WHAT HAS BEEN.

Interim Report
January–September 2016
30 November 2016

STRABAG
SOCIETAS EUROPAEA

KEY FIGURES

KEY FINANCIAL FIGURES

	Q3/2016	Q3/2015	Δ %	9M/2016	9M/2015	Δ %	2015
Output volume (€ mln.)	3,883.74	4,050.84	-4	9,561.06	10,255.51	-7	14,289.76
Revenue (€ mln.)	3,626.31	3,735.25	-3	8,938.46	9,480.72	-6	13,123.48
Order backlog (€ mln.)				14,990.68	13,761.27	9	13,134.58
Employees				71,329	73,447	-3	73,315
Cash flow from operating activities (€ mln.)	53.35	181.82	-71	-569.94	-108.25	-427	1,240.35
Investments in fixed assets (€ mln.)	94.45	81.55	16	285.98	242.04	18	395.75

KEY EARNINGS FIGURES

	Q3/2016	Q3/2015	Δ %	9M/2016	9M/2015	Δ %	2015
EBITDA (€ mln.)	293.63	279.96	5	450.39	403.79	12	816.10
EBITDA margin (% of revenue)	8.1	7.5		5.0	4.3		6.2
EBIT (€ mln.)	196.68	184.23	7	175.90	115.81	52	341.04
EBIT adjusted (€ mln.)[1]	196.68	184.23	7	148.09	115.81	28	341.04
EBIT margin (% of revenue)[1]	5.4	4.9		1.7	1.2		2.6
EBT (€ mln.)	189.09	169.57	12	162.60	101.84	60	316.62
Net income (€ mln.)	137.87	125.01	10	104.90	63.54	65	182.49
Net income after minorities (€ mln.)	129.34	113.85	14	104.34	58.34	79	156.29
Net income after minorities margin (% of revenue)	3.6	3.0		1.2	0.6		1.2
Earnings per share (€)	1.26	1.11	14	1.02	0.57	79	1.52
ROCE (%)	2.9	2.7		2.9	2.2		4.1

KEY BALANCE SHEET FIGURES

	30.9.2016	31.12.2015	Δ %
Equity (€ mln.)	3,070.07	3,320.63	-8
Equity ratio (%)	30.0	31.0	
Net debt (€ mln.)	57.08	-1,094.48	n. m.
Gearing ratio (%)	1.9	-33.0	
Capital employed (€ mln.)	5,092.96	5,448.01	-7
Balance sheet total (€ mln.)	10,248.76	10,728.87	-4

EBITDA = earnings before interest, taxes, depreciation and amortisation
EBIT = earnings before interest and taxes
EBT = earnings before income tax expense
ROCE = (net income + interest on debt - interest tax shield (25 %))/(average group equity + interest-bearing debt)
Net debt = financial liabilities - non-recourse debt + provisions for severance and pension obligations - cash and cash equivalents
Gearing ratio = net debt/group equity
Capital employed = group equity + interest-bearing debt

1) adjusted for a non-operating profit in the amount of € 27.81 million

CEO'S REVIEW

Dear shareholders, associates and friends of STRABAG SE,

Nine months into the current financial year, we remain confident of our forecast. We should be able to reach our target EBIT margin of 3 % in 2016 – even when not taking into account a non-operating profit. So we are confident of being able to hold this level sustainably.

Looking at the figures for the last three quarters, we recognise two trends that characterise the situation: On the one hand, revenue was down – and we will not be able to fully recoup this loss before year's end. On the other hand, the volume of orders was up. We are set to enter the new year with a comfortable cushion of orders on the books, particularly in our core market of Germany where we are the market leader. We can therefore expect our revenue to grow with the market.

Yours,

Thomas Birtel
CEO of STRABAG SE

- Output volume at € 9.6 billion after nine months 2016, 7 % below the high level of 2015
- Order backlog of € 15.0 billion, a plus of 9 %
- EBIT – even if adjusted for non-operating profit – up, at € 175.90 million (+52 %)
- Outlook for 2016: slightly lower output volume, confirmed 3 % target of EBIT margin

ECONOMIC DEVELOPMENT JANUARY–SEPTEMBER 2016

Output volume and revenue

STRABAG SE generated an output volume of € 9,561.06 million in the first nine months of the 2016 financial year, corresponding to a decrease of 7 %. The declines were registered primarily in the countries of Central and Eastern Europe, including Slovakia, Hungary, Poland, the Czech Republic – and in Russia, where the figure had already been low. The consolidated group revenue fell by 6 % to € 8,938.46 million.

