Annual Report 2015

NEW WORLDS

powered by PORR

CONTENTS

New technologies have just as much of an impact as economic or political developments on fundamentally changing the world we live in. The degree to which we accept, contribute to and even initiate these changes will determine how we manage the future, overcome risks and exploit opportunities.

We are setting off into new worlds and grabbing our future with both hands.

KEY DATA

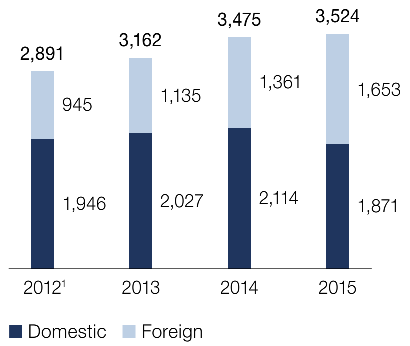
in EUR m	2015	Change	2014	2013	2012[1]
Operating data					
Production output	3,524	1.4%	3,475	3,162	2,891
Foreign share	46.9%	7.8PP	39.2%	35.9%	32.7%
Revenue	3,140	4.3%	3,009	2,630	2,315
Order backlog	4,579	12.8%	4,058	4,398	3,373
Order bookings	4,045	29.0%	3,135	4,377	3,500
Average staffing levels	13,878	8.1%	12,834	11,920	11,770
Income statement					
EBITDA	165.9	6.1%	156.4	146.6	103.8
EBIT	87.8	7.4%	81.7	80.9	53.8
EBT	81.1	22.7%	66.1	59.6	22.0
Profit/loss	61.0	25.7%	48.6	52.5	18.0
Earnings per share[2]	2.02	25.5%	1.61	1.94	0.54
Dividends per share[2]	1.50[3]	100.0%	0.75	0.50	0.16
Statement of financial position					
Total assets	2,304	7.4%	2,146	2,296	2,061
Equity (incl. non-controlling interests)	412.1	7.0%	385.2	347.7	322.6
Equity ratio	17.9%	-0.1PP	18.0%	15.1%	15.7%
Cash and cash equivalents	647	39.0%	466	333	110
Net cash/net debt	187	187.7%	65	-357	-587
Gearing ratio	-0.46	-	-0.17	1.03	1.82
Capital employed	172	-35.1%	265	645	802
Cash flow and investments					
Operating cash flow	145	-3.4%	151	122	72
Cash flow from operating activities	193	25.9%	154	182	111
Cash flow from investing activities	-21	-	91	37	-108
Cash flow from financing activities	9	-	-112	5	-44
Investments	171	-23.7%	224	74	137
Depreciation/amortisation/impairment	78	4.0%	75	66	61

Key data regarding shares	2015	2014	2013	2012	2011
Number of shares	29,095,000	14,547,500	11,902,500	2,045,927	2,045,927
Market capitalisation at year-end in EUR m	813.2	648.4	297.2	152.4	245.5

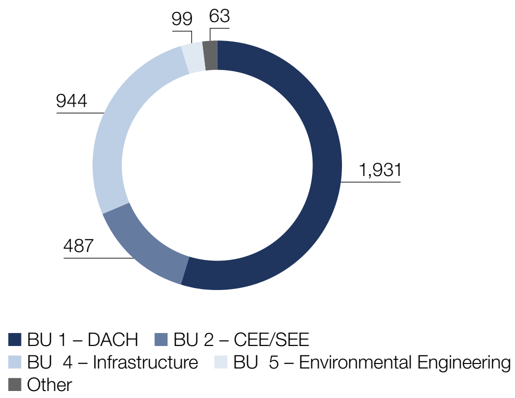
[1] Comparative figures for PORR prior to 2013 incl. development
[2] Adjusted to number of shares in 2015 to facilitate comparisons
[3] Proposal to AGM: dividend of EUR 1.00 plus an additional special dividend of EUR 0.50 due to the successful conclusion of the spin-off of the real estate business. Shareholders can choose to receive this in the form of PORR shares (scrip dividend).

The figures have been rounded off using the compensated summation method. Absolute changes are calculated from the rounded values, relative changes (in percent) are derived from the non-rounded values.

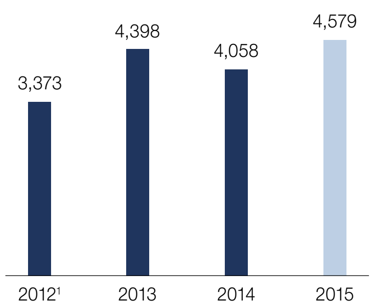
Production output, domestic and foreign
in EUR m



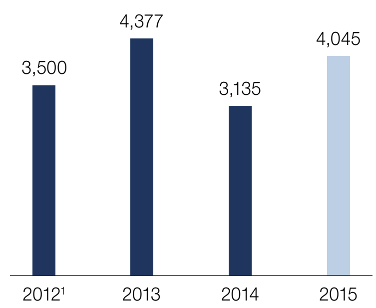
Production output by Business Unit 2015
in EUR m



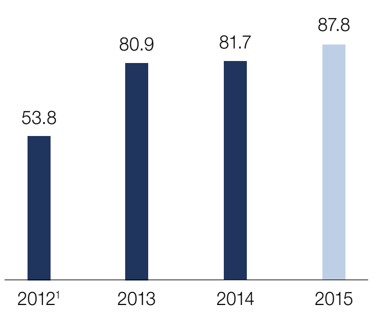
Order backlog
in EUR m



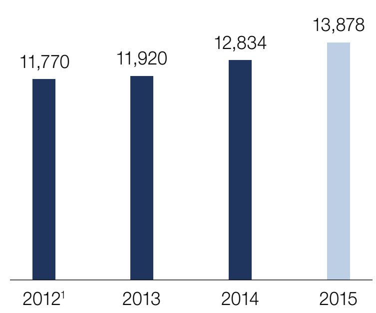
Order bookings
in EUR m



EBIT
in EUR m



Average staffing levels



[1] Comparative figures for PORR prior to 2013 incl. development


Christian B. Maier, CFO
Karl-Heinz Strauss, CEO

"CONTINUING TO BUILD THE GOOD AND SOLID PORR PATH"

Against a challenging economic backdrop and despite increasingly fierce competition, PORR has driven up output and achieved an order backlog which has once again broken all records. The PORR Executive Board talks about why the consistent pursuit of its stated strategy and the courage to embrace change are the key factors behind this success.

In 2015 the construction industry underwent a slight recovery across Europe – however growth rates are still lagging behind. Nevertheless, PORR has reported a renewed increase in profits.

Strauss: In 2011 we recognised that – metaphorically speaking – PORR is an excellent orchestra, but one which is playing in too many concert halls. Here we have achieved optimisation and increased efficiency. Difficult and challenging times are behind us, a period we have learnt from. PORR has implemented a new structure, the share price has quadrupled since its lowest levels and our bonds all trade

J. Johannes Wenkenbach, COO

well above their nominal values. We will continue with this successful course in the coming years. Our new Group structure will also make a positive contribution.

How has PORR managed this?

Strauss: I believe that while economic developments are important, they are not the be-all and end-all. PORR achieved the turnaround in 2012 because everyone in the Group set new goals – and we have pursued these goals together with the maximum determination.

Maier: We have become more efficient in every area: we have discarded old organisational forms, dismantled hierarchies, sold non-operational property assets, modernised the organisation and finally split off into a construction company and a real estate development company. In addition to this, we have created resources through the introduction of SAP and we are increasingly digitalising the construction sites.

You implemented a new structure at the start of 2016. Are you adapting the company to meet the changes in the construction industry?

Strauss: PORR's dynamic growth in the home and project markets has meant that we have enjoyed great success on the markets, but our previous organisational form is not up to the job if we want to continue to build our solid "PORR path". The organisational model we have in place today consists of permanent business on the one hand and project business and large-scale projects on the other hand, whereby each of these requires an individual organisational form, management structure and its own market access. That's why – after careful consideration, detailed analysis and comprehensive internal discussions – we have decided on a new Group organisation. The home and project markets will continue to exist, but there will be a special focus on the different needs of permanent versus project business.

Wenkenbach: What's more, we have been reducing our activities in the CEE/SEE countries step-by-step in recent years. With the exception of our home markets of Poland and the Czech Republic, our focus on these markets is on export products in the infrastructure sector. We have decided that the risk-reward profile in this region is no longer sufficient for our high demands. This development is also reflected in the new structure: there is no longer a business unit dedicated to CEE/SEE, instead we have established a business unit for Germany, which does justice to the increased commitment of PORR in the German market.

Have you achieved your overall growth targets?

Strauss: Yes, definitively. In addition to our excellent market position in Austria, we have managed to sharply expand our foothold in Germany – our second most important market. In the past quarters PORR has established itself as a reliable partner to

We will continue with our successful course in the coming years. Here our new Group structure will make a positive contribution.

German industry. This fact is also now reflected in the new company structure.

Wenkenbach: In Germany we are pursuing a clear growth strategy and want to climb higher up the list of the top ten construction companies in the coming years. At present PORR is realising a large number of building construction projects in addition to major infrastructure projects such as Stuttgart 21 and the Emscher Sewer. Industrial construction will remain a major focal point in the coming years. However, the sharpest growth this year was seen in German building construction. In this sector alone we acquired tenders worth almost EUR 400m in 2015.

Have you also managed to consolidate the Polish market with the takeover of Bilfinger Infrastructure?

Strauss: With this acquisition – we have already renamed the unit PORR Polska Infrastructure – PORR is now undisputed as having the greatest expertise on the Polish civil engineering market in many areas of civil engineering, particularly bridge construction. We will also be drawing on this expertise outside of Poland. In the Polish home market itself we will be able to benefit from the increased demand and EU financing for infrastructure projects in the coming years.

Wenkenbach: With the subsidiary in Norway which we acquired at the same time, we have also added a new, highly attractive market to the portfolio. Here PORR will concentrate on its core competencies in bridge and road construction and tunnelling. This acquisition is also going to plan: under PORR's management, a total of four bridge projects are being or have been expertly realised.

Austria is still PORR's most important market. Are the other countries catching up?

Strauss: In 2015 PORR generated an output increase of 1.4% to EUR 3,524m – around 86.2% of this was on the home markets of Austria, Germany, Switzerland, Poland and the Czech Republic. Here, Austria remained the largest market by a significant margin and more than half of total production output was generated here. We have always underlined our focus on Austria and this will remain the case in future.

And what impact has this growth had on earnings?

Maier: The solid growth in output and improvement in costs has had a pleasing impact on earnings. With earnings before tax of EUR 81.1m, we have succeeded in growing EBT by 22.7% against the previous year. We have also achieved a significant increase in the net-cash position compared to 2014.

Despite the intense pressure on margins, you have achieved a significant increase in earnings for the fourth time in a row. Which factors were behind this growth in 2015?

Maier: This came from a range of different measures that we have initiated in recent years and are now having a positive impact today. Naturally these include the optimisation and efficiency increases of the **fit**for**future** programme, but also the elimination of tied-up capital through the spin-off of the real estate business. We have achieved a lot in terms of costs, but of course this is still a focal point in light of the intense pressure on margins on the market.

Given the company's strong performance, are you still sticking to your strategy of intelligent growth, or have you introduced changes here?

Strauss: The home markets will continue to provide the stable foundation of our successful business activities, complemented by specific activities on the international project markets. PORR is benefiting from the strategy of intelligent growth and it will therefore remain unchanged. We will also reap significant profits from the integration of the Polish civil engineering unit acquired from Bilfinger, while Norway additionally offers strong potential. This is exactly what we mean by intelligent growth.

PORR is building the track system for the entire metro network in Doha for more than EUR 150m. Was this your most successful acquisition this year?

Strauss: We are delighted by the tender in Qatar and it is an impressive testament to our expertise. PORR is the system supplier of the PORR-patented Slab Track system; these are elastically supported track base plates which are being installed on the entire metro network in Doha. However, this wasn't the only important new tender in Qatar. With the Al Wakrah stadium project we are once again involved in one of PORR's core competencies – stadium construction.

Wenkenbach: PORR's Slab Track system is ideally suited to the specific features of the region and is also easy to maintain. The technology is also perfect for long-distance and rail-freight projects worldwide. There are lots of attractive infrastructure markets in which we can succeed with our trailblazing patent.

You also managed to acquire attractive tenders in Austrian civil engineering?

Wenkenbach: Highly demanding civil engineering has long been one of PORR's core competencies. This why we are very pleased about the tender to expand the A5 motorway lot 3 – currently the largest infrastructure project of ASFINAG, Austria's state-owned Autobahn agency. What's more, we also won the bid for the resurfacing and avalanche-protection measures on the A10 Tauernautobahn and renewing the Stadlau/Hirschstetten Tunnel on the A23 – Vienna's busiest road.

What role is TEERAG-ASDAG playing here?

Strauss: Every single one of our projects involves different Group units working together successfully. This also leads to an efficient exchange of experience internally – allowing us to utilise synergies in a more sustainable manner. Here TEERAG-ASDAG plays an important role: in particular, its technical capabilities and experience in road construction are a decisive advantage when bidding for tenders. TEERAG-ASDAG is an integral component of our Group; you can't even separate us with a piece of paper anymore. The intended merger will also visibly do justice to the way we have grown together.

The project pipeline looks like it's well filled.

Maier: Overall our order book is up by 12.8% against last year. Order bookings have risen even more rapidly, the total of EUR 4,045m marks a rise of almost 30% year-on-year. What's more this was not the result of one-off impacts from individual large-scale projects. The growth was equally split across all business units.

What were the largest orders in the reporting period?

Strauss: I am happy that PORR has been entrusted with impressive building construction projects in addition to the infrastructure projects we

We are pursuing a clear growth strategy in Germany and want to climb further up the Top Ten in the coming years.

already mentioned. These include the Europaallee project – three office buildings for the Swiss Federal Railways at Zurich Central Station, which will be home to the European headquarters of a renowned internet giant among others – as well as the Bavaria Towers project in Munich and a large-scale project in German industrial construction for Haribo. In Vienna, Monte Laa lots 3 and 5 will be realised in the coming months. In infrastructure construction PORR acquired the Swiss Tunnel project Albula II in summer and works on the Ceneri Base Tunnel. The most important new projects in Poland were the Prokocim hospital in Krakow and the Marriott Okecie Hotel in Warsaw.

You spun off the real estate business in 2014/2015. Since then PORR has been positioned as a pure-play construction company? What advantages has this brought?

Maier: By spinning off the non-operational properties and the subsequent elimination of tied-up capital, we have completely eliminated net financial liabilities. Overall this has allowed us to achieve significant improvements to our balance-sheet and earnings figures. We have now implemented the next logical step with our new corporate structure. PORR will be able to exploit market and project opportunities even more efficiently in the future.

We are recognising the successful spin-off of the real estate business by paying out a special dividend of EUR 0.50.

Strauss: UBM is also profiting substantially from economies of scale. Its merger with PIAG – the company in which PORR's real estate activities were bundled – has turned it into a key property developer which has risen to Europe's premier league.

Will PORR build more with UBM in the future?

Strauss: Of course UBM puts its projects out to tender in the usual professional way. If PORR only builds one in two of its projects, that's no problem at all. The important thing is the best offer.

PORR has now become one of the top picks for many investors. What is your strategy for the capital market?

Maier: We succeeded in joining the prime market of the Vienna Stock Exchange last year – lots of jigsaw pieces came together to make this whole. This year we have further intensified our dialogue with the financial community, conducted lots of one-on-ones and held our first Capital Markets Day for institutional investors in Stuttgart.

This year you will pay out a dividend of EUR 1.00 and a special dividend of EUR 0.50?

Maier: 2015 was a highly successful year for us. This is why we will make a proposal to the AGM to increase the dividend to EUR 1.00. Furthermore, as a result of the successful conclusion of the spin-off of the real estate business, we will propose to the AGM a special one-off dividend in the form of a scrip dividend of EUR 0.50. Shareholders can choose whether to receive this as a cash dividend or a dividend in kind in the form of PORR shares.

Now for something more personal: you have chosen a course which comes with a lot of changes. Do you ever get the feeling that things won't work out?

I am convinced that we will continue along our successful path.

Strauss: I can answer this question with a definitive “No”. What binds us together as a management team is the fact that we are not afraid of change. On the contrary, we see change as a major opportunity. A lot of chances only come along once in a lifetime. This means grabbing opportunity with both hands – that’s what we did with the takeover of UBM and now with the new corporate structure.

Your employees are the ones who implement these changes. How do you promote motivation and cooperation in dynamic times?

Strauss: The good performance of the past years was not a given. It is thanks to the hard work of our staff, as the prevailing construction industry backdrop is anything but simple. We have proven that we can achieve our goals.

Maier: It goes without saying that positive results are an important motivating factor for our staff. What’s more, a key goal is making PORR a “best place to work” in every area. The reorganisation of our branch offices means that we have come one step closer to this goal.

Wenkenbach: Our strategy of relying on team work, so that we achieve more together, is paying off. We embody this to a great degree as an Executive Board. Our employees appreciate this cooperative environment which prizes individual responsibility and motivation.

Let’s end by taking a look in the future: what direction is the construction industry going in? Are there any significant trends?

Strauss: Europe is in a state of transition. Today we are confronted by challenges which were unforeseeable just a year ago. As the leading industry in Europe, the construction industry naturally has to take these developments into account. The influx of migrants will lead to higher demand for housing, for example. I think we may see greater building construction activity in the coming years; this could mean that some of the funding for civil engineering is reallocated.

And what can we expect from PORR in 2016?

Strauss: It’s very simple: another profitable year. I am convinced that we will continue along our successful path.

HIGHLIGHTS 2015

Takeover of Bilfinger Infrastructure in Poland and Norway

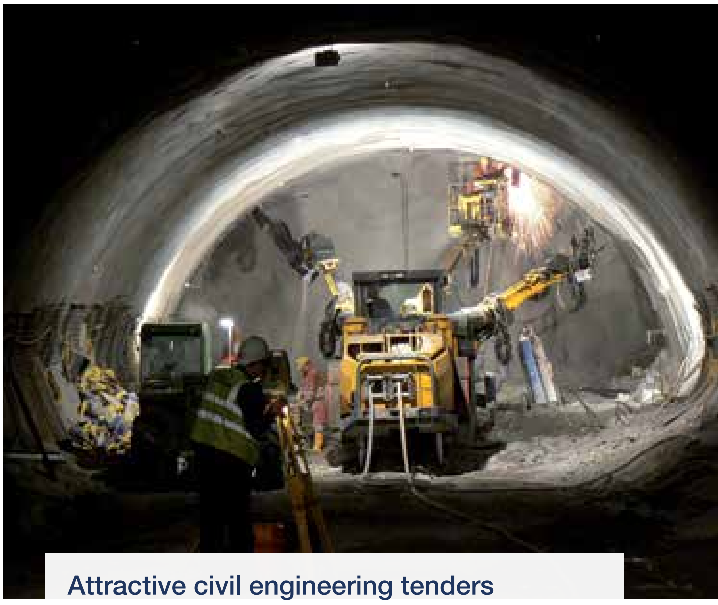
PORR acquired the Polish Bilfinger Infrastructure S.A. for a price of EUR 21.5m and thereby made Polish civil engineering into a permanent business sector. The acquisition of the Bilfinger branch office in Norway added another highly attractive market to the portfolio – here PORR will concentrate on its core competencies in bridge and road construction and in tunnelling.

Further diversification of the financing portfolio

The first Schuldscheindarlehen was successfully placed with a total value of EUR 185.5m. The issue was not only conducted in Europe, but also with large parts in Asia. The strong interest allowed all four tranches to be fixed at the lower end of the interest rate range.

Share split approved

The AGM passed a resolution in June 2014 to implement a new share split at a ratio of 1:2, contributing to easier trading and subsequently a further increase in liquidity.



Attractive civil engineering tenders in Austria

The extension of the A5 motorway marks the largest infrastructure project at present of ASFINAG, Austria's state-owned Autobahn agency. The TEERAG-ASDAG Salzburg office has also been hired to realise refurbishment measures and avalanche protection on the A10 Tauernautobahn in the area of Pongau–Reitdamm. As part of the general overhaul of the A23 – Vienna's busiest road – the company will also be refurbishing the Stadlau/Hirschstetten Tunnel.

Slab Track Austria – major new tender in Qatar

In the course of the rail-construction offensive in Qatar, PORR was charged with the track construction for three underground railway lines. The tender includes producing, delivering and laying the track base plates. This is the first time that the Slab Track Austria system – developed by PORR together with the Austrian Federal Railways (ÖBB) will be used in Qatar.

PORR is building the ETHOS office and business complex in Warsaw

The ETHOS office and business complex will be built on Warsaw's Royal Route by September 2016 – commissioned by Kulczyk Silverstein Properties (KSP). In this prime, central location PORR Polska will erect a seven-storey building with lettable space exceeding 17,000m² in its role as general contractor.

Swiss Federal Railways continue to rely on PORR

After acquiring the tenders to erect an office and commercial building and another bicycle station and passageway in Europaallee in Zurich, PORR SUISSE managed to win another major order in January 2016. PORR is now realising a total of three out of eight construction lots on the prestigious premises of the Swiss Federal Railways.

"Expertise and passion" at the first PORR Congress

PORR achieved an important milestone in teambuilding and staff motivation with the successful PORR Congress: around 1,700 employees from every site came together in Vienna in February to work together on setting PORR's future path. The sweeping success of the event means that another congress will be held in 2017.

Prestigious award for top apprentice training

PORR's dedication to apprentice training was reflected in the "TOP training organisation" award in the reporting period. This renowned mark of quality is awarded to companies who train youngsters in various professions to the highest standards and thereby take on important responsibility with regard to education and social policy.


NEW
OPPORT

Entry to prime segment of Vienna Stock Exchange

PORR pursues a clear capital market strategy which is being implemented step-by-step. Following comprehensive capital market measures and those to improve liquidity, along with an intensification of investor relations activities, the PORR shares have moved to the prime market, the most liquid stock segment. A clearly defined and communicated dividend policy and strong core shareholders form the foundation for further successful growth on the stock markets.

BUSINESS MODEL AND MARKETS

Success through intelligent growth

PORR is a leading construction company in Austria and one of the best-established in Europe. With its strategy of concentrating on the stable, secure-margin home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, today PORR is positioned as a profitable company with strong growth potential. As a full service provider, the company offers comprehensive services covering the entire value chain in construction. Experience and expertise in every aspect of the construction industry have given PORR a decisive advantage which it will use to optimally exploit all available potential on the market. PORR provides optimal solutions for clients by identifying strongly with its projects and this enables outstanding service provision and the ongoing expansion of expertise. Speed and flexibility in a volatile environment form the pillars of this strategy.

The company's success is based on clear responsibilities, streamlined, flexible structures and transparent management. More than 13,800 staff members drive the Group's success, whereby teamwork is a critical factor. The constructive cooperation between every division enables PORR to provide services of superlative quality. PORR is also striving for a strong position among the top companies on the other home markets. Targeted growth and sustainable developments in earnings and value form the basis for the Group's economic success.

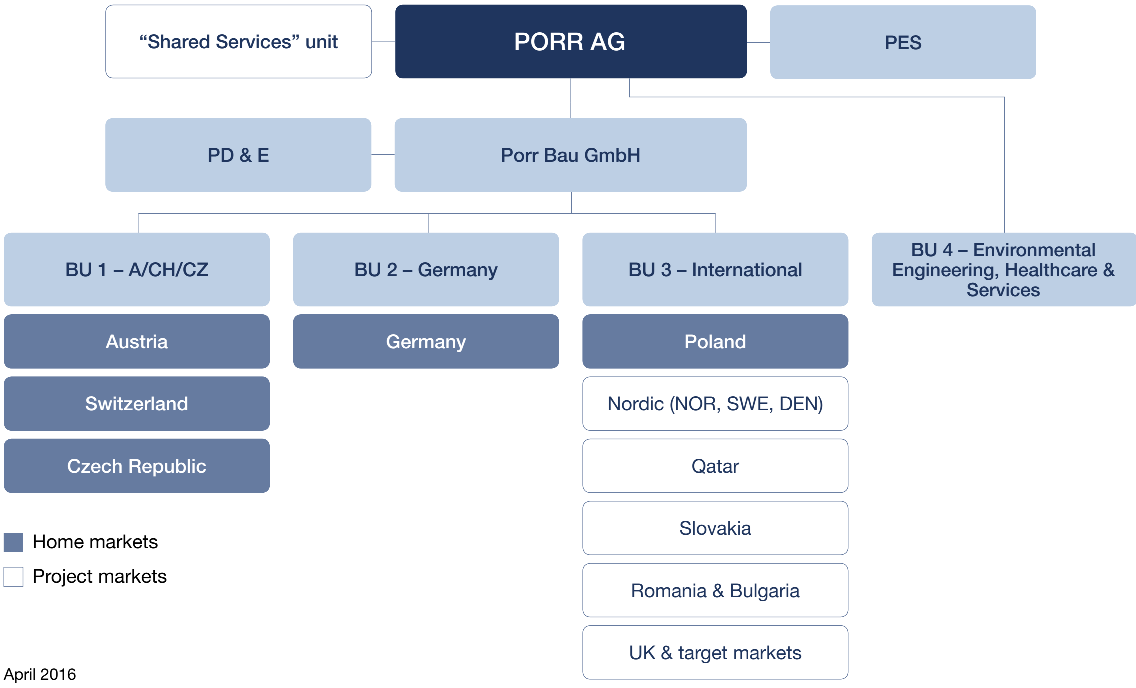
In order to do justice to PORR's dynamic growth on the home and project markets, the company has revamped the corporate structure; this was implemented in March 2016. This will enable future growth opportunities to be realised even more effectively and efficiently.

2015 in figures

Production output	+1.4%	EUR 3,524 m
Order backlog	+12.8%	EUR 4,579 m
Order bookings	+29.0 %	EUR 4,045 m
Staff	+8.1%	13,878

Strategic highlights 2011–2015: from turnaround to operational excellence

Organigram



April 2016

New, efficient organisational structure

At the head of the Group is a strategic holding with a few divisions, under which the operational company Porr Bau GmbH is positioned.

The construction business today is divided into permanent business and project business, as each of the business models requires an individual organisational form and its own market access. The PORR business will continue to be subdivided into home markets and project markets. In recent years PORR has significantly reduced its commitment to the CEE/SEE region, with the exception of the home markets of Poland and the Czech Republic, and only works on specific, large-scale infrastructure projects. As a result, the activities in the region will be managed by the project unit BU 3 – International. The increased commitment and excellent market opportunities in Germany have led to the establishment of its own dedicated business unit.

Powerful Business Units

Business Unit 1 – Austria/Switzerland/Czech Republic: building construction, civil engineering, structural engineering, foundation engineering, large-scale building construction projects and the raw materials business in these markets and various equity interests (incl. IAT, BOMA and ÖBA).

Business Unit 2 – Germany: project business in building construction and civil engineering as well as foundation and structural engineering.

Business Unit 3 – International: Poland, the Nordic region, Qatar, Slovakia, Romania, Bulgaria, UK and other future target countries; expertise in tunnelling, railway construction (including slab track system and Austrian rail construction) and bridge construction.

Business Unit 4 – Environmental Engineering, Healthcare & Services: the activities of PORR Umwelttechnik and its equity interests: Prajo, TKDZ and PWW, hospitals, PORREAL and STRAUSS Property Management, Thorn, ALU SOMMER, PPP projects and real estate.

Focus on the home markets – strong commitment on selected project markets

The home markets of Austria, Germany, Switzerland, Poland and the Czech Republic offer secure margins and form the foundation for PORR's intelligent growth. They were responsible for around 86% of total production output in 2015. Since the corporate structure was reorganised, permanent business is now only conducted on the markets of Austria, Switzerland and the Czech Republic. PORR's business on every other market is exclusively project-based. The company is also committed to selected project markets – the focus of the international business is on Qatar.

CORPORATE STRATEGY

PORR is committed to a sustainable, long-term rise in production output and earnings through intelligent growth, whereby earnings always take priority over output.

Focus on construction

The PORR Group remains committed to its core competency – construction. The Group embraces its role as a construction company and thereby strives to realise as many construction services as possible with in-house expertise. PORR has addressed the different needs of permanent versus project business through its organisational structure – this is divided into business units with the appropriate focal points. Austria, the Czech Republic and parts of Switzerland have been identified as permanent markets, while PORR pursues a project-driven approach on all other markets. Subsequently, the real estate development activities of PORR were spun off from the Group in 2014 and bundled into a dedicated, listed company following the UBM takeover.

The focus on "Concessions" underlines PORR's priority on cooperation with the public and private sector for the mutual benefit of all parties.

PORR markets

PORR distinguishes between home markets, project markets and target markets.

Home markets: the PORR Group intends to secure its leading market position in Austria and to grow in niche areas, while pursuing a clear growth strategy in Germany. A selective expansion policy is planned for Switzerland, Poland and the Czech Republic, where PORR generally offers its full portfolio – the goal in the Czech Republic in particular is to provide complete coverage.

Project-based and international markets: PORR operates selectively in the CEE/SEE region, Norway and Qatar through its export products – primarily in tunnelling, rail construction and civil engineering (specialised and large-scale projects). Moreover, PORR is realising projects for longstanding industrial clients on a follow-your-customer principle. Internationally, PORR is pursuing further expansion in the infrastructure sector.

The UK and Sweden in particular are the current **target markets** – with a clear focus on technical competencies with attractive margins.

Country strategy

PORR generated 86.2% of production output on its home markets in 2015.

Capitalising on the leading market position in Austria

In the future PORR intends to capitalise on its leading market position in Austria for notable projects in infrastructure, building construction and civil engineering. The company draws on its competitive advantages in the fiercely competitive Austrian market; one advantage here is the company's high level of self-sufficiency with regard to raw materials. PORR is exceptionally well-positioned in numerous niches such as environmental engineering and these strengths should be sustainably consolidated in the future.

Expanding activities in Germany

Germany is defined as PORR's most important foreign market. Here the company offers its full construction portfolio and intends to expand its activities accordingly. The expansion will be based on exploiting competitive advantages and benefiting from the withdrawal of competitors. Here PORR will concentrate on every area in which it holds a clear competitive advantage. PORR has already established a strong presence in Germany for complex infrastructure and civil engineering projects. There are plans for a future focus on building construction activities involving medium-volume projects. PORR will build on its position as a reliable partner to German industry, known for its trustworthiness and adherence to deadlines and budgets.

Strengthening PORR's role on the other home markets

A selective expansion of activities is planned in Switzerland and Poland, where PORR offers its entire portfolio. The goal is to use and expand regional strengths such as bridge building in Poland, for example. The Scandinavian market should also be developed using the existing knowhow from Poland. PORR has identified the Czech Republic as a potential permanent market and will continue to expand its regional presence in the country.

Selected projects in Eastern and South Eastern Europe

PORR has scaled down its presence on all of the markets in Eastern and South Eastern Europe which are not among its home markets. In future these markets should be developed using a project-driven, niche-product strategy: PORR will not offer its entire portfolio, instead only realising selected projects – primarily those in the infrastructure segment. Suitable projects will be selected on the basis of anticipated margins, risk management aspects and secure financing from clients. Projects will be chosen in particular if they offer co-financing by the European Union or other international and multinational organisations.

Commitment to the Qatar infrastructure sector and expanding to Scandinavia and the UK

Following market entry in Qatar in 2012, PORR has established itself in the country and is realising a range of high-volume projects in tunnelling, railway construction (Slab Track system), civil engineering and special construction (stadium). The company realises projects together with local partners, as these partnerships give PORR the opportunity to combine its skills and technical expertise with local partners' specific market knowledge, capabilities and labour. PORR is pursuing the same approach in Northern Europe and the UK, where market developments are currently under very close observation.

Strict discipline regarding costs, capital and risks

PORR is committed to continuously improving performance in order to secure profitable growth and increase profitability. The basis for this involves the risk-based approach to new tender processes – "profit over output"; active management of its cost base; comprehensive risk management extending from project calculation to realisation, with the goal of minimising the number and impact of loss-making construction projects; disciplined capital expenditure; a clear division of responsibilities within optimised, flexible structures; cutting-edge information management systems and the implementation of transparent leadership throughout the Group.

PORR will continue its **fit**for**future** programme to reduce costs and drive optimisation, particularly as regards cutting red tape and focusing on performance management. Since its introduction in 2012, **fit**for**future** has applied to all business units, regional units and the headquarters. The programme involves reducing operating expenses, optimising expenditure on investments, increasing utilisation of construction machinery, optimising the organisational structure and processes, as well as implementing a comprehensive system to manage operational risks.

Focus on innovation

In order to be one of the best, a key factor is developing existing technology and initiating new research projects. Employees who are encouraged to launch and realise new projects are the true innovation drivers. PORR pursues an integrated approach to research, whereby every unit has access to centrally managed research resources such as laboratories.

CORPORATE SOCIAL RESPONSIBILITY

Acting sustainably and thinking about society and future generations is a central success factor for PORR. Its commitment to CSR is exceptionally diverse and is based on the three pillars of Economy, Ecology and Society. Particular attention is paid to incorporating sustainability aspects throughout the entire value chain – from planning, financing and commissioning through to the construction and completion of projects.

Adding value forms the foundation of every economic activity within the PORR Group. Here the company engages in ongoing dialogue with all stakeholders and always has a focus on a long-term increase in company value. Sustainable business activities which are fit for the future are secured by the structural, organisational and substantive incorporation of Corporate Social Responsibility throughout the company.

PORR is committed to ongoing Human Resources development and therefore strives to promote diversity by nurturing the potential of every single staff member. The term recognising value covers all measures and initiatives which serve to improve the performance and skills of staff through a wide range of training and development measures. The health and safety of every staff member is a crucial issue for PORR. One key task is therefore providing a safe working environment. The occupational health and safety management system controls all of the Group's processes.

A responsible approach to environmental resources with the goal of sustainably preserving value forms the third key pillar in the sustainability strategy. One particular challenge in this area is establishing high environmental and welfare standards throughout the supply chain. The environmental management system regulates the approach to environmental risks and threats.

PORR gives detailed information on sustainability measures and targets in its "Sustainable Value Report", which is published regularly. Detailed information can be found in the "2014 Sustainable Value Report", which is available for download at www.porr-group.com/csr. The next Sustainable Value Report will be published in 2016.

Sustainability focus in 2015

Focus on occupational health and safety

The new organisation of the occupational health and safety division came into effect on 1 January 2015. The specialist knowhow of the safety experts from the individual business units has been bundled and brought together into a Group-wide "occupational health and safety team", which is supported by coordinators in the individual countries. The Group's stated aim – reducing the frequency of accidents by 10% against the previous year – should thereby be ideally supported in organisational terms. The long-term corporate goal is to achieve "Zero accidents".

Evaluating the mental health of staff in Austria

From October 2015 PORR carried out staff surveys in order to evaluate the mental health of its staff. 2,800 staff members from every department were interviewed in the course of the online survey. The questionnaire explored a range of topics from organisational work factors to vocational health support through to issues around the new working world of PORR. The findings were broadly positive, with vocational health support as the only area in which staff expressed a desire for additional measures.

Implementing energy-efficiency guidelines

PORR Design & Engineering, Sustainability Group, implements the requirements of the European energy efficiency guidelines within the Group. The guidelines specify a reduction in primary energy consumption of 20% by 2020 – this is one of the five primary focal points of the strategy "Europe 2020 for intelligent, sustainable and inclusive growth". In Austria this is realised through the Federal Energy Efficiency Act, in Germany by the Law on Energy Services and other Energy Efficiency Measures.

As a first step at PORR all of the sources of energy consumption such as buildings and the fleet, as well as process energy such as asphalt plants, will be identified. By 2020 PORR must reduce the specified total primary energy consumption by at least 1.5% a year. The goal is not to use less overall energy, but rather to use the requisite energy more efficiently, whereby this will also result in cost benefits in the short and medium term. At the end of 2015 data collection was completed and the audit reports were submitted in line with the guidelines. Further potential for efficiency will be identified in 2016 and the implementation of energy-efficiency measures can begin from mid-2016. In addition to the ongoing modernisation of the fleet and construction machinery, measures related to buildings such as LED lighting or lower energy consumption through shared printers, introducing video-conferencing spaces and less travel, these also include in particular the gradual switchover towards renewable energy sources for heating and production, modernising old production plants and installing frequency converters to control motorised drives etc.

PORR building certification

Project	Location	Completion	Certificate
PREMIUM PLAZA	Karlsbad	2015	LEED Platinum
LIDL logistics centre Austria	Wundschuh	2015	DGNB Platinum
Arena Boulevard	Berlin	2015	DGNB Gold/LEED aiming for Platinum
Holiday Inn Berlin City East Side	Berlin	2015	DGNB Gold
Twin Yards	Munich	2015	DGNB Gold/LEED aiming for Gold
Quartier Belvedere Central lot 3	Vienna	2015	Preliminary cert. DGNB Platinum
Quartier Belvedere Central lot 4	Vienna	2015	Preliminary cert. DGNB Platinum
Holiday Inn Gateway Gardens	Frankfurt	2015	Preliminary cert. DGNB Gold
Hotel and Office Campus	Berlin	2015	DGNB Silver/LEED Gold
Styria Tower	Graz	2015	LEED Platinum

PORR ON THE STOCK EXCHANGE

Investment highlights

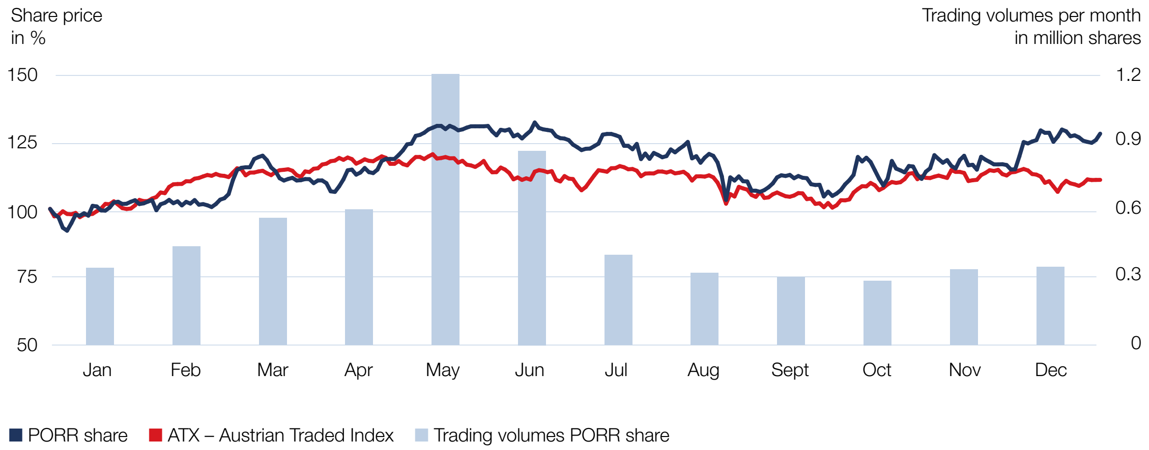
Top performance of the PORR share in 2015: **growth of 25.4%**	Dividends **EUR 1.00 + EUR 0.50** special dividend[1]	Greater appeal for small **shareholders through 1:2 share split**
Strategic approach driving the value of shares: **sustainable increase in corporate value**	Positive impact on value from repositioning as **pure player and intelligent growth**	Average trading volumes **up by 54.6%**

High volatility on the international financial markets

2015 was a year marked by geopolitical and economic crises which was reflected in the strong turbulence, high fluctuations and short-term price slumps on the capital markets. While the first quarter started out with price gains – caused by the extension of the ECB bond-buying programme, good corporate data and a falling oil price – the positive growth could not be maintained on most international stock markets in the course of the second quarter. A key cause for concern was the growing uncertainty about Greece's inability to pay and its future in the eurozone.

Following a slight recovery in share prices in July, weak economic data from China and the sharp corrections on the Chinese stock market had a renewed negative effect on investor confidence. Moreover, the expectation of a possible change in interest rates in the USA combined with rising inflation in the eurozone led to increased volatility in both Europe and the USA. In light of the weak economy in China and the resultant uncertainty with regard to global growth, the Fed resisted increasing interest rates, which nevertheless confirmed economic concerns and triggered renewed price losses. There was a renewed surge in prices in the course of the fourth quarter prompted by the stabilising of economic data, the further devaluation of

Share price and trading volumes of PORR share 2015 (index)



[1] Proposal to AGM

the euro and the expectation of looser fiscal policy. This upward trend was interrupted in December – the global stock markets were hit by a significant loss in value, with the eurozone markets in particular recording slumps. Disappointment about the fiscal policies of the ECB, falling commodities prices and the continued decline in the price of crude oil resulted in a new price correction at the end of the year instead of a year-end rally.

All in all, the volatile macroeconomic environment led the Dow Jones Industrial (DJI) to close the year 2015 with a modest performance. The US index achieved a level of 17,425 and was thereby 2.2% down on year-end 2014. The S&P 500 Index remained practically unchanged at -0.7%, while the technology-focused NASDAQ Composite Index rose by 5.7%. Despite the turbulence around China, the Japanese Nikkei 225 index recovered by 9.1% in the course of 2015.

Moderate growth in the eurozone – decline on emerging markets

Parallel to the global price performance, the eurozone's growth was also modest. The European stock index EURO STOXX 50 lost part of its price gains at year-end and closed up by 3.8%. Following its year-high in April, the German stock index (DAX) closed at 10,743 points after strong fluctuations and thus grew by 9.6%. This contrasted with weak economic data from emerging markets and capital outflows, which led to a decrease in the MSCI Emerging Markets Index of 17.2%. Down by 12.4%, the Eastern European CECE index also decreased and stood at its lowest level since 2009.

ATX outperforms other indices

Good corporate data, the expansive fiscal policy of the ECB and the greater export opportunities caused by the depreciation of the euro led to an increase in the Austrian Traded Index (ATX) in the first half of 2015. Following a low at the start of January of 2,122 points, it had recovered by May and reached the year-high of 2,681 points. The mood darkened again in the third quarter parallel to the global markets, whereby the ATX had to accept price losses. Positive factors such as the ECB's announcement of a looser European monetary policy led to an upswing, causing the ATX to close 2015 with growth of 11.0% against year-end 2014.

PORR share bucks global trends

The PORR share succeeded in performing well in a difficult environment in 2015. While the phases of uncertainty on the financial markets were reflected in the price performance – the PORR share slipped back in the third quarter in particular, viewed over the course of the whole year, the share rose by an impressive 25.4% against the end of 2014. It thereby significantly outperformed both the Austrian and European stock markets. This positive development impressively underlines the high trust shown by investors in the company's strategic approach. The PORR market capitalisation at 31 December 2015 stood at EUR 813.2m against EUR 648.3m at year-end 2014. The average trading volume also underwent an increase of 54.6% to 32,916 shares.

Sustainable performance through clear strategic focus

The focused strategy and the consistent reduction of risks were the most important factors driving the PORR share. Furthermore, the spin-off of the development sector which closed at the end of 2014 and the related strategic repositioning as a pure player in the construction industry at the start of 2015 had an additional positive impact on value.

PORR shares – stock market indicators

	Unit	2015	2014[1]
Price at 31 December	EUR	27.95	22.29
Year high	EUR	30.33	28.50
Year low	EUR	20.43	12.70
Earnings per share	EUR	2.02	1.61
Cash flow per share	EUR	6.65	5.28
Dividends per share	EUR	1.50[2]	0.75
Dividend yield, cash dividend	%	3.58	3.37
Dividend yield, cash and special dividend	%	5.37	3.37
Payout ratio on cash dividends[3]	%	49.38	49.08
Book value per share	EUR	14.16	13.24
Market value/book value		1.97	1.68
Market cap at 31 December	EUR m.	813.20	648.40
P/E ratio at 31 December		13.83	14.86
Number of shares in issue at 31 December	No.	29,095,000	14,547,500[4]

[1] Adjusted to no. of shares in 2015 for better comparability
[2] Proposal to AGM: dividend of EUR 1.00 and additional special dividend of EUR 0.50 due to the successful spin-off of the real estate business. Option to take special dividend in the form of PORR shares (scrip dividend).
[3] Based on no. of shares at year-end less treasury shares
[4] Unadjusted figure

In order to enhance the trading liquidity and appeal of the PORR shares, particularly for smaller investors, PORR carried out a 1:2 share split in June 2015. Following a resolution by the 135th Annual General Meeting on 3 June 2015 and the subsequent entry into the Commercial Register, the number of PORR shares doubled – without any change to the amount of share capital – from 14,547,500 to 29,095,000 shares. The share split was recognised at the start of trading on the Vienna Stock Exchange on 26 June 2015.

Dividend increase to EUR 1.00 + special dividend of EUR 0.50

The Executive Board and the Supervisory Board will propose to the AGM a dividend of EUR 1.00 and an additional special dividend of EUR 0.50 due to the successful conclusion of the spin-off of the real estate business, thereby enabling shareholders to participate in the positive performance of the business in 2015. In addition, the Executive Board and the Supervisory Board propose the payout of the special dividend in cash or in the form of PORR shares (scrip dividend).

Purchase of treasury shares in 2015

A resolution was passed at the PORR AG extraordinary general meeting of 11 July 2013 authorising the Executive Board to acquire treasury shares over a 30-month period from the date of the resolution, in line with Section 65 Paragraph 1 Line 8 Stock Corporation Act, up to the legally permitted amount of 10% of share capital including treasury shares already purchased. The equivalent amount to be paid in the buyback may not be less than EUR 2.00 or higher than a maximum of 10% over the average, unweighted share price at closing on the stock exchange on the ten stock exchange days preceding the buyback. The purchase can be conducted on the stock exchange or through a public offering or in another legally permitted way, particularly over-the-counter, especially also from individual shareholders who are willing to sell (negotiated purchase).

Following the successful purchase of 286,432 shares in January, at 31 December 2015 the company directly and indirectly held a total of 595,412 treasury shares or 2.05% of the share capital. In accordance with Section 95 Paragraph 5 of the Stock Exchange Act, the company does not have any rights, particularly voting rights, from the treasury shares.

PORR bonds as at 31 December 2015	ISIN	Ticker	Nominal	Coupon	Coupon date	Redemption
PORR bond 2012	AT0000A0XJ15	ABS4	EUR 50m	6.25%	4.12.	4.12.2016
PORR bond 2013	DE000A1HSNV2	ABS6	EUR 50m	6.25%	26.11.	26.11.2018
PORR bond 2014	AT0000A19Y28	ABS8	EUR 56.262m	3.875%	28.10.	28.10.2019
PORR hybrid bond 2014	AT0000A19Y36	ABS9	EUR 25,0m	6.75%	28.10.	28.10.2021[1]

[1] Perpetual, step up as at 28 October 2021

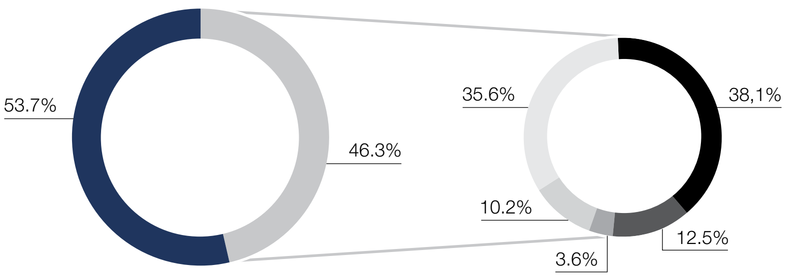
Successful refinancing

For the first time to date, PORR placed a Schuldscheindarlehen totalling EUR 185.5m, thereby diversifying its financing portfolio. The issue consisted of four tranches with a maturity term of three and five years, with the option of fixed or variable interest rates. The issue was not only conducted in Europe, but also with large parts in Asia. Despite the volatility of the market, there was very strong investor interest in the PORR Schuldscheindarlehen and this led to a significant increase in the volume from the original EUR 100.0m to EUR 185.5m. This allowed all four Schuldscheindarlehen tranches to be fixed at the lower end of the interest rate range. The high demand from investors confirmed the positioning as a solid investment. PORR thereby succeeded in securing greater financial flexibility at exceptionally attractive interest-rate conditions, which will be able to support the Group's future growth.

Broad international shareholder structure

An analysis of the shareholder structure gives an indication of the international distribution of the share capital. The largest percentage of shares in issue – almost 54% – was held by the syndicate consisting of the Ortner Group and the Strauss Group. An analysis conducted at the start of 2016 showed that the other shares have a broad international dispersion. The majority are held by institutional investors – with the number held by investors in Austria (38.1%), UK (12.5%) and USA (3.1%) rising, while those held in Germany (3.6%) fell. Broken down by type of investor, the majority of free-float shareholders, around 12.1%, employed a growth strategy, around 11.1% a value strategy and around 7.3% a GARP (growth at reasonable price) strategy.

PORR AG shareholder structure in April 2016



Syndicate (Strauss Group, Ortner Group)
Free float[1]

[1] of which 6.6% PORR-Management, 2.1% PORR AG (treasury shares) and 5.8% Renaissance Construction AG

Austria (incl. retail totalling 0.18% of total number of shares)
United Kingdom
Germany
Central and Northern Europe (excl. DE)
Rest of the world

Analyst recommendations confirmed

In 2015 and at the beginning of 2016 PORR AG was included in the research coverage of HSBC and Hauck & Aufhäuser – a further milestone in the company's capital market strategy of continuously increasing the visibility and appeal of the shares. The company is thereby covered by nine brokers at present: HSBC, ERSTE Group, Berenberg Bank, Hauck & Aufhäuser, HELVEA Baader Bank, Raiffeisen Centrobank, Kepler Chevreux, SRC Research and Steubing AG. All analysts confirmed their buy recommendations for PORR shares in the year 2015.

Enhanced investor relations

The goal of investor relations is transparent, timely information, which should allow every stakeholder to make a true and faithful evaluation of the company. Together with the investor relations team, the management held numerous one-on-one talks with investors and analysts in Europe's largest financial centres throughout the year and took part in international investment conferences. In addition to these activities and in the interests of transparency, PORR gave regular and comprehensive reports on its business performance as part of the quarterly teleconferences for analysts, institutional investors and banks, as well as at the press conferences held twice a year.

Current analyst recommendations

Institution	Analyst	Price target (in EUR)	Recommendation	Date
Berenberg Bank	Olivia Peters	30.00	Buy	18.3.2016
HSBC	Tobias Loskamp	32.00	Buy	3.3.2016
Hauck & Aufhäuser	Nils-Peter Gehrmann	36.00	Buy	23.2.2016
Steubing AG	Jens Jung	37.00	Buy	3.12.2015
SRC Research	Stefan Scharff, Thilo Gorlt	34.00	Buy	1.12.2015
Raiffeisen Centrobank	Markus Remis	30.05	Buy	30.11.2015
HELVEA Baader Bank	Patrick Appenzeller	34.00	Buy	27.11.2015
Kepler Chevreux	Stephan Trubrich	33.00	Buy	10.11.2015
ERSTE Group	Daniel Lion	34.60	Buy	2.10.2015

Financial Calendar 2016

21.4.2016	Publication of the 2015 Annual Report
21.4.2016	Financial results press conference on the business year 2015
14.5.2016	Record date for participating in the 136th Annual General Meeting
24.5.2016	136th Annual General Meeting, 11.00 am EURO PLAZA, Am Euro Platz 2, Building G, 1120 Vienna
30.5.2016	Ex-dividend trading on the Vienna Stock Exchange
31.5.2016	Record Date dividends
31.5.2016	Publication of the interim report on the first quarter 2016
21.6.2016	Dividend payout day for the 2015 business year
30.8.2016	Publication of the interim report on the first half 2016
28.10.2016	Interest payment on PORR Corporate Bond 2014/1 (senior bond)
28.10.2016	Interest payment on PORR Corporate Bond 2014/2 (hybrid bond)
28.11.2016	Interest payment on PORR Corporate Bond 2013
29.11.2016	Publication of the interim report on the third quarter 2016
5.12.2016	Interest payment/redemption PORR Corporate Bond 2012

CORPORATE GOVERNANCE

PORR views Corporate Governance as a key concept for responsible and transparent company management and the comprehensive auditing that accompanies this. The Executive Board and Supervisory Board work closely together in the interests of the company and its staff and continuously approve the strategic direction of the PORR Group. Constant dialogue with all relevant interest groups builds trust, also in corporate activities, and provides the basis for sustainable corporate growth in the future.

