	63,612	393,787	181,256	142,821
54,894	0	0	0	0	0	0	0	54,894	35,825
<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>
300,354	136,167	0	1,032	7,947	0	0	145,146	155,208	150,641
<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>

Accumulated Depreciation							Carrying Values		
Balance on 31.12.2007 T€	Balance on 31.12.2006 T€	Changes in Scope of Con- solidation T€	Currency Trans- lation 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€
60,048	28,585	3,569	45	3,202	65	2,450	33,016	27,032	7,838
264,881	47,454	1,064	3	3,924	0	384	52,061	212,820	71,654
0	0	0	0	0	0	0	0	0	120
<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>
853,154	215,939	38,290	693	24,797	6,607	6,382	279,944	573,210	479,357
1,720,527	819,678	176,747	3,666	155,413	9,902	90,158	1,075,248	645,279	414,582
684,098	393,787	50,097	53	87,083	-16,574	56,624	457,822	226,276	181,256
98,804	0	0	0	0	0	0	0	98,804	54,894
<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>
300,027	145,146	0	-130	9,052	0	3,448	150,620	149,407	155,208
<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>

## 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.

# NOTES

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

	consolidation	equity method
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>278</b>	<b>14</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, Koblenz-Gondorf	100.00	10.12.2007
„IT“ Ingenieur- und Tiefbau GmbH, Koblenz-Gondorf	100.00	10.12.2007
„Slaskie Drogi“ SPOLKA z Ograniczona Odpowiedzialnoscia, 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 Kammelweg Bauträger GmbH, Vienna	100.00	1.1.2007 <sup>1)</sup>

Polski Asfalt sp. z o.o., Wrocław	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., Wrocław	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., Czeszochowa	51.00	13.4.2007
WOHNGARTEN SENSENGASSE 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>
Zezelevskij karier TOV, Zezelev	94.00	31.10.2007
Züblin Construct s.r.l., Bucurest	100.00	1.1.2007 <sup>1)</sup>

### Equity Method

AKA Alföld Koncessziós Autópálya 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 Építő Zártkörűen Működő Részvénytársaság, 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 Asfalt.

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:

	Polski Asfalt-Group
	T€
<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>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>



# NOTES

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 Umweltanlagen 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 Umweltanlagen</b>
	T€
<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>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</b>
	T€
<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>13,325</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</b>
	T€
<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>19,481</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</b>
	T€
<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>22,834</b>

# NOTES

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; Diabaswerk Saalfelden Gesellschaft mbH, Saalfelden; Baukontor Gaaden Gesellschaft m.b.H., Gaaden; Bitunova Ukraina Tov, Brovary; Zezelivsky Karier Tov, Zezelv; 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</b>
	T€
<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>28,839</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; "Crnogoraput" 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</b>
	T€
<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>17,803</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</b>	
	T€
<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>2,693</b>

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

<b>Others</b>	
	T€
<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>-954</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.

# NOTES

## 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 Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, 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
Colonius-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, Weinfelden	merger with Egolf AG Strassen- und Tiefbau (former Egolf Bauunternehmungen AG), Weinfelden
Egolf Baustoffe AG, Bürglen	merger with Egolf AG Strassen- und Tiefbau (former Egolf Bauunternehmungen AG), Weinfelden
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.

# NOTES

The following list shows the fully consolidated companies included in the consolidated financial statement.

Austria	nominal capital TATS/T€	stake in %
„A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH“, Spittal an der Drau	€ 35	100.00
„Daheim“ Bau- und Wohnungseigentumsgesellschaft m.b.H., Vienna	€ 36	100.00
„DOMIZIL“ Bauträger GmbH, Vienna	€ 727	100.00
„Filmforum am Bahnhof“ Errichtungs- und Betriebsgesellschaftm.b.H., Vienna	3,000	100.00
„Geschäfts- und Bürohaus Sterneckstraße Errichtungs- und Betriebs GmbH“, Vienna	€ 35	100.00
„SBS Strabag Bau Holding Service GmbH“, Spittal an der Drau	€ 35	100.00
„Wiener Heim“ Wohnbaugesellschaft m.b.H., Vienna	€ 741	100.00
ABR Abfall Behandlung und Recycling Schwadorf GmbH, Schwadorf	€ 36	100.00
Asphalt & Beton GmbH, Lendorf	€ 36	100.00
AUSTRIA ASPHALT GmbH & Co OHG, Spittal an der Drau	500	100.00
Bau Holding Beteiligungs AG, Spittal an der Drau	€ 48,000	100.00
Baukontor Gaaden Gesellschaft m.b.H., Gaaden	500	100.00
Bitumen Handelsgesellschaft m.b.H. & Co KG, Loosdorf	3,000	100.00
BITUNOVA Baustofftechnik Gesellschaft m.b.H., Spittal an der Drau	2,000	100.00
BMTI-Baumaschinentechnik International GmbH, Trumau	€ 1,454	100.00
BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H., Spittal an der Drau	€ 37	100.00
Bug-AluTechnic GmbH, Dornbirn	€ 5,000	100.00
BUSINESS BOULEVARD Errichtungs- und Betriebs GmbH, Vienna	€ 90	100.00
Diabaswerk Saalfelden Gesellschaft m.b.H., Saalfelden	€ 363	80.00
Eckstein Holding GmbH, Kennelbach	1,000	100.00
ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H., Vienna	€ 1,897	100.00
F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG, Eggendorf	€ 1,192	100.00
Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH, Vienna	€ 500	100.00
FUSSENEGGER Hochbau und Holzindustrie GmbH, Dornbirn	€ 44	100.00
Goldeck Bergbahnen GmbH, Spittal an der Drau	€ 363	100.00
H. Westerthaler Baugesellschaft m.b.H., St. Johann im Pongau	€ 36	100.00
Ilbau Liegenschaftsverwaltung GmbH, Spittal an der Drau	€ 4,500	100.00
Innerebner Baustahl GmbH, Wiener Neustadt	€ 36	100.00
Insond Spezialtiefbau Gesellschaft m.b.H, Vienna	€ 1,500	100.00
KAB Straßensanierung GmbH & Co KG, Spittal an der Drau	€ 133	50.60
Kanzel Steinbruch Dennig Gesellschaft mit beschränkter Haftung, Gratkorn	500	75.00
Kurz Hoch- und Ingenieurbau GmbH, Walchsee	€ 35	100.00
Leitner Gesellschaft m.b.H., Hausmening	4,800	100.00
Mineral Abbau GmbH, Spittal an der Drau	€ 36	100.00
Mischek Bauträger Service GmbH, Vienna	€ 36	100.00
Mischek Leasing eins Gesellschaft m.b.H., Vienna	€ 36	100.00
Mischek Systembau GmbH, Vienna	€ 1,000	100.00
Nordpark Errichtungs- und Betriebs GmbH, Innsbruck	€ 35	51.00
OAT - Bohr- und Fugentechnik Gesellschaft m.b.H., Spittal an der Drau	1,000	51.00
Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH, Lavant in Osttirol	€ 36	80.00
Ottokar Klug Gesellschaft m.b.H., Vienna	€ 37	100.00
Pagitz Metalltechnik GmbH, Spittal an der Drau	€ 35	100.00

Passivhaus Kammelweg Bauträger GmbH, Vienna	€ 100	100.00
PRO Liegenschaftsverwaltungs- und Verwertungsgesellschaft m.b.H., Vienna	500	100.00
RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H., Linz	€ 291	100.00
Stadtbaumeister Architekt Franz Böhm GmbH, Vienna	€ 36	100.00
Stoppacher Metalltechnik GmbH, Spittal an der Drau	€ 100	51.00
Storf Hoch- und Tiefbaugesellschaft m.b.H., Reutte	€ 727	100.00
STRABAG AG, Spittal an der Drau	€ 12,000	100.00
STRABAG Anlagentechnik GmbH, Thalgau	€ 1,000	100.00
STRABAG Facility Management GmbH, Spittal an der Drau	€ 36	100.00
Strabag Liegenschaftsverwaltung GmbH, Linz	€ 4,500	100.00
STRABAG SE, Villach	€ 114,000	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH, Vienna	€ 37	100.00
Treuhandbeteiligung	500	100.00
UNIPROJEKT Bau- und Innenbau GmbH, Vienna	500	100.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG, Linz	€ 73	75.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG, Spittal an der Drau	€ 263	50.00
Wohnen am Krautgarten Bauträger GmbH, Vienna	€ 35	100.00
WOHNGARTEN SENSENGASSE BAUTRÄGER GMBH, Vienna	€ 35	55.00
Zentrum Rennweg S-Bahn Immobilienentwicklung GmbH, Vienna	500	100.00
Züblin Baugesellschaft m.b.H., Vienna	35,000	100.00
Züblin Holding GmbH, Vienna	€ 55	100.00

GERMANY	nominal capital TDEM/TE	stake in %
„GfB“ Gesellschaft für Bauwerksabdichtungen mbH, Koblenz-Gondorf	€ 205	100.00
„IT“ Ingenieur- und Tiefbau GmbH, Koblenz-Gondorf	€ 256	100.00
A.H.I-BAU Allgemeine Hoch- und Ingenieurbau-GmbH, Cologne	6,600	100.00
August & Jean Hilpert GmbH & Co. KG, Nürnberg	1,000	100.00
Baugesellschaft Claus Alpen mbH, Neustadt	€ 2,557	100.00
Baumann & Burmeister GmbH, Halle/Saale	€ 51	100.00
Bauträgergesellschaft Olande mbH, Hamburg	€ 25	51.00
Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung, Straubing	100	100.00
BBS Baustoffbetriebe Sachsen GmbH, Hartmannsdorf	30,000	100.00
becker bau GmbH u. Co. KG, Bornhöved	€ 3,100	100.00
Beton und Recycling GmbH & Co. KG, Emersleben	€ 1,030	100.00
Blees-Kölling-Bau GmbH, Cologne	2,500	100.00
BMTI-Baumaschinentechnik International GmbH, Cologne	€ 307	100.00
BRVZ Bau- Rechen- und Verwaltungszentrum GmbH, Cologne	€ 30	100.00
BRVZ Bau-Rechen- und Verwaltungszentrum GmbH, Dahlwitz/Hoppegarten	100	100.00
CLS Construction Legal Services GmbH, Cologne	€ 25	100.00
Deutsche Asphalt GmbH, Cologne	€ 26	100.00
DYWIDAG Bau GmbH, Munich	€ 25	100.00
DYWIDAG International GmbH, Munich	€ 5,000	100.00
DYWIDAG-Holding GmbH, Cologne	€ 500	100.00
Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH, Bayreuth	€ 30	100.00
Eberhardt Bau-Gesellschaft mbH, Berlin	300	100.00
ECS European Construction Services GmbH, Möhrfelden-Walldorf	€ 25	100.00
Ed. Züblin AG, Stuttgart	€ 20,452	57.26

# NOTES

Eduard Hachmann Gesellschaft mit beschränkter Haftung, Lunden	€ 520	100.00
Eichholz Eivel GmbH, Berlin	€ 25	100.00
Eichholz Rail GmbH, Lauda-Königshofen	€ 25	100.00
Eraproject Immobilien-, Projektentwicklung und Beteiligungsverwaltung GmbH, Berlin	100	100.00
Erschließungsgesellschaft „Am Schloßberg“ Pantelitz GmbH, Neubrandenburg	€ 25	100.00
ETG Erzgebirge Transportbeton GmbH, Freiberg	€ 290	60.00
Ezel Bauunternehmung Sindelfingen GmbH, Sindelfingen	€ 310	100.00
Fahrleitungsbau GmbH, Essen	€ 1,550	100.00
Friedrich Preusse Bauunternehmung Gesellschaft mit beschränkter Haftung, Braunschweig	€ 1,050	100.00
Gebr. von der Wettern Gesellschaft mit beschränkter Haftung, Cologne	5,000	100.00
GEORG BOERNER DACH UND STRASSE GMBH, Bad Hersfeld	€ 26	75.00
GRIPROAD Spezialbeläge und Baugesellschaft mbH, Cologne	400	100.00
HEILIT Umwelttechnik GmbH, Düsseldorf	€ 2,000	100.00
Heilit+Woerner Bau GmbH, München	€ 18,000	100.00
Helmus Straßen-Bau-Gesellschaft mbH & Co. KG, Vechta	6,000	100.00
Ilbau GmbH Deutschland, Berlin	€ 4,700	100.00
Ilbau Liegenschaftsverwaltung GmbH, Dahlwitz-Hoppegarten	15,000	100.00
Industrielles Bauen Betreuungsgesellschaft mbH, Stuttgart	500	100.00
Jakob Gärtner GmbH, Friedberg	105	100.00
Josef Möbius Bau-Aktiengesellschaft, Hamburg	€ 6,833	70.00
Josef Riepl Unternehmen für Hoch- und Tiefbau GmbH, Regensburg	20,000	100.00
Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH, Schermbeck	€ 900	100.00
Kieswerke Weserbergland GmbH & Co. KG, Emmerthal	€ 0	100.00
Leonhard Moll Hoch- und Tiefbau GmbH, München	€ 51	100.00
Leonhard Moll Tiefbau GmbH, München	9,000	100.00
MAV Mineralstoff-Aufbereitung und -Verwertung GmbH, Krefeld	€ 600	50.00
Niersberger Gebäudemanagement GmbH & Co. KG, Nürnberg	€ 100	75.00
Ooms-Iltner-Hof GmbH, Cologne	1,000	100.00
Otto Rohr GmbH, Helmstedt	2,501	100.00
Preusse Baubetriebe Gesellschaft mit beschränkter Haftung, Hamburg	€ 1,050	100.00
Preusse Baubetriebe und Partner GmbH & Co. KG, Halberstadt	€ 520	100.00
PROTECTA Gesellschaft für Oberflächenschutzschichten mbH, Düsseldorf	€ 256	75.00
Pyhrn Concession Holding GmbH, Cologne	€ 38	100.00
RKB Rohrleitungs- und Kanalbau GmbH, Berlin	€ 2,660	100.00
ROBA Asphalt GmbH, Augsburg	€ 560	100.00
ROBA Baustoff GmbH, Augsburg	20,000	100.00
ROBA Transportbeton GmbH, Augsburg	€ 520	100.00
Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung, Hamburg	€ 1,050	100.00
Rodinger Ingenieurbau GmbH, Roding	€ 30	100.00
SAM Sächsische Asphaltmischwerke GmbH & Co. KG, Dresden	€ 3,100	100.00
SAT Straßensanierung GmbH, Horhausen	€ 30	100.00
SBR Verwaltungs-GmbH, Kehl/Rhein	€ 7,000	100.00
SF-Ausbau GmbH, Freiberg	€ 600	100.00
STRABAG AG, Cologne	€ 104,780	65.85
STRABAG Beton GmbH & Co. KG, Berlin	2,000	100.00
Strabag International GmbH, Cologne	5,000	100.00
STRABAG Projektentwicklung GmbH, Cologne	20,000	100.00

STRABAG Sportstättenbau GmbH, Dortmund	200	100.00
STRABAG Umwelthanlagen GmbH, Dresden	€ 26	100.00
STRABAG Unterstützungskasse GmbH, Cologne	€ 26	100.00
Stratebau GmbH, Regensburg	8,000	100.00
T S S Technische Sicherheits-Systeme GmbH, Cologne	270	100.00
TPA Gesellschaft für Qualitätssicherung u. Innovation GmbH, Cologne	€ 511	100.00
Weserbergland Verwaltungs GmbH, Emmerthal	€ 25	100.00
Xaver Bachner Gesellschaft m.b.H., Straubing	500	100.00
Z-Bau GmbH, Magdeburg	100	100.00
Züblin Development GmbH, Cologne	€ 30,000	100.00
Züblin International GmbH, Stuttgart	€ 2,500	100.00
Züblin Projektentwicklung GmbH, Stuttgart	5,000	100.00
Züblin Spezialtiefbau GmbH, Stuttgart	6,000	100.00
Züblin Stahlbau GmbH, Hosena	3,000	100.00
Züblin Umwelttechnik GmbH, Stuttgart	€ 2,000	100.00

<b>BELGIUM</b>	nominal capital T€	stake in %
BMTI BENELUX, Antwerp	€ 19	100.00
BRVZ BENELUX, Antwerp	€ 19	100.00
N.V. STRABAG Belgium S.A., Antwerp	€ 8,059	100.00
N.V. STRABAG Benelux S.A., Antwerp	€ 6,863	100.00

<b>BULGARIA</b>	nominal capital TLEW	stake in %
BRVZ EOOD, Sofia	100	100.00
INGSTROY SOFIA EAD, Sofia	13,313	100.00
TPA EOOD, Sofia	5	100.00

<b>CHILE</b>	nominal capital TCLP	stake in %
Züblin International Chile Ltda., Santiago	5,969	100.00

<b>CHINA</b>	nominal capital TCNY	stake in %
Züblin Shanghai Changjiang Construction Engineering Co.Ltd., Shanghai	29,312	75.00

<b>DENMARK</b>	nominal capital TDKK	stake in %
Züblin Scandinavia a.s., Viby	500	100.00



# NOTES

CANADA	nominal capital TCAD	stake in %
Strabag Inc., Toronto	27,500	100.00
CROATIA	nominal capital THRK	stake in %
BMTI - građevinski strojevi international d.o.o., Zagreb	40	100.00
BRVZ-građevinski-, računovodstveni- i upravni centar d.o.o., Zagreb	20	100.00
CESTAR društvo s ograničenom odgovornošću za gradnje, proizvodnju, projektiranje, trgovinu i usluge, Slavonski Brod	1,100	74.90
MINERAL IGM društvo s ograničenom odgovornošću za proizvodnju i trgovinu građevnim materijalom, Zapuzane	10,681	100.00
Poduzeće ZA Ceste Split dioničko društvo, Split	18,810	87.31
Strabag za građevinske poslove d.o.o., Zagreb	48,230	100.00
TPA održavanje kvaliteta i inovacija društvo s ograničenom odgovornošću, Zagreb	20	100.00
Züblin Hrvatska d.o.o., Zagreb	20	100.00
LYBIA	nominal capital TLYD	stake in %
Al Hani General Construction Co., Tripoli	4,000	60.00
MALAYSIA	nominal capital TMYR	stake in %
Züblin International Malaysia Sdn. Bhd., Kuala Lumpur	1,000	100.00
MONTENEGRO	nominal capital T€	stake in %
„Crnogoraput“ AD, Podgorica	18,936	50.99
NETHERLANDS	nominal capital T€	stake in %
STRABAG Bouw en Ontwikkeling B.V., Dordrecht	450	100.00
OMAN	nominal capital TOMR	stake in %
Strabag Oman, Muscat	1,000	100.00

<b>POLAND</b>	nominal capital TPLN	stake in %
ASFALT SLASKI Sp. z o.o., Gliwice	600	51.00
Augustowskie Przedsiębiorstwo Drogowe S.A., Augustow	800	100.00
BHG Sp. z o.o., Warschau	500	100.00
BITUPOL Sp z.o.o., Warschau	1,800	100.00
BMTI Polska sp.z.o.o., Pruszkow	2,000	100.00
BRVZ SPOLKA z.o.o., Warschau	500	100.00
Facility Management Polska Sp.z.o.o., Warschau	58	100.00
HEILIT + WOERNER Budowlana Sp.z o.o., Breslau	16,140	100.00
Kopalnia Granitu Mikoszew Sp. z o.o., Strzelin	9,361	100.00
Kopalnie Melafiru w Czarnym Borze Sp. z o.o., Czarny Bor	9,700	100.00
LPRD Leszczyńskie Przedsiębiorstwo Robot Drogowo-Mostowych sp. z o.o., Leszno	9,365	57.29
PL-BITUNOVA Sp z.o.o., Bierawa	2,700	95.00
Polski Asfalt Sp z.o.o., Wrocław	60,000	100.00
Polskie Kruszywa Sp z.o.o., Wrocław	920	100.00
Przedsiębiorstwo Budownictwa Ogólnego i Usług Technicznych, Slask Sp. z o.o., Katowice	295	60.98
SAT Sp. z o.o., Olawa	4,171	100.00
STRABAG Sp.z o.o., Warschau	11,000	100.00
TPA INSTYTUT BADAN TECHNICZNYCH SPÓŁKA .z.o.o., Pruszków	600	100.00
WMB Drogbud Sp. z o.o., Częstochowa	10,638	51.00
Züblin Polska Sp.z o.o., Poznan	7,765	100.00
<b>PORTUGAL</b>	nominal capital TPTE	stake in %
Zucotec - Sociedade de Construcoes Lda., Lissabon	40,000	100.00
<b>QATAR</b>	nominal capital TRIY	stake in %
Strabag Qatar W.L.L., Qatar	200	100.00
<b>ROMANIA</b>	nominal capital TRON	stake in %
ANTREPRIZA DE REPARATII SI LUCRARI ARL CLUJ S.A., Cluj-Napoca	1,956	100.00
Bitunova Romania SRL, Bucharest	16	100.00
BMTI - Tehnica Utilajelor Pentru Constructii SRL, Bucharest	28	100.00
BRVZ SERVICII & ADMINISTRARE SRL, Bucharest	278	100.00
Carb SA, Brasov	10,909	99.47
DRUMCO SA, Timisoara	12,957	70.00
Strabag srl, Bucharest	13,108	100.00
TPA Societate pentru asigurarea calitatii si inovatii SRL, Bucharest	28	100.00
Züblin Construct s.r.l., Bucharest	184	100.00

# NOTES

<b>RUSSIA</b>	nominal capital TRUR	stake in %
SAO BRVZ Ltd, Moscow	313	100.00
Strabag z.a.o., Moscow	14,926	100.00

<b>SAUDI ARABIA</b>	nominal capital TSAR	stake in %
Dywidag Saudi Arabia Limited, Jubail	10,000	100.00

<b>SWEDEN</b>	nominal capital TSEK	stake in %
Züblin Scandinavia AB, Sollentuna	100	100.00

<b>SWITZERLAND</b>	nominal capital TSFR	stake in %
BMTI GmbH, Erstfeld	20	100.00
BRVZ Bau-, Rechen- und Verwaltungszentrum AG, Erstfeld	100	100.00
Eggstein AG, Kriens	1,850	100.00
Egolf AG Strassen- und Tiefbau, Weinfelden	7,070	100.00
Meyerhans AG Amriswil, Amriswil	2,500	100.00
Meyerhans AG, Strassen- und Tiefbau Uzwil, Uzwil	100	100.00
ZÜBLIN MURER AG, Zurich	8,000	100.00

<b>SERBIA</b>	nominal capital TCSD/T€	stake in %
„Putevi“ Cacak, Cacak	155,477	85.02
BMTI d.o.o. Beograd, Novi Beograd	€ 1	100.00
BRVZ d.o.o. Beograd, Novi Beograd	€ 1	100.00
Preduzece za puteve „Zajecar“ a.D.Zajecar, Zajecar	265,015	93.29
STRABAG Beograd d.o.o., Belgrad	5	100.00
TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd, Novi Beograd	€ 1	100.00
Vojvodinaput-Pancevo a.d. Pancevo, Pancevo	108,747	81.51

<b>SLOVAKIA</b>	nominal capital TSKK	stake in %
BMTI SK, s.r.o., Bratislava	1,000	100.00
BRVZ s.r.o., Bratislava	1,000	100.00
C.S. Bitunova spol. s.r.o., Zvolen	36,000	100.00

Errichtungsgesellschaft Strabag Slovensko s.r.o., Bratislava-Ruzinov	200	100.00
KSR - Kamenolomy SR, s.r.o., Zvolen	744	100.00
OAT spol. s.r.o., Bratislava	6,000	100.00
Slovasfalt, spol.s.r.o., Bratislava	277,835	100.00
STRABAG Development SK s.r.o., Bratislava	20,000	100.00
STRABAG s.r.o., Bratislava	2,000	100.00
TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o., Bratislava	200	100.00
ZIPPP BRATISLAVA spol. sr.o., Bratislava	4,000	100.00

<b>SLOVENIA</b>	nominal capital TSIT	stake in %
BRVZ center za racunovodstvo in upravljanje d.o.o., Ljubljana	2,100	100.00
GRADBENO PODJETJE IN KAMNOLOM GRASTO d.o.o., Ljubljana	80,850	99.85
STRABAG gradbene storitve d.o.o., Ljubljana	2,100	100.00
STRABAG Imobilija-agencija za posrednistvo v prometu z nepremicninami d.o.o., Ljubljana	16,115	100.00

<b>CZECH REPUBLIC</b>	nominal capital TCZK	stake in %
BHG CZ s.r.o., České Budejovice	200	100.00
BMTI CR s.r.o., Brno	100	100.00
Bohemia Bitunova, spol s.r.o., Jihlava	100	100.00
BRVZ s.r.o., České Budejovice	1,000	100.00
CMO-Ceske a moravske obalovny, s.r.o., Sobeslav	10,000	100.00
Dalnicni stavby Praha, a.s., Prague	136,000	100.00
Ilbau spol s.r.o., Prague	20,600	100.00
KAMENOLOMY CR s.r.o., Ostrava-Svinov	106,200	100.00
MITTaG spol. s.r.o. pozemni a prumyslove stavitelstvi, Brno	10,100	100.00
Na belidle spol s.r.o., Prague	100	100.00
OAT s.r.o., Prague	4,000	80.00
PREFIN a.s., Chrudim	2,250	100.00
PREZIPPP, s.r.o., Chrudim	2,580	100.00
SAT s.r.o., Prague	1,000	100.00
Strabag a.s., Prague	1,119,600	100.00
TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o., Beroun	1,000	100.00
ZIPPP PRAHA, s.r.o., Prague	17,100	100.00
Zublin spol s.r.o., Prague	100,000	100.00

<b>UKRAINE</b>	nominal capital TUAH	stake in %
BITUNOVA UKRAINA TOV, Brovary	5,149	60.00
Möbius Construction Ukraine Ltd., Nikolayev City	28	100.00
Zezelivskij karier TOV, Zezelev	1,205	94.00

# NOTES

HUNGARY	nominal capital THUF	stake in %
ASIA Center Ingatlanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelősségű Társaság, Budapest	1,830,080	100.00
BHG Bitumen Kereskedelmi Korlátolt Felelősségű Társaság, Budapest	3,000	100.00
Bitunova Útfenntartó és Emulziógyártó Korlátolt Felelősségű Társaság, Budapest	50,000	100.00
BMTI Nemzetközi Építőgépeszeti Korlátolt Felelősségű Társaság, Budapest	5,000	100.00
Frissbeton Betongyártó és Forgalmazó Korlátolt Felelősségű Társaság, Budapest	100,000	100.00
H-TPA Innovációs és Minőségvizsgáló Korlátolt Felelősségű Társaság, Budapest	113,000	100.00
KÖKA Kö-es Kavicsbányászati Korlátolt Felelősségű Társaság, Budapest	761,680	100.00
Magyar Aszfalt Keverékgyártó és Építőipari Korlátolt, Budapest	100,000	100.00
NOSTRA Cement Gyártó és Kereskedelmi Korlátolt Felelősségű Társaság, Budapest	517,000	100.00
OAT Közlekedési Felületek Specialis Javítása Korlátolt, Budapest	25,000	100.00
SAT Útjavító Korlátolt Felelősségű Társaság, Budapest	268,000	100.00
STR Lakasepítő Korlátolt Felelősségű Társaság, Budapest	352,000	100.00
Strabag Építő Zártkörűen Működő Részvénytársaság, Budapest	2,100,000	100.00
STRABAG-MML Magas- és Mérnöki Létesítmény Építő Korlátolt Felelősségű Társaság, Budapest	500,000	100.00
Számító- és Ügyviteli Központ Korlátolt Felelősségű Társaság, Budapest	45,000	100.00
Szentesi Vasútepítő Korlátolt Felelősségű Társaság, Budapest	189,120	100.00
Útépítőgépek Szolgáltató Korlátolt Felelősségű Társaság, Budapest	100,000	100.00
Züblin K.f.t, Budapest	3,000	100.00

UNITED ARAB EMIRATES	nominal capital TAED	stake in %
STRABAG Dubai LLC, Dubai	300	100.00
STRABAG Ras Al Khaimah LLC, Ras Al Khaimah	150	100.00



## 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.

# NOTES

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

	Useful life in years
<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.

# NOTES

## 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.

# NOTES

## 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>10,746</b>	<b>10,385</b>



# NOTES

## (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

	<b>2007</b> T€	<b>2006</b> T€
Raw materials, consumables	2,328,526	2,214,915
Services used	4,401,927	4,373,193
	<b>6,730,453</b>	<b>6,588,108</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> T€	<b>2006</b> T€
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
	<b>2,102,182</b>	<b>1,831,660</b>

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:

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

## (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

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

## (7) Net Investment Income

	2007 T€	2006 T€
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
	<b>18,467</b>	<b>21,638</b>

# NOTES

## (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

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

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:

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

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	2006
	T€	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>68,642</b>	<b>63,199</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	31.12.2006
	T€	T€
Polski Asfalt 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 Umwelthanlagen GmbH, Dresden	5,683	0
Others	5,052	5,383
	<b>212,820</b>	<b>71,654</b>

# NOTES

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>
	T€	T€
Property leasing	51,951	43,435
Machinery leasing	58,884	26,262
	<b>110,835</b>	<b>69,697</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>
	T €	T €	T €	T €
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	35,964	27,536	37,775	26,357
	<b>102,687</b>	<b>63,296</b>	<b>126,316</b>	<b>75,564</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>
	T €	T €
Term up to one year	33,351	24,141
Term between one and five years	81,944	60,172
Term over five years	60,756	60,097
	<b>176,051</b>	<b>144,410</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.

# NOTES

## (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 trans- lation T€	Change in scope of consoli- dation T€	Ad- ditions T€	Trans- fers T€	Dis- posals T€	Impair- ments 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>Deferred 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
	<b>477,443</b>	<b>456,365</b>

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.

# NOTES

## (17) Receivables and Other Assets

	31.12.2007			31.12.2006		
	total T€	thereof current T€	thereof non-current T€	total T€	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
	<b>2,488,136</b>	<b>2,448,074</b>	<b>40,062</b>	<b>2,345,915</b>	<b>2,315,342</b>	<b>30,573</b>
<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
	<b>420,277</b>	<b>379,678</b>	<b>40,599</b>	<b>335,717</b>	<b>315,535</b>	<b>20,182</b>

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

	31.12.2007 T€	31.12.2006 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
	<b>4,016,768</b>	<b>3,251,843</b>

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 T€	31.12.2006 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>	<b>1,262,486</b>	<b>1,172,633</b>

## (18) Cash and Cash Equivalents

	31.12.2007 T€	31.12.2006 T€
Securities	53,747	3,908
Cash on hand	3,097	2,783
Bank deposits	1,908,931	579,574
	<b>1,965,775</b>	<b>586,265</b>

# NOTES

## (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 separately 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	Capital reserves	Retained Earnings	Foreign currency reserves	Minority interests	Equity
	T€	T€	T€	T€	T€	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
<b>Balance at 31.12.2006 =</b>						
<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.

# NOTES

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 consoli- dation T€	Addi- tions T€	Dis- posals T€	Impair- ments 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
	<b>1,031,953</b>	<b>-1,348</b>	<b>89,933</b>	<b>219,079</b>	<b>32,995</b>	<b>232,650</b>	<b>1,073,972</b>

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>	<b>61,175</b>	<b>59,566</b>

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>293,536</b>	<b>282,581</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)



# NOTES

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:

	<b>31.12.2007</b> T€	<b>31.12.2006</b> T€	<b>31.12.2005</b> T€	<b>31.12.2004</b> 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>354,711</b>	<b>342,147</b>	<b>311,775</b>	<b>190,678</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>-2,432</b>	<b>2,654</b>	<b>9,721</b>	<b>4,449</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**

	<b>31.12.2007</b>			<b>31.12.2006</b>		
	total T€	thereof current T€	thereof non-current T€	total T€	thereof current T€	thereof non-current 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>
<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>
<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.

# NOTES

## (22) Contingent Liabilities

The Group has accepted the following **guarantees**:

	31.12.2007	31.12.2006
	T€	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:

	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
	<b>1,965,775</b>	<b>586,265</b>

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:

		31.12.2007	31.12.2007	31.12.2006	31.12.2006
		T€	T€	T€	T€
Measurement category according to IAS 39		Carrying Value	Fair Value	Carrying Value	Fair Value
ASSETS					
Valuation at historical cost					
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	
		2,916,489	2,837,219	2,758,287	2,677,872
Valuation at fair value					
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
		2,181,266	2,181,266	827,900	827,900
LIABILITIES					
Valuation at historical cost					
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	
		-3,549,288	-2,926,620	-3,501,923	-3,001,254
Total		1,548,467	2,091,865	84,264	504,518
Measurement Categories according to IAS 39					
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	
Total		1,548,467	2,091,865	84,264	504,518

<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.

# NOTES

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>Deri-</b>	<b>L&amp;R</b>	<b>AfS</b>	<b>FLaC</b>	<b>Deri-</b>
	<b>2007</b>	<b>2007</b>	<b>2007</b>	<b>vatives</b>	<b>2006</b>	<b>2006</b>	<b>2006</b>	<b>vatives</b>
	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>2007</b>	<b>T€</b>	<b>T€</b>	<b>T€</b>	<b>2006</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</b>								
<b>recognized in profit</b>								
<b>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 planned 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
		<b>0</b>		<b>387</b>

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 <b>2007</b>
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>1,908,931</b>	

Bank Borrowings	Carrying value T€	Weighted average interest rate <b>2007</b>
EUR	244,488	5.48
Others	7,907	9.27
<b>Total</b>	<b>252,395</b>	

# NOTES

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	Average 2007	Exchange rate 31.12.2006	Average 2006
	1 € =	1 € =	1 € =	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.

# NOTES

## 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	
	<b>684,092</b>	<b>192,782</b>	<b>439,818</b>	<b>88,294</b>

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.

# NOTES

## 2007 Segment Report

	Building Construction & Civil Engineering		Transportation Infrastructures	
<b>Business Field</b>	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	T€	T€	T€	T€
Output Volume	5,417,841	4,898,764	4,616,841	4,646,303
Revenue	4,815,571	4,257,243	4,455,142	4,216,820
Inter-segment revenue	147,719	105,654	24,793	27,819
EBIT	76,565	53,392	185,646	149,783
thereof share of profit or loss of associates	0	0	6,636	3,659
Segment assets	2,929,302	1,455,970	2,604,574	1,376,584
thereof investments in associates	0	0	57,511	53,633
Segment liabilities	1,721,501	1,455,313	1,312,955	1,110,097
Investments in tangible and intangible assets	0	0	0	0
Depreciation on tangible and intangible assets	0	0	3,319	0
thereof impairment	0	0	3,319	0
Employees	26,322	22,525	28,352	25,047

## Secondary Segment

	Germany		Austria	
<b>Region</b>	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	T€	T€	T€	T€
Revenue	3,672,952	3,716,611	2,270,684	2,212,468
Segment assets	2,223,101	2,160,823	2,843,317	1,381,231
Investments in tangible and intangible assets	157,124	99,858	86,878	84,746

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

	Tunnelling & Services		Miscellaneous and Consolidation		Total	
	<b>2007</b> T€	<b>2006</b> T€	<b>2007</b> T€	<b>2006</b> T€	<b>2007</b> T€	<b>2006</b> T€
	582,077	693,218	129,464	146,826	10,746,223	10,385,111
	584,961	935,213	22,926	21,345	9,878,600	9,430,621
	5,367	5,000	507,082	443,601		
	48,455	68,096	1,762	1,458	312,428	272,729
	12,771	2,753	0	-51	19,407	6,361
	602,337	453,977	1,604,601	2,289,295	7,740,814	5,575,826
	81,749	21,861	0	0	139,260	75,494
	298,088	365,512	1,311,816	1,609,010	4,644,360	4,539,932
	1,882	13,258	541,960	333,762	543,842	347,020
	7,231	6,814	272,921	222,864	283,471	229,678
	0	0	3,768	19,060	7,087	19,060
	1,824	1,538	4,627	3,861	61,125	52,971

	Rest of Europe		Rest of World and Consolidation		Total	
	<b>2007</b> T€	<b>2006</b> T€	<b>2007</b> T€	<b>2006</b> T€	<b>2007</b> T€	<b>2006</b> T€
	3,583,804	3,051,886	351,160	449,656	9,878,600	9,430,621
	2,502,239	1,849,930	172,157	183,842	7,740,814	5,575,826
	265,764	143,124	34,076	19,292	543,842	347,020

# NOTES

## **(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) 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.

The business relationships to the other associates can be presented as follows:

	<b>2007</b>	<b>2006</b>
	T€	T€
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>
	T€	T€
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 FARROKHNI  
 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.