Order backlog

The order backlog, on the other hand, increased by 9 % on the year to reach € 14,990.68 million on 30 September 2016. While several building construction and transportation infrastructure projects in Germany contributed to a plus of 30 %, declines were registered in Eastern Europe, e.g. in Russia and Romania, as well as in Denmark.

Financial performance

The limited capacity for construction in winter results in significant seasonal effects on the development of earnings and other financial figures of STRABAG SE. The first half of the year typically has a negative effect on results, which is then overcompensated by results in the second half of the year. As a result of the seasonal effects, a quarterly comparison makes little sense.

The earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by 12 % in the first nine months of 2016 to € 450.39 million, in part due to the absence of burdens from large-scale projects as well as improved earnings in South-East European markets. However, this figure also includes earnings in the amount of € 27.81 million from the sale of a shareholding related to the acquisition of the minority interest in subsidiary Ed. Züblin AG that cannot be assigned to the operating business. The adjusted EBITDA would therefore come to € 422.58 million, 5 % above the level after nine months in 2015.

The depreciation and amortisation was reduced by 5 % especially through the sale of the equipment of the hydraulic engineering business. The earnings before interest and taxes (EBIT) thus amounted to € 175.90 million, a plus of 52 %. Adjusted for the aforementioned non-operating effect, the EBIT would have amounted to € 148.09 million (+28 %). In the third quarter, the EBIT increased by 7 % to € 196.68 million.

The net interest income changed little, with € -13.31 million versus € -13.97 million. This figure includes positive exchange rate differences in the amount of € 3.74 million (9M/2015: € 6.61 million). Below the line, this resulted in a 60 % increase in earnings before taxes (EBT) to € 162.60 million. After income tax of € -57.70 million at a tax rate of 35.5 %, the earnings after taxes amounted to € 104.90 million after € 63.54 million in the comparison period.

In the second quarter, the STRABAG Group had acquired minority interests of Ed. Züblin AG. Taking into consideration the remaining minority interest of just € 0.56 million, versus € 5.20 million the previous year, the net income after minorities reached € 104.34 million. In light of 102,600,000 outstanding shares, this corresponds to earnings per share of € 1.02 (9M/2015: € 0.57).

Financial position and cash flows

The balance sheet total fell to € 10.2 billion from € 10.7 billion on 31 December 2015. This figure was greatly influenced by the regular seasonal increase of the trade receivables and the reduction of the minority interests with a corresponding decrease in cash and cash equivalents. This, among others, was the reason why the net cash position of € 1,094.48 million at year's end turned into net debt of € 57.08 million at 30 September 2016 (9M/2015: net debt of € 100.42 million). The acquisition of the minority interest had only a minor impact on the equity ratio, which fell back slightly to 30.0 % from 31.0 % on 31 December 2015. The equity ratio on 30 September 2015 had been reported at 29.7 %.

At € -569.94 million, the cash flow from operating activities was significantly deeper in negative territory than in the first nine months of the previous year. This development was influenced particularly by the significantly higher increase of the working capital, which, due to a high level of advances, had been unusually low on 31 December 2015. The cash flow from investing activities, meanwhile, stood at € -242.84 million. This decrease by 36 % versus the first nine months of the previous year came in response to stronger investments in property, plant and equipment as well as through the purchase of the Tech Gate Vienna property near the STRABAG headquarters in Vienna. The cash flow from financing activities settled at € -422.37 million after € -83.17 million, driven especially by the acquisition of the remaining shares of Ed. Züblin AG. In addition, a bond issue had contributed to a positive cash flow in the previous year.

Outlook

The Management Board of STRABAG SE expects a slightly lower output volume for the 2016 financial year. The comfortable order backlog should allow growth with the market in the future.

The Management Board confirms the target of achieving a sustainable EBIT margin (EBIT/revenue) of 3 % starting in 2016, as the efforts to further improve the risk management and to lower costs have already had a positive impact on earnings. This outlook remains even when adjusted for the positive effect from the sale of a shareholding related to the acquisition of the minority interest in subsidiary Ed. Züblin AG.