In December 2014 the PORR Group made a joint formal declaration by the Executive Board and the Supervisory Board committing itself to observance of the Austrian Code of Corporate Governance.

This Corporate Governance report is published as part of the Annual Report and is available on the Group's website at www.porr-group.com.

The PORR shares were listed on the prime market, the premium segment of the Vienna Stock Exchange, on 22 December 2014. Prior to this, PORR was listed in the Standard Market Continuous segment and in the Standard Market Auction until 6 March 2014. With the move to the prime market, PORR contractually commits to uphold more stringent criteria for transparency, quality and publishing. A top priority for PORR AG is continuously advancing the standards of responsible and sustainable corporate management.

With reference to the deviations listed below in the Comply or Explain catalogue, PORR is committed to upholding the rules of the Austrian Code of Corporate Governance and sees this as a key precondition for responsible corporate management.

In accordance with Rule 62 of the Austrian Code of Corporate Governance, an external evaluation of adherence to the C Rules took place in 2015. BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was hired to conduct the assessment and confirmed PORR's adherence to the C Rules in 2015 in its report of 22 January 2016.

In accordance with Rule 36 of the Austrian Code of Corporate Governance, for the first time in 2015 the Supervisory Board conducted a self-evaluation in the form of a survey which primarily addressed the efficiency of the Supervisory Board, its organisation and its working practices. The findings were then evaluated and discussed in the Supervisory Board.

Comply or Explain catalogue

Rule 21: The provisions of the Compliance Decree are upheld by PORR, a listed company, and by the management of its direct subsidiaries. Owing to the high number of subsidiaries, as is common to the industry, the application cannot, however, be implemented across every subsidiary, as this would result in an unmanageable administrative burden across more than 100 fully consolidated companies. Therefore, after seeking comprehensive advice and incorporating all internal PORR staff units, the PORR Executive Board has decided to refrain from the implementation of the rule in every subsidiary.

Rules 27/30: A core issue for PORR is to ensure that Executive Board remuneration is objectively as measurable and transparent as possible. The Executive Board remuneration contains fixed and variable components which conform to the directives of Rule 27 to the greatest possible extent. The variable component is based on parameters including personal performance, personal dedication, PORR's economic situation and the respective sphere of responsibility, as well as non-financial parameters. The non-financial parameters primarily relate to implementing steps for the further development of PORR's sustainable profitability, which are, however, difficult to subject to objective measurement. The existing remuneration system has proven its value in practice. For these reasons, PORR does not see a need for new regulations.

Publishing every detail related to Executive Board remuneration, in particular the individual performance criteria of the variable component, will not be undertaken as, in PORR's opinion, this information will not be of any particular relevance to the capital markets for PORR shareholders and other parties.

Rule 45: This rule states that Supervisory Board members may not fulfil executive functions in companies which are competitors of the company. In 2015 this rule related to Supervisory Board member Nematollah Farrokhnia, who left the board with effect from 3 June 2015.

Rule 49: The conclusion of contracts with members of the Supervisory Board in which such members are committed to the performance of a service outside of their activities on the Supervisory Board for the company or a subsidiary for a remuneration not of minor value is subject to approval by the Supervisory Board in line with the law. The company will, however, refrain from publishing these details due to related operational and business confidentiality issues. In any case, the notes to the consolidated financial statements show PORR disclosures on related party transactions, which contain the remuneration for services of members of the Supervisory Board outside of their activities on the Supervisory Board.

The latest version of the "Austrian Code of Corporate Governance" as laid out by the Austrian Working Group for Corporate Governance is available to the public on the homepage of the Austrian Working Group for Corporate Governance at www.corporate-governance.at. The website also includes an English translation of the Code and the interpretations developed by the working group. Furthermore, the latest Corporate Governance Code is available on the PORR homepage at www.porr-group.com/CG-Kodex.

The Group Executive Board

The Executive Board consists of between two and six people appointed by the Supervisory Board. The Supervisory Board also has the right to appoint deputies to the Executive Board. The Executive Board currently consists of three members. The Supervisory Board can name a member of the Executive Board as Chairman and name one member as the Deputy Chairman.

The members of the Executive Board are appointed by the Supervisory Board for a maximum term of five years. The renewed appointment or an extension of this period (each for a maximum of five years) is permitted. The Supervisory Board can dismiss a member of the Executive Board before the end of his/her term in office if there is an important reason to do so, for example if there is a serious breach of duty or if the Annual General Meeting passes a vote of no confidence in the Executive Board Member.

The Executive Board must conduct its business in line with the specifications of the Austrian Stock Corporation Act, the statutes, other laws and the rules of procedure. The Executive Board must report regularly to the Supervisory Board on its activities. The Supervisory Board rules on the division of responsibilities in the Executive Board in line with maintaining the overall responsibility of the Executive Board as a whole. The Executive Board requires Supervisory Board approval in order to undertake any business dealings specified in the relevant version of Section 95 Paragraph 5 Stock Corporation Act. In as far as legally permitted by Section 95 Paragraph 5 Stock Corporation Act, the Supervisory Board lays down limits on amounts, up to which its approval is not required. Furthermore, the Supervisory Board is entitled to determine types of business which require its approval in addition to the legally stipulated (Section 95 Paragraph 5 Stock Corporation Act) cases. The Supervisory Board

Executive Board

Board member	Date of birth	Position	Member since	Appointed until
Karl-Heinz Strauss	27.11.1960	Chairman of the Executive Board, CEO	13.9.2010	31.12.2019
Christian B. Maier	9.1.1966	Executive Board Member, CFO	1.2.2012	31.1.2020
J. Johannes Wenkenbach	26.2.1957	Executive Board Member, COO	1.2.2012	31.1.2020

has issued appropriate rules of procedure for the Executive Board.

The Executive Board passes resolutions by simple majority of the votes cast. If an Executive Board Member has been appointed as Chairman of the Executive Board, he has a casting vote in the case of a tie.

The Executive Board Members must fulfill their responsibilities as their main employment and manage the company's business with the care of a proper and conscientious manager. They must manage the business in a way which satisfies the interests of the shareholders, the staff members and of the public. The Executive Board members may not take on any other employment without the approval of the Supervisory Board and may not take on an executive function in any companies which are not within the consolidated group.

The Group is represented by two Executive Board Members, or by one Executive Board Member with one authorised signatory. With legal restrictions, the Group can also be represented by two authorised signatories. Any Deputy Executive Board Members are considered equal to regular Executive Board Members with regard to rights of representation.

The table above shows the Executive Board Members, their date of birth, their position, the date of their first appointment as well as the probable end of their time in office. In 2015 the following people sat on the Executive Board:

Karl-Heinz Strauss, was born on 27 November 1960 in Klagenfurt, Austria. After graduating from the technical college of civil engineering, he completed international study programmes in Harvard, St. Gallen and Fontainebleau. He received his MBA from IMADEC. From 1980 to 1984 he worked as an independent entrepreneur in the civil engineering sector. In 1987 he started his career at Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB) in the corporate customers sector. From 1992 he worked in various positions as a Managing Director and member of the Supervisory Board in various RZB real estate companies and was head of Concorde Projektentwicklungsgesellschaft m.b.H., which he played a large role in founding and building up. In 1994 he was appointed to the Executive Board of Raiffeisen Wohnbaubank AG. In 2000 he took over the management of STRAUSS & PARTNER IMMOBILIEN GmbH.

Karl-Heinz Strauss has been Chairman of the Executive Board and CEO at PORR AG since 13 September 2010. On the Executive Board he is currently responsible for Risk Management/ Compliance, the Office of the Executive Board and Strategy, Business Unit 1 – A/CH/CZ, Business Unit 2 – Germany, Business Unit 4 – Environmental Engineering, Healthcare & Services, along with Internal Audit, Corporate Communications, Legal Affairs, Human Resources, Quality Management, PORR Design & Engineering and Corporate Development.

Christian B. Maier was born on 9 January 1966 in Judenburg, Austria. He graduated in mechanical engineering from HTBL Kapfenberg, a secondary industrial college, before going on to study geology and business administration in Vienna. His career led him to Creditanstalt and Bank Austria AG, where he was part of the team responsible for incorporating Creditanstalt into Bank Austria in 1997/1998. From 1998 to 2003 Christian B. Maier was an Executive Board Member and CFO of the listed company UnternehmensInvest AG. In 2003 he moved to Constantia Industries as Executive Board Member and CFO, where he played a key role in the company's success.

Christian B. Maier was appointed to the PORR Executive Board on 1 February 2012 and is the PORR CFO. On the Executive Board he is currently responsible for Risk Management/Compliance, Financial management of the operating units, Group Management, Accounting, Controlling/ICS, Financial Management/Treasury/Insurance, Tax, IT and Organisation.

Johannes Wenkenbach was born on 26 February 1957 in The Hague, Netherlands. He began his career at the Dutch construction company "Ballast Nedam Groep" after graduating from Delft University of Technology. During his career at various international construction companies, such as Strukton Groep NV and the Royal BAM Group subsidiary, Wayss & Freitag Ingenieurbau AG, he fulfilled various roles on Executive Boards and was able to extend his international expertise in the operating construction business. J. Johannes Wenkenbach has many years of experience in civil engineering, project planning, project management and in project financing. In terms of geography, his experience is focused on the Middle East, South East Asia and Germany.

J. Johannes Wenkenbach was appointed as a regular Executive Board Member and PORR COO on 1 February 2012. On the PORR Executive Board he is currently responsible for Risk Management/Compliance, Business Unit 2 – Germany and Business Unit 4 – International, as well as for Purchasing and PORR Equipment Services GmbH

The members of the Group's Executive Board each fulfil the following additional functions on Supervisory Boards or comparable positions in (non-consolidated) domestic and foreign companies:

Supervisory Board Mandates of Executive Board Members as at 31 December 2015

Executive Board Member	Company	Position
Karl-Heinz Strauss	DATAX HandelsgmbH	Supervisory Board Member
	KAPSCH-Group Beteiligungs GmbH	Supervisory Board Member
	Kapsch Aktiengesellschaft	Supervisory Board Member
	UBM Development AG[1]	Supervisory Board Chair
Christian B. Maier	Rath Aktiengesellschaft[1]	Supervisory Board Member
	Raiffeisenbank Aichfeld eGen	Supervisory Board Member
	UBM Development AG[1]	Supervisory Board Member

[1] Listed on the Stock Exchange.

The Group's Supervisory Board

The Supervisory Board is composed of at least three and not more than twelve Members appointed by the Annual General Meeting (AGM). In line with Section 110 Paragraph 1 of the Labour Constitutional Act, certain Members are also appointed by the Works Council. The Group's Supervisory Board currently consists of nine members appointed by the AGM and five further members appointed by the Works Council. As long as the AGM has not specified a shorter term when appointing one or all Members, the Supervisory Board Members are appointed until the end of the Annual General Meeting which rules on the approval of the Supervisory Board for the fourth business year after the initial election; the business year in which the Supervisory Board Member was appointed does not count towards this four-year term. The reappointment of a Supervisory Board Member – also an outgoing Member – is permitted.

The appointment of a Member of the Supervisory Board can be rescinded before the end of his/her time in office by AGM resolution. The resolution requires a simple majority of votes cast. Every

Member of the Supervisory Board can resign from his/her post following a 21-day notice period upon a written declaration to the Chairman of the Supervisory Board, without stating an important reason. The Chairman of the Supervisory Board, or his/her Deputy in the case of his/her resignation, can decide to shorten the notice period.

Should certain Members leave the Board before the end of their term in office, a vote to replace them is not required until the next AGM. However, a replacement vote is required at an extraordinary general meeting, to be held within six weeks, if the number of Supervisory Board Members falls below three. Members appointed as a replacement only serve for the remainder of the term which the previous member would have served, unless otherwise determined by the AGM at the time of the appointment.

A replacement Member can be appointed at the same time as the appointment of a Supervisory Board Member, in which case the replacement Member would take up his/her seat on the Supervisory Board effective immediately if the Supervisory Board Member steps down before the end of his/her time in office. If multiple replacement Members are appointed, the order in which they are to replace a Supervisory Board Member who steps down must be determined. A replacement Member can also be appointed as a replacement for multiple Supervisory Board Members, so that he/she takes a seat on the Supervisory Board if any one of these Members steps down prematurely. The term of office of a replacement Member who joins the Supervisory Board is terminated as soon as a successor to the former Supervisory Board Member has been appointed, or at the latest when the remainder of the former Supervisory Board Member's time in office comes to an end. Should the term of office of a replacement Member who joins the Supervisory Board be terminated because a successor to the former Supervisory Board Member has been appointed, the replacement Member still serves as a replacement for the additional Supervisory Board Members he/she has been chosen to represent.

In a meeting held once a year following the AGM, which does not require any special invitation, the Supervisory Board elects a Chairman and one or more Deputies from among its members. If two Deputies are appointed, then the order in which they are to take up the post shall be determined. The term in office runs until the end of the next AGM. If the Chairman or one of the elected Deputies withdraws from his/her post, the Supervisory Board must appoint a replacement for the rest of the term in office, whereby re-election is permitted.

Should no candidate win a simple majority vote, then a runoff election is held between the people who have received the most votes. Should the runoff election result in a tie, lots shall be drawn to decide the election. If the Chairman or one of the elected Deputies withdraws from his/her post, the Supervisory Board must immediately hold a new election to appoint a successor. The Chairman and the Deputies can resign their post at any time following a 14-day notice period upon a written declaration to the Supervisory Board; this does not require them to step down from the Supervisory Board at the same time.

Every Deputy Chairman has the same rights and responsibilities as the Chairman when he/she is standing in for him. This also applies to holding a casting vote in elections and passing resolutions. Should the Chairman and his deputies be prevented from realising their obligations, this obligation passes to the oldest Supervisory Board Member (in terms of age) for the duration of the incapacity. Declarations of intent by the Supervisory Board and its committees shall be submitted to the Chairman of the Supervisory Board, or to his Deputy should he be incapacitated.

In line with its legal responsibilities and those arising from the statutes, the Supervisory Board produces rules of procedure. Resolutions of the Supervisory Board on its rules of procedure require a simple majority of the Members appointed by the AGM in addition to the general requirements on resolutions.

The Supervisory Board can form committees made up of its members. Their responsibilities and powers as well as their general rules of procedure are specified by the Supervisory Board. The committees can also take on the authority to make decisions. The committees can be convened long-term or for individual tasks. The Employee Representatives on the Supervisory Board have the right to nominate Members with voting rights to the committees in the ratio specified by Section 110 Paragraph 1 of the Labour Constitutional Act. This does not apply to meetings and votes which relate to relationships between the company and the Executive Board members, except resolutions on the appointment or revocation of an Executive Board Member as well as resolutions granting options in company shares.

The Supervisory Board passes resolutions in its regular meetings. The Supervisory Board shall hold meetings as often as the interests of the company require, at least once per quarter. In 2015 the Supervisory Board held five regular Supervisory Board meetings. The Chairman determines the form of the meeting, the way in which resolutions may be passed outside of meetings and the method of counting votes. The Executive Board Members attend all meetings of the Supervisory Board and its committees, as long as the Chairman of the meeting does not determine otherwise.

A Supervisory Board Member can nominate another Member in writing to represent him/her at a meeting. A Member represented in this way shall not be included in the count determining if the meeting is quorate. The right to chair the meeting cannot be deputised. A Supervisory Board Member, who is unable to attend a meeting of the Supervisory Board or its committees, is entitled to submit his/her written vote on individual agenda items via another Member of the respective Board or committee.

The Supervisory Board is quorate when all Members of the Supervisory Board have been properly invited to attend and when at least three Supervisory Board Members, including one Chairman or Deputy, participates in the resolution. A topic of negotiation which is not on the agenda can only be ruled on by the Supervisory Board if all Supervisory Board Members are present or represented and no Member participating in the resolution objects.

Resolutions are passed by simple majority of votes cast. Abstentions are not counted as votes cast. In the case of a tie – also in elections – the Chairman has the casting vote. Every Deputy Chairman acting in the capacity of the Chairman's representative has a casting vote in resolutions and elections; this also applies to committee Chairmen.

The Chairman can also decide that the votes of individual Members not in attendance can be cast in written, oral or comparable form (especially fax, email) for resolutions of the Supervisory Board or its committees.

Resolutions can also be passed by votes cast in written form (fax, email), without the Supervisory Board coming together for a meeting in cases where the Chairman (or his Deputy if he is incapacitated) so rules; this is conditional on no Supervisory Board Member explicitly objecting to this procedure in written form (fax, email) within a period of three working days. Representation by another Supervisory Board Member is not permitted when votes are cast in written form. A resolution is considered binding when all Supervisory Board Members have been asked for their vote in written form (fax, email) and at least three Members, including the Chairman or Deputy, have submitted their votes within a period of seven working days.

Resolutions can also be passed by votes cast in the form of a teleconference, internet conference or video conference, without the Supervisory Board coming together in a meeting in cases where the Chairman (or his Deputy if he is incapacitated) so rules; this is conditional on no Supervisory Board Member explicitly objecting to this procedure in written form (fax, email) within a period of three working days. Representation by another Supervisory Board Member is not permitted. A resolution is considered binding when all Supervisory Board Members have been invited to the conference in written form (fax, email) and at least three Members, including the Chairman or Deputy, have submitted their votes at the conference.

Under the conditions defined in the statutes, meetings of the Supervisory Board can also be held using electronic communication, without the physical attendance of Supervisory Board Members at a meeting in a single venue. The Chairman can make use of the option to hold a video conference instead of a physical meeting of all members at one location, in particular when the urgency of convening a meeting, the frequency of meetings or the absence of Supervisory Board Members from the location suggest this would be in the interests of the company.

Composition of the Supervisory Board

The following table shows the current members of the Supervisory Board in 2015, their date of birth, their position, the date of their first appointment to the Supervisory Board as well as the probable end of their time in office:

Composition of the Supervisory Board

Name (current members in bold)	Date of birth	Function	Member since	Appointed until
Karl Pistotnik[5]	12.8.1944	Chairman of the Supervisory Board[2]	6.12.2012	AGM 2019[1]
Klaus Ortner	26.6.1944	Deputy Chairman[2]	30.7.1998	AGM 2019[1]
Michael Diederich[5,6]	28.8.1965	Member	22.5.2014	AGM 2019[1]
Robert Grüneis[5]	22.5.1968	Member	22.5.2014	AGM 2019
Walter Knirsch[5]	8.2.1945	Member	6.12.2012	AGM 2019
Iris Ortner	31.8.1974	Member	27.5.2010	AGM 2019
Bernhard Vanas[5]	10.7.1954	Member	6.12.2012	AGM 2019[1]
Susanne Weiss[5]	15.4.1961	Member	6.12.2012	AGM 2019[1]
Thomas Winischhofer	26.5.1970	Member	29.5.2008	AGM 2019[1]
Nematollah Farrokhnia[5]	8.8.1946	Member	27.5.2010	3.6.2015[7]
Peter Grandits	9.12.1959	Member	13.9.2001	n/a
Walter Huber	7.6.1955	Member	1.7.2010	n/a[3]
Walter Jenny	12.12.1954	Member	1.9.2005	n/a[4]
Michael Kaincz	31.1.1960	Member	9.6.2011	n/a
Michael Tomitz	4.1.1961	Member	9.6.2011	n/a

[1] The Supervisory Board members are appointed by the Annual General Meeting until the end of Annual General Meeting which will rule on the fiscal year 2018.
[2] Since 6 December 2012 Karl Pistotnik has been the Chairman of the Supervisory Board and Klaus Ortner has been the Deputy Chairman.
[3] Walter Huber was previously a member of the Supervisory Board from 13 September 2001 to 20 May 2009.
[4] Walter Jenny was not a member of the Supervisory Board from 6 November 2012 to 6 December 2012.
[5] Has declared him/herself independent in line with C Rule 53 of the Austrian Code of Corporate Governance.
[6] Has not participated in person in more than half of the meetings of the Supervisory Board in line with C Rule 58 of the Austrian Code of Corporate Governance
[7] Date of leaving the Board

The members of the Group's Supervisory Board each fulfil the following additional functions on Supervisory Boards or comparable positions in (non-consolidated) domestic and foreign companies:

Supervisory Board Mandates of Supervisory Board Members as at 31 December 2015

Name	Company	Function
Karl Pistotnik	SDN Beteiligungs GmbH	Chairman of the Supervisory Board
	Stumpf AG	Supervisory Board member
Klaus Ortner	ELIN GmbH	Chairman of the Supervisory Board
	UBM Development AG[1]	Supervisory Board Member
Robert Grüneis	Philips Austria GmbH	Supervisory Board member
	ENERGIECOMFORT Energie- und Gebäudemanagement GmbH	Chairman of the Supervisory Board
	WIENER NETZE GmbH	Chairman of the Supervisory Board
	WIEN ENERGIE GmbH	Chairman of the Supervisory Board
Walter Knirsch	Finanzmarktaufsicht (FMA)[2]	Supervisory Board member
Iris Ortner	TKT Engineering Sp. z o.o. (Poland)	Deputy Chair of the Supervisory Board
	ELIN GmbH	Deputy Chair of the Supervisory Board
	UBM Development AG[1]	Deputy Chair of the Supervisory Board
Bernhard Vanas	SDN Beteiligungs GmbH	Supervisory Board member
	UBM Development AG[1]	Supervisory Board member
Susanne Weiss	Wacker Chemie AG[1]	Supervisory Board member
	ROFA AG	Chair of the Supervisory Board
	Schattdecor AG	Supervisory Board member
	UBM Development AG[1]	Supervisory Board member
Thomas Winischhofer	TKT Engineering Sp. z o.o. (Poland)	Supervisory Board member

[1] listed on the stock exchange
[2] co-opted

Criteria for independence

C Rule 53 of the Austrian Code of Corporate Governance specifies that the majority of the members of the Supervisory Board elected by the Annual General Meeting or appointed by shareholders in line with the statutes shall be independent of the company and its Executive Board. A Supervisory Board member shall be considered independent if he/she does not have any business or personal relationship with the company or its Executive Board which constitutes a material conflict of interests and could therefore influence the behaviour of the member. The following criteria serve to define the independence of a Supervisory Board member:

- In the past five years the Supervisory Board member shall not have served on the Executive Board or as a management-level employee of the company or one of its subsidiaries.
- In the past year the Supervisory Board member shall not maintain or have maintained any business relations with the company or one of its subsidiaries to an extent which is significant for the member of the Supervisory Board. This shall also apply to relationships with companies

in which a member of the Supervisory Board has considerable economic interest, although this does not apply to exercising functions in bodies of the Group. The approval of individual transactions by the Supervisory Board pursuant to L Rule 48 does not automatically mean the person is classified as not independent.
- In the past three years the Supervisory Board member shall not have been an auditor of the company or been a shareholder or employee of the audit company which audited PORR AG.
- The Supervisory Board member shall not serve on the Executive Board of a different company in which an Executive Board member of the company serves on the Supervisory Board.
- The Supervisory Board member may not remain on the Supervisory Board for more than 15 years. This shall not apply to Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such a shareholder.
- The Supervisory Board member shall not be a close family member (direct offspring, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) of a member of the company's Executive Board, or of a person to whom any of the aforementioned items apply.

In accordance with these criteria, the Supervisory Board members Michael Diederich, Nematollah Farrokhnia, Robert Grüneis, Walter Knirsch, Karl Pistotnik, Bernhard Vanas and Susanne Weiss have declared themselves to be independent. The Supervisory Board members Iris Ortner, Klaus Ortner and Thomas Winischhofer have not submitted a declaration.

Supervisory Board committees

In the business year 2015 the following committees were formed by the Supervisory Board in order to support and deal efficiently with complex issues:

Audit committee

The audit committee was composed of the following Supervisory Board members in 2015:

- Karl Pistotnik (Chair)
- Klaus Ortner
- Michael Diederich
- Bernhard Vanas (financial expert as defined in Section 92 Paragraph 4a Stock Corporation Act)
- Thomas Winischhofer
- Peter Grandits
- Walter Huber
- Michael Tomitz

The responsibilities of the audit committee include (i) monitoring the financial reporting process; (ii) monitoring the effectiveness of the internal control system, the internal revision system and the Group's risk management system; (iii) monitoring the auditing of the individual and consolidated financial statements; (iv) assessing and monitoring the independence of the chartered auditors, in particular as regards any additional services they may have provided to the company; (v) assessing the annual financial statements and preparing for their approval, assessing the proposal for appropriation of profits, the management report and the Corporate Governance report as well as reporting on the audit findings to the Supervisory Board; (vi) assessing the consolidated financial statements and the Group management report as well as reporting back to the Supervisory Board of the parent on the audit findings; (vii) preparing the Supervisory Board's recommendation on the choice of auditor.

On 22 April 2015 a meeting of the audit committee was held in the presence of the auditors for the purpose of auditing and preparing the approval of the 2014 consolidated financial statements. At the same meeting, the Supervisory Board selected the auditor for the individual and consolidated financial statements as at 31 December 2015. In a meeting on 15 September 2015 the audit committee dealt with monitoring the financial reporting process, evaluating the effectiveness of the internal control system, the internal audit system and risk management within the Group. Another meeting of the audit committee was also held on 15 September 2015 in accordance with Rule 81a of the Austrian Code of Corporate Governance; this meeting determined how the mutual communication between the auditor and the audit committee shall be realised. This meeting also gave the audit committee and the (Group) auditor the chance to communicate without the presence of the Executive Board. In a meeting on 1 December 2015, the audit committee addressed the report of the (Group) auditor on the functioning of risk management in accordance with Rule 83 of the Austrian Code of Corporate Governance and the internal audit report, including discussions on the audit plan and the material findings, in accordance with Rule 18 of the Austrian Code of Corporate Governance.

Nomination committee

The nomination committee was composed of the following Supervisory Board members in 2015:

- Karl Pistotnik (Chair)
- Klaus Ortner
- Susanne Weiss

The nomination committee has the following responsibilities: (i) preparing Executive Board appointments including successor planning: before appointing Executive Board members, the nomination committee shall define the profile for the Executive Board member taking into account the corporate strategy and state of the company and prepare the decision by the full Supervisory Board on the basis of a specific appointment process and taking into account the successor planning; (ii) proposing possible candidates to the Supervisory Board: the nomination committee is involved with planning the allocation of Supervisory Board mandates. The nomination committee shall submit appointment proposals to the entire Supervisory Board, which shall be proposed on the basis of a resolution of the entire Supervisory Board to the General Meeting for their approval. When proposing appointments, attention must be paid to the qualifications and personal skills of the Supervisory Board members, as well as the balanced composition of the Supervisory Board in light of the structure and business area of PORR AG. Furthermore, the aspects of diversity in the Supervisory Board with regard to representation of gender, age and internationality shall be considered appropriately. Attention shall be paid to the fact that no-one shall be put forward as a member of the Supervisory Board who has been convicted of a crime which calls his/her professional reliability into question.

The nomination committee did not meet in 2015.

Remuneration committee

The remuneration committee consisted of the following members in 2015:

- Karl Pistotnik (Chair)
- Klaus Ortner (Remuneration expert)
- Susanne Weiss (Remuneration expert)

The remuneration committee has the following responsibilities: (i) handling matters related to remuneration of the Executive Board members and the content of the employment agreements with Executive Board members, particularly specifying the underlying principles of Executive Board member remuneration and determining the criteria for variable remuneration components in line with Rules 27, 27a and 28 of the Austrian Code of Corporate Governance; (ii) evaluating the remuneration policy for Executive Board members at regular intervals; (iii) approving additional duties of Executive Board members.

A meeting of the remuneration committee was held on 22 April 2015 which dealt with determining the 2014 annual bonus for the members of the Executive Board of PORR AG.

Positive action for women

Female managers at various levels of the organisation, division heads, female authorised signatories and two female members of the Supervisory Board have been active in the PORR Group for many years.

Positive action for women at every level of the hierarchy poses a particular challenge for the PORR Group. The fact that very few women choose a technical career has led to a traditionally low ratio of women in the construction industry. It is also seen as the main barrier to the future appointment of female managers in top positions. The primary goal is therefore to encourage girls and women to take up technical professions and those in the construction industry. Targeted employer branding measures such as participating in the "Vienna Daughters' Day" and "Apprentice Day", as well as the "PORR@HAK" road show, give an insight into apprenticeships, technical and commercial vocations and graduate positions, thereby making the male-dominated construction sector more attractive to women.

With regard to recruiting managers, PORR's focus is on finding appropriate female candidates. The first signs of this strategy's success can already be seen in the continuous increase in the percentage of women at management level. Another measure is the increased focus on female students at graduate jobs fairs in order to highlight the attractive opportunities in the construction industry. The increase in the share of women in operational units should lead to a reservoir of qualified women which can also supply the upper management levels in the medium term.
In addition to the employer branding activities to attract new female employees, it is essential to give existing female staff the chance to forge their careers within the PORR Group itself. To this end, measures to support the internal professional development of female employees are planned for 2016 under the "Work&Life@PORR" project.

Disclosure on Executive Board remuneration

Remuneration policy principles

The total remuneration of the Executive Board consists of a fixed salary, a variable bonus and other compensation.

The maximum value of the variable performance bonus for the Chairman of the Executive Board amounts to EUR 700,000.00 gross per year. The maximum value of the bonus for the Executive Board members Christian B. Maier and J. Johannes Wenkenbach amounts to EUR 500,000.00 gross per year. The precondition for granting this bonus for all members is fulfilling the quantitative and qualitative elements of a set of criteria which are determined by the Supervisory Board's remuneration committee.

Executive Board remuneration in 2015

in EUR	Salary	Variable gratuities	Pension fund
Karl-Heinz Strauss	750,000.00	700,000.00	-
Christian B. Maier	492,857.77	500,000.00	38,928.57
J. Johannes Wenkenbach	496,429.20	500,000.00	38,928.57

An annual contribution of EUR 40,000.00 is paid into a pension scheme for Executive Board members Christian B. Maier and J. Johannes Wenkenbach.

D&O liability insurance covers the members of the Executive Board, the cost of which is borne by the company.

Disclosure on Supervisory Board remuneration

In addition to reimbursement of expenses and an attendance fee for every meeting, all Supervisory Board Members receive an annual payment for their services. The amount of the attendance fee and the annual payment are determined by a resolution by the Annual General Meeting (AGM). The AGM can also rule on a total amount of remuneration for the Supervisory Board and leave the Chairman of the Supervisory Board to decide how it is distributed. If the Supervisory Board mandate begins or ends during a business year, the respective Supervisory Board Member is paid pro-rata compensation for the duration of his/her time on the Supervisory Board.

If Members of the Supervisory Board take on special activities in this function and in the interests of the company, extra compensation for this can be approved by AGM resolution.

In the interests of the company, Supervisory Board Members are covered by an appropriate level of D&O liability insurance, the costs of which are borne by the company.

The resolution of the AGM on 11 July 2013 determined the following remuneration for Members of the Supervisory Board: the resolution states that the Chairman of the Supervisory Board shall receive fixed remuneration of EUR 25,000 per year, the Deputy Chairman of the Supervisory Board shall receive fixed remuneration of EUR 20,000 per year and the other Members shall receive fixed remuneration of EUR 15,000 per year. The attendance fee for meetings was set at EUR 1,000 per meeting of the Supervisory Board or one of its committees. Members of the Supervisory Board who do not reside in Austria receive an additional reimbursement of tax at source settled by the company. The fixed remuneration is due in arrears once a year, within four weeks of the AGM. The attendance fee for meetings is due within the four weeks following the respective Supervisory Board meeting.

Furthermore, the Supervisory Board Members appointed by the AGM have no claim whatsoever to pension or redundancy payments or any similar compensation upon conclusion of their mandates.

Remuneration of Supervisory Board Members in 2015

in EUR	Fixed remuneration[1]	Attendance fee for meetings[2]
Michael Diederich	15,000.00	2,000.00
Nematollah Farrokhnia (until 3.6.2015)	6,328.76	2,000.00
Robert Grüneis	15,000.00	4,000.00
Walter Knirsch	15,000.00	5,000.00
Iris Ortner	15,000.00	5,000.00
Klaus Ortner	20,000.00	6,000.00
Karl Pistotnik	25,000.00	6,000.00
Bernhard Vanas	15,000.00	5,000.00
Susanne Weiss	15,000.00	6,000.00
Thomas Winischhofer	15,000.00	5,000.00

[1] Payout four weeks after the 2016 AGM
[2] The attendance fee for meetings is EUR 1,000 per session.

SUPERVISORY BOARD REPORT

The Supervisory Board considers PORR to have had another very successful business year in 2015. The strategy of intelligent growth on the home markets and the focus on the core competencies has been realised throughout the entire Group and confirmed by the growth in earnings. Alongside the improvement in earnings, the Supervisory Board sees the increase in the net-cash position and the changes in equity as particularly positive developments.

Following the spin-off of the real estate development activities into UBM, the Executive Board continued to expand its core competency of construction through an acquisition in the year under review. The takeover of Bilfinger Infrastructure – now PORR Polska Infrastructure – has not only sustainably strengthened Polish civil engineering, but also initiated the expansion in Norway, a market with a strong credit standing. This is complemented by expertise in bridge building which will be applied across the entire Group. Developments related to the stock exchange included the implementation of the share split with a ratio of 1:2 as approved by the AGM. The financing portfolio was also expanded with the issue of the first Schuldscheindarlehen totalling EUR 185.5m. The Supervisory Board has been kept constantly informed of the details related to the Bilfinger takeover, the share split and the issue of the Schuldscheindarlehen and thanks the Executive Board Members, J. Johannes Wenkenbach (COO) and Christian B. Maier (CFO), under the leadership of CEO Karl-Heinz Strauss, for their successful and productive cooperation. The Supervisory Board also confirms that the combination of the proven Executive Board team, the exceptional work of the staff and the highly promising order bookings leads to the expectation of continued positive growth in the 2016 business year.

The Supervisory Board has actively encouraged and supported the company's development in keeping with the responsibilities assigned to it. In line with Section 81 of the Stock Corporation Act, the Executive Board has kept the Supervisory Board constantly informed of full details of the development of the business and financial position of the Group and its shareholdings, of staff and planning matters and of investment and acquisition projects through spoken and written reports, and the latter has discussed strategy, business development and risk management with the Supervisory Board. In a total of five meetings, the Supervisory Board passed the relevant resolutions that were required.

The necessary approval for the transactions for which consent is required under Section 95 Paragraph 5 of the Stock Corporation Act and pursuant to the rules of procedure for the Executive Board was obtained; in urgent cases, written voting was used for authorisation of this nature. The average level of attendance at Supervisory Board meetings on the part of the members that had been elected by the AGM was 91.5%.

Supervisory Board committees

In 2015 the Supervisory Board formed the following committees made up of its members in order to support and deal efficiently with complex issues:

Audit committee

On 22 April 2015 a meeting of the audit committee was held in the presence of the auditors for the purpose of auditing and preparing the approval of the 2014 consolidated financial statements. At the same meeting, the Supervisory Board selected the auditor for the individual and consolidated financial statements as at 31 December 2015. In a meeting on 15 September 2015 the audit committee dealt with monitoring the financial reporting process, evaluating the effectiveness of the internal control system, the internal audit system and risk management within the Group. Another meeting of the audit committee was also held on 15 September 2015 in accordance with Rule 81a of the Austrian Code of Corporate Governance; this meeting determined how the mutual communication between the auditor and the audit committee shall be realised. This meeting also gave the audit committee and the (Group) auditor the chance to communicate without the presence of the Executive Board. In a meeting on 1 December 2015, the audit committee addressed the report of the (Group) auditor on the functioning of risk management in accordance with

Rule 83 of the Austrian Code of Corporate Governance and the internal audit report, including discussions on the audit plan and the material findings, in accordance with Rule 18 of the Austrian Code of Corporate Governance.

Nomination committee

The nomination committee did not meet in 2015.

Remuneration committee

A meeting of the remuneration committee was held on 22 April 2015 which dealt with determining the 2014 annual bonus for the members of the Executive Board of PORR AG.

The annual financial statements of PORR AG as per 31 December 2015, including the notes to the consolidated financial statements and the management report, and the consolidated financial statements that had been prepared as of 31 December 2015in accordance with International Financial Reporting Standards (IFRS) and the Group management report, were audited by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. The audit, based on the bookkeeping and documentation of the company as well as the explanations and documentation provided by the Executive Board, revealed that the bookkeeping records and the annual financial statements and consolidated accounts complied with the legal requirements and provided no cause for complaint. The management report and Group management report accord with the annual and consolidated financial statements. The aforementioned audit company has therefore issued an unqualified audit opinion for the annual and consolidated financial statements.

The audit report prepared by the auditor, the Corporate Governance report and the Executive Board's proposal on the appropriation of net profit were dealt with in detail with the auditors on 20 April 2016 in the audit committee and submitted to the Supervisory Board. From the net retained profits recognised in the statement of financial position of EUR 48,857,485.50, the Executive Board proposes to pay a dividend of EUR 1.00 and – owing to the successful conclusion of the spin-off of the real estate business – an additional special dividend of EUR 0.50 per share entitled to dividends, with the remaining balance to be carried forward to new account. In addition, the Executive Board proposes to pay out the special dividend in cash or in the form of PORR shares (scrip dividend). The audit committee and the Supervisory Board have approved the annual financial statements as of 31 December 2015 and the Group management report, the Corporate Governance Report and the proposal of the Executive Board regarding the appropriation of net profits following intensive discussion and auditing. The annual financial statements as of 31 December 2015 have thus been adopted. The audit committee and the Supervisory Board also approved the consolidated accounts for 2015 that had been prepared in accordance with IFRS and the Group management report. The Supervisory Board agreed with the proposal of the Executive Board regarding the appropriation of earnings.

The Supervisory Board thanks customers and shareholders for the confidence they have placed in PORR and their commitment to the company, as well as the Executive Board and staff for the dedication they have demonstrated over the past year and the constructive collaboration it has enjoyed with them.

Vienna, April 2016

Karl Pistotnik m.p.
Chairman of the Supervisory Board

NEW BUILDIN

Realising trailblazing, sustainable concepts

PORR is committed to a responsible approach to environmental resources. Sustainable construction methods and energy-efficient buildings are a top priority and represent an important pillar of the Group's sustainable energy strategy. Forward-looking design and innovative management of energy and equipment allow PORR to make a key contribution to reducing energy consumption and cutting emissions of noise, dust and exhaust fumes.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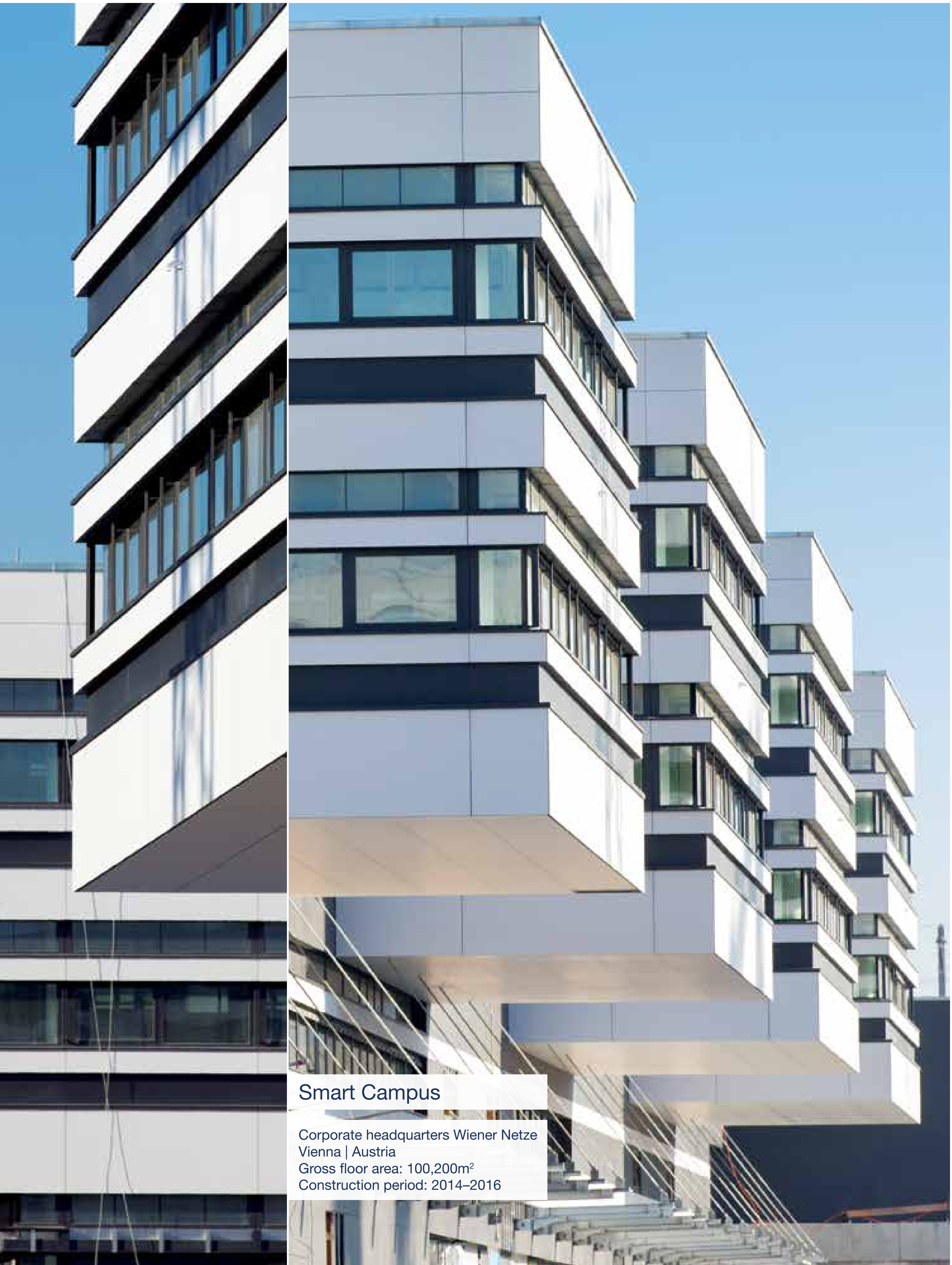


Smart Campus

Corporate headquarters Wiener Netze
Vienna | Austria
Gross floor area: 100,200m²
Construction period: 2014–2016

DC Living

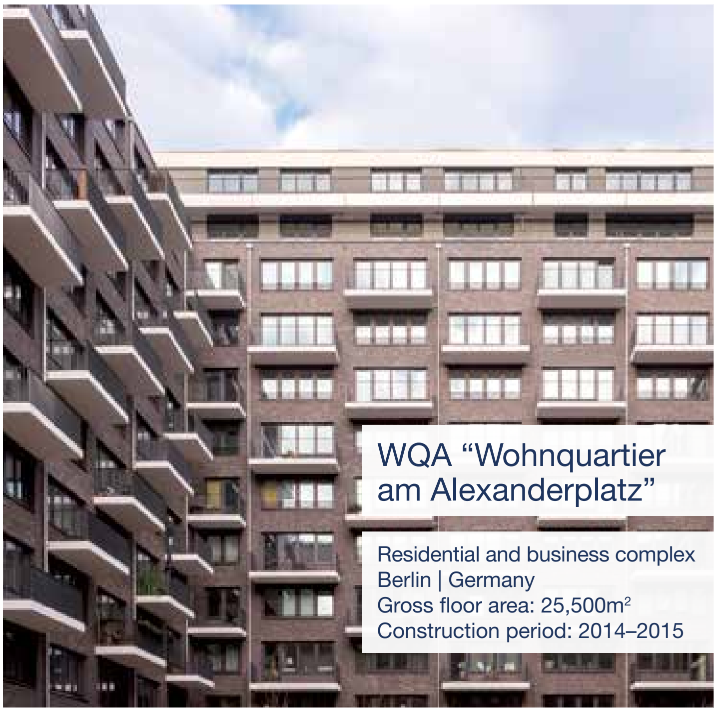
Residential complex
Vienna | Austria
Gross floor area: 56,100m²
Construction period: 2013–2015

Monte Laa

Office and residential complex
Vienna | Austria
Lots 2, 3, 5
Gross floor area: 138,200m²
Construction period: 2016–2018

Peterhof Clinic

Specialist rheumatism unit
Baden | Austria
Gross floor area: 21,328m²
Construction period: 2013–2015

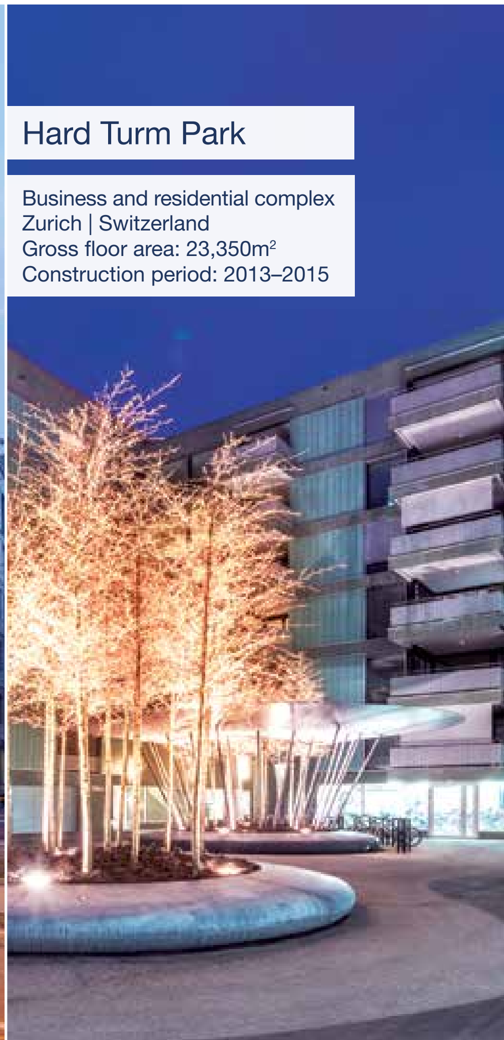


WQA “Wohnquartier am Alexanderplatz”

Residential and business complex
Berlin | Germany
Gross floor area: 25,500m²
Construction period: 2014–2015

Bavaria Towers

Office and hotel complex
Munich | Germany
Gross floor area
Blue Tower: 24,347m^2,
White Tower: 15,150m^2
Construction period: 2015–2018



Hard Turm Park

Business and residential complex
Zurich | Switzerland
Gross floor area: 23,350m^2
Construction period: 2013–2015

Haribo production facility

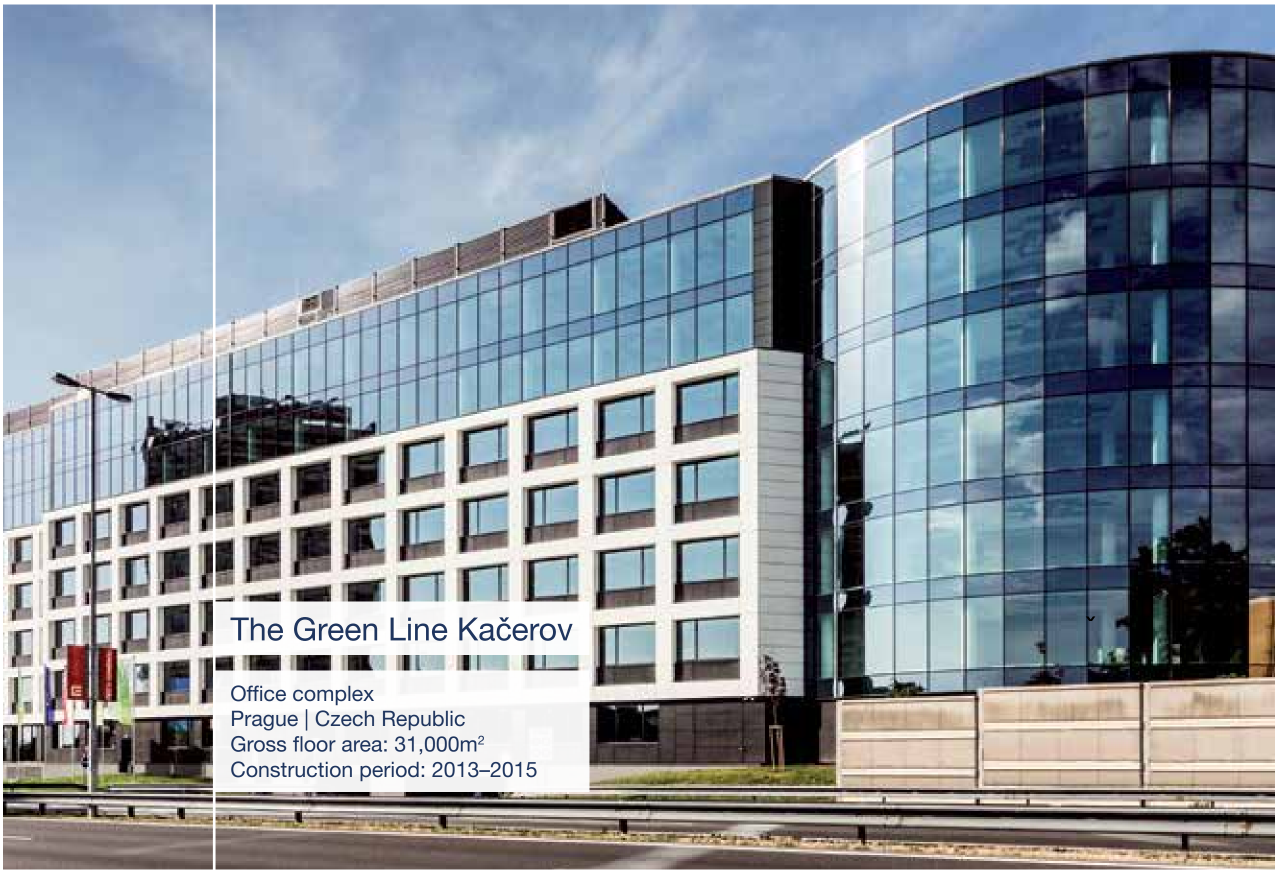
New construction of production and main administration building
Bonn-Grafschaft | Germany
Construction period: 2015–2017

Santander BAN Building Mönchengladbach

Office building
Mönchengladbach | Germany
Gross floor area: 24,486m²
Construction period: 2014–2015

Europaallee Zurich

Office complex
Zurich | Switzerland
Lots B, D, F
Gross floor area: 96,600m²
Construction period: 2015–2019

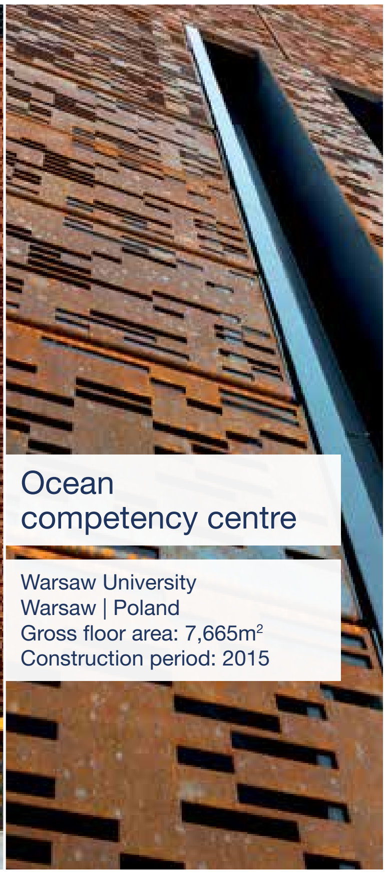


The Green Line Kačerov

Office complex
Prague | Czech Republic
Gross floor area: 31,000m²
Construction period: 2013–2015

