FLEXIBILITY IS THE MEASURE OF ALL THINGS

STRABAG
SOCIETAS EUROPAEA

INTERIM REPORT JANUARY – SEPTEMBER 2010
29 NOVEMBER 2010

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KEY FIGURES

KEY FINANCIAL FIGURES

€ MLN.	Q3/2010	Q3/2009	CHANGE IN %	9M/2010	9M/2009	CHANGE IN %	12M/2009
Output volume	3,862.74	3,795.44	2 %	9,096.94	9,406.70	-3 %	13,021.01
Revenue	3,854.27	3,744.18	3 %	8,889.24	9,091.50	-2 %	12,551.93
Order backlog				14,850.84	14,620.96	2 %	13,967.57
Employees				71,913	75,367	-5 %	75,548

KEY EARNINGS FIGURES

€ MLN.	Q3/2010	Q3/2009	CHANGE IN %	9M/2010	9M/2009	CHANGE IN %	12M/2009
EBITDA	289.47	278.07	4 %	475.69	440.82	8 %	684.25
EBITDA margin % of revenue	7.5 %	7.4 %		5.4 %	4.8 %		5.5 %
EBIT	203.10	185.74	9 %	192.74	174.61	10 %	282.85
EBIT margin % of revenue	5.3 %	5.0 %		2.2 %	1.9 %		2.3 %
Profit before taxes	182.33	188.22	-3 %	165.22	160.52	3 %	262.96
Net income	129.16	139.03	-7 %	116.37	117.23	-1 %	184.61
Earnings per share	1.05	1.11	-5 %	0.95	0.90	5 %	1.42
Cash-flow from operating activities	200.93	226.56	-11 %	-206.93	17.91	n.m.	1,115.10
ROCE in %	3.0 %	3.3 %		3.6 %	3.7 %		5.7 %
Investments in fixed assets	129.98	131.75	-1 %	394.46	311.09	27 %	508.73

KEY BALANCE SHEET FIGURES

€ MLN.	30.9.2010	31.12.2009	CHANGE IN %
Equity	3,147.00	3,099.06	2 %
Equity Ratio %	31.4 %	32.2 %	
Net Debt	26.97	-596.23	n.m.
Gearing Ratio %	0.9 %	-19.2 %	
Capital Employed	5,137.35	5,042.87	2 %
Balance sheet total	10,033.49	9,613.59	4 %

EBITDA = profit for the period before net interest income, income tax expense and depreciation and amortization
EBIT = profit for the period before net interest income and income tax expense
ROCE = net income + interest on debt-interest tax shield (25 %) / (average group equity + interest-bearing debt)
Net Debt = financial liabilities less non-recourse debts + provisions for severance and pension obligations – cash and cash equivalents
Gearing Ratio = Net Debt/Group Equity
Capital Employed = group equity + interest-bearing debt

CEO´S REVIEW

DR. HANS PETER HASELSTEINER
Chairman of the Management Board

**Dear shareholders,
associates and friends of STRABAG SE,**

It has not been easy for companies to make forecasts about future business development in the past two years, and STRABAG is no exception. The uncertain economic situation and anti-cyclical movements in the construction sector have resulted in many factors having a positive and negative impact – i.e. in opposing directions – on our activities.

This notwithstanding, we announced our guidance for the years 2010 through 2012 at our Capital Markets Day in mid-November. The outlook is based on the forecasts from all of our operating units, compiling their respective scenarios.

For the current year, we expect the output volume to show relatively flat development over the previous year, ending at € 12.9 billion (2009: € 13.0 billion). We expect to see single-digit growth in both 2011 and 2012. Our expectation regarding the adjusted earnings before interest and taxes (EBIT) stands at € 280 million for 2010, which is near the current analyst estimates. The earnings forecasts for the following years, however, are considerably above the analysts' expectations.

The management report and segment reports in this quarterly report provide more detailed information about the expected business development. We are convinced that our strategy of regional diversification and the focus on niche segments in the construction sector will strengthen us for the years to come.

Dr. Hans Peter Haselsteiner

- **Slight output volume decline of 3 % to € 9.1 billion in the first nine months of 2010**
- **EBITDA up 8 % to € 476 million, EBIT up 10 % to € 193 million – lower comparison basis of previous year and positive extraordinary consolidation effect**
- **Earnings per share rises 5 % from € 0.90 to € 0.95**
- **Balance sheet total passes € 10 billion mark for first time**
- **Order backlog reaches € 14.9 billion, a plus of 2 % over the level from the comparison period in the previous year**
- **Outlook 2010: expected output volume of € 12.9 billion, adjusted EBIT of € 280 million – largely stable over the year before**

IMPORTANT EVENTS

JULY

With the acquisition of the majority interest in Rimex Group as in July 2010, STRABAG continued on its growth course in the field of facility management and expanded its service spectrum to include in-house services in the infrastructural facility management segment. Rimex specialises in services in the cleaning and landscaping area. With a staff of about 2,000 employees, Rimex realised a turnover of about € 27 million in 2009. The previous owners will retain a 30-percent stake in the company and will continue to manage the company.