The complete takeover of the minority shares of Ed. Züblin AG will lead to a lower net income attributable to non-controlling interests, which will lead to a higher earnings per share.

The cash flow from investing activities will likely reach around € 360 million in 2016 after € 320 million in 2015.

Other disclosures

The 12th Annual General Meeting on 10 June 2016 voted to approve a simplified reduction of the share capital through withdrawal of 4,000,000 own shares representing a proportionate amount of the share capital of € 4,000,000. The share capital reduction became effective with registration in the commercial register on 22 July 2016. The effects are reflected in the statement of changes in equity.

One significant effect of changes in consolidation versus 31 December 2015 is the addition of TECH GATE VIENNA Wissenschafts- und Technologiepark GmbH, Vienna. The acquisition led to an increase of the fixed assets in the amount of € 77.32 million and a net cash outflow of € 72.80 million.

SEGMENT REPORT

North + West

€ mln.	Q3/2016	Q3/2015	Δ %	Δ absolute	9M/2016	9M/2015	Δ %	Δ absolute
Output volume	1,829.17	1,825.23	0	3.94	4,387.26	4,569.30	-4	-182.04
Revenue	1,751.15	1,688.31	4	62.84	4,167.90	4,257.26	-2	-89.36
Order backlog					7,083.37	5,696.68	24	1,386.69
EBIT	64.44	41.63	55	22.81	-8.40	-52.02	84	43.62
EBIT margin (% of revenue)	3.7	2.5			-0.2	-1.2		
EBT	64.44	41.63	55	22.81	-8.40	-52.02	84	43.62
Employees					21,959	22,461	-2	-502

The **output volume** of the North + West segment reached € 4,387.26 million in the first nine months of the 2016 financial year, a minus of 4 % versus the high level of the previous year. Declines were registered, among other places, in Germany – the segment's largest market – as well as in Poland and Sweden. The negative development is due to the less favourable weather in the first three months of the year but can also be explained by the relatively high output volume in 2015.

The **revenue** was also down slightly, decreasing by 2 % to € 4,167.90 million. The **earnings before interest and taxes** (EBIT), at € -8.40 million after € -52.02 million last year, was significantly less deep in negative territory as hydraulic engineering projects were no longer a burden and thanks to a transportation infrastructures project in the Netherlands. The **third quarter** revenue grew by 4 %, the EBIT gained 55 %.

The **order backlog** increased considerably to € 7,083.37 million, gaining 24 % over the comparison value from 30 September 2015. New orders were registered in Sweden and Benelux, but the strong increase in the overall volume of orders came almost exclusively from Germany (+35 %): The most important new projects acquired in the German building construction and civil engineering sector during the first nine months of 2016 include the new Axel Springer building in Berlin, the trivago headquarters in Düsseldorf, worth approx. € 81 million, the Möckernkiez residential project in Berlin-Kreuzberg, and the Offshore Terminal Bremerhaven. At the same time, a number of completed commercial buildings in several German cities were handed over to the clients. New orders were also registered in the transportation infrastructures business, including the contract for track construction and civil engineering structures along the Berlin–Dresden line for Deutsche Bahn for about € 66 million.

A word on the segment **outlook**: In the 2016 financial year, the output volume in the segment North + West is expected to settle slightly below the previous high level at € 6.2 billion.

The **German building construction and civil engineering** business should continue to contribute positively to both output volume and earnings. The dynamic situation of the market makes it necessary to focus on effective staff loyalty and recruiting measures. In **transportation infrastructures**, STRABAG also expects an overall positive outlook for the coming years. The order backlog and the volume of new orders at the end of the third quarter are already considerably above the previous year's figures. In the spring of 2016, the German government had announced substantially increased investments in transportation infrastructures. Investments totalling around € 265 billion are planned for more efficient transport networks until 2030. The number of projects up for tender has increased only slowly over the course of 2016, however, as the public sector has enormously reduced its procurement and planning capacities in the past few years.

The **railway construction sector** in Germany remains characterised by high risks and the clients' monopoly. The **construction materials business** in the country is developing similarly to the transportation infrastructures business, as evidenced by the stable to slightly rising production figures.