	2007	2006
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**





# LIST OF PARTICIPATIONS AS OF 31.12.2007

Company	Residence	Stake in %	Consoli- dation
„A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH“	Spittal an der Drau	100.00	VK
„Baltic Business Centre“ Sp.z o.o.	Gdynia	38.00	NK
„Brema“ Bau- und Spengler-Ges.m.b.H.	Vienna	100.00	NK
„Ornagoraput“ AD	Podgorica	50.99	VK
„Daheim“ Bau- und Wohnungseigentumsgesellschaft m.b.H.	Vienna	100.00	VK
„DOMIZIL“ Bauträger GmbH	Vienna	100.00	VK
„ETG“ elektrotechnische Anlagen Gesellschaft m.b.H.	Vienna	100.00	NK
„Filmforum am Bahnhof“ Errichtungs- und Betriebsgesellschaftm.b.H.	Vienna	100.00	VK
„Geschäfts- und Bürohaus Sterneckstraße Errichtungs- und Betriebs GmbH“	Vienna	100.00	VK
„GrfB“ Gesellschaft für Bauwerksabdichtungen mbH	Koborn-Gondorf	100.00	VK
„Granite Mining Industries“ Sp z.o.o.	Wroclaw	100.00	NK
„Health Care Company“ KRANKENHAUS BETRIEBSFÜHRUNGS-Aktiengesellschaft	Vienna	50.00	NK
„IT“ Ingenieur- und Tiefbau GmbH	Koborn-Gondorf	100.00	VK
„LSH“-Fischer Baugesellschaft m.b.H.	Linz	100.00	NK
„MATRA OAZIS“ Oktatasi, Üdültetesi es Vendeglato KözkeresetiTársaság	Gyöngyöstarjan	53.37	NK
„Mineral 2000“ EOOD	Sofia	100.00	NK
„Putevi“ Cacak	Cacak	85.02	VK
„RING“ Körutepítő Közkereseti Társaság „végelszámolás alatt“	Budapest	50.00	NK
„SBS Strabag Bau Holding Service GmbH“	Spittal an der Drau	100.00	VK
„Schöner Wohnen in Klosterneuburg“ Bauträger GmbH	Vienna	100.00	NK
„Solar City Zentrum“ Errichtung GmbH	Linz	100.00	NK
„VULKANKÖ“ Banyaszati es Kereskedelmi Korlátolt Felelősségű Társaság	Keszthely	50.39	NK
„Wiener Heim“ Wohnbaugesellschaft m.b.H.	Vienna	100.00	VK
„Zentrum Puntigam“ Errichtungs- und Betriebsgesellschaft m.b.H.	Vienna	50.00	NK
„Zipp Ukraine“	Cholmok	100.00	NK
2. Züblin Vorrats GmbH	Stuttgart	100.00	NK
A & R Asphalt und Recycling Verwaltungsgesellschaft mbH	Plaidt	24.00	NK
A.F.C. Spolka Projektrowa Sp.z o.o.	Breslau	33.30	NK
A.H.I-BAU Allgemeine Hoch- und Ingenieurbau-GmbH	Köln	100.00	VK
A.S.T. Bauschuttverwertung GmbH	Klagenfurt	66.67	NK
A.S.T. Bauschuttverwertung GmbH & Co KG	Klagenfurt	66.67	NK
A2 Bau-Development GmbH	Spittal an der Drau	50.00	NK
AAL Asphaltanlage Leukersdorf Verwaltungs-GmbH	Jahnsdorf	100.00	NK
AB Frischbeton Gesellschaft m.b.H.	Vienna	100.00	NK
ABN Asphalt-Beteiligungsgesellschaft Neustrelitz mbH	Berlin	25.00	NK
ABN Asphalt-Betriebsgesellschaft Neustrelitz mbH & Co. KG	Berlin	25.00	NK
ABO Asphalt-Bau Oeynhausen GmbH	Oeynhausen	22.50	NK
ABR Abfall Behandlung und Recycling Schwadorf GmbH	Schwadorf	100.00	VK
AET-Asfalt-emulsi technologie s.r.o.	Litomerice	95.00	NK
Agencja Inicjatyw Gospodarczych S.A.	Warschau	49.00	NK
AGS Asphaltgesellschaft Stuttgart GmbH & Co.Kommanditgesellschaft	Stuttgart	40.00	NK
AGS Asphaltgesellschaft Stuttgart Verwaltungs-GmbH	Stuttgart	40.00	NK
AKA Alföld Koncessziós Autópálya Zárkörűen Működő Részvénytársaság	Budapest	25.12	EK
Al Hani General Construction Co.	Tripoli	60.00	VK
AL SRAIYA - STRABAG Road & Infrastructure WLL	Doha	49.00	NK
ALP Asphalt-Mischwerke Lech-Paar GmbH	Augsburg	100.00	NK
Alpen-Bau Mecklenburg GmbH	Satow	100.00	NK
AMA Asphalt-Mischwerke Augsburg GmbH	Augsburg	55.00	NK
amb Asphalt- und Bitumen-Mischwerke GmbH	Augsburg	50.00	NK
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	Zistersdorf-Maustrenk	40.00	NK
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H. & Co.KG	Zistersdorf	40.00	NK
AME Asphalt-Mischwerk Eging GmbH	Eging am See	81.81	NK
AMG Asphaltmischwerk Gunkskirchen Gesellschaft m.b.H.	Linz	33.33	NK
AMG-Asphaltmischwerk Gunkskirchen Gesellschaft m.b.H. & Co.KG	Linz	33.33	NK
AMH Asphaltmischwerk Hafen Verwaltungs GmbH	Hamburg	100.00	NK
AMH Asphaltmischwerk Hellweg GmbH	Erwitte	30.50	EK
AMIT Asphalt-Mischwerk Illertal Verwaltungs-GmbH	Augsburg	49.00	NK
AML - Asphaltmischwerk Limberg Gesellschaft m.b.H.	Limberg	50.00	NK
AMN Asphaltmischwerk KG Straßenbaustoffe Nonnendamm GmbH & Co.	Berlin	33.10	NK
amo Asphalt-Mischwerke Oberfranken GmbH & Co.KG	Untersiernau	45.00	NK
AMS-Asphaltmischwerk Süd Gesellschaft m.b.H.	Linz	35.00	NK
AMSS Asphaltmischwerke Sächsische Schweiz GmbH & Co. KG	Dresden	24.00	NK
AMSS Asphaltmischwerke Sächsische Schweiz Verwaltungs GmbH	Dresden	24.00	NK

AMU Asphalt-Mischwerk Unterfranken GmbH & Co. KG	Thüngersheim	50.00	NK
AMU Asphalt-Mischwerk Unterfranken Verwaltung GmbH	Thüngersheim	50.00	NK
AMW Asphaltmischwerk Westhafen GmbH	Berlin	49.00	NK
AMW Asphalt-Mischwerke Würzburg GmbH & Co.KG	Würzburg	81.50	NK
AMW Asphalt-Mischwerke Würzburg Verwaltungs-GmbH	Würzburg	81.50	NK
AMWE-Asphaltmischwerke GmbH	Schwerin	49.00	NK
AMWE-Asphaltmischwerke GmbH & Co. KG	Schwerin	49.00	NK
Anton Beirer Hartsteinwerke Gesellschaft m.b.H.	Pinswang	50.00	NK
ANTREPRIZA DE REPARATII SI LUCRARI A R L CLUJ S.A.	Cluj-Napoca	100.00	VK
Appartementhaus Scharmützel Projekt-Beteiligungs G.m.b.H.	Bad Saarow-Pieskow	100.00	NK
Arab Consult GmbH	Vienna	30.00	NK
Arena Development	Hasselt	50.00	NK
Arthur Hellberg Gesellschaft mit beschränkter Haftung	Bad Segeberg	100.00	NK
Asamer & Hufnagl Baustoff Holding Wien GmbH	Vienna	30.00	NK
Asamer & Hufnagl Baustoff Holding Wien GmbH & Co.KEG	Vienna	30.00	NK
ASB Transportbeton GmbH & CO.KG	Osterweddingen	50.00	NK
AS-Bau Handels- und Beteiligungsgesellschaft mit beschränkter Haftung	Hamburg	100.00	NK
ASF Frästechnik GmbH	Kematen	50.00	NK
ASF Frästechnik GmbH & Co KG	Kematen	50.00	NK
ASFALT SLASKI Sp. z o.o.	Gilwice	51.00	VK
Asfalt Slaski Wprinz Sp. z o.o.	Rybnik	51.00	NK
ASG INVEST N.V.	Genk	49.98	NK
ASIA Center Ingatlanforgalmazó, Berbeado, Hasznosító és Kereskedelmi Korlátolt Felelősségű Társaság	Budapest	100.00	VK
Asphalt & Beton GmbH	Lendorf	100.00	VK
Asphalt Gesellschaft Riegler GmbH	Völkermarkt	100.00	NK
Asphaltmischwerk Bendorf GmbH & Co. KG	Bendorf	49.00	NK
Asphaltmischwerk Bendorf Verwaltung GmbH	Bendorf	49.00	NK
Asphaltmischwerk Betriebsgesellschaft m.b.H.	Raichenwarth	20.00	NK
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	Raichenwarth	20.00	NK
Asphaltmischwerk Düsseldorf GmbH & Co.KG	Düsseldorf	24.50	EK
Asphaltmischwerk Düsseldorf Verwaltungs GmbH	Düsseldorf	24.50	NK
Asphaltmischwerk Greinsfurth GmbH	Amstetten	25.00	NK
Asphaltmischwerk Greinsfurth GmbH & Co.	Amstetten	25.00	NK
Asphaltmischwerk Rieder Vomperbach GmbH	Innsbruck	60.00	NK
Asphaltmischwerk Rieder Vomperbach GmbH & Co KG	Innsbruck	60.00	NK
Asphaltmischwerk Steyregg GmbH	Steyregg	60.00	NK
Asphaltmischwerk Steyregg GmbH & Co KG	Linz	60.00	NK
Asphaltmischwerk Zeltweg Gesellschaft m.b.H.	Steyr	100.00	NK
Asphalt-Mischwerke Oberfranken GmbH	Untersiemau	44.92	NK
ASTRA-BAU Gesellschaft m.b.H. Nfg. OHG	Bergheim	50.00	NK
AStrada Development SRL	Bucharest	70.00	NK
August & Jean Hilpert GmbH & Co. KG	Nürnberg	100.00	VK
Augustowskie Przedsiębiorstwo Drogowe S.A.	Augustow	100.00	VK
AUSTRIA ASPHALT GmbH	Spittal an der Drau	100.00	NK
AUSTRIA ASPHALT GmbH & Co OHG	Spittal an der Drau	100.00	VK
AUT Grundstücksverwaltungsgesellschaft mbH	Stuttgart	40.00	NK
Autocesta Zagreb-Macelj d.o.o.	Krapina	50.98	EK
Autostrada Centralna S.A.	Warsaw	35.00	NK
A-WAY Toll Systems GmbH	Vienna	80.00	NK
AWH Asphaltwerk Haßberge GmbH	Röthlein	24.90	NK
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H.	Graz	50.00	NK
AWM Asphaltwerk Mötschendorf GmbH & Co.KG	Graz	50.00	NK
B+R Baustoff-Handel und -Recycling Köln GmbH	Köln	100.00	NK
B+S Vereinigte Natursteinwerke GmbH + Co. Vertriebs KG	Hartmannsdorf	100.00	NK
B+S Vereinigte Natursteinwerke Verwaltungs- und Beteiligungsgesellschaft mbH	Hartmannsdorf	100.00	NK
BA-CA-GebäudevermietungsgmbH	Vienna	50.00	NK
BAMCO Alagút- és Metróépítő Kőkereseti Társaság	Budaörs	50.00	NK
BASALT-KŐÉPKŐ Kőbányák Korlátolt Felelősségű Társaság	Uzsa	25.14	NK
Basaltwerk Pauliberg GmbH	Eisenstadt	35.00	NK
Basaltwerk Pauliberg GmbH & CO KG	Eisenstadt	35.00	NK
Bau Holding Beteiligungs AG	Spittal an der Drau	100.00	VK
Bauer Deponieerschließungs- und Verwertungsgesellschaft m.b.H.	Fischamend	100.00	NK
Baugesellschaft „Negrelli“ Ges.m.b.H.	Vienna	100.00	NK
Baugesellschaft Claus Alpen mbH	Neustadt	100.00	VK
Bauimmobilien GmbH	Chemnitz	100.00	NK

# LIST OF PARTICIPATIONS AS OF 31.12.2007

Baukontor Gaaden Gesellschaft m.b.H.	Gaaden	100.00	VK
Baumann & Burmeister GmbH	Halle/Saale	100.00	VK
Baupartner GmbH Freies Wohnungsunternehmen	Stuttgart	100.00	NK
Bauträgergesellschaft „Justus-Brinkmann-Straße“ mbH	Hamburg	51.00	NK
Bauträgergesellschaft Olande mbH	Hamburg	51.00	VK
Bauunternehmung Ohneis Gesellschaft mit beschränkter Haftung	Straubing	100.00	VK
BauXund Forschung und Beratung GmbH	Vienna	100.00	NK
Bayerische Asphalt-Mischwerke GmbH	Hofolding	48.29	NK
Bayerische Asphalt-Mischwerke GmbH & Co.KG für Straßenbaustoffe	Hofolding	48.33	EK
BBS Baustoffbetriebe Sachsen GmbH	Hartmannsdorf	100.00	VK
becker bau GmbH u. Co. KG	Bornhöved	100.00	VK
becker Verwaltungsgesellschaft mbH	Bornhöved	100.00	NK
Beijing Züblin Equipment Production Co., Ltd.	Beijing	100.00	NK
Berliner Asphalt Gesellschaft mit beschränkter Haftung	Hamburg	100.00	NK
BeTePe Bau Gesellschaft m.b.H.	Vienna	100.00	NK
Betobeja Empreendimentos Imobiliarios, Lda	Beja	74.00	NK
Betolajas-Sociedade de Construção Reparacao e Comercializacao de Imoveis, Lda	Lissabon	90.00	NK
Beton AG Bürglen	Bürglen	64.80	NK
Beton Pisek spol. s.r.o.	Pisek	50.00	NK
Beton und Recycling GmbH & Co. KG	Emersleben	100.00	VK
Beton und Recycling Verwaltungsgesellschaft mbH	Emersleben	100.00	NK
Betonpumpenservice Elbe GmbH & Co.KG	Magdeburg	50.00	NK
Betonpumpenservice Elbe Verw.GmbH	Magdeburg	33.30	NK
Betonpumpenservice Götz GmbH & CO.KG	Raßnitz	50.00	NK
Betonpumpenservice Götz Verwaltungsges.mbh	Raßnitz	50.00	NK
Betonuepítő Rt. es Tarsai M.3. Autoalyaepítő PJT	Budapest	77.82	NK
Betun Cadi SA	Trun	35.00	NK
BHG Bitumen Adria drustvo s ogranicenom odgovornoscu za graditeljstvo	Zagreb	100.00	NK
BHG Bitumen d.o.o. Beograd	Belgrade	100.00	NK
BHG Bitumen Kereskedelmi Korlatolt Felelősségű Társaság	Budapest	100.00	VK
BHG Bitumenhandelsgesellschaft mbH	Hamburg	100.00	NK
BHG COMERCIALIZARE BITUM S.R.L.	Bucurest	100.00	NK
BHG CZ s.r.o.	Ceské Budejovice	100.00	VK
BHG SK s.r.o.	Bratislava	100.00	NK
BHG Sp. z o.o.	Warsaw	100.00	VK
Bin Aweida - von der Wettern LLC	Dubai	30.00	NK
Bitumen Handelsgesellschaft m.b.H.	Vienna	100.00	NK
Bitumen Handelsgesellschaft m.b.H. & Co KG	Loosdorf	100.00	VK
Bitumenka-Asfalt d.o.o. i.L.	Sarajevo	51.00	NK
BITUNOVA Baustofftechnik Gesellschaft m.b.H.	Spittal an der Drau	100.00	VK
Bitunova Romania SRL	Bucharest	100.00	VK
BITUNOVA UKRAINA TOV	Brovary	60.00	VK
Bitunova Ütfeintartó és Emulziógyártó Korlátolt Felelősségű Társaság	Budapest	100.00	VK
BITUPOL Sp z o.o.	Warsaw	100.00	VK
BKB AG	Weinfelden	100.00	NK
BL-Baustofftechnik GmbH	Stuttgart	100.00	NK
Blees-Kölling-Bau GmbH	Cologne	100.00	VK
BMTI - gradevinski strojevi internacional d.o.o.	Zagreb	100.00	VK
BMTI - Tehnica Utilajelor Pentru Constructii SRL	Bucaresti	100.00	VK
BMTI BENELUX	Antwerp	100.00	VK
BMTI CR s.r.o.	Brünn	100.00	VK
BMTI d.o.o. Beograd	Novi Beograd	100.00	VK
BMTI GmbH	Erstfeld	100.00	VK
BMTI Nemzetközi Epitőgepeszeti Korlátolt Felelősségű Társaság	Budapest	100.00	VK
BMTI Polska sp.z.o.o.	Pruszkow	100.00	VK
BMTI SK, s.r.o.	Bratislava	100.00	VK
BMTI-Baumaschinentechnik International GmbH	Trumau	100.00	VK
BMTI-Baumaschinentechnik International GmbH	Cologne	100.00	VK
Bodensanierung Bischofswerda GmbH	Stuttgart	100.00	NK
Bohemia Bitunova, spol s.r.o.	Jihlava	100.00	VK
BOT BÖRNER Oberflächentechnik GmbH & Co. KG	Ritschenhausen	75.00	NK
BOT BÖRNER Oberflächentechnik Verwaltungs- und BetteilungsGmbH	Ritschenhausen	75.00	NK
Brenz Asphaltmischwerke GmbH	Langenau	25.00	NK
Brnenska Obalovna, s.r.o.	Brünn	50.00	NK
BRVZ Bau- Rechen- u. Verwaltungszentrum Gesellschaft m.b.H.	Spittal an der Drau	100.00	VK
BRVZ Bau- Rechen- und Verwaltungszentrum GmbH	Cologne	100.00	VK

BRVZ Bau-, Rechen- und Verwaltungszentrum AG	Erstfeld	100.00	VK
BRVZ Bau-Rechen- und Verwaltungszentrum GmbH	Dahlwitz/Hoppegarten	100.00	VK
BRVZ BENELUX	Antwerp	100.00	VK
BRVZ center za racunovodstvo in upravljanje d.o.o.	Ljubljana	100.00	VK
BRVZ d.o.o. Beograd	Novi Beograd	100.00	VK
BRVZ EOOD	Sofia	100.00	VK
BRVZ s.r.o.	Budweis	100.00	VK
BRVZ s.r.o.	Bratislava	100.00	VK
BRVZ SERVICII & ADMINISTRARE SRL	Bucharest	100.00	VK
BRVZ SPOLKA z.o.o.	Warsaw	100.00	VK
BRVZ-Contabilidade	Lisbon	100.00	NK
BRVZ-gradevinski-, racunovodstveni- i upravni centar d.o.o.	Zagreb	100.00	VK
BRW Baustoff-Recycling GmbH & Co KG	Wesseling	25.00	NK
BSB Betonexpress Verwaltungsges.mmbH	Berlin	100.00	NK
BSL Tunnel- und Montanbau GmbH	Bad Frankenhausen	100.00	NK
BSS Tunnel- und Montanbau GmbH	Bern	100.00	NK
BT-Plan Gesellschaft für bautechnisches Planen mbH	Cologne	100.00	NK
BUG Metalltechnik GmbH	Vienna	76.00	NK
Bug-Alu Technic GmbH	Cologne	100.00	NK
Bug-Alu Technic UK Limited	Chertsey, Surrey	100.00	NK
Bug-AluTechnic GmbH	Dornbirn	100.00	VK
Büro-Center Ruppmannstraße GmbH	Stuttgart	50.00	NK
Bürozentrum Honauerstraße Projektentwicklungsgesellschaftm.b.H.	Vienna	100.00	NK
BUSINESS BOULEVARD Errichtungs- und Betriebs GmbH	Vienna	100.00	VK
BVHS Betrieb und Verwaltung von Hotel- und Sportanlagen GmbH	Berlin	100.00	NK
C.S. Bitunova spol. s.r.o.	Zvolen	100.00	VK
CAG Cottbuser Asphaltgesellschaft mbH & Co. KG	Cottbus	100.00	NK
Carb SA	Brasov	99.47	VK
CAW Chemnitzer Asphaltwerke GmbH	Chemnitz	100.00	NK
CESTAR drustvo s ogranicenom odgovornoscu za gradenje, proizvodnju, projektiranje, trgovinu i usluge	Slavonski Brod	74.90	VK
China Harbour Engineering & Co. GmbH	Duisburg	50.00	NK
CLS Construction Legal Services GmbH	Cologne	100.00	VK
Clubdorf Sachrang GmbH	Cologne	100.00	NK
CMO-Ceske a moravske obalovny, s.r.o.	Sobeslav	100.00	VK
Colonus Carré Entwicklungsgesellschaft mbH	Cologne	100.00	NK
Compact INVEST d.o.o.	Belgrade	100.00	NK
Cottbuser Asphaltgesellschaft mbH	Cottbus	100.00	NK
Cottbuser Frischbeton GmbH	Cottbus	100.00	NK
CSE Centrum-Stadtentwicklung GmbH	Cologne	50.00	NK
d+p Ingenieurgesellschaft für Straßendaten und Baustoffprüfungen GmbH	Schöneiche by Berlin	49.91	NK
D-47 Holding Company B.V.	Amsterdam	47.50	NK
Dalnicni stavby Praha, a.s.	Prague	100.00	VK
DAM Deutzer Asphaltmischwerke GmbH & Co. KG	Cologne	33.90	NK
DAM Deutzer Asphaltmischwerke Verwaltungs-GmbH	Cologne	33.90	NK
Damm BV	AK The Hague	100.00	NK
DB Development Holdings Limited	Lanarca	49.00	NK
DBR Döbelner Baustoff und Recycling GmbH	Taucha	50.00	NK
De Brand 2 BV	AK The Hague	100.00	NK
Debus Naturstein GmbH & Co. KG	Untersiemau	49.00	NK
Debus Naturstein Verwaltungs-GmbH	Untersiemau	48.83	NK
Delitzscher Kieswerke GmbH	Delitz	50.00	NK
Deutsche Asphalt GmbH	Cologne	100.00	VK
Deutsche Asphalt Polska Sp z.o.o.	Olawa	100.00	NK
Diabaswerk Berge GmbH & Co. KG	Nuremberg	100.00	NK
Diabaswerk Saalfelden Gesellschaft m.b.H.	Saalfelden am Stein.Meer	80.00	VK
Dialnicne stavby Slovensko	Bratislava	100.00	NK
DIFMA Deutsches Institut für Facility Management GmbH	Nuremberg	57.00	NK
Dimmoplan Verwaltungs GmbH	Stuttgart	100.00	NK
DIRECTROUTE (FERMOY) CONSTRUCTION LIMITED	Dublin	25.00	EK
DIRECTROUTE (LIMERICK) CONSTRUCTION LIMITED	Fermoy	40.00	EK
DLA Donau-Lech-Asphaltwerke GmbH	Augsburg	50.00	NK
Dordrecht Diensten B.V.	Dordrecht	100.00	NK
Dreßler Bauträger GmbH & Co. „Erlenbach“-Objekt KG	Aschaffenburg	50.00	NK
DRUMCO SA	Timisoara	70.00	VK
DWA Donau-Wald Asphaltmischwerke GmbH & Co.KG	Platting	50.00	NK

# LIST OF PARTICIPATIONS AS OF 31.12.2007

DWA Donau-Wald Asphaltmischwerke Verwaltungs-GmbH	Platting	50.00	NK
DYNAMIC ASPHALT SP. z o.o.	Torun	51.00	NK
DYWIDAG Bau GmbH	Munich	100.00	VK
DYWIDAG Construction GmbH	Dresden	100.00	NK
DYWIDAG Guinea Ecuatorial Sociedad Limitada	Mongomeyen	65.00	NK
Dywidag India Private Limited	Maharashtra	100.00	NK
Dywidag Insaat Limited Sirketi	Ankara	100.00	NK
DYWIDAG International GmbH	Munich	100.00	VK
Dywidag LNG Korea Chusikhoesa	Seoul	100.00	NK
DYWIDAG Romania S.R.L	Bucharest	100.00	NK
Dywidag Saudi Arabia Limited	Jubail	100.00	VK
DYWIDAG Schlüsselfertig und Ingenieurbau GmbH	Munich	100.00	NK
Dywidag Sdn. Bhd.	Kuala Lumpur	100.00	NK
DYWIDAG-Holding GmbH	Cologne	100.00	VK
E.S.-Erdbau GmbH	Innsbruck	100.00	NK
E.S.T.M. Ipari es Kereskedelmi Korlatolt FelelőssegűTársaság	Budapest	100.00	NK
Eberhard Pöhner Unternehmen für Hoch- und Tiefbau GmbH	Bayreuth	100.00	VK
Eberhardt Bau-Gesellschaft mbH	Berlin	100.00	VK
EBERHARDT Bau-GmbH	Vienna	100.00	NK
Eckstein Holding GmbH	Kennelbach	100.00	VK
ECS European Construction Services GmbH	Möhrfelden-Walldorf	100.00	VK
Ed. Züblin AG	Stuttgart	57.26	VK
Edificio Bauvorbereitungs- und Bauträgergesellschaft mb.H.	Vienna	100.00	NK
Eduard Hachmann Gesellschaft mit beschränkter Haftung	Lunden	100.00	VK
Eggstein AG	Kriens	100.00	VK
Egolf AG Strassen- und Tiefbau (ehem. Egolf Bauunternehmungen AG)	Weinfelden	100.00	VK
Eichholz Eivel GmbH	Berlin	100.00	VK
Eichholz Rail GmbH	Lauda-Königshofen	100.00	VK
Eisen Blasy Reutte GmbH	Reutte	50.00	NK
Eisenkappler Edelsplittwerk Gesellschaft m.b.H.	Eisenkappel-Vellach	100.00	NK
Elmbaurent Beteiligungs-GmbH Schöningen	Schöningen	33.26	NK
ERA Építő es Letesítményfejlesztő Korlatolt FelelőssegűTársaság	Budapest	100.00	NK
Eraproject Immobilien-, Projektentwicklung und Beteiligungsverwaltung GmbH	Berlin	100.00	VK
ERA-Stav s.r.o.	Prague	100.00	NK
Erlaaer Straße Liegenschaftsverwertungs-GmbH	Vienna	99.72	NK
ERMATEC Maschinen Technische Anlagen Gesellschaft m.b.H.	Vienna	100.00	VK
Ernst Meyer Bauunternehmung GmbH	Berlin	100.00	NK
Errichtungsgesellschaft Strabag Slovensko s.r.o.	Bratislava-Ruzinov	100.00	VK
Erschließungsgesellschaft „Am Schloßberg“ Pantelitz GmbH	Neubrandenburg	100.00	VK
ETG Erzgebirge Transportbeton GmbH	Freiberg	60.00	VK
EURL DYWIDAG ALGERIE	Alger	100.00	NK
Ezel Bauunternehmung Sindelfingen GmbH	Sindelfingen	100.00	VK
F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG	Eggendorf	100.00	VK
Fachmarktzentrum Arland Errichtungs- und Vermietungsgesellschaft mbH	Vienna	100.00	VK
Fachmarktzentrum Kielce Projekt GmbH	Berlin	100.00	NK
Facility Management Hungaria Letesítménygazdalkodási			
Tanácsadó es Szolgáltatató Korlatolt Felelőssegű Társaság	Budapest	100.00	NK
Facility Management o.o.o.	Moscow	100.00	NK
Facility Management Polska Sp.z.o.o.	Warsaw	100.00	VK
Fahrleitungsbau GmbH	Essen	100.00	VK
Finkenau Grundstücksgesellschaft mbH	Hamburg	50.00	NK
Flogopit d.o.o.	Zvecka, Obrenovac	100.00	NK
Friedrich Preusse Bauunternehmung Gesellschaft mit beschränkter Haftung	Braunschweig	100.00	VK
Frischbeton Wachau GmbH & CO.KG	Wachau	45.00	NK
Frissbeton Betongyártó és Forgalmazó Korlátolt Felelősségű Társaság	Budapest	100.00	VK
FUSSENEGGER Hochbau und Holzindustrie GmbH	Dornbirn	100.00	VK
Gama Strabag Construction limited	Dublin	40.00	NK
Gartensiedlung Lackenjöchel Liegenschaftsverwertungs GmbH	Vienna	99.73	NK
GBS Gesellschaft für Bau und Sanierung mbH	Kötschlitz	85.00	NK
Gebr. von der Wettern Gesellschaft mit beschränkter Haftung	Cologne	100.00	VK
GEORG BOERNER DACH UND STRASSE GMBH	Bad Hersfeld	75.00	VK
Gesundheitszentrum Bremen-Findorff GbR	Bremen	50.00	NK
GFR remex Baustoffaufbereitung GmbH & Co. KG	Krefeld	100.00	NK
GFR remex Baustoffaufbereitung Verwaltungs-GmbH Krefeld	Krefeld	50.00	NK
Goldeck Bergbahnen GmbH	Spittal an der Drau	100.00	VK
GRABENO PODJETJE IN KAMNOLOM GRASTO d.o.o.	Ljubljana	99.85	VK



Grand Hotel Interests Limited	Guernsey	75.00	NK
Grandemar SA	Cluj-Napoca	41.27	NK
GRIPROAD Spezialbeläge und Baugesellschaft mbH	Cologne	100.00	VK
Gröne-Bau GmbH & Co. KG	Halberstadt	100.00	NK
Gröne-Bau Verwaltungsgesellschaft mbH	Halberstadt	100.00	NK
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H.	Vienna	61.00	NK
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H. & Co. KG.	Vienna	62.00	NK
GVD Versicherungsvermittlungen - Dienstleistungen GmbH	Cologne	100.00	NK
GWP Steinbruch Ges.m.b.H.	Oberpetersdorf	100.00	NK
H. Westerthaler Baugesellschaft m.b.H.	St. Johann i.Pongau	100.00	VK
H.I.C. Gesellschaft für Projektierung und Bau von sozialen Einrichtungen mbH	Bremen	98.00	NK
Hartsteinwerk Seifersbach GmbH & Co. KG	Hartmannsdorf	100.00	NK
Hartsteinwerk Seifersbach Verwaltungs GmbH	Hartmannsdorf	100.00	NK
HAW-Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft	Cologne	35.00	NK
HEILIT + WOERNER Budowlana Sp.z o.o.	Breslau	100.00	VK
HEILIT Umwelttechnik GmbH	Düsseldorf	100.00	VK
HEILIT+WOERNER Bau GmbH	Vienna	100.00	NK
Heilit+Woerner Bau GmbH	Munich	100.00	VK
Helmus Beteiligungsgesellschaft mit beschränkter Haftung	Vechta	100.00	NK
Helmus Straßen-Bau-Gesellschaft mbH & Co. KG	Vechta	100.00	VK
HILU Leitungsbau GmbH	Nuremberg	100.00	NK
HOTEL VIA Szallodai Korlatolt Felelőssegű Tarsasag	Keszthely	43.00	NK
H-PROJEKT II. Ingatlanfejlesztő Korlatolt Felelőssegű Tarsasag	Budapest	100.00	NK
HRG Rohrsanierungs-GmbH	Hamburg	100.00	NK
Hrusecka Obalovna, s.r.o.	Hrusky	80.00	NK
H-TPA Innovacios es Minősegvizsgalo Korlatolt Felelőssegű Tarsasag	Budapest	100.00	VK
Hürtherberg Asphaltwerke Gesellschaft mit beschränkter Haftung	Cologne	35.00	NK
IBV-Immobilien Besitz- und Verwaltungsgesellschaft mbH	Cologne	99.00	NK
IGM Vukovina d.o.o.	Vukovina b.b.	80.00	NK
ILBAU GmbH	Graz	100.00	NK
Ilbau GmbH Deutschland	Berlin	100.00	VK
Ilbau Liegenschaftsverwaltung GmbH	Spittal an der Drau	100.00	VK
Ilbau Liegenschaftsverwaltung GmbH	Dahlwitz-Hoppegarten	100.00	VK
Ilbau spol s.r.o.	Prague	100.00	VK
Ilbau-Kirchner A4 Motorway Construction S.C.	Opole	50.00	NK
Immorent Oktatási, Ingatlanhasznosító és Szolgáltató Kft	Budapest	20.00	NK
IMOPROJEKT Immobilienentwicklungsgesellschaft mbH	Freiburg	100.00	NK
IMOTAVIRA - Promocao Imobiliaria S.A.	Lison	50.00	NK
Industrial Engineering and Contracting Co. S.A.R.L.i.L	Beirut	50.00	NK
Industrial Engineering and contracting NV	Genk	50.00	NK
Industrielles Bauen Betreuungsgesellschaft mbH	Stuttgart	100.00	VK
Industrija Gradevnog materijala ostra drustvo s ogranicenom odgovornoscu za proizvodnju	Zagreb	51.00	NK
InfoSys Informationssysteme GmbH	Spittal an der Drau	100.00	VK
INGSTROY SOFIA EAD	Sofia	100.00	VK
Innerebner Baustahl GmbH	Wiener Neustadt	100.00	VK
Insond Spezialtiefbau Gesellschaft m.b.H	Vienna	100.00	VK
J + O Alsterfleet Grundstücks GmbH	Hamburg	94.00	NK
JAB Tarnava Sp z.o.o.	Bobrovice	50.00	NK
Jakob Gärtner GmbH	Friedberg	100.00	VK
Jihoceska Obalovna spol. s.r.o.	Budweis	66.67	NK
Josef Möbius Bau-Aktiengesellschaft	Hamburg	70.00	VK
Josef Möbius Bau-Gesellschaft Rostock m.b.H.	Rostock	100.00	NK
Josef Möbius Scandinavia AB	Täby	100.00	NK
Josef Riepl Unternehmen für Hoch- und Tiefbau GmbH	Regensburg	100.00	VK
Josef Riepl Unternehmen für Ingenieur- und Hochbau GmbH	Schermbach	100.00	VK
JUKA Justizzentrum Kurfürstenanlage GmbH	Cologne	100.00	NK
Jumbo Betonpumpen Service GmbH & Co.KG	Limbach-Oberfrohna	50.00	NK
Jumbo Betonpumpen Verwaltungs GmbH	Limbach-Oberfrohna	50.00	NK
KAB Kärntner Abfallbewirtschaftung GmbH	Klagenfurt	36.25	NK
KAB Straßensanierung GmbH	Spittal an der Drau	50.60	NK
KAB Straßensanierung GmbH & Co KG	Spittal an der Drau	50.60	VK
Kaiserebersdorfer Straße LiegenschaftsverwertungsGmbH	Vienna	99.73	NK
Kamen-Ingrad gradnja i rudarstvo drustvo s organiceonom odgovornoscu	Zagreb	51.00	NK

# LIST OF PARTICIPATIONS AS OF 31.12.2007

Kamen-Ingrad Niskogradnja, drustvo s ogranicenom odgovornoscu za gradenje	Pozega	51.00	NK
Kamen-Ingrad Proizvodnja, drustvo s ogranicenom odgovornoscu za proizvodnju	Velika	100.00	NK
KAMENOLOMY CR s.r.o.	Ostrava - Svinov	100.00	VK
KANAL TOTAL Brus GmbH	Graz	100.00	NK
Kanzel Steinbruch Dennig Gesellschaft mit beschränkter Haftung	Gratkorn	75.00	VK
Kapsch Telematic Services Telematikai Szolgaltato Kft.	Budapest	33.33	NK
Karlovarske silnice, a.s.	Ceske Budejovice	83.32	NK
Kies- und Betonwerk AG Sedrun	Tujetsch	35.00	NK
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Grafling KG	Geretsried	50.00	NK
Kiesabbau Gämmerler-Hütwohl GmbH&Co. Grube Leitzinger Au KG	Geretsried	50.00	NK
Kiesabbau Gämmerler-Hütwohl Verwaltungs- GmbH	Königsdorf	50.00	NK
Kieswerk Diersheim GmbHSand- und Edelsplittwerke	Rheinau/Diesersheim	60.00	NK
Kieswerk Hohenwarthe GmbH	Hohenwarthe	100.00	NK
Kieswerk Rheinbach Gesellschaft mit beschränkter Haftung	Cologne	50.00	NK
Kieswerk Rheinbach GmbH & Co. KG	Cologne	50.00	EK
Kieswerke Weserbergland GmbH & Co. KG	Emmerthal	100.00	VK
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH	Spittal an der Drau	100.00	NK
KÖKA Kö-es Kavicsbanyaszati Korlatolt Felelőssegű Tarsasag	Budapest	100.00	VK
Königswall Invest B.V.	AK The Hague	100.00	NK
Kopalnia Granitu Mikoszw Sp. z o.o.	Strzelin	100.00	VK
Kopalnie Melafiru w Czarnym Borze Sp. z o.o.	Czarny Bor	100.00	VK
KRAL ASFALT SPOLKA z o.o.	Konstantynow Lodzki	50.00	NK
KSR - Kamenolomy SR, s.r.o.	Zvolen	100.00	VK
Kurz Hoch- und Ingenieurbau GmbH	Walchsee	100.00	VK
KWP Kieswerk Penig GmbH	Penig	85.00	NK
Lafrentz Bau GmbH & Co. KG	Hamburg	100.00	NK
Lafrentz Bau Verwaltungsgesellschaft mbH	Hamburg	100.00	NK
LAS Lauterhofener Asphalt und Straßenbau Gesellschaft mbH	Lauterhofen	100.00	NK
Latasfalts SIA	Milzkalne	50.00	NK
Leipziger Straßen- und Brückenbau- Verwaltungsgesellschaft mbH	Halberstadt	100.00	NK
Leitner Gesellschaft m.b.H.	Hausmening	100.00	VK
Leonhard Moll Hoch- und Tiefbau GmbH	Munich	100.00	VK
Leonhard Moll Tiefbau GmbH	Munich	100.00	VK
Liberecka Obalovna s.r.o.	Liberec	50.00	NK
Lieferasphalt Gesellschaft m.b.H.	Vienna	50.00	NK
Lieferasphalt Gesellschaft m.b.H. & Co.OHG	Maria Gail	60.00	NK
Lieferasphalt Gesellschaft m.b.H.& Co	Viecht	66.50	NK
Lieferasphalt Gesellschaft m.b.H.& Co.OHG	Vienna	50.00	NK
Liefergemeinschaft Transportbeton Arneburg GbR	Stendal	33.33	NK
Linzer Schlackenaufbereitungs- und vertriebsgesellschaftm.b.H.	Linz	33.33	NK
LISAG Linzer Splitt- und Asphaltwerk GmbH.	Linz	50.00	NK
LISAG Linzer Splitt- und Asphaltwerk GmbH. & CO KG	Linz	50.00	NK
LPRD LESZCZYNSKIE PRZEDSIĘBIORSTWO			
ROBOT DROGOWO-MOSTOWYCH SPOLKA z o.o.	Leszno	57.29	VK
LRD AM GmbH & Co.KG	Weimar	50.00	NK
M - Z Baugesellschaft mbH	Vienna	100.00	NK
M5 Autópálya Zártkörűen Működő Részvénytársaság	Budaörs	50.00	NK
Magyar Aszfalt Keverekgyarto es Epitőipari Korlatolt	Budapest	100.00	VK
Magyar Bau Holding Zártkörűen Működő Részvénytársaság	Budapest	100.00	NK
MAK Mecsek Autopalya Koncessziós Zrt.	Budaörs	30.00	NK
MAV Mineralstoff-Aufbereitung und -Verwertung GmbH	Krefeld	50.00	VK
Mazowieckie Asfalty Sp. z o.o.	Warsaw	100.00	NK
MBSZ Magyar Betonpumpa Szolgaltato Korlatolt Felelőssegű Tarsasag	Budapest	100.00	NK
Mecsek Autopalya-üzemeltető Zrt.	Budaörs	25.00	NK
Meyerhans AG Amriswil	Amriswil	100.00	VK
Meyerhans AG, Strassen- und Tiefbau Uzwil	Uzwil	100.00	VK
Miejskie Przedsiębiorstwo Robot Drogowych Spolka z			
Organiczo Na Odpowiedzialnoscia	Bialystok	62.30	NK
MIGU-Asphalt-Baugesellschaft m.b.H.	Lustenau	50.00	NK
Millonig + Schuster GmbH	Gummern	66.00	NK
MIL-MERT Epitő Közkereseti Tarsasag	Budapest	50.00	NK
Mineral Abbau GmbH	Spittal an der Drau	100.00	VK
MINERAL IGM drustvo s ogranicenom odgovornoscu za proizvodnju i trgovinu građevnim materijalom	Zapuzane	100.00	VK
MINERAL K. S. K. drustvo s ogranicenom odgovornoscu za graditeljstvo i proizvodnju građ.	Cavle	100.00	NK