Al Wakrah Stadium

Stadium
Doha | Qatar
Area: 560,000m², 40,000 seats
Construction period: 2016–2018

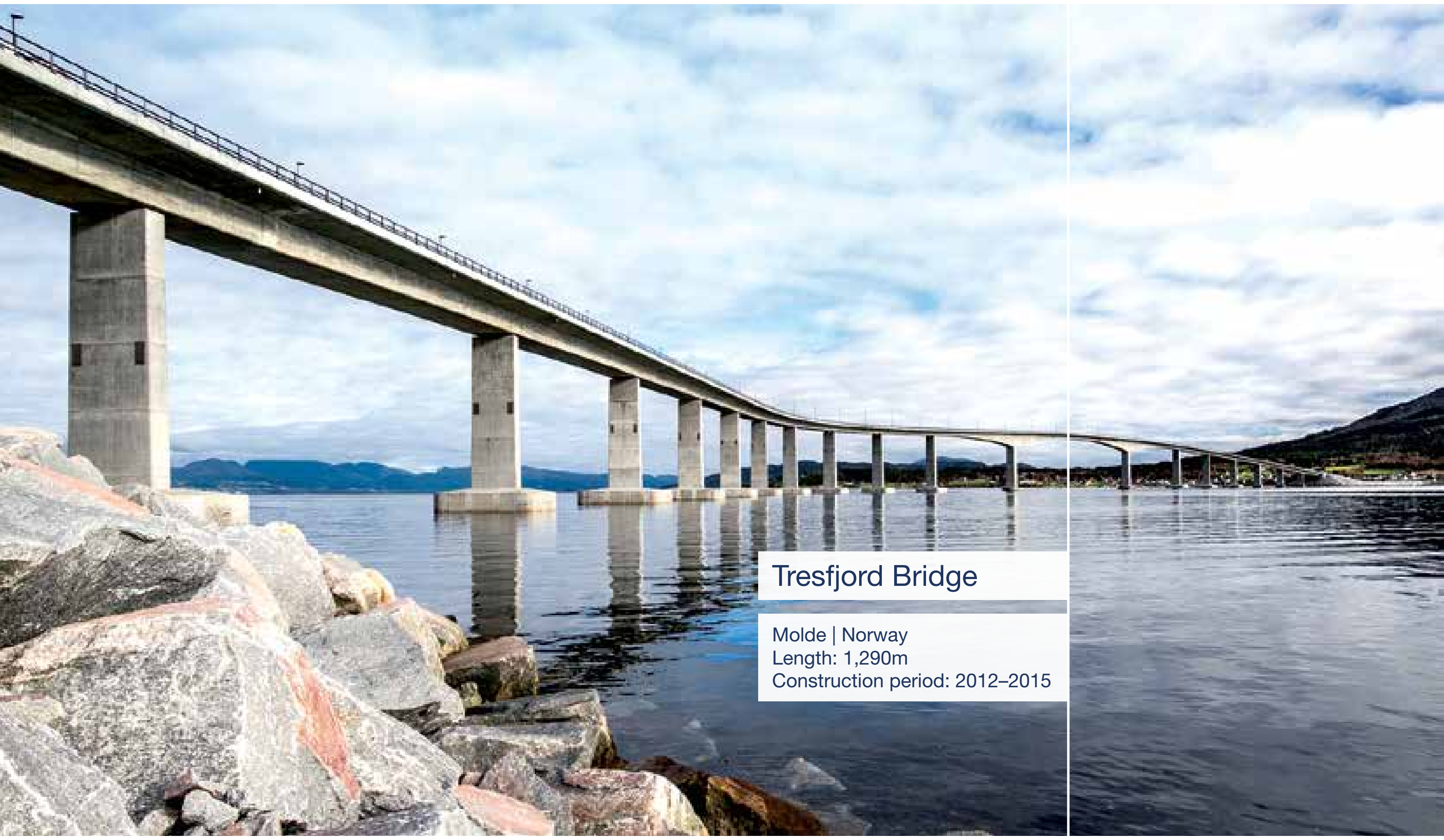


Ocean competency centre

Warsaw University
Warsaw | Poland
Gross floor area: 7,665m²
Construction period: 2015

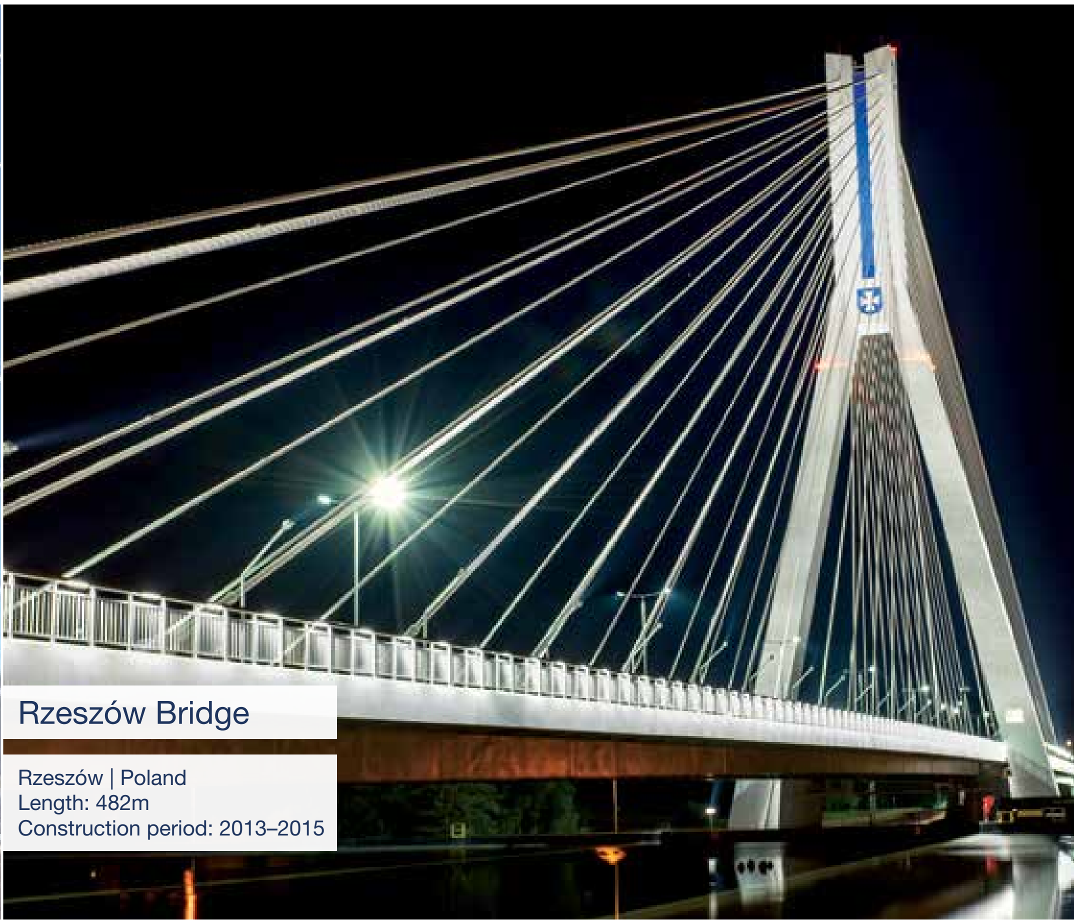
Prater traffic hub

Infrastructure, road construction
Vienna | Austria
Bridge area: 13,000m²
Construction period: 2014–2016



Tresfjord Bridge

Molde | Norway
Length: 1,290m
Construction period: 2012–2015

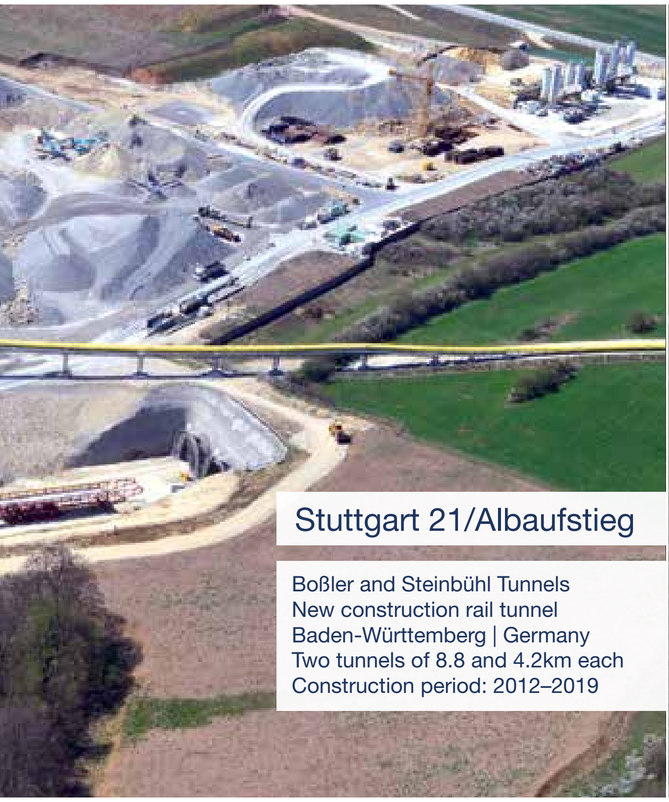


Rzeszów Bridge

Rzeszów | Poland
Length: 482m
Construction period: 2013–2015

Stuttgart 21/Filder Tunnel

New construction rail tunnel
Baden-Württemberg | Germany
Two tunnels of 9.5km each
Construction period: 2011–2019



Stuttgart 21/Albaufstieg

Boßler and Steinbühl Tunnels
New construction rail tunnel
Baden-Württemberg | Germany
Two tunnels of 8.8 and 4.2km each
Construction period: 2012–2019

Koralm Tunnel KAT 3

Tunnelling
Carinthia/Styria | Austria
Tunnel driving: 23km
Construction period: 2013–2020

Doha metro – Green Line

Underground rail construction
Doha | Qatar
Length of twin tunnel: 16.6km
Six metro stations
Construction period: 2013–2018

NEW WORKIN

The framework for excellence

Teamwork, creativity and flexibility are at the heart of PORR's corporate culture and can also be seen in its physical space. A new world of work, which is reflected in the new design of all of the company's working areas, is a crucial aspect of the corporate and management culture. Openness and transparency are reflected in the corporate environment and open up space for the dynamic growth of the organisation. An open and flexible workspace increases the motivation of every individual. PORR has thereby taken one step closer to its goal of being the "best place to work".

Group Management Report

ECONOMIC ENVIRONMENT

Political crises in Middle East impact on global economy

In 2015 the global economy was characterised by pronounced differences in the regional economic areas. Global GDP growth fell to 3.0% overall (2014: 3.4%)[1]. In terms of politics, there was a range of developments which played a part here and which will continue to affect the world long after 2015. The Middle East remained the subject of international attention – with the conflict heating up, not only with regard to the battle against the Islamic State, but also the increased tensions between individual regional powers. This stood in contrast to the renewed relations between the USA and the West with Iran as a result of the nuclear deal which comes with a significant lifting of sanctions. These developments take on special significance in light of the slump in the oil price as a reaction by the oil-producing countries to the expansion of the fracking industry in the USA. The current refugee situation in the European Union also has its roots in the Middle East. The main issues in the Far East were the slowdown in the Chinese economy, along with unresolved political tension in this part of the world.

USA robust in 2015, China's economy falters

The USA reported predominantly good economic data for 2015. Particularly in the second half of the year, the United States benefited from the increase in investments as well as high consumer spending triggered by the low levels of unemployment.[2] GDP growth of 2.5%[3] was significantly higher than in other industrial states. In mid-December the Fed announced the end of zero interest rates with an increase of 0.25% in base rates[4]. Nevertheless, at the start of 2016 this good economic data contrasted with a modest outlook for consumer spending.

The ongoing downward trend in China continued in the year 2015. The structural change from export-oriented products towards a stronger focus on domestic consumption is hampering competitiveness and causing production companies to move to neighbouring countries. GDP growth of 6.8%[5] in the past year was the first time it had fallen below the significant mark of 7.0%. This put further pressure on share prices and the danger of a currency collapse as a result of the weaker economy is becoming ever more likely.[6]

Parallel to the slump in the oil price, most other commodities also entered a downward spiral and weakened the national economies of the most important emerging nations. Alongside Brazil, Russia in particular is experiencing an economic downturn.[7]

Signs of weak growth in the eurozone

Against a backdrop of economic slowdown in the emerging economies, the eurozone also failed to gather pace in 2015. In the year under review GDP grew by a mere 1.6%, falling far short of the growth in the USA. With the exception of France, growth in the major member states slowed down in 2015. Consumer spending continued to be the stabilizing factor, with consumer confidence remaining far higher than that of businesses, which are postponing investment plans in light of weaker exports. Inflation stagnated in 2015 as a result of the decline in commodities prices.[8] In contrast, the countries in Central and Eastern Europe achieved economic growth rates of over 3%. Eurozone growth is set to pick up again, with GDP growth of 1.9% already forecast for 2016.

[1] WIFO Monthly Report 2016, 89(1), p. 6
[2] Ebenda p. 4 f
[3] Ebenda p. 6
[4] http://www.nzz.ch/wirtschaft/wirtschaftspolitik/amerikanische-bip-zahlen-wars-das-mit-der-zinswende-ld.4644#kommentare
[5] WIFO Monthly Report 2016, 89(1), p. 6
[6] Ebenda p. 5
[7] Ebenda p. 6
[8] WIFO Monthly Report 2016, 89(1), p. 5 f

Economic growth indicators 2015

in %	Growth rate	Inflation rate (HVPI basis)[3]	Unemployment rate
European Union	1.9[1]	0.0	8.9[4]
Eurozone	1.6[1]	0.0	10.3[4]
Austria	0.7[2]	0.8	6.0[4]
Germany	1.8[2]	0.1	4.3[4]
Switzerland	0.9[2]	-0.9	4.8[5]
Poland	3.5[2]	-0.7	6.8[4]
Czech Republic	3.8[2]	0.3	4.5[4]

Stable growth in the home markets

The Czech Republic (3.8%) and Poland (3.5%) were among the countries with the highest GDP growth in Europe in 2015. Investment activity in infrastructure increased significantly in both countries, supported by high subsidies from Brussels. With growth of 1.8%, Germany was exactly in line with or slightly above the European average, depending on the figures used, thereby underlining its role as Europe's economic locomotive once again. Despite the high economic level already in place, the German economy again succeeded in implementing significant signs of growth. Switzerland in turn faced an economic hurdle resulting from unpegging the franc from the euro and generated GDP growth of 0.9%, around the same level as Austria. However, the forecasts for 2016 and beyond are much more positive for both countries.

Austria below European average

Austria's economic situation remained challenging in 2015, although forecasts suggest cautious optimism is not misplaced. While GDP growth in the reporting period of 0.7% was significantly below the eurozone average, growth is expected to accelerate somewhat in 2016 and approach the levels of the other eurozone members. In addition, the tax reform in 2016 is set to have a positive impact on consumer spending and exports to the USA are expected to increase again. Should commodities prices stabilise, demand for Austrian exports to threshold countries would return to growth. National debt will continue to be influenced by the bank bailout in the coming years – but experts expect the impact to decline progressively. The dangers come from the minimum income resulting from the tax reform, as well as the ongoing high unemployment levels.[6]

[1] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=de&pcode=tec00115&plugin=1
[2] 80th EUROCONSTRUCT Country Report 2015 Winter
[3] http://wko.at/statistik/eu/europa-inflationsraten.pdf
[4] http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment_rates,_seasonally_adjusted,_February_2016.png
[5] http://wko.at/statistik/eu/europa-arbeitslosenquoten.pdf
[6] WIFO Monthly Report 2016, 89(1), p. 3

DEVELOPMENTS IN THE CONSTRUCTION INDUSTRY[1]

Moderate growth in European construction

The performance of the construction industry in the 19 Euroconstruct countries mirrored that of the overall economy and recorded slight growth in 2015. The increase in the year under review was around 1.6%, meaning that a robust recovery was absent once again. However, the upward trend took hold following years of market decline. In 2016 the construction industry is expected to grow more convincingly by around 3.0%. In terms of individual countries, the growth continued to vary. The decreases in parts of Western Europe were balanced out by robust growth in Central and Eastern Europe as well as in Ireland, Sweden and the Netherlands. From 2016 the growth in major Western European countries is expected to increase significantly for the first time since the onset of the crisis in 2008.

Performance of the PORR markets

There were regional differences in the performance of the PORR home markets in 2015, although they were broadly in line with or slightly above expectations. While the DACH region improved slightly against its already very high level, Poland and the Czech Republic saw strong growth in the construction industry. Austria and Germany achieved slight growth of 0.2% and 0.4% respectively, with Switzerland stagnating at -0.1%. In Switzerland the negative impact of the strong franc and uncertainty surrounding the flow of migrants had an impact which could not be fully offset by the solid purchasing power and the high willingness to invest. The Swiss construction industry is in a consolidation phase – however, it is expected to return to slight growth as early as 2016. Growth also slowed down in the German construction sector after a strong year in 2014, although a plus of 2.0% has been forecast for 2016.

The strongest growth in the reporting period was achieved in the Czech market with 7.4%, followed by Poland at 5.6%. The main reason for the significant increases in the Czech Republic, which were primarily driven by civil engineering, was the EU subsidies from the infrastructure programme. Both countries are among the top four with regard to EU funding under the new budget framework. In addition, the Polish construction boom has been boosted recently by the low interest rates on loans and mortgages, which have spurred the property market and the home-building market in particular.

Stagnation on Austrian construction market

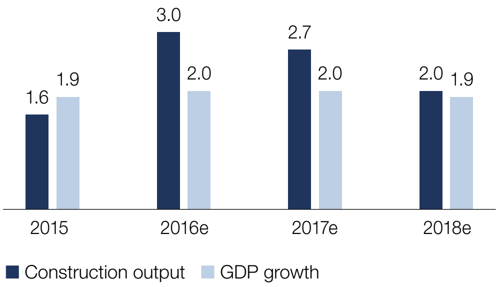
Given Austria's weak economic performance – GDP growth of just 0.7% puts Austria near the bottom of the eurozone in 2015 – the construction industry achieved only minimal growth of 0.2% in 2015. Investments across the whole of Austria even recorded a decrease. However, this slight growth started out from a very high level and should approach the European average in the coming years in parallel with GDP growth.

Stagnation affected civil engineering in particular in 2015, but stronger growth is expected from 2016 in terms of both railway and road construction investment – on condition that the current investment plans are not postponed. In the next five years the Austrian Federal Railways (ÖBB) are expected to invest around EUR 2.9bn per year. Annual investment volumes of around EUR 1.2bn until 2020 have been announced for expanding and maintaining the sophisticated road network.[2]

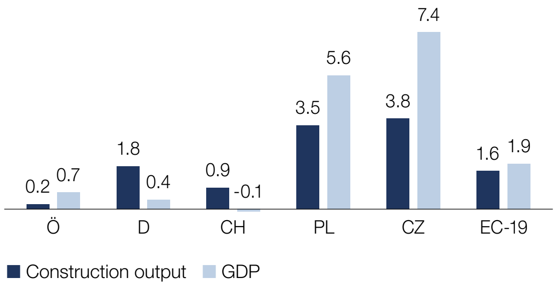
The performance in the residential construction sector was recessive in 2015 at minus 0.2% – despite more favourable financing opportuni-

[1] 80th EUROCONSTRUCT Summary Report 2015 Winter; 80th EUROCONSTRUCT Country Report 2015 Winter
[2] BANK AUSTRIA ECONOMICS & MARKET ANALYSIS AUSTRIA, Construction industry, December 2015, p. 14

GDP growth and construction output in Euroconstruct countries
in %



GDP growth and construction output in 2015
in %



Source: Euroconstruct
Definition: Euroconstruct Countries (EC-19): DE, AT, CH, CZ, HU, PL, SK, BE, NL, DK, FI, FR, IT, IE, NO, PT, ES, SE, UK

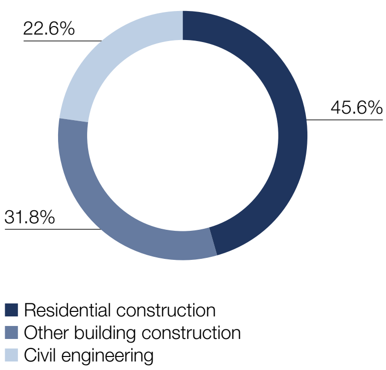
ties, more planning permissions granted and an increase in the need for housing. However, the above-average growth in new households and the ongoing strong demand for investment apartments will lead to a reversal in the residential construction trend in 2016. The home-building offensive announced by the federal government, which will start in January 2016 and should create 30,000 additional residential units by 2020, will provide additional stimulus to residential construction in the coming years.

Following two years of declines, miscellaneous Austrian building construction picked up slightly in the year under review and growth should exceed 1.0% again from 2016. However, stronger stimuli are limited to public contractors: the current federal budget proposal involves plans to increase the investment spending by the Bundesimmobiliengesellschaft, which is a significant contributor to public construction tenders in the area, by 20% per year. Austria's industrial and commercial businesses have only moderately raised their investment plans for 2015.[1]

Heterogeneous performance across sectors

The three sectors of residential construction, building construction and civil engineering and the percentage of total construction output they account for is reflected in the changes to the economic backdrop. In terms of volume, residential construction accounts for 45.6% and continues to make the largest contribution to total construction industry volumes, followed by other building construction and civil engineering.

Structure of the European construction market 2015
in %



[1] BANK AUSTRIA ECONOMICS & MARKET ANALYSIS AUSTRIA, Construction industry, December 2015, p. 13

DEVELOPMENT OF OUTPUT

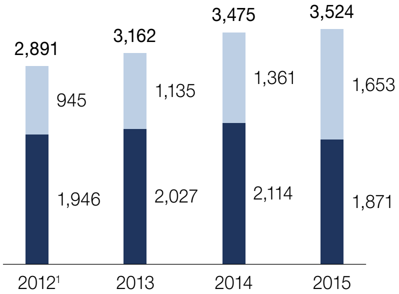
Definition of production output

PORR's production output is determined from the proportional construction output of all companies in which PORR has a direct or indirect interest, as well as from the proportional output of consortiums involving any one of the PORR Group companies, reconciled pursuant to commercial criteria. As opposed to the gross revenues reported in the consolidated income statement, the output of consortiums on the one hand and the output of all Group companies on the other hand – regardless of their form of inclusion in the consolidated accounts (fully consolidated, equity method, proportionate or those of minor significance) – are included proportionately in the calculation of production output.

Successful growth continues in 2015

Despite a challenging environment, in 2015 PORR managed to generate production slightly above the high level of the previous year. At year-end output stood at EUR 3,524m, an increase of 1.4% or EUR 49m, thereby growing in line with the European construction market and slightly outperforming the Austrian construction sector. The output growth was generated by the clear strategic focus on the home markets with secure credit standing – Austria, Germany, Switzerland, Poland and the Czech Republic – and on international infrastructure projects.

Production output
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Accounting for EUR 3,038m in 2015, the home markets were responsible for 86.2% of overall production output. PORR managed to increase output on the three home markets of Germany, Switzerland and the Czech Republic, although there were declines in Austria and Poland. However, both of these countries compensated for the decrease by achieving high increases in order bookings and the order backlog, while output reflects the selective, margin-driven acquisition policy.

Despite a small decline in revenue – also triggered by the completion of major projects such as the Wien Nord hospital and projects in the Aspern urban development, while follow-up projects are still not fully underway and decreases in output caused by price have occurred, especially in the Greater Vienna area – Austria remains by far PORR's most important market in terms of volumes. In 2015 Austria contributed EUR 1,871m or 53.1% of the total output. The good performance of the remaining home markets – especially German building construction and Switzerland – as well as the entry into the Norwegian market and almost doubling output in Qatar, led foreign business to rise to EUR 1,653m. Despite the severe budget consolidation pressure in the past year, the public sector is continuing to invest in infrastructure – particularly on the home markets. PORR's decision to extend the private building construction business with a clear customer focus and a follow-your-customer strategy is proving increasingly successful among private investors.

Production output growth by segment

The performance of the business units was satisfactory although variable in the year under review. Production output grew in BU 2 – CEE/SEE and in BU 4 – Infrastructure, while it slipped back in BU 1 – DACH and BU 5 – Environmental Engineering.

In Business Unit 1 – DACH the completion of large-scale projects and the conscious decline in production as a result of the pressure on margins led to a reduction in output, whereby it slipped back by 4.1% against the previous year to EUR 1.931m. The highest absolute growth by a significant margin came from German building construction and Switzerland, followed by the Austrian provinces of Burgenland, Upper Austria and Vorarlberg. Decreases were seen in Vienna, Styria and Salzburg. Switzerland achieved the highest relative increase of 64.1% – PORR is enjoying great success here following a successful reorganisation.

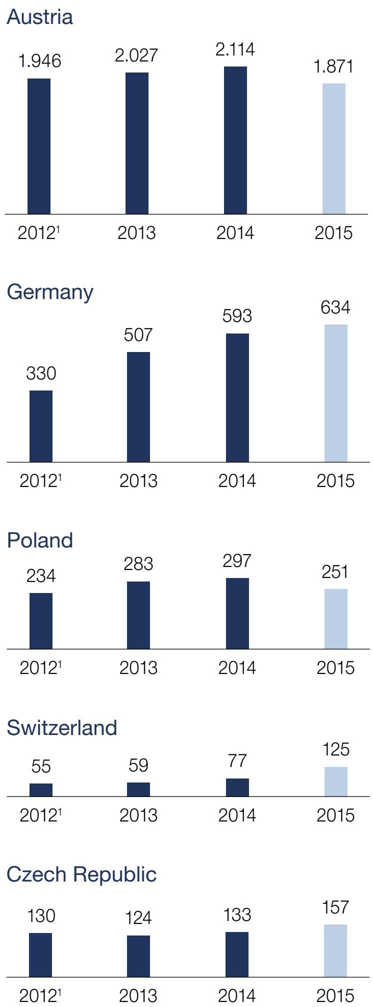
The production output of Business Unit 2 – CEE/SEE – responsible for the PORR Group's activities on the home markets of Poland and the Czech Republic as well as South Eastern and Eastern European markets – generated output of EUR 487m in 2015 and was thereby up by 14.5% or EUR 62m against the comparable period. In the reporting period Romania and the Czech Republic generated growth, while the Polish infrastructure units – strengthened by the takeover of Bilfinger Infrastructure – already made a pleasing contribution to output in 2015. The successful acquisition has enabled PORR to sustainably strengthen its infrastructure expertise in Poland. Secure financing remains the clear priority for activities in Romania.

Business Unit 4 – Infrastructure experienced renewed growth in output. The large-scale projects acquired in 2014 and earlier had an impact on output in the year under review and made a considerable contribution to the growth. In this context, production output rose to EUR 944m, an increase of 6.2% or EUR 55m. The most important output drivers in 2015 were the tunnelling business and the major Green Line Doha metro project. The highest absolute increases were generated here, while German civil engineering had to accept slight declines due to the completion of individual large-scale projects.

In Business Unit 5 – Environmental Engineering, production output decreased to EUR 99m, a decline of 5.8% or EUR 6m. This performance was due to the strategic decision to only partly bear the price pressure currently prevailing on the market. Thanks to its strong standing on the market, PORR is in a comfortable position, while more and more competitors are paying the price for the fierce competition.

The output of the segment Other – which primarily consists of the holding – is allocated to the other operating segments respectively. The segment consists of the Shared Service Center and Group staff units as well as interests in non-operating companies.

Production output on the home markets
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

ORDER BALANCE

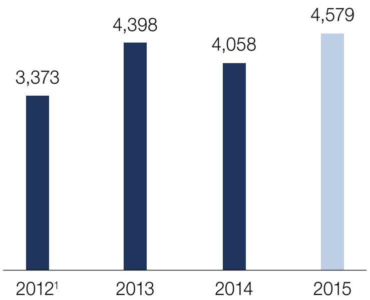
New record-high level of orders

PORR's order backlog was once again above the level of the previous year, thereby setting a new record in the company's 147-year history. Order bookings also underwent a significant rise, whereby the growth was not influenced by one-off effects – such as individual large-scale projects – but was instead equally distributed across the individual business units. Overall, PORR managed to extend its cushion of orders, which is far higher than annual production output, once again in 2015.

Order backlog significantly exceeds previous year's level

At year-end 2015 the order backlog reached EUR 4,579m and was thereby up by 12.8% or EUR 521m against the previous year's value. The performance of the individual operating segments varied: while BU 1 – DACH and Business Unit 2 – CEE/SEE achieved significant increases in the order backlog, BU 4 – Infrastructure saw a slight decline, even though there was a strong rise in order bookings. This reflected the fact that BU 4's business is driven by large-scale projects and almost all capacity is fully utilised by existing multi-year projects. In contrast, BU 5 – Environmental Engineering slipped back both in terms of the order backlog and order bookings due to the completion of the Voitsberg power plant demolition tender.

Order backlog
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Exceptional order situation on the home markets

PORR's home markets once again proved to be a stable foundation for the Group's business, even though the conditions continued to intensify and the competition and pressure on margins is rising steadily. With the exception of the Czech Republic, all of the PORR home markets achieved growth – especially Poland and Switzerland – with the German market also growing sharply. In 2015 the order backlog in Austria was slightly higher overall than the strong level of the previous year, whereby all of the Austrian federal provinces achieved growth with the exception of Styria. The Greater Vienna area achieved the strongest absolute growth, followed by Polish civil engineering and German building construction. Switzerland also managed to generate a record level of new orders.

Major tenders from Poland and Qatar

Poland – where the newly acquired PORR Polska Infrastructure was operating for PORR for the first time – tripled its order backlog in the year under review. The strategy of expanding infrastructure activities in this sector has thereby proven successful. Here PORR managed to acquire one of the largest tenders of 2015, the S17 expressway in Poland.

In terms of volumes, the largest tender PORR acquired in 2015 was in Qatar. While the works on the Green Line of the metro in Doha are progressing as planned, PORR was also entrusted with delivering the Slab Track system for the entire underground rail network in Doha as the system supplier. The tender includes the production, delivery and installation of the track base plates for all of the metro lines.

Strong growth in order bookings

The performance of order bookings was exceptionally positive for PORR in 2015. At 31 December 2015 they totalled EUR 4,045m and were thereby 29.0% or EUR 910m above the level of the previous year. As mentioned before, it is especially pleasing that the order bookings were not influenced by one-off effects.

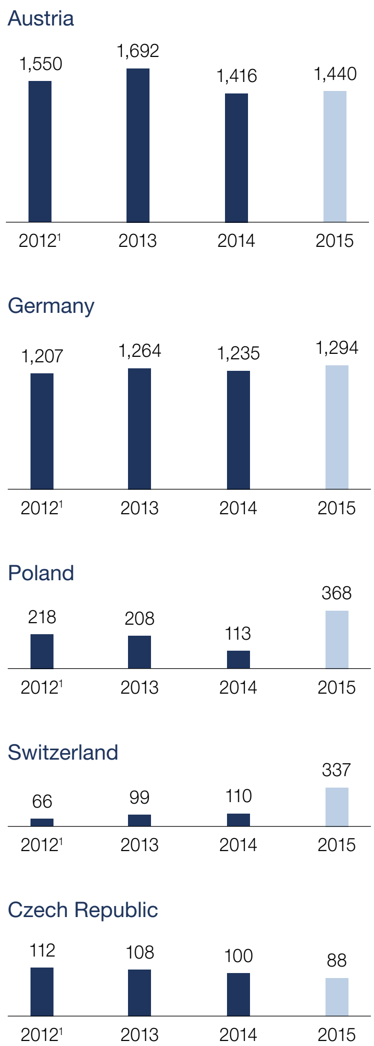
Broken down by segment, BU 1 – DACH achieved the strongest absolute growth, whereby the largest contributions came from the east of Austria and from Switzerland with the Europaallee project. Order bookings in BU 2 – CEE/SEE rose first and foremost because of the new business in the Polish infrastructure sector, including the S17 expressway. Growth in the infrastructure sector was mainly generated by the positive performance in Qatar. BU 5 – Environmental Engineering was the only segment to see a decline in order bookings due to the strong competition in this field.

The largest new orders in 2015:
- Slab Track system for the Doha metro in Qatar
- S17 expressway in Poland
- Europaallee office building in Switzerland
- Bavaria Towers in Germany
- S6 Kolberg bypass in Poland
- Haribo production and main administration building in Germany
- Consortium new construction Albula Tunnel II in Switzerland
- BAB 100 Lot 5 in Germany
- Prokocim hospital in Poland
- The Icon Vienna in Austria
- Monte Laa residence phase 5 in Austria

In terms of countries, the highest growth in order bookings came from Poland, Switzerland and Qatar. Germany also managed to achieve significant growth thanks to the positive performance in foundation engineering. The takeover of Bilfinger Infrastructure in Poland also secured PORR's market entry in Norway and the first new tenders were acquired here already in 2015. In contrast, there were declines in Romania as a result of the strategic decision to reduce the share of civil engineering in the country in favour of building construction projects for international investors. In Austria most of the federal provinces achieved growth, with the exception of Styria, Vorarlberg and Vienna.

In general the order situation of the Group is highly satisfactory at present, with many additional projects in a very advanced negotiation phase. With this mind, PORR expects further (large-scale) acquisitions as early as the first quarter of 2016.

Order backlog on the home markets
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

FINANCIAL PERFORMANCE

Renewed growth in revenues

Production output, commonly used in the construction industry as an indicator of size, is determined from the proportional construction output of all companies in which PORR has a direct or indirect interest, as well as from the proportional output of consortiums in which a PORR Group company participates, reconciled pursuant to commercial criteria. As opposed to the gross revenues reported in the consolidated income statement, the output of consortiums on the one hand and the output of all Group companies on the other hand – regardless of their form of inclusion in the consolidated accounts (fully consolidated, accounted for under the equity method, proportional or those of minor significance) – are included proportionately in the calculation of production output.

There was a renewed increase in production output in 2015, whereby output increased by EUR 48.9m or 1.4% against the previous year to EUR 3,524m.

The PORR Group's consolidated revenue rose by EUR 130.6m in 2015 to EUR 3,140m. The lower output from consortiums and a decrease in output from companies accounted for under the equity method and those of minor significance led to an increase in revenue which was 4.3% higher than the rise in production output.

The income from companies accounted for under the equity method includes results from associates and joint ventures, as well as the income from interests in consortiums. The contribution from consortiums declined in 2015 due to the completion of large-scale projects, as did the income from associates and joint ventures, which was very high in the previous year due to extraordinary property sales. In 2015 the item amounted to EUR 46.2m (2014: EUR 66.2m), whereby the largest share was generated by income from consortiums (EUR 32.1m).

The PORR Group's other operating income declined by EUR 17.7m to EUR 101.8m.

Savings on material costs

In terms of expenses, cost of materials and other related production services represent the highest cost factor, as is common to the industry. The amount of these costs is dependent on how many of the services on construction projects are carried out by the Group itself and how many by subcontractors. This cost item decreased for the first time in 2015 in relation to revenue by 1.7PP to 65.6%. Here, as in the previous year, the individual components showed contrasting developments: expenditure on purchased services increased disproportionately sharply by 4.7% against the previous year (from EUR 1,345.8m to EUR 1,409.4m), while expenditure

Key data

in EUR m	2015	Change	2014	2013	2012[1]
Production output	3,524	1.4%	3,475	3,162	2,891
Revenue	3,140	4.3%	3,009	2,630	2,315
EBITDA	165.9	6.1%	156.4	146.4	103.8
EBIT	87.8	7.4%	81.7	80.9	53.8
EBT	81.1	22.7%	66.1	59.6	22.0
Profit/loss	61.0	25.7%	48.6	52.5	18.0

[1] Comparative figures for PORR prior to 2013 incl. development

on materials fell by 4.2% against the previous year to EUR 651.4m and materials in relation to revenue decreased by 1.9PP to 20.8%. In 2015 it was therefore possible to achieve further savings in materials costs by strengthening central purchasing.

Significant increase in EBITDA, EBIT and EBT

On the basis of the rise in revenue and the simultaneous disproportionate savings in materials and other operating expenses, EBITDA was up by 6.1% or EUR 9.5m to EUR 165.9m.

Depreciation, amortisation and impairment increased in proportion to revenue by 4.6% to EUR 78.2m.

EBIT was thereby EUR 87.8m, which was 7.4% higher than the previous year.

In addition to the increase in operating earnings, the financial result improved significantly due to the better interest result, by EUR 9.0m to EUR -6.7m.

These improvements led to a rise in EBT of EUR 15.0m to EUR 81.1m compared to 2014 (EUR 66.1m), an increase of 22.7% year-on-year. The proportionately lower tax expense of EUR 20.1m (2014: EUR 17.5m) resulted in an increase in consolidated profits of EUR 12.5m to EUR 61.0m.

FINANCIAL POSITION AND CASH FLOWS

Increase in total assets

At 31 December 2015 the PORR Group's total assets stood at EUR 2,304.0m and were thereby EUR 158.0m higher than at the end of 2014. The growth in assets due to the first-time inclusion of Bilfinger Polska, acquired from the Bilfinger Group and renamed as PORR Polska Infrastructure S.A. (PPI) (with assets of EUR 97.9m acquired), was broadly balanced out with contrasting effects and consistent working capital management. The increase in cash and cash equivalents of EUR 181.6m made a significant contribution to the rise in assets.

Slight decrease in non-current assets

Under non-current assets, there was a rise in property, plant and equipment due to investments in construction equipment and structural measures in company buildings of EUR 54.6m to EUR 467.5m, while investment property (EUR 33.6m) and interests in companies accounted for under the equity method (EUR 38.4m) declined as a result of sales. Other financial assets decreased by EUR 50m to EUR 89.6m because of paying back loans, leading to an overall decline in non-current assets from EUR 728.0 to EUR 715.9m, despite the takeover of PPI.

Cash growth leads to rise in current assets

Current assets were up at 31 December 2015 to a total of EUR 170.1m, whereby the high cash and cash equivalents of EUR 647.2m, which increased year-on-year, exclusively contributed EUR 181.6m. There was a disproportionately low increase in trade receivables of 3.7%.

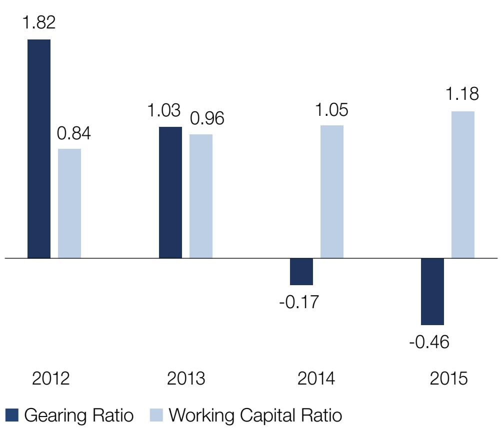
Adjustments to the capital and financing structures

At 31 December 2015 the equity ratio held steady at 17.9% despite the rise in total assets. Equity rose as a result of the good earnings (EUR +58.2m) and the increase in hybrid capital (EUR +8.3m), while the purchase of treasury shares worth EUR 12.0m and the dividends paid out of EUR 28.4m had a contrary effect. Overall, equity increased by EUR 26.9m to EUR 412.1m.

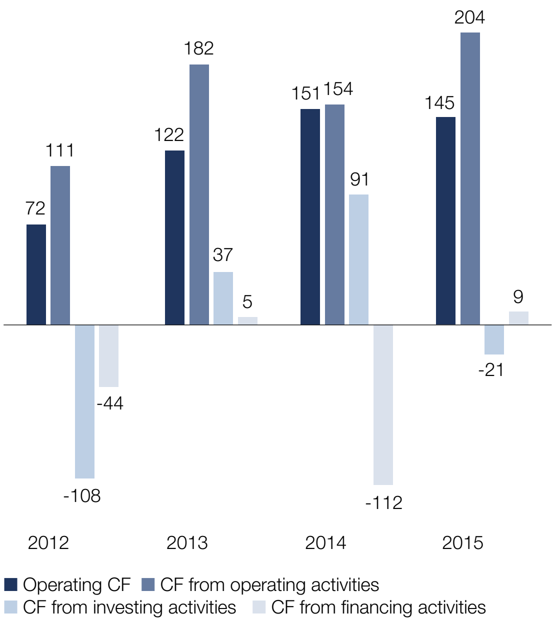
While the high liquidity was used to redeem a bond and settle current financial liabilities and trade payables, leading to a significant decrease in these liabilities, other liabilities increased due to pre-payments for projects. Overall, current liabilities fell by EUR 11.8m to EUR 1,340.2m.

Non-current liabilities increased as a result of placing a Schuldscheindarlehen (EUR 185.0m), while

Gearing Ratio and Working Capital Ratio



Development of cash flows
in EUR m



they decreased due to reclassifying a bond into current liabilities (EUR 50.0m) to EUR 551.7m (2014: EUR 408.8m).

At 31 December 2015 the PORR Group had a net cash position (balance from bonds and financial liabilities less cash and cash equivalents and securities in current assets) of EUR 186.5m.

Sharp rise in cash and cash equivalents

While operating cash flow of EUR 145.3m broadly held steady against the previous year (EUR 150.5m), cash flow from operating activities improved against 2014 by EUR 39.8m to EUR 193.5m, as the reduction in working capital and lower interest payments had a positive impact.

Under cash flow from investing activities, the payments for investments in property, plant and equipment and the acquisition of a subsidiary were partly offset with the repayment of mezzanine capital. Cash flow from investing activities of EUR -21.4m is significantly lower than the comparable period, as the previous year included the one-off effect of spinning off the real estate business.

In cash flow from financing activities of EUR 8.5m, the inflow of funds from taking a Schuldscheindarlehen (EUR +185.5m) and the increase of a hybrid bond (EUR +8.3m) and of loans and borrowings (EUR +17.4m) approached the outflow of funds for paying out dividends (EUR -23.1m), payments to non-controlling interests (EUR -5.4m), the change in treasury shares held (EUR -12.0m) and the settlement of financial liabilities (EUR -79.7m) and bonds (EUR -82.6m).

At 31 December 2015 cash and cash equivalents totalled EUR 647.2m.

STAFF

Ongoing HR development

PORR is committed to ongoing HR development and employees have the opportunity to improve their performance and skills through a wide range of training and development measures. As an international company, PORR sees its multicultural diversity as a major opportunity and an important part of its corporate culture.

Strong international growth

In 2015 the PORR Group employed 13,878 people on average. This breaks down into 8,081 waged workers and 5,797 salaried employees, representing an increase of 8.1% or 1,044 people against the previous year. While the number of staff members in Austria slipped back slightly by -2.8%, there was sharp growth in staffing levels of foreign subsidiaries of 31.4%. The increase was first and foremost triggered by corporate acquisitions – particularly Bilfinger Infrastructure in Poland – as well as the significant expansion of international production output in Qatar as well as in Germany. In contrast to the growth in the operating sector, the number of staff was reduced in the Shared Services Center through the optimisation of processes in the course of the **fit**for**future** programme.

Success through training and development

PORR's HR strategy focuses on increasing productivity through targeted training and development in order to sustainably increase their performance and PORR's appeal as an employer. This led to an increase in the number of employees[1] involved in training to 2,935 in the reporting period (2014: 1,858). In 2015 the average training time for employees in Austria and Germany was 1.62 and 1.76 days respectively (2014: 1.31 and 1.26 days). In total the PORR Group invested EUR 2.38m in education and training in 2015, which was therefore 15.3% more than in the previous year (2014: EUR 2.1m).

The measures to support the Group strategy implemented in the previous year continued in 2015 and were anchored in the ongoing training programme on offer. In the course of implementing the "Integrated Management System" (IMS), PORR held workshops on the topic across Austria, which should also be rolled out internationally in 2016. Furthermore, there are plans to hold a Group-wide training programme on compliance in 2016.

Average staffing levels

	2015	Change	2014	2013	2012[2]
Domestic	8,476	-2.8%	8,724	8,431	8,244
of which waged workers	5,649	-4.8%	5,931	5,776	5,594
of which salaried employees	2,827	1.2%	2,793	2,655	2,650
Foreign	5,402	31.4%	4,110	3,489	3,526
of which waged workers	2,432	39.1%	1,749	1,534	1,511
of which salaried employees	2,970	25.8%	2,361	1,955	2,015
Total pro rata allocation	13,878	8.1%	12,834	11,920	11,770
of which waged workers	8,081	5.2%	7,680	7,310	7,105
of which salaried employees	5,797	12.5%	5,154	4,610	4,665
of which fully consolidated	13,586	11.1%	12,231	11,594	10,696

[1] Data based on employees in Austria and Germany
[2] Comparative figures for PORR prior to 2013 incl. development. All staff also included on a pro rata basis for associates and companies of minor significance.

Focal points in 2015

Courses for future managers and training for group leaders and foremen were anchored as a regular further education measure in the period under review. The contribution of the Executive Board members at the kick-off events and social evenings of these training underlines the importance of the issue “Management at PORR”. **Negotiating seminars for key players in purchasing** also continued successfully. In addition, the training for employees and management to support the new purchasing strategy and its international implementation was completed; a total of 74 employees in Austria, 47 employees in Romania and 12 employees in Poland took part in the training. Furthermore, PORR offered selective customised training on **intercultural skills** for every employee deployed to Qatar (ten participants) and foremen deployed internationally (eight participants).

The **IMS road show** was a key HR focal point in 2015. From the start of May a total of 1,500 participants received training in 137 workshops in Austria and submitted extensive feedback and proposals for improvements. The workshops were realised by the Quality Management department; the rollout of the “IMS refresher course” to the home and project markets – Germany, Switzerland, Poland, the Czech Republic, Romania and Slovakia – already began in the first quarter 2016.

The success of the two **commercial trainee programmes** for university graduates (“aufBau Business”) and graduates of commercial college (HAK) (“aufBau Business Junior”) led to a continuation of the commercial trainee programme in 2015 – and the programme is set to continue in 2016.

In 2014 PORR developed a **buddy system** to enable the rapid integration of new employees. In 2014, 218 new employees were supported by experienced staff members – a so-called buddy – during the first weeks at work. This enables them to orientate themselves in their new work environments more quickly, integrate better and thereby contribute their expertise to PORR sooner and more productively.

PORR International: new policy for expats

PORR’s international growth means that ever more employees are taking up the opportunity to work abroad. This results in new challenges for HR management, which have been reflected in a Group-wide standard for foreign deployment. At the beginning of 2015 the Group guidelines on foreign deployment from 2006 were replaced by new guidelines which address the key issues of working abroad. The new, uniform international guidelines facilitate transparency and give expats an overview along with answers to frequently asked questions. Since the Group guidelines were implemented, 35 employees have already been deployed abroad under the new conditions.

Attractive apprenticeship training

PORR employs targeted measures to give the future generation of workers the skills they need. A total of 214 apprentices were undergoing training at PORR in 16 different disciplines in 2015, of which 198 were technical apprentices and 16 were employees. One key factor in apprentice training – which is also unique when compared to other companies – is the PORR supplementary training, offered internally. In addition to the E-Learning programme “safe on site”, educational measures also address the issues of preventing violence and alcohol addiction.

PORR’s dedication to apprentice training was also reflected in the award of the **quality seal “TOP training organisation”** in the reporting period. This renowned mark of quality is awarded to companies who train youngsters in various professions to the highest standards and thereby take on important responsibility with regard to education and social policy.

Furthermore, PORR attended numerous construction-specific vocational education fairs in 2015 and also participated in the **“Tag der Lehre”**, giving a presentation to interested youngsters. Regular taster weeks also give pupils a practical insight into the individual vocations at PORR.

Recruiting measures in 2015

PORR's goal is to identify talented youngsters – preferably while they are still studying – and establish ties between them and the company. Measures to establish these ties during the educational process include interesting work experience placements, taking part in vocational education fairs – PORR attended 18 fairs in 2015 – and events for pupils and students. PORR also holds regular excursions to construction sites and presentations in the PORR headquarters on employment and development opportunities.

The **PORR@HAK** initiative was expanded in the business year to build on its past success. Having visited eight schools in 2014, the PORR team increased this to 19 in 2015. This initiative aims to raise the profile of PORR and the construction industry among commercial college (HAK) pupils and highlight the appeal of joining the industry. The initiative involves presenting PORR, its job profiles and activities (commercial jobs in construction) as well as job-application training for pupils in their fifth year of college.

Moreover, new **cooperation initiatives** were concluded with the **Vienna University of Business and Economics** to raise awareness of interesting issues in the construction industry for students writing their Masters theses.

Positive action for women

Positive action for women at every level of the hierarchy is both a goal and a major challenge for PORR. This is why measures are implemented to make the construction sector more appealing to women. Here, PORR is planning to take part in the **"Vienna Daughters' Day"** again in 2016. With the event **fair.versity Austria,** PORR once again participated in the only career and education fair in Austria to focus on diversity. As part of a Speed Dating event, a female PORR technician from the construction division gave young women an insight into the career and development opportunities for women in technical vocations.

The aforementioned **PORR@HAK** initiative is also an instrument which addresses women, as commercial colleges traditionally have a higher ratio of female students. What's more, the event is an attractive opportunity to raise awareness of the construction sector among young women.

Best place to work

A project named "Work & Life @ PORR" was initiated in 2015 to explore these issues in detail. PORR thereby consolidated its position as a best place to work. The evaluation phase started in 2015 and the first measures will be approved and implemented in the course of 2016.

Health and safety

The safety of staff members is a top priority for PORR. This is why the company continuously works on avoiding accidents and promoting safe operations at its construction sites. The health of its employees is also a special focal point for the company. Here numerous measures are offered which not only strive to avoid accidents and illness, but also actively promote good health among employees.

New organisation of the occupational safety division

The Group has set the goal of reducing the frequency of accidents by 10% against the previous year. In order to be ideally placed to achieve this target in terms of organisation, the occupational safety division was reorganised from 1 January 2015. This has allowed the specialist expertise of the health and safety officers from the individual business units to be bundled into an “occupational safety” team, which will be supported by coordinators in individual countries. In order to give the organisational units the opportunity to set their own agenda for reducing accidents, the main occupational safety issues are fixed once a quarter. This has led, for example, to the establishment of the **SAFETY walk** by group leaders, subsidiary heads, managers and board members when visiting construction sites as a suitable instrument for preventing accidents.

Safety training

Training measures as part of the PORR Academy should also help to reduce the frequency of accidents in line with defined goals and lead to a sustainable increase in occupational safety. Employees have the opportunity to train to become safety officers and gain a personal SCC certificate in the course of occupational health and safety training. In addition to courses for site managers and foremen and concrete briefings, PORR offers staff a webinar on the topic “Accidents at work and responsible officers”.

Workplace health and safety

With a total of seven occupational health professionals, PORR offers ongoing medical consultations in the branch offices and at site inspections. In addition to individual, workplace-related consultations on a variety of topics – e.g. personal protective gear, computer monitors, ergonomics, parental leave, chemical substances, reintegration at work following absence, etc. – there is an array of general medical consultations regarding vaccinations, illness, surgical interventions, mental overload, etc. In addition to occupational health and safety, measures to promote good health are also discussed and determined at the central health and safety committee meeting and the legally stipulated meetings in the branch offices.