The **Polish construction sector** has been undergoing a significant recovery since the year 2014. For 2016 the volume of public-sector tenders was expected to reach about € 4.1 billion, comparable to last year's level. But tenders for these projects are only slowly getting underway and have come to a complete standstill in the third quarter. Thanks to the good order backlog, however, the output volume for 2016 has already been secured through existing contracts.

Meanwhile, the company is becoming more active in the area of public-sector tenders in the Polish building construction and civil engineering sector. STRABAG is especially hopeful with regard to buildings in the energy sector.

The upwards trend in the construction sector in **Scandinavia** is continuing. The main factor driving this development is the increased construction of roads, railways and residential units in Stockholm, Oslo and Copenhagen.

South + East

€ mln.	Q3/2016	Q3/2015	Δ %	Δ absolute	9M/2016	9M/2015	Δ %	Δ absolute
Output volume	1,186.67	1,369.44	-13	-182.77	2,886.03	3,256.22	-11	-370.19
Revenue	1,133.64	1,311.81	-14	-178.17	2,778.07	3,119.39	-11	-341.32
Order backlog					3,547.79	3,737.19	-5	-189.40
EBIT	108.68	102.13	6	6.55	116.01	130.21	-11	-14.20
EBIT margin (% of revenue)	9.6	7.8			4.2	4.2		
EBT	108.68	102.13	6	6.55	116.01	130.21	-11	-14.20
Employees					17,628	17,979	-2	-351

The **output volume** in the segment South + East fell by 11 % to € 2,886.03 million in the first nine months of 2016. Most of this decline is accounted for by Slovakia, Hungary and the Czech Republic, although the output volume in Russia, which had already been at a low level, also declined once more.

The **revenue** also decreased by 11 % to € 2,778.07 million – as did the **earnings before interest and taxes** (EBIT), which came to rest at € 116.01 million. This figure had been at a relatively high level last year due to aperiodic income from an agreement related to a large construction project following completion. The effect became especially clear in the second quarter, but took a different direction in the **third quarter**: The revenue fell by 14 %, but the EBIT increased by 6 % to € 108.68 million – compared to double-digit growth in revenue and a decline in the EBIT last year.

The **order backlog** had shown a negative trend during the first two quarters. In the third quarter, the negative development was contained at -5 % so that the figure settled at € 3,547.79 million. Satisfactory developments were registered, inter alia, in Austria, Hungary and Serbia. In each of these markets, one new large-scale project was added to the order books: in Austria, the widening of the A1 motorway between Matzleinsdorf and Pöchlarn; in Hungary, the construction of a 51 km railway section between Budapest and Esztergom; in Serbia, the country's first IKEA store. Considerable declines, however, were registered especially in Russia – here due to a cancelled order and reduced order levels in industrial construction – as well as in Romania. The contracts to build an office and a production building for Siemens using BIM.5D (Building Information Modelling) in Switzerland, to renew a 46 km railway section in the Czech Republic and to build the Slovak national football stadium in Bratislava did not lead to a higher order backlog compared to last year.

A word on the segment **outlook**: Based on the development of the order backlog, the output volume is expected to decline year-on-year to € 4.1 billion.

Austria, the largest market in the segment, can be described as stable. The increase of the order backlog (+6 %) is due especially to building construction in Vienna. The increased stake in Vienna-based Raiffeisen evolution project development GmbH, a project development company specialising in residential construction, from 20 % to 100 % should further strengthen STRABAG's market position. Despite the great need for renovation work on lower tier roads, an improvement of the market for transportation infrastructures is still not in sight due to the lack of public investments in this area.

Hungary had reported an unusually high output volume in transportation infrastructures during the previous year. Following declines in the double-digit percentage range in the intervening period, STRABAG is now confident of again growing the output volume in Hungary in the coming year.

Large infrastructure projects with EU co-financing are currently still up for tender in **Slovakia**, e.g. highways or projects in the field of waste water and for the automotive industry. The relatively high volume of tenders, however, is leading to higher prices for subcontractor services. There also is a shortage of skilled labour. At the same time, construction sector competitors are estimating their bidding prices near the limit of profitability. This is also true in the **Czech Republic**. In contrast to Slovakia, however, projects here mostly involve private clients in building construction and civil engineering.

The **Swiss** construction market remains hotly contested, especially in the building construction business. The price level is very low.