In Tyrol, Austria, STRABAG has been awarded the contract to plan and build the Brenner rest stop on the A13 including all necessary exterior facilities. STRABAG will operate the rest stop jointly with partners OMV and Rosenberger for a period of 30 years under a public-private partnership (PPP) model. The total investment volume for the project amounts to around € 11 million.

AUGUST

Wolfgang Merkinger (58), the STRABAG SE member of the management board with commercial responsibility for road construction, resigned his management board mandate effective 31 August 2010 for health reasons. His duties were taken over by Hannes Truntschnig.

SEPTEMBER

The Directorate-General for Public Works and Water Management of the Netherlands Rijkswaterstaat authorized A-Lanes A15 – a joint venture between STRABAG AG, Ballast Nedam, John Laing and Strukton – with the construction of the public-private partnership project A15 Maasvlakte-Vaanplein. John Laing participates for 28 % as shareholder in A-Lanes A15. Ballast Nedam, STRABAG and Strukton participate for 24 % each as shareholders in A-Lanes A15 and all three have a stake of one third in the design, build and maintain phases. The concession has a term of 25 years and represents a total project value of approx. € 1.5 billion. Construction will last from mid 2011 to the end of 2015. The project will be recognised most probably in the order backlog as of the first quarter 2011.

STRABAG acquired 100 % of ECM Facility a.s. – a provider of property and facility management services – located in Prague, Czech Republic. With 220 employees the company achieved a turnover of approx. € 16 million in 2009. With this acquisition STRABAG enters the Czech market for Property & Facility Management as one of the Top 5 companies.

OCTOBER

STRABAGs subsidiaries in Sweden received the contract to design and build the extension and renovation of Täby Centrum (shopping center) in Stockholm, Sweden. The contract is worth a triple-digit million-Euro amount. Construction work started in October 2010 and will end in March 2015.

STRABAG SE has concluded the renewal of a syndicated surety loan (SynLoan) with a consortium of 17 international banks led by Deutsche Bank and Raiffeisen Bank International. The volume of the surety loan amounts to € 2.0 billion, the duration will be five years. The credit range replaces the previous line in the amount of € 1.5 billion. The credit line will be available to all STRABAG subsidiaries for guarantees within the scope of exercising the general business activity.

STRABAG Sp. z o.o. (Poland), STRABAG AG (Austria) and Hermann Kirchner Polska Sp. z o.o. (Poland), three subsidiaries of STRABAG SE, signed the contract to build a new bridge complex in Toruń, Poland. Construction began in autumn 2010 and is expected to be finished within 32 months. The project value amounts to about € 139 million.

STRABAG and ÖBB Infrastruktur AG signed the contract for the construction of the largest construction contract ever awarded in Austria, the Koralm Tunnel. The contract value amounts to € 570 million. Construction of the main lot will start in early 2011 and is scheduled for completion in late 2018.