Promoting good health – focal points 2015/2016

On the basis of specific rules, developers, employers and managers as well as employees are informed about stipulations, behaviours, teaching tips and practical solutions to health and safety issues. Posters with positive and negative examples support these initiatives. The focal point of 2015 was guidelines for managers, safe routes and self-propelled machinery.

RESEARCH AND DEVELOPMENT

A tradition of innovation

The exceptional reliability and expertise of PORR is based on the latest technologies which enable experienced employees to master complex, difficult challenges. Developing innovative solutions which make the construction process more economical and increase the value of services to customers is an intrinsic part of the planning process and the construction phase, as well as driving the company's sustainable success.

PORR strives to remain at the very top of the industry in every area of construction technology. This goal requires continuous improvements and far-reaching innovations, with which PORR has traditionally succeeded – for example in tunnelling and railway construction with its patented Slab Track system. The "innovation initiative" was launched in 2015 in order to dedicate even greater attention to this goal. The importance of this issue is also reflected in the investment in research and development, whereby around EUR 10m in research incentives was paid out to PORR in the reporting period.

PORR technology and innovation management

The PORR department for technology management and information serves as a central contact point and offers comprehensive consultancy and support for every question related to innovation. For technical challenges in the operating sector the department acts as a problem-solver and technical adviser. PORR employees are given support in developing innovative solutions and bringing them to market on the basis of their respective responsibilities in the Group. Here the department can draw on more than 60 years of experience in technology development and innovation management, on its comprehensive knowledge, and on its strong presence in the relevant Austrian expert committees.

The proactive exchange of knowledge, experience and ideas is an important foundation for innovation and thereby for PORR's ongoing, sustainable growth. Part of innovation management involves building up an optimal staff network regardless of hierarchies. This interplay between experts and interested parties in a dynamic and interactive network strongly supports PORR's innovation potential by employing a holistic approach.

2015 innovation initiative

Ideas for innovation, improvements and optimisation are collected in the course of consultations in the operating units. The good networking in the Group and with external partners (e.g. universities and suppliers) helps to formulate these ideas more precisely and to develop them. A cost-benefit analysis is used as the basis for going ahead with the implementation.

In order to fulfill the goal of the innovation initiative, which is to increase the scope of innovation of projects, the project **"3Dstat"** has been initiated in recent years – one of the most comprehensive research and innovation projects. The aim is to make optimal use of optimisation opportunities by applying 3D-FEM static programmes. To this end, a complex monitoring system will be used on two tower projects in Monte Laa, Vienna, to evaluate the extent to which the calculated burden of construction parts conforms to the actual burden incurred. This should highlight potential for optimisation which will be immediately incorporated into the design of the third tower project at the same location, thereby facilitating a more economical construction. Subsequently, these construction principles should be applied to all tower projects designed by PORR.

Research projects in the field of climate protection and conserving resources

Recycling material in road construction

Recycled mineral rubble from building construction results from the demolition of industrial buildings and normal structures and contains a random mixture of concrete, brick, natural stone and other materials. Until now this construction material has not been used as embankment fill due to the brick it contains, as this can lead to uncertainty as to the stability and potential to withstand frost in the embankment. Research on various mix types has now been conducted in a laboratory on the optimal percentage of brick, under consideration of the density, strength and water absorption. The challenge was to find the limit of how much brick the rubble can contain in order to guarantee sufficient strength, stability and frost-resistance. Furthermore, these parameters had to be evaluated in large-scale tests in order to yield meaningful results with regard to the real and complex tri-axial strength and stability characteristics.

Geothermal energy – probes in combination with heat pumps and cooling units to heat and cool buildings

Thermal response tests are used to measure the effective heat conductivity of the subsoil as well as the effective borehole resistance (thermal resistance of the probe, thermal borehole resistance including internal losses) in the geothermal probes. The heat conductivity of geothermal probes built only with site-made mixes is insufficient in view of the high thermal resistance. The goal is to continuously develop the geothermal probes in order to significantly improve the performance and the application potential with regard to efficiency by applying optimised site-made mixes and adapted injection mortar combinations, as well as measuring the thermal resistance. This development has been realised effectively through a new combination of probe tubes and optimised injection materials.

Producing construction materials from construction waste

In the period under review PORR conducted experiments to test sieved construction waste and ash from biomass heating plants for their suitability in the production of construction materials. This led to being able for the first time to transform these materials, which were previously classified as waste and thereby partially sent to landfill, into an array of recycled construction materials. Compared to the previous approach to materials, this represents a clear improvement with regard to reducing landfill and conserving resources. The decisive factor in maintaining a product with the desirable characteristics is the composition of the materials used and their homogenisation, as well as adding a waterproofing agent to provide the requisite mechanical resistance.

RISK REPORT

The qualified approach to risks and opportunities has long been one of the PORR Group's most important principles when carrying out any economic activity and secures its competitive ability. Risks should also be targeted as opportunities where possible. The aim of risk management is to identify risks and then minimise them while still maintaining the company's earnings potential. The goal of risk management within the PORR Group lies in developing and implementing the required organisational processes which help to pinpoint risks early on as well as developing or implementing any appropriate measures to counter those risks. The following lists the most significant risks known to the PORR Group, which can have a lasting influence on the financial position, cash flows and financial performance of the Group.

Market risks

Market risks result from changes to economic environments and frameworks in the important PORR markets. Furthermore, disparities between national economies cause a variation in demand across the PORR Group's markets. PORR reacts to fluctuations in national markets and business segments and to the current budget restrictions in the public sector of many countries by concentrating on the home markets where margins are secure. On the remaining markets of Eastern and South Eastern Europe and on the international markets PORR only offers export products for selected projects in the fields of tunnelling, rail construction (Slab Track system) and foundation engineering. In markets such as these the PORR Group is, to varying degrees, confronted in the development phase with competitors and other legal regulations which can represent a competitive disadvantage for the PORR Group which may in turn have a negative effect on the target margins.

Project risks

These apply to all operating units of the PORR Group and can be qualified in terms of calculation and execution risks. From the tender stage to the conclusion of a contract, all projects are assessed for specific technical, commercial and legal risks. This is carried out in close collaboration between the parties responsible for operations and the respective staff units and/or Shared Service Center with risk checklists. Regular target/performance comparisons are carried out during the project execution stage of all projects. If the project is outside the target parameters, then appropriate control measures are initiated and monitored as part of a regular process and assessed with regard to results.

Staff risks

Successful management of risks related to human resources is crucial to the development of the PORR Group. Staff risks arise from employee fluctuations and loss of expertise, as well as shortages of skilled labour, management and young talent. This is why PORR's activities are targeted towards steadily developing staff skills through efficient training measures and increasing the PORR Group's appeal as an employer through career opportunities and incentive schemes. PORR deals with the increasingly fierce competition for highly qualified specialists and managers by optimising recruitment measures and through targeted employer branding.

Financial risks

Managing financial risks, in particular liquidity risks, interest rate risks and currency risks is carried out by the Treasury division and governed by standard Group guidelines. To minimise the risks as far as possible, certain derivative and non-derivative hedging instruments are used in line with evaluations. In general only operational risks are hedged, speculative transactions are forbidden. All hedge transactions are performed centrally by the Group financial management. An internal control system (ICS) designed around current requirements has been implemented to monitor and control risks linked to money market and foreign exchange trading. The cornerstone of managing these risks is the complete functional separation of commerce, processing and accounting. The most important risks for the PORR Group in terms of finance – liquidity risks, interest rate risks and currency risks – are described below in more detail.

Liquidity risks

The liquidity risk is defined as the risk that liabilities cannot be paid upon maturity. Managing the liquidity risk is based on a financial plan updated once a quarter, which originates at operational level. For all projects a designated commercial employee conducts individual and monthly planning for the current year and for the subsequent years. The operational component involves planning all cash-related financial issues such as due dates for financing, M&A and capital market transactions, interest and dividends; this is performed centrally at holding level with the person holding Group responsibility.

The further improvements in Working Capital Management led the Group to have a high liquidity level at year-end 2015 of TEUR 647,243; this liquidity is used on the one hand for the seasonal peak liquidity demand from April to November (typical to the construction industry), as well as for settling loans due and loans which could be paid back earlier in order to optimise interest rate payments, and a bond to be settled in December 2016. Should additional liquidity demand arise, this could provisionally be covered by drawing on existing lines of credit and by issuing a corporate bond and an Schuldscheindarlehen.

At 31 December 2015 the net cash position, defined as the balance from cash and cash equivalents, bonds and current and non-current financial liabilities, amounted to TEUR 186,526 (previous year: TEUR 64,551).

Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to TEUR 94,899 (previous year: TEUR 149,224) and are covered by cash and cash equivalents and assets held for sale of TEUR 651,160 (previous year: TEUR 471,733) Current financial liabilities include a bond of TEUR 45,852. Bonds and Schuldscheindarlehen worth TEUR 290,848 were part of non-current financial liabilities of TEUR 392,771. At 31 December 2015 there was TEUR 211,947 (previous year: TEUR 89,110), available in bank lines for cash loans, which could be drawn on for immediate refinancing of current financial liabilities. With regard to the syndicated guaranteed credit line which was granted and used, see note 40. The Group has access to European credit lines totalling TEUR 1,621,100 (previous year: TEUR 1,211,630). Of these credit lines, TEUR 641,200 (previous year: TEUR 555,870) was concluded with a three-year term. The remainder of TEUR 979,900 (previous year: TEUR 655,760) generally runs for a one-year term. Furthermore, there were credit lines in several Arabic countries of TEUR 539,400 (previous year: TEUR 364,320). As at 31 December 2015, around 59% (previous year: 65%) of the European credit lines had been drawn on and around 37% (previous year: 28%) of the lines in Arabic countries.

Interest rate risks

The Group's interest rate risk is defined as the risk from rising interest cost or falling interest income in connection with financial items. For PORR this risk results almost exclusively from the scenario of rises in interest rates, especially in the short term. Any future hedge transactions that are required will be concluded by the Group's financial management. At the end of the reporting period, the management of this risk was conducted with non-derivative instruments and with two interest rate swaps (IRS) totalling TEUR 153,500, which have been designated as cash flow hedges. Both IRS are related to swapping variable interest flows for fixed interest flows. The IRS totalling TEUR 81,500 has a term until August 2018; the IRS totalling TEUR 72,000 until August 2020.

At 31 December 2015 the market valuation of the interest swaps for the Schuldscheindarlehen resulted in a fair value of TEUR -1,075.

Foreign currency risks

The PORR Group had concluded forward exchange contracts of TEUR 90,727 (previous year: TEUR 55,008) at 31 December 2015; of these, TEUR 55,925 were forward purchases and TEUR 34,801 were forward sales. Around TEUR 43,293 (previous year: TEUR 24,688) are used as hedges for project cash flows and the remainder of TEUR 47,434 (previous year: TEUR 30,320) for hedging intragroup financing.

At 31 December 2015 the market valuation of open forward exchange contracts resulted in a fair value of TEUR 666. In the fiscal year 2015 total gains of TEUR 660 which resulted from changes in the fair value of forward contracts were recognised in profit or loss.

Supplier risks

The strategic decision to position the PORR Group as a full service provider means that PORR offers a comprehensive service portfolio. Capacity restrictions mean that some work must also be carried out by subcontractors. The risks connected with this concern quality, delivery times and expenses and can lead to supply difficulties in times of increased demand. Partner management in the form of cooperation agreements with the supply industry and trade takes a long-term approach and contributes to minimising supply risks in subcontractor purchasing, whereby steel, cement, formwork and diesel are important commodities for the PORR Group. For these and other materials, there are lead buyers in place as product specialists, who are integrated in the tender process from the very beginning. Using an IT-supported purchasing platform allows the Group to monitor the amounts purchased and facilitates the purchase of larger volumes. The price risk of other key materials purchases can only be hedged through long-term price fixing in the form of frame agreements, owing to the lack of functioning derivative markets for these materials. The increasing challenges for the operational areas in recent years have been the price increases in the energy and commodities sectors. As long as it is not possible to transfer these costs to the customer, they may have a negative effect on the Group's financial performance. Building up stable, long-term relationships with suppliers and subcontractors is therefore seen as an urgent priority and enables the Group to minimise these risks by means of long-term frame agreements.

Credit risks

Specific to the industry, construction contracts require an advance payment by the general contractor which will not be covered by payments until a later date. To reduce the default risk an extensive creditworthiness check is carried out and adequate sureties are agreed as far as possible. The default risk related to other primary financial instruments recorded as assets is also considered marginal, as the contract partners are financial institutes and other debtors with good credit standing. The carrying amount of all financial assets represents the maximum default risk. In as far as default risks on financial assets are possible to determine, these risks are addressed by applying impairment. There are high unsettled receivables for infrastructure projects from government-related companies in Austria and Germany. Apart from these, there are no other risk concentrations arising from high outstanding amounts from individual debtors.

Capital risk management

The fundamental aim of the Group's capital management is to substantially increase equity and to keep debt low.

In the year under review PORR succeeded in increasing equity by around TEUR 26,947. The issue of a Schuldscheindarlehen in August 2015 led to a total increase in non-current liabilities subject to interest from TEUR 251,822 to TEUR 392,771, i.e. a rise of TEUR 140,949. In contrast, there was a change in current liabilities from TEUR 149,244 to TEUR 94,899, i.e. a fall of TEUR 54,345. Despite the significant increase in equity, the equity ratio remained unchanged at around 18%; the reason for this was the increase in total assets of

TEUR 157,967. At 31 December 2015 the net cash position, defined as the balance of cash and cash equivalents, held-for-sale securities at fixed interest rates, bonds and current and non-current financial liabilities, totalled TEUR 186,526 (previous year: TEUR 64,551). The net gearing ratio, defined as net financial debt divided by equity, is applied for the control of capital management. The net gearing ratio, which was already negative in 2014, underwent a further improvement from -0.2 to -0.5.

Internal control system

The PORR Group's internal control system (ICS) is oriented towards the EU standards which have been compulsory since 2009 and whose aim is to produce comparable evaluations of the efficacy of the ICS. Furthermore, PORR is dedicated to securing the company's assets, guaranteeing the actual effects and efficiency of operational processes and ensuring the reliability of financial reporting. The responsibility for implementing and adhering to legal stipulations for the accounting-related internal control system lies with the Executive Board, which has in turn charged the Group audit department with internal auditing and the accounting department with external reporting tasks. The internal control system involves assessing operational risks as well as the appropriate implementation of organisational standards and processes across all areas of accounting and reporting within the PORR Group. The internal control system in the PORR Group ensures that the recording, preparation and accounting of business transactions are standardised across the Group and incorporated correctly into Group accounting. Measures such as clear, Group-internal guidelines, predefined process directives and system-supported processes for recording accounting data all support a uniform and orderly accounting practice. The reporting of subsidiaries included in the consolidated accounts as well as their consolidation is carried out using integrated IT systems supported by databases. The relevant requirements for guaranteeing correct accounting practices are laid out in uniform Group methods of accounting and valuation and disseminated regularly.

The clear functional separation and various control and monitoring methods such as plausibility checks, regular auditing activities at various reporting levels and the dual-control principle mean that proper and reliable accounting is assured. The systematic control management ensures that accounting in the PORR Group conforms to international accounting standards and internal guidelines and guarantees the proper and uniform execution of all accounting-related processes. Within the internal control system, the audit committee takes on the Supervisory Board's task of monitoring accounting processes and financial reporting. The compliance management system and the internal audit team also carry out an independent assessment of the effectiveness of the ICS with the aim of improving business processes.

The internal audit of the PORR Group was most recently externally certified on 26 November 2013 by Taxand Austria according to IIA (Institute of Internal Auditors) standards, thereby conforming to internationally recognised stipulations. The internal auditors have comprehensive audit powers, including both preventative and exploratory controls, at their disposal to enable them to realise their duties. The audit activities of the internal auditors are carried out to a yearly audit plan on direct behalf of the Group Executive Board. In addition, ad-hoc audits can be initiated at any time at the request of the Executive Board should events occur that may yield risks. The aim of the PORR Group is to continue developing the internal control system and to keep it constantly updated to conform to changing frame conditions and new Group guidelines.

FORECAST REPORT

Commitment to construction

In recent years PORR has achieved very positive growth and will continue its successful course in the business year 2016. Here the company benefits from the strategy it is pursuing and is committed to its core competency of construction. This is complemented by the focus on the markets which PORR considers its home markets – the vast majority of the Group's output is generated in Austria, Germany, Switzerland, Poland and the Czech Republic. PORR's strong position in these countries will allow it to participate in the future developments of these European growth regions. This applies in particular to high-margin projects for the public sector and through the focus on private customers in building construction.

Cushion of orders higher than ever

The PORR order backlog has improved in recent years despite the increase in production output. With an order backlog of around EUR 4.6bn, today's cushion of orders is EUR 1.0bn higher than one year's annual production output. This is complemented by the strong growth in order bookings in 2015, which – in contrast to previous years – was not driven by individual projects, but was instead distributed across the entire Group.

Even though the share of output generated outside the five home markets has increased in recent years, more than 86% of construction output is still generated in the stable countries in the DACH region with their strong credit standing, as well as in Poland and the Czech Republic. This strategy will be maintained and in the future PORR will continue to concentrate on this region, in line with the principle "know your market, know your customers". In addition the company will selectively expand its activities to target markets in Scandinavia and the UK, taking country-specific features into account. Internationally, PORR has successfully established itself as an expert, premium provider and infrastructure specialist from its hub in Qatar, with export products in tunnelling, rail construction and foundation engineering.

Focused market strategy

PORR is a leading construction company in Austria. Further growth will only be undertaken with a view to margins and numerous niches offer the opportunity to employ an earnings-focused approach. A similar strategy is also being pursued in Switzerland, where certain niches such as slope reinforcement are important contributors to earnings, alongside the successful civil engineering business and the revamped building construction segment.

PORR is following a clear growth strategy in Germany. The disappearance of numerous major competitors has opened up many opportunities for PORR in building construction and civil engineering, particularly in general contractor and design-build services. In building construction PORR has an excellent reputation both among industrial clients and longstanding partners in sectors such as hotel construction and residential projects.

PORR has also been expanding its activities in its permanent Czech business. The company has been operating successfully on this market for many years and will also embrace opportunities in building construction, civil engineering and infrastructure construction in the future. In Poland the takeover of Bilfinger Infrastructure, now PORR Polska Infrastructure, brought on board a specialist in sophisticated civil engineering projects – particularly bridge construction – whose special knowhow will be offered in every one of PORR's markets. In building construction PORR will continue to successfully realise medium-volume projects.

Activities in the CEE/SEE region have been sharply reduced in recent years and PORR now only works on selected markets such as Slovakia and only on individual infrastructure projects for which secure EU financing is in place. In addition, the Group realises individual building construction projects for selected international customers on the follow-your-customer principle.

The guiding principle "profit over output" applies to every sector, but especially holds true for the international market Qatar. Under the strictest risk management, here PORR offers the innovative slab track system and expertise in tunnelling for specialised areas such as micro-tunnelling.

PORR has currently defined Scandinavia and the UK as target markets. In 2015 PORR was active in Scandinavia for the first time as a result of the takeover of the Polish civil engineering expert along with its activities in Norway. This region has high demand for infrastructure at the same time as offering secure financing. A similar picture has been observed in the UK.

Focus on "best place to work" and corporate culture

The "Work & Life @ PORR" project is creating a fundamental change in the Group. The turnaround has been secured in recent years and PORR is now setting the course for the future. PORR is committed to the issue of diversity and will also play a leading role in the industry in terms of corporate culture in the future. The goal is to promote equal opportunities throughout the Group and proactively utilise diversity. In leading companies from every industry sector, diversity management is already an intrinsic part of a modern, forward-looking organisation, which has a positive impact on employer appeal. Issues such as equality instead of exclusion, making the models of working hours and leave more flexible, and promoting a work-life balance are being proactively prioritised. This is allowing PORR to get one step closer to its goal of positioning itself as the "best place to work".

PORR plans further growth in 2016

At 31 December 2015 PORR had increased its EBT by 22.7% and thereby has a net cash position of EUR 186.5m, representing above-average liquidity compared to the industry. Added to this is the historic high in the order backlog, from which PORR will also benefit in the coming years through its longstanding leading position on its home markets. On the basis of this order situation, the Executive Board has forecast further increases in output and earnings for the business year 2016. The sharp variation on the construction markets does, however, mean that this forecast is subject to a significant fluctuation range.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No events occurred after the end of the reporting period.

DISCLOSURE ACC. TO SECTION 243A, PARAGRAPH 1, AUSTRIAN COMMERCIAL CODE

1. The share capital as at 31 December 2015 comprises 29,095,000 shares. All shares are no-par value bearer shares, each of which participates equally in the share capital of EUR 29,095,000. At the end of the reporting period, all 29,095,000 shares were in circulation.

The same legally standardised rights and obligations apply to all ordinary shares. In particular, ordinary shares confer voting rights exercised according to the number of shares and participate equally in profit and, in the event of winding up, in the remaining liquidation proceeds. The share capital of the company is fully paid in. As at 31 December 2015 the company directly and indirectly held a total of 595,412 treasury shares or 2.05% of the share capital. In accordance with Section 95 Paragraph 5 of the Stock Exchange Act, the company does not have any rights, particularly voting rights, from the treasury shares.

In line with Section 5 Paragraph 2 of the company statues, shares from future capital increases can be bearer shares or registered shares. If the resolution authorising the capital increase does not specify whether the shares are to be bearer shares or registered shares, they will be bearer shares. In accordance with Section 5 Paragraph 3 of the company statues and Section 10 Paragraph 2 of the Stock Corporation Act, shares are to be issued in one, or where necessary multiple, global certificate(s) and deposited at a securities clearing or deposit bank in accordance with Section 1 Paragraph 3 of the Austrian Act on Securities Deposits, or at an equivalent facility abroad. The company has met this obligation. All of the share certificates previously in circulation were declared invalid, in line with the respective legal regulations.

2. A syndicate agreement is in place between the Strauss Group and the IGO-Ortner Group. The Chairman of the Executive Board is aware of this syndicate agreement, as the Strauss Group, which is led by the Prospero Privatstiftung, is under his control. The Executive Board as a whole has no knowledge of the content of the syndicate agreement from his function as a Board Member. Resolutions passed by the syndicate oblige the syndicate Members to exercise their voting rights. There is a reciprocal acquisition right.

3. The following shareholders have a direct or indirect holding in the capital of at least 10% in the form of ordinary shares as at 31 December 2015:

	% of share capital
IGO-Ortner Group	38.32%
Strauss Group	15.39%

The Strauss Group is made up of SuP Beteiligungs GmbH and AIM Industrieholding und Unternehmensbeteiligungen GmbH, both of which are wholly and directly attributed to the Prospero Privatstiftung, which is under the control of Karl Heinz Strauss, Chairman of the Executive Board. Regarding the shares of the IGO-Ortner Group, the majority are directly and indirectly held by Klaus Ortner.

4. The company has no shares with special rights of control.

5. The company has no employee share ownership plans under which employees do not exercise voting rights directly.

6. In accordance with Section 6 Paragraph 1 of the company statues, the Executive Board consists of between two and six people. In line with Section 6 Paragraph 2 of the company statutes, the Supervisory Board can appoint deputies to the Executive Board. In line with Section 6 Paragraph 3 of the company statutes, the Supervisory Board can name one Member as the Chairman and one Member as the Deputy Chairman. Any deputy Executive Board Members have the same powers of representation as the regular Executive Board Members.

In line with Section 9 Paragraph 1 of the company statutes, the Supervisory Board is composed of at least three and not more than twelve Members appointed by the Annual General Meeting (AGM). In line with Section 9 Paragraph 8 of the statutes, a replacement Member can be appointed at the same time as the appointment of a Supervisory Board Member, in which case the replacement Member would take up his seat on the Supervisory Board effective immediately if the Supervisory Board Member steps down before the end of his time in office. If multiple replacement Members are appointed, the order in which they are to replace a Supervisory Board Member who steps down must be determined. A replacement Member can also be appointed as a replacement for multiple Supervisory Board Members, so that he takes a seat on the Supervisory Board if any one of these Members steps down prematurely. The term of office of a replacement Member who joins the Supervisory Board is terminated as soon as a successor to the former Supervisory Board Member has been appointed, or at the latest when the remainder of the former Supervisory Board Member's time in office comes to an end. Should the term of office of a replacement Member who joins the Supervisory Board be terminated because a successor to the former Supervisory Board Member has been appointed, the replacement Member still serves as a replacement for the additional Supervisory Board Members he has been chosen to represent. In line with Section 9 Paragraph 2 of the statutes, the AGM can determine a shorter period in office than legally stipulated for individual Supervisory Board Members or all of the Members it appoints. Should certain Members leave the Board before the end of their term in office, in line with Section 9 Paragraph 6 of the statutes, a vote to replace them is not required until the next AGM. However, a replacement vote is required at an extraordinary general meeting, to be held within six weeks, if the number of Supervisory Board Members falls below three. In line with Section 9 Paragraph 4 of the statutes, the appointment of a Member of the Supervisory Board can be rescinded before the end of his time in office by AGM resolution requiring a simple majority of votes cast. In accordance with Section 19 Paragraph 1 of the company statues, resolutions of the Annual General Meeting are passed by simple majority of the votes present, unless another type of majority is proscribed by law; in cases where a capital majority is required, a simple majority of the share capital representatives is required for resolutions. From the legal viewpoint of the Executive Board, this statutory regulation has reduced the necessary majority of at least three quarters of the share capital represented in voting as required by the Stock Corporation Act, also for changes to the statutes, to a simple capital majority (except in the case of changes to the business purpose).

7. As at 31 December 2015, the Executive Board is authorised in accordance with Section 4 Paragraph 4 of the statutes, to increase the share capital of the company with the approval of the Supervisory Board, in multiple tranches if so wished, to EUR 6,612,500 by issuing up to 6,612,500 no-par value shares, as follows (authorised capital), whereby the issue price, the conditions of issue, the subscription ratio, and other details are to be determined by the Executive Board with the approval of the Supervisory Board. The pre-emptive rights of shareholders to these new shares issued from the authorised capital are excluded when and if this authorisation (authorised capital) is exercised by issuing new shares in exchange for cash or contribution in kind, up to a total of 10% of share capital, with over-allotment options in the course of issuing new shares in the company. Furthermore, the Executive Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' pre-emptive rights, when and if this authorisation (authorised capital) is exercised:

i) through issuing shares in exchange for contribution in kind, or

ii) through issuing shares to staff members, leading employees and Members of the Executive Board of the Group or an associate up to a total level of 10% of share capital.

The Supervisory Board is authorised to rule on changes to the statutes which result from the Executive Board exercising this entitlement.

Effective as of 31 December 2015, a resolution was passed at the extraordinary general meeting of 11 July 2013 authorising the Executive Board to acquire treasury shares over a 30-month period from 11 July 2013, in line with Section 65 Paragraph 1 Line 8 Stock Corporation Act, up to the legally permitted amount of 10% of share capital including treasury shares already purchased. The equivalent amount to be paid in the buyback may not be less than EUR 2.00 or higher than a maximum of 10% over the average, unweighted share price at closing on the stock exchange on the ten stock exchange days preceding the buyback. The purchase can be conducted on the stock exchange or through a public offering or in another legally permitted way, particularly over-the-counter, especially also from individual shareholders who are willing to sell (negotiated purchase). Furthermore, the Executive Board is authorised to determine the buyback conditions, whereby the Executive Board is obliged to publish the Executive Board resolution and the related buyback plan including its term, in line with legal stipulations. The authorisation can be exercised in full or in stages and also in multiple tranches for one or more purposes, by the Group, by a subsidiary (Section 228 Paragraph 3 Austrian Commercial Code) or by third parties acting for the company. Trading treasury shares is not permitted as a purpose for the buyback. On the basis of this authorisation, the company acquired 286,432 treasury shares or 1.97% of the share capital in January 2015. The authorisation to acquire treasury shares expired in January 2016.

The Executive Board is authorised, with the approval of the Supervisory Board, to sell treasury shares for a five-year period starting from the resolution of the extraordinary general meeting on 11 July 2013, using a method different from sale on the stock exchange or public offering, also excluding general purchase (exclusion of pre-emptive rights), if the sale of treasury shares is conducted for purposes including

a) granting shares to employees, managers and Members of the Executive Board or an associate, in return for payment or free of charge; or
b) as contribution in kind for assets transferred to the consolidated group or subsidiaries, including property, companies, operations or shares in one or more companies at home and abroad.

8. In 2012 the company issued a bond (debenture) of EUR 50,000,000 (for the period from 2012 to 2016). This incorporates the following agreements: where a change of control takes place which seriously impairs the ability of the issuer to meet its obligations in connection with the debentures, every bond creditor shall be entitled to accelerate maturity of their debentures and demand immediate repayment at the nominal value, including interest accrued up to the date of repayment. In 2013 the company issued another bond (debenture) of EUR 50,000,000 (for the period 2013 to 2018). In 2014 the company resolved to implement an offer programme worth EUR 250,000,000 to issue partial debentures: it offered the opportunity to exchange bonds from 2009 and 2010 for a newly issued senior bond and a hybrid bond. The exchange offer was accepted for the senior bond in respect of a nominal amount of EUR 56.3m and for the hybrid bond in respect of a nominal amount of EUR 17.1m. The hybrid bond was increased to EUR 25.0m in 2015. Both the 2013 debentures and the senior bond incorporate the following agreement: if a change of control (as defined in the bond con-

ditions) takes place, every bond creditor shall be entitled to accelerate maturity of their debentures and demand immediate repayment at the nominal value, including interest accrued up to the date of repayment. In 2015 the company issued a Schuldscheindarlehen in four tranches with a maturity term of three and five years and totalling EUR 185.5m. These contracts include the following agreement: where a change of control takes place (as defined in the Schuldscheindarlehen contracts), every creditor shall be entitled to call due an amount corresponding to his/her stake in the Schuldscheindarlehen and demand immediate repayment of this capital contribution at the nominal value, plus interest accrued up to the date of repayment.

The company also has two framework guarantee credit contracts for EUR 291,000,000 (valid until 3 January 2019) and EUR 163,370,000 (valid until 29 June 2016), which contain the following agreements: should one or more people, who at the time of signing the relevant contract do not hold a share or a controlling share, attain a controlling share, as defined in Section 22 of the Austrian Takeover Act, in the beneficiary or a major Group company (as defined in the contract), then the agent and the individual lenders are entitled to immediately rescind the respective shares (with regard to their respective shares in the guarantee credit contract) of the framework tranches.

There were no other significant agreements under the terms of Section 243a Line 8 of the Commercial Code.

9. Indemnification agreements under the terms of Section 243a Paragraph 1 Line 9 of the Commercial Code shall not apply.

NEW SOLUTIO

Efficient, location-independent, optimised

PORR took the right steps early on to be a trendsetter in forward-looking areas such as Building Information Modelling (BIM) and modern working spaces. PORR is also embracing the future internally. With SharePoint – the modern tool for cooperation – teams can manage all of the necessary files regardless of their department or location. Handling processes on mobile devices has made the “paperless construction site” a reality. This not only cuts costs, but eliminates superfluous interfaces.


NS

SEGMENT BUSINESS UNIT 1 – DACH

Key data in EUR m	2015	Change	2014	2013	2012[1]
Production output	1,931	-4.1%	2,013	1,930	1,719
Foreign share	19.6%	5.9 PP	13.7%	12.5%	13.8%
EBT	57.7	2.8 %	56.1	49.4	35.1
Order backlog at year end	1,805	28.6 %	1,404	1,471	1,492
Order bookings	2,338	20.1 %	1,947	2,082	1,960
Average staff	7,155	-1.1 %	7,231	6,989	6,629

[1] Comparative figures for PORR 2013 incl. development

Deeply rooted in the region

The segment report relates to the PORR organisational structure which was in place until March 2016. The segment Business Unit 1 – DACH was responsible for the home markets of Austria (including structural engineering) and Switzerland, building construction in Germany, as well as large-scale building construction projects with a special focus on general contractor and design-build services. The segment included the activities of the TEERAG-ASDAG Group. This segment focused in particular on residential construction, office construction, industrial construction and road construction, particularly through TEERAG-ASDAG. Numerous large-scale infrastructure projects were developed in cooperation with Business Unit 4 – Infrastructure. In future BU 1 will cover the activities on the permanent markets of Austria, Switzerland and the Czech Republic.

In Austria BU 1 has complete coverage across every federal province and has established itself as a market leader in recent years. In Germany this unit has also consolidated its position in recent years and the expansion beyond the established presence in major cities such as Munich, Berlin, Düsseldorf and Frankfurt will continue. In Switzerland BU 1 has enjoyed success in civil engineering for years and has also returned to building construction since 2015.

DACH region stagnates at high level

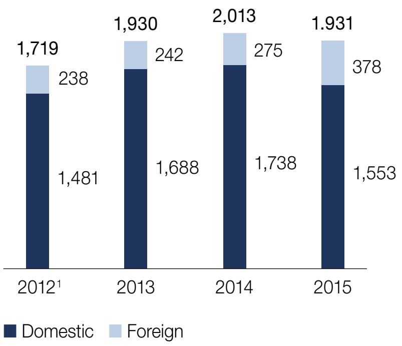
The DACH region only performed moderately well in 2015; however, in view of the very high absolute level, the region remains the stable foundation of European construction. The construction industry in Austria and Germany achieved only slight growth of 0.2% and 0.4% respectively, while Switzerland stagnated at -0.1%. The Swiss construction industry is currently in a consolidation phase – although a slight increase has already been forecast for 2016. In the German construction sector growth also slowed down following a strong year in 2014. Here the tense budget situation and the renewed exacerbation of the euro crisis were reflected in the performance; however, a plus of 2.0% is expected again in 2016. In the coming year Austria's construction sector will grow by around 1.0% – from 2017 growth should match the Western European average.

Production output slips back slightly
Earnings up on previous year

At 31 December 2015 BU 1 had generated production output of EUR 1,931m, a slight decline of EUR 82m or 4.1%. EBT increased to EUR 57.7m and was thereby EUR 1.6m or 2.8% higher than the comparable period of the previous year.

PORR's strategy is reflected in the growth in output. While output saw a sharp increase in Germany and especially in Switzerland, BU 1 output declined in most of the Austrian provinces. This was partly caused by the deliberate decision of not buying in output – with a view to the margins – as well as the completion of several large-scale projects in the Greater Vienna area such as Seestadt Aspern and Wien Nord hospital. In contrast, production output rose in Tyrol, Vorarlberg and Burgenland in the previous year. Significant increases were seen in German building construction and in output in Switzerland, which was also driven by building construction.

Production output BU 1 – DACH
in EUR m



[1] Comparative figures for PORR 2013 incl. development

Order backlog undergoes another sharp rise

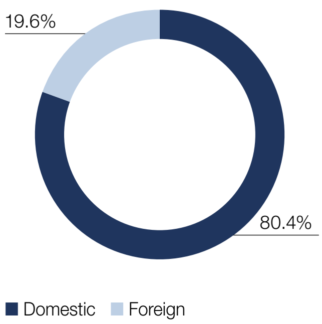
While production output lagged below the level of the previous year, the order backlog and order bookings experienced strong growth. At 31 December 2015 the order backlog stood at EUR 1,805m, an increase of EUR 401m or 28.6%. Totalling EUR 2,338m, order bookings were up by EUR 391m or 20.1% against the comparable period of the previous year. The strongest growth was achieved in orders in Switzerland and Germany. In Switzerland PORR acquired the prestigious large-scale project Europaallee Zurich for the Swiss Federal Railways (SBB), along with a range of additional building construction projects. New to the order books in German building construction were Bavaria Towers in Munich, the Haribo industrial construction project, the Residences and Hotel Freiburg projects and Campus Futura in Hamburg. In Austria the order backlog also increased, with only Styria seeing a slight decline. In Vienna PORR acquired projects including Monte Laa, The Icon Vienna and the residential construction projects Pfarrwiesengasse and Jedleseer Straße. The largest new orders in civil engineering were the motorway lot 03 on the A5 in Lower Austria and the A23 Tunnel rehabilitation in Austria, as soon as the Dorfnest overpass for SBB in Switzerland.

Stable outlook for 2016

In future BU 1 will cover the permanent business in the markets of Austria, Switzerland and the Czech Republic. This includes building construction, civil engineering, structural engineering, foundation engineering, large-scale building construction projects and various shareholdings such as IAT, BOMA and ÖBA.

Even though the market situation in the DACH region and the Czech Republic remains challenging, and civil engineering in particular has to cope with the impact of public budget restrictions, BU 1 is optimistic about the current business year. One prime reason for this is the very solid cushion of orders. The credit standing of both public and private investors in Austria, Germany and Switzerland is the foundation of the Group's economic growth. The Czech Republic, the new permanent market of BU 1, will represent a positive backdrop for the expansion of business activities due to the comprehensive investments in infrastructure which are planned, as well as from private clients in building construction. On the German and Swiss markets in particular there are still opportunities for expansion. BU 1 is continuing with its successful approach to risk management. In addition to increased competition and the uncertainty surrounding the budget situation at federal, provincial and municipal level, BU 1 pays particular attention to avoiding flops and dedicating greater efforts to possible payment defaults or insolvency of clients, consortium partners and subcontractors.

Production output 2015
in %



SEGMENT BUSINESS UNIT 2 – CEE/SEE

Key data in EUR m	2015	Change	2014	2013	2012[1]
Production output	487	14.5%	425	403	364
EBT	1.2	-	-14.2	-12.5	-14.0
Order backlog at year end	585	71.1%	342	338	379
Order bookings	729	70.1%	429	362	401
Average staff	1,865	26.4%	1,476	1,566	1,662

[1] Comparative figures for PORR 2013 incl. development

Focus on Poland and the Czech Republic

The segment report relates to the PORR organisational structure which was in place until March 2016. The segment Business Unit 2 – CEE/SEE covered PORR's permanent business on the home markets of Poland and the Czech Republic, where PORR offered a complete range of construction services in general building construction and civil engineering. It also dealt with project-based activities in other CEE/SEE countries.

PORR's position in Poland and the Czech Republic has been consolidated consistently in recent years and today the company is an established player on both of these home markets. With the takeover of Bilfinger Infrastructure in Poland – now PORR Polska Infrastructure – PORR also acquired significant civil engineering interests and very good teams for further market expansion. This is complemented by Bilfinger's activities in Norwegian bridge building, road construction and tunnelling, which have been realised by BU 2.

Poland and the Czech Republic have emerged positively from the economic crisis. While Poland was the only country not to undergo a major slump in the construction market, a significant increase in investments has also been observed on the Czech market since last year. In contrast, many other countries in the region have been much harder hit. PORR is monitoring these markets very closely and is mainly involved in individual large-scale projects in the infrastructure sector at present; these have been realised in cooperation with Business Unit 4 – Infrastructure. By withdrawing from several markets in the region and concentrating on Poland and the Czech Republic, the activities of BU 2 will be bundled in the future into the new Business Unit 3 – International, with the exception of the permanent market of the Czech Republic, which will be part of Business Unit 1.

Construction markets in Poland and the Czech Republic have returned to growth. The Czech Republic recorded the strongest growth of all the PORR markets in 2015 with 7.4%, followed by Poland with 5.6%. The main reason for the significant increases was the EU subsidies from the infrastructure programme. Both countries are among the top four with regard to EU funding under the new budget framework. In addition, the Polish construction boom has been supported recently by the low interest rates on loans and mortgages, which have spurred the property market and the home-building market in particular. Most of the other construction markets in the region returned to growth in 2015, however, today's levels are around those of the late 1990s following years of decline.

Turnaround achieved – BU 2 sees significant EBT increase

The production output of BU 2 reached EUR 487m at 31 December 2015 and was thereby EUR 62m or 14.5% above the previous year. While output rose in the Czech Republic, it declined in Poland due to the completion of projects. In light of the high order bookings and the subsequent good order backlog in both countries, the decrease in Poland is a common fluctuation. In Norway the three existing fjord bridges and one which has already been acquired under PORR's management have been professionally completed.

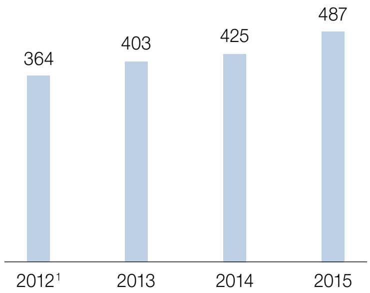
The earnings situation of BU 2 saw a pleasing performance in the past business year. The planned turnaround has been realised and EBT reached EUR 1.2m at year-end, marking a return to profit following on from EUR -14.2m in the year before. Success factors included the strict cost management in every area as well as the reduction in the presence outside of Poland and the Czech Republic. Serbia was closed, in Romania only existing projects in the infrastructure sector were worked off, along with building construction acquisitions for international investors that meet the predetermined requirements for risks and earnings and have secure financing in place.

Renewed strong growth in order book

The order situation of BU 2 was once again satisfactory in 2015. The order backlog reached EUR 585m, an increase of EUR 243m or 71.1%. This rise was triggered by the successful acquisition activities in Poland, while the order backlog in the Czech Republic decreased in line with the rise in production output. The withdrawal from activities in Romania and the other CEE/SEE markets led to a decline in the order backlog here.

Order bookings reached EUR 729m, an increase of EUR 300m or 70.1%. Here the rises were also caused by activities in Poland to a significant degree, although the successful acquisitions in the Czech Republic also contributed. Order bookings on all other markets declined as planned. The most important new orders of BU 2 in 2015 in civil engineering were the two road projects in Poland – the S17 expressway Ryki and S6 bypass Kolobrzeg. In building construction, BU 2 acquired the hospital project Szpital UJ Prokocim in Krakow and the hotel project Marriott Okęcie in Warsaw. In Czech civil engineering acquisitions included rehabilitating the Ústí nad Orlicí to Letohrádek and in building construction the Pelhrimov retail park.

Production output BU 2 – CEE/SEE
in EUR m



[1] Comparative figures for PORR 2013 incl. development

Poland and Czech Republic as key pillars of the PORR strategy

PORR remains on a growth course in Poland and the Czech Republic. Moreover, the acquisition of Bilfinger Infrastructure has allowed the expansion of expertise in (large-scale) bridge construction as well as extending the business scope to include activities in Norway, where strong investment in infrastructure is also expected in the coming years. Poland and Norway, together with individual, project-specific activities in the countries in the CEE/SEE region will be executed by Business Unit 3 – International in the future. The Czech Republic, which is increasingly becoming a permanent market, will be handled by Business Unit 1 – A/CH/CZ in the future.

PORR has reacted to the economic situation in many Eastern and South Eastern European countries by focusing on the two home markets of Poland and the Czech Republic as well as increased risk management, even for projects financed by the public sector. The whole region is dominated by payment difficulties and longer payment terms from public authorities. In addition to the usual construction-related risks, currency risks also play a key role in the region.

SEGMENT BUSINESS UNIT 4 – INFRASTRUCTURE

Key data in EUR m	2015	Change	2014	2013	2012[1]
Production output	944	6.2%	889	684	462
Foreign share	79.5%	8.6PP	70.9%	67.4%	38.9%
EBT	25.4	26.4%	20.1	30.3	21.4
Order backlog at year end	2,065	-7.9%	2,241	2,524	1,205
Order bookings	768	26.8%	605	1,816	642
Average staff	2,950	23.7%	2,385	1,752	1,285

[1] Comparative figures for PORR 2013 incl. development

Technical market leader in many areas

The segment report relates to the PORR organisational structure which was in place until March 2016. The segment Business Unit 4 – Infrastructure included activities in tunnelling, rail construction and foundation engineering, as well as large-scale projects in road and bridge construction and civil engineering. Furthermore, until now BU 4 has been responsible for German civil engineering, the international markets which are managed from the hub in Qatar, and certain markets such as Slovakia, which is currently only being developed selectively for large-scale infrastructure projects. BU 4 realised the entire range of traffic construction, from smaller construction tasks through to complex large-scale projects and traffic infrastructure initiatives.

PORR is one of Europe's leading companies in many areas such as underground construction, conventional tunnelling with shotcrete right through to high-tech mechanical boring. In railway construction PORR developed the Slab Track system in cooperation with ÖBB, the Austrian Federal Railways. More and more clients rely on this system and it has led to numerous acquisitions in Austria and Germany in recent years, as well as in Qatar for the first time.

Reticent investment activity continues in Europe

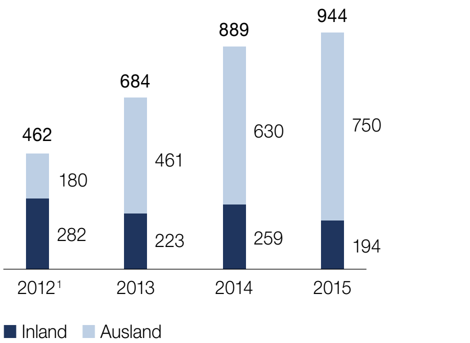
In 2015 the European infrastructure market grew by around 3.3% – the second year of growth since the outbreak of the crisis. Although the market performance was stable, the need for modern traffic infrastructure is becoming ever more acute. Nevertheless, limited public budgets are hampering greater investment activity. German and Swiss construction volumes in the infrastructure sector were slightly below the levels of the previous year in 2015, while the Austrian market stagnated. Among the PORR markets, the strongest growth was seen in the Czech Republic, followed by Poland. The main reason for the significant growth in the Czech Republic was the EU funding from the infrastructure programme. Moreover, the Czech Republic and Poland have benefited disproportionately strongly from the EU pot under the new budget framework. Most of the Eastern and South Eastern European markets hold little promise. Here PORR is only involved in individual projects which meet specific risk and earnings criteria and where the client has a strong credit rating, particularly those co-financed by the EU.

Growth in production output and EBT

BU 4's production output stood at EUR 944m at the end of 2015, an increase of EUR 55m or 6.2%. The other regional fluctuations in output were caused by the fact that BU 4's business is driven by large-scale projects. There was sharp growth in Qatar, where output on the Green Line Doha metro project increased as planned. All of the other major projects such as Stuttgart 21 or Koralm Tunnel KAT 3 progressed on schedule.

The EBT of BU 4 saw a sharp rise to EUR 25.4m, increasing by EUR 5.3m or 26.4%. The growth came from Qatar (Green Line Doha metro) and Styria (Koralm Tunnel KAT 3), while earnings declined in Upper Austria as a result of the completion of the large-scale projects Tunnel S10 Freistadt Bypass and Götschka Tunnel.

Production output BU 4 – Infrastructure
in EUR m.



[1] Comparative figures for PORR 2012 incl. development

Rise in order bookings – order backlog below 2014 level

The increase in production output led to a decline in the order backlog, which totalled EUR 2,065m, a decrease of EUR 176m or 7.9%. The numerous large-scale projects currently underway mean that BU 4's capacity is almost fully utilised. The focus which this allows on purely high-margin acquisitions is reflected in a lower order backlog. In contrast, order bookings at 31 December 2015 rose to EUR 768m, an increase of EUR 163m or 26.8%. This uneven development is typical of the large-scale-project-driven business of BU 4, with fluctuations emerging through the fact that projects span several years. Overall, BU 4 still has a strong cushion of orders, which is significantly higher than two years of annual production output.

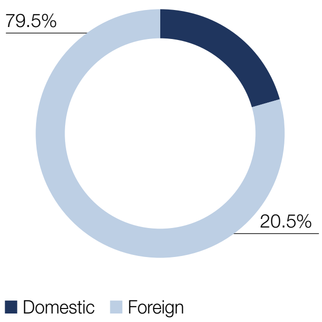
The largest acquisitions in 2015 were the tender as the system supplier of the Slab Track system for the entire network of the Doha metro, the Albula and Ceneri Tunnels in Switzerland, the micro-tunnelling wastewater tender LIS 03 in Qatar and the motorway tender BAB 100 Lot 5 in Berlin. The decision of the client Qatar Rail to opt for the PORR-patented Slab Track as the system for the entire network of the Doha metro is a huge success for PORR. This is the first time that the system has been used outside Europe, since it has become established as a common system in Austria and is also used in Germany even in inner-city areas (Berlin Central Station) and on high-speed railway lines

New business unit for project markets

Most of the activities of Business Unit 4 – Infrastructure will be handled by the new Business Unit 3 – International in the future. This new business unit will cover the project-driven business in Poland, the Nordic region, Qatar, Slovakia, Romania, Bulgaria, the UK and future target countries. It will also be responsible for the competencies of tunnelling, railway construction (including the Slab Track system) and bridge construction. German civil engineering and foundation engineering will be handled by the new Business Unit 2 – Germany, while Austrian and Czech civil engineering and foundation engineering will move to Business Unit 1 – A/CH/CZ.

PORR has strong technological expertise in sectors such as tunnelling and railway construction, which should also open up excellent opportunities in the market in the future and strengthen the Group's position internationally. Expanding business activities in Qatar promises future growth in output and earnings, although this will be achieved in an extremely cautious and risk-averse manner. The goal is to make the most of every market opportunity in this region which would promote long-term profitable growth, whereby risk management takes on an especially important role. At present PORR only offers selected large-scale projects in the region. The solid cushion of orders facilitates selective project acquisition, thereby allowing PORR to employ a risk-averse approach.

Production output 2015
in %



SEGMENT BUSINESS UNIT 5 – ENVIRONMENTAL ENGINEERING

Key data in EUR m	2015	Change	2014	2013	2012[1]
Production output	99	-5,8%	105	99	78
Foreign share	21.7%	5.3PP	16.4%	15.1%	18.2%
EBT	0.1	-	-0.6	-4.8	-0.6
Order backlog at year end	27	-28.9%	38	46	66
Order bookings	88	-9.5%	97	79	101
Average staff	823	1.2%	813	790	229

[1] Comparative figures for PORR 2013 incl. development

Bundled expertise in environmental engineering

The segment report relates to the PORR organisational structure which was in place until March 2016. The segment Business Unit 5 – Environmental Engineering consists of PORR Umwelttechnik GmbH and its equity interests, which are home to the Group's expertise in environmental clean-up, waste management and renewable energy.

PORR Umwelttechnik develops, builds and operates landfills, waste treatment and sorting facilities in Austria, Germany and Serbia. The activities have a clear focus on Austria. In addition, PORR Umwelttechnik is responsible for the activities of Prajo & Co. GmbH, a Vienna-based firm specialised in recycling demolition and construction waste.

In future PORR Umwelttechnik will be part of the new Business Unit 4 – Environmental Engineering, Healthcare & Services, which will include its equity interests Prajo, TKDZ and PWW, hospitals, PORREAL and STRAUSS Property Management, Thorn, ALU SOMMER and the activities in the field of PPP projects and real estate.

Changing market environment for environmental engineering

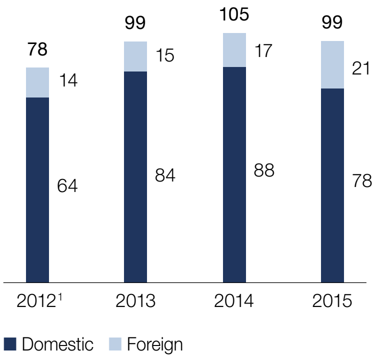
The market for environmental engineering has undergone major changes in the past years. The level of competition on the environmental engineering market has remained fierce even though many competitors have disappeared. In recent years there has been a pronounced trend of (construction) companies which had not previously been present entering the Austrian market; this has put pressure on prices. The decades-long, good positioning of PORR on the market offers further opportunities despite tighter budgets, particularly in recycling, waste management and rehabilitating contaminated sites.

Output slightly below the level of 2014

At 31 December 2015 BU 5 had achieved production output of EUR 99m, representing a decrease of EUR 6m or 5.8% against the comparable period of the previous year. This fall was almost entirely due to the completion of the large-scale project to demolish the Voitsberg Power Plant. The other regional fluctuations broadly balanced out: while slight decreases were recorded in Vienna and Carinthia, output grew in Germany and Lower Austria.