Despite isolated growth opportunities, **South East Europe** has been affected by a lower level of tendering activity and, as a result, by more aggressive competition. In Romania, for example, STRABAG is looking to expand its focus on large-scale projects to nationwide in transportation infrastructures, especially due to the slow pace of contract awards for the relatively high volume of tenders for large-scale projects.

In **Russia**, the same scenario prevails as before: restrictive loan granting from banks for private investment projects as well as state budget cuts in response to the oil price level. The low market demand continues to affect the country's construction sector – even if the postponed investments could lead to revived demand in the medium term.

International + Special Divisions

€ mln.	Q3/2016	Q3/2015	Δ %	Δ absolute	9M/2016	9M/2015	Δ %	Δ absolute
Output volume	836.68	825.46	1	11.22	2,195.68	2,331.62	-6	-135.94
Revenue	735.50	728.42	1	7.08	1,973.35	2,084.78	-5	-111.43
Order backlog					4,354.64	4,318.23	1	36.41
EBIT	45.95	56.02	-18	-10.07	53.08	53.64	-1	-0.56
EBIT margin (% of revenue)	6.2	7.7			2.7	2.6		
EBT	45.95	56.02	-18	-10.07	53.08	53.64	-1	-0.56
Employees					25,942	27,246	-5	-1,304

The **output volume** of the segment International + Special Divisions shrank by 6 % to € 2,195.68 million in the first nine months of 2016. The decline was especially strong in Italy and in the non-European markets.

The revenue paints a similar picture, falling back by 5 % to € 1,973.35 million. The **earnings before interest and taxes** (EBIT) stayed relatively stable, at € 53.08 million after € 53.64 million, due to a number of contrary effects related to various large projects. In the **third quarter**, the revenue remained nearly unchanged while the EBIT was lower.

The **order backlog** of € 4,354.64 million remained stable mainly due to the acquisition of a mine project in Chile worth about € 400 million (+1 %). With the exception of Germany, this figure fell back in all other larger markets.

A word on the segment **outlook**: The segment is expected to generate a slightly declined output volume of € 3.2 billion in the segment in the ongoing 2016 financial year.

Another positive contribution to the earnings – albeit not to the same extent as in the past – is expected to come from the **property and facility services business**. Despite expectations of a considerable revenue reduction from the largest client, new clients such as Vodafone, Huawei and Telefónica joined the customer base in late 2015 and during the first quarter of 2016.

Clearly satisfactory business has been registered in **real estate development**, which is continuing to contribute very strongly to both output volume and earnings. An uninterrupted positive trend could be observed on the German real estate market in the first nine months of the year. In the project development business, STRABAG is active not only in Germany, but also in Austria, in Poland, in Romania and, as of recently, in Luxembourg. Properties are constantly being purchased, developed and sold to the investors – in part even before construction is completed. Demand is present for traditional asset classes such as commercial buildings but also for alternatives such as logistics buildings, nursing homes or student housing – also in good locations outside of the important cities. The current project pipeline gives STRABAG reason to be optimistic about the future. Moreover, the company should be in a position to expand its strong market position in residential project development in Austria following the increase of its stake in Raiffeisen evolution from 20 % to 100 %.

The **tunnelling** business in the core markets like Switzerland remains hotly contested with a hard-to-understand price level at times. For this reason, STRABAG is focusing increasingly on bids in Northern Europe and in non-European markets

– although price pressure can be observed here as well. The situation is similar for the **concession business**, i.e. public-private partnerships. As the market in Western Europe, with the exception of Germany and the Netherlands, remains thin, and the political environment and competition are proving to be very challenging in Eastern Europe, the UK and selected markets outside of Europe, e.g. in the Americas, are being kept under observation – even if this involves significant costs in bid processing. Besides all of these limiting factors, there is good news to be reported from this business field: In June 2016, it was possible to refinance the PPP models N17/N18 in Ireland and A8 in Germany at optimised conditions.

Owing to the oil price, infrastructure projects have been scarce and competition has increased considerably in the core markets of the Middle East and parts of Africa. As a result, STRABAG is also internationalising its **specialty fields** – this business is registering largely positive development: Pipe jacking is expected to benefit from the growing demand for urban infrastructure especially in the metropolitan areas of South-East Asia. In Singapore, for example, STRABAG has been working on the expansion of the sewer network using this technique. The field of test track construction, thanks to a good market position, also permits the company to issue a positive outlook for 2016. The liquefied natural gas business, however, will be abandoned over the course of the financial year due to the continuing difficult market conditions.