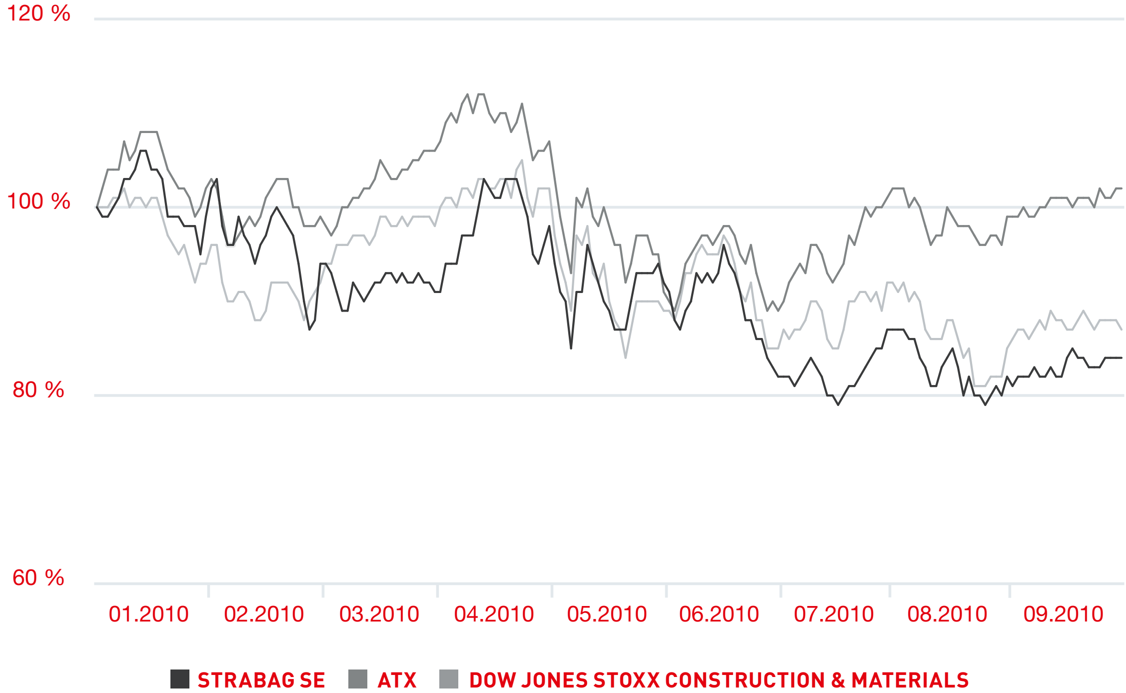
NOVEMBER

Rasperia Trading Ltd., a part of Basic Element diversified industrial group, concluded an agreement with STRABAG's core shareholders – Haselsteiner Group and Raiffeisen/UNIQA Group – to repurchase a 17 % stake in STRABAG SE. The call option for further 8 % will be extended until 15 July 2014.

To strengthen the presence on the Russian market, STRABAG makes an advance payment of € 70 million for a 26 % stake in the leading Russian road construction company Transstroy, part of Basic Element group. STRABAG will take the time for a thorough due diligence of Transstroy, which posted a turnover of RUB 39 billion in 2009 (1 EUR = 42 RUB), before agreeing on a definitive purchase price.

STRABAG got the contract by a subsidiary of Basic Element to serve as general contractor regarding the construction of the Olympic village in Sochi, Russia. According to this, by September 2013 STRABAG will construct residences and hotels ahead of the Olympic winter games 2014. The contract is subject to the finalizing of the financing for this € 350 million project.

SHARE



Shares of STRABAG SE closed at € 17.41 on 30 September 2010. This corresponds to a minus of 16 % since the beginning of the year. In the third quarter 2010, the share price reached its lowest level so far this year at € 16.42 on 20 July 2010. Steady growth has resumed since the publication of the half-year results on 30 August 2010, albeit at a low level growth.

The trade volume of STRABAG shares on the Vienna Stock Exchange in the first nine months of 2010 amounted to € 679 million; the average trade volume per day was 189,898 shares. The weight in the ATX, Austria's index of leading shares, was 1.7 %.

The international stock markets showed contrary development. The ATX registered growth of 2 % in the first nine months of 2010. Europe's Euro Stoxx 50 (+8 %) and Japan's Nikkei Index (+13 %) also closed with a plus. The Dow Jones STOXX Construction & Materials, which measures the performance of construction sector shares, and New York's Dow Jones Industrials fell by 11 % and 3 %, respectively.

Shares of STRABAG are currently under observation by analysts from twelve international banks. The analysts calculated an average share price target of € 21.65. Detailed analyses and recommendations are available on the STRABAG SE website at www.strabag.com / Investor Relations / Share / Research & Analysts.

STRABAG SE SHARE

Market capitalisation on 30.9.2010	€ million	1,985
Closing price on 30.9.2010	€	17.41
Year's maximum on 15.1.2010	€	21.96
Year's minimum on 20.7.2010	€	16.42
Performance nine months 2010	%	-16
Outstanding bearer shares on 30.9.2010 (absolute)	shares	113,999,997
Outstanding bearer shares nine months 2010 (weighted)	shares	113,999,997
Weight in ATX on 30.9.2010	%	1.7
Volume traded nine months 2010	€ million*	679
Average trade volume per day	shares*	189,898
% of total volume traded on Vienna Stock Exchange	%	1.2

* double count

MANAGEMENT REPORT JANUARY–SEPTEMBER 2010

OUTPUT VOLUME AND REVENUE

A number of factors influenced the output volume in the first nine months of the 2010 financial year, resulting in development in opposing directions. The construction boom in Poland had a positive effect on output and, above all in the Transportation Infrastructures segment, made up for the disadvantageous weather conditions in Europe at the beginning of the year. In comparison, considerable declines in output volume were seen in the Transportation Infrastructures segment in Germany and Hungary. The output volume in the Building Construction & Civil Engineering segment in Germany also was considerably below the level of the first nine months of the previous year. This, together with the lack of projects in tunnelling, added up to a 3 % reduction of the consolidated output volume to € 9,096.94 million.