The EBT of BU 5 totalled EUR 0.1m and was thereby around EUR 0.7m above the previous year despite the decrease in output due to the completion of the major Voitsberg Power Plant project. Improvements in earnings were achieved several regions including in Upper and Lower Austria.

Production output BU 5 – Environmental Engineering
in EUR m



[1] Comparative figures for PORR 2013 incl. development

Good order backlog despite completion of large-scale project

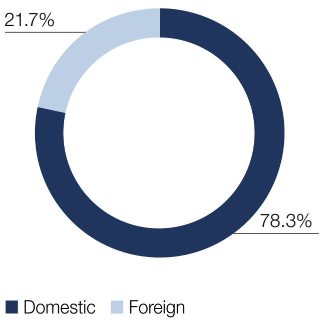
In 2015 the order situation was satisfactory for BU 5. While the generally difficult backdrop has had an impact on business performance, the declines in the order backlog and order bookings were partially caused by the completion of the major Voitsberg Power Plant project. The order backlog totalled EUR 27m and fell by EUR 11m or 28.9% against the previous year. Order bookings of EUR 88m were EUR 9m or 9.5% below the levels of 2014. The largest new orders included the A23 Hochstraße Inzersdorf demolition project, rehabilitating the voestalpine coking plant in Linz, lot I, demolition works on the Bavaria Towers project in Munich and rehabilitating the N68 in Lower Austria. The Ground Unit on the voestalpine compound is also progressing with its successful business activities. The proprietary "A-GB-A" product (offering demolition, foundation engineering and excavation from a single source) was successfully marketed. The strong interest from clients has confirmed this solid positioning.

Environmental engineering will continue to focus on Austria

Despite the challenging market environment, PORR Umwelttechnik is well positioned and will continue to make an important contribution under the new organisational structure as part of Business Unit 4 – Environmental Engineering, Healthcare & Services. In the two home markets of Austria and especially in Germany PORR predicts a challenging but stable market environment, with opportunities expected in the environmental cleanup, demolition and recycling sectors in particular. In the Greater Vienna area PORR will profit from the expertise of the Prajo Group. PORR will continue to optimise the business in Serbia, where PORR is the largest private waste management company with the firm PWW.

In addition to the dependency on municipal tenders, the main risk management focus for BU 5 lies in the collectability of receivables, particularly outside the two home markets of Austria and Germany. The situation in Serbia has undergone a significant improvement thanks to the intensive efforts of recent years.

Production output 2015
in %



NEW MARKET

Consolidated financial statements

Creating profit-based opportunities

Securing an organisation which is fit for the future requires the constant evaluation of one's own market position. PORR profits from its strategy of intelligent growth – the focus on the five home markets of Austria, Germany, Switzerland, Poland and the Czech Republic. From this stable foundation, PORR selectively enters new markets – at regional and functional levels – as long as all of the preconditions concerning risks and earnings are met.

CONSOLIDATED INCOME STATEMENT

in EUR thousand	Notes	2015	2014
Revenue	(7)	3,139,687	3,009,118
Own work capitalised in non-current assets		539	890
Share of profit/loss of companies accounted for under the equity method	(20)	46,233	66,156
Other operating income	(8)	101,818	119,475
Cost of materials and other related production services	(9)	-2,060,827	-2,026,001
Staff expense	(10)	-807,638	-752,960
Other operating expenses	(12)	-253,870	-260,254
EBITDA		165,942	156,424
Depreciation, amortisation and impairment expense	(11)	-78,172	-74,716
EBIT		87,770	81,708
Income from financial investments and other current financial assets	(13)	18,968	24,762
Finance costs	(14)	-25,625	-40,370
EBT		81,113	66,100
Income tax expense	(15)	-20,069	-17,542
Profit/loss for the period from continued operations		61,044	48,558
of which attributable to non-controlling interests		133	-68
of which attributable to holders of profit-participation rights		3,200	4,200
of which attributable to shareholders of the parent		57,711	44,426
Profit/loss for the period from discontinued operations		-	-3,043
of which attributable to non-controlling interests		-	2
of which attributable to shareholders of the parent		-	-3,045
Profit/loss for the period, total		61,044	45,515
of which attributable to non-controlling interests		133	-66
of which attributable to holders of profit-participation rights		3,200	4,200
of which attributable to shareholders of the parent		57,711	41,381
Basic (diluted) earnings per share, continued operations (in EUR)	(16)	2.02	1.61
Basic (diluted) earnings per share, discontinued operations (in EUR)	(16)	-	-0.11
Basic (diluted) earnings per share, total (in EUR)	(16)	2.02	1.50

STATEMENT OF COMPREHENSIVE INCOME

in EUR thousand	Notes	2015	2014
Profit (loss) for the period		61,044	45,515
Other comprehensive income			
Remeasurement from benefit obligations	(34)	-1,437	-14,727
Income tax expense (income) on other comprehensive income		374	3,776
Other comprehensive income which cannot be reclassified to profit or loss (non-recyclable)		-1,063	-10,951
Exchange differences		-20	-682
Losses/gains from fair value measurement of securities		-1,292	241
Losses/gains from cash flow hedges			
in the year under review		-1,075	-
reclassified into profit or loss		-	-
Losses (gains) from cash flow hedges of associates		-	-3,070
Income tax expense (income) on other comprehensive income		592	-60
Other comprehensive income which can subsequently be reclassified to profit or loss (recyclable)		-1,795	-3,571
Other comprehensive income		-2,858	-14,522
Total comprehensive income		58,186	30,993
of which: attributable to non-controlling interests		146	-73
Share attributable to shareholders of the parent and holders of profit-participation rights		58,040	31,066
of which: attributable to holders of profit-participation rights		3,200	4,200
Share attributable to shareholders of the parent		54,840	26,866

CONSOLIDATED CASH FLOW STATEMENT

in EUR thousand	Notes (42)	2015	2014
Profit/loss for the period		61,044	45,515
Depreciation, impairment and reversals of impairment on fixed assets and financial assets		82,149	76,760
Interest income/expense		9,347	32,648
Income from companies accounted for under the equity method		-14,161	-23,467
Dividends from companies accounted for under the equity method		7,661	34,240
Losses/profits from the disposal of fixed assets		48	-18,533
Decrease in long-term provisions		-11,914	-2,100
Deferred income tax		11,166	5,440
Operating cash flow		145,340	150,503
Increase/decrease in short-term provisions		-10,393	31,804
Increase in tax provisions		4,507	5,396
Decrease/increase in inventories		3,254	-7,474
Decrease/increase in receivables		79,749	-71,521
Decrease/increase in payables (excluding banks)		-15,920	70,457
Interest received		11,356	20,326
Interest paid		-22,279	-47,227
Other non-cash transactions		-2,123	1,471
Cash flow from operating activities		193,491	153,735
Proceeds from the disposal of intangible assets		61	2
Proceeds from sale of property, plant and equipment and disposal of investment property		21,624	43,035
Proceeds from sale of financial assets		22,034	31,937
Proceeds from repayment of loans		109,701	169,176
Proceeds from the disposal of assets held for sale		2,251	1,911
Investments in intangible assets		-5,942	-4,796
Investments in property, plant and equipment and investment property		-87,098	-82,356
Investments in financial assets		-3,201	-10,579
Investments in loans		-385	-494
Payouts for financial investments		-74,578	-125,337
Proceeds from the sale of consolidated companies		9,464	67,689
Payouts for the purchase of subsidiaries less cash and cash equ.		-15,350	789
Cash flow from investing activities		-21,419	90,977
Dividends		-23,063	-12,090
Payouts to non-controlling interests		-5,359	-6,160
Capital increase		-	112,690
Schuldscheindarlehen		185,500	-
Proceeds from loans		-	55,820
Repayment of loans		-82,569	-145,938
Proceeds from the sale of treasury shares		-	2,487
Payouts for the purchase of treasury shares		-12,010	-
Obtaining loans and other financing		17,390	28,527
Redeeming loans and other financing		-79,681	-153,708
Hybrid capital		8,298	16,909
Buyback of capital share certificates		-	-10,331
Cash flow from financing activities		8,506	-111,794
Cash flow from operating activities		193,491	153,735
of which from discontinued operations		-	1,066
Cash flow from investing activities		-21,419	90,977
of which from discontinued operations		-	49,355
Cash flow from financing activities		8,506	-111,794
of which from discontinued operations		-	52
Change to cash and cash equivalents		180,578	132,918
Cash and cash equivalents at 1 Jan		465,617	332,907
Currency differences		1,048	-578
Changes to cash and cash equivalents resulting from changes to the consolidated group		-	370
Cash and cash equivalents at 31 Dec		647,243	465,617
Tax paid		4,385	10,408

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR thousand	Notes	31.12.2015	31.12.2014
Assets			
Non-current assets			
Intangible assets	(17)	63,535	56,310
Property, plant and equipment	(18)	467,452	412,855
Investment property	(19)	33,574	46,767
Shareholdings in companies accounted for under the equity method	(20)	38,365	50,180
Loans	(21)	1,061	797
Other financial assets	(22)	89,617	139,663
Other non-current financial assets	(25)	13,308	16,292
Deferred tax assets	(29)	8,959	5,149
		715,871	728,013
Current assets			
Inventories	(23)	71,505	72,647
Trade receivables	(24)	751,855	725,101
Other financial assets	(25)	105,614	129,943
Other receivables and current assets	(26)	7,992	18,593
Cash and cash equivalents	(27)	647,243	465,617
Assets held for sale	(28)	3,917	6,116
		1,588,126	1,418,017
Total assets		**2,303,997**	**2,146,030**

Equity and liabilities			
Equity			
Share capital	(30)	29,095	29,095
Capital reserves	(31)	249,014	249,014
Hybrid capital	(32)	25,303	17,150
Other reserves	(31)	65,696	44,881
Equity attributable to shareholders of parent		369,108	340,140
Equity from profit-participation rights	(32)	43,160	44,160
Non-controlling interests	(33)	-150	871
		412,118	385,171
Non-current liabilities			
Bonds and Schuldscheindarlehen	(35)	290,848	155,294
Provisions	(34)	124,685	132,253
Non-current financial liabilities	(36)	101,923	96,528
Other non-current financial liabilities	(38)	1,890	2,319
Deferred tax liabilities	(29)	32,309	22,436
		551,655	408,830
Current liabilities			
Bonds	(35)	45,852	78,393
Provisions	(34)	121,646	125,007
Current financial liabilities	(36)	49,047	70,851
Trade payables	(37)	631,713	655,360
Other current financial liabilities	(38)	34,970	39,308
Other current liabilities	(39)	441,017	370,774
Tax payables		15,979	12,336
		1,340,224	1,352,029
Total equity and liabilities		**2,303,997**	**2,146,030**

STATEMENT OF CHANGES IN GROUP EQUITY

in EUR thousand	Notes (30–33)	Share capital	Capital reserves	Revaluation reserve	Remeasurement from benefit obligations	Foreign currency translation reserves
Balance at 1 Jan 2014		24,203	139,632	24,203	-13,926	2,646
Total profit/loss for the period		-	-	-	-	-
Other comprehensive income		-	-	-369	-10,953	1,266
Total comprehensive income		-	-	-369	-10,953	1,266
Dividend payout		-	-	-	-	-
Hybrid capital		-	-	-	-	-
Income tax on interest for holders of mezzanine capital		-	-	-	-	-
Treasury shares		-	-	-	-	-
Capital increase		5,290	108,984	-	-	-
Buyback of capital share certificates		-398	398	-	-	-
For payout to owners of continued operations		-	-	-9,409	402	-395
Changes to the consolidated group/acquisition of non-controlling interests		-	-	-	-	-
Balance at 31 Dec 2014		29,095	249,014	14,425	-24,477	3,517
Total profit/loss for the period		-	-	-	-	-
Other comprehensive income		-	-	-1,008	-1,063	-327
Total comprehensive income		-	-	-1,008	-1,063	-327
Dividend payout		-	-	-	-	-
Hybrid capital		-	-	-	-	-
Income tax on interest for holders of hybrid/mezzanine capital		-	-	-	-	-
Purchasing treasury shares		-	-	-	-	-
Changes to the consolidated group/acquisition of non-controlling interests		-	-	-	-	-
Balance at 31 Dec 2015		29,095	249,014	13,417	-25,540	3,190

Total debt securities available for sale – fair value reserve	Reserve for cash flow hedges	Hybrid capital	Retained earnings and non-retained profit	Equity attributable to equity holders of the parent	Profit-participation rights	Non-controlling interests	Total
169	-31,571	-	153,377	298,733	46,120	2,809	347,662
-	-	205	41,178	41,383	4,200	-68	45,515
181	-3,070	-	-1,572	-14,517	-	-5	-14,522
181	-3,070	205	39,606	26,866	4,200	-73	30,993
-	-	-	-12,090	-12,090	-6,160	-	-18,250
-	-	16,945	-	16,945	-	-	16,945
-	-	-	1,101	1,101	-	-	1,101
-	-	-	2,487	2,487	-	-	2,487
-	-	-	-	114,274	-	-	114,274
-	-	-	-10,331	-10,331	-	-	-10,331
-26	34,641	-	-123,023	-97,810	-	-1,801	-99,611
-	-	-	-35	-35	-	-64	-99
324	-	17,150	51,092	340,140	44,160	871	385,171
-	-	1,543	56,168	57,711	3,200	133	61,044
-969	-806	-	1,302	-2,871	-	13	-2,858
-969	-806	1,543	57,470	54,840	3,200	146	58,186
-	-	-1,688	-21,375	-23,063	-4,200	-1,159	-28,422
-	-	8,298	-	8,298	-	-	8,298
-	-	-	875	875	-	-	875
-	-	-	-12,010	-12,010	-	-	-12,010
-	-	-	28	28	-	-8	20
-645	-806	25,303	76,080	369,108	43,160	-150	412,118

NOTES TO THE 2015 CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The PORR Group consists of PORR AG and its subsidiaries, hereafter referred to as the "Group". PORR AG is a public limited company according to Austrian law and has its registered head office at Absberggasse 47, 1100 Vienna. The company is registered with the commercial court of Vienna under reference number FN 34853f. The Group deals mainly with the planning and execution of a whole range of building construction activities as well as project development and real estate development.

The consolidated financial statements have been prepared pursuant to Art. 245a of the Austrian Commercial Code in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union and in accordance with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The reporting currency is the Euro, which is also the functional currency of PORR AG and of the majority of the subsidiaries included in the consolidated financial statements. Results preceded by the abbreviation TEUR are in euro thousand.

The consolidated financial statements were prepared with the closing date of 31 December and relate to the fiscal year from 1 January to 31 December. The majority of numerical entries are rounded up or down to the nearest thousand (TEUR) and may result in rounding differences.

2. Consolidated group

In addition to PORR AG, 56 (previous year: 53) domestic subsidiaries and 55 (previous year: 52) foreign subsidiaries are included in the consolidated financial statements. Two (previous year: 70) companies are no longer included in the consolidated group, there were no intragroup mergers (previous year: 13):

One company was liquidated. For Forum am Bahnhof Quickborn GmbH & Co KG all shares were sold with the exception of 6%. The purchase price of TEUR 9,595 was settled in cash.

The assets and liabilities where control was lost break down as follows:

in EUR thousand	2015
Non-current assets	
Deferred tax assets	145
Current assets	
Other current financial assets	65
Other current receivables and assets	43
Cash and cash equivalents	131
Non-current assets held for sale	10,145
Non-current liabilities	
Deferred tax payables	-92
Current liabilities	
Trade payables	-100
Other current financial liabilities	-10

Gains on sale amounting to TEUR -131 were recognised in income/expenses from financial assets.

2.1. First-time consolidations

In these consolidated financial statements the following eight companies were consolidated for the first time:

Because of new foundations and first-time consolidation	Date of initial consolidation
PORR UK Ltd.	12.3.2015
PORR Construction B.V.	3.3.2015
Porr Equipment Services Cesko s.r.o.	24.6.2015
Porr Beteiligungen und Management GmbH	8.4.2015
STRAUSS Property Management GmbH	16.7.2015
TEERAG-ASDAG Bau GmbH	2.9.2015
ÖBA – Österreichische Betondecken Ausbau GmbH	13.10.2015

No significant assets and liabilities were included as a result of these consolidations.

Because of acquisitions	
PORR Polska Infrastructure S. A. (formerly Bilfinger Infrastructure S.A.)	14.8.2015

A total of TEUR 21,500 was used to purchase a 100% stake in PORR Polska Infrastructure S.A. The company operates in the business areas of road and bridge construction, civil engineering and power plant construction in Poland and Norway. The purchase price was provisionally allocated to the Group's liabilities and assets as follows in accordance with IFRS 3.45:

in EUR thousand	2015
Non-current assets	
Intangible assets	11,611
Property, plant and equipment	13,799
Deferred tax assets	15,206
Current assets	
Inventories	2,112
Trade receivables	48,484
Other current financial assets	486
Other receivables and current assets	60
Cash and cash equivalents	6,151
Non-current liabilities	
Provisions	-350
Non-current financial liabilities	-267
Deferred tax liabilities	-11,010
Current liabilities	
Provisions	-7,032
Current financial liabilities	-432
Trade payables	-44,513
Other current financial liabilities	-260
Other current liabilities	-12,545
Purchase price	21,500

The acquisition led to the recognition of goodwill as the purchase price includes the benefits from synergic effects. The purchase price is to be considered as provisional, particularly with regard to the intangible assets and the current assets. The initial consolidation of the company contributed TEUR 7,785 to earnings before taxes for the period and TEUR 63,402 to revenue.

Assuming a notional date of first-time consolidation of 1 January 2015, Group revenue would increase by TEUR 159,469 and earnings before taxes by TEUR 1,782.

Furthermore, 41 (previous year: 38) domestic and 13 (previous year: 12) foreign associates and joint ventures were valued using the equity method. The consolidated subsidiaries and companies accounted for under the equity method are shown in the list of shareholdings (see from page 168). Companies which are of minor significance for the consolidated financial statements are not included. 18 (previous year: 19) subsidiaries and 44 (previous year: 46) shareholdings in associates and joint ventures were therefore not included in the consolidation or accounted for under the equity method; this primarily relates to general partner companies.

3. New accounting standards

3.1. Standards adopted for the first time in the year under review

Amendments to standards and interpretations

Annual Improvements to IFRSs (2011–2013 Cycle)

The Annual Improvements to IFRSs 2011–2013 Cycle contains a number of minor amendments to different standards. The amendments apply to fiscal years beginning on or after 1 January 2015. The standards affected by these amendments include: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 3 Business Combinations; IFRS 13 Fair Value Measurement; and IAS 40 Investment Property.

As the main purpose of the Annual Improvements project is to clarify the formulation of existing IFRSs and make small amendments to eliminate unforeseen consequences and conflicts, the Group does not expect any of the amendments arising from Improvements to IFRSs to have a significant impact on the consolidated financial statements.

New interpretations

IFRIC 21 – Levies

The interpretation provides guidance on when to recognise a liability for a levy imposed by a government. The interpretations apply to fiscal years beginning on or after 17 June 2014. The interpretation has not had significant impact on the consolidated financial statements.

3.2. New accounting standards which have not yet been adopted

The following published standards and interpretations relevant to the preparation of consolidated financial statements did not need to be applied compulsorily to business years beginning on or after 1 January 2014 and the voluntary option to apply them early was also not exercised.

Standards and interpretations already adopted by the European Union

Amendments to standards and interpretations

Amendment to IAS 19 Employee Benefits

The amendment clarifies how contributions from employees or third parties which are linked to service should be attributed to periods of service and also permits a practical expedient if the amount of the contributions is independent of the number of years of service. The amendment applies to fiscal years beginning on or after 1 February 2015. The amendment has not had any impact on the consolidated financial statements.

Annual Improvements to IFRSs (2010–2012 Cycle)

The Annual Improvements to IFRSs 2010–2012 Cycle contains a number of minor amendments to different standards. The amendments apply to fiscal years beginning on or after 1 February 2015. The standards affected by these amendments include: IFRS 2 Share-based Payment; IFRS 3 Business Combinations; IFRS 8 Operating Segments; IFRS 13 Fair Value Measurement; IAS 16 Property, Plant and Equipment; IAS 24 Related Party Disclosures; and IAS 38 Intangible Assets.

As the main purpose of the Annual Improvements project is to clarify the formulation of existing IFRSs and make small amendments to eliminate unforeseen consequences and conflicts, the Group does not expect any of the amendments arising from Improvements to IFRSs to have a significant impact on the consolidated financial statements.

Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations

The amendments relate to accounting for interests in joint ventures and joint operations. This amendment will involve the inclusion of new guidance in IFRS 11 on accounting for acquisitions on interests in joint operations which constitute a business. The amendments apply to fiscal years beginning on or after 1 January 2016. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate because such methods reflect factors other than the pattern of consumption of an asset's expected future economic benefits. The amendments also specify that a revenue-based amortisation method for determining the future economic benefits of intangible assets is generally inappropriate, whereby this presumption can be overcome under specific limited circumstances. The amendments apply to fiscal years beginning on or after 1 January 2016. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IAS 16 and IAS 41: Bearer Plants

The amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture relate to the financial reporting for bearer plants. Bearer plants, which are used solely to grow produce, have been brought into the scope of IAS 16. This means that they can be accounted for in the same way as property, plant and equipment. The amendments apply to fiscal years beginning on or after 1 January 2016, whereby earlier adoption is permitted. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The minor amendments to IAS 27 "Separate Financial Statements" allow entities to use the equity method as an accounting option for investments in subsidiaries, joint ventures and companies accounted for under the equity method in an entity's separate financial statements. The amendments apply to fiscal years beginning on or after 1 January 2016. The amendment will not have any impact on the consolidated financial statements.

Annual Improvements to IFRSs 2012–2014 Cycle

The Annual Improvements to IFRSs 2012-2014 Cycle involves a range of small amendments to various standards. Some of the amendments relate to:

– IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" – adds specific guidance for cases in which an entity reclassifies an asset from "held for sale" to "held for distribution" or vice versa and cases in which held-for-distribution accounting is discontinued.
– IFRS 7 "Financial Instruments: Disclosures" – clarifies whether a servicing contract is continuing involvement in a transferred asset and clarifies offsetting disclosures to the condensed interim financial statements.
– IAS 19 "Employee Benefits" – the amendments clarify that the corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.
– IAS 34 "Interim Financial Reporting" – proposes the inclusion of a cross-reference to information disclosed in interim financial reports.

Subject to adoption by the EU, all of the amendments will apply to fiscal years beginning on or after 1 January 2016. Earlier adoption is permitted. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Amendments to IAS 1: Disclosure Initiative

In December 2014 the IASB issued amendments to IAS 1 Presentation of Financial Statements. The amendments primarily relate to the following points:

– Clarifying that disclosures in the financial statements are only necessary if their content is not immaterial.
– Guidance on aggregating and disaggregating items in the statement of financial position and statement of profit or loss and other comprehensive income.
– Clarifying how to account for an entity's share of other comprehensive income of equity-accounted companies accounted for under the equity method in the statement of comprehensive income.
– Eliminating the model structure of the financial statements in order to take account of relevance to the specific company.

The amendments will apply to reporting periods beginning on or after 1 January 2016. Earlier adoption is permitted. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Standards and interpretations not yet adopted by the European Union

New standards

IFRS 9 – Financial Instruments

The IASB published the final version of the standard on 24 July 2014 in the course of completing the various phases of its comprehensive financial instruments project. This means that IAS 39 Financial Instruments and Recognition can now be fully replaced with the application of IFRS 9. The most recently published version of IFRS 9 replaces all earlier versions of the standard. The amendment applies to reporting periods beginning on or after 1 January 2018. The Group is currently evaluating the impact of the amendment on the consolidated financial statements.

IFRS 14 – Regulatory Deferral Accounts

IFRS 14 “Regulatory Deferral Accounts” permits an entity which is a first-time adopter of IFRSs to continue to account, with some limited changes, for regulatory deferral account balances in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. IFRS 14 was issued in January 2014 and applies to reporting periods beginning on or after 1 January 2016. The standard will not have any impact on the consolidated financial statements.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles-based, five-step model to be applied to all contracts with customers. IFRS 15 was issued in May 2014 and applies to reporting periods beginning on or after 1 January 2018. The Group is currently evaluating the impact of the standard on the consolidated financial statements.

IFRS 16 – Leases

The standard specifies how to recognise, measure, present and disclose leases. IFRS 16 replaces the previous standard IAS 17 and three interpretations related to leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value (option to choose). The standard was published in January 2016 and its application will be obligatory for reporting periods beginning on or after 1 January 2019. The Group is currently evaluating the impact of the standard on the consolidated financial statements.

Amendments to standards and interpretations

Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception

The IASB issued amendments to IFRS 10 – “Consolidated Financial Statements”, IFRS 12 – “Disclosure of Interests in Other Entities” and IAS 28 – “Investments in Companies accounted for under the equity method and Joint Ventures” with regard to applying the consolidation exception for investment entities. The amendments serve to clarify three issues related to the consolidation exception for investment entities whose subsidiaries are measured at fair value.

The amendments will apply to reporting periods beginning on or after 1 January 2016. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IFRS 10 and IAS 28: Investments in Companies accounted for under the equity method and Joint Ventures

The amendments address an inconsistency between the requirements of IFRS 10 and IAS 28. They clarify how to deal with gains and losses resulting from a transaction between an investor and its associate or joint venture. Gains or losses from downstream transactions involving assets that constitute a business must be recognised in full by the investor. Transactions involving assets which do not constitute a business require only partial recognition of the gain or loss. The application of the amendments has been postponed for an indefinite period. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Amendments to IAS 12: Recognition of deferred tax assets for unrealised losses

The amendments to IAS 12 aim in particular to clarify how to account for deferred tax assets for unrealised losses from assets measured at fair value in order to address diversity in practice. The amendments will apply to reporting periods beginning on or after 1 January 2017. The application is not likely to have any impact on the consolidated financial statements.

Amendments to IAS 7: Disclosure Initiative

The amendments come with the objective that an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will apply to reporting periods beginning on or after 1 January 2017. The application is not likely to have any impact on the consolidated financial statements.

4. Consolidation principles

Business combinations are accounted for in accordance with the acquisition method. According to this method, the assets acquired and liabilities assumed as well as contingent liabilities are measured on the acquisition date at their fair values attributable at this date. Where the difference between the acquisition costs and the attributable proportion of net assets valued at fair value shows an excess, this item is shown as goodwill, which is not written off or amortised in regular amounts but is subjected to an annual test for impairment. Where any difference relates to a bargain purchase, its effect on net income is recognised immediately and shown in other operating income.

All accounts receivable and payable between consolidated companies are eliminated during debt consolidation. Intragroup income and expense is offset within the framework of consolidation of income and expense. Intragroup profits or losses from intragroup deliveries are eliminated if these relate to significant amounts and the relevant assets are still recognised in the consolidated financial statements.

Shares in net assets of subsidiaries not attributable to PORR AG are shown separately as part of equity capital under the item “non-controlling interests”.

5. Accounting and measurement methods

The annual financial statements of all companies included in the consolidated financial statements are prepared according to standard accounting and measurement methods.

Measurement principles

Historic acquisition costs form the basis for the measurement of intangible assets and property, plant and equipment (except for real estate) and for loans, inventories, accounts receivable from billed orders and liabilities.

The fair value at the end of the reporting period is the basis for the measurement in respect of securities available for sale, derivative financial instruments and investment property; the fair value at the date of revaluation is the basis for measurement for real estate used by the Group.

Accounts receivable for construction contracts which have not been completed, which are included under trade receivables, reflect the respective proportion of revenue corresponding to the percentage of completion at the end of the reporting period less any payments already made by the customer.

Currency translation: The companies included in the consolidated financial statements prepare their annual financial statements in their respective functional currencies, whereby the functional currency is the relevant currency for the commercial activities of the company concerned. The functional currency for all of the companies included is the currency of the country in which the company concerned is domiciled.

Items in the consolidated statement of financial position are translated at the mean rate of exchange at the end of the reporting period and income statement items are translated at the annual mean rate of exchange for the fiscal year (as an arithmetic mean of all end-of-month quotations). Differences resulting from the currency translation are reported in other comprehensive income. These translation differences are recognised in the income statement at the date of disposal of the business activities.

In the event of company acquisitions, adjustments of the carrying amounts of the acquired assets and assumed liabilities to the fair value at the date of acquisition or, if applicable, goodwill, are treated as assets or liabilities of the acquired subsidiary and are, accordingly, subject to currency translation.

Exchange gains or losses on transactions undertaken by companies included in the consolidation in a currency other than the functional currency are recognised in profit or loss for the period. Monetary items not denominated in the functional currency held by companies included in the consolidation are translated at the mean rate ruling at the end of the reporting period. Exchange gains or losses resulting from this translation are also recognised in profit or loss.

Intangible assets are capitalised at acquisition cost and amortisation is recognised on a straight-line basis over the probable useful life.

in %	Rates of amortisation 2015/2014
Rental rights	2.0 to 50.0
Licences, software	1.0 to 50.0
Concessions	5.0 to 50.0
Mining rights	Depends on assets
Customer relations	14.3

The amortisation apportionable to the fiscal year is shown in the income statement under the item "Depreciation, amortisation and impairment expense".

If impairment is established, the relevant intangible assets are recognised at the recoverable amount, which is the fair value less costs of sale or the value in use, if higher. If the impairment ceases to apply, a reversal of the impairment is performed equivalent to the carrying amount, which would have been determined had the impairment loss not been accrued.

Goodwill is recorded as an asset. In order to assess any impairment demand, goodwill of the cash-generating unit or groups of cash-generating units will be assigned, which benefit from the synergies of the Group amalgamation. This cash-generating unit or groups of cash-generating units are tested once a year for impairment, as well as at any other time where circumstances exist that indicate there may be possible impairment.

Property, plant and equipment, with the exception of real estate, is valued at cost, including incidental costs less reductions in the acquisition costs, or at manufacturing cost, and is subject to the previously accumulated and regularly applied straight-line depreciation during the year under review, whereby the following rates of depreciation are applied:

in %	Rates of depreciation 2015/2014
Technical plants and machinery	10.0 to 50.0
Other plants, factory and business equipment	10.0 to 50.0

The depreciation rates are based on the probable useful life of the facilities. If impairment is established, the relevant tangible assets are impaired to the recoverable amount, which is the fair value less costs of sale or the value in use, if higher. If the impairment ceases to apply, an impairment reversal is recognised equivalent to the carrying amount, which would have been determined had the impairment expense not been accrued. Fundamental rebuilding work is recognised in the statement of financial position, while ongoing maintenance work, repairs and minor rebuilding work are recognised in profit or loss at the time they arose.

Real estate used for operational purposes is valued according to the revaluation method pursuant to IAS 16.31. External opinions or assessments from internal experts are used as the basis for determining fair values. The external assessments are held at periodic intervals of maximum five years; in the interim period assessments from internal experts are used to update the expert opinions. Revaluations are performed so regularly that the carrying amounts do not deviate significantly from the fair values attributable at the end of the reporting period. The date for the revaluation for the end of the reporting period generally falls in the fourth quarter of the reporting year. The carrying amount is adjusted to the respective fair value by using a revaluation reserve in other comprehensive income. The revaluation reserve is reduced by the applicable deferred tax liability. Regular depreciation of revalued buildings is carried out according to the straight-line method, where the depreciation rates lie essentially between 1.0% and 4.0%, and is recognised in the income statement. On a subsequent sale or decommissioning of revalued land or buildings, the amount recorded in the revaluation reserve in respect of the relevant plot of land or building is transferred to retained earnings.

Plants under construction, including buildings under construction, which are to be used for operational purposes or whose type of use has not yet been established, are accounted for at acquisition cost or manufacturing cost less impairment. Depreciation or impairment of these assets commences upon their completion or attainment of operational status.

Investment property is real estate that is held for the purpose of obtaining rental income and/or for the purpose of its rise in value. This includes office and commercial premises, residential buildings and unimproved land. These are recognised at their fair values. Gains or losses from changes in value are reflected in profit or loss for the period in which the change in value occurred.

Fair value is determined using recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – usually in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement.

Leases are classified as finance leases when, according to the lease contract, essentially all the risks and rewards relating to the ownership are transferred to the lessee. All other leases are classified as operating leases.

The Group as lessor
Where the Group is the lessor, the only lease contracts applicable are operating leases. The rental income from these contracts is recognised in net income on a straight-line basis over the term of the corresponding lease.

The Group as lessee
Assets held under finance leases are recorded as Group assets at their fair values or at the present value of the minimum lease payments if this is lower, at the beginning of the lease. The minimum lease payments are those amounts payable during the non-terminable term of the lease, including a guaranteed residual value. The corresponding liability owed to the lessor is recorded in the statement of financial position as obligations under finance leases. The lease payments are apportioned between interest paid and the reduction of the lease obligation in such a way as to achieve a constant rate of interest on the remaining liability. Interest expense is recognised in the income statement.

Rental payments on operating leases are recognised in profit or loss for the period on a straight-line basis over the term of the corresponding lease.

Shares in associates and in joint companies are accounted for at acquisition cost, which is apportioned between the pro rata net assets acquired at fair value and, if applicable, goodwill. The carrying amount is increased or decreased annually by the proportionate annual profit or loss, dividends received and other changes to equity capital. Goodwill is not subject to planned amortisation, rather it is assessed for impairment as a part of the relevant shareholding when circumstances exist that indicate there may be possible impairment.

Shares in consortiums (joint ventures): Group shares in profits and losses from consortiums classified as joint ventures are shown in the consolidated income statement under as profit/loss from companies accounted for under the equity method. Group revenues from goods and services to consortiums are shown in the consolidated income statement under revenue. Capital paid into a consortium is entered under trade receivables (see note 24), together with profit shares and trade receivables for the relevant consortium and after deductions for withdrawals and general losses. If there is on balance a passive entry, this is included under trade payables (see note 37).

Shares in joint operations: The consolidated financial statements recognise the proportionate assets and liabilities and the proportionate expenses and income attributable to the PORR Group.

Loans are measured at amortised cost according to the effective interest method, less general allowances (value adjustments) due to impairment.

Shares in non-consolidated companies and other shareholdings shown under **other financial assets** are valued at acquisition cost, as with regard to these stakes and shareholdings, in the absence of listings, there is no stock exchange rate available and reliable fair values cannot be determined for these. If impairment is established, they are written down to the recoverable amount.

Securities available for sale are measured at fair value. Gains or losses from changes to the fair value, with the exception of revaluations due to impairment and gains and losses arising from securities denominated in foreign currencies, are entered into other comprehensive income. In the case of derecognition of these kinds of securities, or if impairment is indicated, the cumulative gain or loss in equity capital will be entered into profit or loss for the period. Interest is calculated by the effective interest method and is recognised in consolidated profit or loss.

The securities classified as held for trading are measured at their fair value. Gains or losses from changes in fair value are recognised in profit or loss.

Impairment of financial assets: At the end of each reporting period an assessment is carried out as to whether there are any indicators that a financial asset has been impaired. An impairment loss is recognised if there is evidence that the expected future cash flows from the asset in question will be reduced because of an event occurring after the initial recognition of that asset. If the impairment loss has decreased in a subsequent period because of an event occurring following its recognition, the impairment loss is reversed by increasing the carrying amount of the asset. In the case of financial assets measured at amortised cost, the maximum amount of any reversal is the amount that would have been recognised as the amortised cost of the financial asset in question if no impairment loss had been recognised.

Raw materials and supplies are valued at the lower of acquisition cost and net realisable value.

Recorded under inventories, **land intended for sale** is valued at the lower of acquisition cost, manufacturing cost and net realisable value.

Construction contracts are recognised according to the percentage of completion of the contract (POC method). The anticipated revenues from the contracts are shown under revenue according to the respective percentage of completion. The percentage of completion, which is the basis for the amount of the contract revenues shown, is, as a rule, determined according to the ratio of the services supplied compared to the estimated total services at the end of the reporting period. Claims are only recognised when it is likely that the customer will accept them and when they can be reliably measured. Where the result of a construction contract cannot be reliably estimated, the amount of the accumulated contract costs alone shall represent the amount recorded for contract revenues. If it is probable that the total contract costs will exceed the total contract revenues, the expected loss is recognised immediately and in full.

The revenues attributable to the services supplied so far according to the percentage of completion method are, to the extent that they exceed the payments on account made by the customer, shown in the statement of financial position under trade receivables. Amounts by which the payments on account received exceed the revenues attributable to the services supplied so far are shown under other liabilities.

Where construction contracts are executed in consortiums, profits are also recognised using the percentage of completion method.

Receivables are fundamentally recognised using the effective interest method, whereby the carrying amount generally corresponds to the nominal value. Should there be substantial evidence of risks regarding recovery, allowances are set up. Objective indicators suggesting the need for impairment include, for example, a decline in the creditworthiness of the debtor and related payment delays or impending insolvency. The necessary allowances are based on the actual risk of default.

Acquisitions and sales of financial assets common to the market (spot transactions) are shown in the statement of financial position on the settlement date.

Deferred tax items are recognised where there are temporary differences between the values of assets and liabilities in the consolidated financial statements on the one hand and the values for tax purposes on the other hand in the amount of the anticipated future tax expense or tax relief. In addition, a deferred tax asset for future asset advantage resulting from tax loss carryforwards is recognised if there is sufficient certainty of realisation. Temporary differences arising from the first recognition of goodwill constitute exceptions to this comprehensive tax deferral.

The calculation of the deferred tax amount is based on the rate of income tax valid in the country concerned; for Austrian companies this is a tax rate of 25%.

If a Group company purchases **treasury shares** in PORR AG, the value of the consideration paid, including directly attributable additional costs (net of income tax), will be deducted from the equity of PORR AG until the shares are retired or re-issued. If these shares are subsequently re-issued, the consideration paid (net of deductions for directly attributable additional costs and related income taxes) will be recognised in the equity of PORR AG.

The **provisions for severance payments, pensions and anniversary bonuses** are determined by the projected unit credit method in accordance with IAS 19, which involves an actuarial assessment being performed by a recognised actuary on each reference date. In the valuation of these provisions for Austria and Germany, an interest rate for accounting purposes of 2.25% p.a. (previous year: 2.25%) was applied with salary increases of 2.5% (previous year: 2.6%). When determining provisions for severance payments and anniversary bonuses for Austria, deductions are made for fluctuations based on statistical data within a range of 1.1% to 14.2% (previous year: 0.45% to 10.4%) and for anniversary bonuses in Germany a range of 0.0% to 25.0% (previous year: 0.0% to 25.0%) was applied When determining provisions for pensions, a pension increase of 2.0% p.a. (previous year: 2.0% p.a.) was applied in Austria and Germany. For Austrian companies the assumed retirement age is the earliest possible retirement age permitted by law following the 2004 pension reform (corridor pension), taking into account all transitional arrangements; for German companies the legal retirement age is used. The life table AVÖ 2008-P – Pagler & Pagler is used for calculating provisions in Austria, while for Germany the life table Richttafeln 2005 G by Klaus Heubeck is applied.

Actuarial gains and losses for severance payments and pensions are recognised in full in other comprehensive income, while anniversary bonuses are under profit or loss for the period. Service costs are under staff expense. Interest paid is recorded under finance costs.

Other provisions take account of all currently discernible risks and contingent liabilities from past events whereby an outflow of resources is judged to be probable. They are recognised with the best estimate of the expenditure required to settle the present obligation if a reliable estimate exists. Provisions related to impending losses and damages and penalties from contracts are recorded in other provisions, in as far as the respective proportional contract values according to the percentage of completion are exceeded.

Financial liabilities are measured at fair value less direct transaction costs when they are initially recognised. If the amount of the repayment is lower or higher, this is written down or up in accordance with the effective interest method.

Derivative financial instruments are recognised at fair value. Gains and losses from changes in market value of forward contracts designated as hedging instruments which should hedge the risk in variability of the cash flow in the functional currency from planned transactions in the foreign currency ("cash flow hedges"), along with other derivative financial instruments which are designated as cash flow hedges, are entered into other comprehensive income, as long as they are allotted to the effective part of the hedge transaction.

Revenue is measured at the fair value of the consideration. Discounts and other subsequent reductions in revenue are deducted from this amount. Sales taxes and other taxes related to the sale are not part of the consideration or revenue. Revenue from the sale of assets is recognised on delivery and transfer of ownership. Revenue from construction contracts is recognised according to the percentage of completion allocated over the period of the contract.

Interest income is defined in accordance with the effective interest method. The effective interest rate is any interest rate where the present value of future cash flow from the financial asset value corresponds to the carrying amount of the asset. **Dividend income** from financial investments is recognised when legal title arises.

Borrowing costs resulting directly from acquisition or production of qualifying assets, even those whose acquisition or manufacture takes up a considerable time period until the intended use or sale, form part of the cost of the asset and are therefore capitalised. Other borrowing costs are recorded as an expense in the period in which they were incurred.

6. Key assumptions and key sources of estimation uncertainty

6.1. Key sources of estimation uncertainty

The following presents significant assumptions related to the future and other key sources of estimation uncertainty which could lead to significant adjustments in the consolidated financial statements for the following fiscal year of results reported:

Provisions for severance and pensions: the valuation of existing pension and severance obligations relies on assumptions and estimates which could have a significant impact on the amounts recognised.

For pension provisions, the following actuarial assumptions were deemed relevant and the following margins were applied: Discount rate +/-0.25%, Pension trend +/-0.25%, Life expectancy +/-1 year.

The sensitivity analysis of life expectancy was carried out on the basis of a shift in life expectancy for the total candidates of the respective plan.

The differences to the values disclosed in the statement of financial position are shown in the tables below as relative deviations:

	Interest +0.25%			Interest -0.25%		
	active	vested	liquid	active	vested	liquid
Pension DBO	-4.90%	-3.50%	-2.20%	5.20%	3.70%	2.30%
	Pension trend +0.25%			Pension trend -0.25%		
	active	vested	liquid	active	vested	liquid
Pension DBO	5.20%	3.80%	2.30%	-4.90%	-3.60%	-2.20%
	Life expectancy +1 year			Life expectancy -1 year		
	active	vested	liquid	active	vested	liquid
Pension DBO	4.00%	3.00%	5.00%	-3.00%	-3.00%	-5.00%

For provisions for severance payments, the following actuarial assumptions were deemed relevant and the following margins were applied: Discount rate +/-0.25%, Salary trend +/-0.25%, Fluctuation +/-0.5% up to 25th year of work, Life expectancy +/-1 year.

The sensitivity analysis of life expectancy was carried out on the basis of a shift in average life expectancy for the total candidates of the respective plan.

The difference to the values disclosed in the statement of financial position is shown in the tables below as relative deviations:

	Interest +0.25%	Interest -0.25%	Salary trend +0.25%	Salary trend -0.25%
Severance DBO	-2.11%	2.19%	2.14%	-2.08%

	Fluctuation +0.5% up to 25th year of work	Fluctuation -0.5% up to 25th year of work	Life expectancy +1 year	Life expectancy -1 year
Severance DBO	-0.26%	0.26%	0.17%	-0.20%

Construction contracts: Evaluation of construction contracts until project completion, in particular with a view to the accounting of claims, the contract revenue using the percentage of completion method, and the estimate of the probable operating profit from the contract, based on expectations of the future development of the relevant construction contracts. A change in these estimates, particularly as regards contract costs to complete the contract, percentage of completion, the estimated operating profit and the finally accepted claims accepted can have a significant effect on the Group's financial position and financial performance (see note 24). The following sensitivity analysis shows the impact of changes to the key parameters on the carrying amounts:

in EUR thousand	Carrying amount 31.12.2015	Significant valuation assumptions	Change	Effect on carrying amounts
Contract values as per POC method	2,251,078	EBT margin	+/-0.5%	+/-20,476
Provision for onerous contracts	15,746	Provision/order value	+/-0.5%	+/-1,234
Provision for damages and penalties	44,215	Provision/order value	+/-0.5%	+/-12,417
Provision for guarantees	53,151	Provision/order value	+/-0.5%	+/-17,565

in EUR thousand	Carrying amount 31.12.2014	Significant valuation assumptions	Change	Effect on carrying amounts
Contract values as per POC method	1,976,939	EBT margin	+/-0.5%	+/-13,999
Provision for onerous contracts	19,892	Provision/order value	+/-0.5%	+/-1,203
Provision for damages and penalties	45,061	Provision/order value	+/-0.5%	+/-8,345
Provision for guarantees	52,358	Provision/order value	+/-0.5%	+/-16,949

Impairment: Impairment tests on goodwill, other intangible assets, property, plant and equipment are primarily based on estimated future cash flows which are expected from the continuous use of an asset and its disposal at the end of its useful life. Factors such as lower revenues or rising expenditure and the resulting lower cash flows as well as changes to the discount factors used can lead to impairment due to a reduction in value or, as far as allowed, to a reversal of impairment due to an increase in value. The carrying amounts and the valuation assumptions applied to key impairment tests on goodwill are as follows:

2015	Goodwill in EUR thousand	Fair value hierarchy	Method used	Business plan assumptions	Growth rate in %	Discount rate after taxes in %	Effective date
Road construction	7,704	-	Value in use	Revenue p. a. -1.6–4.1%	1	7.04	31.12.
Building management	2,971	Level 3	Fair Value less cost to sell	Revenue p. a. -2.8–10.2%	1	6.89	31.12.
PPI	11,049	-	Value in use	Revenue p. a. 20–100%	1	7.77	31.12.

2014	Goodwill in EUR thousand	Fair value hierarchy	Method used	Business plan assumptions	Growth rate in %	Discount rate after taxes in %	Effective date
Road construction	7,704	-	Value in use	Revenue p.a. +2.2–2.8%	1	8,71	30.6.
Building management	6,274	Level 3	Fair Value less cost to sell	Revenue p.a. +4.7–6.7%	1	6,66	31.12.
PWW Group	-	Level 3	Fair Value less cost to sell	Long-term revenue p.a. +1.7–3.3%	-	10,93	31.12.

The following shows the changes to the key parameters which can lead to impairment in the cash-generating unit of building management:

in EUR thousand 2015	Discount rate +0.5%	EBITDA margin -10%
Building management	-853	-1,225

in EUR thousand 2014	Discount rate +0.5%	EBITDA margin -10%
Building management	-1,599	-3,436

Management assumes that there will not be any significant changes which could lead to impairment for the cash-generating unit of road construction and PORR Polska Infrastructure.

7. Revenues

The gross revenues of TEUR 3,139,687 (previous year: TEUR 3,009,118) include the invoiced construction work of own construction sites, goods and services to consortiums, and other revenues from ordinary activities.

The following table shows total Group output by business area, in which the output from contracts carried out by consortiums is also recognised together with the proportion attributable to a company included in the consolidated financial statements, and then transferred to revenue.

in EUR thousand	2015	2014
Business areas		
BU 1 – DACH	1,930,887	2,012,784
BU 2 – CEE/SEE	486,697	424,981
BU 4 – Infrastructure	943,641	888,530
BU 5 – Environmental Engineering	99,216	105,330
Holding	63,311	43,260
Total Group output	3,523,752	3,474,885
of which proportional output from companies accounted for under the equity method and subsidiaries and shareholdings of minor significance	-384,065	-465,767
Revenue	3,139,687	3,009,118

Revenue can be subdivided as follows:

in EUR thousand	2015	2014
Revenues from construction contracts	2,954,206	2,798,470
Revenues from sales of raw materials and other services	185,481	210,648
Total	3,139,687	3,009,118

8. Other operating income

in EUR thousand	2015	2014
Income from the release of provisions	26,503	20,959
Income from the sale of property, plant and equipment	8,631	12,882
Revenue from the provision of staff	6,339	9,488
Insurance payments	5,682	3,394
Exchange gains	10,935	4,241
Revenue from charging materials	2,811	4,339
Rent from space and land	3,358	8,491
Valuation of real estate	-	305
Other	37,559	55,376
Total	101,818	119,475

Other operating income largely comprises amounts invoiced to shareholdings, other staff income and income from the sale of materials.

9. Cost of materials and other related production services

in EUR thousand	2015	2014
Expenditure on raw materials and supplies and for purchased goods	-651,443	-680,195
Expenditure on purchased services	-1,409,384	-1,345,806
Total	-2,060,827	-2,026,001

10. Staff expense

in EUR thousand	2015	2014
Wages and salaries	-654,424	-602,680
Social welfare expenses	-142,252	-138,774
Expenditure on severance payments and pensions	-10,962	-11,506
Total	-807,638	-752,960

Expenditure on severance payments and pensions includes the prior service costs and contributions to the staff provision fund for employees who commenced employment with an Austrian group company after 31 December 2002 and voluntary severance payments. The interest expense arising from severance payments and pension obligations is shown under the item finance costs.

11. Depreciation, amortisation and impairment expense

Amortisation of TEUR 10,384 (previous year: TEUR 14,225) was applied to intangible assets and depreciation of TEUR 67,788 (previous year: TEUR 61,773) to property, plant and equipment, of which TEUR 3,303 (previous year: TEUR 11,023) relates to impairment. For more detailed information please refer to notes 17 and 18. Part of the depreciation, amortisation and impairment expense amounting to TEUR 0 (previous year: TEUR 1,283) is shown under profit for the period from discontinued operations.

12. Other operating expenses

in EUR thousand	2015	2014
Legal and consultancy services, insurance	-41,406	-42,442
Buildings and land	-42,025	-38,117
Exchange losses	-12,477	-7,890
Fleet	-19,150	-20,252
Advertising	-10,459	-11,878
Office operations	-25,380	-22,034
Commission on bank guarantees	-13,621	-15,303
Travel expenses	-26,898	-20,267
Other	-62,454	-82,071
Total	-253,870	-260,254

Other operating expenses essentially comprise taxes and duties, third party services and general administrative costs. This item also includes rental payments from rental and leasing contracts of TEUR 9,858 (previous year: TEUR 9,766).

13. Income from financial investments and current financial assets

in EUR thousand	2015	2014
Income from shareholdings	2,828	2,849
of which from affiliated companies	(-)	(-)
Expenditure from shareholdings	-2,284	-685
of which from affiliated companies	(-1,037)	(-377)
Income/expenditure from current financial assets	2,146	4,545
Interest	16,278	18,053
of which from affiliated companies	(144)	(1,107)
Total	18,968	24,762

Under the item Interest, interest of TEUR 8,002 (see note 45) to the UBM Group is included. Interest does not relate to financial assets measured at fair value in profit or loss.

14. Finance costs

in EUR thousand	2015	2014
Interest and similar expenditure relating to bonds	-13,074	-20,104
Other interest and similar expenses	-12,551	-20,266
of which from affiliated companies	(-16)	(-447)
of which interest expenditure from social overhead capital provisions	(-2,712)	(-3,826)
Total	-25,625	-40,370

As in the previous year, no borrowing costs were capitalised in the year under review. The capitalisation rate was between 0.75% and 6.25% (previous year: 1.6% and 6.8%).

15. Income tax

Income tax is the taxes on income and earnings and deferred taxes paid or owed in the individual countries for the year under review.