The **construction materials business** exhibits differing trends from country to country. In Hungary, opportunities are in sight with relation to a number of large tenders that are currently in the pipeline. In Austria and the Czech Republic, on the other hand, the market environment is difficult.

With the beginning of 2016, the group merged its services in the field of **intelligent infrastructure solutions** in the subsidiary STRABAG Infrastructure & Safety Solutions GmbH. The order backlog can be described as extremely satisfactory and the entity is working to capacity.

Others

€ mln.	Q3/2016	Q3/2015	Δ %	Δ absolute	9M/2016	9M/2015	Δ %	Δ absolute
Output volume	31.22	30.71	2	0.51	92.09	98.37	-6	-6.28
Revenue	6.02	6.71	-10	-0.69	19.14	19.29	-1	-0.15
Order backlog					4.88	9.17	-47	-4.29
EBIT	0.30	0.19	58	0.11	0.47	0.21	124	0.26
EBIT margin (% of revenue)	5.0	2.8			2.5	1.1		
EBT	-7.29	-14.47	50	7.18	-12.83	-13.76	7	0.93
Employees					5,800	5,761	1	39

Reconciliation of the internal reporting to IFRS financial statements is allocated as follows:

€ mln.	1.1.–30.9.2016	1.1.–30.9.2015
EBT segments	**147.86**	**118.06**
Net income from investments	-11.39	-13.38
Non-operating profit	27.81	0.00
Other consolidations	-1.68	-2.85
EBT IFRS financial statements	**162.60**	**101.84**

CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH, AS AT 30 SEPTEMBER 2016

Consolidated income statement for 1.1.–30.9.2016

T€	1.7.–30.9.2016	1.7.–30.9.2015	1.1.–30.9.2016	1.1.–30.9.2015
Revenue	3,626,308	3,735,253	8,938,457	9,480,722
Changes in inventories	32,754	-8,315	47,348	-26,684
Own work capitalised	542	977	3,423	2,968
Other operating income	32,431	52,975	133,036	145,196
Construction materials, consumables and services used	-2,429,374	-2,479,718	-5,881,496	-6,331,971
Employee benefits expenses	-847,301	-846,749	-2,387,938	-2,367,724
Other operating expenses	-175,261	-208,344	-505,291	-570,717
Share of profit or loss of equity-accounted investments	42,190	23,153	74,327	46,331
Net income from investments	11,347	10,731	28,530	25,666
EBITDA	**293,636**	**279,963**	**450,396**	**403,787**
Depreciation and amortisation expense	-96,957	-95,737	-274,493	-287,985
EBIT	**196,679**	**184,226**	**175,903**	**115,802**
Interest and similar income	10,770	14,987	44,427	60,152
Interest expense and similar charges	-18,363	-29,644	-57,735	-74,116
Net interest income	**-7,593**	**-14,657**	**-13,308**	**-13,964**
EBT	**189,086**	**169,569**	**162,595**	**101,838**
Income tax expense	-51,218	-44,561	-57,697	-38,298
Net income	**137,868**	**125,008**	**104,898**	**63,540**
Attributable to: non-controlling interests	8,521	11,159	555	5,197
Attributable to: equity holders of the parent company	129,347	113,849	104,343	58,343
Earnings per share (€)	**1.26**	**1.11**	**1.02**	**0.57**

Statement of total comprehensive income for 1.1.–30.9.2016

T€	1.7.–30.9.2016	1.7.–30.9.2015	1.1.–30.9.2016	1.1.–30.9.2015
Net income	**137,868**	**125,008**	**104,898**	**63,540**
Differences arising from currency translation	12,995	-18,685	5,204	13,188
Recycling of differences arising from currency translation	0	0	0	-3,578
Change in hedging reserves including interest rate swaps	-5,665	-10,170	-20,040	-4,964
Recycling of hedging reserves including interest rate swaps	5,326	5,811	16,513	18,843
Deferred taxes on neutral change in equity	59	892	786	-2,844
Other income from equity-accounted investments	1,973	433	689	318
Total of items which are later recognised (“recycled”) in the income statement	**14,688**	**-21,719**	**3,152**	**20,963**
Change in actuarial gains or losses	0	0	-50,172	0
Deferred taxes on neutral change in equity	1	0	14,419	0
Other income from equity-accounted investments	4	57	133	57
Total of items which are not later recognised (“recycled”) in the income statement	**5**	**57**	**-35,620**	**57**
Other income	**14,693**	**-21,662**	**-32,468**	**21,020**
Total comprehensive income	**152,561**	**103,346**	**72,430**	**84,560**
Attributable to: non-controlling interests	8,932	9,420	-854	4,297
Attributable to: equity holders of the parent company	143,629	93,926	73,284	80,263