Mineral L.L.C.	Pristina	100.00	NK
MINERAL ROM S.R.L.	Brasov	100.00	NK
Mineral Trading sp.z o.o.	Warszawa	100.00	NK
MINKO Mineral- und Baustoff-Kontor GmbH	Hartmannsdorf	100.00	NK
Mischek Arbeiterwohnheim GmbH	Vienna	100.00	NK
Mischek Bauträger Service GmbH	Vienna	100.00	VK
Mischek Leasing eins Gesellschaft m.b.H.	Vienna	100.00	VK
Mischek Systembau GmbH	Vienna	100.00	VK
Miskolci Shopping Center Ingatlanforgalmazó, Berbeado	Budapest	100.00	NK
Mister Recrutamento Lda.	Lisbon	100.00	NK
MITTaG spol. s.r.o. pozemni a prumyslove stavitelstvi	Brno	100.00	VK
Möbius Construction Ukraine Ltd.	Nikolayev City	100.00	VK
Möbius Dredging-Aktiengesellschaft	Hamburg	100.00	NK
Möbius-Verwaltungsgesellschaft m.b.H.	Hamburg	50.00	NK
Mörteldienst Saale-Elster GmbH & CO.KG	Wachau	50.00	NK
Mörteldienst Saale-Elster Verw.GmbH	Wachau	50.00	NK
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H.	Ilz	33.33	NK
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. & Co.KG	Ilz	52.67	NK
MSO Mischanlagen Süd-Ost Betriebsgesellschaft m.b.H. und CoKG	Pinkafeld	47.00	NK
MTG Möbius Transportgesellschaft Geesthacht m.b.H.	Geesthacht	100.00	NK
MUSIKVIERTEL Grundstücksentwicklung GmbH	Cologne	100.00	NK
MUST Razvoj projekata d.o.o.	Zagreb	100.00	NK
N.V. STRABAG Belgium S.A.	Antwerp	100.00	VK
N.V. STRABAG Benelux S.A.	Antwerp	100.00	VK
Na belidle spol s.r.o.	Prague	100.00	VK
NEGUS LTD ZAO	Moscow	100.00	NK
Neubau Augasse 9 Errichtungs- und Vermietungsgesellschaftm.b.H.	Vienna	50.00	NK
NEUE REFORMBAU Gesellschaft m.b.H.	Vienna	100.00	NK
NGM Verwaltungs GmbH	Nuremberg	75.20	NK
NGT Gebäudetechnik GmbH	Erlangen	100.00	NK
Niersberger Gebäudemanagement GmbH & Co. KG	Nuremberg	75.00	VK
Niersberger Romania s.r.l.	Sibiu	100.00	NK
NOAG GmbH	Vienna	32.00	NK
Nordostlabor Beteiligungsgesellschaft m.b.H. Nievelt Polen	Stockerau	30.00	NK
Nordpark Errichtungs- und Betriebs GmbH	Innsbruck	51.00	VK
NOSTRA Cement Gyártó és Kereskedelmi Korlátolt Felelősségű Társaság	Budapest	100.00	VK
Novy Urengoy Bau- und Montage GmbH	Munich	100.00	NK
NowBit Sp. z o.o.	Nowy Tomysl	100.00	NK
NR Bau- u. Immobilienverwertung GmbH	Berlin	100.00	NK
OAT - Bohr- und Fugentechnik Gesellschaft m.b.H.	Spittal an der Drau	51.00	VK
OAT Közlekedési Felületek Specialis Javítása Korlátolt	Budapest	100.00	VK
OAT s.r.o.	Prague	80.00	VK
OAT spol. s.r.o.	Bratislava	100.00	VK
Obit spol. s.r.o.	Prague	100.00	NK
OFIM HOLDINGS LIMITED	Cardiff	46.25	NK
ONTWIKKELINGSCOMBINATIE MAASMECHELEN N.V.	Antwerp	50.00	VK
Ooms-Ittner-Hof GmbH	Cologne	100.00	VK
OOO Züblin	Moscow	100.00	NK
OOO Züblin Ural	Ufa	100.00	NK
OSKEP JSC	Kiev	51.00	NK
Ostsächsische Brücken- und Ingenieur-Tiefbau GmbH	Neustadt/Sachsen	100.00	NK
Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH	Lavant i. Osttirol	80.00	VK
Otto Rohr GmbH	Helmstedt	100.00	VK
Ottokar Klug Gesellschaft m.b.H.	Vienna	100.00	VK
Pagitz Metalltechnik GmbH	Spittal an der Drau	100.00	VK
PAM Pongauer Asphaltmischanlagen GmbH	St. Johann i. Pongau	50.00	NK
PAM Pongauer Asphaltmischanlagen GmbH & Co KG	St. Johann i. Pongau	50.00	NK
Park Service Hüfner GmbH & Co. KG	Stuttgart	48.44	NK
Parking Bowling Green GmbH	Stuttgart	100.00	NK
Passivhaus Kammelweg Bauträger GmbH	Vienna	100.00	VK
PEKA Entwicklungsgesellschaft Kurfürstenanlage GmbH	Cologne	100.00	NK
Peter Geisler Tiefbauunternehmen GmbH	Hamburg	100.00	NK
Philman Holdings Co.	Makati City	20.00	NK
Pikaso, spol.sro	Prague	100.00	NK
PL-BITUNOVA Sp z.o.o.	Bierawa	95.00	VK
PLINIUS VASTGOED N.V.	Hasselt	43.48	NK

# LIST OF PARTICIPATIONS AS OF 31.12.2007

Pizenska obalovna s.r.o.	Pilsen	100.00	NK
PMB Projektinitiative Mittelständischer Bauindustrie GmbH	Cologne	25.00	NK
Poduzece ZA Ceste Split dionicko drustvo	Split	87.31	VK
Polski Asfalt Spolka z Ograniczona Odpowiedzialnoscia	Wroclaw	100.00	VK
POLSKI ASFALT TECHNIC SPOLKA Z Ograniczona Odpowiedzialnoscia	Kraków	100.00	NK
POLSKI ASFALT USLUGI BUDOWLANE SPOLKA Z			
OGRANICZONA ODPOWIEDZIALNOSCIA	Wroclaw	100.00	NK
Polskie Kruszywa Sp z.o.o.	Wroclaw	100.00	VK
Poßögel & Partner Straßen- und Tiefbau GmbH	Hermisdorf	100.00	NK
PP Prottelith GmbH i.L.	Hamburg	100.00	NK
PP Prottelith Produktionsgesellschaft mbH	Liebfens	52.00	NK
PPP Management GmbH	Cologne	100.00	NK
PPP SchulManagement Witten GmbH & Co. KG	Cologne	100.00	NK
Preduzece za puteve „Zajecar“ a.D.Zajecar	Zajecar	93.29	VK
PREFIN a.s.	Chrudim	100.00	VK
Preusse Baubetriebe Berlin-Brandenburg GmbH	Halberstadt	100.00	NK
Preusse Baubetriebe Gesellschaft mit beschränkter Haftung	Hamburg	100.00	VK
Preusse Baubetriebe und Partner GmbH & Co. KG	Halberstadt	100.00	VK
Preusse Baubetriebe und Partner Verwaltungsgesellschaft mbH	Halberstadt	100.00	NK
Preusse Bauholding Verwaltungsgesellschaft mbH	Hamburg	100.00	NK
PREZIP, s.r.o.	Chrudim	100.00	VK
PRO Liegenschaftsverwaltungs- und Verwertungsgesellschaft m.b.H.	Vienna	100.00	VK
Projekta Bauvorbereitungsgesellschaft m.b.H. Nfg.KG	Vienna	50.00	NK
Projektgemeinschaft Feste Fahrbahn System SATO GmbH	Plauen	25.00	NK
PRO-Lassallestraße-Grundstücksverwertungsgesellschaft m.b.H.	Vienna	50.00	NK
PROTECTA Gesellschaft für Oberflächenschutzschichten mbH	Düsseldorf	75.00	VK
PROTELITH Zlin, s.r.o.	Napajedla	100.00	NK
Przedsiębiorstwo Budownictwa Ogólnego i Usług Technicznych, Slask Sp. z o.o.	Katowice	60.98	VK
PRZEDSIĘBIORSTWO ROBOT DROGOWYCH			
SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA W LIKWIDACJI	Choszczno	100.00	NK
PVP Kies GmbH & Co. KG	Lübeck	100.00	NK
PWG-Bau Pfersee Wohn- und Gewerbebaubauverwalter GmbH & Co.KG	Munich	50.00	NK
PWG-Bau Pfersee Wohn-und Gewerbebaubauverwalter Verwaltungs GmbH	Munich	50.00	NK
Pyhrn Concession Holding GmbH	Cologne	100.00	VK
RAE Recycling Asphaltwerk Einfeld GmbH & Co.KG	Einfeld	25.00	NK
RAE Recycling Asphaltwerk Einfeld Verwaltungs-GmbH	Einfeld	25.00	NK
Raiffeisen evolution project development GmbH	Vienna	20.00	EK
RAM Regensburger Asphalt-Mischwerke GmbH & Co KG	Barbing	44.33	NK
Raststation A 6 GmbH	Vienna	100.00	NK
Rathaus-Carrée Saarbrücken Grundstücksentwicklungsgesellschaft mbH	Cologne	24.97	NK
Rathaus-Carrée Saarbrücken Grundstücksentwicklungsgesellschaft mbH & Co.KG	Cologne	25.00	NK
RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H.	Linz	100.00	VK
RE Wohnungseigentumserrichtungs GmbH	Vienna	75.00	NK
Regensburger Asphalt-Mischwerke GmbH	Barbing	44.33	NK
REMEX Coesfeld Gesellschaft für Baustoffaufbereitung mbH	Dülmen-Buldern	50.00	NK
RFM Asphaltmischwerk GmbH & Co KG	Traiskirchen	33.33	NK
RFM Asphaltmischwerk GmbH.	Wienersdorf-Oeynhausen	33.33	NK
RFPB Kieswerk GmbH	Wienersdorf-Oeynhausen	50.00	NK
RFPB Kieswerk GmbH & Co KG	Wienersdorf-Oeynhausen	50.00	NK
Rheinbacher Asphaltmischwerk Gesellschaft mit beschränkter Haftung	Rheinbach	50.00	NK
Rheinbacher Asphaltmischwerk GmbH & Co.			
Kommanditgesellschaft für Straßenbaustoffe	Rheinbach	50.00	NK
Rhein-Regio Neuenburg Projektentwicklung GmbH	Neuenburg am Rhein	90.00	NK
Rieder Asphaltgesellschaft m.b.H.	Ried im Zillertal	50.00	NK
Rieder Asphaltgesellschaft m.b.H. & Co. KG.	Ried im Zillertal	50.00	NK
RKB Rohrleitungs- und Kanalbau GmbH	Berlin	100.00	VK
RKH Rheinkies Hitdorf GmbH & Co. KG	Bergheim	33.33	NK
RKH Rheinkies Hitdorf Verwaltungs GmbH	Bergheim	33.33	NK
ROBA AM Düsseldorf GmbH	Düsseldorf	100.00	NK
ROBA AM Hohenlimburg GmbH	Hagen-Hohenlimburg	100.00	NK
ROBA Asphalt GmbH	Augsburg	100.00	VK
ROBA Baustoff GmbH	Augsburg	100.00	VK
ROBA Baustoff Leipzig GmbH	Leipzig	100.00	NK
ROBA Kieswerk Merseburg GmbH	Merseburg	100.00	NK
ROBA Quarzitsplittwerk Profen GmbH	Profen	100.00	NK
ROBA Transportbeton GmbH	Augsburg	100.00	VK

Robert Kieserling Industriefußboden Gesellschaft mit beschränkter Haftung	Hamburg	100.00	VK
Rodinger Ingenieurbau GmbH	Roding	100.00	VK
RST Rail Systems and Technologies GmbH	Barleben	82.00	NK
RVE Gesellschaft für Reststoffverwertung und Entsorgung mbH	Lünen	50.00	EK
S.U.S. Abflusssdienst Gesellschaft m.b.H.	Vienna	100.00	NK
Saale Asphalt GmbH & Co. KG	Dehlitz/Lösau	73.50	NK
Saale Asphalt Verwaltungen GmbH	Dehlitz/Lösau	73.80	NK
SALGO Shopping Center Ingatlanforgalmazó, Berbeado,			
Hasznosító és Kereskedelmi Korlátolt Felelősségű Társaság	Budapest	100.00	NK
Salzburger Lieferasphalt OHG	Sulzau	20.00	NK
SAM Sächsische Asphaltmischwerke GmbH & Co. KG	Dresden	100.00	VK
SAM Sächsische Asphaltmischwerke Verwaltung GmbH	Dresden	100.00	NK
SAO BRVZ Ltd	Moscow	100.00	VK
SAT OOO	Moscow	51.00	NK
SAT s.r.o.	Prague	100.00	VK
SAT SANIRANJE d.o.o.	Zagreb	100.00	NK
SAT Sp. z o.o.	Olawa	100.00	VK
SAT Straßensanierung GmbH	Horhausen	100.00	VK
SAT Útjavító Korlátolt Felelősségű Társaság	Budapest	100.00	VK
SAV Südniedersächsische Aufbereitung und Verwertung Verwaltungen GmbH	Hildesheim	50.00	NK
SBR Verwaltungen-GmbH	Kehl/Rhein	100.00	VK
Schlackenkontor Bremen GmbH	Bremen	50.00	NK
SCHOTTERWERK EDLING GESELLSCHAFT M.B.H.	Klagenfurt	74.00	NK
Schotterwerk Schmohlhöhe GmbH	Bobritzsch	100.00	NK
Servis Kadr sp.z o.o.	Wroclaw	100.00	NK
SF - Bau Ploiesti srl	Ploiest	100.00	NK
SF Cologne Ingenieurs Cameroun S.A.	Yaounde	100.00	NK
SF Consultants Nigeria	Lagos	60.00	NK
SF-Ausbau GmbH	Freiberg	100.00	VK
SF-BAU Drei Vermögensverwaltung GmbH	Vienna	100.00	NK
SF-BAU Gesellschaft für Projektentwicklung und schlüsselfertiges Bauen mbH	Leipzig	100.00	NK
SF-BAU Grundstücksgesellschaft „ABC-Bogen“ mbH	Cologne	100.00	NK
SF-BAU Projektentwicklung GmbH	Cologne	100.00	NK
SF-Immobilienfonds Beteiligungs-GmbH&Co. Nr.1 KG	Cologne	100.00	NK
Siroki Brijek	Mostar	49.00	NK
SK BV Grundstücksentwicklung GmbH & Co.KG	Cologne	50.00	NK
Slokenbeka SIA	Milkalne	41.04	EK
Slovasfalt, spol.s.r.o.	Bratislava	100.00	VK
SOWI - Investor - Bauträger GmbH	Innsbruck	33.33	NK
SPK - Errichtungs- und Betriebsges.m.b.H.	Spittal an der Drau	100.00	NK
Společne obalovny, s r.o.	Prague	50.00	NK
Sportstättenervice Gesellschaft m.b.H.	Niederleis	100.00	NK
SPROSSENER Asphaltmischanlage GmbH	Zeitz	50.00	NK
STA Asphaltmischwerk Strahlungen GmbH	Strahlungen	24.90	NK
Stadtbaumeister Architekt Franz Böhm GmbH	Vienna	100.00	VK
Stahl + Verbundbau Gesellschaft für industrielles Bauen m.b.H.	Dreieich-Dreieichenhain	30.00	NK
Stalexport Autostrada Dolnoslaska S.A.	Katowice	25.00	NK
Stapelfeldt Baugesellschaft mbH & Co. KG	Soltau	100.00	NK
Stapelfeldt Verwaltungsgesellschaft mbH	Soltau	100.00	NK
Steinbruch Mauterndorf Gesellschaft m.b.H.	St. Michael/Lungau	50.00	NK
Stephan Beratungs-GmbH	Linz am Rhein	30.00	NK
Stoppacher Metalltechnik GmbH	Spittal an der Drau	51.00	VK
Storf Hoch- und Tiefbaugesellschaft m.b.H.	Reutte	100.00	VK
STR Lakasepitő Korlátolt Felelősségű Társaság	Budapest	100.00	VK
Strabag a.s.	Prague	100.00	VK
STRABAG ABU DHABI LLC	Abu Dhabi	100.00	NK
STRABAG AG	Spittal an der Drau	100.00	VK
STRABAG AG	Cologne	65.85	VK
STRABAG Anlagentechnik GmbH	Thalgau	100.00	VK
STRABAG Bau GmbH	Vienna	100.00	NK
STRABAG Bau.S.L.	Madrid	100.00	NK
STRABAG Beograd d.o.o.	Belgrad	100.00	VK
STRABAG Beton GmbH & Co. KG	Berlin	100.00	VK
Strabag BiH, d.o.o.	Sarajevo	100.00	NK
STRABAG Bouw en Ontwikkeling B.V.	Dordrecht	100.00	VK
STRABAG Construction Nigeria	Ikeja	100.00	NK

# LIST OF PARTICIPATIONS AS OF 31.12.2007

STRABAG Development SK s.r.o.	Bratislava	100.00	VK
Strabag Domodedovo OOO	Moscow	100.00	NK
STRABAG Dubai LLC	Dubai	100.00	VK
STRABAG EAST AFRICA Ltd.	Nairobi	100.00	NK
STRABAG EOOD	Sofia	100.00	NK
Strabag Építő Zártkörűen Működő Részvénytársaság	Budapest	100.00	VK
STRABAG Facility Management d.o.o.	Zagreb	100.00	NK
STRABAG Facility Management GmbH	Spittal an der Drau	100.00	VK
STRABAG FACILITY MANAGEMENT S.R.L.	Bukarest	100.00	NK
STRABAG gradbene storitve d.o.o.	Ljubljana	100.00	VK
STRABAG Imobilija-agencija za posrednistvo v prometu z nepremicninami d.o.o.	Ljubljana	100.00	VK
Strabag Inc.	Toronto	100.00	VK
STRABAG Infrastruktur Development	Moscow	100.00	NK
STRABAG Installations pour l'Environnement SARL	Champagne au mont d'or	100.00	NK
Strabag International Benin SARL	Benin	100.00	NK
Strabag International GmbH	Cologne	100.00	VK
STRABAG Invest GmbH	Vienna	51.00	NK
Strabag Kiew	Kiew	100.00	NK
Strabag Liegenschaftsverwaltung GmbH	Linz	100.00	VK
Strabag Oktatási PPP Ingatlanhasznosító és Szolgáltató Korlátolt	Budapest	30.00	NK
Strabag Oman	Muscat	100.00	VK
Strabag OOO	Moscow	100.00	NK
STRABAG Projektentwicklung GmbH	Cologne	100.00	VK
Strabag Qatar W.L.L.	Qatar	100.00	VK
STRABAG Ras Al Khaimah LLC	Ras Al Khaimah	100.00	VK
Strabag RS d.o.o.	Banja Luka	100.00	NK
Strabag S.R.L.	Chisinau	100.00	NK
STRABAG s.r.o.	Bratislava	100.00	VK
Strabag Saudi Arabia	Khobar	50.00	NK
Strabag Sp. z o.o. Kirchner Gorzow Bypass spolka jawna	Gorzow	49.00	NK
STRABAG Sp. z o.o.	Warsaw	100.00	VK
STRABAG Sportstättenbau GmbH	Dortmund	100.00	VK
Strabag srl	Bucharest	100.00	VK
STRABAG Straßen- und Tiefbau Verwaltung GmbH	Spergau	100.00	NK
STRABAG Truppenkamp GmbH	Truppenkamp	100.00	NK
STRABAG Umwelтанlagen GmbH	Dresden	100.00	VK
STRABAG Unterstützungskasse GmbH	Cologne	100.00	VK
Strabag z.a.o.	Moscow	100.00	VK
Strabag za građevinske poslove d.o.o.	Zagreb	100.00	VK
Strabag-Mert Építő Közkereseti Társaság	Budapest	50.00	NK
STRABAG-MML Magas- és Mérnöki Létesítmény			
Építő Korlátolt Felelősségű Társaság	Budapest	100.00	VK
STRABAG-PROJEKT Sp. z o.o.	Warsaw	100.00	NK
Straßen- und Asphaltbau Nord GmbH	Satow	100.00	NK
Straßenbau Thüringen GmbH	Gotha	50.00	EK
Straßenbaustoffe Nonnendamm GmbH	Teltow	33.10	NK
Stratebau GmbH	Regensburg	100.00	VK
STRAVIA Emulziogyarto es Utfenntarto Korlatolt Felelősségű Társaság	Budapest	25.00	NK
STRIBA Protonentherapiezentrum Essen GmbH	Cologne	50.00	NK
Stuag Bau Development GmbH	Cottbus	100.00	NK
SVG Stoll Gesellschaft für Vermietung und Verpachtung GmbH	Berlin	100.00	NK
Syrena Immobilien Holding Aktiengesellschaft	Spittal an der Drau	50.00	NK
Szamito- es Ügyviteli Központ Korlatolt Felelősségű Társaság	Budapest	100.00	VK
Szentesi Vasutépítő Korlatolt Felelősségű Társaság	Budapest	100.00	VK
T S S Technische Sicherheits-Systeme GmbH	Cologne	100.00	VK
TBG Ceske Budejovice spol. s.r.o.	Budweis	50.00	NK
TBG Frissbeton Betongyártó Korlátolt Felelősségű Társaság	Pecs	50.00	NK
TBG Transportbeton Saalfeld GmbH & Co.KG	Saalfeld	28.33	NK
TBG-STRABAG drustvo s ogranicenom odgovornoscu			
zaproizvodnju i distribuciju betona	Zagreb	50.00	NK
TBR Technologiezentrum GmbH	Bernburg	50.00	NK
TBR Technologiezentrum GmbH & CO.KG	Bernburg	33.33	NK
TBR Verwaltungszentrum GmbH	Landsberg	20.00	NK
TBR Verwaltungszentrum GmbH & CO.KG	Landsberg	20.00	NK
TDE Mitteldeutsche Bergbau Service GmbH	Espenhain	35.00	NK
Techno Celik Yapi Sanayi ve Ticaret A.S.	Istanbul	50.00	NK

Tek Ermolino Sao	Moscow	25.00	NK
Tek Tunoschna Sao	Moscow	25.00	NK
Territorium Bauprojektentwicklungs-GmbH	Stuttgart	100.00	NK
TGS Transport - Gesellschaft Süsel mbH	Süsel	100.00	NK
Thüringer Straßenwartungs- und Instandhaltungsgesellschaft mbH	Apfelstädt	33.33	EK
Tiefbautechnik Gesellschaft m.b.H.	Linz	100.00	NK
Tiefbautechnik Gesellschaft m.b.H. & Co OHG	Linz	100.00	NK
TOO Züblin Kasachstan	Almaty	100.00	NK
Towarystwo z obmieshenouj widpowidalnistju „Dywidag Ukraina GmbH“	Kiev	99.00	NK
TPA EOOD	Sofia	100.00	VK
TPA Gesellschaft für Qualitätssicherung u. Innovation GmbH	Cologne	100.00	VK
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Vienna	100.00	VK
TPA INSTYTUT BADAN TECHNICZNYCH SPÓLKA z o.o.	Pruszków	100.00	VK
TPA održavanje kvaliteta i inovacija društvo s ograničenom odgovornošću	Zagreb	100.00	VK
TPA OOO	Moscow	100.00	NK
TPA Societate pentru asigurarea calitatii si inovatii SRL	Bucharest	100.00	VK
TPA Spolocnost pre zabezpečenie kvality a inovacie s.r.o.	Beroun	100.00	VK
TPA Spolocnost pre zabezpečenie kvality a inovacie s.r.o.	Bratislava	100.00	VK
TPA za obezbeđenje kvaliteta i inovacije d.o.o. Beograd	Novi Beograd	100.00	VK
Transkipper sp. z o.o.	Warszawa	100.00	NK
Treuhandbeteiligung		100.00	VK
Treuhandbeteiligung M		50.00	NK
UAB „Miobijus Baltija“	Klaipeda	100.00	NK
Ucka Asfalt društvo s ograničenom odgovornošću za proizvodnju i usluge	Potpican	25.00	NK
UND-FRISCHBETON s.r.o.	Kosice	75.00	NK
UNI-BAU Wohnungseigentumserichtungs GmbH	Vienna	100.00	NK
UNIPROJEKT Bau- und Innenbau GmbH	Vienna	100.00	VK
Universitätszentrum Althanstraße Erweiterungsgesellschaft m.b.H.	Vienna	100.00	NK
Unterstützungseinrichtung für die Angestellten der ehemaligen			
Bau-Aktiengesellschaft „Negrelli“ Gesellschaft mbH	Vienna	50.00	NK
Útépítőgépek Szolgáltató Korlátolt Felelősségű Társaság	Budapest	100.00	VK
VAB graditeljstvo društvo s ograničenom odgovornošću	Varazdin	34.50	NK
VAL DI CHIENTI SOCIETÀ CONSORTILE PER AZIONI	Ravenna	36.00	NK
VAMA Vereinigte Asphalt-Mischwerke Aachen GmbH & Co.KG	Alsdorf	45.00	NK
VAMA Vereinigte Asphalt-Mischwerke Aachen Verwaltungs GmbH	Alsdorf	45.00	NK
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H.	Linz	75.00	NK
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG	Linz	75.00	VK
VCO - Vychodoceska obalovna, s r.o	Hradec Kralove	33.33	NK
vdw Transrapid GmbH	Cologne	100.00	NK
Verbundplan Birecik Isletme Ltd.	Birecik	25.00	NK
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	Spittal an der Drau	50.00	NK
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	Spittal an der Drau	50.00	VK
VIALIT-ASPHALT Podjetje za asfaltiranje in trgovino, d.o.o.	Ljubljana	50.00	NK
Viamont DSP a.s.Usti nad Labem	Usti nad Labem	50.00	EK
VIANOVA - Bitumenemulsionen GmbH	Fürnitz	24.90	NK
Vierte Vorratsgesellschaft mbH	Dresden	100.00	NK
Villacher Parkgaragen Gesellschaft m.b.H. & Co. KG	Spittal an der Drau	100.00	NK
VKG-Valentiner Kieswerk Gesellschaft m.b.H.	Linz	50.00	NK
Vojvodinaput-Pancevo a.d. Pancevo	Pancevo	81.51	VK
Walter Group International Philippines, Inc.	Philippinen	26.00	NK
WALTER-HEILIT/EPKER Építőipari Korlátolt	Nyíregyháza	50.00	NK
WARSZAWSKIE ASFALTY Sp.z o.o	Warsaw	100.00	NK
WBA - Walter Birgel Asphaltbau Gesellschaft mit beschränkter Haftung	Leipzig	85.00	NK
WE Pro Bauträger Gesellschaft m.b.H.	Vienna	25.00	NK
Werner Stapelfeldt Bauwerksabdichtungen GmbH	Soltau	100.00	NK
Weserbergland Verwaltungs GmbH	Emmerthal	100.00	VK
Western High-Speed Diameter „Nevskij Meridian“ Co. Ltd.	St. Petersburg	25.00	NK
WIBAU Holding GmbH	Linz	24.80	NK
WMB Drogbud Sp. z o.o.	Czestochowa	51.00	VK
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	Zistersdorf	33.33	NK
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	Zistersdorf	33.33	NK
Wohnbau Tafelgelände Beteiligungs-GmbH	Nuremberg	25.00	NK
Wohnbau Tafelgelände GmbH & Co. KG	Nuremberg	25.00	NK
Wohnbauträgergesellschaft Objekt „Freising - Westlich der Jagdstraße“ mbH	Cologne	100.00	NK
Wohnen am Krautgarten Bauträger GmbH	Vienna	100.00	VK



# LIST OF PARTICIPATIONS AS OF 31.12.2007

WOHNGARTEN SENSENGASSE BAUTRÄGER GMBH	Vienna	55.00	VK
WSI Westenfelder Stein Industrie GmbH & Co. KG	Sundern	100.00	NK
WWOM Projektentwicklung GmbH	Vienna	87.50	NK
Xaver Bachner Gesellschaft m.b.H.	Straubing	100.00	VK
Z-Bau GmbH	Magdeburg	100.00	VK
Zbrinjavanje i postupanje otpadom Slavonije društvo s ogranicenom odgovornoscu za zbrinjavanje otpada	Antunovac	50.00	NK
ZDE Dritte Vermögensverwaltung GmbH	Cologne	100.00	NK
ZDE Immobilien AG	Zurich	99.80	NK
ZDE Projekt Oberaltenallee GmbH	Hamburg	100.00	NK
ZDE Vierte Vermögensverwaltung GmbH	Cologne	100.00	NK
ZDE-Projekt Bahnhof-Arkaden Hildesheim GmbH & Co.KG	Cologne	100.00	NK
Z-Design EOOD	Sofia	100.00	NK
Zentrum Rennweg S-Bahn Immobilienentwicklung GmbH	Vienna	100.00	VK
Zezelivskij karier TOV	Zezelev	94.00	VK
ZIBA Partikeltherapiezentrum Kiel GmbH	Kiel	50.00	NK
ZIPP BRATISLAVA spol. sr.o.	Bratislava	100.00	VK
ZIPP Brno s.r.o.	Brno	50.00	NK
ZIPP CZ a.s.	Prague	100.00	NK
ZIPP Elitgladstroy RF	Moscow	100.00	NK
ZIPP GECA, s.r.o.	Geca	100.00	NK
ZIPP PRAHA, s.r.o.	Prague	100.00	VK
ZIPP REAL, a.s.	Brno	50.00	NK
ZIPP SKALICA, spol.s.r.o.	Skalica	46.00	NK
ZPSV Olcnavá	Olcnavá	100.00	NK
Züblin Baugesellschaft m.b.H.	Vienna	100.00	VK
Züblin Bulgaria EOOD	Sofia	100.00	NK
Züblin Chile Ingenieria y Construcciones Ltd	Santiago	100.00	NK
Züblin Construct s.r.l.	Bucharest	100.00	VK
Züblin Development GmbH	Cologne	100.00	VK
Züblin Ground & Civil Engineering L.L.C.	Dubai	100.00	NK
Züblin Holding GmbH	Vienna	100.00	VK
Züblin Holding Thailand Co. Ltd.	Bangkok	47.67	NK
Züblin Hrvatska d.o.o.	Zagreb	100.00	VK
Züblin International Chile Ltda.	Santiago	100.00	VK
Züblin International GmbH	Stuttgart	100.00	VK
Züblin International Malaysia Sdn. Bhd.	Kuala Lumpur	100.00	VK
Züblin International Qatar LLC	Doha Qatar	49.00	NK
Züblin K.f.t	Budapest	100.00	VK
Züblin Logistik- und Informationssysteme GmbH	Stuttgart	100.00	NK
Züblin Maschinen- und Anlagenbau GmbH	Kehl/Rhein	100.00	NK
ZÜBLIN MURER AG	Zurich	100.00	VK
Züblin Polska Sp.z o.o.	Poznan	100.00	VK
Züblin Projektentwicklung GmbH	Stuttgart	100.00	VK
Züblin Romania S.R.L.	Bucharest	100.00	NK
Züblin Scandinavia a.s.	Viby	100.00	VK
Züblin Scandinavia AB	Sollentuna	100.00	VK
Züblin Services GmbH	Stuttgart	100.00	NK
Züblin Shanghai Changjiang Construction Engineering Co.Ltd.	Shanghai	75.00	VK
Züblin Slovensko s.r.o.	Bratislava	100.00	NK
Züblin Spezialtiefbau GmbH	Stuttgart	100.00	VK
Züblin spol s.r.o.	Prague	100.00	VK
Züblin Stahlbau GmbH	Hosena	100.00	VK
Züblin Thailand Co. Ltd.	Bangkok	99.97	NK
Züblin Umwelttechnik GmbH	Stuttgart	100.00	VK
Zucotec - Sociedade de Construcoes Lda.	Lisbon	100.00	VK
ZUEBLIN AUSTRALIA PTY LTD	Pearth	100.00	NK
Zuidermeent B.V.	AK The Hague	100.00	NK
Z-zwo Verwaltungsgesellschaft mbH & Co.KG	Stuttgart	100.00	NK

VK: Consolidated companies

EK: Companies included at-equity

NK: not consolidated companies



**FINANCIAL STATEMENT**

INDIVIDUAL FINANCIAL  
STATEMENT



**FINANCIAL STATEMENT**

INDIVIDUAL FINANCIAL  
STATEMENT



# GROUP MANAGEMENT REPORT

## HIGHLIGHTS

- Effective from 1 January 2007, STRABAG acquired Dresden-based Linde KCA-Umweltanlagen GmbH from The Linde Group. Thus STRABAG accelerates the expansion of its environmental technology business.
- In January, STRABAG, through its subsidiary company DYWIDAG International GmbH as head of the International Metro Civil Contractors consortium, won the contract for lot BC 18 of the expansion of the Delhi Metro. The contract has a volume of about € 83 million. The contract is a successor order; the first lot has already been successfully completed by STRABAG.
- In March, STRABAG's Tunnelling Segment was awarded the contract for the Erstfeld construction lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps). Work on NRLA, a Swiss project to build a flat transalpine rail link by the year 2016, includes the construction of the world's longest tunnel, the Gotthard Base Tunnel. Together with the Amsteg lot, currently under construction by STRABAG, the volume of work on NRLA totals over € 700 million.
- In April, Deutsche Bank and STRABAG set up a joint venture to develop and finance a wide range of large-scale real estate and infrastructure projects in Russia and the CIS states. Both companies hold a 49% stake in the joint venture. The rest falls upon the Joint Venture's General Manager.
- On 6 April 2007, the cartel authorities granted STRABAG approval for the acquisition of Poland's fourth-largest road construction firm, NCC Poland. In 2006, NCC Poland and its 900 employees generated revenues of about € 110 million. The acquired entities will do business under the name "Polski Asfalt".
- At the end of April, STRABAG SE announced the entry of a third strategic core shareholder, Rasperia, a holding company of the Russian industrialist Oleg Deripaska, which acquired 30 % of STRABAG SE's share capital. For these purposes, the share capital of STRABAG SE was increased by a nominal amount of € 25 million from € 70 million to € 95 million. The original shareholders also sold a small amount of their shareholdings to Rasperia. As a result of the capital increase, € 1.5 billion poured into STRABAG SE. The transaction was closed and the capital increase was carried out in middle of August.
- At the end of April 2007, Opernplatz Property Holdings GmbH & Co. KG hired STRABAG subsidiary Ed. Züblin AG to build a turnkey ready 44-floor high-rise building opposite the "Alte Oper", the former opera house, in Frankfurt am Main. The contract for the construction of the 170 m Opernturm has a volume of € 230 million.
- In May, the STRABAG SE subsidiary Züblin, based in Stuttgart, and the German STRABAG, based in Cologne, sold a real estate portfolio of six office and retail properties with a total area of around 78,300 m<sup>2</sup> to SEB Immobilien-Investment GmbH. The volume of the transaction was at € 224 million.
- In June, STRABAG issued a five-year € 75 million corporate bond.
- In July, STRABAG acquired a 74.9 % stake in the Croatian road construction firm Cestar d.o.o. based in Slavonski Brod. The company and its 100 employees generated revenues of € 10 million in 2006.
- In July, the German federal state of Baden-Württemberg awarded STRABAG the contract for a PPP pilot project titled "Behördenzentrum Kurfürstenanlage Heidelberg". Within the framework of a PPP model, the state of Baden-Württemberg transferred a property in Heidelberg to Züblin with the pledge to lease the newly constructed building on the property for a period of 15 years. The total investment volume amounts to around € 100 million.
- In August, STRABAG won the contract to build a large portion of the EUROVEA International Trade Centre in Bratislava. STRABAG holds a 65 % stake in the project. The project has a total volume of around € 300 million.