The calculation is based on tax rates that will be applicable pursuant to the prevailing tax laws or according to tax laws whose entry into force is essentially finalised, at the probable date of realisation.

in EUR thousand	2015	2014
Actual tax expense	8,903	10,011
Deferred tax expense (+)/income (-)	11,166	7,531
Tax expense (+)/income (-)	20,069	17,542

The tax expense resulting from the application of the Austrian Corporation Tax rate of 25% can be reconciled to the actual expense as follows:

in EUR thousand	2015	2014
Profit before income tax	81,113	66,100
Theoretical tax expense (+)/income (-)	20,278	16,525
Differences in rates of taxation	-389	3,924
Tax effect of non-deductible expenditure and tax-exempt income	284	-4,376
Income/expenditure from companies accounted for under the equity method	3,183	1,379
Changes in deferred tax assets not applied in relation to loss carryforwards	-3,845	-376
Effect from taxation changes	-	-89
Tax expense (+)/income (-) related to other periods	1,509	-776
Other	-951	1,331
Taxes on income and earnings	20,069	17,542

In addition to the tax expense recognised in the consolidated income statement, the tax effect of expenses and income set off to other comprehensive income was also recognised in other comprehensive income. The income recognised in other comprehensive income amounted to TEUR 966 (previous year: TEUR 3,716). Payouts from capital from hybrid capital, profit-participation rights and the costs of the capital increase classified as equity capital are tax deductible. The resulting tax of TEUR 877 (previous year: TEUR 1,101) was recognised directly in equity.

Summary of tax effects in other comprehensive income:

Income tax on items in other comprehensive income in EUR thousand	2015	2014
Remeasurement from benefit obligations	374	3,776
Total debt securities available for sale – fair value reserve	323	-60
Reserve for cash flow hedges	269	-
Equity attributable to shareholders of the parent	966	3,716
Total	966	3,716

16. Earnings per share

Earnings per share and per capital share certificate are calculated by dividing the proportion of the annual profit relating to the shareholders of the parent company by the weighted average number of shares in issue including capital share certificates bought back in the 2014 business year.

in EUR thousand	2015	2014
Proportion of annual deficit/surplus relating to shareholders of parent, continued operations	57,711	44,426
Proportion of annual deficit/surplus relating to shareholders of parent, discontinued operations	–	-3,045
Weighted average number of issued shares and capital share certificates	28,532,547	27,606,136
Basic earnings per share = diluted earnings per share, continued operations in EUR	2.02	1.61
Basic earnings per share = diluted earnings per share, discontinued operations in EUR	–	-0.11
Basic earnings per share = diluted earnings per share, total in EUR	2.02	1.50

As there were no potential diluted transactions for the fiscal years 2014 and 2015, the diluted earnings per share correspond to the basic earnings per share.

Reconciliation statement for the weighted number of shares	2015	2014
Shares in issue at 1 January	29,095,000	23,904,600
Less treasury shares	-22,548	-172,322
Shares in issue less treasury shares at 1 January	29,072,452	23,732,278
Impact of purchase/sale of treasury shares	-539,905	92,460
Impact of shares issued in April 2014	-	3,781,398
Weighted average of ordinary shares at 31 December	28,532,547	27,606,136

17. Intangible assets

in EUR thousand	Concessions, licences and similar rights	Software	Goodwill	Other intangible assets	Total
Acquisition costs and manufacturing costs					
Balance at 1 January 2014	52,928	31,500	47,140	12,928	144,496
Additions/disposals due to changes in the consolidated group	-53	-403	-	-	-456
Additions	1,613	3,183	-	-	4,796
Disposals	-56	-225	-7,528	-	-7,809
Reclassifications	141	-141	-	-	-
Currency adjustments	14	-8	-	-	6
Balance at 31 December 2014	54,587	33,906	39,612	12,928	141,033
Additions/disposals due to changes in the consolidated group	-	1,597	11,048	-	12,645
Additions	1,051	4,891	-	-	5,942
Disposals	-9,597	-2,928	-594	-1,113	-14,232
Reclassifications	-	-	-	-	-
Currency adjustments	9	3	-	-	12
Balance at 31 December 2015	46,050	37,469	50,066	11,815	145,400
Accumulated amortisation and impairment					
Balance at 1 January 2014	31,879	20,533	21,958	4,297	78,667
Additions/disposals due to changes in the consolidated group	-19	-325	-	-	-344
Additions (planned amortisation)	2,168	2,697	-	1,777	6,642
Additions (impairment)	995	-	6,588	-	7,583
Disposals	-53	-225	-7,528	-	-7,806
Reclassifications	-4	4	-	-	-
Currency adjustments	-11	-8	-	-	-19
Appreciation	-	-	-	-	-
Balance at 31 December 2014	34,955	22,676	21,018	6,074	84,723
Additions/disposals due to changes in the consolidated group	-	870	-	-	870
Additions (planned amortisation)	1,978	3,460	-	1,643	7,081
Additions (impairment)	-	-	3,303	-	3,303
Disposals	-9,596	-2,868	-594	-1,113	-14,171
Reclassifications	-	52	-	-	52
Currency adjustments	4	4	-1	-	7
Appreciation	-	-	-	-	-
Balance at 31 December 2015	27,341	24,194	23,726	6,604	81,865
Carrying amounts – balance at 31 December 2014	19,632	11,230	18,594	6,854	56,310
Carrying amounts – balance at 31 December 2015	18,709	13,275	26,340	5,211	63,535

Goodwill resulting from the acquisition of companies is tested for impairment at the level of the cash-generating unit or groups of cash-generating units to which it belongs in each particular case.

This applies to the segments as shown below:

in EUR thousand	Balance 1 Jan 2015	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance 31 Dec 2015
BU 1 – DACH	10,515	-	-	-	-	10,515
BU 2 – CEE/SEE	-	1	11,048	-	-	11,049
BU 4 – Infrastructure	738	-	-	-	-	738
BU 5 – Environmental Engineering	758	-	-	-	-	758
Holding	6,583	-	-	-	-3,303	3,280
Total	18,594	1	11,048	-	-3,303	26,340

in EUR thousand	Balance 1 Jan 2014	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance 31 Dec 2014
BU 1 – DACH	10,515	-	-	-	-	10,515
BU 2 – CEE/SEE	-	-	-	-	-	-
BU 4 – Infrastructure	738	-	-	-	-	738
BU 5 – Environmental Engineering	4,612	-	-	-	-3,854	758
Holding	9,317	-	-	-	-2,734	6,583
Total	25,182	-	-	-	-6,588	18,594

In Segment Business Unit 1 – DACH, goodwill of TEUR 7,704 is allocated to the cash-generating unit of road construction. In the Holding segment goodwill of TEUR 6,247 is allocated to the cash-generating unit of building management. Impairment totalling TEUR 3,303 was applied to this goodwill. In the segment Business Unit 2 – CEE/SEE goodwill is allocated to the cash-generating unit PORR Polska Infrastructure.

The impairment test involves comparing the total of the carrying amounts of the assets of the cash-generating unit to which goodwill was allocated, in addition to the carrying amount of the goodwill allocated to this cash-generating unit, with the recoverable amount of the same assets. The recoverable amount of the cash-generating unit corresponds to the fair value less sale costs or the value in use, if this is higher. The fair value is determined on the basis of a DCF calculation. In cases where no fair value can be determined, the value in use, i.e. the present value of probable future cash flows generated by the segment, is laid down as the recoverable amount. The cash flows were derived from budgets for three to five years approved by the Executive Board and current as at the time of the implementation of the impairment tests. More details on the parameters and sensitivity analyses used in impairment tests are given in note 6.1.

The comments shown under accounting and measurement methods explain the useful lives and methods of amortisation, depreciation and impairment.

The consolidated income statement contains impairment related to goodwill of TEUR 3,303 (previous year: TEUR 6,588), shown under the item "Depreciation, amortisation and impairment expense", as well as impairment losses of TEUR 0 (previous year: TEUR 995) and amortisation on other intangible assets.

18. Property, plant and equipment

in EUR thousand	Land, land rights and buildings including buildings on land owned by others	Technical equipment and machinery	Other plant, factory and business equipment	Payments on account and assets under construction	Total
Acquisition costs, manufacturing costs and revaluations					
Balance at 1 January 2014	395,279	364,339	98,762	9,193	867,573
Additions/disposals due to changes in the consolidated group	-62,700	27,432	-2,517	20	-37,765
Additions	15,522	45,787	22,003	9,475	92,787
Disposals	-19,532	-73,984	-16,122	-895	-110,533
Reclassifications	8,382	1,707	87	-10,176	-
Currency adjustments	-1,205	-789	-518	-108	-2,620
Revision arising from revaluation	-	-	-	-	-
Balance at 31 December 2014	335,746	364,492	101,695	7,509	809,442
Additions/disposals due to changes in the consolidated group	7,107	19,437	3,792	15	30,351
Additions	21,737	75,743	33,098	443	131,021
Disposals	-8,003	-25,496	-25,346	-6,768	-65,613
Reclassifications	-929	18	302	-310	-919
Currency adjustments	1,120	1,069	653	1	2,843
Revision arising from revaluation	-	-	-	-	-
Balance at 31 December 2015	356,778	435,263	114,194	890	907,125
Accumulated depreciation and impairment					
Balance at 1 January 2014	127,734	230,315	59,846	476	418,371
Additions/disposals due to changes in the consolidated group	-9,926	10,624	-2,169	4	-1,467
Additions (planned depreciation)	9,953	31,475	16,905	-	58,333
Additions (impairment)	3,440	-	-	-	3,440
Disposals	-12,928	-54,435	-13,751	-	-81,114
Reclassifications	291	602	-602	-291	-
Currency adjustments	-220	-499	-245	-12	-976
Appreciation	-	-	-	-	-
Balance at 31 December 2014	118,344	218,082	59,984	177	396,587
Additions/disposals due to changes in the consolidated group	1,412	12,220	3,084	-	16,716
Additions (planned depreciation)	10,087	37,027	20,674	-	67,788
Additions (impairment)	-	-	-	-	-
Disposals	-2,949	-19,791	-20,172	-	-42,912
Reclassifications	-152	-89	-70	-	-311
Currency adjustments	440	895	470	-	1,805
Appreciation	-	-	-	-	-
Balance at 31 December 2015	127,182	248,344	63,970	177	439,673
Carrying amounts – balance 31 December 2014	217,402	146,410	41,711	7,332	412,855
Carrying amounts – balance 31 December 2015	229,596	186,919	50,224	713	467,452

Land, land rights and buildings, including buildings on land owned by others includes reserves for raw materials amounting to TEUR 58,774 (previous year: TEUR 57,893), which is written off based on performance.

Scheduled depreciation is shown under “Depreciation, amortisation and impairment expense”. Impairment was included at a rate of TEUR 0 (previous year: TEUR 3,440) and was also entered under “Depreciation, amortisation and impairment expense”.

The value of property under property, plant and equipment which was valued by an external expert at the end of the reporting period amounts to TEUR 51,365 (previous year: TEUR 0).

The carrying amount for property, plant and equipment pledged for security at the end of the reporting period is TEUR 50,618 (previous year: TEUR 50,448).

The carrying amount for land, land rights and buildings, including buildings on land owned by others would have amounted to TEUR 208,236 (previous year: TEUR 204,799) on application of the cost model as at 31 December 2015.

Fair value of land and buildings

Determining the fair value of properties is carried out by way of a revolving cycle. Fair value is determined using recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – usually in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement. An internal valuation team determines the market value of any property which has not undergone an external valuation. Discussions related to the parameters which need to be applied to determine fair value (Level 3) are led by operational project developers, the Executive Board and the valuation team.

The various levels are defined as follows:
- Quoted (non-adjusted prices) in active markets for identical assets or liabilities (Level 1)
- Inputs which differ from the quoted market prices in Level 1, which are either indirectly observable (i.e. as a price) or directly observable (i.e. derived from the price) (Level 2).
- Inputs which are based on unobservable market data for the assets or liabilities (Level 3)

in EUR thousand	Fair value as at 31 Dec 2015		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Operating premises/storage	-	-	135,126
Gravel pit/stone quarry	-	-	67,441
Mix plant	-	-	11,756
Landfill	-	-	15,272

in EUR thousand	Fair value as at 31 Dec 2014		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Operating premises/storage	-	-	123,844
Gravel pit/stone quarry	-	-	67,082
Mix plant	-	-	11,027
Landfill	-	-	15,449

Range of observable inputs 2015

Property type	Operating premises/storage	Gravel pit/ stone quarry	Landfill	Mix plants
Valuation method	CE, CV	CE, CV	CE	CV
Capitalisation rate in %	5.50–7.50	4.00–7.00	10.93	
Rent in EUR/m²	4.32–8.63			
Maintenance in %	5.00–18.00			
Vacancy in %	1.00–6.00			
Income in EUR/t		8.02–10.12	17.98–40.44	
Expenses in EUR/t		6.07–6.58		
Basic value in EUR/m²				25.00–35.00
Construction value in EUR/m²				1,400.00–1,600.00

Range of non observable inputs 2014

Property type	Operating premises/storage	Gravel pit/ stone quarry	Landfill	Mix plants
Valuation method	CE, CV, DCF	CE, CV	CE	CV
Capitalisation rate in %	5.50–7.00	4.00–7.00	10.93	
Rent in EUR/m²	5.00–8.00	4.50		
Maintenance in %	6.00–7.00	25.00		
Vacancy in %	6.00–10.00	5.00		
Income in EUR/t		8.02–10.12	17.98–40.44	
Expenses in EUR/t		6.07–6.58		
Basic value in EUR/m²				25.00–35.00
Construction value in EUR/m²				1,400.00–1,600.00

DCF = discounted cash flow, CE = capitalised earnings, CV = comparative value

The impact of unobservable inputs on fair value

- Capitalisation rate: the lower the capitalisation rate, the higher the fair value.
- Rent: the higher the price per m², the higher the fair value.
- Maintenance: the higher the anticipated cost of maintenance, the lower the fair value.
- Vacancy rates: the higher the anticipated vacancy rates, the lower the fair value.

Fair value is determined using internationally recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement.

Reconciliation of Level 3 valuations:

Type of property	Operating premises/storage	Gravel pit/ stone quarry	Mix plants	Landfill
Balance at 1 Jan 2015	123,844	67,082	11,027	15,449
Additions due to changes in the consolidated group	5,570	-	125	-
Additions	15,381	5,080	680	596
Disposals	-4,252	-802	-	-
Reclassifications	-806	-8	37	-
Currency adjustments	594	7	134	-55
Planned amortisation	-5,204	-3,918	-247	-718
Impairment	-	-	-	-
Balance at 31 Dec 2015	135,127	67,441	11,756	15,272

Type of property	Operating premises/storage	Gravel pit/ stone quarry	Mix plants	Landfill	Hotel/healthcare properties
Balance at 1 Jan 2014	167,549	72,480	11,320	15,507	8,000
Disposals due to changes in the consolidated group	-45,510	-	-	-	-7,263
Additions	12,766	1,635	25	1,096	-
Disposals	-4,734	-1,612	-2	-	-257
Reclassifications	1,262	-	-	-	-480
Currency adjustments	-358	-21	-49	-559	-
Planned amortisation	-7,131	-1,960	-267	-595	-
Impairment	-	-3,440	-	-	-
Balance at 31 Dec 2014	123,844	67,082	11,027	15,449	-

Finance leases

The carrying amounts of property, plant and equipment and investment property held under finance leasing agreements amounted to:

in EUR thousand	2015	2014
Real estate leasing	19,838	22,647
Equipment leasing	94,285	64,007
Total	114,123	86,654

These carrying amounts are balanced by corresponding liabilities represented by the present value of the minimum lease payments, i.e. of TEUR 95,304 (previous year: TEUR 70,592).

The terms of the finance leases for real estate are between 18 and 25 years, leasing fees are generally tied to the 6-month EURIBOR from the Austrian National Bank and adjusted every six months. The terms of the finance leases for equipment are between 3 and 15 years, leasing fees are generally tied to the 3-month EURIBOR from the Austrian National Bank and adjusted every quarter. The equipment leasing contracts include extension options, but they do not contain sales option or clauses for adjusting the price.

Operating leases

The Group essentially leases cars and individual items of real estate under operating leases, in most cases pre-agreed extension options are not exercised. The average term of car leasing agreements is five years and the term of real estate leasing agreements is 18 to 20 years.

The following summary shows the future minimum lease payments during the non-terminable period of the operating leases:

in EUR thousand	2015	2014
Due within 1 year	10,953	10,474
Due between 1 and 5 years	31,064	28,998
Due after 5 years	13,097	23,921

19. Investment property

in EUR thousand	
Fair value	
Balance at 1 January 2014	234,386
Additions/disposals due to changes in the consolidated group	-189,178
Additions from acquisitions	6,642
Additions for manufacturing costs	11,876
Disposals	-11,607
Reclassifications	-5,376
Currency adjustments	-158
Adjustments to fair value	182
Balance at 31 December 2014	46,767
Additions for manufacturing costs	185
Disposals	-886
Reclassifications	-9,537
Currency adjustments	-11
Adjustment to fair value	-2,944
Balance at 31 December 2015	33,574

The value of investment property, which was assessed by an external expert as of the reporting date, amounted to TEUR 10,219 (previous year: TEUR 16,174).

The rental income from investment property amounted to TEUR 1,928 in the year under review (previous year: TEUR 1,753). Operating expenses related to investment property for which there was no rental income in the year under review amounted to TEUR 79 (previous year: TEUR 46).

Investment property with a carrying amount of TEUR 2,882 (previous year: TEUR 14,843) is pledged as collateral for liabilities.

Reclassifications of TEUR 10,145 (previous year: TEUR 5,376) relate to the reclassification of one property to non-current assets held for sale; in addition a property worth TEUR 608 (previous year: TEUR 0) was reclassified from property, plant and equipment.

Fair value of land and buildings

The fair value is determined according to recognised measurement methods, namely by being inferred from a current market price, by being inferred from a price attained in a transaction with similar items of real estate in the recent past – in the absence of suitable market data – by discounting estimated future cash flows that are usually generated in the market by this type of real estate in the course of letting.

in EUR thousand	Fair value as at 31 Dec 2015		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Office/commercial	-	-	9,645
Undeveloped properties	-	22,454	-
Other	-	-	1,475

in EUR thousand	Fair value as at 31 Dec 2014		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Office/commercial	-	-	22,579
Undeveloped properties	-	22,612	-
Other	-	-	1,576

Range of observable inputs 2015		
Property type	Valuation method	Basic value[1] in EUR/m²
Undeveloped properties	CV	10.00–120.00

Range of observable inputs 2014		
Property type	Valuation method	Basic value[1] in EUR/m²
Undeveloped properties	CV	10.00–120.00

Range of non-observable inputs 2015					
Property type	Valuation method	Capitalisation rate in %	Rent in EUR/m²	Maintenance in %	Vacancy rate in %
Office/commercial	CE, CV	5.50-8.00	5.05-20.89	7.00-40.00	2.00-10.00

Range of non-observable inputs 2014					
Property type	Valuation method	Capitalisation rate in %	Rent in EUR/m²	Maintenance in %	Vacancy rate in %
Office/commercial	DCF, RV, CV	6.00–8.00	2.50–10.54	0.50–5.00	2.00–20.00

DCF = discounted cash flow, RV = residual value, CV = comparative value, CE = capitalised earnings
[1] without construction preparation

The impact of non-observable inputs on fair value

- Rent: the higher the price per m², the higher the fair value.
- Maintenance: the higher the anticipated cost of maintenance, the lower the fair value.
- Vacancy rates: the higher the anticipated vacancy rates, the lower the fair value.

Reconciliation of Level 3 valuations:

Property type	Office/commercial	Other
Balance at Jan 1 2015	22,579	1,576
Disposals due to changes in the consolidated group	-	-
Additions	-	-
Disposals	-810	-76
Reclassifications	-9,537	-
Currency adjustments	-11	-
Adjustment to fair value	-2,576	-25
Balance at 31 December 2015	9,645	1,475

Property type	Office/ commercial	Residential construction projects	Hotel/healthcare projects	Other
Balance at Jan 1 2014	114,555	3,934	12,193	-
Disposals due to changes in the consolidated group	-84,558	-2,895	-11,252	-
Additions	-	-	-	-
Disposals	-5,606	-184	-	-
Reclassifications	-1,510	-855	-941	1,796
Adjustment to fair value	-302	-	-	-220
Balance at 31 December 2014	22,579	-	-	1,576

20. Shares in companies accounted for under the equity method

The requisite disclosures pursuant to IFRS 12 have been made for associates and joint ventures which are classed as significant by the UBM Group for reasons of quality or quantity.

Associates

The following associate is Altlastensanierung und Abraumdeponie Langes Feld Gesellschaft m.b.H., in which the PORR Group holds 41.5% (previous year: 41.5%). The company's business purpose is planning, building, rehabilitating, operating and recultivating the Landes Feld landfill, as well as identifying and managing landfill space and waste management in Austria.

in EUR thousand	2015	2014
Revenue	11,930	10,501
Profit for the year	-118	-1,109
Other comprehensive income	-	-
Total comprehensive income	-118	-1,109
Non-current assets	21,073	22,110
Current assets	4,824	4,833
Non-current liabilities	-101	-98
Current liabilities	-6,970	-7,201
Net assets	18,826	19,644
Group share of net assets at 1 Jan	7,945	8,612
Group share of total comprehensive income	-49	-460
Dividends received	-83	-207
Group share of net assets at 31 Dec	7,813	7,945
Non-transferred losses	-	-
Carrying amount of companies accounted for under the equity method at 31 Dec	7,813	7,945

Disclosures on companies of minor significance:

in EUR thousand	2015	2014
Carrying amount of companies accounted for under the equity method at 31 Dec	19,402	19,002
Group share of		
Profit for the year	1,926	3,745
Other comprehensive income	19	-1
Total comprehensive income	1,945	3,744

The accumulated amount of non-recognised shares of losses of associates as of 31 December 2015 is TEUR 407 (previous year: TEUR 1,240).

Joint ventures

The following joint venture is "Modzelewski & Rodek" Spólka z ograniczona odpowiedzialnoscia, in which the PORR Group holds 50% (previous year: 50%). The company operates in the field of executing reinforced concrete works.

in EUR thousand	2015	2014
Revenue	44,381	53,233
Depreciation, amortisation and impairment expense	-77	-78
Interest expense	-4	-7
Tax payables	-488	-358
Profit for the year	1,991	1,457
Other comprehensive income	1	-138
Total comprehensive income	1,992	1,319
Non-current assets	3,080	2,688
Current assets	13,026	24,683
of which cash and cash equivalents	(3,848)	(2)
Non-current liabilities	-488	-27
of which non-current financial liabilities	(-113)	(-27)
Current liabilities	-8,605	-20,915
of which current financial liabilities	(-)	(-21)
Net assets	7,013	6,429
Group share of net assets at 1 Jan	3,214	2,555
Group share of total comprehensive income	996	659
Dividends received	-704	-
Group share of net assets at 31 Dec	3,506	3,214
Non-transferred losses	-	-
Carrying amount of companies accounted for under the equity method at 31 Dec	3,506	3,214

Disclosures on joint ventures of minor significance:

in EUR thousand	2015	2014
Carrying amount of companies accounted for under the equity method at 31 Dec	7,644	20,019
Group share of		
Profit for the year	36,638	61,937
Other comprehensive income	30	40
Total comprehensive income	36,668	61,977

The share of the Group in the annual profit from the previous year also includes the pro-rata profit from consortiums amounting to TEUR 32,072 (previous year: TEUR 42,690), which is recognised under trade receivables.

The accumulated amount of non-recognised shares of losses of joint ventures as of 31 December 2015 is TEUR 407 (previous year: TEUR 168).

The joint ventures listed below represent the ten largest consortiums measured by annual revenue; the disclosures on financial information represent 100%:

Consortium	Consortium-share in % 2015	2014	Operations	Location
Upgrading Prater hub	50	50	Upgrading Prater hub	Austria
Albaufstieg Tunnel	37	37	Tunnelling Lots1, 2 and 3	Germany
ATCOST21	37	37	Building Filder Tunnel, Ober- and Untertürkheim Tunnel	Germany
PTS Boßler Tunnel	50	50	Lining segments for the Albaufstieg project – Boßler Tunnel lots 1 and 2	Germany
HBF Vienna - BL 01	37.3	37.3	Building Vienna Central Station lot 1	Austria
BAU OVW II	30	30	Building Obervermuntwerk II pumped power storage plant	Austria
Austrian concrete slabs	50	50	Concrete slabs in road construction, soil stabilisation, improvements	Austria
A4 general overhaul 2015	42.5	-	General overhaul of the A4 from km 44.0 to km 52.5	Austria
New construction Albula Tunnel II	40	-	Building a 6 km-long replacement tunnel from Albulatal to Engadin	Switzerland
Südgürtel Graz	60	60	Gap closure between Puntigamer Bridge and Liebenauer Gürtel	Austria

in EUR thousand 2015	Upgrading Prater hub	Albaufstieg Tunnel	AT-COST21	PTS Boßler Tunnel	HBF Vienna - BL 01	BAU OVW II	Austrian concrete slabs	A4 general overhaul 2015	New constr. Albula Tunnel II	Südgürtel Graz
Revenue	17,369	107,198	113,167	28,612	24,803	58,520	18,067	17,764	18,947	18,919
Depreciation, amortisation and impairment	-16	-3,367	-2,426	-2,770	-57	-1,340	-742	-	-224	-190
Interest expense	-7	-180	-230	-2	-30	-45	-49	-	-	-13
Non-current assets	65	4,484	6,852	4,897	165	1,504	3,529	-	2,215	564
Current assets	5,160	31,915	162,579	1,387	60,302	19,716	6,982	4,188	17,134	11,527
of which cash and cash equivalents	(2,037)	(4,863)	(13,220)	(272)	(2,996)	(5,608)	(2,176)	(1,160)	(3,258)	(378)
Non-current liabilities										
of which non-current financial liabilities										
Current liabilities	-5,225	-36,399	-169,431	-6,284	-60,467	-21,220	-10,511	-4,188	-19,349	-12,091
of which current financial liabilities										
Net assets	-	-	-	-	-	-	-	-	-	-

in EUR thousand 2015	Upgrading Prater hub	Albaufstieg Tunnel	AT-COST21	PTS Boßler Tunnel	HBF Vienna - BL 01	BAU OVW II	Austrian concrete slabs	A4 general overhaul 2015	New constr. Albula Tunnel II	Südgürtel Graz
Revenue	16,487	81,740	61,951	8,036	49,760	39,472	26,469	-	-	15,856
Depreciation, amortisation and impairment	-52	-2,954	-2,263	-572	-88	-1,297	-837	-	-	-257
Interest expense	-5	-175	-7	-90	-30	-17	-74	-	-	-2
Non-current assets	88	7,169	6,766	5,829	292	1,853	2,617	-	-	506
Current assets	9,218	41,899	3,417	3,069	45,052	5,789	7,278	-	-	14,174
of which cash and cash equivalents	(1,584)	(9,596)	(3,417)	(10)	(2,172)	(1,916)	(2,018)	-	-	(431)
Non-current liabilities										
of which non-current financial liabilities										
Current liabilities	-9,306	-49,068	-10,183	-8,898	-45,344	-7,642	-9,895	-	-	-14,680
of which current financial liabilities										
Net assets	-	-	-	-	-	-	-	-	-	-

The share of the Group in the profit for the period of the most important consortiums amounts to TEUR 32,018 (previous year: TEUR 22,006) and is shown under trade receivables.

21. Loans

in EUR thousand	2015	2014
Loans to companies accounted for under the equity method	351	-
Other loans	710	797
Total	1,061	797

22. Other financial assets

in EUR thousand	2015	2014
Shareholdings in non-consolidated subsidiaries	384	421
Other shareholdings	4,310	3,029
Financial assets available for sale	84,923	136,213
Total	89,617	139,663

As regards the other shareholdings and shareholdings in non-consolidated subsidiaries, the fair value cannot be determined reliably, meaning that they are recognised at their acquisition costs less any impairment.

The total debt securities available for sale relate on the one hand to granting a perpetual mezzanine loan of TEUR 50,000 (previous year: TEUR 100,000) with an interest rate of 6.5% and perpetual hybrid capital of TEUR 25,330 with an interest rate of 6% to UBM Development AG. Ordinary termination by PORR AG is excluded for both instruments. Interest payments are dependent on whether UBM Development AG resolves to pay out a dividend from the annual surplus. If there is a year in which no payout of dividends from the annual surplus is resolved by UBM Development AG, then UBM Development AG is not obliged to pay any interest in the same year, whereby in this instance the interest is not cancelled but remains due. In the business year 2015 TEUR 50,000 was repaid by UBM Development AG. The carrying amount stood at TEUR 74,142 at the reporting date.

The remaining financial assets available for sale of TEUR 10,781 (previous year: TEUR 10,883) mainly comprise fixed-interest instruments. They are not subject to any restrictions on disposal.

23. Inventories

Inventories comprise the following:

in EUR thousand	2015	2014
Land intended for sale	1,318	1,344
Finished and unfinished products and merchandise	5,268	4,467
Raw materials and supplies	42,677	36,639
Payments on account	22,242	30,197
Total	71,505	72,647

Allowances of TEUR -248 (previous year: TEUR -226) were recognised on products and merchandise in the year under review. Inventories with a carrying amount of TEUR 0 (previous year: TEUR 546) were pledged as collateral for liabilities.

24. Trade receivables

Construction contracts

The construction contracts valued by the POC method at the end of the reporting period but not yet finally settled, are stated as follows:

in EUR thousand	2015	recorded as a receivable	recorded as a liability
Contract values defined according to POC method	2,251,078	1,706,630	544,449
of which unrealised partial gains	98,192	87,908	10,284
Less attributable payments on account	-2,231,586	-1,435,143	-796,443
Net	19,492	271,487	-251,994

in EUR thousand	2014	recorded as a receivable	recorded as a liability
Contract values defined according to POC method	1,976,939	1,183,964	792,976
of which unrealised partial gains	72,523	42,463	30,060
Less attributable payments on account	-1,917,996	-910,979	-1,007,019
Net	58,943	272,985	-214,043

Proportional contract values capitalised according to the percentage of completion of the contract as at 31 December 2015 are balanced by contract costs valued at TEUR 2,152,886 (previous year: TEUR 1,904,416), so that the recognised profit for these contracts amounts to TEUR 98,192 (previous year: TEUR 72,523).

Shares of the profits from consortiums are shown under receivables from consortiums. Advances received, including preliminary payments on invoices for partial delivery, are shown under liabilities, where these exceed proportional contract values capitalised according to the percentage of completion of the contract. Impending losses and damages and penalties from contracts are recorded in provisions, in as far as the respective proportional contract values according to the percentage of completion are exceeded.

Composition and maturity terms of **trade receivables:**

in EUR thousand	31 Dec 2015	Remaining term > 1 year	31 Dec 2014	Remaining term > 1 year
Trade receivables	385,806	26,091	343,245	30,027
Receivables from construction contracts	271,487	-	272,985	-
Receivables from consortiums	94,562	9,172	108,871	8,310
Total	751,855	35,263	725,101	38,337

Trade receivables are classified as current in accordance with IAS 1 as they are to be settled within the entity’s normal operating cycle.

Trade receivables include contractual retentions of TEUR 34,596 (previous year: TEUR 46,280).

in EUR thousand	2015	2014
Trade receivables before allowances	405,450	357,911
Impairment allowances at 1 January	14,666	31,405
Additions	13,815	12,681
Appropriation	-7,506	-25,707
Liquidation	-1,331	-3,713
Balance at 31 December	19,644	14,666
Carrying amount of trade receivables	385,806	343,245

Ageing structure of receivables:

Trade receivables in EUR thousand	2015	2014
Carrying amount at 31 Dec 2015	385,806	343,245
of which not overdue at closing date	277,908	219,471
of which overdue at closing date in the following time periods		
less than 30 days	20,155	27,720
between 30 and 60 days	10,177	10,697
between 60 and 180 days	7,582	21,895
between 180 and 360 days	12,207	11,806
more than 360 days	57,777	51,656

In the above-mentioned overdues, amounts of ongoing invoice checks are also included, which could take up to 120 days to settle. Allowances for impairment were included at reasonable amounts.

25. Other non-current financial assets

in EUR thousand	31 Dec 2015	Remaining term > 1 year	31 Dec 2014	Remaining term > 1 year
Loans	97	-	94	-
Securities	26,953	-	-	-
Receivables from non-consolidated subsidiaries	3,203	-	3,252	-
Receivables from companies accounted for under the equity method	17,249	-	18,979	28
Receivables from other shareholdings	2,216	-	9,006	-
Receivables from insurance	636	-	521	-
Other	68,568	13,308	114,383	16,264
Total	118,922	13,308	146,235	16,292

Securities of TEUR 25,000 (previous year: TEUR 0) relate to bonds and TEUR 1,953 (previous year: TEUR 0) relate to shares in the UBM Group. Forward contracts at fair value amounting to TEUR 668 (previous year: TEUR 177) are included under other financial assets (see note 43). In addition this item contains TEUR 5,385 (previous year: TEUR 5,437) of receivables from deposits, TEUR 3,306 (previous year: TEUR 3,980) of receivables from down payments relating to rent and leases, as well as receivables to the UBM Group totalling TEUR 22,826 (previous year: TEUR 32,829) (see note 45). Other financial assets amounting to TEUR 0 (previous year: TEUR 5,880) are secured with shares or shareholdings in businesses.

Receivables from non-consolidated subsidiaries, companies accounted for under the equity method and other shareholdings include contractual retentions amounting to TEUR 783 (previous year: TEUR 1,484).

26. Other receivables and assets

in EUR thousand	31 Dec 2015	Remaining term > 1 year	31 Dec 2014	Remaining term > 1 year
Tax assets	7,157	-	17,699	-
Other	835	-	894	-
Total	7,992	-	18,593	-

27. Cash and cash equivalents

The cash and cash equivalents include cash at banks amounting to TEUR 646,514 (previous year: TEUR 464,592) and cash in hand of TEUR 729 (previous year: TEUR 664).

28. Non-current assets held for sale

The non-current assets held for sale related to one property in the segment Business Unit 2 – CEE/SEE and a property in the segment Business Unit 5 – Environmental Engineering, for which the Group has received Supervisory Board approval to sell and is actively looking for a buyer. The Group assumes that the sale will be concluded in the 2016 business year. For the property in the segment Business Unit 5 – Environmental Engineering a notarial deed has already been concluded, although closing is still subject to a condition precedent.

29. Deferred tax assets

The following tax deferments stated on the statement of financial position arise from temporary differences between the valuations in the IFRS consolidated financial statements and the respective valuations for tax purposes as well as from realisable loss carryforwards:

in EUR thousand	2015		2014	
	Assets	Liabilities	Assets	Liabilities
Non-current assets, liabilities from finance leasing	50,334	54,480	43,593	49,224
POC method	-	54,109	-	45,664
Untaxed reserves	-	2,598	-	2,699
Untaxed reserves	17,950	1,313	19,126	1,745
Provisions	20,866	-	19,326	-
Off-setting	-80,191	-80,191	-76,896	-76,896
Deferred taxes	8,959	32,309	5,149	22,436
Net deferred taxes		23,350		17,287

in EUR thousand	2015	2014
Net deferred taxes (liabilities)	23.350	17.287
Change	-6.063	2.608
of which related to exchange differences	-8	-98
of which related to expense (-)/income (+) as per income statement	-11.166	-7.531
of which related to regrouping from current tax liabilities	-	4.255
of which related to changes to the consolidated group	4.145	2.265
of which related to expense (-)/income (+) entered into other comprehensive income	966	3.717

Deferred tax assets based on loss carryforwards are recognised to the extent that these can probably be offset against future taxable profits.

The loss carryforwards for which no deferred tax assets were recognised amount to TEUR 180,584 (previous year: TEUR 198,435). The loss carryforwards can be carried forward essentially without restriction, both those for which the deferred tax assets have been recognised and those for which no deferred tax assets were recognised.

30. Share capital

Share capital	No. 2015	EUR 2015	No. 2014	EUR 2014
Ordinary bearer shares	29,095,000	29,095,000	14,547,500	29,095,000
Total share capital	29,095,000	29,095,000	14,547,500	29,095,000

The shares are ordinary bearer shares. Each ordinary share participates in profits to the same extent and each share entitles the bearer to one vote at the Annual General Meeting. The shares are no-par value bearer shares.

As the result of an Executive Board resolution on 16 January 2015, PORR AG purchased 286,432 shares (prior to the share split) at a price of EUR 42.00 per share. This corresponds to around 1.9689% of share capital. The transfer was concluded on 21 January 2015. The purpose of the buyback was granting shares, for payment or free of charge, to employees, managers and members of the Group Executive Board or one of its associated companies; or as a consideration for assets transferred to the Company or its subsidiaries, including property, companies, operations or shares in one or more companies in Austria and abroad.

The Annual General Meeting on 3 June 2015 passed a resolution for a share split with a ratio of 1:2. This led ordinary shares to double from 14,547,500 to 29,095,000. The share capital of PORR AG remains unaffected by the share split and still totals EUR 29,095,000. The pro-rata amount of share capital per share is thereby EUR 1.00.

Consequently, the authorisation of the Executive Board as a result of the resolution by the extraordinary general meeting on 11 July 2013 because of the partial utilisation of authorised capital in the 2014 business year has been reduced as follows:

Authorised capital

Within five years following the entry into the Commercial Register of the resolution by the extraordinary general meeting on 11 July 2013, the Executive Board is authorised to increase the share capital of the company with the approval of the Supervisory Board, in multiple tranches if so wished, to EUR 6,612,500 by issuing up to 6,612,500 no-par value shares in exchange for cash or contribution in kind (authorised capital), whereby the issue price, the conditions of issue, the subscription ratio, and other details are to be determined by the Executive Board with the approval of the Supervisory Board. The pre-emptive rights of shareholders to these new shares issued from the authorised capital are excluded when and if this authorisation (authorised capital) is exercised by issuing new shares in exchange for contribution in kind, up to a total of 10% of share capital, with overallotment options in the course of issuing new shares in the company. Furthermore, the Executive Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' pre-emptive rights, when and if this authorisation (authorised capital) is exercised:

i) through issuing shares in exchange for contribution in kind, or
ii) through issuing shares to staff members, leading employees and members of the Executive Board of the Group or an associate up to a total level of 10% of share capital.

The Supervisory Board is authorised to rule on changes to the statutes which result from the Executive Board exercising this entitlement.

31. Reserves

The capital reserves result largely from the capital increases, adjustments and statute-barred dividend claims arising from previous years and the current year, less the costs for the capital increase and fair-value adjustments. The capital reserves include an amount of TEUR 190,491 (previous year: TEUR 190,491) which is restricted. It may only be released to compensate for an accumulated loss which would otherwise be shown in the annual financial statements of PORR AG, to the extent that free reserves are not available to cover this.

The other reserves comprise the revaluation reserves in accordance with IAS 16, the reserves from revaluation of the annual financial statements of subsidiaries in foreign currencies, the reserves for cash flow hedges, reserves for remeasurement from benefit obligations and debt securities held for sale, retained earnings of PORR AG including the statutory reserve and the untaxed reserves after deducting deferred tax items, retained profits from subsidiaries since their acquisition and the effects of adjusting the annual financial statements of companies included in the consolidated financial statements to the accounting and measurement methods used in the consolidated financial statements. Treasury shares as at 31 December 2015 were deducted from reserves and increased through the purchase in the business year 2015 of 286,432 shares (before the share split) or 572,864 shares (after the share split) (TEUR 12,010) to 595,412 as of the reporting date.

Net earnings amounting to TEUR 48,857 are available for distribution to shareholders in PORR AG. The unrestricted retained earnings of PORR AG, which come to TEUR 86,076 as of 31 December 2015 may be released and distributed to the shareholders of PORR AG. The statutory reserve of PORR AG of TEUR 458 (previous year: TEUR 458) may only be released to compensate for an accumulated loss which would otherwise be shown, whereby the release to cover the loss is not impeded by free reserves being available to compensate for the loss.

In the year under review the shareholders of PORR AG were paid dividends of EUR 1.50 per share, thereby totalling EUR 21,391,602 for the 2014 business year. From the net retained profits recognised in the statement of financial position of EUR 48,857,485.50, the Executive Board proposes to pay a dividend of EUR 1.00 and – owing to the successful conclusion of the spin-off of the real estate business – an additional special dividend of EUR 0.50 per share entitled to dividends, with the remaining balance to be carried forward to new account. In addition, the Executive Board proposes to pay out the special dividend in cash or in the form of PORR shares (scrip dividend). The proposed dividend does not yet appear in the statement of financial position as at 31 December 2015, as the payout requires a resolution by the Annual General Meeting. Depending on the price of PORR shares at the time of the payout, the payout of dividends in kind could be subject to corporate tax on hidden reserves. Otherwise there are no tax effects related to the dividends.

Hybrid capital

As part of a PORR AG bond emission programme, a bond exchange was carried out in October 2014, in which holders of bonds issued by PORR AG in the years 2009 and 2010 were publicly invited to exchange these bonds in bonds about to be newly issued. Included here was the issue of a subordinated hybrid bond with a total nominal value of EUR 17,054,500.00. The partial debentures of this hybrid bond were issued with a denomination of EUR 500 and are fixed at 6.75% p.a. until 27 October 2021 during an unlimited term, after which they are subject to variable interest as of 28 October 2021 (3-month EURIBOR plus a premium of 8.5% p.a.). As payments of interest and capital redemption are only compulsory when the conditions are activated, where their activation can be authorised or prevented by PORR AG, and the Group therefore has the option of avoiding payment on the mezzanine and hybrid capital permanently, this mezzanine and hybrid capital is categorised as equity instruments. Interest which is paid, less any tax effect such as profit payouts, is to be recorded directly in equity as a deduction.

In March 2015 the Executive Board of PORR AG resolved to increase the hybrid bond (ISIN AT0000A19Y36) by up to EUR 7,945,500 in the course of a private placement. Of this total, EUR 5,000,000 was issued by 31 March 2015 and the remainder of EUR 2,945,000 by 31 May 2015.

32. Equity from profit-participation rights from subsidiaries

The profit-participation rights were issued by ABAP Beteiligungs Holding GmbH, a subsidiary 100% of whose nominal capital is held by PORR AG. The outstanding profit-participation rights with a total nominal value of TEUR 40,000, whose issuance conditions are in accordance with debentures, are issued for an unspecified length of time.

The interest amounts to 8.0% p.a. of the nominal capital of the profit-participation rights at 31 December 2015. From 1 January 2016 up to and including 31 December 2020 the interest amounts to 6.66% of the nominal capital of the profit-participation rights. From 1 January 2021 the annual interest will be 13.0% of the nominal capital of the profit-participation rights.

The issuer is only obliged to pay interest if they or PORR AG decide to pay holdings or shareholders a dividend from the annual surplus. The issuer is not obliged to pay the due interest for one year in the absence of a profit payout, and if the issuer utilises their right not to pay, then this unpaid interest is kept in arrears which must be paid as soon as the issuer or PORR AG decides that a dividend from the annual surplus is payable to their holdings or shareholders. In the case of dismissal by the issuer or the extraordinary notice of dismissal by the bearers of profit-participation rights, the capital from profit-participation rights becomes due to the bearers, in addition to the valid interest accrued by this date and outstanding interest.

As payments on the profit-participation rights – interest as well as capital redemption – are only compulsory when the conditions are activated, where their activation can be authorised or prevented by PORR AG, and the Group therefore has the option of avoiding payment on this part of the profit participation rights permanently, these profit-participation rights are categorised as equity instruments. Interest which is paid on these profit-participation rights, less any tax, is to be recorded directly in equity as a deduction.

33. Non-controlling interests

The shares in equity of subsidiaries which are not owned by PORR AG or a shareholder of the Group are entered in equity under non-controlling interests. The share of non-controlling interests in subsidiaries is of minor significance.

34. Provisions

in EUR thousand	Severance	Pensions	Anniversary bonuses	Indemnities	Constructions	Recultivation	Other	Total
Balance at 1 Jan 2015	63,170	40,733	13,846	4,051	117,311	10,453	7,696	257,260
Additions/disposals from changes to the consolidated group	-	418	-	-	5,257	-	1,919	7,594
Transfer	5,014	991	1,201	247	50,003	1,159	2,062	60,677
OCI changes:								
from changes to financial assumptions	-538	495	-	-	-	-	-	-43
from changes to experience-based adjustments	1,008	472	-	-	-	-	-	1,480
Appropriation	-2,980	-10,806	-980	-439	-34,692	-1,972	-1,753	-53,622
Liquidation	-	-512	-	-	-24,767	-346	-1,390	-27,015
Balance at 31 Dec 2015	65,674	31,791	14,067	3,859	113,112	9,294	8,534	246,331
of which non-current	65,674	31,791	14,067	3,859	-	9,294	-	124,685
of which current	-	-	-	-	113,112	-	8,534	121,646

PORR AG and its subsidiaries must pay their employees in Austria and Germany anniversary bonuses on certain anniversaries in accordance with collective agreements. The provision for anniversary bonuses was determined in accordance with the provisions of IAS 19 on other long-term benefits. Please refer to the notes under the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

At TEUR 15,746 (previous year: TEUR 19,892), provisions for constructions represent provisions for impending losses arising from the order backlog and, at TEUR 53,151 (previous year: TEUR 52,358), provisions for guarantees and TEUR 44,216 (previous year: TEUR 45,061) for provisions for damages and penalties. Provisions for impending losses are based on current contract calculations. Provisions for guarantees and other contract risks are determined on the basis of an individual assessment of the risks. Claims arising against the Group from these risks are deemed to be probable; the recognised amount corresponds to the best possible estimate of the amount of the claim. As construction contracts can take several years to be carried out, and any claim possibly precedes a long ongoing legal dispute, the time of the claim is uncertain but will as a rule lie within the relevant operating cycle.

Pension plans

Defined benefit plans

Provisions for severance pay were created for employees (on wages and salaries) who have claims to severance payments pursuant to the Employee Act, the Wage Earners' Severance Pay Act or works agreements. Employees whose employment is subject to Austrian law, if the relevant employment began prior to 1 January 2003 and has been ongoing for at least ten years without interruption, have a claim to severance pay where the employment is terminated upon the employee's reaching the statutory age of retirement, even if the employment is terminated by the employee. The amount of the severance pay depends on the amount of the pay at the time of termination and of the length of employment. These employee claims should therefore be treated as claims under defined benefit pension plans, in which case plan assets do not exist to cover these claims. Similar considerations apply to employees to whom severance pay is due pursuant to the

Wage Earners' Severance Pay Act and for severance pay payable pursuant to works agreements.

The Construction Workers' Leave and Severance Pay Act 1987 applies to the majority of waged workers, according to which their claims are directed towards the holiday pay and severance pay fund to be financed by employer's contributions. This is a state plan, for which a severance pay provision does not need to be created.

Pension commitments are as a rule defined individual benefit commitments for senior staff which are not covered by plan assets. The amount of the pension claim depends on the number of years' service in each case.

Changes within provisions for severance pay were as follows:

in EUR thousand	2015	2014
Present value of severance obligations (DBO) at 1 Jan	63,170	56,412
Changes to the consolidated group	-	-
Discontinued operations	-	-483
Prior service cost	3,685	3,237
Interest paid	1,329	1,999
Severance payments	-2,980	-5,643
Actuarial profits (-)/losses (+)	470	7,166
Actuarial profits (-)/losses (+) from discontinued operations	-	482
Present value of severance obligations (DBO) at 31 Dec	65,674	63,170

in EUR thousand	2015	2014
Prior service cost (entitlements)	3,685	3,237
Net interest expense	1,329	1,999
Severance costs (recognised in profit and loss for the period)	5,014	5,236

For the year 2016, an interest expense of TEUR 1,344 and a current service cost of TEUR 2,458 are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

Pension provisions:

Pension obligations transferred to provisions in EUR thousand	2015	2014
Present value of obligations covered by plan assets	20,438	16,960
Fair value of the plan assets	-12,909	-6,762
Net value of the obligations covered by plan assets	7,529	10,198
Present value of the obligations not covered by plan assets	24,262	30,535
Carrying amount of provisions at 31 Dec	31,791	40,733

Pension costs in EUR thousand	2015	2014
Service cost (entitlement)	109	203
Settlement	-512	-653
Net interest expense	1.033	1.679
Interest income	-152	-257
Pension costs (recognised in profit/loss for the period)	478	972

Description of pension plans:

Claims – Austria: as part of the defined benefit plans relating to pensions, the company is obliged to grant the promised benefits both to current and former employees.

The employee claims to defined benefit pension plans are defined as follows:

Group A (service contract, version dated 1 July 1991):
The pension allowance involves an agreed percentage of the basis of assessment (salary and overtime rate) for cases of retirement after reaching the age of 63 and is reduced by a defined percentage for every full year of retirement before reaching the age of 63.

Group B (service contract dated 5 August 1991) and Group C/D (service contract dated 6 August 1991):
The pension allowance is determined as an agreed amount due upon retirement after reaching the age of 63 and is reduced by a defined amount for every full year of retirement before reaching the age of 63.

Group E/F (service contract dated 29 August 1991):
The pension allowance involves an agreed amount for retirement upon reaching the age of 60; this amount increases by a fixed annual amount for every year up to 63, whereby the maximum contribution is reached after reaching the age of 63.

Claims – Germany: there are multiple pension plans with defined benefits for current and former employees.

Employee claims to these defined benefit pension plans are tied to the number of eligible calendar years and the class of pension which were determined for the pension candidate when the claim was agreed.

In addition, there are individual commitments involving defined benefit obligations.

Pension obligations in EUR thousand	2015	2014
Present value of pension obligations (DBO) at 1 Jan	47,496	46,900
Changes to the consolidated group	418	-
Discontinued operations	-	-3,002
Prior service cost	109	203
Interest paid	1,033	1,679
Pension payments	-4,298	-4,307
Settlement	-512	-653
Actuarial profits (-)/losses (+)	454	3,640
Actuarial profits (-)/losses (+) from discontinued operations	-	3,036
Present value of pension obligations (DBO) at 31 Dec	44,700	47,496

The obligations from the direct pension benefits in Austria are covered by insurance contracts concluded with WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group. In Germany the obligations from direct pension benefits are covered by insurance contracts concluded with Nürnberger Lebensversicherung AG, Condor Lebensversicherung AG, Generali Lebensversicherung AG and Essener Verband. In order to secure the pension rights of the employees insured from the corporate pension benefits, the rights from the insurance agreements are pledged in favour of the employees insured. The insurance of the old-age pension is entitled to share in profits in line with Section 16 of the General Terms and Conditions Governing Endowment and Pension Insurance. The insurance for the disability pension and widows pension is also entitled to share in profits. To this end, a cash accounting statement is produced at the end of every insurance year. In the case of a profit, 50% of the balance of income and expenditure is refunded to the insurance policyholder. In the case of a loss, this is carried forward to the next insurance year. Profits can only be paid out again once the loss carryforward has been settled. The amount of the annual insurance premiums is determined by the insurance company's rates and is stated in the registry of members. The premiums must be paid annually in advance. The final annual premium must be paid in the year in which the policyholder reaches retirement age. The pension plan reinsurance is held in an independent department of the cover pool for life insurance as laid down in Section 20 Paragraph 2 Line 1 in connection with Section 2 of the Insurance Supervision Law.

Endowment life insurance policies have been concluded, e.g. with Nürnberger Lebensversicherung AG, for the pension benefits of the German companies. The insurance involves individual endowment policies which are ring-fenced. The policyholder is the employer, while the insured party/beneficiary is the employee who can choose between a lump sum or an annuity of equal value. The amount of the annuity is determined by the rates valid at the time of choosing and the corresponding insurance conditions. The contributions must be paid until the end of the insurance year in which the claim becomes valid (death or retirement). At the end of every insurance year the current profit participation (risk and interest surplus) is credited and converted into a bonus.