The picture was nearly the same with the consolidated group revenue, which fell by 2 % to € 8,889.24 million in the first nine months of 2010. In the third quarter of 2010, the revenue, in comparison, was 3 % above the levels of the same period the year before.

ORDER BACKLOG

New orders developed satisfactorily and the order backlog reached € 14,850.84 million, a 2 % plus over the previous year's level. Contributing to the development was the expansion in northern European markets and the Middle East, while declines were registered at the same time in Germany and Hungary. In Slovakia, the full consolidation of railway construction subsidiary Viamont DSP a.s. in the first quarter of 2010 had a positive effect on the order backlog.

FINANCIAL PERFORMANCE

Expenses for raw materials, consumables and other services, as well as the employee benefits expense, remained stable in the first nine months measured in terms of the revenue. The earnings before interest, taxes, depreciation and amortisation (EBITDA) nevertheless gained 8 % over the last year. For one thing, an extraordinary write-off was made in the third quarter of the previous year on the subsidiary EFKON AG, at the time still reported in the balance sheet using the equity method, which had a negative effect on equity-method investments.

The higher EBITDA is also due to the inclusion in the first quarter of a measurement through profit or loss for railway construction company Viamont DSP of € 24.60 million (see Notes page 24). STRABAG in February 2010 increased its share in the company from 50 % to 100 %. A premium for control was considered in the purchase price for the additional 50 % interest. As synergy effects in the group may only be used after organisational measures, these synergies are not yet included in the goodwill. This resulted in a charge for goodwill impairment in the amount of € 14.00 million. Altogether, this resulted in a positive earnings effect of € 10.60 million.

The depreciation and amortisation increased by 6 %. This results in earnings before interest and taxes (EBIT) of € 192.74 million, which corresponds to a plus of 10 % over the comparison period of the previous year.

A positive trend could be seen in the third quarter 2010: the EBITDA grew by 4 % to € 289.47 million, while the EBIT registered growth of 9 % to € 203.10 million. This is also due to the negative effect from the EFKON write-off of the previous year.

At € -27.51 million, the interest income in the first nine months was deeper in negative territory than in the comparison period of the previous year (€ -14.09 million). This was due to the impact of foreign exchange differences from group-internal financing. The pre-tax result was € 165.22 million after € 160.52 million in the first nine months of 2009 – a low plus of 3 %.

In response to the higher tax rate of nearly 30 %, the earnings after taxes fell slightly to € 116.37 million. This decline could be compensated by the reduced earnings attributable to minority shareholders, leading to an increase in the consolidated net result by 5 % to € 108.27 million and placing the earnings per share after the first nine months of the 2010 financial year at € 0.95.

FINANCIAL POSITION AND CASH-FLOWS

The balance sheet total as of 30 September 2010 passed the € 10 billion mark for the first time in company history. Worth mentioning in this respect is the increase of the intangible assets in comparison to 31 December 2009, which to a significant degree is the result of the additional goodwill from the Viamont acquisition. The inventories grew considerably due to STRABAG's strong commitment to the project development business. As a result of the significantly lower level of cash and cash equivalents, the net cash position at the end of 2009 turned into net debt of € 26.97 million at the end of September 2010. The equity ratio remained relatively stable at 31.4 % after 32.2 %.

Despite the nearly stable net income, the cash-flow from profits stood at € 335.43 million, 9 % below the level after the first nine months of 2009. This was the result of non-cash earning effects (initial consolidation of Viamont). The build-up of the working capital led to a negative cash-flow from operating activities of € -206.93 million. Last year, STRABAG reported a positive cash-flow from operating activities of € 17.91 million. For the full year 2010, the company expects the working capital development to approach the level of 2008 and the previous years following the successful reduction of working capital in 2009.

Several large capital expenditures in property, plant and equipment pushed the cash-flow from investing activities from € -296.33 million to € -349.50 million. The cash-flow from financing activities was only slightly negative at € -21.26 million after € -228.04 million; unlike the same period last year, a corporate bond was issued and bank credits were taken out this year.

CAPITAL EXPENDITURES

In addition to the necessary smaller maintenance expenditures, the first nine months of the 2010 financial year saw expenditures in some large machinery for use in the railway sector, in large machinery for waterway construction as well as in construction material production facilities in Germany and Hungary. The investments in the amount of € 394.46 million for the purchase of property, plant, equipment and intangible assets therefore once again surpassed the level of depreciation and amortisation. STRABAG also spent € 47.89 million for the purchase of financial assets.