- In September, STRABAG landed two large-scale projects in Qatar. The construction of the dual carriageway New Izghawa Link Road and the Wakrah North & South road project have a combined contract volume of over € 79 million.
- Also in September, STRABAG acquired a 70 % stake in the Hamburg-based Möbius Bau AG, a specialist in soil and hydraulic engineering. In 2006, Möbius employed about 500 people and reported revenue of around € 150 million. STRABAG paid a two-digit million-euro figure for its stake in Möbius. Due to the growing importance of waterways construction, Möbius is being positioned as the Group's fifth main brand.
- In October, STRABAG SE and BaselCement, part of the Russian Basic Element Group, agreed to establish a joint venture in which STRABAG and BaselCement will hold 50 % each. The venture will focus on the acquisition, construction and operation of cement plants.
- On 19 October 2007, STRABAG SE launched its IPO in the Prime Market Segment of the Vienna Stock Exchange. The IPO consisted of 28,200,001 no-par shares, including 16,000,000 new shares from a capital increase, 9,200,001 shares floated by the pre-IPO shareholders and a Green Shoe of 3,000,000 new shares. The shares were offered at € 47 a piece, giving STRABAG SE proceeds of € 893 million from the IPO. The proceeds from the capital increase are to be used to pursue the following strategic objectives:
  - Make selected acquisitions in order to extend the market leadership in the CEE region overall, in the road construction segment in Western Europe and in selected growth segments such as environmental technologies and railroad construction
  - Strengthen the equity capital base in order to increase engagements in PPP (Public Private Partnership) infrastructure projects
  - Continue the expansion of the raw materials base
  - Expand into construction-related services such as facility management
- In November, a STRABAG-led consortium was awarded the contract to build a section of the M6 Motorway in Hungary. Construction began in November 2007 and is scheduled for completion in spring 2010. The project is developed as a PPP project with a 30-year concession.
- The international ratings agency Standard & Poor's (S&P) raised its corporate credit rating on STRABAG SE from BB+ to BBB- with stable outlook in November. With the higher rating, STRABAG SE has attained S&P investment grade.
- Also in November, official representatives of STRABAG and the city of Krakow signed a written Letter of Intent over long-term cooperation. The city of Krakow plans to invest about € 1 billion in city development projects by the year 2012.
- In winter 2007, STRABAG was awarded two contracts for the construction of steel works in Russia. The STRABAG Group will build a turnkey steel work in Tyumen, western Siberia, and another steel work in Vyksa, close to Nizhny Novgorod. The orders have a volume of € 178 million and € 334 million, respectively.
- In November, Satellic, Siemens and STRABAG signed a cooperation agreement to jointly exploit the Russian market for toll systems. Russia is planning a number of large-scale infrastructure projects and these are expected to require a system to collect roadway usage fees.
- In December, STRABAG has won an order for the modernisation of the complete urban infrastructure in the city of Tajura in the greater Tripolis area. This important € 434 million project marks STRABAG's definitive entry the Libyan market.
- In order to expand its presence in the Croatian market, STRABAG acquired 100 % of the harbour construction specialist Pomgrad Engineering in December.

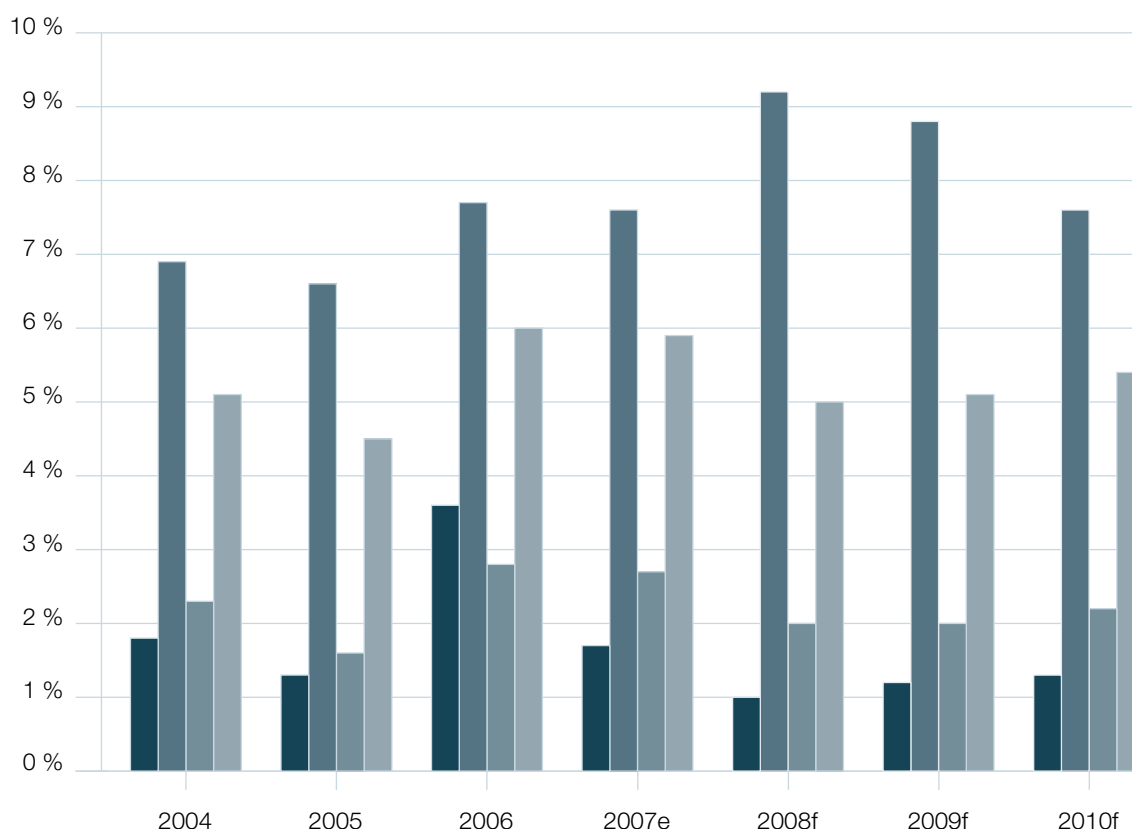
# GROUP MANAGEMENT REPORT

## STRABAG SE: A EUROPEAN CONSTRUCTION COMPANY

	2007	% of		Absolute	2006	% of	
	mln. €	total output	% change	change	mln. €	total output	2006
		2007				2006	
Germany	3,802	35.4 %	-4.7 %	-186	3,988	38.4 %	
Austria	2,114	19.7 %	1.7 %	35	2,079	20.0 %	
Czech Republic	864	8.0 %	9.2 %	73	791	7.6 %	
Poland	714	6.6 %	29.6 %	163	551	5.3 %	
Hungary	614	5.7 %	-23.8 %	-192	806	7.8 %	
Slovakia	371	3.5 %	23.7 %	71	300	2.9 %	
Switzerland	346	3.2 %	7.1 %	23	323	3.1 %	
Middle East	316	2.9 %	55.7 %	113	203	2.0 %	
Russia	258	2.4 %	49.1 %	85	173	1.7 %	
Benelux	248	2.3 %	13.2 %	29	219	2.1 %	
Romania	191	1.8 %	64.7 %	75	116	1.1 %	
Croatia	160	1.5 %	-16.2 %	-31	191	1.8 %	
Africa	145	1.3 %	13.3 %	17	128	1.2 %	
Rest of Europe	125	1.2 %	58.2 %	46	79	0.8 %	
Asia	114	1.1 %	3.6 %	4	110	1.1 %	
America	110	1.0 %	-23.6 %	-34	144	1.4 %	
Scandinavia	49	0.5 %	69.0 %	20	29	0.3 %	
Slovenia	49	0.5 %	-9.3 %	-5	54	0.5 %	
Italy	47	0.4 %	46.9 %	15	32	0.3 %	
Serbia	43	0.4 %	95.5 %	21	22	0.2 %	
Bulgaria	36	0.3 %	33.3 %	9	27	0.3 %	
Ireland	30	0.3 %	50.0 %	10	20	0.2 %	
<b>Total</b>							
<b>output volume</b>	<b>10,746</b>	<b>100.0 %</b>	<b>3.5 %</b>	<b>361</b>	<b>10,385</b>	<b>100.0 %</b>	
<b>thereof CEE <sup>1)</sup></b>	<b>3,300</b>	<b>30.7 %</b>	<b>8.9 %</b>	<b>269</b>	<b>3,031</b>	<b>29.2 %</b>	

<sup>1)</sup> Central and Eastern Europe (CEE) comprises the Czech Republic, Poland, Hungary, Slovakia, Russia, Romania, Croatia, Slovenia, Serbia and Bulgaria

STRABAG has been operating in the markets of Eastern Europe since 1985. The significantly higher margins in these markets have motivated the Group to accept declining revenues on the low-margin German market. Capacities which become available from the German market are shifted to Eastern Europe, with an important focus on Russia. In the past few years STRABAG has managed to establish an excellent market position in Russia.

**Western European construction output growth****Eastern European construction output growth****Western European GDP growth****Eastern European GDP growth**

Source: OECD; Euroconstruct November 2007

The above figure clearly shows that forecasted growth in the Eastern European construction industry lies between 7 % and 9 % and thus remains stable at about 2 % above the Gross Domestic Product in these markets. This situation is largely explained by the great backlog in infrastructure investments.

Investments are covered by the EU's Cohesion Fund, which supports projects in the fields of environment and the trans-European transport networks. For the years 2007 to 2013, the Cohesion Fund foresees an investment volume of over € 300 billion, of which more than one half falls upon the countries of Eastern Europe.

A trend in the European construction sector which is of growing importance for the Eastern European countries in particular are alternative financing models that combine private and public funds. The financing of large infrastructure projects cannot be borne by individual states using public funds alone, which has contributed to the increasing use of PPP models.

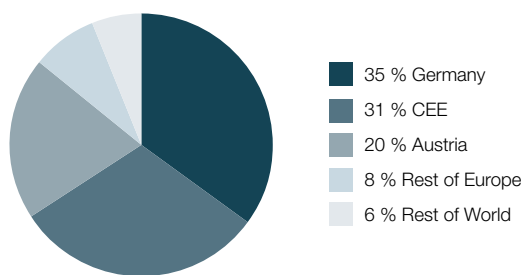
In a PPP model, the client grants a private company a concession, and the contractor handles the construction, financing and operation of the project – for example of a motorway. The contractor collects a user's fee during the time it operates the project and, following the end of the concession period, transfers the functioning facility to the government. As this results in a reduced financial burden for the client, PPP models are excellent options to finance the urgently needed infrastructure projects in Eastern Europe.

# GROUP MANAGEMENT REPORT

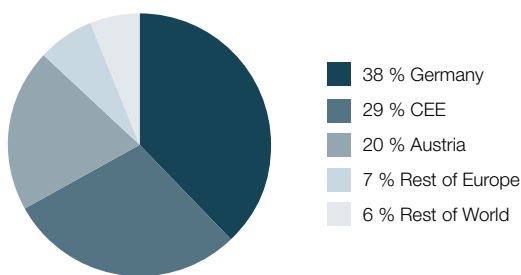
STRABAG SE sees these developments as a promising basis for future business activity in Central and Eastern Europe. The Group's Eastern European business contributed 31 % to revenues. Today, STRABAG is present in the entire region. Now, this presence is to be consolidated and the market shares are to be raised. This will be achieved through organic growth as well as through targeted acquisitions.

The Western European construction markets are growing at significantly lower rates, but important infrastructure investments are upcoming in these markets as well, particularly in power generation and distribution, in the fields of motorways and railroads, dams and waterways.

Construction output by country 2007



Construction output by country 2006

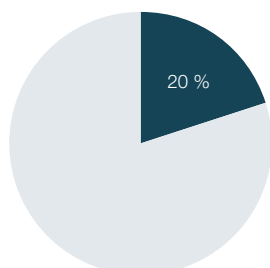


Central and Eastern Europe (CEE) comprises the Czech Republic, Poland, Hungary, Slovakia, Russia, Romania, Croatia, Slovenia, Serbia and Bulgaria; "Rest of Europe" comprises Benelux, Switzerland, Ireland, Italy, Scandinavia and other European countries; "Rest of World" comprises Africa, America, Asia and the Middle East.



Nordkettenbahn, Hungerburgbahn, Innsbruck, Austria

## Domestic Market Austria



Thanks to the positive export climate, the relatively high use of capacities and the resulting increase in orders, the Austrian economy was at a high in 2007. Real GDP growth for 2007 is expected to reach 3.4 %, and the economists forecast a growth of 2.4 % in 2008. Higher growth rates can be seen in the construction sector, which is expected to have grown by 5.5 % to about € 32 billion in 2007 and is predicted to grow by 3.0 % in 2008, with all segments of the construction industry contributing equally.

The demand for residential construction remained unbroken at a high level, as was the case in 2006. The construction of commercial facilities benefited from the positive trend in the area of office building construction. Economists believe the coming infrastructure investments will drive future growth in the construction sector. Until 2010, € 6.4 billion are budgeted for investments in railway infrastructure in Austria alone, with a further € 4.6 billion allotted for motorways. Due to these medium-term investment plans, the Austrian Institute for Economic Research (WIFO) considers it unlikely that the construction sector will collapse in the wake of the mortgage crisis in the United States.

The construction volume on the Austrian domestic market contributes about 20 % to the total output volume of the STRABAG Group. More than half of this amount (53 %) is attributable to the Building Construction & Civil Engineering Segment, 39 % falls upon Transportation Infrastructures and 6 % on Tunnelling & Services. As market leader with nationwide presence in Austria, the STRABAG Group expects the Austrian market to continue to make stable contributions to results. The expansion of the business with construction-related services, such as Facility Management or Environmental Technology, should also guarantee the stability of the margins.



Bituminisation entry cavern system, Dachstein, Upper Austria, Austria



Ministry of Finance, Vienna, Austria

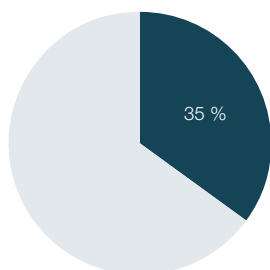


Railway bridge, Angerschluchtbrücke, Bad Hofgastein, Austria



# GROUP MANAGEMENT REPORT

## Domestic Market Germany



In 2007, the recovery of the macroeconomic situation in Germany continued in the construction sectors as well. While real GDP growth is expected to reach 2.6 % in 2007 and 2.2 % in 2008, construction output is growing at lower rates of 1.0 % to about € 242 billion in 2007 and 1.6 % in 2008. As construction output before 2006 had been declining for over a decade, however, the growth allows expectations of a stabilization of the German construction sector. The still low gains are due primarily to the declining output in residential construction, an area in which STRABAG is active only to a very small extent.

The developments in commercial construction, civil engineering and transport infrastructures, by comparison, have been particularly strong, in part due to the relatively low interests and the full order books of many companies and in part to the higher investments in Germany's infrastructure and the road and railway networks. In May 2007, Germany released the investment framework budget for the federal government's transport infrastructure plans until 2010. Between 2006 and 2010, the budget foresees maintenance investments of about € 25 billion and € 57 billion for expansion and modernization.

In the past few years, STRABAG actively participated in the consolidation of the strongly fragmented German construction market, establishing a nationwide presence.

In 2007, the STRABAG Group generated about 35 % of its construction output volume in Germany, of which about 49 % falls upon the Building Construction & Civil Engineering Segment and 46 % on Transportation Infrastructures.

While Transportation Infrastructures provided satisfactory margins in the past few years, Building Construction & Civil Engineering remained a "problem child". The improvement of internal risk management processes and a more selective order acceptance shall generate better margins in this segment as well. An important part of the measures constitutes the STRABAG team concept of STRABAG, a "partner model" in which client and construction firm agree to cooperate throughout the entire process, from planning to utilisation of the building.

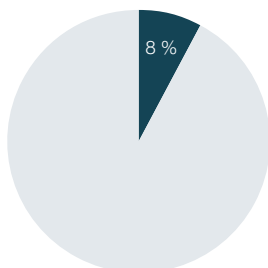


Harbour Neuhaus, East Friesland, Germany



Airport Dockyard A 380, Frankfurt/Main, Germany

## Growth Market Czech Republic



With a forecasted GDP growth of 5.8 % in 2007, the Czech Republic was able to repeat the high growth rates of the past years. Since the year 2000, the country's GDP has grown by 35.6 %, nearly three times the growth of the Western European average. The strong growth can be attributed to the high demand for investments, growing consumption, the revaluation of the Czech crown and the declining unemployment.

The growth in the country's construction output surpasses even the growth rates of the GDP: for 2007, the Czech research institute Úrs Praha expects growth of 6.0 %, which would mean growth of 56.8 % since 2000. The average of 8.0 % a year corresponds to about five times the rate of Western European growth. Thanks to state subsidies, the field of residential construction is also very dynamic.

In 2007, the Czech Republic passed Hungary to take third place among STRABAG's markets. Factors contributing to this development included the positive development of the road construction business, with the realization of a number of large projects. The company has a nationwide presence in the country. The goal now is to continue extending the current market position as one of the Czech Republic's top-three construction firms. While the road construction activities in the country were declining in 2007, STRABAG managed to expand in this field. The company now generates about 75 % of its output volume in the Czech Republic in the Transportation Infrastructures Segment. The remaining construction output is largely due to the Building Construction & Civil Engineering Segment, with activities concentrated on the Prague metropolitan area.



Crosspoint Pisek, Czech Republic



R35, Krelov-Slavonin, Czech Republic

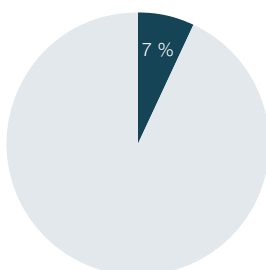


Palladium, Prague, Czech Republic



# GROUP MANAGEMENT REPORT

## Growth Market Poland



Poland finds itself in the middle of a period of strong economic growth. The significantly increased investments and consumer spending, as well as the stable rate of inflation, resulted in a more dynamic development of all sectors of the economy. The country's GDP growth is expected to stand at 6.5 % in 2007. Polish economists expect similarly high growth rates in the years to come.

After a period of crisis and stagnation, the construction sector has become the strongest-growing sector of the Polish economy since 2004. With a plus of 13.1 % in the volume of construction output in 2007, the sector again attained record growth levels, which could even be surpassed in the following year, according to experts. While in 2007 all areas of the construction industry contributed more or less equally to the growth, road construction and railway construction are expected to play a more important role in 2008. Ahead of Euro 2012 European Football Championship, which will take place in Poland and the Ukraine, a large amount of infrastructure has to be built, including adequate road connections between the two countries. The billion-euro investments will be financed partly with the use of PPP models and partly with the EU's Cohesion Fund. The construction boom, however, will be accompanied by rising prices and a more competitive environment. These facts, as well as the lack of qualified labour, will be included in the budget calculation of construction projects.

The STRABAG Group's construction output in Poland (about 7 % of the Group's output volume) is generated by 72 % by the Transportation Infrastructures Segment and by 26 % by Building Construction & Civil Engineering. STRABAG is the leading company in the field of road construction in Poland. 50 % of the existing motorways were built by STRABAG. With the acquisition of NCC Poland, the Group has been able to increase the density of its network of mixing facilities and quarries. In the area of Building Construction, the Group focuses on building of industrial and commercial buildings, shopping centres and office buildings. Due to the upcoming infrastructure investments in the country and its leading position in Transportation Infrastructures, STRABAG expects the output volume to continue to rise with stable margins in Poland.

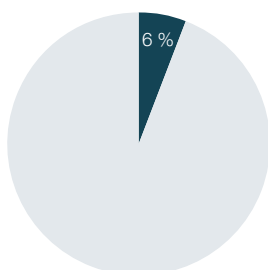


Steelworks Arcelor, Warsaw, Poland



Shopping and trade center Galeria Krakowska, Krakow, Poland

## Growth Market Hungary



Against the background of the high state deficit in the past years, the government's extensive savings measures since mid-2006 almost led to a standstill of works in public-sector infrastructure construction.

Hungary's economic growth declined from 3.9 % in 2006 to 2.1 % in 2007. Due to the government's efforts to consolidate the national budget, and with its measures to prepare the country for euro convergence, investments in construction have been postponed to a later date. A higher rate of GDP growth, lower inflation and positive growth of construction output is expected already in 2008.

The stagnation in the Transportation Infrastructures Segment in Hungary had a significant effect on the STRABAG Group, the market leader in Hungary. With a share of 6 % of the Group's construction output volume, Hungary takes the fifth place within the Group, down from third place in previous years. In the Transportation Infrastructures Segment, the output volume fell by more than 30 %. In the meantime, however, STRABAG has been awarded a large-scale order, the third phase of the M6 motorway – so that growth is expected for 2008.

Clearly positive development could be seen in the Building Construction & Civil Engineering Segment in Hungary. And in the field of Tunnelling, the company is working on a major project in Budapest. The construction of the metro line 4 from the West to the East is the Group's largest tunnel project in Eastern Europe.



Visualisation Cement plant, Pecs, Hungary



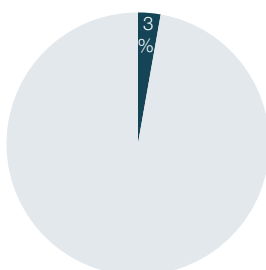
Library Campus-Add-On, Dunaújváros, Budapest, Hungary



Motorway M7, Section Zamardi-Balatonszarszo, Hungary

# GROUP MANAGEMENT REPORT

## Growth Market Slovakia



Slovakia's GDP growth remained high in 2007 (forecast: 8.8 %) at the same time inflation remained low at 2.4 %. The investment incentives provided by the Slovak government and the general positive development of the economy contributed to a 16.1 % rise of the volume of the country's construction output in 2006 and an expected rise of 4.2 % in 2007. In the past few years, the construction sector has profited from the strong demand in the field of residential construction. However, a shift in growth towards Transportation Infrastructures is expected as of 2008, as the government has set itself the goal of increasing the motorway density in the country with the aid of the EU's Cohesion Fund.

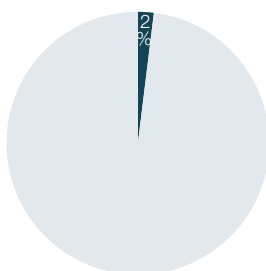
The focus will be on linking the capital of Bratislava in the west with Košice, the biggest city in the East. About 151 km of motorways and highways are to be built by 2010, with a forecasted volume of over € 3 billion.

As number two on the Slovak construction market, STRABAG generates about two thirds of its output volume in the country in the Building Construction & Civil Engineering Segment and about one third in Transportation Infrastructures. In the field of Building Construction, the Slovak STRABAG subsidiary ZIPP, as part of a bidding consortium, won the tender for the construction of the EUROVEA International Trade Centre in 2007, with a construction volume of over € 300 million. STRABAG intends to raise the percentage of Slovakia's construction output - as well as those of other Eastern European countries - which contribute to the Group's performance.



Corporate Headquarters, Bratislava, Slovakia

## Growth Market Russia



After the financial crisis in 1998, the Russian economy has been able to report dynamic growth rates up to the present day. The coming years are expected to produce macro-economically stable growth rates between 6 % and 8 %. For several years, the Russian construction sector has grown in two-digit percentage amounts, with expected growth of construction output of 18.1 % to € 71.5 billion in 2007. This corresponds to an average annual growth rate of about 25 % since 2001. The significant growth is largely due to two factors: the strong influence of foreign direct investments, particularly in the construction of office and commercial buildings, and the more intense residential

construction. In the past six years, the standard of living, private consumption and average income among the

population have increased, resulting in the rise of a middle class whose number is growing faster than those of the rich. This middle class is now beginning to improve its living situation. In the former Soviet Union, the construction of private houses and apartments was allowed in small cities and villages, but the high bureaucratic effort, the limited selection of products and the lack of construction materials severely restricted a large number of planned projects. The current high level of demand has resulted in annual double-digit growth rates in prices for new homes, with a tense price situation in 2007 in particular in big cities. In the capital of Moscow, new homes in 2006 cost on average US\$ 3,060 per square metre – a value, significantly above average of European countries.

As a result of the strong economic growth, there is a scarcity of top-class office properties in the big cities. Renovation of buildings in industrial areas outside the cities and the market for hotel construction ought to keep demand on a high level.

The area of Transportation Infrastructures faces a heavy backlog demand.. In the last ten years, the lack of financing prevented any major infrastructure projects from being launched in Russia. The resulting urgent need for infrastructure could be covered by using PPP financing models or by tapping the Russian Stabilization Fund (US\$ 157 billion). For 2008 and 2009, Russia's federal highway agency, Rosavtodor, plans to build about 2,500 km and to modernize more than 5,000 km of road, as only 37 % of all roads are up to the desired standard in Russia. In its 2008 budget, the government has planned about € 7.1 billion for these projects. The STRABAG Group aims to make Russia a third core market, in addition to Germany and Austria, in the medium term. In the past few years, STRABAG has managed to continually and strongly raise the output volume in the country. From the start of its activities in Russia in 1991 to 2007, the STRABAG Group worked exclusively for private clients in the field of Building Construction, building hotels, commercial properties and luxury apartments. Since 2007, the company is also active in the area of Civil Engineering in Russia. In this area, the Group also succeeded in pushing through the concept of "cost plus fee" in the construction contracts. This concept protects STRABAG against the rising prices of construction materials and wages.

With the support of the new core shareholder Oleg Deripaska, it should be possible for STRABAG to gain a foothold on the Transportation Infrastructures Segment starting in 2008. Another major opportunity are the planned investments of about € 10 billion around Sochi, the site of the Winter Olympics in 2014.

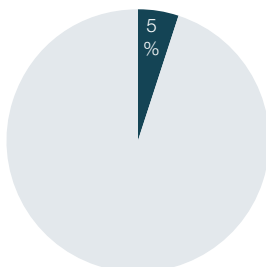


Nordturm office building, Moscow, Russia



# GROUP MANAGEMENT REPORT

## Other CEE Markets: Bulgaria, Croatia, Romania, Serbia, Slovenia



These South-East European markets are also subject to dynamic growth, albeit at different rates. The (in comparison to Western Europe) high economic growth rates in Bulgaria (+6.2 %), Croatia (+4.2 %), Romania (+6.0 %), Serbia (+5.2 %) and Slovenia (+6.5 %), and the often even stronger growth rates of construction output in these countries, provide the ideal basis for STRABAG to expand its business activities in the region. STRABAG is present in all of these countries and plans to expand its presence through organic growth and acquisitions.

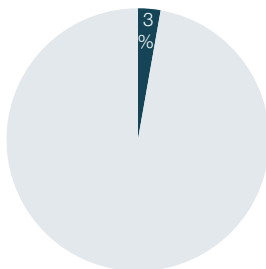


Approach Road to the Ferry Harbor Uvali Misnjak, Island of Rab, Croatia



Weaving Mill Sefar, Sighisoara, Romania

## Switzerland



Switzerland reported stable GDP growth of 2.8 % (2006: 3.2 %) in 2007. The output in the construction sector grew by 1.3 %, partially compensating the decline in the previous year. The output volume has been high since 2003, leaving little room for further dynamic growth. Most of the growth fell on the Transportation Infrastructures Segment, as some of the projects postponed in earlier periods have now been completed.

In Switzerland, about 58 % of the STRABAG Group's activities in 2007 were in the Building Construction & Civil Engineering Segment, 29 % in Tunnelling. The awarding of the Erstfeld lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps), underlines the importance of the Tunnelling & Services Segment and lays the foundation for the output in the coming years. The construction of the WESTside leisure and shopping centre in Bern, designed by Daniel Libeskind, is the largest and most prestigious order for the Group in the field of Building Construction in Switzerland.

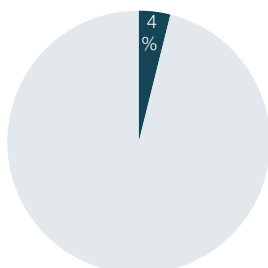


Railway tunnel, Gotthardbasistunnel, Erstfeld, Switzerland



Stadion, Zurich, Switzerland

## Other Countries in Western and Northern Europe: Benelux, Ireland, Italy, Scandinavia



Other countries in Western and Northern Europe have a share of 4 % in the Group's output volume. Although these countries are not in the special focus of STRABAG, smaller permanent businesses and in particular single project businesses are conducted there. Further, companies are acquired as long as „white spots“ on the map can be filled at adequate prices or technologies and niche competencies can be bought in addition.

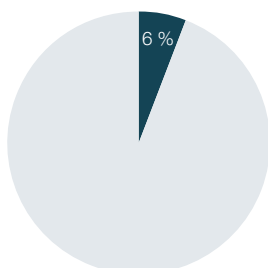


Staten Tunnel Randstad, Rotterdam, Netherlands



Guildhall, Antwerp, Belgium

## Asia, America, Africa, Middle East – „Rest of World“



The non-European presence of the STRABAG Group is reflected in the item „Rest of World“ and includes the geographic areas of Asia, America, Africa and the Middle East. The Middle East has a special status, as the construction output generated in this region alone accounts for 3 % of the consolidated output volume. In the non-European markets, STRABAG is usually active as a general contractor through direct export. The focus in these regions is on civil engineering, industrial and infrastructure projects and tunnelling – areas in which high technological expertise is required. While STRABAG's output volume in the Middle East (+ 55.4 %), Africa (+13.8 %) and Asia (+3.9 %) grew significantly,

it fell by about 23.4 % in America, largely due to delays affecting a large-scale tunnel project in Canada. The STRABAG Group wants to consolidate its market shares in the Middle East and Africa, with Libya becoming an important core market over the next few years.



Aker Kvaerner Manufacturing Centre, Pulau Indah, Selangor, Malaysia



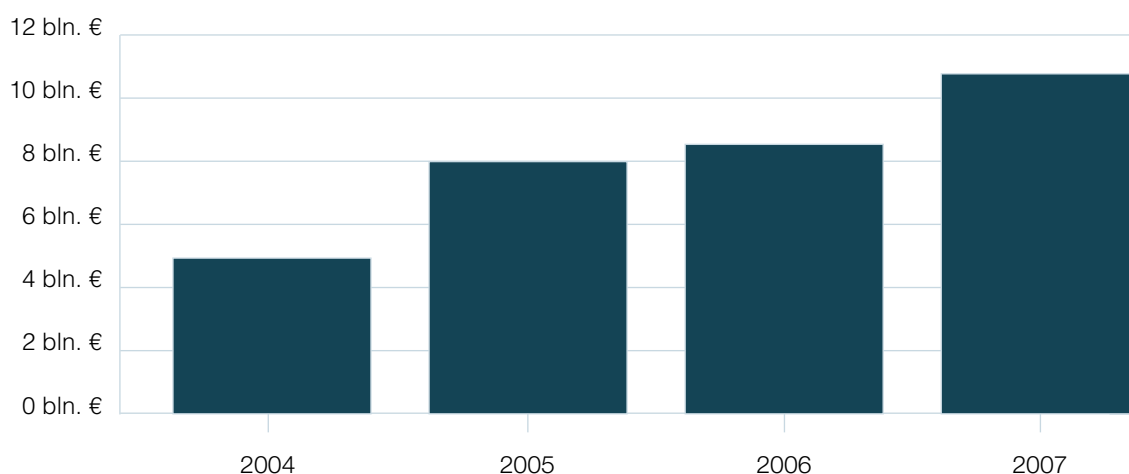
Private Beach Villa Project, Qatar

# GROUP MANAGEMENT REPORT

## ORDER BACKLOG

	Total 2007 (incl. Others) in mln. €	Building Cons- truction & Civil Engi- neering	Trans- portation Infra- structures	Tunnelling & Services	Total 2006 (incl. Others) in mln. €	Change Group in %	Change Group absolute
Germany	2,624	1,680	685	251	2,392	9.7 %	232
Russia	1,677	1,651	-	26	420	299.3 %	1,257
Austria	1,187	727	207	250	1,324	-10.3 %	-137
Hungary	792	183	82	527	446	77.6 %	346
Middle East	556	333	223	-	457	21.7 %	99
Slovakia	498	424	49	5	260	91.5 %	238
Switzerland	488	177	25	286	250	95.2 %	238
Poland	478	133	292	53	418	14.4 %	60
Czech Republic	451	91	318	25	575	-21.6 %	-124
Italy	446	1	-	445	467	-4.5 %	-21
America	358	65	-	292	383	-6.5 %	-25
Romania	250	151	38	60	158	58.2 %	92
Benelux	229	171	-	57	278	-17.6 %	-49
Africa	224	159	65	-	194	15.5 %	30
Asia	150	146	3	-	133	12.8 %	17
Ireland	82	32	-	50	114	-28.1 %	-32
Rest of Europe	73	62	11	1	44	65.9 %	29
Croatia	68	17	36	15	100	-32.0 %	-32
Scandinavia	51	51	-	-	37	37.8 %	14
Slovenia	38	6	32	-	33	15.2 %	5
Serbia	14	-	14	-	-	100.0 %	14
Bulgaria	8	2	1	5	23	-65.2 %	-15
<b>Total</b>	<b>10,742</b>	<b>6,262</b>	<b>2,081</b>	<b>2,348</b>	<b>8,506</b>	<b>26.3 %</b>	<b>2,236</b>
thereof CEE	4,274	2,658	862	716	2,433	75.7 %	1,841
Volume of the Group's							
order backlog by Segment		58 %	19 %	22 %			

## Development of Order Backlog



In the financial year 2007, the Group's order backlog passed the historical mark of € 10 billion for the first time, reaching the record high of € 10.7 billion as per 31 December 2007. This corresponds to a plus of 26 % year on year. This level covers the entire construction output for 2007 and about 86 % of the planned output for 2008. Worth noting in particular is the development of the orders situation in the Russian growth market. At € 1,677.3 million, the volume of orders in Russia has nearly quadrupled over 2006 levels. In a STRABAG Group country ranking, Russia comes in second place after Germany.<sup>1)</sup>

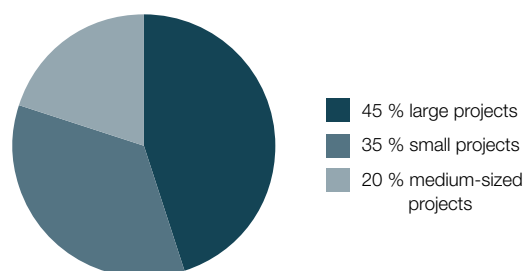
The total order backlog comprises more than 16,000 individual projects. Small orders with a volume of up to € 15 million accounted for 35 % of the order backlog, a further 20 % are medium-sized projects between € 15 million and € 50 million, while 45 % of all projects are large-scale projects with a volume of € 50 million or more. The large number of individual projects helps to ensure that the risk of any single project does not threaten the Group's success as a whole.

## Order Backlog: Construction Sites by Order Size

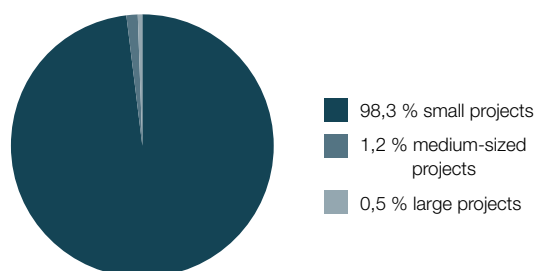
**Categories of order size:** Small: € 0 mln. to € 15 mln., medium: € 15 mln. to € 50 mln., large: over € 50 mln.

Category	Number of construction sites	Order volume
Small orders	15,817	3,783,489
Medium-sized orders	191	2,131,599
Large orders	74	4,827,199
<b>Total</b>	<b>16,082</b>	<b>10,742,287</b>

## Order Backlog as of 31.12.2007



## Number of Building Projects



## The 10 largest projects currently in progress

Country	Project	Order volume in mlns. of €	in % of total order backlog
Hungary	M6 Phase III	420	3.9 %
Italy	Quadrilatero	414	3.9 %
Russia	Steel work, Vyksa	330	3.1 %
Russia	Hotel Moskva	280	2.6 %
Canada	Niagara Tunnel	270	2.5 %
Switzerland	AGN Los 151	216	2.0 %
Russia	Sofiskaya Naberezhnaya	208	1.9 %
Russia	Steel work, Tyumen	178	1.7 %
Germany	Opernturm Frankfurt	148	1.4 %
Slovakia	Eurovea	144	1.3 %
<b>Total</b>		<b>2,608</b>	<b>24.3 %</b>

The backlog volume of the orders does not necessarily agree with the volume given in the segment tables as the segment tables show the total volume of the order.



# GROUP MANAGEMENT REPORT

## EFFECTS OF CHANGES TO SCOPE OF CONSOLIDATION

In the financial year 2007, 50 companies were included in the scope of consolidation for the first time. These companies contributed a total of € 305.1 million to the consolidated revenue and € -48.7 million to the consolidated profit. As a result of the first-time inclusion, current and non-current assets increased by € 653.1 million, current and non-current liabilities by € 333.0 million.

## FINANCIAL PERFORMANCE

Since 2001, the company's construction output volume has grown by an annual average of 22 %. As expected, the output volume in 2007 grew only slightly, gaining 3.5 % to about € 10.7 billion. Revenues stood at € 9,878.6 million, 5 % above the previous year's levels.

Besides the business volume STRABAG also reports the standard ratio construction output. Compared to revenues the construction output also covers the proportional performance of non-consolidated subsidiaries and of consortia. The relation between revenues and construction output shows a constant ratio of 92 %.

The changes in inventories in the amount of € -173.4 million were largely the result of the sale of a real estate portfolio. The amount of own work capitalized (€ 44.7 million) is particularly due to the construction of a group headquarters.

Despite the general rise in the price of construction materials, the level of raw materials, consumables and other services used relative to the revenue was kept stable compared to last year's levels. The personnel expenses increased by 15 % stronger than the revenues due to the rising number of employees in the course of the trend towards more internal labour and due to market induced wage rise.

	<b>2007</b>	<b>2006</b>	<b>Change</b>
	in mln. €	in mln. €	in %
Raw materials, consumables and other services used	6,730.5	6,588.1	2 %
Employee benefits expense	2,102.2	1,831.7	15 %
Other operating expenses	551.6	602.0	-8 %
Depreciation and amortization expense	283.5	229.7	23 %

The share of profit or loss of associates tripled over the previous year to € 19.4 million. The income from participations of about € 18.5 million was slightly declining by -15 %.

STRABAG was able to grow its earnings before interest, taxes, depreciation and amortization (EBITDA) in the financial year 2007 by 19 % to € 595.9 million. Depreciation and amortization were up 23 % against the background of numerous investments and the resulting rise of property, plant and equipment. Still, the earnings before interest and taxes (EBIT) were able to grow by 15 % to € 312.4 million. The Building Construction & Civil Engineering Segment contributed 25 % to the EBIT, the Transportation Infrastructures Segment 59 % and the Tunnelling & Services Segment 16 %.