Plan assets in EUR thousand	2015	2014
Fair value of the plan assets at 1 Jan	6,762	6,858
Contribution payments	6,537	80
Interest income	152	257
Payouts (benefit payments)	-29	-30
Actuarial gains (-)/losses (+)	-513	-403
Fair value of the plan assets at 31 Dec	12,909	6,762

For the year 2016, an interest payment of TEUR 956 and a current service cost of TEUR 91 are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

A part of the plan assets amounting to TEUR 11,867 has been assessed as follows by WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group according to information from WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group:

Structure of investments in classic cover pool in %	
Fixed-income securities	39.10
Shares, supplementary capital, profit-participation rights, non-ownership capital	4.85
Investment funds	32.30
Affiliates and shareholdings	6.22
Loans	10.88
Property	3.20
Cash in bank	3.45
Total	100.00

The following table shows the average duration of the respective obligations:

	Maturity profile – DBO			DBO	Maturity profile – Cash			Cash
	1–5 years	6–10 years	10+ years	Duration	1–5 years	6–10 years	10+ years	Duration
Pensions	14,512	10,963	18,623	10,44	15,303	12,967	29,688	12,68
Severance	23,298	16,090	23,808	8,78	26,461	24,506	62,836	11,81

Defined contribution plans

Employees whose employment is subject to Austrian law and who commenced employment after 31 December 2002, and workers to whose employment the Construction Workers' Leave and Severance Pay Act is applicable, do not acquire any severance pay claims in respect of their respective employer. For these employees, except for those to whose employment the Construction Workers' Leave and Severance Pay Act is applicable, contributions of 1.53% of the wage or salary must be paid to an employee welfare fund; this amounted to TEUR 1,812 (previous year: TEUR 1,655) in 2015, of which TEUR 46 (previous year: TEUR 44) related to managers in key positions.

Contributions are payable by the employer to the holiday pay and severance pay fund in respect of those employees whose employment is covered by the Construction Workers' Leave and Severance Pay Act. At the present time, around 37% of the wage of relevant employees is payable to the holiday pay fund for 2015, amounting to TEUR 43,434 (previous year: TEUR 44,951) and 4.6% of the wage of relevant employees is payable to the severance pay fund, amounting to TEUR 6,350 in 2015 (previous year: TEUR 6,411). This contribution covers employee severance pay claims and other benefits, in particular the holiday pay and holiday allowance payable by the holiday pay and severance pay fund to the relevant employees. This state plan covers all the companies in the building sector. The benefits are financed on a pay-as-you-earn basis, i.e. the benefits falling due in a particular period are to be financed by the contributions of this same period, while the future benefits earned in the period under review will be funded by future contributions. The companies are not legally or actually obliged to pay these future benefits. The companies are only obliged to pay the prescribed contributions as long as they employ workers whose employment is covered by the Construction Workers' Leave and Severance Pay Act.

Payments to external employee provision funds are recognised under the item staff expense.

The employees of the PORR Group also belong to their country-specific, state pension plans, which are usually funded on a pay-as-you-earn basis. The Group is only obliged to pay the contributions when they become due. There is no legal or actual obligation to provide future benefits.

35. Bonds and Schuldscheindarlehen

As of the value date 28 October 2014, PORR AG made an exchange offer to the bondholders of the bonds issued in 2009 and 2010. The bondholders could choose between the instrument recognised as equity (hybrid bond 6.75% 2014–2021, see note 31) and a senior bond. The senior bond was issued under the following conditions:

Nominal amount	EUR 56,262,000.00
Tenor	2014–2019
Denomination	EUR 500.00
Nominal interest rate	3.875% p.a.
Coupon	28 October annually
Redemption	28 October 2019 at 100%
Closing rate 31 Dec 2015	107.9
ISIN	AT0000A19Y28
Book value	EUR 56,007,790.50

As of the value date 26 November 2013, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 50,000,000.00
Tenor	2013–2018
Denomination	EUR 1,000.00
Nominal interest rate	6.25% p.a.
Coupon	26 November annually
Redemption	28 October 2018 at 100%
Closing rate 31 Dec 2014	112,889
ISIN	DE000A1HSNV2/A1HSNV
Book value	EUR 49,883,661.85

The bond was issued for subscription on the Austrian and German capital markets.

As of the value date 4 December 2012, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 50,000,000.00
Tenor	2012–2016
Denomination	EUR 1,000.00
Nominal interest rate	6.25% p.a.
Coupon	4 December annually
Redemption	4 December 2016 at 100%
Closing rate 31 Dec 2015	105.3
ISIN	AT0000A0XJ15/A1HCJJ
Book value	EUR 45,851,782.63

The bond was issued for subscription on the Austrian and German capital markets.

Schuldscheindarlehen (SSD):

On 12 August 2015 PORR AG placed a Schuldscheindarlehen (SSD) totalling TEUR 185,500. The issue consists of four tranches with terms of three and five years and with a choice of interest at fixed or variable rates, namely:

in EUR	Nominal amount	Tenor	Interest	Interest rate
Tranche 1	21,000,000.00	13.8.2018	fixed	1.764%
Tranche 2	81,500,000.00	13.8.2018	variable	6-month EURIBOR + 1.6%
Tranche 3	11,000,000.00	12.8.2020	fixed	2.249%
Tranche 4	72,000,000.00	12.8.2020	variable	6-month EURIBOR + 1.85%
Carrying amount at 31 Dec 2015	184,956,497.50			

The two tranches subject to variable interest (tranche 2 and 4) have been hedged using interest rate swaps (swapping variable rate for fixed rate), classified as a cash flow hedge. This results in a fixed interest rate of 1.968% for tranche 2 and a fixed interest rate of 2.48% for tranche 4.

36. Financial liabilities

in EUR thousand	2015	2014
Deposits from banks		
subject to interest at variable rates	34,802	43,483
subject to interest at fixed rates	19,787	15,407
Lease obligations		
subject to interest at variable rates	95,304	70,592
Derivative financial instruments	1,077	5
Other financial liabilities		
subject to interest at variable rates	-	20,122
subject to interest at fixed rates	-	17,770
Total	150,970	167,379

Deposits from banks subject to variable rates of interest are mainly charged interest at the 3-month EURIBOR rate or the 6-month EURIBOR rate plus differing margins. During the year under review the 3-month EURIBOR rate averaged out at 0.02% and the 6-month EURIBOR rate at an average 0.053%. The margins for newly acquired funds with a maximum 3-month term averaged 1.77PP in 2015.

Some items of real estate and equipment used by the Group itself are held under finance leases (see note 18). The interest rates for the lease obligations are between 1.3% and 3.85%. The interest component of the lease payments is usually continuously adjusted to the market interest rate. With the exception of these leasing rate adjustments to reference interest rates, no agreements on conditional rental payments are included.

Derivative financial instruments include forward contracts and interest rate hedges, which are measured at fair value at the end of the reporting period (see note 43).

in EUR thousand	31 Dec 2015	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Deposits from banks	54,589	25,035	18,978	10,576	22,842
Lease obligations	95,304	22,935	63,041	9,328	95,304
Derivative financial instruments	1,077	1,077	-	-	-
Total	150,970	49,047	82,019	19,904	118,146

in EUR thousand	31 Dec 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Deposits from banks	58,890	24,972	20,693	13,225	31,451
Lease obligations	70,592	16,867	42,908	10,817	70,592
Derivative financial instruments	5	5	-	-	-
Other financial liabilities	37,892	29,007	8,885	-	17,770
Total	167,379	70,851	72,486	24,042	119,813

Deposits from banks which are secured by collateral relate to real estate and provisions. Group obligations under finance leases are secured by the leased assets totalling a carrying amount of TEUR 114,123 (previous year: TEUR 86,654) which are the property of the lessor under civil law.

in EUR thousand	Minimum leasing payments	
	31 Dec 2015	31 Dec 2014
With a remaining period up to one year	24,925	18,763
With a remaining period of more than one year and less than five years	66,238	45,485
With a remaining period of more than five years	9,892	12,079
Total	101,055	76,327
To be deducted: future financing costs	-5,751	-5,735
Present value of minimum leasing payments	95,304	70,592

37. Trade payables

in EUR thousand	31 Dec 2015	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Trade payables	597,440	541,226	50,897	5,317	-
Payables to consortiums	34,273	34,273	-	-	-
Total	631,713	575,499	50,897	5,317	-

in EUR thousand	31 Dec 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Trade payables	596,209	565,604	20,951	9,654	-
Payables to consortiums	59,151	58,797	354	-	-
Total	655,360	624,401	21,305	9,654	-

Trade payables are classified as current as they are to be settled within the entity's normal operating cycle.

38. Other financial liabilities

in EUR thousand	31 Dec 2015	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Payables to non-consolidated subsidiaries	391	391	-	-	-
Payables to companies accounted for under the equity method	4,917	4,711	138	68	-
Payables to other shareholdings	1,162	1,162	-	-	-
Other	30,390	28,706	855	829	-
Total	36,860	34,970	993	897	-

in EUR thousand	31 Dec 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Payables to non-consolidated subsidiaries	379	379	-	-	-
Payables to companies accounted for under the equity method	4,423	4,168	136	119	-
Payables to other shareholdings	5,150	5,150	-	-	-
Other	31,675	29,611	1,152	912	-
Total	41,627	39,308	1,288	1,031	-

39. Other liabilities

in EUR thousand	31 Dec 2015	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Tax liabilities	76,467	76,467	-	-	-
Social security liabilities	15,425	15,425	-	-	-
Advances received POC	251,995	251,995	-	-	-
Payables to staff	93,680	93,680	-	-	-
Other	3,450	3,450	-	-	-
Total	441,017	441,017	-	-	-

in EUR thousand	31 Dec 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Tax liabilities	60,933	60,933	-	-	-
Social security liabilities	14,502	14,502	-	-	-
Advances received POC	214,043	214,043	-	-	-
Payables to staff	80,116	80,116	-	-	-
Other	1,180	1,180	-	-	-
Total	370,774	370,774	-	-	-

40. Contingent liabilities and guarantees

in EUR thousand	2015	2014
Guarantees, guarantee bonds and other contingent liabilities	5,085	11,793
of which for companies accounted for under the equity method	988	3,179

The guarantees primarily relate to securing bank loans of non-consolidated subsidiaries, companies accounted for under the equity method and other companies in which the Group holds a stake, as well as other liabilities from the operational business whose availment is theoretically possible, but considered highly improbable.

Other financial liabilities

The operational construction business requires various types of guarantees in order to safeguard contractual obligations. This generally relates to guarantees for tenders, contract fulfilment, advance payment and warranty. Apart from that the Group is jointly and severally liable for all consortiums in which it participates. Claims arising from these liabilities are not likely.

The Group has access to European credit lines totalling TEUR 1,621,100 (previous year: TEUR 1,211,630). Of these credit lines, TEUR 641,200 (previous year TEUR 555,870) was concluded with a three-year term. The remainder of TEUR 979,900 (previous year: TEUR 655,760) generally runs for a one-year term. Furthermore, there are credit lines in certain Arabic countries of TEUR 539,400 (previous year: TEUR 364,320). As at 31 December 2015, around 59% (previous year: 65%) of the European credit lines had been drawn on and around 37% (previous year: 28%) of the lines in the Arabic countries.

The three-year credit lines of TEUR 641,200 include harmonised financial covenants. These relate to the debt ratio, the equity ratio in a modified form, in which reserves for cash flow hedges are considered positive and goodwill is considered negative, as well as the term for interest coverage, defined as EBITDA in relation to net financial income, whereby this is adjusted for interest expense on social capital. Furthermore, as of 2 January 2016 a credit line of TEUR 291,000 was prematurely extended for another three years. Only one financial covenant applies to this line, namely Net Debt/EBITDA > 3.

All triggers had been met as of 31 December 2015. On the basis of the planned development, it is assumed that they will be met again on the next effective date, 31 December 2016.

41. Notes on segment reporting

Segment reporting is prepared in line with the internal reporting and controlling structure of the PORR Group. IFRS are the standards used for all business transactions between segments. The following segments are presented:

Segment Business Unit 1 – DACH: Business Unit 1 – DACH covers the PORR Group's operating business on the home markets of Austria, Germany and Switzerland. A full range of products and services is offered.

Segment Business Unit 2 – CEE/SEE: Business Unit 2 – CEE/SEE covers the PORR Group's operating business on the home market of Poland and the core markets in Central and Eastern Europe and South-Eastern Europe. Permanent business is being built up step-by-step on these markets.

Segment Business Unit 4 – Infrastructure: The Business Unit 4 – Infrastructure segment bundles the core competencies in public infrastructure. It includes the departments on tunnelling, foundation engineering, railway construction, pipeline construction, structural engineering, power plant construction and large-scale civil engineering projects.

Segment Business Unit 5 – Environmental Engineering: The Business Unit 5 – Environmental Engineering segment bundles expertise in the fields of water, wastewater, waste and environmental clean-up.

Holding: This segment consists of Group services, Porr Beteiligungen und Management GmbH and its subsidiaries.

Segment report 2015

in EUR thousand	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infrastructure	BU 5 – Environmental Engineering	Holding	Group
Production output (Group)	1,930,887	486,697	943,641	99,216	63,311	3,523,752
Segment revenue (revenue, own work capitalised and other operating income)	1,861,812	468,415	793,295	67,720	50,802	3,242,044
Intersegment revenue	72,688	30,406	32,307	18,318	234,763	
EBT (Earnings before tax = segment earnings)	57,730	1,153	25,402	57	-3,229	81,113
Share of profit/loss of companies accounted for under the equity method	35,285	1,898	11,129	-363	-1,716	46,233
Depreciation, amortisation and impairment expense	-21,551	-3,678	-5,773	-3,862	-43,308	-78,172
of which impairment	-	-	-	-	-3,303	-3,303
Interest income	2,133	1,052	191	453	12,449	16,278
Interest expense	-5,142	-806	-432	-529	-18,716	-25,625

Segment report 2014 in EUR thousand	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infrastructure	BU 5 – Environmental Engineering	Holding	Group
Production output (Group)	2,012,784	424,981	888,530	105,330	43,260	3,474,885
Segment revenue (revenue, own work capitalised and other operating income)	1,889,205	462,940	636,320	75,818	65,200	3,129,483
Intersegment revenue	113,216	10,269	27,657	7,003	201,269	
EBT (Earnings before tax = segment earnings)	56,140	-14,239	20,097	-624	4,726	66,100
Share of profit/loss of companies accounted for under the equity method	24,815	1,097	17,381	5,818	17,045	66,156
Depreciation, amortisation and impairment expense	-23,188	-4,986	-5,659	-7,957	-32,926	-74,716
of which impairment	-4,435	-	-	-3,854	-2,734	-11,023
Interest income	2,633	692	272	466	13,990	18,053
Interest expense	-10,950	-718	-1,104	-745	-26,853	-40,370

The following information relates to geographic business areas in which the Group is active.

in EUR thousand	Production output by customer base 2015	Non-current assets by company base 2015	Production output by customer base 2014	Non-current assets by company base 2014
Domestic	1,870,600	398,839	2,114,389	367,901
Germany	634,201	79,008	592,641	84,589
Poland	251,397	37,767	297,177	15,215
Czech Republic	156,727	13,564	133,065	14,063
Qatar	278,175	194	141,835	128
Hungary	4,077	1,731	1,439	1,783
Romania	96,217	3,098	38,821	1,845
Bulgaria	51,734	2,136	33,484	1,801
Switzerland	125,238	6,427	76,338	5,658
Serbia	11,685	16,599	11,891	17,054
Albania	2,263	-	2,035	-
Slovakia	10,012	1,689	8,506	1,648
Netherlands	-	-	226	-
Croatia	3,212	3,256	4,504	3,010
Other foreign	28,214	253	18,534	1,237
Total foreign	1,653,152	165,722	1,360,496	148,031
Segment total	3,523,752	564,561	3,474,885	515,932

42. Notes on the cash flow statement

The cash flow statement is broken down into separate cash flows from operating, investing and financing activities, in which the cash flow from operating activities is derived according to the indirect method. The financial fund exclusively comprises cash on hand/at bank and corresponds to the value shown in the statement of financial position for cash and cash equivalents.

43. Notes on financial instruments

43.1. Capital risk management

The fundamental aim of the Group's capital management is to substantially increase equity and to keep debt low.

In the year under review PORR succeeded in increasing equity by around TEUR 26,947. The issue of Schuldscheindarlehen in August 2015 led to a total increase in non-current liabilities subject to interest from TEUR 251,822 to TEUR 392,771, i.e. a rise of TEUR 140,949. In contrast, there was a change in current liabilities from TEUR 149,244 to TEUR 94,899, i.e. a fall of TEUR 54,345. Despite the significant increase in equity, the increase in total assets of TEUR 157,967 led the equity ratio to remain unchanged at around 18%.

At 31 December 2015 the net cash position, defined as the balance of cash and cash equivalents, held-for-sale securities at fixed interest rates, bonds and current and non-current financial liabilities, totalled TEUR 186,526 (previous year: net cash position TEUR 64,551).

The net gearing ratio, defined as net financial debt divided by equity, is applied for the control of capital management. The net gearing ratio, which was already negative in 2014, underwent a further improvement from -0.2 to -0.5.

43.2. Categories of financial instruments

43.2.1. Carrying amounts, measurement rates and fair values

in EUR thousand	Measurement category	Carrying amount at 31 Dec 2015	(continuing) Acquisition costs	Fair Value other comprehensive income	Fair Value affecting net income	Fair value hierarchy	Fair value at 31 Dec 2015
Assets							
Loans	LaR	1,158	1,158				
Other financial assets[1]	AfS (at cost)	4,694	4,694				
Other financial assets	AfS	10,781		10,781		Level 1	10,781
Other financial assets	AfS	74,142		74,142		Level 3	74,142
Trade receivables	LaR	751,855	751,855				
Other financial assets	LaR	91,204	91,204				
Derivatives (without hedges)	FAHfT	1,953			1,953	Level 1	1,953
Cash and cash equivalents	AfS	25,000		25,000		Level 1	25,000
Derivatives (without hedges)	FAHfT	668			668	Level 2	668
Cash and cash equivalents		647,243	647,243				
Liabilities							
Bonds							
at fixed interest rates	FLAC	151,743	151,743			Level 1	166,244
Schuldscheindarlehen							
at fixed interest rates	FLAC	32,000	32,000			Level 3	32,290
at variable interest rates	FLAC	152,957	152,957				
Deposits from banks							
at fixed interest rates	FLAC	19,787	19,787			Level 3	19,701
at variable interest rates	FLAC	34,802	34,802				
Lease obligations[2]		95,304	95,304				
Trade payables	FLAC	631,713	631,713				
Other financial liabilities	FLAC	36,860	36,860				
Derivatives (without hedges)	FLHfT	2			2	Level 2	2
Derivatives (with hedges)		1,075		1,075		Level 2	1,075
by category:							
Loans and receivables	LaR	844,217	844,217				
Cash and cash equivalents		647,243	647,243				
Available-for-sale financial assets[1]	AfS (at cost)	4,694	4,694				
Available-for-sale financial assets	AfS	109,923		109,923			
Financial assets held for trading	FAHfT	2,621			2,621		
Financial liabilities held for trading	FLHfT	2			2		
Derivative liabilities (with hedges)		1,075		1,075			
Financial liabilities measured at amortised cost	FLAC	1,095,862	1,095,862				

The carrying amount of the financial instruments not measured at fair value corresponds to an appropriate approximation of the fair value in accordance with IFRS 7.29. The exception is bonds subject to fixed interest rates (fair value hierarchy level 1), deposits from banks subject to fixed interest rates (fair value hierarchy level 3), and other financial liabilities subject to fixed interest rates (fair value hierarchy level 3).

The fair value valuation for derivatives is determined in accordance with market data from information service provider REUTERS. Liabilities from bank loans and overdrafts are valued under the discounted cash flow valuation method, whereby the zero coupon yield curve published by REUTERS as of 31 December 2015 was used for the discounting of the cash flow.

in EUR thousand	Measu-rement category	Carrying amount at 31 Dec 2014	(continuing) Acquisition costs	Fair Value other com-prehensive income	Fair Value affecting net income	Fair value hierarchy	Fair value at 31 Dec 2014
Assets							
Loans	LaR	891	891				
Other financial assets[1]	AfS (at cost)	3,449	3,449				
Other financial assets	AfS	10,883		10,883		Level 1	10,883
Other financial assets	AfS	125,330		125,330		Level 3	125,330
Trade receivables	LaR	725,101	725,101				
Other financial assets	LaR	145,964	145,964				
Derivatives (without hedges)	FAHfT	177			177	Level 2	177
Cash and cash equivalents		465,616	465,616				
Liabilities							
Bonds							
at fixed interest rates	FLAC	233,688	233,688			Level 1	244,996
Deposits from banks							
at fixed interest rates	FLAC	15,407	15,407			Level 3	15,165
at variable interest rates	FLAC	43,483	43,483				
Lease obligations[2]		70,592	70,592				
Other financial liabilities							
at fixed interest rates	FLAC	17,770	17,770			Level 3	17,842
at variable interest rates	FLAC	20,122	20,122				
Trade payables	FLAC	655,360	655,360				
Other financial liabilities	FLAC	41,627	41,627				
Derivatives (without hedges)	FLHfT	5			5	Level 2	5
by category:							
Loans and receivables	LaR	871,956	871,956				
Cash and cash equivalents		465,616	465,616				
Available-for-sale financial assets[1]	AfS (at cost)	3,449	3,449				
Available-for-sale financial assets	AfS	136,213		136,213			
Financial assets held for trading	FAHfT	177			177		
Financial liabilities held for trading	FLHfT	5			5		
Financial liabilities measured at amortised cost	FLAC	1,027,457	1,027,457				

[1] These are related to Group shareholdings, predominantly shares in GmbHs, whose fair value cannot be reliably measured and for which there is no active market so that it is measured at acquisition cost less possible impairment. There are currently no concrete plans to sell.
[2] Lease obligations fall under the application of IAS 17 and IFRS 7.

43.2.2. Net income by measurement category

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2015
Loans and receivables	LaR	8,276	-	-	-	8,276
Available-for-sale financial assets	AfS (at cost)	2,779	-	-2,043	1,237	1,973
Available-for-sale financial assets	AfS	8,103	-1,292	749	-	7,560
Derivatives (without hedges)	FAHfT / FLHfT	-	-415	-	-	-415
Financial liabilities measured at amortised cost	FLAC	-20,987	-	-	-	-20,987

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2014
Loans and receivables	LaR	18,406	-	-	-	18,406
Available-for-sale financial assets	AfS (at cost)	2,849	-	841	1,816	5,506
Available-for-sale financial assets	AfS	784	241	-	-	1,025
Derivatives (without hedges)	FAHfT/ FLHfT	-	801	-	-	801
Financial liabilities measured at amortised cost	FLAC	-34,098	-	-	-	-34,098

43.3. Aims of financial risk management

Managing financial risks, in particular liquidity risks and interest rate/currency risks are governed by standard Group guidelines. The management's aim is to minimise the risks as far as possible. Hence, derivative and non-derivative hedging instruments are used in line with evaluations. Nevertheless, in general the only risks which are anticipated are those which have consequences on the Group's cash flow. Derivative financial instruments are used exclusively as hedging instruments, i.e. they are not used for trade or other speculative purposes.

All hedge transactions are performed centrally by the Group treasury, unless in specific cases other Group companies are authorised to conclude transactions outside the Group treasury. An internal control system designed around current requirements has been implemented to monitor and control risks linked to money market and foreign exchange trading. All Group treasury activities are subject to strict risk/processing control, the cornerstone of which is the functional separation of commerce, processing and accounting.

43.4. Liquidity risks

The liquidity risk is defined as the risk that liabilities cannot be paid upon maturity.

Managing the liquidity risk is based on a financial plan updated once a quarter, which originates at operational level. For all projects a designated commercial employee conducts individual and monthly planning for the current year and for the subsequent years. The operational component involves planning all cash-related financial issues such as due dates for financing, M&A and capital market transactions, interest and dividends; this is performed centrally at holding level with the person holding Group responsibility.

The further improvements in Working Capital Management led the Group to have a high liquidity level at year-end 2015 of TEUR 647,243; this liquidity is used on the one hand for the seasonal peak liquidity demand from April to November (typical to the construction industry), as well as for settling loans due and loans which could be paid back earlier in order to optimise interest rate payments, and a bond to be settled in December 2016. Should additional liquidity demand arise, this could provisionally be covered by drawing on existing lines of credit and by issuing a corporate bond and an a Schuldscheindarlehen.

At 31 December 2015 the net cash position, defined as the balance from cash and cash equivalents, debt securities in current assets, bonds and current and non-current financial liabilities, amounted to TEUR 186,526 (previous year: TEUR 64,551).

Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to TEUR 94,899 (previous year: TEUR 149,224) and are covered by cash and cash equivalents and non-current assets held for sale of TEUR 651,160 (previous year: TEUR 471,733) Current financial liabilities include a bond of TEUR 45,852.

Bonds and Schuldscheindarlehen worth TEUR 290,848 were part of non-current financial liabilities of TEUR 392,771.

At 31 December 2015 there was TEUR 211,947 (previous year: TEUR 89,110), available in bank lines for cash loans, which could be drawn on for immediate refinancing of current financial liabilities. With regard to the syndicated guaranteed credit line which was granted and used, see note 40.

43.4.1. Table of liquidity and interest rate risks

in EUR thousand		Non-discounted payment flow			
	Average interest rate	Until March 2016	April to Dec 2016	2017 to 2020	from 2021
Bonds					
at fixed interest rates	5.39%	-	58,430	119,052	-
at variable interest rates					
Schuldscheindarlehen	1.93%	-	620	33,730	-
at variable interest rates	1.72%	1,392	1,333	166,119	-
Deposits from banks					
at fixed interest rates	2.12%	991	352	11,204	9,523
at variable interest rates	2.25%	22,564	1,768	9,523	1,661
Lease obligations	2.87%	7,517	17,408	66,238	9,892
Trade payables	interest-free	526,999	14,227	56,214	-

in EUR thousand		Non-discounted payment flow			
	Average interest rate	Until March 2015	April to Dec 2015	2016 to 2019	from 2020
Bonds					
at fixed interest rates	5.26%	-	91,445	177,483	-
at variable interest rates					
Schuldscheindarlehen	2.64%	605	12,993	598	2,190
at variable interest rates	1.83%	2,564	9,845	21,811	12,525
Deposits from banks	2.95%	5,190	13,572	45,486	12,079
at fixed interest rates					
at variable interest rates	3.95%	-	9,597	9,241	-
Lease obligations	3.25%	20,122	-	-	-
Trade payables	interest-free	546,162	19,442	30,605	-

Payables to consortiums and other financial liabilities largely lead to cash outflows at the carrying amounts upon maturity.

43.5. Interest rate risk management

The interest rate risk is defined as the risk from rising interest cost or falling interest income in connection with financial items. For the PORR Group this risk results predominantly from the scenario of rises in interest rates, especially in the short term. Any future hedge transactions that are required will be concluded by the Group's financial management. At the end of the reporting period, the management of this risk was conducted with non-derivative instruments and with two interest rate swaps (IRS) totalling TEUR 153,500, which have been designated as cash flow hedges. Both IRS are related to swapping variable interest flows for fixed interest flows. The IRS totalling TEUR 81,500 has a term until August 2018; the IRS totalling TEUR 72,000 until August 2020. At 31 December 2015 a market valuation of the IRS determined a fair value of TEUR -1,075.

An analysis of the floating interest rate position at 31 December 2015, showed the following sensitivities which would occur under the scenarios of an interest rate decrease of 0.06 PP and 0.032 PP. The extent of the interest rate decrease is based on the average volatility of the 3-month and 6-month EURIBOR in 2015. An interest rate bandwidth of 6 BPS therefore falls statistically within a probability band of 67% and the probability of an interest rate bandwidth of 32 BPS is respectively 99%. The simulated impact on interest rates is as follows:

in EUR thousand	Lower payable interest for the year 2016	Lower payable interest (p.a.) with straight-line extrapolation from 2017
At interest rate rise of 0.06PP	65	20
At interest rate rise of 0.32PP	347	105

43.6. Foreign currency risks

The foreign currency risk is treated within the PORR Group as transaction-oriented and results either from construction contracts or from financing in connection with such contracts. Group policy is to hedge the operational foreign currency risks completely. In accordance with the respective functional currency of the Group unit which is processing the order, we aim to conduct local orders in the corresponding national currencies. This happens in every instance in which the services to be rendered are locally generated. If this does not succeed, or if services must be provided in other currencies, the resulting risk is secured by hedging. With regard to derivative financial instruments, the Group financial management exclusively use forward contracts and first generation currency options (see note 43.8.).

As of 31 December 2015, currency risks, which primarily result from intragroup financing transactions, were subject to a simulation, in order to be able to estimate possible risks from changes to foreign exchange rates:

FX position in EUR thousand	Local currency	FX position in local currency (in thousand)	VAR[1] in EUR thousand
6,195	CHF	-6,712	651
-12,772	RON	57,783	209
-1,373	OMR	574	91
-1,473	HUF	465,413	48
-2,751	CZK	74,354	42
-2,241	RSD	272,444	30
-391	various	various currencies	68

[1] VAR = Value At Risk at a one-sided 99% confidence interval, this corresponds to a standard deviation of 2.33 over a time period of ten days. Correlations between currency pairs remain unconsidered.

The simulated maximum loss at a probability of 99% and over a time period of ten days is currently around TEUR 1,139.

43.7. Hedging currency risks

The PORR Group had concluded forward exchange contracts of TEUR 90,727 (previous year: TEUR 55,008) at 31 December 2015; of these, TEUR 55,925 were forward purchases and TEUR 34,801 were forward sales. Around TEUR 43,293 (previous year: TEUR 24,688) are used as hedges for project cash flows and the remainder of TEUR 47,434 (previous year: TEUR 30,320) for hedging intragroup financing.

At 31 December 2015 the market valuation of open forward exchange contracts resulted in a fair value of TEUR 666. In the fiscal year 2015 total expense of TEUR 660 which resulted from changes in the fair value of forward contracts was recognised in profit or loss.

The following table shows the predicted contractual due dates for payments from forward contracts as estimated on 31 December 2015, i.e. when payments from the underlying transactions are expected:

EUR forward purchases Due date	Cash flows in EUR thousand				
	CZK	CHF	NOK	RON	Total
January 2016	82		1,800	17,340	19,222
February 2016	116		300		416
March 2016	51		512	3,334	3,897
April 2016	51	17,180	1,489		18,720
May 2016	51		749		800
June 2016	91		727		818
July 2016	91		3,579		3,670
August 2016	91		595		686
September 2016	91		675		766
October 2016	91		2,866		2,957
November 2016	26		186		212
December 2016	26		186		212
January 2017			2,053		2,053
February 2017					
March 2017					
April 2017					
May 2017			1,500		1,500

EUR forward sales Due date	Cash flows in EUR thousand			
	CHF	PLN	RON	Total
January 2016		835	7,730	8,565
February 2016		1,012		1,012
March 2016		2,158		2,158
April 2016	1,850	1,737		3,587
May 2016		2,423		2,423
June 2016		2,450		2,450
July 2016		2,272		2,272
August 2016		2,657		2,657
September 2016		2,575		2,575
October 2016		2,594		2,594
November 2016		1,249		1,249
December 2016		272		272
January 2017		360		360
February 2017		1,497		1,497
March 2017		272		272
April 2017		858		858

43.8. Derivative financial instruments

The following table shows the fair values of the different derivative instruments:

in EUR thousand	2015	2014
Assets		
Derivatives		
without hedges	668	177
Liabilities		
Derivatives		
without hedges	2	5
with hedges	1,075	-

43.9. Credit risks

The risk related to receivables from customers can be classified as marginal, owing to the broad dispersion and ongoing creditworthiness checks. Specific to the industry, construction contracts require an advance payment by the general contractor which will not be covered by payments until a later date. To reduce the default risk, an extensive creditworthiness check is carried out and adequate sureties are agreed as far as possible.

The risk of default in the case of other original financial instruments stated under assets in the statement of financial position is also regarded as low because all contracting parties are financial institutions and other debtors with prime credit standing. The carrying amount of the financial assets represents the maximum risk of default. Where risks of default are recognised in relation to financial assets, account is taken of these risks by performing allowances for impairment. There are high levels of outstanding receivables which relate to infrastructure projects for state-affiliated companies in Austria and Germany. Except for these, there are no occurrences of concentration of risk arising from significant outstanding amounts from individual debtors.

At 31 December 2015 the maximum credit risk amounted to TEUR 1,607,969 (previous year: TEUR 1,476,842) and relates mainly to loans, other financial investments and securities, other financial assets, trade receivables and cash and cash equivalents.

44. Average staffing levels

	2015	2014
Salaried employees		
Domestic	2,827	2,793
Foreign	2,970	2,361
Waged workers		
Domestic	5,649	5,931
Foreign	2,432	1,749
Total staff	13,878	12,834
of which fully consolidated		
Salaried employees	5,716	4,927
Waged workers	7,870	7,304
Total full consolidation	13,586	12,231

45. Related party disclosures

In addition to subsidiaries and companies accounted for under the equity method, related parties include the UBM Group, the companies of the Ortner Group, as they or their controlling entity hold shares together with the Strauss Group, over which one member of the PORR AG Executive Board has significant control, as well as the Kapsch Group, as one of the members of the PORR AG Executive Board holds a key position there while at the same time exercising joint influence over PORR AG. In addition to people and related companies who have control over PORR AG, related parties also include the members of the Executive and Supervisory Boards of PORR AG as well as their close family members.

Transactions between Group companies included in the consolidated financial statements were eliminated on consolidation and are not examined any further.

Receivables and liabilities to consortiums only show direct services charged.

Transactions between Group companies and companies accounted for under the equity method are disclosed in the following analysis:

in EUR thousand	Sales of goods and services		Purchases of goods and services		Receivables		Liabilities	
	2015	2014	2015	2014	2015	2014	2015	2014
Associates	8,607	14,210	31,282	26,396	7,899	7,099	4,651	3,678
Joint ventures	29,452	38,272	30,063	31,174	9,350	11,880	266	745
Consortiums	241,886	234,531	27,246	9,551	47,896	69,733	7,331	13,805

Transactions with members of the management in key positions and companies over which they have control were as follows:

in EUR thousand	Income		Expenditure		Receivables		Liabilities	
	2015	2014	2015	2014	2015	2014	2015	2014
from trade payables and receivables								
UBM Group	86,672	49,298	2,767	-	3,916	16,923	1,578	19,914
Ortner Group	902	1,872	17,081	48,608	72	484	937	7,635
Strauss Group	513	373	593	64	15	4	5	6
Kapsch Group	212	335	2,347	462	15	39	461	142
Other	7	-	294	316	1,686	1,600	13	87
from financing								
UBM Group	8,002	308	-	-	121,968	158,159	90	-

Outstanding accounts receivable are not secured and are settled in cash. With the exception of guarantees taken on for companies accounted for under the equity method which totalled TEUR 988 (previous year: TEUR 3,179), and for which no fees are generally charged, no guarantees were given nor were any enforced. No allowances were made in respect of amounts owed by related companies or persons, nor were any bad debt losses booked during the year under review. In the course of the merger of PIAG Immobilien Aktiengesellschaft into UBM Realitätenentwicklung Aktiengesellschaft, the UBM Group was granted a credit line up to a maximum of EUR 150m, of which TEUR 0 (previous year: TEUR 0) was used as of the reporting date.

46. Events after the end of the reporting period and other information

The Executive Board of PORR AG approved the consolidated financial statements and handed them over to the Supervisory Board on 13 April 2016.

47. Fees paid to the Group's auditors

The following table shows the fees paid to the Group's auditors in the year under review:

in EUR thousand	BDO Austria GmbH	
	2015	2014
Audit services	250	250
Other audit services	189	242
Other advisory services	67	693

48. Executive bodies

Members of the Executive Board:
Karl-Heinz Strauss, CEO
Christian B. Maier
J. Johannes Wenkenbach

Members of the Supervisory Board:
Karl Pistotnik, Chairman
Klaus Ortner, Deputy Chairman
Michael Diederich
Nematollah Farrokhnia (until 3 June 2015)
Robert Grüneis
Walter Knirsch
Iris Ortner
Bernhard Vanas
Susanne Weiss
Thomas Winischhofer

Members delegated by the Works Council:
Peter Grandits
Walter Huber
Walter Jenny
Michael Kaincz
Michael Tomitz

The table below shows the remuneration paid to the managers in key positions, i.e. the members of the Executive Board and of the Supervisory Board of PORR AG broken down according to payment categories:

in EUR thousand	2015	2014
Executive Board remuneration		
Karl-Heinz Strauss	1,450	1,150
Christian B. Maier	1,032	825
J. Johannes Wenkenbach	1,035	875
Total	3,517	2,850
of which short-term benefits due	3,439	2,800
of which remuneration due on or after completion of the management contract	78	50
Supervisory Board remuneration		
Short-term benefits due	217	240

The remuneration of the Executive Board includes defined contribution plans amounting to TEUR 78 (previous year: TEUR 50).

13 April 2016, Vienna

The Executive Board
Karl-Heinz Strauss, m.p.
Christian B. Maier, m.p.
J. Johannes Wenkenbach, m.p.

SHAREHOLDINGS 2015

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Affiliated companies								
Affiliated companies limited by shares								
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“		AUT	Vienna	37.50%	100.00 %	F	EUR	726,728.34
„PET“ Deponieerrichtungs- und Betriebsgesellschaft m.b.H.		AUT	Vienna	0.00%	100.00 %	N	EUR	0.00
ABAP Beteiligungs Holding GmbH		AUT	Vienna	100.00%	100.00 %	F	EUR	35,000.00
ACSA Advanced Contracting Solutions Austria GmbH	* °	AUT	Vienna	0.00%	100.00 %	F	EUR	500,000.00
Allgemeine Straßenbau GmbH	*	AUT	Vienna	0.00%	100.00 %	F	EUR	3,633,641.71
AMF - Asphaltmischanlage Feistritz GmbH		AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	100.00%	N	EUR	0.00
AMO Asphaltmischwerk Oberland GmbH		AUT	Linz	0.00%	90.00%	N	EUR	0.00
Asphaltmischwerk Greinsfurth GmbH		AUT	Amstetten	0.00%	66.67%	N	EUR	0.00
Asphalt-Unternehmung Carl Günther Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	218,018.50
Bautech Labor GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Bosch Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	51,000.00
Edos Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Eisenschutzgesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	43,603.70
EPS Absberggasse 47 Projektmanagement GmbH		AUT	Vienna	97.50%	100.00%	F	EUR	36,336.42
EPS LAA 43 GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
Esikas Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Gesellschaft für Bauwesen GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Goidinger Bau GmbH	*	AUT	Zams	0.00%	100.00%	F	EUR	37,000.00
Grund- Pfahl- und Sonderbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	365,000.00
IAT GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	290,691.34
Ing. Otto Richter & Co Straßenmarkierungen GmbH	*	AUT	Wienersdorf, pol. Gem. Traiskirchen	0.00%	100.00%	F	EUR	37,000.00
Ing. RADL-BAU GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Joiser Hoch- und Tiefbau GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Kraft & Wärme Rohr- und Anlagentechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Kratochwill Schotter & Beton GmbH	*	AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	100.00%	F	EUR	1,199,101.76
LD Recycling GmbH	*	AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	100.00%	F	EUR	875,000.00
Lieferasphaltgesellschaft JAUNTAL GmbH		AUT	Klagenfurt	0.00%	72.00%	F	EUR	36,460.00
M.E.G. Mikrobiologische Erddekontamination GmbH		AUT	Linz	0.00%	100.00%	F	EUR	35,000.00
Nägele Hoch- und Tiefbau GmbH	*	AUT	Röthis	0.00%	100.00%	F	EUR	35,000.00
O.M. Meissl & Co. Bau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	85,000.00
ÖBA - Österreichische Betondecken Ausbau GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Panitzky Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
PORR AUSTRIARAIL GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	37,100.00
Porr Bau GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	11,500,000.00
Porr Beteiligungen und Management GmbH	* °	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Design & Engineering GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Porr Equipment Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Financial Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	500,000.00
Porr Umwelttechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	1,000,000.00
PORREAL GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Prajo & Co GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO HOLDING Beteiligungs- & Verwaltungsgesellschaft mbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO Transportunternehmer GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO-BÖHM Recycling GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
PRONAT Steinbruch Preg GmbH		AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	99.99%	F	EUR	872,000.00
PWW Holding GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Sabelo Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Schatzl & Jungmayr Garten- und Landschaftsbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Schotter- und Betonwerk Karl Schwarzl Betriebsgesellschaft m.b.H.	*	AUT	Unterpremstätten, pol. Gem. Premstätten	100.00%	100.00%	F	EUR	3,633,641.71
Schotterwerk GRADENBERG Gesellschaft m.b.H.	*	AUT	Köflach	0.00%	100.00%	F	EUR	36,336.42
Schwarzl Transport GmbH	*	AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	100.00%	F	EUR	110,000.00
STRAUSS Property Management GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Tancsos und Binder Gesellschaft m.b.H.	*	AUT	Wolfsberg	0.00%	100.00%	F	EUR	37,000.00
TEERAG-ASDAG Aktiengesellschaft		AUT	Vienna	47.51%	100.00%	F	EUR	12,478,560.00
TEERAG-ASDAG Bau GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
TEERAG-ASDAG Hochbau Burgenland GmbH	*	AUT	Stegersbach	0.00%	100.00%	F	EUR	35,000.00
Wiener Betriebs- und Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	100,000.00
PORR Bulgaria EOOD		BGR	Sofia	0.00%	100.00%	F	BGN	1,961,000.00
Gunimperm-Bauveg SA		CHE	Bellinzona	0.00%	100.00%	F	CHF	150,000.00
PORR Financial Services AG		CHE	Altdorf	0.00%	100.00%	F	CHF	7,800,000.00
PORR SUISSE AG		CHE	Altdorf	0.00%	100.00%	F	CHF	10,002,000.00
OBALOVNA PRÍBRAM, s.r.o.		CZE	Prague	0.00%	75.00%	F	CZK	100,000.00
Porr a.s.		CZE	Prague	0.00%	100.00%	F	CZK	120,000,000.00
Porr Equipment Services Cesko s.r.o	°	CZE	Prague	0.00%	100.00%	F	CZK	200,000.00
Emil Mayr Hoch- und Tiefbau GmbH		DEU	Ettringen/ Wertach	0.00%	94.30%	F	EUR	250,000.00
FAB Beteiligungsgesellschaft mbH		DEU	Berlin	0.00%	88.64%	N	EUR	0.00
IAT Deutschland GmbH		DEU	Munich	0.00%	100.00%	F	EUR	52,000.00
Porr Beteiligungs-Aktiengesellschaft in Liqu.		DEU	Munich	100.00%	100.00%	N	EUR	0.00
Porr Design & Engineering Deutschland GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	25,000.00
Porr Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	21,522,800.00
Porr Equipment Services Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	204,517.00
Porr Industriebau GmbH		DEU	Passau	0.00%	100.00%	F	EUR	25,000.00
PORR Vermögensverwaltung MURNAU GmbH		DEU	Murnau	0.00%	94.30%	N	EUR	0.00
PORREAL Deutschland GmbH in Liqu.		DEU	Berlin	0.00%	100.00%	F	EUR	25,000.00
Radmer Kiesvertrieb Verwaltungs GmbH		DEU	Aschheim, Landkreis Munich	0.00%	94.30%	N	EUR	0.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
S & P Immobilien Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	537,000.00
STRAUSS & CO. Development GmbH		DEU	Berlin	0.00%	88.64%	F	EUR	25,564.60
Stump Spezialtiefbau GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	4,000,000.00
TEERAG-ASDAG Deutschland GmbH		DEU	Saaldorf-Surheim	0.00%	94.30%	F	EUR	100,000.00
Thorn Abwassertechnik GmbH		DEU	Munich	0.00%	94.30%	F	EUR	511,291.88
TKDZ GmbH		DEU	Wellen	0.00%	94.30%	F	EUR	2,045,170.00
Wellener Immobiliengesellschaft mbH		DEU	Wellen	0.00%	94.30%	F	EUR	511,291.88
IAT UK Waterproofing Systems limited		GBR	London	0.00%	100.00%	F	GBP	10,000.00
PORR UK Ltd.	°	GBR	London	0.00%	100.00%	F	GBP	1.00
BAUVEG-WINKLER drustvo s ogranicenom odgovornoscu za projektiranje, izgradnju i nadzor		HRV	Zagreb	0.00%	100.00%	N	HRK	0.00
FMA Gebäudemanagement drustvo s ogranicenom odgovornoscu za upravljanje zgradama u likvidaciji		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
GRUNDBAU d.o.o.		HRV	Zagreb	0.00%	100.00%	F	HRK	4,000,000.00
Schwarzl drustvo s ogranicenom odgovornoscu za obradu betona i sljunka		HRV	Glina	0.00%	100.00%	F	HRK	9,842,000.00
Vile Jordanovac drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo		HRV	Zagreb	0.00%	100.00%	F	HRK	6,778,100.00
DBK-Földgép Építési Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	6,000,000.00
Porr Építési Kft.		HUN	Budapest	0.00%	100.00%	F	HUF	30,000,000.00
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	3,000,000.00
Teerag-Aszfalt Épitöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
IAT Impermeabilizzazioni Srl		ITA	Bozen	0.00%	100.00%	F	EUR	100,000.00
PORR GRADEZNISTVO DOOEL Skopje		MKD	Skopje	0.00%	100.00%	F	EUR	5,400.00
PORR Construction B.V.	°	NLD	Amsterdam	0.00%	100.00%	F	EUR	18,000.00
Porr Norge AS		NOR	Oslo	0.00%	100.00%	F	NOK	35,000.00
Porr Construction LLC		OMN	Muscat	0.00%	100.00%	F	OMR	250,000.00
„Stal-Service“ Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	80.00%	F	PLN	3,000,000.00
PORR Polska Construction Spólka Akcyjna		POL	Warsaw	0.00%	100.00%	F	PLN	23,350,000.00
PORR Polska Infrastructure Spólka Akcyjna	°	POL	Warsaw	0.00%	100.00%	F	PLN	15,000,000.00
Stump-Hydrobudowa Spólka z ograniczona odpowiedzialnoscia		POL	Nowy Dwór Mazowiecki	0.00%	100.00%	F	PLN	330,000.00
RADMER BAU PORTUGAL - CONSTRUCOES, LIMITADA		PRT	Lisbon	0.00%	93.36%	N	PTE	0.00
PORR Qatar Construction WLL		QAT	Doha	0.00%	49.00%	F	QAR	200,000.00
Porr Construct S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	16,000,000.00
PORREAL Imobile S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	200.00
SC Schwarzl Beton SRL		ROM	Bucharest	0.00%	92.00%	N	RON	0.00
„PORR - WERNER & WEBER - PROKUPLJE“ doo, Prokuplje		SRB	Prokuplje	0.00%	80.00%	F	EUR	500.00
DRUSTVO SA OGRANICENOM ODGOVORNOSCU „PORR-WERNER & WEBER-LESKOVAC", Leskovac		SRB	Leskovac	0.00%	70.00%	F	EUR	500.00
Drustvo sa ogranicenom odgovornoscu PORR WERNER&WEBER-JAGODINA, Jagodina		SRB	Jagodina	0.00%	80.00%	F	EUR	500.00
Gradevinsko preduzece Porr d.o.o.		SRB	Belgrade	0.00%	100.00%	F	EUR	1,620,000.00
PWW d.o.o. Nis		SRB	Nis	0.00%	100.00%	F	EUR	981,700.00
PWW Deponija d.o.o. Jagodina		SRB	Jagodina	0.00%	100.00%	F	EUR	850,000.00
PWW Deponija Dva d.o.o. Leskovac		SRB	Leskovac	0.00%	100.00%	F	EUR	945,000.00
TRACK EXPERTS D.O.O. BEOGRAD, MILUTINA MILANKOVICA 11A		SRB	Belgrade	0.00%	74.00%	F	EUR	1,673,770.10