Consolidated balance sheet as at 30 September 2016

T€	30.9.2016	31.12.2015
Intangible assets	505,764	510,801
Property, plant and equipment	1,966,560	1,881,520
Investment property	12,179	13,817
Equity-accounted investments	362,138	373,419
Other financial assets	196,962	201,905
Receivables from concession arrangements	680,370	710,248
Trade receivables	80,502	75,089
Income tax receivables	5,031	3,572
Other financial assets	234,159	221,773
Deferred taxes	301,231	291,928
Non-current assets	**4,344,896**	**4,284,072**
Inventories	869,582	801,701
Receivables from concession arrangements	30,575	28,829
Trade receivables	2,908,502	2,317,882
Non-financial assets	79,099	67,579
Income tax receivables	115,866	52,115
Other financial assets	398,356	374,360
Cash and cash equivalents	1,501,884	2,732,330
Assets held for sale	0	70,000
Current assets	**5,903,864**	**6,444,796**
Assets	**10,248,760**	**10,728,868**
Share capital	110,000	114,000
Capital reserves	2,232,224	2,311,384
Retained earnings and other reserves	654,768	613,647
Non-controlling interests	73,075	281,604
Total equity	**3,070,067**	**3,320,635**
Provisions	1,113,990	1,093,379
Financial liabilities[1]	1,249,517	1,293,753
Trade payables	92,479	78,370
Non-financial liabilities	900	900
Other financial liabilities	62,784	16,780
Deferred taxes	37,794	36,064
Non-current liabilities	**2,557,464**	**2,519,246**
Provisions	757,851	774,051
Financial liabilities[2]	189,194	285,994
Trade payables	2,864,712	2,915,939
Non-financial liabilities	364,482	383,753
Income tax liabilities	98,228	187,611
Other financial liabilities	346,762	341,639
Current liabilities	**4,621,229**	**4,888,987**
Equity and liabilities	**10,248,760**	**10,728,868**

1) Thereof T€ 414,219 concerning non-recourse liabilities from concession arrangements (31 December 2015: T€ 439,377)
2) Thereof T€ 49,709 concerning non-recourse liabilities from concession arrangements (31 December 2015: T€ 50,153)

Consolidated cash flow statement for 1.1.–30.9.2016

T€	1.1.–30.9.2016	1.1.–30.9.2015
Net income	104,898	63,540
Deferred taxes	3,040	-19,623
Non-cash effective results from consolidation	-4	-13,997
Non-cash effective results from equity-accounted investments	34,894	10,589
Depreciations/write ups	274,777	298,313
Change in long-term provisions	-27,908	8,501
Gains/losses on disposal of non-current assets	-39,840	-36,597
Cash flow from earnings	*349,857*	*310,726*
Change in inventories	-64,731	-47,955
Change in trade receivables, construction contracts and consortia	-571,875	-747,024
Change in receivables from subsidiaries and receivables from participation companies	-41,188	-11,837
Change in other assets	-74,354	-23,998
Change in trade payables, construction contracts and consortia	-37,675	452,912
Change in liabilities from subsidiaries and liabilities from participation companies	3,795	2,145
Change in other liabilities	-114,959	-57,323
Change in current provisions	-18,809	14,104
Cash flow from operating activities	**-569,939**	**-108,250**
Purchase of financial assets	-31,586	-13,039
Purchase of property, plant, equipment and intangible assets	-285,983	-242,039
Gains/losses on disposal of non-current assets	39,840	36,597
Disposals of non-current assets (carrying value)	96,543	37,321
Change in other financing receivables	11,146	-974
Change in scope of consolidation	-72,799	3,096
Cash flow from investing activities	**-242,839**	**-179,038**
Issue of bank borrowings	40,558	71,342
Repayment of bank borrowings	-176,990	-201,804
Issue of bonds	0	200,000
Repayment of bonds	0	-100,000
Repayment of payables relating to finance lease	-4,943	-610
Change in other financing liabilities	-2,105	5,331
Change in non-controlling interests due to transactions	-208,907	-221
Distribution of dividends	-69,983	-57,205
Cash flow from financing activities	**-422,370**	**-83,167**
Net change in cash and cash equivalents	**-1,235,148**	**-370,455**
Cash and cash equivalents at the beginning of the period	2,726,646	1,906,038
Change in cash and cash equivalents due to currency translation	4,703	6,575
Change in restricted cash and cash equivalents	1,825	11,364
Cash and cash equivalents at the end of the period	**1,498,026**	**1,553,522**