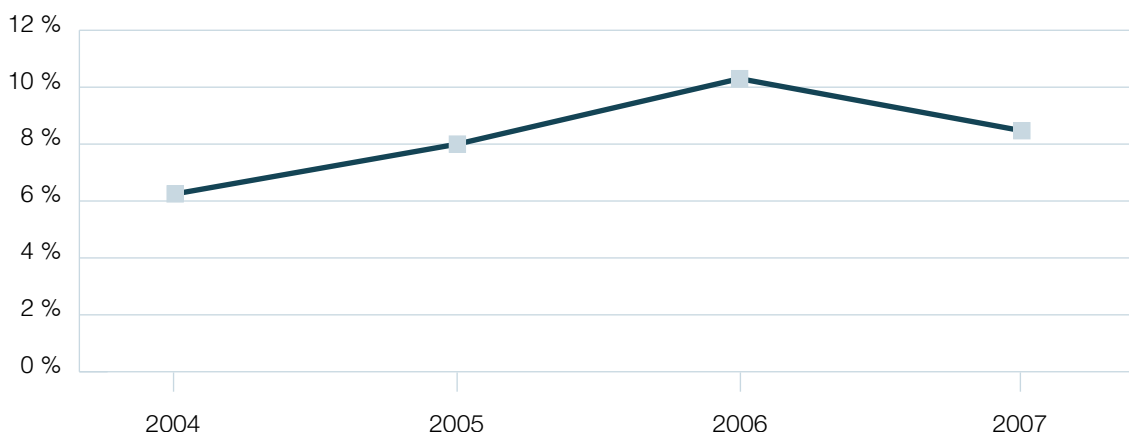
STRABAG issued two capital increases in 2007 as part of the entry of a new core shareholder in August and the IPO in October. As a result, interest revenue grew by 33 % to € 50.3 million. At the same time, the interest expense fell as a part of the interest-bearing liabilities was paid off. The net interest revenue stood at -€ 36.2 million.

The profit before tax reached € 276.3 million, a 4 % decrease compared to the previous year. Adjusted by the extraordinary return from the sale of DEUTAG KG in the previous year for € 71 million, results an increase of 28 %. The effective tax rate was 24.8 %, compared to 22.0 % the previous year. The post-tax profit for the period reached € 207.6 million. Minority interest was up 14 % to € 37.4 million in the past financial year due to numerous acquisitions. The profit of the group stood at € 170.2 million and the profit per share at € 2.05. A year-on-year comparison of the profit per share is not practical due to the two capital increases. The weighted average outstanding shares grew from 70,000,000 shares to 82,904,110 shares.

The Management Board will propose the Annual General Meeting a dividend of € 0.55 per share. This corresponds to a payout ratio of 36.8 % relating to the Group's output of 36.8 %.

The return on capital employed (ROCE) was calculated at 8.47%. The lower ROCE compared to the previous year was due to the fact that the proceeds from the IPO have in part not yet been invested.

## Development of ROCE



2005 adjusted for Züblin Group

2006 adjusted for profit from sale of Deutag in the amount of T€ 63,563

# GROUP MANAGEMENT REPORT

## FINANCIAL POSITION AND CASH-FLOWS

	<b>2007</b>	<b>% of balance</b>	<b>2006</b>	<b>%</b>
	in mln. €	sheet total	in mln. €	of balance sheet
Non-current assets	2,469.8	32 %	1,902.3	34 %
Current assets	5,271.0	68 %	3,673.5	66 %
Equity	3,096.4	40 %	1,035.9	19 %
Non-current debt	1,168.4	15 %	1,143.3	20 %
Current debt	3,476.0	45 %	3,396.6	61 %
<b>Balance sheet total</b>	<b>7,740.8</b>	<b>100 %</b>	<b>5,575.8</b>	<b>100 %</b>

The balance sheet total for the STRABAG Group grew significantly last year, up from € 5,575.8 million in 2006 to € 7,740.8 million in 2007. The volume of non-current assets grew by 30 % to € 2,469.8 million, largely due to the rising volume of property, plant and equipment and intangible assets as a result of the Group's acquisition activities. The increase in current assets from € 3,673.5 million to € 5,271.0 million is due to the higher level of cash and cash equivalents following the two capital increases. The cash and cash equivalents grew by € 1,379.5 million to € 1,965.8 million.

The first capital increase in April resulted in a cash inflow of € 1,050 million; the second increase in October brought an additional € 893 million. The capital reserves increased correspondingly. The equity increased by € 2,060.5 million to € 3,096.4 million, resulting in an equity ratio of 40.0 % compared to 18.6 % at the balance sheet date 2006. The Management Board considers an equity ratio of 20 % to 25 % as practical in the medium term.

	<b>2007</b>	<b>2006</b>
Equity ratio in %	40.0	18.6
Net debt in mlns. of €	-927.0	675.4
Gearing Ratio in %	-0.30	0.65
Capital employed in mlns. of €	4,135.3	2,297.6

The non-current liabilities showed only a slight upwards trend (+2 % to € 1,168.4 million). The non-current liabilities remained relatively stable as the repayment of non-current borrowings were balanced by the proceeds from a bond issue and due to the higher leasing liabilities resulting from acquisitions. The growth of current trade payables by 11 % to € 2,275.7 million was in part cancelled out by a significant reduction of financial liabilities from € 435.0 million to € 199.3 million as a result of the repayment of debt using a part of the IPO proceeds, so that the current liabilities changed only slightly (+2 % to € 3,476.0 million). The financial liabilities include non-current and current corporate bonds in the amount of € 275 million and € 50 million, non-current and current bank borrowings of € 118.8 million and € 133.6 million, as well as non-current (€ 87.0 million) and current (€ 15.7 million) liabilities arising from financial leasing.

Against the background of the two capital increases, the net debt was down for a net cash position of € 927.0 million at 31 December 2007.

### Calculation of Net Debt (in million of €)

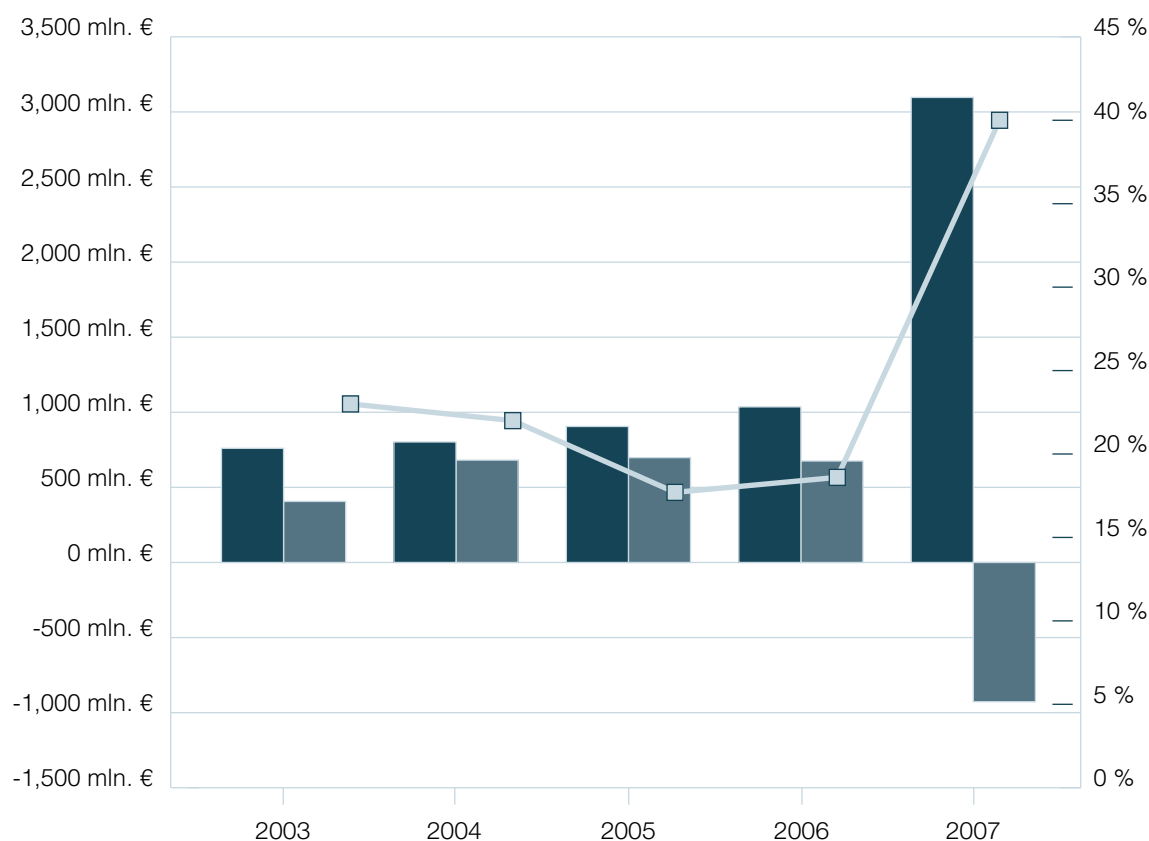
Financial liabilities	684.1
Severance provisions	61.2
Pension provisions	293.5
Cash and cash equivalents	-1,965.8
<b>Net debt at 31.12.2007</b>	<b>-927.0</b>

## Development of Equity, Net Debt and Equity Ratio

### Equity

### Net debt

### Equity ratio



The cash-flow from operating activities grew significantly last year by 11 % to € 494.0 million. This growth is due in part to the increased cash-flow from profits by 25 % to € 448.8 million as well as the reduced working capital, as the inventories grew more slowly compared to the previous year following the sale of a real estate portfolio. In line with the STRABAG Group's expansion strategy, the cash-flow from investing activities grew significantly by 136 % to € 640.9 million. € 543.8 million of this amount were used for the acquisition of property, plant and equipment and intangible assets, € 199.4 million are accountable to changes in the scope of consolidation. The item "Purchase of property, plant and equipment and intangible assets" includes investments in asphalt mixing facilities in the amount of € 40.0 million. The cash-flow from financing activities (+€ 1,524.1 million in 2007 compared to -€ 148.3 million in 2006) was influenced by the two capital increases and the repayment of current bank borrowings.

# GROUP MANAGEMENT REPORT

## SEGMENTS

### Development of the Segments

The operating business of STRABAG SE is divided into three segments: Building Construction & Civil Engineering, Transportation Infrastructures and Tunnelling & Services. The segment defined as “Other” encompasses expenditures, income and employees at the Group’s service companies and staff units as well as consolidation effects.

Construction projects are assigned to one of the segments (see chart below). Certainly, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part can be assigned to a single segment but the concession part is assigned to the Services unit of Tunneling & Services. In projects which span more than one segment, the commercial and technical responsibility is assigned to that segment which has the higher share of the overall project value.

Building Construction & Civil Engineering	Transportation Infrastructures	Tunnelling & Services
<ul style="list-style-type: none"><li>• Housing</li><li>• Commercial and Industrial Facilities</li><li>• Public Buildings</li><li>• Production of Prefabricated Elements</li><li>• Civil Engineering</li><li>• Bridges</li><li>• Power Plants</li><li>• Environmental Engineering</li><li>• Specialty Foundation Engineering</li></ul>	<ul style="list-style-type: none"><li>• Roads, Earthworks</li><li>• Hydraulic Engineering, Waterways, Dyking</li><li>• Landscape Architecture and Development</li><li>• Paving</li><li>• Large-Area Works</li><li>• Sports and Recreational Facilities</li><li>• Protective Structures</li><li>• Sewer Systems</li><li>• Production of Construction Materials</li><li>• Bridges</li><li>• Railway Structures</li></ul>	<ul style="list-style-type: none"><li>• Tunnelling</li><li>• Real Estate Development</li><li>• Infrastructure Development</li><li>• Corporate Development/ Services</li><li>• Operation</li><li>• Maintenance</li><li>• Marketing</li></ul>

## Building Construction & Civil Engineering

The Building Construction & Civil Engineering Segment comprises the construction of commercial and industrial facilities, office and administrative buildings and residential buildings as well as the production of prefabricated elements. In the area of Civil Engineering, projects include complex infrastructure solutions, power plants, bridge building, railway construction, environmental engineering and specialty foundation engineering.

	<b>2007</b> mln. €	<b>Change in % 2006-2007</b>	<b>2006</b> mln. €	<b>Change in % 2005-2006</b>	<b>2005</b> mln. €
Output volume	5,418	10.6 %	4,899	12.4 %	4,357
Revenue	4,816	13.1 %	4,257	55.8 %	2,733
Order backlog	6,262	26.3 %	4,959	6.0 %	4,678
EBIT	77	45.3 %	53	8.2 %	49
EBIT margin in %	1.6 %	23.1 %	1.3 %	-27.8 %	1.8 %
Employees	26,322	16.9 %	22,525	30.3 %	17,283

## Output Volume Construction & Civil Engineering

	<b>2007</b> mln. €	<b>2006</b> mln. €	<b>Change in %</b>	<b>Absolute change</b>
Germany	1,873	1,911	-2.0%	-38
Austria	1,114	1,074	3.7%	40
Middle East	255	157	62.4%	98
Russia	254	170	49.4 %	84
Benelux	238	212	12.3 %	26
Slovakia	228	157	45.2 %	71
Hungary	227	217	4.6 %	10
Czech Republic	212	149	42.3 %	63
Switzerland	200	142	40.8 %	58
Poland	187	201	-7.0 %	-14
Africa	107	90	18.9 %	17
Asia	107	106	0.9 %	1
Rest of Europe	98	68	44.1 %	30
Romania	75	46	63.0 %	29
America	62	63	-1.6 %	-1
Scandinavia	48	29	65.5 %	19
Croatia	38	41	-7.3 %	-3
Italy	34	12	183.3 %	22
Bulgaria	24	14	71.4 %	10
Slovenia	19	25	-24.0 %	-6
Ireland	18	15	20.0 %	3
<b>Output volume total</b>	<b>5,418</b>	<b>4,899</b>	<b>10.6 %</b>	<b>519</b>
thereof CEE	1,264	1,020	23.9 %	244

# GROUP MANAGEMENT REPORT

The Building Construction & Civil Engineering Segment contributed € 5,417.84 million, or about 50 %, to STRABAG's total output volume in the financial year 2007. This corresponds to a plus of 11 % over the previous period. The development of the construction output in this segment was particularly positive in the Middle East (+62 %, + € 97.7 million), Russia (+49 %, + € 83.8 million) and Slovakia (+45 %, + € 71.0 million). Overall, the Building Construction & Civil Engineering Segment was able to increase its output volume in Central and Eastern Europe significantly (+24 %, + € 244.1 million). This growth is countered by the decline in Germany (-2 %, - € 38.3 million) due to the more discriminating selection of projects by STRABAG in this country.

Segment revenues amounted to € 4,815.6 million, a 13 % increase over the financial year 2006. The margins grew as well: the EBIT was up 45 % to € 76.6 million and the margin grew from 1.3 % to 1.6 %.

Again, a number of large-scale orders were secured in the past year. In Frankfurt, the STRABAG SE subsidiary Ed. Züblin AG won an order for the turnkey construction of the 44-floor Opernturm high-rise opposite the Alte Oper, the former opera house (project value of about € 230 million). The Slovak STRABAG subsidiary Zipp, as part of a bidding consortium, was awarded the contract to build the EUROVEA International Trade Centre in Bratislava (project value of about € 300 million). The project, along with the shopping and leisure centre Westside in Bern, Switzerland, and the Hotel Moskva, Russia, belongs to the three largest projects currently in development. In 2007, STRABAG also signed a number of "cost-plus-fee" contracts in Russia, which cover the building of a steel work Tyumen, Siberia (approx. € 178 million), a steel work in Vyksa (about € 334 million) and a residential facility in Moscow's English Quarter (approx. € 162 million). These orders resulted in a noticeable increase of the Group's order backlog in Russia, which stood at € 1,650.8 million at 31 December 2007. The expansion on the Russian market can also be seen in the workforce, which increased to 669 employees in the country. This corresponds to a plus of 79 %. Overall, the employee levels in the Building Construction & Civil Engineering Segment grew by 3,797 persons (about 17 %) to 26,322.

Due to the increased activity in Russia – where STRABAG last year was active exclusively in this segment – the importance of the Building Construction & Civil Engineering Segment within the Group was on the rise in 2007. The STRABAG Group would like to continue this growth in this segment in Central and Eastern Europe and expand the activities in niche segments in the home markets of Germany and Austria.

In order to promote the niche area of Environmental Engineering, the segment acquired Linde KCA Umweltanlagen GmbH, Dresden, in January 2007. Furthermore, STRABAG expanded its presence in Croatia with the acquisition of 100 % of the harbour construction specialist Pomgrad Engineering in December.

### The largest projects in progress in the Building Construction & Civil Engineering Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
Hotel Moskva	Moscow	Russia	€ 550 mln.	100	08/04-09/09	Hotel in historic part of Moscow
Vyksa Steel Work	Vyksa	Russia	€ 334 mln.	100	11/07-10/10	Steel work
Opernturm	Frankfurt/ Main	Germany	€ 230 mln.	100	06/07-09/09	Commercial and administrative building
Tyumen Steel Work	Tyumen	Russia	€ 178 mln.	100	10/07-06/10	Steel work
Eurovea International Trade Centre, Phase 1	Bratislava	Slovakia	€ 156 mln.	65	08/07-12/09	Commercial and administrative building
WESTside Leisure and Shopping Centre	Bern- Brünnen	Switzerland	€ 100 mln.	50	01/05-10/08	Leisure and shopping centre



Leisure and shopping centre Westside, Bern, Switzerland



# GROUP MANAGEMENT REPORT

## 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. In order to meet the growing importance of waterway and railway construction in the Group, the segment, formerly known as "Road Construction" was renamed "Transportation Infrastructures" in 2007.

	<b>2007</b>	<b>Change in %</b>	<b>2006</b>	<b>Change in %</b>	<b>2005</b>
	mln. €	2006-2007	mln. €	2005-2006	mln. €
Output volume	4,617	-0.6 %	4,646	11.4 %	4,172
Revenue	4,455	5.6 %	4,217	15.4 %	3,655
Order backlog	2,081	4.8 %	1,986	-5.8 %	2,108
EBIT	186	24.0 %	150*	97.4 %	76
EBIT margin in %	4.2	16.7 %	3.6 %	74.4 %	2.1 %
Employees	28,352	13.2 %	25,047	14.2 %	21,937

\* adjusted for proceeds from sale of DEUTAG of T€ 70,625

## Output volume Transportation Infrastructures

	<b>2007</b>	<b>2006</b>	<b>Change</b>	<b>Absolute</b>
	mln. €	mln. €	in %	change
Germany	1,734	1,835	-5.5 %	-101
Austria	815	827	-1.5 %	-12
Czech Republic	645	634	1.7 %	11
Poland	512	344	48.8 %	168
Hungary	355	534	-33.5 %	-179
Slovakia	138	139	-0.7 %	-1
Croatia	97	95	2.1 %	2
Romania	77	65	18.5 %	12
Middle East	60	42	42.9 %	18
Switzerland	45	41	9.8 %	4
Serbia	42	21	100.0 %	21
Africa	38	23	65.2 %	15
Slovenia	28	28	0.0 %	–
Rest of Europe	17	4	325.0 %	-3
Bulgaria	9	12	-25.0 %	3
Asia	5	2	150.0 %	3
<b>Output volume total</b>	<b>4,617</b>	<b>4,646</b>	<b>-0.6 %</b>	<b>-29</b>
thereof CEE	1,903	1,872	1.7 %	31

The Transportation Infrastructures Segment contributed € 4,616.84 million, or 43 %, to the Group's output in the financial year 2007. Compared to the previous year, the segment's output volume remained relatively stable. The positive development in Poland (+49 %, + € 168.6 million) was countered by a decline in Hungary (-34 %, - € 178.6 million) mainly due to the completion of several major infrastructure projects in the country. In April 2007, the STRABAG Group acquired the road construction activities of NCC Poland. These activities soon revealed themselves in the output volume and made the STRABAG Group the market leader in transportation infrastructures in Poland. With the upgrade of the E20 railway lot between Łuków and Międzyrzec Podlaski, the STRABAG Group won a contract worth € 51 million. In the period under review, the company also won two major projects in Qatar with a total volume of over € 79 million, as well as a road construction order in Oman worth about € 75 million. In Hungary, the company expects to see a recovery of its output volume in 2008. In November 2007, a STRABAG-led consortium won the tender for the construction of a 78 km section of the M6 motorway in Hungary. The project is being handled as a PPP project.

The Transportation Infrastructures Segment increased its revenues to € 4,455.1 million, a plus of 6 %. The EBIT stood up 24 % to € 185.6 million over the previous year, as a result margins grew from 3,6 % to 4,2 % in the Transportation Infrastructures Segment.

The order backlog in the Transportation Infrastructures Segment on 31 December 2007 stood at € 2,081.0 million, 5 % higher than the previous year. Regions contributing greatly to the volume of orders were Germany (€ 684.7 million), the Czech Republic (€ 318.3 million), the Middle East (€ 223.4 million) and Poland (€ 291.1 million). The plus of approximately 13 % in the number of employees in the segment was due not least to the significant increase in Poland.

Acquisitions were an important factor in the Transportation Infrastructures Segment in 2007. Following the acquisition of NCC Poland, STRABAG in July acquired a 74.9 % stake in the Croatian road construction firm Cestar d.o.o. in order to strengthen the Group's position in the Balkan region. STRABAG also plans to expand its competences in the field of waterway construction, which led to the acquisition of 70.0 % of the Hamburg-based Möbius Bau AG, a specialist in earthworks and waterway building, in September. The company is a member of the consortium building the JadeWeserPort at Wilhelmshaven, Germany.

In the past financial year, the STRABAG Group further pursued its strategy of strengthening its own raw materials basis in order to become more independent from the market and the rising raw materials prices. A 50-50 joint venture was agreed with BaselCement, a member of the construction and construction materials segment of the Russian holding firm Basic Element, in order to jointly concentrate on the acquisition, construction and operation of cement plants. As a part of the agreement, STRABAG will contribute the cement facility it is in the process of constructing in Hungary, and Basic Element will contribute cement factories in Russia and Kazakhstan to the joint venture.

# GROUP MANAGEMENT REPORT

## The largest projects in progress in the Transportation Infrastructures Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
M6 Motorway, Phase III*	Bóly-Pécs	Hungary	€ 478 mln.	60	11/07-03/10	Planning, financing and construction of a 49 km section
M0 Motorway, Section 4	Budakalász	Hungary	€ 249 mln.	100	03/06-12/07	Construction of a section of motorway incl. bridge
A4 Motorway	Wykroty-Krzyżowa	Poland	€ 119 mln.	75	04/07-11/08	Construction of a section of motorway
BVH Musannah	Musannah	Oman	€ 80 mln.	100	07/07-08/09	Road construction

\* construction only



Limerick Bypass, Rossbrien-Cratlose Castle, Ireland

## Tunnelling & Services

STRABAG builds road and railway tunnels as well as underground galleries and chambers. The Services field encompasses project development activities around the world and provides all project-related services such as development, financing and operation. In addition to infrastructure projects in the areas of transport and energy, this Segment also handles office buildings for commercial use, hotels, schools and medical facilities.

	2007 mln. €	Change in % 2006-2007	2006 mln. €	Change in % 2005-2006	2005 mln. €
Output volume	582	-16.0 %	693	10.9 %	625
Revenue	585	-37.4 %	935	73.1 %	540
Order backlog	2,348	54.0 %	1,525	54.8 %	985
EBIT	48	-29.4 %	68	78.9 %	38
EBIT margin in %	8.2 %	12.3 %	7.3 %	4.3 %	7.0 %
Employees	1,824	18.6 %	1,538	5.4 %	1,459

### Output Volume Tunnelling & Services

	2007 mln. €	2006 mln. €	Change in %	Absolute Change
Germany	149	194	-23.2 %	-45
Austria	135	128	5.5 %	7
Switzerland	99	137	-27.7 %	-38
America	49	81	-39.5 %	-32
Romania	38	2	1,800.0 %	36
Croatia	25	54	-53.7 %	-29
Hungary	22	40	-45.0 %	-18
Poland	13	6	116.7 %	7
Italy	13	19	-31.6 %	-6
Ireland	12	5	140.0 %	7
Benelux	9	6	50.0 %	3
Rest of Europe	8	6	33.3 %	2
Russia	4	3	33.3 %	1
Czech Republic	2	5	-60.0 %	-3
Bulgaria	1	–	100.0 %	1
Slovenia	1	1	0.0 %	–
Middle East	1	4	-75.0 %	-3
Scandinavia	1	–	100.0 %	1
Slovakia	–	1	-100.0 %	-1
Serbia	–	1	-100.0 %	-1
<b>Output volume total</b>	<b>582</b>	<b>693</b>	<b>-16.0 %</b>	<b>-111</b>
thereof CEE	106	113	-6.2 %	-7

# GROUP MANAGEMENT REPORT

The output volume of Tunnelling & Services fell by 16 % to € 582.08 million, a development which must be seen against the background of the traditional volatility in the segment. The Segment contributed 5 % to the overall Group output. A large part of the declining output volume came from Germany (-23 %, - € 45,0 million), Switzerland (-28 %, - € 37.9 million) and America (-40 %, - € 32.5 million). The decline in America is due to a large degree to unexpected delays in a major tunnelling project in Canada as a result of unforeseen geologic conditions.

The order backlog in the Tunnelling & Services Segment grew by 54 % in the first nine months of 2007. The volume of orders on 31 December 2007 was particularly high in Hungary (€ 527.1 million), Italy (€ 444.6 million) and Switzerland (€ 285.6 million). In Italy, STRABAG is planning and building roads and highways in the regions of Umbria and Marche (Quadrilatero Marche-Umbria: Maxi Lotto n.1). The high order backlog in Hungary is due to the M6 Motorway project (see also Transportation Infrastructure Segment). In Switzerland, STRABAG won the tender for the Erstfeld construction lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps). Together with the Amsteg lot, currently under construction by STRABAG, the volume of work on NRLA totals over € 700 million. In the reporting period, STRABAG also won the tender for the construction of a tunnel for Hamburg's U4 underground line. STRABAG's volume of the order amounts to about € 92 million.

Revenues fell more significantly than the output volume, specifically by 37 % to € 585.0 million. The previous year's revenues included above-average income from the sale of completed real estate projects; mere sales, however, produce only a relatively small output. The decline of the EBIT by 29 % to € 48.5 million is due to the unusually high level of the previous year. The EBIT margin increased from 7.3 % to 8.2 %.

The employee numbers grew by about 19 %, with a significant decline in Switzerland balanced by a similar increase in Germany and Austria.

The future strategy of the Tunnelling & Services Segment aims at increasing activities in construction-related services, e.g. facility management, as well as marketing the Group's highly specific tunnelling expertise for technologically challenging projects.

## The largest projects in progress in the Tunnelling & Services Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
Niagara Tunnel Power Plant Project	Niagara Falls	Canada	€ 420 mln.	100	09/05-12/09	Planning and construction of a water supply tunnel
Quadrilatero	Marche-Umbria	Italy	€ 414 mln.	33	06/06-10/11	Construction and upgrade of Italian highway
Gotthard Base Tunnel	Amsteg	Switzerland	€ 383 mln.	90	03/02-12-09	Railway tunnel
Limerick By-pass, Phase 2	Rossbrien-Cratlose Castle	Ireland	€ 86 mln.	20	10/06-09/10	Construction of a section of motorway with tunnel
Brixlegg Railway Tunnel	Vomp-Terfens	Austria	€ 65 mln.	32	08/03-03/08	Railway tunnel
City Tunnel	Leipzig	Germany	€ 60 mln.	40	09/03-12/09	Two local and regional rail tunnels





City tunnel, Leipzig, Germany

# GROUP MANAGEMENT REPORT

## RISK MANAGEMENT

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

The Group's goals are committed at all levels of the company. This was a prerequisite to setting up processes for the timely identification of potential risks that could stand in the way of achieving the company objectives. The organization of STRABAG's risk management builds on project-related job-site and acquisitions controlling, supplemented by the higher-level assessment and steering management. The risk controlling process includes a certified quality management system, internal group guidelines for the workflow in the operating units, a central administration, controlling, auditing and contract management. Through the establishment of company-wide quality standards in quotation processing and supplemental services management, the centrally organized Contract Management Department can better assert claims for outstanding debt.

The Group-internal risk report defines the following central risk groups:

### External Risks

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

### Operating Risks

The operating risks include primarily the complex risks of project selection and execution. STRABAG keeps acquisition lists in order to review the project choice. Business transactions requiring consent are reviewed and approved by division managers and department heads or by the management board according to internal rules of procedure. Bids of € 10 million or more must be analysed by inter-segmental commissions and reviewed for their technical and economic feasibility. Cost accounting and expense allocation guidelines have been set up to assure a uniform process of job costing and to establish a performance profile at our construction sites. Project execution is managed by the construction team on site and controlled by monthly target/performance comparisons; at the same time our central controlling provides constant commercial backing.

### Financial Risks

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

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by all business areas, but by internal auditing in particular. The federal prosecutor's office in Chemnitz reports of repeated violations of the law in the German state of Saxony, in par-

ticular involving corruption. Some of these cases have harmed STRABAG directly and it cannot be precluded that third parties will raise claims for compensation against the group. STRABAG has entered provisions on the balance sheet in this regard.

In 2007, STRABAG commissioned PwC Wirtschaftsprüfung GmbH to review and assess the Group's compliance systems and the activities designed to combat corruption and unethical behaviour. The results were presented to the management board of STRABAG SE and the auditors' recommendations were passed on to the relevant departments for implementation.

In order to convey STRABAG's values and principles, the Group drew up its Code of Ethics and internal Compliance Guidelines in 2007. The values and principles contained within these documents are reflected in the guidelines and instructions of the STRABAG companies and departments. Compliance with these values and principles is expected not only from the members of the management and supervisory board and other management-level employees but from all Group employees. The Compliance Guidelines and the Code of Ethics are to guarantee honest and ethical business practices. The Code of Ethics is available for download at [www.strabag.com/STRABAG SE/Code of Ethics](http://www.strabag.com/STRABAG SE/Code of Ethics).

## Organizational Risks

Risks concerning the quality and quantity of personnel are covered by the central personnel department with the support of a specialized data base. The company's IT configuration and infrastructure (hardware and software) is handled by the central IT department, controlled by the international IT steering committee.

## Personnel Risks

Past experience has shown that having a highly qualified and motivated workforce is an important factor in competition. In order to properly assess the potential of employees in management, STRABAG introduced a series of aptitude diagnostics measures, including a management potential analysis. In subsequent feedback talks, the management employees and the Group's senior executives together discuss issues such as planning, motivation, company loyalty and social competence.

## Investment Risks

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

Detailed information regarding interest risk, currency risk, credit risk and liquidity risk can be found in the Notes under point 24 Financial Instruments.

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



# GROUP MANAGEMENT REPORT

## EMPLOYEES

In the business year the STRABAG Group employed 61,125 employees on average, thereof 21,513 white-collar and 39,612 blue-collar workers. The increased manpower by 15 % compared to the previous year is on one hand due to acquisitions and on the other hand it reflects the trend towards downsizing of sub-contractors in order to increase the own added value - which can also be seen as intentional investment into the future. To a smaller part this increase is also caused by a refinement of the method of counting in the non-European area.

Due to seasonal fluctuations, especially in winter, STRABAG has very unsteady numbers of employees. Thus, the indicated annual average differs noticeably from the due date. Basically, STRABAG is in a phase of expansion and increases its number of employees. There is ongoing employment and the labour market is continuously monitored. In the framework of a management potential analysis, STRABAG identifies leadership potentials and leadership reserves of the Group in an objective and professional manner.

## RESEARCH AND DEVELOPMENT

STRABAG Group's Central Technical Department is responsible for the technical management within the Group. It is organized as a Central Staff Unit with about 320 highly qualified engineers and reports directly to the Chairman of the Management Board. The Central Technical Department covers all aspects of Building Construction, Civil Engineering and Tunnelling and provides on-site support to all of the Group's operating units in the areas of planning, construction and design. The unit actively participates in national and international research and development projects. Its engineers are engaged in the development of new and innovative tools, equipment and methods in order to use them on-site on a permanent basis. This system promotes engineering excellence and the multidisciplinary exchange of know-how, as well as technical collaboration within the Group. The Central Technical Department also serves as a training centre for young engineers who are later transferred as technical experts to the Group's operating units.

The "TPA Gesellschaft für Qualitätssicherung und Innovation" is the STRABAG Group's competence centre for quality management including research and development in connection with building materials production, particularly in the context of Transportation Infrastructures. It is organized as a Central Business Unit with competencies across the Group and it one of the leading research institutes in the construction industry in Europe. Various different constraints such as building subsoil, availability of building materials and climatic influences require targeted regional development. One of TPA's most important tasks is the cross-border networking of knowledge and experience within the Group. In the past years, several technological innovations were disseminated and successfully spread throughout Europe.

In 2007, the STRABAG group spent approximately € 4 million on research and development.

## ENVIRONMENT

STRABAG is extremely aware of its responsibility towards the environment. When preparing and carrying out construction projects, the company strives to use energy and raw materials in such a manner as to conserve resources and to keep emissions and waste production at a minimum. STRABAG has committed itself to the continued development and improvement of environmental services and aspires to be a pioneer in environmental action on the building market. This commitment is to promote the company and should be easily recognized by customers, clients and business partners.

## DISCLOSURES PURSUANT TO § 243A UGB

1. The share capital of STRABAG SE amounts to € 114,000,000 and consists of 114,000,000 fully paid-in, no-par value shares with a pro-rata value of € 1 per share of the share capital. 113,999,997 shares are bearer shares and are traded on the Prime Market Segment of the Vienna Stock Exchange. Three shares are registered shares. Each bearer share and each registered share accounts for one vote (one share - one vote).
2. The Haselsteiner Group (Haselsteiner Familien-Privatstiftung, ERLESTA Foundation, STARROK Foundation, Dr. Hans Peter Haselsteiner), the Raiffeisen-Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H, BLR-Baubeteiligungs GmbH, "Octavia" Holding GmbH), the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Personenversicherung AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., UNIQA Sachversicherung AG) and Rasperia Trading Limited, controlled by Oleg Deripaska, are parties of a syndicate agreement. The agreement governs primarily the following points: (1) joint development of the Russian Federation and the states of the former Soviet Union as core markets, (2) nomination rights for supervisory board members, (3) coordination of voting, (4) restriction on the transfer of shares. The syndicate partners agree to coordinate their voting rights from syndicated shares at the General Meeting of STRABAG SE. According to the syndicate agreement, the Haselsteiner Group, the Raiffeisen Group together with the UNIQA Group, and Rasperia Trading Limited have equal rights to nominate two members of the supervisory board. The syndicate agreement also foresees restrictions on the transfer of shares in the form of mutual pre-emptive rights, options and a minimum shareholding. It also stipulates that Dr. Hans Peter Haselsteiner will remain Chairman of the Management Board until at least 23 April 2010.
3. According to the knowledge of STRABAG SE are the following direct or indirect stakes in the capital of STRABAG SE per 31 December 2007, which amount at least one tenth of hundred: the Haselsteiner Group (Haselsteiner Familien-Privatstiftung, ERLESTA Foundation, STARROK Foundation, Dr. Hans Peter Haselsteiner) holds 25 % -3 shares; the Raiffeisen Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H, BLR- Baubeteiligungs GmbH, "Octavia" Holding GmbH) holds 12.5 % +1 share; the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Personenversicherung AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., UNIQA Sachversicherung AG) holds 12.5%; and Rasperia Trading Limited, controlled by Oleg Deripaska, holds 25 % +1 of the share capital of STRABAG.
4. There exist three registered shares in the shareholder register of STRABAG SE, with registered shares No. 1 and No. 3 held by the Haselsteiner Group and registered share No. 2 held by Rasperia Trading Limited. Registered shares No. 1 and No. 2 allow their bearers to nominate one member to the supervisory board of STRABAG SE.
5. There are no employee share option programmes.
6. cf. under 2 respectively 4.
7. The management board of STRABAG SE is not authorised to issue or buy back shares.
8. cf. under 2.
9. No compensation agreements exist between STRABAG SE and its management and supervisory board members or employees in the event of a public takeover offer.

# GROUP MANAGEMENT REPORT

## OUTLOOK AND OBJECTIVES

Annual growth of 7 % to 9 % is forecast for the Eastern European construction sector for the next three years. This represents a stable level above the GDP growth for these markets. In Eastern Europe, the per-capita GDP and the per-capita construction output are still far below the Western European average. A great backlog demand for construction work exists in the region – above all in infrastructure investments. STRABAG expects the basic financing of these activities to come from the EU Cohesion Fund and through the use of PPP models.

The strong foreign direct investment inflows, particularly in the construction of office and commercial real estate, and the more intense activity in the field of residential building have led to dynamic growth rates for the Russian economy. Stable GDP growth rates of 6 % to 8 % are expected for the coming years as well, with the construction sector expected to grow at even higher rates. STRABAG is well prepared to work the Russian market and plans to make Russia its largest single-country market in the medium term.

In the German home market, meanwhile, a recovery of the macroeconomic situation is in sight. The forecast GDP growth of 2.2 % in 2008 is countered by the slower growth of construction output of 1.6 %. However, the current growth indicates a stabilization of the German construction sector given that the construction output had been declining for more than a decade until 2006. STRABAG expects the Austrian home market to continue to make stable contributions to results.

STRABAG expects construction output and revenues in 2008 to grow by 15 % over the past financial year. With the expansion into higher-margin countries and segments, higher margins should be possible in the EBIT and profit for the period. In order to raise the margins, the risk from loss-making projects must be minimized. For this reason, STRABAG has optimized its risk management process. The bidding process was re-ordered, and, depending on the size of the project, a potential project must pass through a number of selection procedures and price committees before a bid is made. Furthermore, price adjustment clauses for resources and raw materials form part of the contracts in order to keep cost increases under control.

The order backlog of € 10.7 billion at 31 December 2007 covers about 86 % of the planned construction output for 2008. In the first months of 2008, the volume of backlog orders has already risen to nearly € 12 billion. STRABAG thus sees itself in a good position to grow its market shares in the Eastern European markets and to further consolidate its position as a market leader in Germany, Austria and Hungary. With the proceeds from the IPO, the company plans to further expand its area-wide access to proprietary construction materials, raise the output in niche segments like environmental engineering, railway construction and facility management, and extend activities with PPP projects. The contribution made by construction-related services to the Group's revenues is to be increased in order to better balance the seasonal fluctuations of the construction business, which are responsible for a regular negative result in the first six months of the year.

STRABAG expects the investment level – including spending for acquisitions – to amount to between 6 % and 8 % of revenues in 2008. Depreciation and amortization will amount to 2.8 % to 3.3 % of the revenue. The tax ratio is expected to remain stable at approximately 25 %. Due to the Group's strong expansion and related investments, STRABAG does not expect to report positive free cash-flow values until 2010.

The Management Board has set the goal of paying out 30 % to 50 % of the distributable profits to the shareholders in the form of a dividend every year. The exact payout ratio will depend on the general business development and on the Group's opportunities for growth.