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
PORR s.r.o.	SVK	Bratislava	0.00%	100.00%	F	EUR	126,137.00
PORREAL Slovakia s.r.o. „v likvidácii“	SVK	Bratislava	0.00%	100.00%	N	EUR	0.00
PORR gradbenistvo, trgovina in druge storitve d.o.o.	SVN	Ljubljana	100.00%	100.00%	N	EUR	0.00
PORR INSAAT SANAYI VE TICARET LIMITED SIRKETI	TUR	Ankara	0.00%	100.00%	F	TRY	110,000.00
Tovarystvo z obmezhenoyu vidpovidalnistyu „Porr Ukraina“	UKR	Kiev	0.00%	99.98%	F	UAH	4,500,000.00
Affiliated partnerships							
AG für Bauwesen Nfg. KG	AUT	Vienna	0.00%	100.00%	F	EUR	7,267.28
AMF - Asphaltmischanlage Feistritz GmbH & Co KG	AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	100.00%	F	EUR	3,000.00
AMO Asphaltmischwerk Oberland GmbH & Co KG	AUT	Linz	0.00%	90.00%	F	EUR	5,000.00
Asphaltmischwerk Greinsfurth GmbH & Co OG	AUT	Amstetten	0.00%	66.67%	F	EUR	600,000.00
Franz Böck´s Nachf. Ing. Eva & Karl Schindler Gesellschaft m.b.H. &Co.Nfg.KG	AUT	Vienna	0.00%	100.00%	F	EUR	100,000.00
Wibeba Hochbau GmbH & Co. Nfg. KG	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
PORR MURNAU GmbH & Co. KG	DEU	Munich	0.00%	94.30%	F	EUR	500.00
Radmer Kies GmbH & Co. KG	DEU	Aschheim, Landkreis Munich	0.00%	94.30%	F	EUR	5,500,000.00
Companies accounted for under the equity method							
Companies accounted for under the equity method limited by shares							
ABO Asphalt-Bau Oeynhausen GmbH.	AUT	Oeynhausen, pol. Gem. Traiskirchen	0.00%	32.85%	E	EUR	72,800.00
ABW Abbruch, Boden- und Wasserreinigungs-Gesellschaft m.b.H.	AUT	Vienna	0.00%	36.22%	E	EUR	218,018.50
Altlastensanierung und Abraumdeponie Langes Feld Gesellschaft m.b.H.	AUT	Vienna	0.00%	41.50%	E	EUR	363,364.17
ALU-SOMMER GmbH	AUT	Stoob	0.00%	49.50%	E	EUR	70,000.00
ARIWA Abwasserreinigung im Waldviertel GmbH	AUT	Vienna	0.00%	50.00%	E	EUR	40,000.00
ASB Nörsach GmbH	AUT	Linz	0.00%	50.00%	E	EUR	35,000.00
CCG Immobilien GmbH	AUT	Werndorf	0.00%	25.00%	E	EUR	2,000,000.00
Errichtungsgesellschaft Marchfeldkogel mbH	AUT	Groß-Enzersdorf	0.00%	42.52%	E	EUR	35,000.00
Grazer Transportbeton GmbH	AUT	Gratkorn	0.00%	50.00%	E	EUR	40,000.00
INTERGEO Umweltmanagement GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
Lavanttaler Bauschutt - Recycling GmbH	AUT	Wolfsberg	0.00%	50.00%	E	EUR	36,336.43
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	E	EUR	45,000.00
Salzburger Reststoffverwertung GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	100,000.00
Stöckl Schotter- und Splitterzeugung GmbH	AUT	Weißbach bei Lofer	0.00%	40.00%	E	EUR	36,336.42
TAL Betonchemie Handel GmbH	AUT	Vienna	0.00%	50.00%	E	EUR	145,345.67
Tauernkies GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
TB Betonwerk Zams GmbH	AUT	Zams	0.00%	24.00%	E	EUR	35,000.00
WPS Rohstoff GmbH	AUT	Klagenfurt am Wörthersee	0.00%	49.00%	E	EUR	200,000.00
Obalovna Boskovice, s.r.o.	CZE	Boskovice	0.00%	45.00%	E	CZK	38,091,000.00
Porr & Swietelsky stavebni, v. o. s. v likvidaci	CZE	Prague	0.00%	50.00%	E	CZK	200,000.00
Spolecne obalovny, s.r.o.	CZE	Prague	0.00%	50.00%	E	CZK	5,000,000.00
Olympia Gate Munich Verwaltungs GmbH	DEU	Grünwald	0.00%	44.32%	E	EUR	25,000.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
ASDAG Kavicsbánya és Épitö Korlátolt Felelösségü Társaság	HUN	Janossomorja	0.00%	34.88%	E	HUF	300,000,000.00
„Modzelewski & Rodek“ Spólka z ograniczona odpowiedzialnoscia	POL	Warsaw	0.00%	50.00%	E	PLN	2,000,000.00
Advanced Utility Construction and Contracting LLC	QAT	Doha	0.00%	40.00%	E	QAR	1,000,000.00
EQCC PORR W.L.L.	QAT	Doha	0.00%	24.01%	E	QAR	200,000.00
Partnerships accounted for under the equity method							
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AUT	Linz	0.00%	33.33%	E	EUR	654,057.00
AMW Asphalt-Mischwerk GmbH & Co KG	AUT	Sulz	0.00%	50.00%	E	EUR	490,550.00
AMW Leopoldau TEERAG-ASDAG AG & Held & Francke Bau GmbH OG	AUT	Vienna	0.00%	50.00%	E	EUR	70,000.00
ASF Frästechnik GmbH & Co KG	AUT	Kematen	0.00%	40.00%	E	EUR	72,674.00
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	AUT	Rauchenwarth	0.00%	40.00%	E	EUR	726,728.35
Asphaltmischwerk Roppen GmbH & Co KG	AUT	Roppen	0.00%	30.00%	E	EUR	100.00
Asphaltmischwerk Weißbach GmbH & Co. Nfg.KG	AUT	Weißbach bei Lofer	0.00%	45.00%	E	EUR	72,672.83
ASTRA - BAU Gesellschaft m.b.H. Nfg. OG	AUT	Bergheim	0.00%	50.00%	E	EUR	1,451,570.76
FMA Asphaltwerk GmbH & Co KG	AUT	Feldbach	0.00%	35.00%	E	EUR	44,000.00
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH & Co KG	AUT	Bad Mitterndorf	0.00%	24.00%	E	EUR	100,000.00
Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht	AUT	Viecht, pol. Gem. Dessel-brunn	0.00%	33.50%	E	EUR	29,069.13
Lieferasphalt Gesellschaft m.b.H. & Co. OG	AUT	Maria Gail, pol. Gem. Villach	0.00%	40.00%	E	EUR	36,336.42
Lieferasphalt Gesellschaft m.b.H. & Co. OG, Zirl	AUT	Vienna	0.00%	50.00%	E	EUR	14,243.88
LISAG Linzer Splitt- und Asphaltwerk GmbH. & Co KG	AUT	Linz	0.00%	50.00%	E	EUR	861,900.00
MSO Mischanlagen GmbH Ilz & Co KG	AUT	Ilz	0.00%	47.19%	E	EUR	3,270,277.53
MSO Mischanlagen GmbH Pinkafeld & Co KG	AUT	Pinkafeld	0.00%	47.33%	E	EUR	87,207.39
RBA - Recycling- und Betonanlagen Ges.m.b.H. & Co. Nfg. KG	AUT	Zirl	31.58%	31.58%	E	EUR	581,382.67
RFM Asphaltmischwerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	E	EUR	1,271,775.00
Salzburger Lieferasphalt GmbH & Co OG	AUT	Sulzau, polit-sche Gemeinde Werfen	0.00%	40.00%	E	EUR	36,336.42
TAM Traisental Asphaltmischwerk Ges.m.b.H. & Co KG	AUT	Nußdorf ob der Traisen	0.00%	33.33%	E	EUR	72,672.83
TBT Transportbeton Tillmitsch GmbH & Co KG	AUT	Tillmitsch	0.00%	50.00%	E	EUR	127,500.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	AUT	Spittal an der Drau	0.00%	50.00%	E	EUR	263,298.00
Weyerhof Steinbruch GmbH & Co KG	AUT	Murau	0.00%	50.00%	E	EUR	2,000.00
Alexander Parkside GmbH & Co. KG	DEU	Berlin	0.00%	44.32%	E	EUR	25,000.00
Frankenstraße 18-20 GmbH & Co. KG	DEU	Hamburg	0.00%	44.32%	E	EUR	2,000.00
Radmer Bau Kieswerke GmbH & Co. Sand und Kies KG	DEU	Leipzig	0.00%	47.15%	E	EUR	1,022,580.80
M6 D-S MME Közkereseti Társaság	HUN	Budapest	0.00%	50.00%	E	HUF	1,000,000.00
M6 Dunaújváros-Szekszárd Építési Közkereseti Társaság	HUN	Budapest	0.00%	50.00%	E	HUF	1,000,000.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Other companies							
Other companies limited by shares							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	AUT	Zistersdorf-Maustrenk, pol. Gem. Zistersdorf	0.00%	20.00%	N	EUR	0.00
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	N	EUR	0.00
AMW Asphalt-Mischwerk GmbH	AUT	Sulz	0.00%	50.00%	N	EUR	0.00
ASF Frästechnik GmbH	AUT	Kematen	0.00%	40.00%	N	EUR	0.00
Asphaltlieferwerk Leibnitz Baugesellschaft m.b.H.	AUT	Leibnitz	0.00%	32.85%	N	EUR	0.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	AUT	Rauchenwarth	0.00%	40.00%	N	EUR	0.00
Asphaltmischwerk Roppen GmbH	AUT	Roppen	0.00%	30.00%	N	EUR	0.00
AWB Asphaltmischwerk Weißbach Betriebs-GmbH	AUT	Vienna	0.00%	45.00%	N	EUR	0.00
Betonexpress FH Vertriebs-GMBH	AUT	Bad Gleichenberg	0.00%	20.00%	N	EUR	0.00
BRG Baustoffrecycling GmbH	AUT	Linz	0.00%	20.00%	N	EUR	0.00
FMA Asphaltwerk GmbH	AUT	Feldbach	0.00%	35.00%	N	EUR	0.00
Gaspix Beteiligungsverwaltungs GmbH	AUT	Zirl	31.58%	31.58%	N	EUR	0.00
GETINA Versicherungsvermittlung GmbH	AUT	Vienna	0.00%	32.60%	N	EUR	0.00
Grimming Therme GmbH	AUT	Bad Mitterndorf	0.00%	17.00%	N	EUR	0.00
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH	AUT	Bad Mitterndorf	0.00%	24.00%	N	EUR	0.00
Immobilien AS GmbH	AUT	Stoob	0.00%	49.50%	N	EUR	0.00
Jandl Baugesellschaft m.b.H.	AUT	Unterpremstätten, pol. Gem. Premstätten	0.00%	0.93%	N	EUR	0.00
Johann Koller Deponiebetriebsges.m.b.H.	AUT	Vienna	0.00%	36.22%	N	EUR	0.00
KAB Straßensanierung GmbH	AUT	Spittal an der Drau	0.00%	19.99%	N	EUR	0.00
KOLLER TRANSPORTE - KIES - ERDBAU GMBH	AUT	Vienna	0.00%	36.22%	N	EUR	0.00
Lieferasphalt Gesellschaft m.b.H.	AUT	Vienna	0.00%	50.00%	N	EUR	0.00
LISAG Linzer Splitt- und Asphaltwerk GmbH.	AUT	Linz	0.00%	50.00%	N	EUR	0.00
MSO Mischanlagen GmbH	AUT	Ilz	0.00%	66.67%	N	EUR	0.00
PKM - Muldenzentrale GmbH	AUT	Vienna	0.00%	34.93%	N	EUR	0.00
PM2 Bauträger GesmbH	AUT	Klagenfurt	0.00%	24.75%	N	EUR	0.00
Pumpspeicherkraftwerk Koralm GmbH	AUT	Graz	0.00%	1.00%	N	EUR	0.00
RFM Asphaltmischwerk GmbH.	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	N	EUR	0.00
RFPB Kieswerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Schotter- und Betonwerk Donnersdorf GmbH	AUT	Bad Gleichenberg	0.00%	20.00%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consolidation	Currency	Nominal Capital
TAM Traisental Asphaltmischwerk Ges.m.b.H.	AUT	Nußdorf ob der Traisen	0.00%	33.33%	N	EUR	0.00
TBT Transportbeton Tillmitsch GmbH	AUT	Tillmitsch	0.00%	50.00%	N	EUR	0.00
UWT Umwelttechnik GmbH	AUT	Linz	0.00%	13.33%	N	EUR	0.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	AUT	Spittal an der Drau	0.00%	50.00%	N	EUR	0.00
Weyerhof Steinbruch GmbH	AUT	Murau	0.00%	50.00%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
AMW Asphaltmischwerk Schweiz AG	CHE	Altstätten	0.00%	50.00%	N	CHF	0.00
Vystavba hotelu PRAHA - ZVONARKA, spol. s.r.o.	CZE	Prague	0.00%	11.11%	N	CZK	0.00
Alexander Parkside Verwaltungs GmbH	DEU	Berlin	0.00%	44.32%	N	EUR	0.00
ALU-SOMMER Deutschland GmbH	DEU	Kolbermoor	0.00%	49.50%	N	EUR	0.00
Anders Wohnen GmbH	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00
Arena Boulevard Verwaltungs GmbH	DEU	Berlin	0.00%	5.66%	N	EUR	0.00
Bürohaus Leuchtenbergring Verwaltungs GmbH	DEU	Munich	0.00%	3.73%	N	EUR	0.00
City Objekte München GmbH	DEU	Munich	0.00%	5.09%	N	EUR	0.00
Frankenstraße 18-20 Verwaltungs GmbH	DEU	Hamburg	0.00%	44.32%	N	EUR	0.00
Friendsfactory Projekte GmbH	DEU	Munich	0.00%	3.11%	N	EUR	0.00
GeMoBau Gesellschaft für modernes Bauen mbH	DEU	Berlin	0.00%	5.32%	N	EUR	0.00
German Hotel III Verwaltungs GmbH	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00
German Hotel Verwaltungs GmbH	DEU	Grünwald	0.00%	5.32%	N	EUR	0.00
Kühnehöfe Hamburg Komplementär GmbH	DEU	Munich	0.00%	4.53%	N	EUR	0.00
Leuchtenbergring Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Lilienthalstraße Wohnen GmbH Münchner Grund und Baywobau	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00
Mainz Zollhafen Verwaltungs GmbH	DEU	Berlin	0.00%	5.66%	N	EUR	0.00
MG Projekt-Sendling GmbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
MG Sendling Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Immobilien Bauträger GmbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Riem GmbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Obersendlinger Grund Verwaltungs GmbH	DEU	Grünwald, Landkreis Munich	0.00%	1.70%	N	EUR	0.00
Radmer Bau Kieswerke GmbH	DEU	Leipzig	0.00%	47.15%	N	EUR	0.00
Schloßhotel Tutzing GmbH	DEU	Starnberg	0.00%	5.32%	N	EUR	0.00
SONUS City Verwaltungs GmbH	DEU	Berlin	0.00%	5.66%	N	EUR	0.00
TMG Tiefbaumaterial GmbH	DEU	Emmering, Landkreis Fürstenfeldbruck	0.00%	33.33%	N	EUR	0.00
Top Office Munich GmbH	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
UBX 2 Objekt Berlin GmbH	DEU	Munich	0.00%	2.49%	N	EUR	0.00
Zero Bypass Limited	GBR	London	10.00%	10.00%	N	EUR	0.00
AS Montage Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	37.12%	N	HUF	0.00
AS Produktion Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	49.50%	N	EUR	0.00
ASDEKA Epitöanyagipari Kereskedelmi Kft.	HUN	Hegyeshalom	0.00%	17.44%	N	HUF	0.00
SEVER-JUG AUTOPUT DRUSTVO SA OGRANICENOM ODGOVORNOSCU ZA IZGRADNJU, KORISCENJE I ODRZAVANJE AUTOPUTA	SRB	Belgrade	0.00%	50.00%	N	RSD	0.00
AQUASYSTEMS gospodarjenje z vodami d.o.o.	SVN	Marburg	0.00%	10.00%	N	EUR	0.00
Other partnerships							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H & Co KG	AUT	Zistersdorf	0.00%	20.00%	N	EUR	0.00
KAB Straßensanierung GmbH & Co KG	AUT	Spittal an der Drau	0.00%	19.99%	N	EUR	0.00
RFPB Kieswerk GmbH & Co KG	AUT	Viennaersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Sava Most Gradevinsko Preduzece OG	AUT	Vienna	0.00%	27.93%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
Arena Boulevard GmbH & Co. KG	DEU	Berlin	0.00%	10.64%	N	EUR	0.00
Bürohaus Leuchtenbergring GmbH & Co. Besitz KG	DEU	Munich	0.00%	3.73%	N	EUR	0.00
Forum am Bahnhof Quickborn GmbH & Co. KG	DEU	Hamburg	0.00%	5.32%	N	EUR	0.00
German Hotel Invest I GmbH & Co. KG	DEU	Grünwald, Landkreis Munich	0.00%	5.32%	N	EUR	0.00
German Hotel Invest III GmbH & Co. KG	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00
Immobilien- und Baumanagement Stark GmbH & Co. Stockholmstraße KG	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Kühnehöfe Hamburg GmbH & Co. KG	DEU	Munich	0.00%	4.53%	N	EUR	0.00
Mainz Zollhafen Hotel GmbH & Co. KG	DEU	Berlin	0.00%	5.66%	N	EUR	0.00
Obersendlinger Grund GmbH & Co. KG	DEU	Grünwald, Landkeis Munich	0,00 %	1,70 %	N	EUR	0,00
Portokali Property Development I GmbH & Co. KG	DEU	Berlin	0,00 %	5,66 %	N	EUR	0,00
Portokali Property Development II GmbH & Co. KG	DEU	Berlin	0,00 %	5,66 %	N	EUR	0,00
SONUS City GmbH & Co. KG	DEU	Berlin	0,00 %	10,07 %	N	EUR	0,00
BPV-Metro 4 Építési Közkereseti Társaság	HUN	Budapest	49,95 %	49,95 %	N	HUF	0,00
BPV-METRO 4 NeKe Építési Közkereseti Társaság	HUN	Budapest	49,95 %	49,95 %	N	HUF	0,00
M6-Autópálya Építési Kkt.	HUN	Budapest	0,00 %	33,33 %	N	HUF	0,00
NeKe METRO 4 Építési Közkereseti Társaság	HUN	Budapest	0,00 %	50,00 %	N	HUF	0,00

Key:
E= Company consolidated under the equity method
F= Fully consolidated company
N= Non-consolidated company
° = Company consolidated for the first time
* = Profit and loss transfer agreement

SHAREHOLDINGS 2014

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consolidation	Currency	Nominal Capital
Affiliated companies								
Affiliated companies limited by shares								
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“		AUT	Vienna	37.50%	100.00%	F	EUR	726,728.34
„PET“ Deponieerrichtungs- und Betriebsgesellschaft m.b.H.		AUT	Vienna	50.00%	100.00%	N	EUR	0.00
ABAP Beteiligungs Holding GmbH		AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Allgemeine Straßenbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	3,633,641.71
AMF - Asphaltmischanlage Feistritz GmbH		AUT	Unterpremstätten	0.00%	100.00%	N	EUR	0.00
AMO Asphaltmischwerk Oberland GmbH		AUT	Linz	0.00%	90.00%	N	EUR	0.00
Asphaltmischwerk Greinsfurth GmbH		AUT	Amstetten	0.00%	66.67%	N	EUR	0.00
Asphalt-Unternehmung Carl Günther Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	218,018.50
Bautech Labor GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Bosch Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	51,000.00
Edos Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Eisenschutzgesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	43,603.70
EPS Absberggasse 47 Projektmanagement GmbH		AUT	Vienna	97.50%	100.00%	F	EUR	36,336.42
EPS LAA 43 GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
Esikas Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Geotechnik Systems GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Gesellschaft für Bauwesen GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Goidinger Bau GmbH	*	AUT	Zams	0.00%	100.00%	F	EUR	37,000.00
Grund- Pfahl- und Sonderbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	365,000.00
Hans Böchheimer Hoch- und Tiefbau Gesellschaft m.b.H.	° *	AUT	Stegersbach	0.00%	100.00%	F	EUR	35,000.00
IAT GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	290,691.34
Ing. Otto Richter & Co Straßenmarkierungen GmbH	*	AUT	Wienersdorf, pol. Gem. Traiskirchen	0.00%	100.00%	F	EUR	37,000.00
Ing. RADL-BAU GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Joiser Hoch- und Tiefbau GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Kraft & Wärme Rohr- und Anlagentechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Kratochwill Schotter & Beton GmbH	*	AUT	Unterpremstätten	0.00%	100.00%	F	EUR	1,199,101.76
LD Recycling GmbH	*	AUT	Unterpremstätten	0.00%	100.00%	F	EUR	875,000.00
Lieferasphaltgesellschaft JAUNTAL GmbH		AUT	Klagenfurt	0.00%	72.00%	F	EUR	36,460.00
M.E.G. Mikrobiologische Erddekontamination GmbH		AUT	Linz	0.00%	100.00%	F	EUR	35,000.00
Nägele Hoch- und Tiefbau GmbH	*	AUT	Röthis	0.00%	100.00%	F	EUR	35,000.00
O.M. Meissl & Co. Bau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	85,000.00
Panitzky Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
PORR AUSTRIARAIL GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	37,100.00
Porr Bau GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	11,500,000.00
Porr Design & Engineering GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Porr Equipment Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Financial Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	500,000.00
Porr Umwelttechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	1,000,000.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
PORREAL Facility Management GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	500,000.00
PORREAL Immobilien Management GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Prajo & Co GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO HOLDING Beteiligungs- & Verwaltungsgesellschaft mbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO Transportunternehmer GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO-BÖHM Recycling GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
PRONAT Steinbruch Preg GmbH		AUT	Unter-premstätten	0.00%	99.99%	F	EUR	872,000.00
PWW Holding GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Sabelo Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Schatzl & Jungmayr Garten- und Landschaftsbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Schotter- und Betonwerk Karl Schwarzl Betriebsgesellschaft m.b.H.	*	AUT	Unter-premstätten	100.00%	100.00%	F	EUR	3,633,641.71
Schotterwerk GRADENBERG Gesellschaft m.b.H.	*	AUT	Köflach	0.00%	100.00%	F	EUR	36,336.42
Schwarzl Transport GmbH	*	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	110,000.00
Tancsos und Binder Gesellschaft m.b.H.	*	AUT	Wolfsberg	0.00%	100.00%	F	EUR	37,000.00
TEERAG-ASDAG Aktiengesellschaft		AUT	Vienna	47.51%	100.00%	F	EUR	12,478,560.00
Wiener Betriebs- und Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	100,000,00
PORR Bulgaria EOOD		BGR	Sofia	0.00%	100.00%	F	BGN	1,961,000.00
Privredno drustvo za gradenje i usluge PORR d.o.o. Sarajevo		BIH	Sarajevo	0.00%	100.00%	N	BAM	0.00
Gunimperm-Bauveg SA		CHE	Bellinzona	0.00%	100.00%	F	CHF	150,000.00
PORR Financial Services AG		CHE	Altdorf	0.00%	100.00%	F	CHF	7,800,000.00
PORR SUISSE AG		CHE	Altdorf	0.00%	100.00%	F	CHF	10,002,000,00
BAUVEG, hydroizolacní systémy, s.r.o.		CZE	Prague	0.00%	100.00%	N	CZK	0,00
OBALOVNA PRÍBRAM, s.r.o.		CZE	Prague	0.00%	75.00%	F	CZK	100,000.00
Porr a.s.		CZE	Prague	0.00%	100.00%	F	CZK	120,000,000.00
Emil Mayr Hoch- und Tiefbau GmbH		DEU	Ettringen/ Wertach	0.00%	94.30%	F	EUR	250,000.00
FAB Beteiligungsgesellschaft mbH		DEU	Hamburg	0.00%	88.64%	N	EUR	0.00
IAT Deutschland GmbH	°	DEU	Munich	0.00%	100.00%	F	EUR	52,000.00
Porr Beteiligungs-Aktiengesellschaft in Liqu.		DEU	Munich	100.00%	100.00%	N	EUR	0.00
Porr Design & Engineering Deutschland GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	25,000.00
Porr Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	21,522,800.00
Porr Equipment Services Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	204,517.00
Porr Industriebau GmbH	°	DEU	Kolbermoor	0.00%	100.00%	F	EUR	25,000.00
PORR Vermögensverwaltung MURNAU GmbH		DEU	Murnau	0.00%	94.30%	N	EUR	0.00
PORREAL Deutschland GmbH		DEU	Berlin	0.00%	100.00%	F	EUR	25,000.00
Radmer Kiesvertrieb Verwaltungs GmbH		DEU	Aschheim, Lk Munich	0.00%	94.30%	N	EUR	0.00
S & P Immobilien Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	537,000.00
STRAUSS & CO. Development GmbH		DEU	Berlin	0.00%	88.64%	F	EUR	25,564.60
Stump Spezialtiefbau GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	4,000,000.00
TEERAG-ASDAG Deutschland GmbH	°	DEU	Saaldorf-Surheim	0.00%	94.30%	F	EUR	100,000.00
Thorn Abwassertechnik GmbH		DEU	Munich	0.00%	94.30%	F	EUR	511,291.88

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
TKDZ GmbH		DEU	Wellen	0.00%	94.30%	F	EUR	2,045,170.00
Wellener Immobiliengesellschaft mbH		DEU	Wellen	0.00%	94.30%	F	EUR	511,291.88
IAT UK Waterproofing Systems limited	°	GBR	London	0.00%	100.00%	F	GBP	10,000.00
BAUVEG-WINKLER drustvo s ogranicenom odgovornoscu za projektiranje, izgradnju i nadzor		HRV	Zagreb	0.00%	100.00%	N	HRK	0.00
FMA Gebäudemanagement drustvo s ogranicenom odgovornoscu za upravljanje zgradama u likvidaciji		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
Porr Hrvatska d.o.o. za graditeljstvo		HRV	Samobor	0.00%	100.00%	F	HRK	4,000,000.00
Schwarzl drustvo s ogranicenom odgovornoscu za obradu betona i sljunka		HRV	Glina	0.00%	100.00%	F	HRK	9,842,000.00
Vile Jordanovac drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo		HRV	Zagreb	0.00%	100.00%	F	HRK	6,778,100.00
DBK-Földgép Építési Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	6,000,000.00
Porr Építési Kft.		HUN	Budapest	0.00%	100.00%	F	HUF	30,000,000.00
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
Teerag-Aszfalt Épitöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
IAT Impermeabilizzazioni Srl	°	ITA	Bozen	0.00%	100.00%	F	EUR	100,000.00
PORR GRADEZNISTVO DOOEL Skopje		MKD	Skopje	0.00%	100.00%	F	EUR	5,400.00
Porr Norge AS	°	NOR	Oslo	0.00%	100.00%	F	NOK	35,000.00
Porr Construction LLC		OMN	Muscat	0.00%	100.00%	F	OMR	250,000.00
„Stal-Service“ Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	80.00%	F	PLN	3,000,000.00
PORR (POLSKA) Spólka Akcyjna		POL	Warsaw	0.00%	100.00%	F	PLN	21,350,000.00
Stump-Hydrobudowa Spólka z ograniczona odpowiedzialnoscia		POL	Nowy Dwór Mazowiecki	0.00%	100.00%	F	PLN	330,000.00
RADMER BAU PORTUGAL - CONSTRUCOES, LIMITADA		PRT	Lisbon	0.00%	93.36%	N	PTE	0.00
PORR Qatar Construction WLL		QAT	Doha	0.00%	49.00%	F	QAR	200,000.00
Porr Construct S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	16,000,000.00
PORREAL Imobile S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	200.00
SC Schwarzl Beton SRL		ROM	Bucharest	0.00%	75.00%	N	RON	0.00
„PORR - WERNER & WEBER-PROKUPLJE“ doo, Prokuplje		SRB	Prokuplje	0.00%	80.00%	F	EUR	500.00
DRUSTVO SA OGRANICENOM ODGOVORNOSCU „PORR-WERNER & WEBER-LESKOVAC“, Leskovac		SRB	Leskovac	0.00%	70.00%	F	EUR	500.00
Drustvo sa ogranicenom odgovornoscu PORR WERNER&WEBER-JAGODINA, Jagodina		SRB	Jagodina	0.00%	80.00%	F	EUR	500.00
Gradevinsko preduzece Porr d.o.o.		SRB	Belgrade	0.00%	100.00%	F	EUR	1,620,000.00
PWW d.o.o. Nis		SRB	Nis	0.00%	100.00%	F	EUR	3,050,500.00
PWW Deponija d.o.o. Jagodina		SRB	Jagodina	0.00%	100.00%	F	EUR	850,000.00
PWW Deponija Dva d.o.o. Leskovac		SRB	Leskovac	0.00%	100.00%	F	EUR	945,000.00
TRACK EXPERTS D.O.O. BEOGRAD, MILUTINA MILANKOVICA 11A		SRB	Belgrade	0.00%	74.00%	F	EUR	1,673,770.10
PORR s.r.o.		SVK	Bratislava	0.00%	100.00%	F	EUR	126,137.00
PORREAL Slovakia s.r.o.		SVK	Bratislava	0.00%	100.00%	N	EUR	0.00
PORR gradbenistvo, trgovina in druge storitvc d.o.o.		SVN	Ljubljana	100.00%	100.00%	N	EUR	0.00
PORR INSAAT SANAYI VE TICARET LIMITED SIRKETI		TUR	Ankara	0.00%	100.00%	F	TRY	110,000.00
Tovarystvo z obmezhenoyu vidpovidalnistyu „Porr Ukraina“		UKR	Kiev	0.00%	99.98%	F	UAH	4,500,000.00
Affiliated partnerships								
AG für Bauwesen Nfg. KG		AUT	Vienna	50.00%	100.00%	F	EUR	7,267.28
AMF - Asphaltmischanlage Feistritz GmbH & Co KG		AUT	Unter-premstätten	0.00%	100.00%	F	EUR	3,000.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
AMO Asphaltmischwerk Oberland GmbH & Co KG	AUT	Linz	0.00%	90.00%	F	EUR	5,000.00
Asphaltmischwerk Greinsfurth GmbH & Co OG	AUT	Amstetten	0.00%	66.67%	F	EUR	600,000.00
Franz Böck´s Nachf. Ing. Eva & Karl Schindler Gesellschaft m.b.H. & Co.Nfg.KG	AUT	Vienna	0.00%	100.00%	F	EUR	100,000.00
Wibeba Hochbau GmbH & Co. Nfg. KG	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Forum am Bahnhof Quickborn GmbH & Co. KG	DEU	Hamburg	0.00%	88.64%	F	EUR	100,000.00
PORR MURNAU GmbH & Co. KG	DEU	Munich	0.00%	94.30%	F	EUR	500.00
Radmer Kies GmbH & Co. KG	DEU	Aschheim, Lk Munich	0.00%	94.30%	F	EUR	5,500,000.00
Associated companies							
Associated companies limited by shares							
ABO Asphalt-Bau Oeynhausen GmbH.	AUT	Oeynhausen, pol. Gem. Traiskirchen	0.00%	32.85%	E	EUR	72,800.00
ABW Abbruch, Boden- und Wasserreinigungs-Gesellschaft m.b.H.	AUT	Vienna	0.00%	36.22%	E	EUR	218,018.50
Altlastensanierung und Abraumdeponie Langes Feld Gesellschaft m.b.H.	AUT	Vienna	0.00%	41.50%	E	EUR	363,364.17
ALU-SOMMER GmbH	AUT	Stoob	49.50%	49.50%	E	EUR	70,000.00
ARIWA Abwasserreinigung im Waldviertel GmbH	AUT	Vienna	0.00%	50.00%	E	EUR	40,000.00
CCG Immobilien GmbH	AUT	Werndorf	0.00%	25.00%	E	EUR	2,000,000.00
Errichtungsgesellschaft Marchfeldkogel mbH	AUT	Groß-Enzersdorf	0.00%	42.52%	E	EUR	35,000.00
European Trans Energy Beteiligungs GmbH	AUT	Vienna	0.00%	49.00%	E	EUR	35,000.00
Grazer Transportbeton GmbH	AUT	Gratkorn	0.00%	50.00%	E	EUR	40,000.00
INTERGEO Umweltmanagement GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
Lavanttaler Bauschutt - Recycling GmbH	AUT	Wolfsberg	0.00%	50.00%	E	EUR	36,336.43
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	E	EUR	45,000.00
Salzburger Reststoffverwertung GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	100,000.00
Stöckl Schotter- und Splitterzeugung GmbH	AUT	Weißbach bei Lofer	0.00%	40.00%	E	EUR	36,336.42
TAL Betonchemie Handel GmbH	AUT	Vienna	0.00%	50.00%	E	EUR	145,345.67
Tauernkies GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
WPS Rohstoff GmbH	AUT	Klagenfurt am Wörthersee	0.00%	49.00%	E	EUR	200,000.00
Obalovna Boskovice, s.r.o.	CZE	Boskovice	0.00%	45.00%	E	CZK	38,091,000.00
Porr & Swietelsky stavebni, v. o. s.	CZE	Prague	0.00%	50.00%	E	CZK	200,000.00
Spolecne obalovny, s.r.o.	CZE	Prague	0.00%	50.00%	E	CZK	5,000,000.00
Olympia Gate Munich Verwaltungs GmbH	DEU	Grünwald	0.00%	44.32%	E	EUR	25,000.00
ASDAG Kavicsbánya és Épitö Korlátolt Felelösségü Társaság	HUN	Janossomorja	0.00%	34.88%	E	HUF	300,000,000.00
„Modzelewski & Rodek“ Spólka z ograniczona odpowiedzialnoscia	POL	Warsaw	0.00%	50.00%	E	PLN	2,000,000.00
EQCC PORR W.L.L.	QAT	Doha	0.00%	24.01%	E	QAR	200,000.00
Associated partnerships							
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AUT	Linz	0.00%	33.33%	E	EUR	654,057.00
AMW Asphalt-Mischwerk GmbH & Co KG	AUT	Sulz	0.00%	50.00%	E	EUR	490,550.00
AMW Leopoldau TEERAG-ASDAG AG & Held & Francke Bau GmbH OG	AUT	Vienna	0.00%	50.00%	E	EUR	70,000.00
ASF Frästechnik GmbH & Co KG	AUT	Kematen	0.00%	40.00%	E	EUR	72,674.00
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	AUT	Rauchenwarth	0.00%	40.00%	E	EUR	726,728.35
Asphaltmischwerk Weißbach GmbH & Co. Nfg.KG	AUT	Weißbach bei Lofer	0.00%	45.00%	E	EUR	72,672.83

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
ASTRA - BAU Gesellschaft m.b.H. Nfg. OG	AUT	Bergheim	0.00%	50.00%	E	EUR	1,451,570.76
FMA Asphaltwerk GmbH & Co KG	AUT	Feldbach	0.00%	30.00%	E	EUR	44,000.00
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH & Co KG	AUT	Bad Mitterndorf	0.00%	24.00%	E	EUR	100,000.00
Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht	AUT	Viecht, pol. Gem. Desselbrunn	0.00%	33.50%	E	EUR	29,069.13
Lieferasphalt Gesellschaft m.b.H. & Co. OG	AUT	Maria Gail, pol. Gem. Villach	0.00%	40.00%	E	EUR	387,366.41
Lieferasphalt Gesellschaft m.b.H. & Co. OG, Zirl	AUT	Vienna	0.00%	50.00%	E	EUR	14,243.88
LISAG Linzer Splitt- und Asphaltwerk GmbH. & Co KG	AUT	Linz	0.00%	50.00%	E	EUR	861,900.00
MSO Mischanlagen GmbH Ilz & Co KG	AUT	Ilz	0.00%	47.19%	E	EUR	3,270,277.53
MSO Mischanlagen GmbH Pinkafeld & Co KG	AUT	Pinkafeld	0.00%	47.33%	E	EUR	87,207.39
RBA - Recycling- und Betonanlagen Ges.m.b.H. & Co. Nfg. KG	AUT	Zirl	31.58%	31.58%	E	EUR	581,382.67
RFM Asphaltmischwerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	E	EUR	1,271,775.00
Salzburger Lieferasphalt GmbH & Co OG	AUT	Sulzau, pol. Gem. Werfen	0.00%	40.00%	E	EUR	36,336.42
TAM Traisental Asphaltmischwerk Ges.m.b.H. & Co KG	AUT	Nußdorf ob der Traisen	0.00%	33.33%	E	EUR	72,672.83
TBT Transportbeton Tillmitsch GmbH & Co KG	AUT	Tillmitsch	0.00%	50.00%	E	EUR	127,500.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	AUT	Spittal an der Drau	0.00%	50.00%	E	EUR	263,298.00
Alexander Parkside GmbH & Co. KG	DEU	Berlin	0.00%	44.32%	E	EUR	25,000.00
Frankenstraße 18-20 GmbH & Co. KG	DEU	Hamburg	0.00%	44.32%	E	EUR	2,000.00
Radmer Bau Kieswerke GmbH & Co. Sand und Kies KG	DEU	Leipzig	0.00%	47.15%	E	EUR	1,022,580.00
M6 D-S MME Közkereseti Társaság	HUN	Budapest	0.00%	50.00%	E	HUF	1,000,000.00
M6 Dunaújváros-Szekszárd Építési Közkereseti Társaság	HUN	Budapest	0.00%	50.00%	E	HUF	1,000,000.00
Other companies							
Other companies limited by shares							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	AUT	Zistersdorf-Maustrenk, pol. Gem. Zistersdorf	0.00%	20.00%	N	EUR	0.00
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	N	EUR	0.00
AMW Asphalt-Mischwerk GmbH	AUT	Sulz	0.00%	50.00%	N	EUR	0.00
ASF Frästechnik GmbH	AUT	Kematen	0.00%	40.00%	N	EUR	0.00
Asphaltlieferwerk Leibnitz Baugesellschaft m.b.H.	AUT	Leibnitz	0.00%	32.85%	N	EUR	0.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	AUT	Rauchenwarth	0.00%	40.00%	N	EUR	0.00
AWB Asphaltmischwerk Weißbach Betriebs-GmbH	AUT	Vienna	0.00%	45.00%	N	EUR	0.00
Betonexpress FH Vertriebs-GMBH	AUT	Bad Gleichenberg	0.00%	20.00%	N	EUR	0.00
BRG Baustoffrecycling GmbH	AUT	Linz	0.00%	20.00%	N	EUR	0.00
European Trans Energy GmbH	AUT	Vienna	0.00%	49.00%	N	EUR	0.00
FMA Asphaltwerk GmbH	AUT	Feldbach	0.00%	30.00%	N	EUR	0.00
Gaspix Beteiligungsverwaltungs GmbH	AUT	Zirl	31.58%	31.58%	N	EUR	0.00
GETINA Versicherungsvermittlung GmbH	AUT	Vienna	0.00%	32.60%	N	EUR	0.00
Grimming Therme GmbH	AUT	Bad Mitterndorf	0.00%	17.00%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH	AUT	Bad Mitterndorf	0.00%	24.00%	N	EUR	0.00
Immobilien AS GmbH	AUT	Stoob	0.00%	49.50%	N	EUR	0.00
Jandl Baugesellschaft m.b.H.	AUT	Unter-premstätten	0.00%	0.93%	N	EUR	0.00
Johann Koller Deponiebetriebsges.m.b.H.	AUT	Vienna	0.00%	36.22%	N	EUR	0.00
KAB Straßensanierung GmbH	AUT	Spittal an der Drau	0.00%	19.99%	N	EUR	0.00
KOLLER TRANSPORTE - KIES - ERDBAU GMBH	AUT	Vienna	0.00%	36.22%	N	EUR	0.00
Lieferasphalt Gesellschaft m.b.H.	AUT	Vienna	0.00%	50.00%	N	EUR	0.00
LISAG Linzer Splitt- und Asphaltwerk GmbH.	AUT	Linz	0.00%	50.00%	N	EUR	0.00
MSO Mischanlagen GmbH	AUT	Ilz	0.00%	66.67%	N	EUR	0.00
PKM - Muldenzentrale GmbH	AUT	Vienna	0.00%	34.93%	N	EUR	0.00
PM2 Bauträger GesmbH in Liqu.	AUT	Klagenfurt	0.00%	24.75%	N	EUR	0.00
Pumpspeicherkraftwerk Koralm GmbH	AUT	Graz	0.00%	1.00%	N	EUR	0.00
RFM Asphaltmischwerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	N	EUR	0.00
RFPB Kieswerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Schotter- und Betonwerk Donnersdorf GmbH	AUT	Bad Gleichen-berg	0.00%	20.00%	N	EUR	0.00
TAM Traisental Asphaltmischwerk Ges.m.b.H.	AUT	Nußdorf ob der Traisen	0.00%	33.33%	N	EUR	0.00
TBT Transportbeton Tillmitsch GmbH	AUT	Tillmitsch	0.00%	50.00%	N	EUR	0.00
UWT Umwelttechnik GmbH	AUT	Linz	0.00%	13.33%	N	EUR	0.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	AUT	Spittal an der Drau	0.00%	50.00%	N	EUR	0.00
Weyerhof Steinbruch GmbH	AUT	Murau	0.00%	50.00%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
Vystavba hotelu PRAHA - ZVONARKA, spol. s.r.o.	CZE	Prague	0.00%	11.11%	N	CZK	0.00
Alexander Parkside Verwaltungs GmbH	DEU	Berlin	0.00%	44.32%	N	EUR	0.00
ALTRASS Freileitungstechnik GmbH	DEU	Essen	0.00%	49.00%	N	EUR	0.00
ALU-SOMMER Deutschland GmbH	DEU	Kolbermoor	0.00%	49.50%	N	EUR	0.00
BF Services GmbH	DEU	Munich	0.00%	2.80%	N	EUR	0.00
BLV Objekt Pasing GmbH	DEU	Grünwald, Lk Munich	0.00%	2.83%	N	EUR	0.00
Bürohaus Leuchtenbergring Verwaltungs GmbH	DEU	Munich	0.00%	3.73%	N	EUR	0.00
City Objekte München GmbH	DEU	Munich	0.00%	5.09%	N	EUR	0.00
Europten Deutschland GmbH	DEU	Berlin	0.00%	49.00%	N	EUR	0.00
Frankenstraße 18-20 Verwaltungs GmbH	DEU	Hamburg	0.00%	44.32%	N	EUR	0.00
Friendsfactory Projekte GmbH	DEU	Munich	0.00%	3.11%	N	EUR	0.00
German Hotel Verwaltungs GmbH	DEU	Grünwald	0.00%	2.66%	N	EUR	0.00
Kühnehöfe Hamburg Komplementär GmbH	DEU	Munich	0.00%	4.53%	N	EUR	0.00
Leuchtenbergring Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consolidation	Currency	Nominal Capital
Lilienthalstraße Wohnen GmbH Münchner Grund und Baywobau	DEU	Grünwald, Landkreis Munich	0.00%	2.83%	N	EUR	0.00
MG Projekt-Sendling GmbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
MG Sendling Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Immobilien Bauträger Aktiengesellschaft	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Riem GmbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Radmer Bau Kieswerke GmbH	DEU	Leipzig	0.00%	47.15%	N	EUR	0.00
REAL I.S. Project GmbH in Liqu.	DEU	Munich	0.00%	2.80%	N	EUR	0.00
Schloßhotel Tutzing GmbH	DEU	Starnberg	0.00%	5.32%	N	EUR	0.00
TMG Tiefbaumaterial GmbH	DEU	Emmering, Lk Fürstenfeld-bruck	0.00%	31.43%	N	EUR	0.00
AS Montage Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	37.12%	N	HUF	0.00
AS Produktion Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	49.50%	N	EUR	0.00
ASDEKA Epitöanyagipari Kereskedelmi Kft.	HUN	Hegyeshalom	0.00%	17.44%	N	HUF	0.00
SEVER-JUG AUTOPUT DRUSTVO SA OGRANICENOM ODGOVORNOSCU ZA IZGRADNJU, KORISCENJE I ODRZAVANJE AUTOPUTA	SRB	Belgrade	0.00%	50.00%	N	RSD	0.00
AQUASYSTEMS gospodarjenje z vodami d.o.o.	SVN	Maribor	0.00%	10.00%	N	EUR	0.00
SCT-Porr, gradnja zlezniske infrastrukture, d.o.o.	SVN	Ljubljana	0.00%	49.00%	N	EUR	0.00
Other partnerships							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H & Co KG	AUT	Zistersdorf	0.00%	20.00%	N	EUR	0.00
KAB Straßensanierung GmbH & Co KG	AUT	Spittal an der Drau	0.00%	19.99%	N	EUR	0.00
RFPB Kieswerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Sava Most Gradevinsko Preduzece OG	AUT	Vienna	0.00%	27.93%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
Arena Boulevard GmbH & Co. KG	DEU	Berlin	0.00%	5.32%	N	EUR	0.00
Bürohaus Leuchtenbergring GmbH & Co. Besitz KG	DEU	Munich	0.00%	3.73%	N	EUR	0.00
German Hotel Invest I GmbH & Co. KG	DEU	Grünwald, Lk Munich	0.00%	2.66%	N	EUR	0.00
Immobilien- und Baumanagement Stark GmbH & Co. Stockholmstraße KG	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Kühnehöfe Hamburg GmbH & Co. KG	DEU	Munich	0.00%	4.53%	N	EUR	0.00
SONUS City GmbH & Co. KG	DEU	Berlin	0.00%	5.32%	N	EUR	0.00
BPV-Metro 4 Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	N	HUF	0.00
BPV-METRO 4 NeKe Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	N	HUF	0.00
M6-Autópálya Építési Kkt.	HUN	Budapest	0.00%	33.33%	N	HUF	0.00
NeKe METRO 4 Építési Közkereseti Társaság	HUN	Budapest	0.00%	50.00%	N	HUF	0.00

Key:
E= Company consolidated under the equity method
F= Fully consolidated company
N= Non-consolidated company
° = Company consolidated for the first time
* = Profit and loss transfer agreement

AUDITORS' REPORT

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of PORR AG, Vienna for the fiscal year from January 1, 2015 to December 31, 2015. These consolidated financial statements comprise the consolidated balance sheet as of December 31, 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year ended December 31, 2015, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

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

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

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

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

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

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of December 31, 2015 and of its financial performance and its cash flows for the fiscal year from January 1, 2015 to December 31, 2015 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and applicable Austrian laws.

Comments on the Management Report for the Group

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

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

Vienna, 13 April 2016

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerhard Fremgen
Certified Public Accountant

Helmut Kern
Certified Public Accountant

This report is a translation of the original report in German, which is solely valid. Publication of the financial statements together with our auditor's opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the company and management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Vienna, April 2016

Karl-Heinz Strauss
Chief Executive Officer

Christian B. Maier
Executive Board Member

J. Johannes Wenkenbach
Executive Board Member

APPROPRIATION OF EARNINGS

The consolidated financial statements as of 31 December 2015 report net retained profits of EUR 48,857,485.50.

The Executive Board proposes the following appropriation of the retained profits reported in the PORR AG consolidated financial statements as of 31 December 2015:

Payout of a dividend of EUR 1.00 per dividend-bearing share and payout of an additional special dividend of EUR 0.50 per dividend-bearing share, as a result of the successful conclusion of the spin-off of the real estate business, each with an effective date of 21 June 2016 and with the remaining balance to be carried forward to new account.

The dividend and special dividend totalling EUR 1.50 will be paid out together in cash. With regard to the amount of EUR 0.50 per dividend-bearing share ("special dividend"), shareholders have the option to choose whether to receive this amount exclusively and as a final settlement in cash or, as long as a sufficient number of shares are held, to receive it in the form of a reinvestment of shares in PORR AG ("dividend shares") (scrip dividend). The special dividend of EUR 0.50 can be reinvested in full in dividend shares. Any capital gains tax incurred will be charged in the course of crediting the entire dividend contribution of EUR 1.50 and will not lead to a separate reduction of the amount of EUR 0.50 per dividend-bearing share.

The number of shares which are required in order to exercise the option to receive the special dividend of EUR 0.50 in the form of a dividend share in the course of reinvestment ("subscription ratio"), will be determined after the end of the subscription period, probably on or around 16 June 2016. The subscription period is likely to begin on or around 1 June 2016 and end on or around 15 June 2016. The Executive Board is expressly authorised to determine the subscription ratio and the resultant reinvestment price on 16 June 2016, taking into account the existing price of PORR AG shares. The reinvestment price specified at this time, divided by the amount of EUR 0.50, rounded to the next whole share, will be used to determine the number of shares which would be needed to issue a dividend share. The dividend shares relate to up to 595,412 treasury shares in PORR AG, of which 572,864 shares are held directly by PORR AG and 22,548 shares are held indirectly by the Group company EPS Absberggasse 47 Projektmanagement GmbH. No capital increase in PORR AG will be held in relation to the reinvestment option in dividend shares and thereby no new shares in PORR AG will be issued.

The individual details on the cash payout and the shareholder option to receive the special dividend in the form of a dividend share in the course of reinvestment will be given in a document to be made available to the shareholders. This document will contain, in particular, information on the number and type of shares as well as the reasons for and the details of the offer. All documentation on the option to receive the special dividend in the form of a dividend share in the course of reinvestment will be made available on the web page of PORR AG (www.porr-group.com/hv). The payout of the dividend and the special dividend totalling EUR 1.50 will be conducted from 21 June 2016 as a cash settlement, less 27.5% capital gains tax in accordance with statutory requirements, by means of a credit transfer to the custodian bank (if applicable). Erste Group Bank AG, Am Belvedere 1, 1100 Vienna, Austria, shall act as the paying agent.

In accordance with Section 18 Paragraph 1 (4) Austrian Income Tax Act 1988, the shares deposited in the custodial account are to be reported by the respective credit institution in a timely manner, so that dividends from shares acquired at a favourable rate can be paid out free of capital gains tax. The ex-dividend trading date 2015 on the Vienna Stock Exchange is from 30 May 2016; the dividend record date is 31 May 2016.

Vienna, April 2016

The Executive Board
Karl-Heinz Strauss, m.p.
Christian B. Maier, m.p.
J. Johannes Wenkenbach, m.p.

GLOSSARY

The Construction Industry

Building construction is the field of construction engineering that is concerned with the planning and building of structures that are located above the earth's surface. However, buildings constructed in this way also include structures that are below ground, provided that they are accessible to people or that they are intended to accommodate people, animals or items of property such as, for example, civil defence installations.

Building production (building production value) is the production value of construction sites emanating purely from construction activity (own work, raw materials and third party services chargeable to clients).

Business Unit (BU) denotes a PORR operating segment.

CEE/SEE is used to denote all the countries in Central and Eastern Europe and those in South Eastern Europe.

Civil engineering is the field of construction engineering that is concerned with the planning and building of structures that are located on or below the earth's surface.

DACH region is used to denote Germany, Austria and Switzerland.

DBFO model (design, build, finance, operate) includes the planning, construction, operation and financing of the project by private companies for a specific time period, after the end of which the project building becomes public property.

Facility management is the sum total of all the services provided with a view to the management of buildings and land on the basis of a unified strategy.

Full service provider is a company that covers the entire value creation chain by offering all services from one source.

General contractor (GC) provides all construction services needed to erect a building and is allowed to subcontract out complete or partial services to other companies.

Logistics is the integrated planning, organisation, management, completion and monitoring of the whole of the flow of materials and goods as well as the related flows of information.

Miscellaneous building construction covers the areas of education, hotel, healthcare and other building construction.

PORR Group refers to PORR AG and all its subsidiaries.

Project development is the designing and completion of projects that are normally on a relatively large scale.

The Financial World

Associated company is a company that is not majority-owned and over which significant but not controlling influence is exerted.

ATX (Austrian Traded Index) is the key index of the Vienna Stock Exchange.

Cash flow is a financial measure that shows the unaltered surplus payments received within a given period of time and which thus constitutes an indicator of the company's solvency.

Cash flow from operating activities is the cash flow that results from the company's principal activities that have an effect on revenue, and from other activities that are not classed as investing or financing activities.

Corporate Bond is a bond that is issued by a given company.

DAX (German Share Index) is the key index of the Frankfurt Stock Exchange.

EBIT (Earnings Before Interest and Taxes) corresponds to the operating performance.

EBIT margin is the EBIT in relation to sales revenue.

EBITDA is Earnings Before Interest and Taxes and Depreciation and Amortisation.

EBT (Earnings Before Taxes) designates the pre-tax profit or loss.

Equity method is a method for valuing shares in companies and it is applied to companies over which significant influence can be exerted, but which, fundamentally, do not have to be included within the group of companies that must be fully consolidated.

Equity ratio is the share of equity in the total capital employed.

ICR (Issuer Compliance Regulations) is a set of regulations designed to prevent abuse of insider information.

IFRS (International Financial Reporting Standards) are international accounting standards.

Market capitalisation is the total market value of a company, resulting from the share price times the number of shares issued.

Order backlog is the total of all orders or contracts which have not been executed by the key date in question.

Risk management is the systematic identification, measuring and controlling of risks. These risks can be general business risks or specific financial risks.

Swap is a derivative in which two counterparties agree to exchange one stream of cash flow against another stream. The agreement defines how the payments will be calculated and when they will be paid.

ACKNOWLEDGEMENTS

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The consolidated financial statements for 2015, including the notes to the financial statements and the management report (individual financial statements), that have been audited by the company’s auditors can be obtained free of charge from the company at 1100 Vienna, Absberggasse 47, and will be available at the AGM. In addition, the annual financial statements for 2015 may be downloaded from the website, www.porr-group.com/group-reports.

The contents of this report together with the individual financial statements constitute the annual financial report.

Disclaimer

Statements relating to the future in this report are based on estimates and assumptions which are made, to the best of their current knowledge, by managerial staff. Future-related statements may be identified as such by expressions such as “anticipated”, “target” or similar constructions. Forecasts concerning the future development of the company take the form of estimates based on information available at the time of going to press. Actual results may differ from forecast values where the assumptions on which these are based should prove incorrect or risks should develop in unforeseeable ways.

Every care has been taken in the compilation of this annual report to ensure the accuracy and completeness of information in all sections. However, round-off, typesetting and printing errors cannot be completely ruled out. All dates expressed in digits conform to European conventions of dd.mm.yyyy. Results preceded by the abbreviation TEUR are in euro thousand.

This report is a translation into English of the Annual Report 2015 published in the German language and is provided solely for the convenience of English-speaking users. The figures have been rounded off. In the event of a discrepancy or translation error, the German-language version prevails.

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FINANCIAL CALENDAR

21.4.2016	Publication of the 2015 Annual Report
21.4.2016	Financial results press conference on the business year 2015
14.5.2016	Record date for participating in the 136th Annual General Meeting
24.5.2016	136th Annual General Meeting, 11.00 am EURO PLAZA, Am Euro Platz 2, Building G, 1120 Vienna
30.5.2016	Ex-dividend trading on the Vienna Stock Exchange
31.5.2016	Record Date dividends
31.5.2016	Publication of the interim report on the first quarter 2016
21.6.2016	Dividend payout day for the 2015 business year
30.8.2016	Publication of the interim report on the first half 2016
28.10.2016	Interest payment on PORR Corporate Bond 2014/1 (senior bond)
28.10.2016	Interest payment on PORR Corporate Bond 2014/2 (hybrid bond)
28.11.2016	Interest payment on PORR Corporate Bond 2013
29.11.2016	Publication of the interim report on the third quarter 2016
5.12.2016	Interest payment/redemption PORR Corporate Bond 2012

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