Statement of changes in equity for 1.1.–30.9.2016

T€	Share capital	Capital reserves	Retained earnings	Hedging reserves	Foreign currency reserves	Group equity	Non-controlling interests	Total equity
Balance as at 1.1.2016	**114,000**	**2,311,384**	**777,329**	**-97,465**	**-66,217**	**3,039,031**	**281,604**	**3,320,635**
Net income	0	0	104,343	0	0	104,343	555	104,898
Differences arising from currency translation	0	0	0	0	5,431	5,431	-227	5,204
Change in hedging reserves	0	0	0	-70	0	-70	0	-70
Changes in equity-accounted investments	0	0	130	-85	758	803	19	822
Change of actuarial gains and losses	0	0	-48,519	0	0	-48,519	-1,653	-50,172
Neutral change of interest rate swaps	0	0	0	-3,421	0	-3,421	-36	-3,457
Deferred taxes on neutral change in equity	0	0	13,938	779	0	14,717	488	15,205
Total comprehensive income	**0**	**0**	**69,892**	**-2,797**	**6,189**	**73,284**	**-854**	**72,430**
Transactions concerning non-controlling interests	0	0	-45,807	0	-1,831	-47,638	-204,359	-251,997
Own shares[1]	-4,000	-79,160	83,160	0	0	0	0	0
Changes in equity-accounted investments	0	0	-995	0	0	-995	-23	-1,018
Distribution of dividends[2]	0	0	-66,690	0	0	-66,690	-3,293	-69,983
Balance as at 30.9.2016	**110,000**	**2,232,224**	**816,889**	**-100,262**	**-61,859**	**2,996,992**	**73,075**	**3,070,067**

Statement of changes in equity for 1.1.–30.9.2015

T€	Share capital	Capital reserves	Retained earnings	Hedging reserves	Foreign currency reserves	Group equity	Non-controlling interests	Total equity
Balance as at 1.1.2015	**114,000**	**2,311,384**	**659,165**	**-112,259**	**-87,578**	**2,884,712**	**259,588**	**3,144,300**
Net income	0	0	58,343	0	0	58,343	5,197	63,540
Differences arising from currency translation	0	0	0	0	10,714	10,714	-1,104	9,610
Change in hedging reserves	0	0	0	158	0	158	4	162
Changes in equity-accounted investments	0	0	56	-736	1,047	367	8	375
Neutral change of interest rate swaps	0	0	0	13,479	0	13,479	238	13,717
Deferred taxes on neutral change in equity	0	0	0	-2,798	0	-2,798	-46	-2,844
Total comprehensive income	**0**	**0**	**58,399**	**10,103**	**11,761**	**80,263**	**4,297**	**84,560**
Transactions concerning non-controlling interests	0	0	24	0	0	24	-245	-221
Distribution of dividends[3]	0	0	-51,300	0	0	-51,300	-5,905	-57,205
Balance as at 30.9.2015	**114,000**	**2,311,384**	**666,288**	**-102,156**	**-75,817**	**2,913,699**	**257,735**	**3,171,434**

1) Withdrawal of own shares per resolution by the 12th Annual General Meeting on 10 June 2016 and approval by the Supervisory Board of STRABAG SE on 15 July 2016.
2) The total dividend payment of T€ 66,690 corresponds per share of € 0.65 based on 102,600,000 shares.
3) The total dividend payment of T€ 51,300 corresponds per share of € 0.50 based on 102,600,000 shares.

For further questions, please contact our Investor Relations department:

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This Interim Report is also available in German. In case of discrepancy the German version prevails.