The long-term goal of STRABAG SE is to achieve a top-three position in the growth markets. The Group's construction output is to reach € 20 billion through organic growth and acquisitions by the year 2012. In order to remain successful and achieve these ambitious goals, the Group requires additional labour capacities, especially in Russia, and must expand its network of raw materials facilities.

## RELATED PARTIES

This topic is going to be discussed in the Notes as of page 162.

## EVENTS AFTER THE REPORTING PERIOD

In January 2008, Siemens and STRABAG signed a Memorandum of Understanding to jointly bid for selected large-scale projects to be completed in preparation of the 22nd Winter Olympics in Sochi. The projects include a railway project, a cement factory (to be built as part of the joint venture with BaselCement), the extension of Sochi's Adler Airport, the construction of power plants and a port facility.

A consortium led by STRABAG won the tender for the construction of the S8 expressway in Poland between Konotopa and Prymasa Tysiąclecia. The order has a total volume of about € 490 million, with the share of Polish subsidiary STRABAG Sp.z o.o. amounting to 27 %.

In January 2008, STRABAG and the Russian real estate developer OTKRYTIE-Nedvizhimost (OTKRYTIE The Real Estate Company) signed an agreement to form a strategic partnership in Russia under which OTKRYTIE-Nedvizhimost will commission STRABAG as general contractor for the construction of commercial real estate objects in Russia. STRABAG is already at work for OTKRYTIE-Nedvizhimost, building an office and hotel complex in Moscow's Paveletskaya business district with a total area of 110,000 m<sup>2</sup> and a project volume of about US\$ 400 million (€ 275 million). In addition, STRABAG also signed a general contractor agreement with Europe's largest developer, PIK, to build a residential high-rise in Moscow's Kuntsevo district. Party to the agreement with STRABAG is the ZAO ("closed joint stock corporation") Monetchik, which is 100 % owned by PIK. The € 80 million contract involves the building of three residential towers with 332 apartments and a total useable floor space of 70,000 m<sup>2</sup>. As a result of these deals, the volume of STRABAG's orders in Russia in January 2008 amounted to € 2 billion.

On 7 February 2008, Haselsteiner Familien-Privatstiftung acquired a further 100,100 shares of STRABAG SE, bringing the Haselsteiner Group's stake in the share capital to 25.09 %.

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 (€ 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 deal.

# GROUP MANAGEMENT REPORT

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

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

In March 2008, STRABAG SE acquired 85 % of F. Kirchhoff AG, the market leader in transportation infrastructures in the German state of Baden-Württemberg. In 2007, the company employed 1,600 employees and generated revenues of about € 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 85 % of the Swedish construction company ODEN Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, ODEN generated revenues of € 121 million and employed about 400 people. Approval by the competent cartel authorities is still pending.

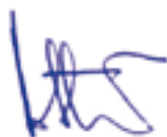
## STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management declares that, to the best of its knowledge, the consolidated financial statements of STRABAG SE at 31 December 2007 drawn up in accordance with the International Financial Reporting Standards (IFRS) represent, as far as is possible, a true and fair view of the financial position, financial performance and cash-flows of all companies included in the scope of consolidation.

The group management report at 31 December 2007 also provide as far as is possible, a true and fair view of the financial position, financial performance and cash-flows of STRABAG SE and give information as to the important events of the financial year and their consequences for the consolidated financial statements. Furthermore, the report describes the important risks and uncertainties of the financial year.

Villach, 9 April 2008


### Board of Management



Dr. Hans Peter Haselsteiner



Ing. Fritz Oberlerchner



Dipl.-Ing. Nematollah Farrokhnia



Mag. Wolfgang Merlinger



Dr. Thomas Birtel



Dipl.-Ing. Roland Jurecka



Mag. Hannes Truntschnig

# 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



Mag. Ernst Pichler  
Austrian Certified  
Public Accountant

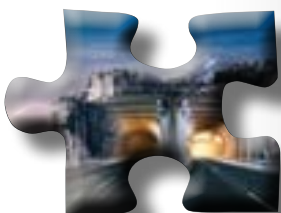


Mag. Stephan Beurle  
Austrian Certified  
Public Accountant

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.



# Individual Financial Statement 2007 of STRABAG SE, Villach



The financial statements were prepared in accordance with the Austrian Commercial Code (UGB).

# INDIVIDUAL FINANCIAL STATEMENT 2007

## BALANCE SHEET AT 31 DECEMBER 2007

ASSETS	31.12.2007 €	31.12.2006 T€
<b>A. Fixed assets:</b>		
I. Property, plant and equipment:		
Other facilities, furniture and fixtures and office equipment	1,024,733.64	1,056
II. Financial assets		
1. Investments in subsidiaries	1,034,720,908.95	846,609
2. Loans to subsidiaries	12,185,156.78	12,185
3. Other investments	19,060,969.53	19,061
4. Other loans	0.00	76,819
	1,065,967,035.26	954,674
	<b>1,066,991,768.90</b>	<b>955,730</b>
<b>B. Current assets:</b>		
I. Trade and other receivables		
1. Trade receivables	376,448.40	10
2. Receivables from subsidiaries	1,826,456,786.03	219,339
3. Receivables from participation companies	2,123,116.44	2,611
4. Other receivables and other assets	44,878,214.59	18,881
	1,873,834,565.46	240,840
II. Cash on hand, bank deposits	9,117.16	22
	<b>1,873,843,682.62</b>	<b>240,862</b>
<b>C. Accruals and deferrals</b>	<b>691,197.00</b>	<b>765</b>
	<b>2,941,526,648.52</b>	<b>1,197,357</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. Equity:</b>		
I. Share capital	114,000,000.00	70,000
II. Capital reserves:		
1. Committed	2,148,047,129.96	249,047
2. Uncommitted	199,002,417.50	199,000
	2,347,049,547.46	448,047
III. Retained earnings:		
1. Legal reserve	72,672.83	73
2. Free reserves	4,480,328.00	0
	4,553,000.83	73
IV. Net profit for the year (of this amount, profit carried forward € 3,183,863.39; Previous year: T€ 4,185)	62,700,000.00	80,184
	<b>2,528,302,548.29</b>	<b>598,304</b>
<b>B. Provisions:</b>		
1. Provisions for severance payments	763,164.18	752
2. Provisions for taxes	13,694,814.89	13,508
3. Other provisions	26,062,400.00	6,946
	<b>40,520,379.07</b>	<b>21,206</b>
<b>C. Liabilities:</b>		
1. Bonds	325,000,000.00	300,000
2. Bank borrowings	11,270,965.29	56,830
3. Trade payables	3,052,883.59	2,143
4. Payables to subsidiaries	7,484,294.05	206,234
5. Other liabilities (of this amount, from taxes € 10,326,332.19; Previous year T€ 39; of this amount social security liabilities € 5,816.96; Previous year T€ 5)	25,895,578.23	12,640
	<b>372,703,721.16</b>	<b>577,848</b>
	<b>2,941,526,648.52</b>	<b>1,197,357</b>
Guarantees	57,172,787.06	169,987

## INCOME STATEMENT FOR THE FINANCIAL YEAR 2007

	2007 €	2006 T€
1. Revenues	49,096,023.63	41,378
2. Other operating income	2,399,548.53	2,781
3. Raw materials, consumables and other services used:		
a) Raw materials, consumables	-47,552.02	-55
b) Services used	-13,017,902.77	-9,564
	-13,065,454.79	-9,619
4. Employee benefits expense:		
a) Salaries	-5,249,475.92	-5,704
b) Severance payments	-1,541,522.66	-171
c) Statutory social security contributions, as well as payroll-related and other mandatory contributions	-446,224.59	-281
d) Other social expenditure	-871,558.57	-727
	-8,108,781.74	-6,883
5. Depreciation	-31,203.15	-29
6. Other operating expenses:		
a) Taxes other than those included in item 17	-19,619,362.81	-90
b) Miscellaneous	-48,772,771.72	-13,736
	-68,392,134.53	-13,827
<b>7. Subtotal items 1 through 6 (Operating Result)</b>	<b>38,102,002.05</b>	<b>13,801</b>
8. Income from investments (of this amount from subsidiaries € 108,095,601.04; Previous year: T€ 50,713)	108,632,982.28	76,022
9. Income from other securities (of this amount from subsidiaries € 0.00; Previous year: T€ 0)	0,00	6
10. Other interest and similar income (of this amount from subsidiaries € 32,673,099.24; Previous year: T€ 14,074)	35,446,673.84	16,919
11. Gains on the disposal and write-up of financial assets and securities held as current assets	767,934.37	259
12. Expenses from financial assets and securities held as current assets:		
a) Impairment losses from subsidiaries	-2,850.95	-1,244
b) Other expenses relating to subsidiaries	-10,000,000.00	-1,600
c) Miscellaneous	0.00	-119
	-10,002,850.95	-2,963
13. Interest and similar expenses (of this amount related to subsidiaries € 12,782,620.21; Previous year: T€ 9,227)	-32,932,368.52	-27,068
<b>14. Subtotal of items 8 through 13 (Financial Result)</b>	<b>101,912,371.02</b>	<b>63,176</b>
<b>15. Results from ordinary business activities</b>	<b>63,810,368.97</b>	<b>76,977</b>
16. Extraordinary income = Extraordinary result	0.00	49
17. Taxes on income and gains	186,095.64	-6,301
<b>18. Net income for the year</b>	<b>63,996,464.61</b>	<b>70,725</b>
19. Release of capital reserves	0.00	5,274
20. Allocation to retained earnings (free reserves)	-4,480,328.00	0
<b>21. Profit/loss for the year</b>	<b>59,516,136.61</b>	<b>75,999</b>
22. Profit carried forward from the previous year	3,183,863.39	4,185
<b>23. Net profit/loss</b>	<b>62,700,000.00</b>	<b>80,184</b>

# INDIVIDUAL FINANCIAL STATEMENT 2007

## STATEMENT OF CHANGES IN FIXED ASSETS AS OF 31 DECEMBER 2007

	Acquisition and Production Costs		
	Balance on 1.1.2007 €	Additions €	Disposals €
I. Tangible Assets:			
Other facilities, furniture and fixtures and office equipment	<b>1,139,629.49</b>	<b>435.82</b>	<b>435.82</b>
II. Financial Assets:			
1. Investments in subsidiaries	868,951,603.86	216,909,611.89	29,517,534.15
2. Loans to subsidiaries	28,512,372.48	0.00	0.00
3. Other investments	27,526,978.53	0.00	0.00
4. Other loans	76,819,096.58	643,106.95	77,462,203.53
	<b>1,001,810,051.45</b>	<b>217,552,718.84</b>	<b>106,979,737.68</b>
	<b>1,002,949,680.94</b>	<b>217,553,154.66</b>	<b>106,980,173.50</b>

Balance on 31.12.2007 €	Accumulated Depreciation €	Carrying Values 31.12.2007 €	Carrying Values 31.12.2006 €	Depreciation for the period (Reversal of Depreciation) €
<b>1,139,629.49</b>	<b>114,895.85</b>	<b>1,024,733.64</b>	<b>1,055,500.97</b>	<b>31,203.15</b>
1,056,343,681.60	21,622,772.65	1,034,720,908.95	846,608,921.21	2,850.00
				-722,760.95
28,512,372.48	16,327,215.70	12,185,156.78	12,185,156.78	0.00
27,526,978.53	8,466,009.00	19,060,969.53	19,060,969.53	0.00
0.00	0.00	0.00	76,819,096.58	0.00
<b>1,112,383,032.61</b>	<b>46,415,997.35</b>	<b>1,065,967,035.26</b>	<b>954,674,144.10</b>	<b>-719,910.00</b>
<b>1,113,522,662.10</b>	<b>46,530,893.20</b>	<b>1,066,991,768.90</b>	<b>955,729,645.07</b>	<b>-688,706.85</b>



# NOTES

## I. APPLICATION OF AUSTRIAN COMMERCIAL CODE

These financial statements 2007 were prepared in accordance with the Austrian Commercial Code (UGB).

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

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

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

The company is a group parent under Article 9 Paragraph 8 of the Austrian Corporate Income Tax Act (KStG) of 1988 as amended by BGBlI180/2004. Tax adjustments (both positive and negative allocations) between the group parent and the company were arranged in the form of tax allocation agreements.

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

## II. ACCOUNTING POLICIES

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

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

The valuation premise adopted is that of a going concern.

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

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

All recognisable risks and impending losses which occurred in 2007 or an earlier financial year were taken into consideration.

The previously applied valuation method was kept.

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

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

Extraordinary depreciation is undertaken where it is necessary to apply or where special tax provisions allow the lower value method.

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

The company has not exercised its option to capitalise deferred taxes under Article 198 Paragraph 10 of the Austrian Commercial Code.

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

Individual value adjustments are made for recognisable risks.

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

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

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

### III. NOTES TO THE BALANCE SHEET

#### Fixed assets

The fixed assets are itemised and their changes in the year under report are recorded in the Statement of Changes in Fixed Assets.

Due to long-term rentals, letting and leasing, the use of property, plant and equipment not shown in the balance sheet results in an obligation of € 5,706,976.86 (Previous year: T€ 5,200) for the financial year 2008. The sum of all obligations for the next five years is € 28,534,883.40 (Previous year: T€ 26,000).

Information on investments can be found in the list of subsidiaries, associated companies and investments.

# NOTES

## Trade and other receivables

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

	<b>31.12.2007</b>	<b>31.12.2006</b>
	€	T€
Receivables from subsidiaries	0.00	100,000
Other receivables and other assets	14,056,000.00	12,931
	<b>14,056,000.00</b>	<b>112,931</b>

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

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

The item "Other Receivables and Other Assets" includes income of € 198,376.63 (Previous year: T€ 160) not due to be received until after the balance sheet date.

## Equity

The share capital amounts to € 114,000,000.00 (Previous year: € 70,000,000.00) and is split into 114,000,000 no-par shares (Previous year: 70,000,000).

The Annual General Meeting of 20 April 2007 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 been 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.

## Provisions

Other provisions were made for profit sharing, investment risks, and outstanding invoices.

## Liabilities

	Remaining Term			Carrying	Real
	< one year	> one year	> five years	Value	Securities
	€	€	€	€	€
1. Bonds	50,000,000.00	275,000,000.00	0	325,000,000.00	0.00
<i>Previous year in T€</i>	<i>50,000</i>	<i>250,000</i>	<i>0</i>	<i>300,000</i>	<i>0</i>
2. Bank borrowings	5,670,965.29	5,600,000.00	0.00	11,270,965.29	0.00
<i>Previous year in T€</i>	<i>7,355</i>	<i>34,850</i>	<i>14,625</i>	<i>56,830</i>	<i>51,188</i>
3. Trade payables	3,052,883.59	0.00	0.00	3,052,883.59	0.00
<i>Previous year in T€</i>	<i>2,143</i>	<i>0</i>	<i>0</i>	<i>2,143</i>	<i>0</i>
4. Payables to subsidiaries	7,484,294.05	0.00	0.00	7,484,294.05	0.00
<i>Previous year in T€</i>	<i>206,234</i>	<i>0</i>	<i>0</i>	<i>206,234</i>	<i>0</i>
5. Other liabilities	21,885,080.49	4,010,497.74	0.00	25,895,578.23	0.00
<i>Previous year in T€</i>	<i>8,787</i>	<i>3,853</i>	<i>0</i>	<i>12,640</i>	<i>0</i>
	<b>88,093,223.42</b>	<b>284,610,497.74</b>	<b>0.00</b>	<b>372,703,721.16</b>	<b>0.00</b>
<b><i>Previous year in T€</i></b>	<b><i>274,519</i></b>	<b><i>288,703</i></b>	<b><i>14,625</i></b>	<b><i>577,848</i></b>	<b><i>51,188</i></b>

Payables to subsidiaries involve routine clearing, liabilities from cash-clearing as well as the clearing of tax allocations.

The item "Other Liabilities" includes expenses of € 19,751,238.27 (Previous year: T€ 8,877) which do not become due for payment until after the balance sheet date.

# NOTES

## Guarantees

The guarantees which must be shown in the balance sheet in accordance with Article 199 of the Austrian Commercial Code (UGB) involve exclusively guarantees and indemnity liabilities.

The reported guarantees include € 53,985,787.06 (Previous year: T€ 166,734) in guarantees for subsidiaries. Shares amounting to € 0.00 (Previous year: T€ 51,188) were pledged as collateral for bank borrowings.

## IV. NOTES TO THE INCOME STATEMENT

### Revenues

	2007 €	2006 T€
Domestic	24,687,417.24	15,754
Abroad	24,408,606.39	25,624
	<b>49,096,023.63</b>	<b>41,378</b>

### Employee benefits expense

The expenses for severance payments relate exclusively to members of the Board of Management.

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 members of the Supervisory Board received remuneration in the amount of € 50,000 (Previous year: T€ 0).

### Other operating expenses

The other operating expenses reported mainly include IPO-related expenses, travel and advertising costs, legal and advisory costs, and other general administrative expenses.

### Tax on income and gains

At 31 December 2007, active deferred taxes pursuant to Article 198 Paragraph 10 of the Austrian Commercial Code (UGB) which may be capitalised but were not shown separately in the balance sheet amount to € 5,939,835.79 (Previous year: T€ 9,147).

The total reported tax expenditure is allotted to the results from ordinary business activities.

## V. LIST OF PARTICIPATIONS (20.00 % INTEREST MINIMUM)

Name and residence of the company	Interest %	Equity/ Negative Equity <sup>1)</sup> T€	Result of the last financial year <sup>2)</sup> T€
<b>Investments in subsidiaries:</b>			
Asphalt & Beton GmbH, Lendorf	100.00	565	-767
„A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH“, Spittal an der Drau	100.00	29,979	3,899
Bau Holding Beteiligungs AG, Spittal an der Drau	65.00	322,832	103,662
Baukontor Gaaden Gesellschaft m.b.H., Gaaden	100.00	248	8
BHG Bitumen d.o.o., Belgrade	100.00	62	62
BHG Sp. z o.o., Warsaw	100.00	1,450	749
BITUPOL SP z.o.o., Warsaw	40.00	1,107	523
CESTAR društvo s ograničenom odgovornošću za gradnje, proizvodnju, projektiranje, trgovinu i usluge, Slavonski, Brod	74.90	380	-235
CLS Construction Legal Services GmbH, Cologne	100.00	27	1
Compact INVEST d.o.o., Belgrade	100.00	305	-167
Diabaswerk Saalfelden Gesellschaft m.b.H., Saalfelden	80.00	-1,069	-167
Eggstein AG, Kriens	100.00	-360	224
Egolf AG Strassen- und Tiefbau (former Egolf Bauunternehmungen AG), Weinfeld	100.00	11,395	2,180
Errichtungsgesellschaft Strabag Slovensko s.r.o., Bratislava-Ruzinov	100.00	-671	-534
Flogopit d.o.o., Zvečka, Obrenovac	100.00	<sup>3)</sup>	
GRADBENO PODJETJE IN KAMNOLOM GRASTO d.o.o., Ljubljana	99.8516	5,191	732
ILBAU GmbH, Vienna	100.00	43	7
Ilbau Liegenschaftsverwaltung GmbH, Dahlwitz-Hoppegarten	99.99	79,141	-18,615
Kamen-Ingrad gradnja i rudarstvo društvo s ograničenom odgovornošću, Zabgreb	51.00	<sup>3)</sup>	
Kamen-Ingrad Niskogradnja, društvo s ograničenom odgovornošću za gradnje, Pozega	51.00	<sup>3)</sup>	
Karlovarské silnice, a.s., Ceske Budejovice	83.3173	1,873	527
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH, Spittal/Drau	100.00	<sup>3)</sup>	
Kopalnie Melafiru w Czarnym Borze Sp. z o.o., Czarny Bor	50.67	1,824	2,695
LPRD LESZCZYNSKIE PRZEDSIĘBIORSTWO ROBOT DROGOWO-MOSTOWYCH SPOLKA z.o.o., Leszno	57.2878	5,797	549
Magyar Bau Holding Zártkörűen Működő Rt., Budapest	100.00	163	9
Mazowieckie Asfalty Sp. z. o.o. (former Polski Asfalt Sp. z o.o.), Warsaw	100.00	1	-3
Mineral Abbau GmbH (former Edenstrasser GmbH), Spittal/Drau	100.00	283	-337
MINERAL IGM društvo s ograničenom odgovornošću za proizvodnju i trgovinu građevnim materijalom, Zapuzane	100.00	725	71

# NOTES

MINERAL K.S.K. drustvo s ogranicenom odgovornoscu			
za graditeljstvo i proizvodnju grad., Calve	100.00	-161	-623
MINERAL ROM S.R.L., Brasov	26.87	255	-282
Mineral Trading sp. z o.o., Warsaw	100.00	71	2
NOSTRA Cement Gyártó és Kereskedelmi			
Korlátolt Felelősségű Társaság, Budapest	100.00	1,912	-185
Polski Asfalt Spolka z Ograniczona Odpowiedzialnoscia			
(former NCC Roads Polska Sp. z o.o.), Wroclaw	100.00	3,297	-17,292
PP Prottelith Produktionsgesellschaft mbH, Liebenfels	52.00	-1,558	214
PRZEDSIĘBIORSTWO ROBOT DROGOWYCH			
SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA			
W LIKWIDACJI, Choszczno	100.00	<sup>3)</sup>	
SAT OOO, Moscow	51.00	<sup>4)</sup>	
„SBS Strabag Bau Holding Service GmbH“, Spittal an der Drau	100.00	305,816	41,113
SAT SANIRANJE d.o.o. (former IGM VELIKA			
Industrija Gradevnog Materijala d.o.o), Zagreb	100.00	2	-1
STRABAG AG, Cologne	50.00	272,071	5,082
STRABAG Bau GmbH, Vienna	100.00	35	0
STRABAG Infrastruktur Development			
(former OOO A-WAY), Moscow	100.00	-44	-47
STRABAG Installations pour l'Environnement SARL,			
Champagne au mont d'or	100.00	<sup>4)</sup>	
STRABAG Invest GmbH, Vienna	100.00	-72	-104
Strabag RS d.o.o., Banja Luka	100.00	<sup>4)</sup>	
Strabag S.R.L., Chisinau	100.00	<sup>4)</sup>	
Transkipper sp. z o.o., Warsaw	100.00	267	13
Zezelivskij karier TOV, Zezelev	94.00	822	29
Ed. Züblin AG, Stuttgart	57.26	26,765	-28,039
ZÜBLIN MURER AG			
(former Züblin-Strabag AG), Zurich	100.00	18,675	844
Züblin Development GmbH, Cologne	84.50	22,829	-6,399

## Other investments:

Arab Consult GmbH, Vienna	30.00	<sup>3)</sup>	
Asamer & Hufnagl Baustoff Holding Wien GmbH & Co. KEG, Vienna	20.00	<sup>3)</sup>	
Asamer & Hufnagl Baustoff Holding Wien GmbH, Vienna	20.00	<sup>3)</sup>	
„Baltic Business Centre“ Sp.z o.o., Gdynia	38.00	<sup>3)</sup>	
„Health Care Company“ KRANKENHAUS			
BETRIEBSFÜHRUNGS-Aktiengesellschaft, Vienna	24.00	<sup>3)</sup>	
Syrena Immobilien Holding Aktiengesellschaft, Spittal/Drau	50.00	<sup>3)</sup>	
Učka Asfalt drustvo s ogranicenom			
odgovornoscju za proizvodnju i usluge, Potpican	25.00	<sup>3)</sup>	

<sup>1)</sup> according to § 224 Abs 3 UGB

<sup>2)</sup> Net income / loss of the year

<sup>3)</sup> Not admitted according to § 241 Abs 2 UGB

<sup>4)</sup> New foundation (no financial statement of 31.12.2007)

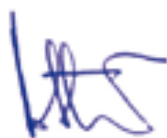


## VI. MISCELLANEOUS

The members of the management and supervisory boards are listed separately

Villach, 9 April 2008

### Board of Management



Dr. Hans Peter Haselsteiner



Ing. Fritz Oberlerchner



Dipl.-Ing. Nematollah Farrokhnia



Mag. Wolfgang Merlinger



Dr. Thomas Birtel



Dipl.-Ing. Roland Jurecka



Mag. Hannes Truntschnig

# NOTES


## MANAGEMENT AND SUPERVISORY BOARD

### 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)



FINANCIAL STATEMENT

**INDIVIDUAL FINANCIAL  
STATEMENT**

# MANAGEMENT REPORT

## HIGHLIGHTS

- Effective from 1 January 2007, STRABAG acquired Dresden-based Linde KCA-Umweltanlagen GmbH from The Linde Group. Thus STRABAG accelerates the expansion of its environmental technology business.
- In January, STRABAG, through its subsidiary company DYWIDAG International GmbH as head of the International Metro Civil Contractors consortium, won the contract for lot BC 18 of the expansion of the Delhi Metro. The contract has a volume of about € 83 million. The contract is a successor order; the first lot has already been successfully completed by STRABAG.
- In March, STRABAG's Tunnelling Segment was awarded the contract for the Erstfeld construction lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps). Work on NRLA, a Swiss project to build a flat transalpine rail link by the year 2016, includes the construction of the world's longest tunnel, the Gotthard Base Tunnel. Together with the Amsteg lot, currently under construction by STRABAG, the volume of work on NRLA totals over € 700 million.
- In April, Deutsche Bank and STRABAG set up a joint venture to develop and finance a wide range of large-scale real estate and infrastructure projects in Russia and the CIS states. Both companies hold a 49% stake in the joint venture. The rest falls upon the Joint Venture's General Manager.
- On 6 April 2007, the cartel authorities granted STRABAG approval for the acquisition of Poland's fourth-largest road construction firm, NCC Poland. In 2006, NCC Poland and its 900 employees generated revenues of about € 110 million. The acquired entities will do business under the name "Polski Asfalt".
- At the end of April, STRABAG SE announced the entry of a third strategic core shareholder, Rasperia, a holding company of the Russian industrialist Oleg Deripaska, which acquired 30 % of STRABAG SE's share capital. For these purposes, the share capital of STRABAG SE was increased by a nominal amount of € 25 million from € 70 million to € 95 million. The original shareholders also sold a small amount of their shareholdings to Rasperia. As a result of the capital increase, € 1.5 billion poured into STRABAG SE. The transaction was closed and the capital increase was carried out in middle of August.
- At the end of April 2007, Opernplatz Property Holdings GmbH & Co. KG hired STRABAG subsidiary Ed. Züblin AG to build a turnkey ready 44-floor high-rise building opposite the "Alte Oper", the former opera house, in Frankfurt am Main. The contract for the construction of the 170 m Opernturm has a volume of € 230 million.
- In May, the STRABAG SE subsidiary Züblin, based in Stuttgart, and the German STRABAG, based in Cologne, sold a real estate portfolio of six office and retail properties with a total area of around 78,300 m<sup>2</sup> to SEB Immobilien-Investment GmbH. The volume of the transaction was at € 224 million.
- In June, STRABAG issued a five-year € 75 million corporate bond.
- In July, STRABAG acquired a 74.9 % stake in the Croatian road construction firm Cestar d.o.o. based in Slavonski Brod. The company and its 100 employees generated revenues of € 10 million in 2006.
- In July, the German federal state of Baden-Württemberg awarded STRABAG the contract for a PPP pilot project titled "Behördenzentrum Kurfürstenanlage Heidelberg". Within the framework of a PPP model, the state of Baden-Württemberg transferred a property in Heidelberg to Züblin with the pledge to lease the newly constructed building on the property for a period of 15 years. The total investment volume amounts to around € 100 million.
- In August, STRABAG won the contract to build a large portion of the EUROVEA International Trade Centre in Bratislava. STRABAG holds a 65 % stake in the project. The project has a total volume of around € 300 million.

- In September, STRABAG landed two large-scale projects in Qatar. The construction of the dual carriageway New Izghawa Link Road and the Wakrah North & South road project have a combined contract volume of over € 79 million.
- Also in September, STRABAG acquired a 70 % stake in the Hamburg-based Möbius Bau AG, a specialist in soil and hydraulic engineering. In 2006, Möbius employed about 500 people and reported revenue of around € 150 million. STRABAG paid a two-digit million-euro figure for its stake in Möbius. Due to the growing importance of waterways construction, Möbius is being positioned as the Group's fifth main brand.
- In October, STRABAG SE and BaselCement, part of the Russian Basic Element Group, agreed to establish a joint venture in which STRABAG and BaselCement will hold 50 % each. The venture will focus on the acquisition, construction and operation of cement plants.
- On 19 October 2007, STRABAG SE launched its IPO in the Prime Market Segment of the Vienna Stock Exchange. The IPO consisted of 28,200,001 no-par shares, including 16,000,000 new shares from a capital increase, 9,200,001 shares floated by the pre-IPO shareholders and a Green Shoe of 3,000,000 new shares. The shares were offered at € 47 a piece, giving STRABAG SE proceeds of € 893 million from the IPO. The proceeds from the capital increase are to be used to pursue the following strategic objectives:
  - Make selected acquisitions in order to extend the market leadership in the CEE region overall, in the road construction segment in Western Europe and in selected growth segments such as environmental technologies and railroad construction
  - Strengthen the equity capital base in order to increase engagements in PPP (Public Private Partnership) infrastructure projects
  - Continue the expansion of the raw materials base
  - Expand into construction-related services such as facility management
- In November, a STRABAG-led consortium was awarded the contract to build a section of the M6 Motorway in Hungary. Construction began in November 2007 and is scheduled for completion in spring 2010. The project is developed as a PPP project with a 30-year concession.
- The international ratings agency Standard & Poor's (S&P) raised its corporate credit rating on STRABAG SE from BB+ to BBB- with stable outlook in November. With the higher rating, STRABAG SE has attained S&P investment grade.
- Also in November, official representatives of STRABAG and the city of Krakow signed a written Letter of Intent over long-term cooperation. The city of Krakow plans to invest about € 1 billion in city development projects by the year 2012.
- In winter 2007, STRABAG was awarded two contracts for the construction of steel works in Russia. The STRABAG Group will build a turnkey steel work in Tyumen, western Siberia, and another steel work in Vyksa, close to Nizhny Novgorod. The orders have a volume of € 178 million and € 334 million, respectively.
- In November, Satellic, Siemens and STRABAG signed a cooperation agreement to jointly exploit the Russian market for toll systems. Russia is planning a number of large-scale infrastructure projects and these are expected to require a system to collect roadway usage fees.
- In December, STRABAG has won an order for the modernisation of the complete urban infrastructure in the city of Tajura in the greater Tripolis area. This important € 434 million project marks STRABAG's definitive entry the Libyan market.
- In order to expand its presence in the Croatian market, STRABAG acquired 100 % of the harbour construction specialist Pomgrad Engineering in December.

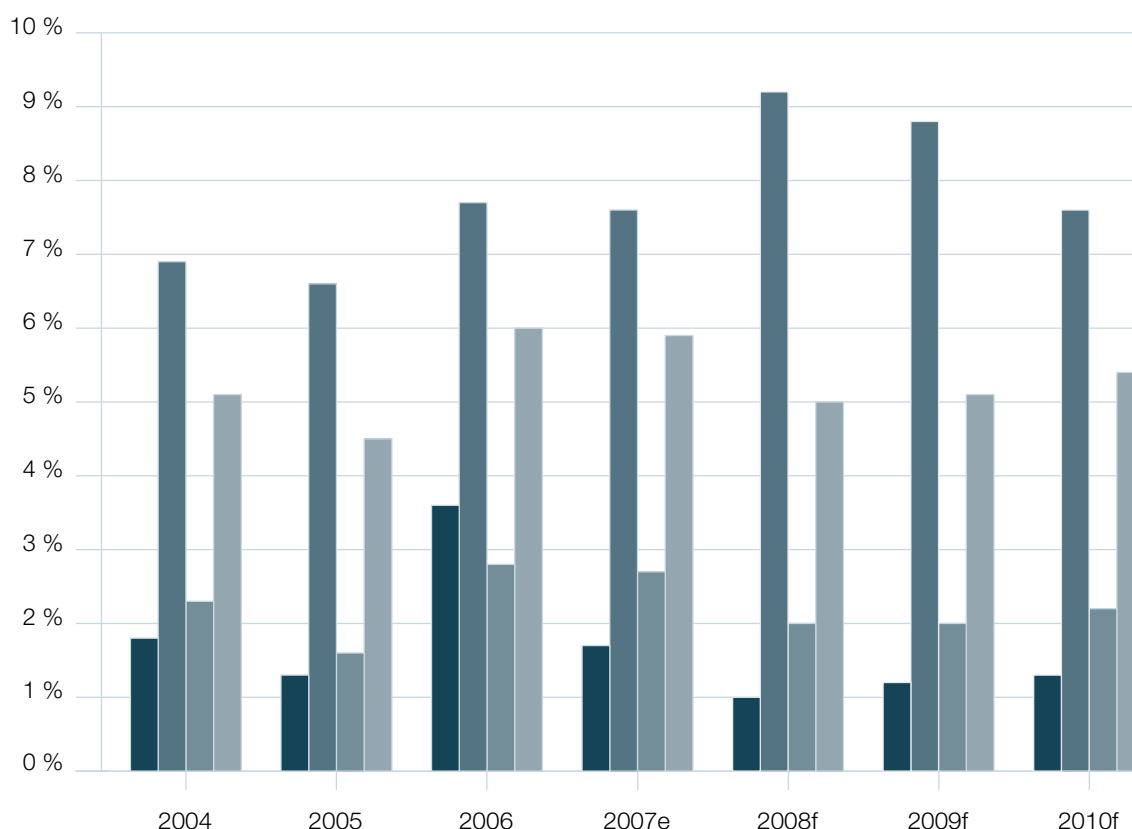
# MANAGEMENT REPORT

## STRABAG SE: A EUROPEAN CONSTRUCTION COMPANY

	2007	% of		Absolute	2006	% of	
	mln. €	total output	% change	change	mln. €	total output	2006
		2007				2006	
Germany	3,802	35.4 %	-4.7 %	-186	3,988	38.4 %	
Austria	2,114	19.7 %	1.7 %	35	2,079	20.0 %	
Czech Republic	864	8.0 %	9.2 %	73	791	7.6 %	
Poland	714	6.6 %	29.6 %	163	551	5.3 %	
Hungary	614	5.7 %	-23.8 %	-192	806	7.8 %	
Slovakia	371	3.5 %	23.7 %	71	300	2.9 %	
Switzerland	346	3.2 %	7.1 %	23	323	3.1 %	
Middle East	316	2.9 %	55.7 %	113	203	2.0 %	
Russia	258	2.4 %	49.1 %	85	173	1.7 %	
Benelux	248	2.3 %	13.2 %	29	219	2.1 %	
Romania	191	1.8 %	64.7 %	75	116	1.1 %	
Croatia	160	1.5 %	-16.2 %	-31	191	1.8 %	
Africa	145	1.3 %	13.3 %	17	128	1.2 %	
Rest of Europe	125	1.2 %	58.2 %	46	79	0.8 %	
Asia	114	1.1 %	3.6 %	4	110	1.1 %	
America	110	1.0 %	-23.6 %	-34	144	1.4 %	
Scandinavia	49	0.5 %	69.0 %	20	29	0.3 %	
Slovenia	49	0.5 %	-9.3 %	-5	54	0.5 %	
Italy	47	0.4 %	46.9 %	15	32	0.3 %	
Serbia	43	0.4 %	95.5 %	21	22	0.2 %	
Bulgaria	36	0.3 %	33.3 %	9	27	0.3 %	
Ireland	30	0.3 %	50.0 %	10	20	0.2 %	
<b>Total</b>							
<b>output volume</b>	<b>10,746</b>	<b>100.0 %</b>	<b>3.5 %</b>	<b>361</b>	<b>10,385</b>	<b>100.0 %</b>	
<b>thereof CEE <sup>1)</sup></b>	<b>3,300</b>	<b>30.7 %</b>	<b>8.9 %</b>	<b>269</b>	<b>3,031</b>	<b>29.2 %</b>	

<sup>1)</sup> Central and Eastern Europe (CEE) comprises the Czech Republic, Poland, Hungary, Slovakia, Russia, Romania, Croatia, Slovenia, Serbia and Bulgaria

STRABAG has been operating in the markets of Eastern Europe since 1985. The significantly higher margins in these markets have motivated the Group to accept declining revenues on the low-margin German market. Capacities which become available from the German market are shifted to Eastern Europe, with an important focus on Russia. In the past few years STRABAG has managed to establish an excellent market position in Russia.

**Western European construction output growth****Eastern European construction output growth****Western European GDP growth****Eastern European GDP growth**

Source: OECD; Euroconstruct November 2007

The above figure clearly shows that forecasted growth in the Eastern European construction industry lies between 7 % and 9 % and thus remains stable at about 2 % above the Gross Domestic Product in these markets. This situation is largely explained by the great backlog in infrastructure investments.

Investments are covered by the EU's Cohesion Fund, which supports projects in the fields of environment and the trans-European transport networks. For the years 2007 to 2013, the Cohesion Fund foresees an investment volume of over € 300 billion, of which more than one half falls upon the countries of Eastern Europe.

A trend in the European construction sector which is of growing importance for the Eastern European countries in particular are alternative financing models that combine private and public funds. The financing of large infrastructure projects cannot be borne by individual states using public funds alone, which has contributed to the increasing use of PPP models.

In a PPP model, the client grants a private company a concession, and the contractor handles the construction, financing and operation of the project – for example of a motorway. The contractor collects a user's fee during the time it operates the project and, following the end of the concession period, transfers the functioning facility to the government. As this results in a reduced financial burden for the client, PPP models are excellent options to finance the urgently needed infrastructure projects in Eastern Europe.

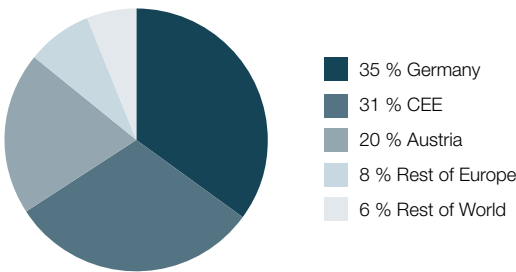


# MANAGEMENT REPORT

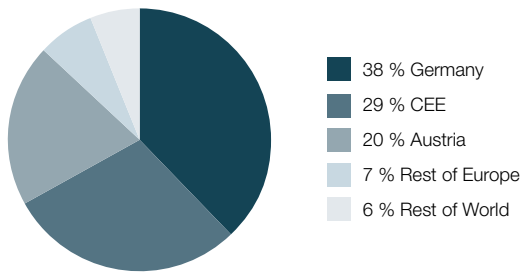
STRABAG SE sees these developments as a promising basis for future business activity in Central and Eastern Europe. The Group's Eastern European business contributed 31 % to revenues. Today, STRABAG is present in the entire region. Now, this presence is to be consolidated and the market shares are to be raised. This will be achieved through organic growth as well as through targeted acquisitions.

The Western European construction markets are growing at significantly lower rates, but important infrastructure investments are upcoming in these markets as well, particularly in power generation and distribution, in the fields of motorways and railroads, dams and waterways.

Construction output by country 2007



Construction output by country 2006

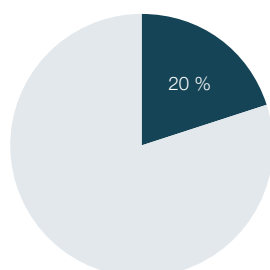


Central and Eastern Europe (CEE) comprises the Czech Republic, Poland, Hungary, Slovakia, Russia, Romania, Croatia, Slovenia, Serbia and Bulgaria; "Rest of Europe" comprises Benelux, Switzerland, Ireland, Italy, Scandinavia and other European countries; "Rest of World" comprises Africa, America, Asia and the Middle East.



Nordkettenbahn, Hungerburgbahn, Innsbruck, Austria

## Domestic Market Austria



Thanks to the positive export climate, the relatively high use of capacities and the resulting increase in orders, the Austrian economy was at a high in 2007. Real GDP growth for 2007 is expected to reach 3.4 %, and the economists forecast a growth of 2.4 % in 2008. Higher growth rates can be seen in the construction sector, which is expected to have grown by 5.5 % to about € 32 billion in 2007 and is predicted to grow by 3.0 % in 2008, with all segments of the construction industry contributing equally.

The demand for residential construction remained unbroken at a high level, as was the case in 2006. The construction of commercial facilities benefited from the positive trend in the area of office building construction. Economists believe the coming infrastructure investments will drive future growth in the construction sector. Until 2010, € 6.4 billion are budgeted for investments in railway infrastructure in Austria alone, with a further € 4.6 billion allotted for motorways. Due to these medium-term investment plans, the Austrian Institute for Economic Research (WIFO) considers it unlikely that the construction sector will collapse in the wake of the mortgage crisis in the United States.

The construction volume on the Austrian domestic market contributes about 20 % to the total output volume of the STRABAG Group. More than half of this amount (53 %) is attributable to the Building Construction & Civil Engineering Segment, 39 % falls upon Transportation Infrastructures and 6 % on Tunnelling & Services. As market leader with nationwide presence in Austria, the STRABAG Group expects the Austrian market to continue to make stable contributions to results. The expansion of the business with construction-related services, such as Facility Management or Environmental Technology, should also guarantee the stability of the margins.



Bituminisation entry cavern system, Dachstein, Upper Austria, Austria



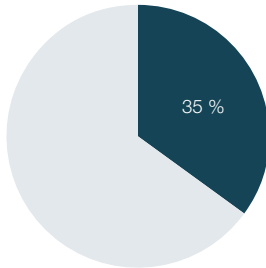
Ministry of Finance, Vienna, Austria



Railway bridge, Angerschluchtbrücke, Bad Hofgastein, Austria

# MANAGEMENT REPORT

## Domestic Market Germany



In 2007, the recovery of the macroeconomic situation in Germany continued in the construction sectors as well. While real GDP growth is expected to reach 2.6 % in 2007 and 2.2 % in 2008, construction output is growing at lower rates of 1.0 % to about € 242 billion in 2007 and 1.6 % in 2008. As construction output before 2006 had been declining for over a decade, however, the growth allows expectations of a stabilization of the German construction sector. The still low gains are due primarily to the declining output in residential construction, an area in which STRABAG is active only to a very small extent.

The developments in commercial construction, civil engineering and transport infrastructures, by comparison, have been particularly strong, in part to due the relatively low interests and the full order books of many companies and in part to the higher investments in Germany's infrastructure and the road and railway networks. In May 2007, Germany released the investment framework budget for the federal government's transport infrastructure plans until 2010. Between 2006 and 2010, the budget foresees maintenance investments of about € 25 billion and € 57 billion for expansion and modernization.

In the past few years, STRABAG actively participated in the consolidation of the strongly fragmented German construction market, establishing a nationwide presence.

In 2007, the STRABAG Group generated about 35 % of its construction output volume in Germany, of which about 49 % falls upon the Building Construction & Civil Engineering Segment and 46 % on Transportation Infrastructures.

While Transportation Infrastructures provided satisfactory margins in the past few years, Building Construction & Civil Engineering remained a "problem child". The improvement of internal risk management processes and a more selective order acceptance shall generate better margins in this segment as well. An important part of the measures constitutes the STRABAG team concept of STRABAG, a "partner model" in which client and construction firm agree to cooperate throughout the entire process, from planning to utilisation of the building.



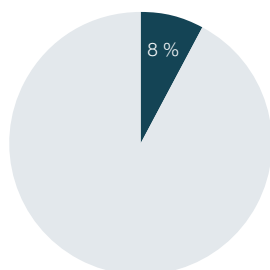
Harbour Neuhaus, East Friesland, Germany



Airport Dockyard A 380, Frankfurt/Main, Germany



## Growth Market Czech Republic



With a forecasted GDP growth of 5.8 % in 2007, the Czech Republic was able to repeat the high growth rates of the past years. Since the year 2000, the country's GDP has grown by 35.6 %, nearly three times the growth of the Western European average. The strong growth can be attributed to the high demand for investments, growing consumption, the revaluation of the Czech crown and the declining unemployment.

The growth in the country's construction output surpasses even the growth rates of the GDP: for 2007, the Czech research institute Úrs Praha expects growth of 6.0 %, which would mean growth of 56.8 % since 2000. The average of 8.0 % a year corresponds to about five times the rate of Western European growth. Thanks to state subsidies, the field of residential construction is also very dynamic.

In 2007, the Czech Republic passed Hungary to take third place among STRABAG's markets. Factors contributing to this development included the positive development of the road construction business, with the realization of a number of large projects. The company has a nationwide presence in the country. The goal now is to continue extending the current market position as one of the Czech Republic's top-three construction firms. While the road construction activities in the country were declining in 2007, STRABAG managed to expand in this field. The company now generates about 75 % of its output volume in the Czech Republic in the Transportation Infrastructures Segment. The remaining construction output is largely due to the Building Construction & Civil Engineering Segment, with activities concentrated on the Prague metropolitan area.



Crosspoint Pisek, Czech Republic



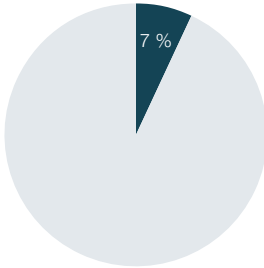
R35, Krelav-Slavonin, Czech Republic



Palladium, Prague, Czech Republic

# MANAGEMENT REPORT

## Growth Market Poland



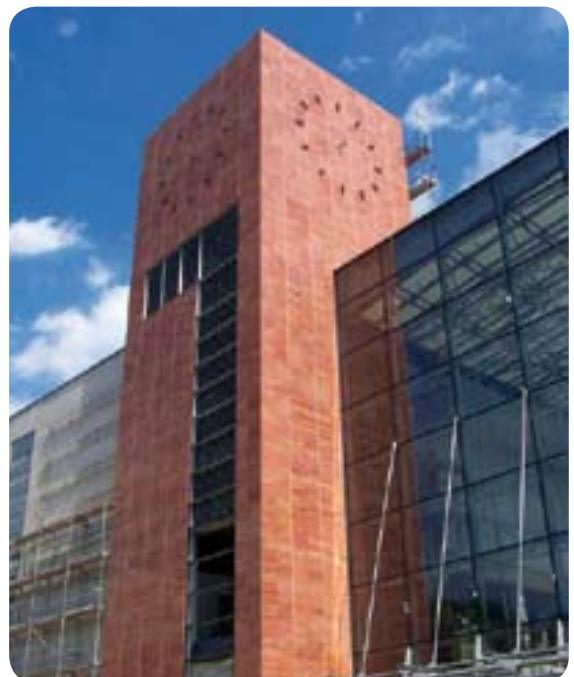
Poland finds itself in the middle of a period of strong economic growth. The significantly increased investments and consumer spending, as well as the stable rate of inflation, resulted in a more dynamic development of all sectors of the economy. The country's GDP growth is expected to stand at 6.5 % in 2007. Polish economists expect similarly high growth rates in the years to come.

After a period of crisis and stagnation, the construction sector has become the strongest-growing sector of the Polish economy since 2004. With a plus of 13.1 % in the volume of construction output in 2007, the sector again attained record growth levels, which could even be surpassed in the following year, according to experts. While in 2007 all areas of the construction industry contributed more or less equally to the growth, road construction and railway construction are expected to play a more important role in 2008. Ahead of Euro 2012 European Football Championship, which will take place in Poland and the Ukraine, a large amount of infrastructure has to be built, including adequate road connections between the two countries. The billion-euro investments will be financed partly with the use of PPP models and partly with the EU's Cohesion Fund. The construction boom, however, will be accompanied by rising prices and a more competitive environment. These facts, as well as the lack of qualified labour, will be included in the budget calculation of construction projects.

The STRABAG Group's construction output in Poland (about 7 % of the Group's output volume) is generated by 72 % by the Transportation Infrastructures Segment and by 26 % by Building Construction & Civil Engineering. STRABAG is the leading company in the field of road construction in Poland. 50 % of the existing motorways were built by STRABAG. With the acquisition of NCC Poland, the Group has been able to increase the density of its network of mixing facilities and quarries. In the area of Building Construction, the Group focuses on building of industrial and commercial buildings, shopping centres and office buildings. Due to the upcoming infrastructure investments in the country and its leading position in Transportation Infrastructures, STRABAG expects the output volume to continue to rise with stable margins in Poland.

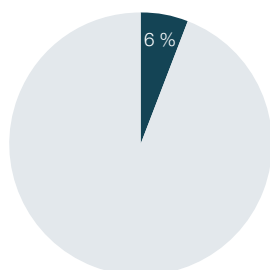


Steelworks Arcelor, Warsaw, Poland



Shopping and trade center Galeria Krakowska, Krakow, Poland

## Growth Market Hungary



Against the background of the high state deficit in the past years, the government's extensive savings measures since mid-2006 almost led to a standstill of works in public-sector infrastructure construction.

Hungary's economic growth declined from 3.9 % in 2006 to 2.1 % in 2007. Due to the government's efforts to consolidate the national budget, and with its measures to prepare the country for euro convergence, investments in construction have been postponed to a later date. A higher rate of GDP growth, lower inflation and positive growth of construction output is expected already in 2008.

The stagnation in the Transportation Infrastructures Segment in Hungary had a significant effect on the STRABAG Group, the market leader in Hungary. With a share of 6 % of the Group's construction output volume, Hungary takes the fifth place within the Group, down from third place in previous years. In the Transportation Infrastructures Segment, the output volume fell by more than 30 %. In the meantime, however, STRABAG has been awarded a large-scale order, the third phase of the M6 motorway – so that growth is expected for 2008.

Clearly positive development could be seen in the Building Construction & Civil Engineering Segment in Hungary. And in the field of Tunnelling, the company is working on a major project in Budapest. The construction of the metro line 4 from the West to the East is the Group's largest tunnel project in Eastern Europe.



Visualisation Cement plant, Pecs, Hungary



Library Campus-Add-On, Dunaújváros, Budapest, Hungary

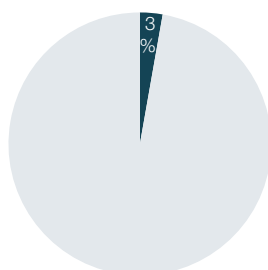


Motorway M7, Section Zamardi-Balatonszarszo, Hungary



# MANAGEMENT REPORT

## Growth Market Slovakia



Slovakia's GDP growth remained high in 2007 (forecast: 8.8 %) at the same time inflation remained low at 2.4 %. The investment incentives provided by the Slovak government and the general positive development of the economy contributed to a 16.1 % rise of the volume of the country's construction output in 2006 and an expected rise of 4.2 % in 2007. In the past few years, the construction sector has profited from the strong demand in the field of residential construction. However, a shift in growth towards Transportation Infrastructures is expected as of 2008, as the government has set itself the goal of increasing the motorway density in the country with the aid of the EU's Cohesion Fund.

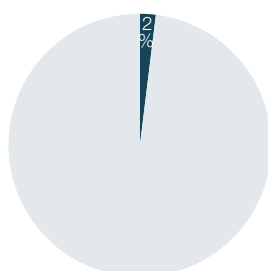
The focus will be on linking the capital of Bratislava in the west with Košice, the biggest city in the East. About 151 km of motorways and highways are to be built by 2010, with a forecasted volume of over € 3 billion.

As number two on the Slovak construction market, STRABAG generates about two thirds of its output volume in the country in the Building Construction & Civil Engineering Segment and about one third in Transportation Infrastructures. In the field of Building Construction, the Slovak STRABAG subsidiary ZIPP, as part of a bidding consortium, won the tender for the construction of the EUROVEA International Trade Centre in 2007, with a construction volume of over € 300 million. STRABAG intends to raise the percentage of Slovakia's construction output - as well as those of other Eastern European countries - which contribute to the Group's performance.



Corporate Headquarters, Bratislava, Slovakia

## Growth Market Russia



After the financial crisis in 1998, the Russian economy has been able to report dynamic growth rates up to the present day. The coming years are expected to produce macro-economically stable growth rates between 6 % and 8 %. For several years, the Russian construction sector has grown in two-digit percentage amounts, with expected growth of construction output of 18.1 % to € 71.5 billion in 2007. This corresponds to an average annual growth rate of about 25 % since 2001. The significant growth is largely due to two factors: the strong influence of foreign direct investments, particularly in the construction of office and commercial buildings, and the more intense residential

construction. In the past six years, the standard of living, private consumption and average income among the



population have increased, resulting in the rise of a middle class whose number is growing faster than those of the rich. This middle class is now beginning to improve its living situation. In the former Soviet Union, the construction of private houses and apartments was allowed in small cities and villages, but the high bureaucratic effort, the limited selection of products and the lack of construction materials severely restricted a large number of planned projects. The current high level of demand has resulted in annual double-digit growth rates in prices for new homes, with a tense price situation in 2007 in particular in big cities. In the capital of Moscow, new homes in 2006 cost on average US\$ 3,060 per square metre – a value, significantly above average of European countries.

As a result of the strong economic growth, there is a scarcity of top-class office properties in the big cities. Renovation of buildings in industrial areas outside the cities and the market for hotel construction ought to keep demand on a high level.

The area of Transportation Infrastructures faces a heavy backlog demand.. In the last ten years, the lack of financing prevented any major infrastructure projects from being launched in Russia. The resulting urgent need for infrastructure could be covered by using PPP financing models or by tapping the Russian Stabilization Fund (US\$ 157 billion). For 2008 and 2009, Russia's federal highway agency, Rosavtodor, plans to build about 2,500 km and to modernize more than 5,000 km of road, as only 37 % of all roads are up to the desired standard in Russia. In its 2008 budget, the government has planned about € 7.1 billion for these projects. The STRABAG Group aims to make Russia a third core market, in addition to Germany and Austria, in the medium term. In the past few years, STRABAG has managed to continually and strongly raise the output volume in the country. From the start of its activities in Russia in 1991 to 2007, the STRABAG Group worked exclusively for private clients in the field of Building Construction, building hotels, commercial properties and luxury apartments. Since 2007, the company is also active in the area of Civil Engineering in Russia. In this area, the Group also succeeded in pushing through the concept of "cost plus fee" in the construction contracts. This concept protects STRABAG against the rising prices of construction materials and wages.

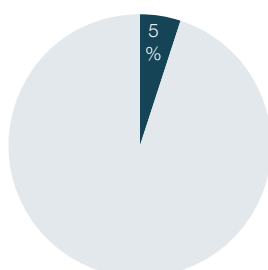
With the support of the new core shareholder Oleg Deripaska, it should be possible for STRABAG to gain a foothold on the Transportation Infrastructures Segment starting in 2008. Another major opportunity are the planned investments of about € 10 billion around Sochi, the site of the Winter Olympics in 2014.



Nordturm office building, Moscow, Russia

# MANAGEMENT REPORT

## Other CEE Markets: Bulgaria, Croatia, Romania, Serbia, Slovenia



These South-East European markets are also subject to dynamic growth, albeit at different rates. The (in comparison to Western Europe) high economic growth rates in Bulgaria (+6.2 %), Croatia (+4.2 %), Romania (+6.0 %), Serbia (+5.2 %) and Slovenia (+6.5 %), and the often even stronger growth rates of construction output in these countries, provide the ideal basis for STRABAG to expand its business activities in the region. STRABAG is present in all of these countries and plans to expand its presence through organic growth and acquisitions.

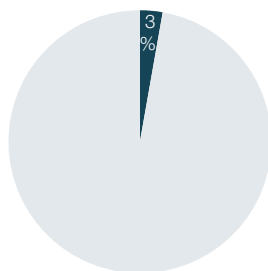


Approach Road to the Ferry Harbor Uvali Misnjak, Island of Rab, Croatia



Weaving Mill Sefar, Sighisoara, Romania

## Switzerland



Switzerland reported stable GDP growth of 2.8 % (2006: 3.2 %) in 2007. The output in the construction sector grew by 1.3 %, partially compensating the decline in the previous year. The output volume has been high since 2003, leaving little room for further dynamic growth. Most of the growth fell on the Transportation Infrastructures Segment, as some of the projects postponed in earlier periods have now been completed.

In Switzerland, about 58 % of the STRABAG Group's activities in 2007 were in the Building Construction & Civil Engineering Segment, 29 % in Tunnelling. The awarding of the Erstfeld lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps), underlines the importance of the Tunnelling & Services Segment and lays the foundation for the output in the coming years. The construction of the WESTside leisure and shopping centre in Bern, designed by Daniel Libeskind, is the largest and most prestigious order for the Group in the field of Building Construction in Switzerland.

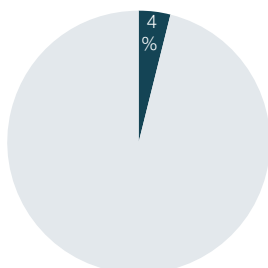


Railway tunnel, Gotthardbasistunnel, Erstfeld, Switzerland



Stadion, Zurich, Switzerland

## Other Countries in Western and Northern Europe: Benelux, Ireland, Italy, Scandinavia



Other countries in Western and Northern Europe have a share of 4 % in the Group's output volume. Although these countries are not in the special focus of STRABAG, smaller permanent businesses and in particular single project businesses are conducted there. Further, companies are acquired as long as „white spots“ on the map can be filled at adequate prices or technologies and niche competencies can be bought in addition.

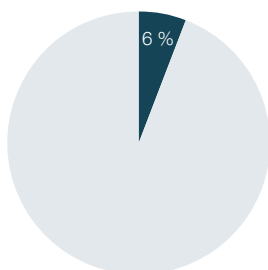


Staten Tunnel Randstad, Rotterdam, Netherlands



Guildhall, Antwerp, Belgium

## Asia, America, Africa, Middle East – „Rest of World“



The non-European presence of the STRABAG Group is reflected in the item „Rest of World“ and includes the geographic areas of Asia, America, Africa and the Middle East. The Middle East has a special status, as the construction output generated in this region alone accounts for 3 % of the consolidated output volume. In the non-European markets, STRABAG is usually active as a general contractor through direct export. The focus in these regions is on civil engineering, industrial and infrastructure projects and tunnelling – areas in which high technological expertise is required. While STRABAG's output volume in the Middle East (+ 55.4 %), Africa (+13.8 %) and Asia (+3.9 %) grew significantly,

it fell by about 23.4 % in America, largely due to delays affecting a large-scale tunnel project in Canada. The STRABAG Group wants to consolidate its market shares in the Middle East and Africa, with Libya becoming an important core market over the next few years.



Aker Kvaerner Manufacturing Centre, Pulau Indah, Selangor, Malaysia



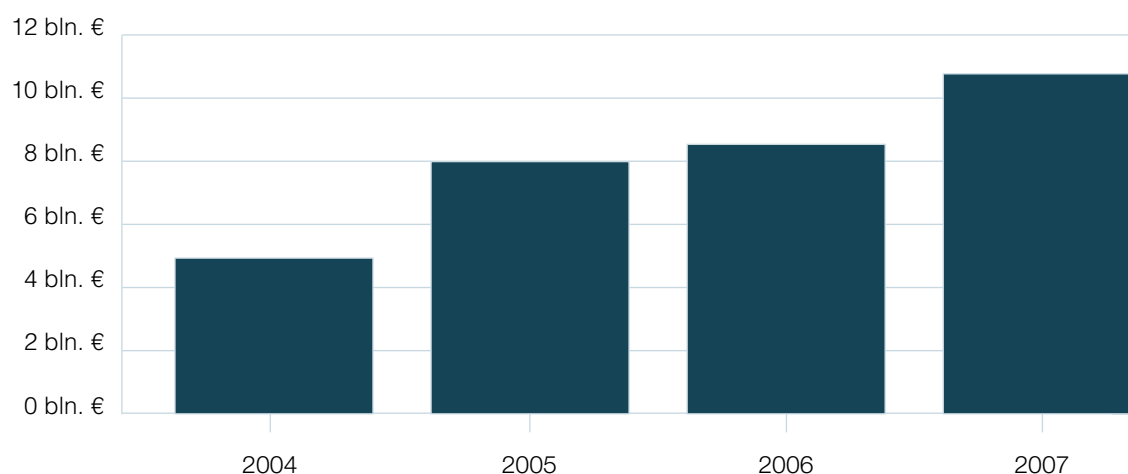
Private Beach Villa Project, Qatar

# MANAGEMENT REPORT

## ORDER BACKLOG

	Total 2007 (incl. Others) in mln. €	Building Cons- truction & Civil Engi- neering	Trans- portation Infra- structures	Tunnelling & Services	Total 2006 (incl. Others) in mln. €	Change Group in %	Change Group absolute
Germany	2,624	1,680	685	251	2,392	9.7 %	232
Russia	1,677	1,651	-	26	420	299.3 %	1,257
Austria	1,187	727	207	250	1,324	-10.3 %	-137
Hungary	792	183	82	527	446	77.6 %	346
Middle East	556	333	223	-	457	21.7 %	99
Slovakia	498	424	49	5	260	91.5 %	238
Switzerland	488	177	25	286	250	95.2 %	238
Poland	478	133	292	53	418	14.4 %	60
Czech Republic	451	91	318	25	575	-21.6 %	-124
Italy	446	1	-	445	467	-4.5 %	-21
America	358	65	-	292	383	-6.5 %	-25
Romania	250	151	38	60	158	58.2 %	92
Benelux	229	171	-	57	278	-17.6 %	-49
Africa	224	159	65	-	194	15.5 %	30
Asia	150	146	3	-	133	12.8 %	17
Ireland	82	32	-	50	114	-28.1 %	-32
Rest of Europe	73	62	11	1	44	65.9 %	29
Croatia	68	17	36	15	100	-32.0 %	-32
Scandinavia	51	51	-	-	37	37.8 %	14
Slovenia	38	6	32	-	33	15.2 %	5
Serbia	14	-	14	-	-	100.0 %	14
Bulgaria	8	2	1	5	23	-65.2 %	-15
<b>Total</b>	<b>10,742</b>	<b>6,262</b>	<b>2,081</b>	<b>2,348</b>	<b>8,506</b>	<b>26.3 %</b>	<b>2,236</b>
thereof CEE	4,274	2,658	862	716	2,433	75.7 %	1,841
Volume of the Group's							
order backlog by Segment		58 %	19 %	22 %			

## Development of Order Backlog



In the financial year 2007, the Group's order backlog passed the historical mark of € 10 billion for the first time, reaching the record high of € 10.7 billion as per 31 December 2007. This corresponds to a plus of 26 % year on year. This level covers the entire construction output for 2007 and about 86 % of the planned output for 2008. Worth noting in particular is the development of the orders situation in the Russian growth market. At € 1,677.3 million, the volume of orders in Russia has nearly quadrupled over 2006 levels. In a STRABAG Group country ranking, Russia comes in second place after Germany.<sup>1)</sup>

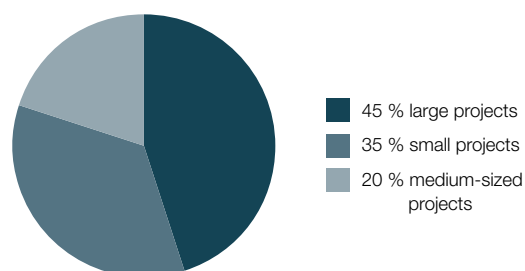
The total order backlog comprises more than 16,000 individual projects. Small orders with a volume of up to € 15 million accounted for 35 % of the order backlog, a further 20 % are medium-sized projects between € 15 million and € 50 million, while 45 % of all projects are large-scale projects with a volume of € 50 million or more. The large number of individual projects helps to ensure that the risk of any single project does not threaten the Group's success as a whole.

## Order Backlog: Construction Sites by Order Size

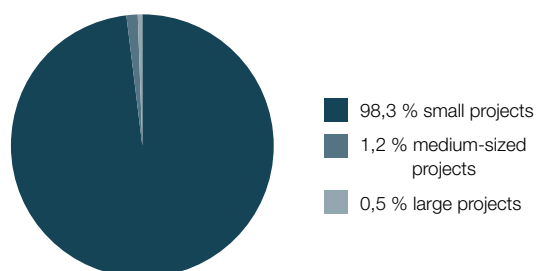
**Categories of order size:** Small: € 0 mln. to € 15 mln., medium: € 15 mln. to € 50 mln., large: over € 50 mln.

Category	Number of construction sites	Order volume
Small orders	15,817	3,783,489
Medium-sized orders	191	2,131,599
Large orders	74	4,827,199
<b>Total</b>	<b>16,082</b>	<b>10,742,287</b>

## Order Backlog as of 31.12.2007



## Number of Building Projects



## The 10 largest projects currently in progress

Country	Project	Order volume in mlns. of €	in % of total order backlog
Hungary	M6 Phase III	420	3.9 %
Italy	Quadrilatero	414	3.9 %
Russia	Steel work, Vyksa	330	3.1 %
Russia	Hotel Moskva	280	2.6 %
Canada	Niagara Tunnel	270	2.5 %
Switzerland	AGN Los 151	216	2.0 %
Russia	Sofiskaya Naberezhnaya	208	1.9 %
Russia	Steel work, Tyumen	178	1.7 %
Germany	Opernturm Frankfurt	148	1.4 %
Slovakia	Eurovea	144	1.3 %
<b>Total</b>		<b>2,608</b>	<b>24.3 %</b>

The backlog volume of the orders does not necessarily agree with the volume given in the segment tables as the segment tables show the total volume of the order.



# MANAGEMENT REPORT

## EFFECTS OF CHANGES TO SCOPE OF CONSOLIDATION

In the financial year 2007, 50 companies were included in the scope of consolidation for the first time. These companies contributed a total of € 305.1 million to the consolidated revenue and € -48.7 million to the consolidated profit. As a result of the first-time inclusion, current and non-current assets increased by € 653.1 million, current and non-current liabilities by € 333.0 million.

## FINANCIAL PERFORMANCE

Since 2001, the company's construction output volume has grown by an annual average of 22 %. As expected, the output volume in 2007 grew only slightly, gaining 3.5 % to about € 10.7 billion. Revenues stood at € 9,878.6 million, 5 % above the previous year's levels.

Besides the business volume STRABAG also reports the standard ratio construction output. Compared to revenues the construction output also covers the proportional performance of non-consolidated subsidiaries and of consortia. The relation between revenues and construction output shows a constant ratio of 92 %.

The changes in inventories in the amount of € -173.4 million were largely the result of the sale of a real estate portfolio. The amount of own work capitalized (€ 44.7 million) is particularly due to the construction of a group headquarters.

Despite the general rise in the price of construction materials, the level of raw materials, consumables and other services used relative to the revenue was kept stable compared to last year's levels. The personnel expenses increased by 15 % stronger than the revenues due to the rising number of employees in the course of the trend towards more internal labour and due to market induced wage rise.

	<b>2007</b>	<b>2006</b>	<b>Change</b>
	in mln. €	in mln. €	in %
Raw materials, consumables and other services used	6,730.5	6,588.1	2 %
Employee benefits expense	2,102.2	1,831.7	15 %
Other operating expenses	551.6	602.0	-8 %
Depreciation and amortization expense	283.5	229.7	23 %

The share of profit or loss of associates tripled over the previous year to € 19.4 million. The income from participations of about € 18.5 million was slightly declining by -15 %.

STRABAG was able to grow its earnings before interest, taxes, depreciation and amortization (EBITDA) in the financial year 2007 by 19 % to € 595.9 million. Depreciation and amortization were up 23 % against the background of numerous investments and the resulting rise of property, plant and equipment. Still, the earnings before interest and taxes (EBIT) were able to grow by 15 % to € 312.4 million. The Building Construction & Civil Engineering Segment contributed 25 % to the EBIT, the Transportation Infrastructures Segment 59 % and the Tunnelling & Services Segment 16 %.

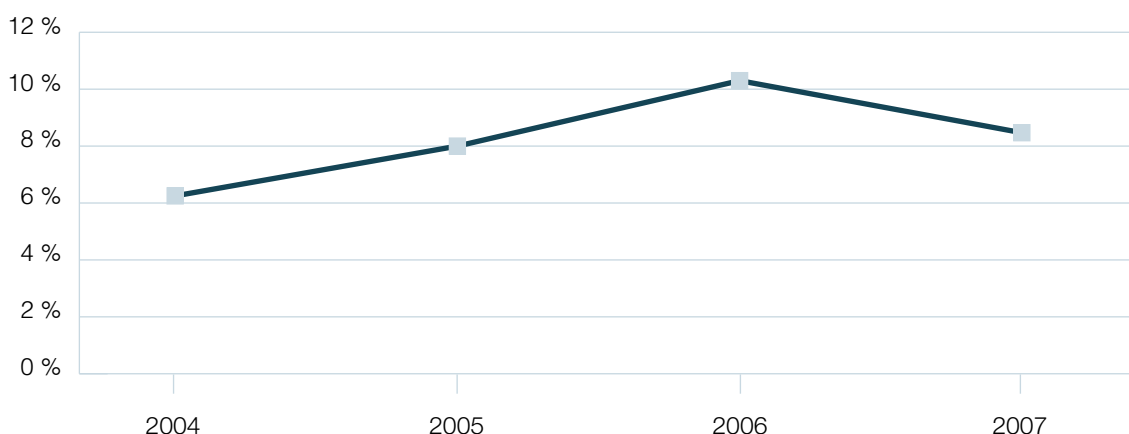
STRABAG issued two capital increases in 2007 as part of the entry of a new core shareholder in August and the IPO in October. As a result, interest revenue grew by 33 % to € 50.3 million. At the same time, the interest expense fell as a part of the interest-bearing liabilities was paid off. The net interest revenue stood at -€ 36.2 million.

The profit before tax reached € 276.3 million, a 4 % decrease compared to the previous year. Adjusted by the extraordinary return from the sale of DEUTAG KG in the previous year for € 71 million, results an increase of 28 %. The effective tax rate was 24.8 %, compared to 22.0 % the previous year. The post-tax profit for the period reached € 207.6 million. Minority interest was up 14 % to € 37.4 million in the past financial year due to numerous acquisitions. The profit of the group stood at € 170.2 million and the profit per share at € 2.05. A year-on-year comparison of the profit per share is not practical due to the two capital increases. The weighted average outstanding shares grew from 70,000,000 shares to 82,904,110 shares.

The Management Board will propose the Annual General Meeting a dividend of € 0.55 per share. This corresponds to a payout ratio of 36.8 % relating to the Group's output of 36.8 %.

The return on capital employed (ROCE) was calculated at 8.47%. The lower ROCE compared to the previous year was due to the fact that the proceeds from the IPO have in part not yet been invested.

## Development of ROCE



2005 adjusted for Züblin Group

2006 adjusted for profit from sale of Deutag in the amount of T€ 63,563



# MANAGEMENT REPORT

## FINANCIAL POSITION AND CASH-FLOWS

	<b>2007</b>	<b>% of balance</b>	<b>2006</b>	<b>%</b>
	in mln. €	sheet total	in mln. €	of balance sheet
Non-current assets	2,469.8	32 %	1,902.3	34 %
Current assets	5,271.0	68 %	3,673.5	66 %
Equity	3,096.4	40 %	1,035.9	19 %
Non-current debt	1,168.4	15 %	1,143.3	20 %
Current debt	3,476.0	45 %	3,396.6	61 %
<b>Balance sheet total</b>	<b>7,740.8</b>	<b>100 %</b>	<b>5,575.8</b>	<b>100 %</b>

The balance sheet total for the STRABAG Group grew significantly last year, up from € 5,575.8 million in 2006 to € 7,740.8 million in 2007. The volume of non-current assets grew by 30 % to € 2,469.8 million, largely due to the rising volume of property, plant and equipment and intangible assets as a result of the Group's acquisition activities. The increase in current assets from € 3,673.5 million to € 5,271.0 million is due to the higher level of cash and cash equivalents following the two capital increases. The cash and cash equivalents grew by € 1,379.5 million to € 1,965.8 million.

The first capital increase in April resulted in a cash inflow of € 1,050 million; the second increase in October brought an additional € 893 million. The capital reserves increased correspondingly. The equity increased by € 2,060.5 million to € 3,096.4 million, resulting in an equity ratio of 40.0 % compared to 18.6 % at the balance sheet date 2006. The Management Board considers an equity ratio of 20 % to 25 % as practical in the medium term.

	<b>2007</b>	<b>2006</b>
Equity ratio in %	40.0	18.6
Net debt in mlns. of €	-927.0	675.4
Gearing Ratio in %	-0.30	0.65
Capital employed in mlns. of €	4,135.3	2,297.6

The non-current liabilities showed only a slight upwards trend (+2 % to € 1,168.4 million). The non-current liabilities remained relatively stable as the repayment of non-current borrowings were balanced by the proceeds from a bond issue and due to the higher leasing liabilities resulting from acquisitions. The growth of current trade payables by 11 % to € 2,275.7 million was in part cancelled out by a significant reduction of financial liabilities from € 435.0 million to € 199.3 million as a result of the repayment of debt using a part of the IPO proceeds, so that the current liabilities changed only slightly (+2 % to € 3,476.0 million). The financial liabilities include non-current and current corporate bonds in the amount of € 275 million and € 50 million, non-current and current bank borrowings of € 118.8 million and € 133.6 million, as well as non-current (€ 87.0 million) and current (€ 15.7 million) liabilities arising from financial leasing.

Against the background of the two capital increases, the net debt was down for a net cash position of € 927.0 million at 31 December 2007.

### Calculation of Net Debt (in million of €)

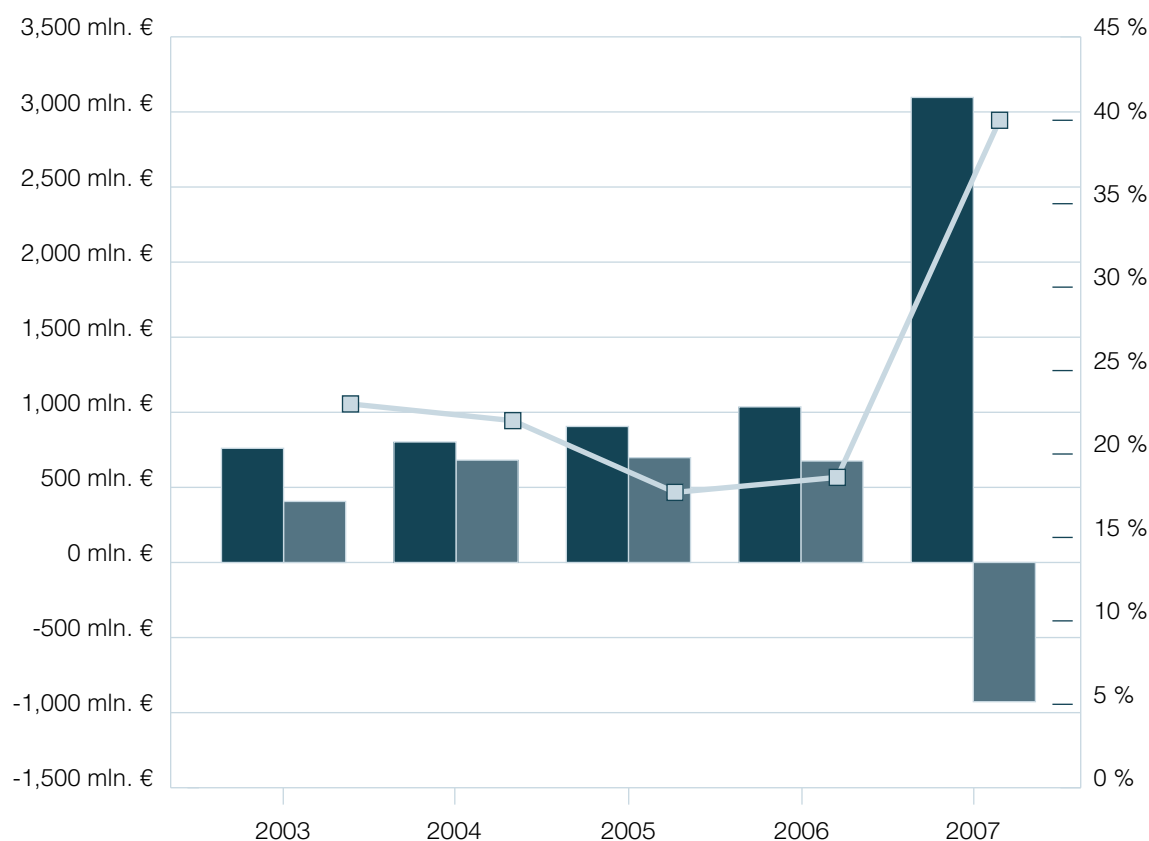
Financial liabilities	684.1
Severance provisions	61.2
Pension provisions	293.5
Cash and cash equivalents	-1,965.8
<b>Net debt at 31.12.2007</b>	<b>-927.0</b>

## Development of Equity, Net Debt and Equity Ratio

### Equity

### Net debt

### Equity ratio



The cash-flow from operating activities grew significantly last year by 11 % to € 494.0 million. This growth is due in part to the increased cash-flow from profits by 25 % to € 448.8 million as well as the reduced working capital, as the inventories grew more slowly compared to the previous year following the sale of a real estate portfolio. In line with the STRABAG Group's expansion strategy, the cash-flow from investing activities grew significantly by 136 % to € 640.9 million. € 543.8 million of this amount were used for the acquisition of property, plant and equipment and intangible assets, € 199.4 million are accountable to changes in the scope of consolidation. The item "Purchase of property, plant and equipment and intangible assets" includes investments in asphalt mixing facilities in the amount of € 40.0 million. The cash-flow from financing activities (+€ 1,524.1 million in 2007 compared to -€ 148.3 million in 2006) was influenced by the two capital increases and the repayment of current bank borrowings.

# MANAGEMENT REPORT

## REPORT ON THE FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH-FLOWS OF STRABAG SE

### Financial Performance

The company's revenues grew by a further T€ 7,718 compared to the previous year, due largely to the increase in group services.

	2007	2006
Revenues in T€ (Sales)	49,096	41,378
Earnings before interest and taxes in T€ (EBIT)	61,296	87,119
Return on equity in % (ROE)	4.08	13.80
Return on investment in % (ROI)	2.96	7.90

The earnings before interest and taxes (EBIT) were strongly burdened this year by the costs of the IPO.

The profitability figures are under pressure from the rapid rise of equity and share capital as well as by the fact that the earnings were burdened by the high IPO costs.

STRABAG issued two capital increases in 2007 as part of the entry of a new core shareholder in August and the IPO in October. As a result, interest revenue doubled to T€ 35,447, leading to a positive net interest income of T€ 2,514.

The financial and net investment income improved over last year, resulting in a net income of € 64.0 million (Previous year: € 70.7 million).

### Financial Position and Cash-Flows

The balance sheet total of STRABAG SE grew significantly in the past financial year, rising from T€ 1,197,357 to T€ 2,941,527. This growth was largely due to the cash inflow from the two capital increases in the amount of € 1,943 million.

	2007	2006
Net Debt in T€	398,208	531,399
Gearing Ratio in %	15.75	88.82
Working Capital in T€	1,745,296	-153,683
Equity Ratio in %	85.95	49.97

Against the background of the two capital increases, the net debt fell for a net cash position at of T€ 398,208 31 December 2007. The gearing ratio fell accordingly.

The working capital (incl. group current accounts) grew significantly as a result of the transfer of the cash inflow from the capital increase to the group companies to T€ 1,745,296 (Previous: T€ -153,683).

The company's equity grew largely due to the capital increase from T€ 598,304 to T€ 2,528,303, resulting in a equity ratio of 85.95% compared to 49.97% on the balance sheet date of the previous year.

	<b>2007</b>	<b>2006</b>
Cash-flow from operating activities	90,784	16,843
Cash-flow investing activities	-107,232	-11,865
Cash-flow from financing activities	16,435	-4,970

The cash-flow from operating activities grew in the past financial year by T€ 73,941 to T€ 90,784. This is due primarily to the reduction of the working capital (excl. group current accounts) compared to the previous year.

In line with the STRABAG Group's expansion strategy, the cash-flow from investing activities grew significantly to T€ -107,232 caused above all by the changes in the financial assets.

The cash-flow from financing activities also grew significantly from T€ -4,970 in the previous year by T€ 21,405 to T€ 16,435 in the past financial year. The cash-flow from financing activities was largely influenced by the two capital increases, by the transfer of the cash inflow to the group companies and by the repayment of current bank borrowings.

# MANAGEMENT REPORT

## SEGMENTS

### Development of the Segments

The operating business of STRABAG SE is divided into three segments: Building Construction & Civil Engineering, Transportation Infrastructures and Tunnelling & Services. The segment defined as “Other” encompasses expenditures, income and employees at the Group’s service companies and staff units as well as consolidation effects.

Construction projects are assigned to one of the segments (see chart below). Certainly, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part can be assigned to a single segment but the concession part is assigned to the Services unit of Tunneling & Services. In projects which span more than one segment, the commercial and technical responsibility is assigned to that segment which has the higher share of the overall project value.

Building Construction & Civil Engineering	Transportation Infrastructures	Tunnelling & Services
<ul style="list-style-type: none"><li>• Housing</li><li>• Commercial and Industrial Facilities</li><li>• Public Buildings</li><li>• Production of Prefabricated Elements</li><li>• Civil Engineering</li><li>• Bridges</li><li>• Power Plants</li><li>• Environmental Engineering</li><li>• Specialty Foundation Engineering</li></ul>	<ul style="list-style-type: none"><li>• Roads, Earthworks</li><li>• Hydraulic Engineering, Waterways, Dyking</li><li>• Landscape Architecture and Development</li><li>• Paving</li><li>• Large-Area Works</li><li>• Sports and Recreational Facilities</li><li>• Protective Structures</li><li>• Sewer Systems</li><li>• Production of Construction Materials</li><li>• Bridges</li><li>• Railway Structures</li></ul>	<ul style="list-style-type: none"><li>• Tunnelling</li><li>• Real Estate Development</li><li>• Infrastructure Development</li><li>• Corporate Development/ Services</li><li>• Operation</li><li>• Maintenance</li><li>• Marketing</li></ul>

## Building Construction & Civil Engineering

The Building Construction & Civil Engineering Segment comprises the construction of commercial and industrial facilities, office and administrative buildings and residential buildings as well as the production of prefabricated elements. In the area of Civil Engineering, projects include complex infrastructure solutions, power plants, bridge building, railway construction, environmental engineering and specialty foundation engineering.

	<b>2007</b>	<b>Change</b>	<b>2006</b>	<b>Change</b>	<b>2005</b>
	mln. €	in %	mln. €	in %	mln. €
Output volume	5,418	10.6 %	4,899	12.4 %	4,357
Revenue	4,816	13.1 %	4,257	55.8 %	2,733
Order backlog	6,262	26.3 %	4,959	6.0 %	4,678
EBIT	77	45.3 %	53	8.2 %	49
EBIT margin in %	1.6 %	23.1 %	1.3 %	-27.8 %	1.8 %
Employees	26,322	16.9 %	22,525	30.3 %	17,283

## Output Volume Construction & Civil Engineering

	<b>2007</b>	<b>2006</b>	<b>Change</b>	<b>Absolute</b>
	mln. €	mln. €	in %	change
Germany	1,873	1,911	-2.0%	-38
Austria	1,114	1,074	3.7%	40
Middle East	255	157	62.4%	98
Russia	254	170	49.4 %	84
Benelux	238	212	12.3 %	26
Slovakia	228	157	45.2 %	71
Hungary	227	217	4.6 %	10
Czech Republic	212	149	42.3 %	63
Switzerland	200	142	40.8 %	58
Poland	187	201	-7.0 %	-14
Africa	107	90	18.9 %	17
Asia	107	106	0.9 %	1
Rest of Europe	98	68	44.1 %	30
Romania	75	46	63.0 %	29
America	62	63	-1.6 %	-1
Scandinavia	48	29	65.5 %	19
Croatia	38	41	-7.3 %	-3
Italy	34	12	183.3 %	22
Bulgaria	24	14	71.4 %	10
Slovenia	19	25	-24.0 %	-6
Ireland	18	15	20.0 %	3
<b>Output volume total</b>	<b>5,418</b>	<b>4,899</b>	<b>10.6 %</b>	<b>519</b>
thereof CEE	1,264	1,020	23.9 %	244

# MANAGEMENT REPORT

The Building Construction & Civil Engineering Segment contributed € 5,417.84 million, or about 50 %, to STRABAG's total output volume in the financial year 2007. This corresponds to a plus of 11 % over the previous period. The development of the construction output in this segment was particularly positive in the Middle East (+62 %, + € 97.7 million), Russia (+49 %, + € 83.8 million) and Slovakia (+45 %, + € 71.0 million). Overall, the Building Construction & Civil Engineering Segment was able to increase its output volume in Central and Eastern Europe significantly (+24 %, + € 244.1 million). This growth is countered by the decline in Germany (-2 %, - € 38.3 million) due to the more discriminating selection of projects by STRABAG in this country.

Segment revenues amounted to € 4,815.6 million, a 13 % increase over the financial year 2006. The margins grew as well: the EBIT was up 45 % to € 76.6 million and the margin grew from 1.3 % to 1.6 %.

Again, a number of large-scale orders were secured in the past year. In Frankfurt, the STRABAG SE subsidiary Ed. Züblin AG won an order for the turnkey construction of the 44-floor Opernturm high-rise opposite the Alte Oper, the former opera house (project value of about € 230 million). The Slovak STRABAG subsidiary Zipp, as part of a bidding consortium, was awarded the contract to build the EUROVEA International Trade Centre in Bratislava (project value of about € 300 million). The project, along with the shopping and leisure centre Westside in Bern, Switzerland, and the Hotel Moskva, Russia, belongs to the three largest projects currently in development. In 2007, STRABAG also signed a number of "cost-plus-fee" contracts in Russia, which cover the building of a steel work Tyumen, Siberia (approx. € 178 million), a steel work in Vyksa (about € 334 million) and a residential facility in Moscow's English Quarter (approx. € 162 million). These orders resulted in a noticeable increase of the Group's order backlog in Russia, which stood at € 1,650.8 million at 31 December 2007. The expansion on the Russian market can also be seen in the workforce, which increased to 669 employees in the country. This corresponds to a plus of 79 %. Overall, the employee levels in the Building Construction & Civil Engineering Segment grew by 3,797 persons (about 17 %) to 26,322.

Due to the increased activity in Russia – where STRABAG last year was active exclusively in this segment – the importance of the Building Construction & Civil Engineering Segment within the Group was on the rise in 2007. The STRABAG Group would like to continue this growth in this segment in Central and Eastern Europe and expand the activities in niche segments in the home markets of Germany and Austria.

In order to promote the niche area of Environmental Engineering, the segment acquired Linde KCA Umweltanlagen GmbH, Dresden, in January 2007. Furthermore, STRABAG expanded its presence in Croatia with the acquisition of 100 % of the harbour construction specialist Pomgrad Engineering in December.



### The largest projects in progress in the Building Construction & Civil Engineering Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
Hotel Moskva	Moscow	Russia	€ 550 mln.	100	08/04-09/09	Hotel in historic part of Moscow
Vyksa Steel Work	Vyksa	Russia	€ 334 mln.	100	11/07-10/10	Steel work
Opernturm	Frankfurt/ Main	Germany	€ 230 mln.	100	06/07-09/09	Commercial and administrative building
Tyumen Steel Work	Tyumen	Russia	€ 178 mln.	100	10/07-06/10	Steel work
Eurovea International Trade Centre, Phase 1	Bratislava	Slovakia	€ 156 mln.	65	08/07-12/09	Commercial and administrative building
WESTside Leisure and Shopping Centre	Bern- Brünnen	Switzerland	€ 100 mln.	50	01/05-10/08	Leisure and shopping centre



Leisure and shopping centre Westside, Bern, Switzerland

# MANAGEMENT REPORT

## 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. In order to meet the growing importance of waterway and railway construction in the Group, the segment, formerly known as "Road Construction" was renamed "Transportation Infrastructures" in 2007.

	<b>2007</b>	<b>Change in %</b>	<b>2006</b>	<b>Change in %</b>	<b>2005</b>
	mln. €	2006-2007	mln. €	2005-2006	mln. €
Output volume	4,617	-0.6 %	4,646	11.4 %	4,172
Revenue	4,455	5.6 %	4,217	15.4 %	3,655
Order backlog	2,081	4.8 %	1,986	-5.8 %	2,108
EBIT	186	24.0 %	150*	97.4 %	76
EBIT margin in %	4.2	16.7 %	3.6 %	74.4 %	2.1 %
Employees	28,352	13.2 %	25,047	14.2 %	21,937

\* adjusted for proceeds from sale of DEUTAG of T€ 70,625

## Output volume Transportation Infrastructures

	<b>2007</b>	<b>2006</b>	<b>Change</b>	<b>Absolute</b>
	mln. €	mln. €	in %	change
Germany	1,734	1,835	-5.5 %	-101
Austria	815	827	-1.5 %	-12
Czech Republic	645	634	1.7 %	11
Poland	512	344	48.8 %	168
Hungary	355	534	-33.5 %	-179
Slovakia	138	139	-0.7 %	-1
Croatia	97	95	2.1 %	2
Romania	77	65	18.5 %	12
Middle East	60	42	42.9 %	18
Switzerland	45	41	9.8 %	4
Serbia	42	21	100.0 %	21
Africa	38	23	65.2 %	15
Slovenia	28	28	0.0 %	–
Rest of Europe	17	4	325.0 %	-3
Bulgaria	9	12	-25.0 %	3
Asia	5	2	150.0 %	3
<b>Output volume total</b>	<b>4,617</b>	<b>4,646</b>	<b>-0.6 %</b>	<b>-29</b>
thereof CEE	1,903	1,872	1.7 %	31

The Transportation Infrastructures Segment contributed € 4,616.84 million, or 43 %, to the Group's output in the financial year 2007. Compared to the previous year, the segment's output volume remained relatively stable. The positive development in Poland (+49 %, + € 168.6 million) was countered by a decline in Hungary (-34 %, - € 178.6 million) mainly due to the completion of several major infrastructure projects in the country. In April 2007, the STRABAG Group acquired the road construction activities of NCC Poland. These activities soon revealed themselves in the output volume and made the STRABAG Group the market leader in transportation infrastructures in Poland. With the upgrade of the E20 railway lot between Łuków and Międzyrzec Podlaski, the STRABAG Group won a contract worth € 51 million. In the period under review, the company also won two major projects in Qatar with a total volume of over € 79 million, as well as a road construction order in Oman worth about € 75 million. In Hungary, the company expects to see a recovery of its output volume in 2008. In November 2007, a STRABAG-led consortium won the tender for the construction of a 78 km section of the M6 motorway in Hungary. The project is being handled as a PPP project.

The Transportation Infrastructures Segment increased its revenues to € 4,455.1 million, a plus of 6 %. The EBIT stood up 24 % to € 185.6 million over the previous year, as a result margins grew from 3,6 % to 4,2 % in the Transportation Infrastructures Segment.

The order backlog in the Transportation Infrastructures Segment on 31 December 2007 stood at € 2,081.0 million, 5 % higher than the previous year. Regions contributing greatly to the volume of orders were Germany (€ 684.7 million), the Czech Republic (€ 318.3 million), the Middle East (€ 223.4 million) and Poland (€ 291.1 million). The plus of approximately 13 % in the number of employees in the segment was due not least to the significant increase in Poland.

Acquisitions were an important factor in the Transportation Infrastructures Segment in 2007. Following the acquisition of NCC Poland, STRABAG in July acquired a 74.9 % stake in the Croatian road construction firm Cestar d.o.o. in order to strengthen the Group's position in the Balkan region. STRABAG also plans to expand its competences in the field of waterway construction, which led to the acquisition of 70.0 % of the Hamburg-based Möbius Bau AG, a specialist in earthworks and waterway building, in September. The company is a member of the consortium building the JadeWeserPort at Wilhelmshaven, Germany.

In the past financial year, the STRABAG Group further pursued its strategy of strengthening its own raw materials basis in order to become more independent from the market and the rising raw materials prices. A 50-50 joint venture was agreed with BaselCement, a member of the construction and construction materials segment of the Russian holding firm Basic Element, in order to jointly concentrate on the acquisition, construction and operation of cement plants. As a part of the agreement, STRABAG will contribute the cement facility it is in the process of constructing in Hungary, and Basic Element will contribute cement factories in Russia and Kazakhstan to the joint venture.

# MANAGEMENT REPORT

## The largest projects in progress in the Transportation Infrastructures Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
M6 Motorway, Phase III*	Bóly-Pécs	Hungary	€ 478 mln.	60	11/07-03/10	Planning, financing and construction of a 49 km section
M0 Motorway, Section 4	Budakalász	Hungary	€ 249 mln.	100	03/06-12/07	Construction of a section of motorway incl. bridge
A4 Motorway	Wykroty-Krzyżowa	Poland	€ 119 mln.	75	04/07-11/08	Construction of a section of motorway
BVH Musannah	Musannah	Oman	€ 80 mln.	100	07/07-08/09	Road construction

\* construction only



Limerick Bypass, Rossbrien-Cratlose Castle, Ireland

## Tunnelling & Services

STRABAG builds road and railway tunnels as well as underground galleries and chambers. The Services field encompasses project development activities around the world and provides all project-related services such as development, financing and operation. In addition to infrastructure projects in the areas of transport and energy, this Segment also handles office buildings for commercial use, hotels, schools and medical facilities.

	2007 mln. €	Change in % 2006-2007	2006 mln. €	Change in % 2005-2006	2005 mln. €
Output volume	582	-16.0 %	693	10.9 %	625
Revenue	585	-37.4 %	935	73.1 %	540
Order backlog	2,348	54.0 %	1,525	54.8 %	985
EBIT	48	-29.4 %	68	78.9 %	38
EBIT margin in %	8.2 %	12.3 %	7.3 %	4.3 %	7.0 %
Employees	1,824	18.6 %	1,538	5.4 %	1,459

### Output Volume Tunnelling & Services

	2007 mln. €	2006 mln. €	Change in %	Absolute Change
Germany	149	194	-23.2 %	-45
Austria	135	128	5.5 %	7
Switzerland	99	137	-27.7 %	-38
America	49	81	-39.5 %	-32
Romania	38	2	1,800.0 %	36
Croatia	25	54	-53.7 %	-29
Hungary	22	40	-45.0 %	-18
Poland	13	6	116.7 %	7
Italy	13	19	-31.6 %	-6
Ireland	12	5	140.0 %	7
Benelux	9	6	50.0 %	3
Rest of Europe	8	6	33.3 %	2
Russia	4	3	33.3 %	1
Czech Republic	2	5	-60.0 %	-3
Bulgaria	1	–	100.0 %	1
Slovenia	1	1	0.0 %	–
Middle East	1	4	-75.0 %	-3
Scandinavia	1	–	100.0 %	1
Slovakia	–	1	-100.0 %	-1
Serbia	–	1	-100.0 %	-1
<b>Output volume total</b>	<b>582</b>	<b>693</b>	<b>-16.0 %</b>	<b>-111</b>
thereof CEE	106	113	-6.2 %	-7



# MANAGEMENT REPORT

The output volume of Tunnelling & Services fell by 16 % to € 582.08 million, a development which must be seen against the background of the traditional volatility in the segment. The Segment contributed 5 % to the overall Group output. A large part of the declining output volume came from Germany (-23 %, - € 45,0 million), Switzerland (-28 %, - € 37.9 million) and America (-40 %, - € 32.5 million). The decline in America is due to a large degree to unexpected delays in a major tunnelling project in Canada as a result of unforeseen geologic conditions.

The order backlog in the Tunnelling & Services Segment grew by 54 % in the first nine months of 2007. The volume of orders on 31 December 2007 was particularly high in Hungary (€ 527.1 million), Italy (€ 444.6 million) and Switzerland (€ 285.6 million). In Italy, STRABAG is planning and building roads and highways in the regions of Umbria and Marche (Quadrilatero Marche-Umbria: Maxi Lotto n.1). The high order backlog in Hungary is due to the M6 Motorway project (see also Transportation Infrastructure Segment). In Switzerland, STRABAG won the tender for the Erstfeld construction lot, a portion of the NEAT-Neue Eisenbahn-Alpentransversale project (NRLA-New Rail Link through the Alps). Together with the Amsteg lot, currently under construction by STRABAG, the volume of work on NRLA totals over € 700 million. In the reporting period, STRABAG also won the tender for the construction of a tunnel for Hamburg's U4 underground line. STRABAG's volume of the order amounts to about € 92 million.

Revenues fell more significantly than the output volume, specifically by 37 % to € 585.0 million. The previous year's revenues included above-average income from the sale of completed real estate projects; mere sales, however, produce only a relatively small output. The decline of the EBIT by 29 % to € 48.5 million is due to the unusually high level of the previous year. The EBIT margin increased from 7.3 % to 8.2 %.

The employee numbers grew by about 19 %, with a significant decline in Switzerland balanced by a similar increase in Germany and Austria.

The future strategy of the Tunnelling & Services Segment aims at increasing activities in construction-related services, e.g. facility management, as well as marketing the Group's highly specific tunnelling expertise for technologically challenging projects.

## The largest projects in progress in the Tunnelling & Services Segment

Project	Location	Country	Strabag Share	Share in %	Construction Period	Project Description
Niagara Tunnel Power Plant Project	Niagara Falls	Canada	€ 420 mln.	100	09/05-12/09	Planning and construction of a water supply tunnel
Quadrilatero	Marche-Umbria	Italy	€ 414 mln.	33	06/06-10/11	Construction and upgrade of Italian highway
Gotthard Base Tunnel	Amsteg	Switzerland	€ 383 mln.	90	03/02-12-09	Railway tunnel
Limerick By-pass, Phase 2	Rossbrien-Cratlose Castle	Ireland	€ 86 mln.	20	10/06-09/10	Construction of a section of motorway with tunnel
Brixlegg Railway Tunnel	Vomp-Terfens	Austria	€ 65 mln.	32	08/03-03/08	Railway tunnel
City Tunnel	Leipzig	Germany	€ 60 mln.	40	09/03-12/09	Two local and regional rail tunnels



City tunnel, Leipzig, Germany



# MANAGEMENT REPORT

## RISK MANAGEMENT

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

The Group's goals are committed at all levels of the company. This was a prerequisite to setting up processes for the timely identification of potential risks that could stand in the way of achieving the company objectives. The organization of STRABAG's risk management builds on project-related job-site and acquisitions controlling, supplemented by the higher-level assessment and steering management. The risk controlling process includes a certified quality management system, internal group guidelines for the workflow in the operating units, a central administration, controlling, auditing and contract management. Through the establishment of company-wide quality standards in quotation processing and supplemental services management, the centrally organized Contract Management Department can better assert claims for outstanding debt.

The Group-internal risk report defines the following central risk groups:

### External Risks

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

### Operating Risks

The operating risks include primarily the complex risks of project selection and execution. STRABAG keeps acquisition lists in order to review the project choice. Business transactions requiring consent are reviewed and approved by division managers and department heads or by the management board according to internal rules of procedure. Bids of € 10 million or more must be analysed by inter-segmental commissions and reviewed for their technical and economic feasibility. Cost accounting and expense allocation guidelines have been set up to assure a uniform process of job costing and to establish a performance profile at our construction sites. Project execution is managed by the construction team on site and controlled by monthly target/performance comparisons; at the same time our central controlling provides constant commercial backing.

### Financial Risks

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

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by all business areas, but by internal auditing in particular. The federal prosecutor's office in Chemnitz reports of repeated violations of the law in the German state of Saxony, in par-

ticular involving corruption. Some of these cases have harmed STRABAG directly and it cannot be precluded that third parties will raise claims for compensation against the group. STRABAG has entered provisions on the balance sheet in this regard.

In 2007, STRABAG commissioned PwC Wirtschaftsprüfung GmbH to review and assess the Group's compliance systems and the activities designed to combat corruption and unethical behaviour. The results were presented to the management board of STRABAG SE and the auditors' recommendations were passed on to the relevant departments for implementation.

In order to convey STRABAG's values and principles, the Group drew up its Code of Ethics and internal Compliance Guidelines in 2007. The values and principles contained within these documents are reflected in the guidelines and instructions of the STRABAG companies and departments. Compliance with these values and principles is expected not only from the members of the management and supervisory board and other management-level employees but from all Group employees. The Compliance Guidelines and the Code of Ethics are to guarantee honest and ethical business practices. The Code of Ethics is available for download at [www.strabag.com/STRABAG SE/Code of Ethics](http://www.strabag.com/STRABAG SE/Code of Ethics).

## Organizational Risks

Risks concerning the quality and quantity of personnel are covered by the central personnel department with the support of a specialized data base. The company's IT configuration and infrastructure (hardware and software) is handled by the central IT department, controlled by the international IT steering committee.

## Personnel Risks

Past experience has shown that having a highly qualified and motivated workforce is an important factor in competition. In order to properly assess the potential of employees in management, STRABAG introduced a series of aptitude diagnostics measures, including a management potential analysis. In subsequent feedback talks, the management employees and the Group's senior executives together discuss issues such as planning, motivation, company loyalty and social competence.

## Investment Risks

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

Detailed information regarding interest risk, currency risk, credit risk and liquidity risk can be found in the Notes under point 24 Financial Instruments.

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

# MANAGEMENT REPORT

## EMPLOYEES

In the business year the STRABAG Group employed 61,125 employees on average, thereof 21,513 white-collar and 39,612 blue-collar workers. The increased manpower by 15 % compared to the previous year is on one hand due to acquisitions and on the other hand it reflects the trend towards downsizing of sub-contractors in order to increase the own added value - which can also be seen as intentional investment into the future. To a smaller part this increase is also caused by a refinement of the method of counting in the non-European area.

Due to seasonal fluctuations, especially in winter, STRABAG has very unsteady numbers of employees. Thus, the indicated annual average differs notably from the due date. Basically, STRABAG is in a phase of expansion and increases its number of employees. There is ongoing employment and the labour market is continuously monitored. In the framework of a management potential analysis, STRABAG identifies leadership potentials and leadership reserves of the Group in an objective and professional manner.

## RESEARCH AND DEVELOPMENT

STRABAG Group's Central Technical Department is responsible for the technical management within the Group. It is organized as a Central Staff Unit with about 320 highly qualified engineers and reports directly to the Chairman of the Management Board. The Central Technical Department covers all aspects of Building Construction, Civil Engineering and Tunnelling and provides on-site support to all of the Group's operating units in the areas of planning, construction and design. The unit actively participates in national and international research and development projects. Its engineers are engaged in the development of new and innovative tools, equipment and methods in order to use them on-site on a permanent basis. This system promotes engineering excellence and the multidisciplinary exchange of know-how, as well as technical collaboration within the Group. The Central Technical Department also serves as a training centre for young engineers who are later transferred as technical experts to the Group's operating units.

The "TPA Gesellschaft für Qualitätssicherung und Innovation" is the STRABAG Group's competence centre for quality management including research and development in connection with building materials production, particularly in the context of Transportation Infrastructures. It is organized as a Central Business Unit with competencies across the Group and it one of the leading research institutes in the construction industry in Europe. Various different constraints such as building subsoil, availability of building materials and climatic influences require targeted regional development. One of TPA's most important tasks is the cross-border networking of knowledge and experience within the Group. In the past years, several technological innovations were disseminated and successfully spread throughout Europe.

In 2007, the STRABAG group spent approximately € 4 million on research and development.

## ENVIRONMENT

STRABAG is extremely aware of its responsibility towards the environment. When preparing and carrying out construction projects, the company strives to use energy and raw materials in such a manner as to conserve resources and to keep emissions and waste production at a minimum. STRABAG has committed itself to the continued development and improvement of environmental services and aspires to be a pioneer in environmental action on the building market. This commitment is to promote the company and should be easily recognized by customers, clients and business partners.

## DISCLOSURES PURSUANT TO § 243A UGB

1. The share capital of STRABAG SE amounts to € 114,000,000 and consists of 114,000,000 fully paid-in, no-par value shares with a pro-rata value of € 1 per share of the share capital. 113,999,997 shares are bearer shares and are traded on the Prime Market Segment of the Vienna Stock Exchange. Three shares are registered shares. Each bearer share and each registered share accounts for one vote (one share - one vote).
2. The Haselsteiner Group (Haselsteiner Familien-Privatstiftung, ERLESTA Foundation, STARROK Foundation, Dr. Hans Peter Haselsteiner), the Raiffeisen-Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H, BLR-Baubeteiligungs GmbH, "Octavia" Holding GmbH), the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Personenversicherung AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., UNIQA Sachversicherung AG) and Rasperia Trading Limited, controlled by Oleg Deripaska, are parties of a syndicate agreement. The agreement governs primarily the following points: (1) joint development of the Russian Federation and the states of the former Soviet Union as core markets, (2) nomination rights for supervisory board members, (3) coordination of voting, (4) restriction on the transfer of shares. The syndicate partners agree to coordinate their voting rights from syndicated shares at the General Meeting of STRABAG SE. According to the syndicate agreement, the Haselsteiner Group, the Raiffeisen Group together with the UNIQA Group, and Rasperia Trading Limited have equal rights to nominate two members of the supervisory board. The syndicate agreement also foresees restrictions on the transfer of shares in the form of mutual pre-emptive rights, options and a minimum shareholding. It also stipulates that Dr. Hans Peter Haselsteiner will remain Chairman of the Management Board until at least 23 April 2010.
3. According to the knowledge of STRABAG SE are the following direct or indirect stakes in the capital of STRABAG SE per 31 December 2007, which amount at least one tenth of hundred: the Haselsteiner Group (Haselsteiner Familien-Privatstiftung, ERLESTA Foundation, STARROK Foundation, Dr. Hans Peter Haselsteiner) holds 25 % -3 shares; the Raiffeisen Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H, BLR- Baubeteiligungs GmbH, "Octavia" Holding GmbH) holds 12.5 % +1 share; the UNIQA Group (UNIQA Versicherungen AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Personenversicherung AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H., UNIQA Sachversicherung AG) holds 12.5%; and Rasperia Trading Limited, controlled by Oleg Deripaska, holds 25 % +1 of the share capital of STRABAG.
4. There exist three registered shares in the shareholder register of STRABAG SE, with registered shares No. 1 and No. 3 held by the Haselsteiner Group and registered share No. 2 held by Rasperia Trading Limited. Registered shares No. 1 and No. 2 allow their bearers to nominate one member to the supervisory board of STRABAG SE.
5. There are no employee share option programmes.
6. cf. under 2 respectively 4.
7. The management board of STRABAG SE is not authorised to issue or buy back shares.
8. cf. under 2.
9. No compensation agreements exist between STRABAG SE and its management and supervisory board members or employees in the event of a public takeover offer.

# MANAGEMENT REPORT

## OUTLOOK AND OBJECTIVES

Annual growth of 7 % to 9 % is forecast for the Eastern European construction sector for the next three years. This represents a stable level above the GDP growth for these markets. In Eastern Europe, the per-capita GDP and the per-capita construction output are still far below the Western European average. A great backlog demand for construction work exists in the region – above all in infrastructure investments. STRABAG expects the basic financing of these activities to come from the EU Cohesion Fund and through the use of PPP models.

The strong foreign direct investment inflows, particularly in the construction of office and commercial real estate, and the more intense activity in the field of residential building have led to dynamic growth rates for the Russian economy. Stable GDP growth rates of 6 % to 8 % are expected for the coming years as well, with the construction sector expected to grow at even higher rates. STRABAG is well prepared to work the Russian market and plans to make Russia its largest single-country market in the medium term.

In the German home market, meanwhile, a recovery of the macroeconomic situation is in sight. The forecast GDP growth of 2.2 % in 2008 is countered by the slower growth of construction output of 1.6 %. However, the current growth indicates a stabilization of the German construction sector given that the construction output had been declining for more than a decade until 2006. STRABAG expects the Austrian home market to continue to make stable contributions to results.

STRABAG expects construction output and revenues in 2008 to grow by 15 % over the past financial year. With the expansion into higher-margin countries and segments, higher margins should be possible in the EBIT and profit for the period. In order to raise the margins, the risk from loss-making projects must be minimized. For this reason, STRABAG has optimized its risk management process. The bidding process was re-ordered, and, depending on the size of the project, a potential project must pass through a number of selection procedures and price committees before a bid is made. Furthermore, price adjustment clauses for resources and raw materials form part of the contracts in order to keep cost increases under control.

The order backlog of € 10.7 billion at 31 December 2007 covers about 86 % of the planned construction output for 2008. In the first months of 2008, the volume of backlog orders has already risen to nearly € 12 billion. STRABAG thus sees itself in a good position to grow its market shares in the Eastern European markets and to further consolidate its position as a market leader in Germany, Austria and Hungary. With the proceeds from the IPO, the company plans to further expand its area-wide access to proprietary construction materials, raise the output in niche segments like environmental engineering, railway construction and facility management, and extend activities with PPP projects. The contribution made by construction-related services to the Group's revenues is to be increased in order to better balance the seasonal fluctuations of the construction business, which are responsible for a regular negative result in the first six months of the year.

STRABAG expects the investment level – including spending for acquisitions – to amount to between 6 % and 8 % of revenues in 2008. Depreciation and amortization will amount to 2.8 % to 3.3 % of the revenue. The tax ratio is expected to remain stable at approximately 25 %. Due to the Group's strong expansion and related investments, STRABAG does not expect to report positive free cash-flow values until 2010.

The Management Board has set the goal of paying out 30 % to 50 % of the distributable profits to the shareholders in the form of a dividend every year. The exact payout ratio will depend on the general business development and on the Group's opportunities for growth.

The long-term goal of STRABAG SE is to achieve a top-three position in the growth markets. The Group's construction output is to reach € 20 billion through organic growth and acquisitions by the year 2012. In order to remain successful and achieve these ambitious goals, the Group requires additional labour capacities, especially in Russia, and must expand its network of raw materials facilities.

## RELATED PARTIES

This topic is going to be discussed in the Notes as of page 162.

## EVENTS AFTER THE REPORTING PERIOD

In January 2008, Siemens and STRABAG signed a Memorandum of Understanding to jointly bid for selected large-scale projects to be completed in preparation of the 22nd Winter Olympics in Sochi. The projects include a railway project, a cement factory (to be built as part of the joint venture with BaselCement), the extension of Sochi's Adler Airport, the construction of power plants and a port facility.

A consortium led by STRABAG won the tender for the construction of the S8 expressway in Poland between Konotopa and Prymasa Tysiąclecia. The order has a total volume of about € 490 million, with the share of Polish subsidiary STRABAG Sp.z o.o. amounting to 27 %.

In January 2008, STRABAG and the Russian real estate developer OTKRYTIE-Nedvizhimost (OTKRYTIE The Real Estate Company) signed an agreement to form a strategic partnership in Russia under which OTKRYTIE-Nedvizhimost will commission STRABAG as general contractor for the construction of commercial real estate objects in Russia. STRABAG is already at work for OTKRYTIE-Nedvizhimost, building an office and hotel complex in Moscow's Paveletskaya business district with a total area of 110,000 m<sup>2</sup> and a project volume of about US\$ 400 million (€ 275 million). In addition, STRABAG also signed a general contractor agreement with Europe's largest developer, PIK, to build a residential high-rise in Moscow's Kuntsevo district. Party to the agreement with STRABAG is the ZAO ("closed joint stock corporation") Monetchik, which is 100 % owned by PIK. The € 80 million contract involves the building of three residential towers with 332 apartments and a total useable floor space of 70,000 m<sup>2</sup>. As a result of these deals, the volume of STRABAG's orders in Russia in January 2008 amounted to € 2 billion.

On 7 February 2008, Haselsteiner Familien-Privatstiftung acquired a further 100,100 shares of STRABAG SE, bringing the Haselsteiner Group's stake in the share capital to 25.09 %.

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 (€ 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 deal.

# MANAGEMENT REPORT

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

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

In March 2008, STRABAG SE acquired 85 % of F. Kirchhoff AG, the market leader in transportation infrastructures in the German state of Baden-Württemberg. In 2007, the company employed 1,600 employees and generated revenues of about € 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 85 % of the Swedish construction company ODEN Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. In 2007, ODEN generated revenues of € 121 million and employed about 400 people. Approval by the competent cartel authorities is still pending.



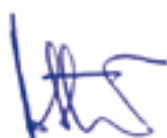
# STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management declares that, to the best of its knowledge, the financial statements of STRABAG SE at 31 December 2007 drawn up in accordance with the Austrian Commercial Code (UGB) represent, as far as is possible, a true and fair view of the financial position, financial performance and cash-flows of the company.

The management report at 31 December 2007 also provides as far as is possible, a true and fair view of the financial position, financial performance and cash-flows of STRABAG SE and give information as to the important events of the financial year and their consequences for the financial statements. Furthermore, the report describes the important risks and uncertainties of the financial year.

Villach, 9 April 2008

## Board of Management



Dr. Hans Peter Haselsteiner



Ing. Fritz Oberlerchner



Dipl.-Ing. Nematollah Farrokhnia



Mag. Wolfgang Merlinger



Dr. Thomas Birtel



Dipl.-Ing. Roland Jurecka



Mag. Hannes Truntschnig

# UNQUALIFIED INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying **financial statements including the underlying accounting records of STRABAG SE, Villach, Austria, for the financial year from January 1 to December 31, 2007.**

The maintenance of the accounting records and the preparation and contents of these financial statements including the management report in accordance with the Austrian Commercial Code as well as the articles of association are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit and to state whether the management report is consistent with the financial statements.

We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian standards on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and whether we can state that the management report is in accordance with the financial statements. In determining the audit procedures we considered our knowledge of the business, the economic and legal environment of the Company as well as the expected occurrence of errors. An audit involves procedures to obtain evidence about amounts and other disclosures in the financial statements and underlying accounting records predominantly on a sample basis. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements are in accordance with legal requirements as well as with the articles of association and present fairly, in all material respects the financial position and the results of its operations and its cash flows in accordance with generally accepted accounting principles in Austria. The management report is consistent with the financial statements.

Linz, 9 April 2008

KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH




Mag. Ernst Pichler  
Public Austrian Accountant



Mag. Stephan Beurle  
Public Austrian Accountant

It is not allowed to quote the auditor's opinion or to refer to our audit if the financial statements will be published or rendered in another version than confirmed (e. g. shortening or translation into other languages).



FINANCIAL STATEMENT

**INDIVIDUAL FINANCIAL  
STATEMENT**



**For further questions please refer to our Investor Relations department:**

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

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

E-Mail: [investor.relations@strabag.com](mailto:investor.relations@strabag.com)  
Internet: [www.strabag.com](http://www.strabag.com)

This individual financial statement is also available in German.

**STRABAG**  
SOCIETAS EUROPAEA