EMPLOYEES

The average workforce levels in the first nine months of the ongoing financial year fell by 5 % to 71,913 persons in response to the structural workforce reductions in the Czech Republic, Hungary and the Balkan countries. At the same time, increased workforce levels in Poland compensated the output-related declines in Germany and Austria.

MAJOR TRANSACTIONS AND RISKS

During the first nine months of the financial year, there were no transactions with related parties which significantly influenced the financial situation or the business result nor were there any changes to transactions with related parties which were presented in the annual financial statements and which significantly influenced the financial situation or business result of the first nine months of the current financial year.

In the course of its entrepreneurial activities, the STRABAG Group is exposed to a number of risks, which can be identified and assessed using an active risk management system and dealt with by applying an appropriate risk policy. Among the most important risks are external risks such as cyclical fluctuations in the construction industry, operating risks in the selection and execution of projects, as well as financial, organisational, personnel, and investment risks.

The risks are explained in more detail in the 2009 management report. A review of the current risk situation revealed that in the reporting period there existed no risks which threatened the existence of the company and that for the future no risks are recognisable which constitute a threat to its continued existence.

OUTLOOK

STRABAG SE announced its business guidance until 2012 at its Capital Markets Day on 10 November 2010. The company expects a slight decline in output volume for 2010 from € 13.0 billion to € 12.9 billion; earlier the company had expected to see flat development. The output volume is expected to rise by 5 % to € 13.5 billion in 2011 and by 1.5 % to € 13.7 billion in 2012. Details on the segment outlook can be found in the segment reporting.

STRABAG SE expects the adjusted earnings before interest and taxes (EBIT) for 2010 to reach € 280 million (2009: € 283 million; unadjusted, the EBIT would include a positive one-off effect from the Viamont acquisition in the amount of € 10.6 million). The EBIT margin of 2.2 % – calculated based on the output volume – is seen as stable in the years to come for an EBIT of € 295 million in 2011 and € 300 million in 2012.

STRABAG expects the net interest income and the minority interest in earnings in 2010 and 2011 to remain unchanged at € -20 million and € 20-25 million, respectively. All forecasts were made on the basis of the information available in November 2010.

SEGMENT REPORT

BUILDING CONSTRUCTION & CIVIL ENGINEERING

	Q3/10 € MLN.	Q3/09 € MLN.	CHANGE IN %	9M/10 € MLN.	9M/09 € MLN.	CHANGE IN %	2009 * € MLN.
Output volume	1,220.56	1,140.67	7 %	3,060.26	3,225.02	-5 %	4,773.47
Revenue	1,149.99	1,085.23	6 %	2,897.72	3,018.50	-4 %	4,368.48
Order backlog				5,715.36	5,785.39	-1 %	6,236.52
EBIT	80.69	55.38	46 %	123.63	94.99	30 %	79.41
EBIT margin as a % of revenue	7.0 %	5.1 %		4.3 %	3.1 %		1.8 %
Employees				18,145	19,720	-8 %	26,843

The Building Construction & Civil Engineering segment grew its output volume by a considerable 7 % in the third quarter 2010 to € 1,220.56 million, partially making up for the first quarter's winter decline. At € 3,060.26 million, however, the nine-month output volume remained 5 % below the figure from last year's comparison period. This fact can be explained by declines in Germany, Russia and Slovakia.

While the revenue in the first nine months was slightly below that of the comparison period, settling at € 2,897.72 million, STRABAG Building Construction & Civil Engineering registered 30 % growth in its earnings before interest and taxes (EBIT) to € 123.63 million. This is the result of improvements in nearly all STRABAG core markets. In the third quarter 2010, the revenue grew by 6 % to € 1,149.99 million and the EBIT by 46 % to € 80.69 million.

In response to the declining output volume, employee numbers fell particularly in Germany, the Czech Republic, Slovakia and Russia. In the past nine months, the Building Construction & Civil Engineering segment showed an average workforce level of 18,145 people. This corresponds to a decline of 8 %. In several markets, such as Slovakia and the Czech Republic, STRABAG expects the lower workforce to be structural and, as a result, long-lasting.

At € 5,715.36 million, the order backlog on 30 September 2010 remained nearly unchanged over the comparison date of the year before. The current order backlog was lower in Germany, but STRABAG sees resurgent demand in the country due to a number of new projects – e.g. the Forum Mittelrhein shopping and cultural centre in Koblenz or the Vodafone headquarters in Düsseldorf.

STRABAG can also report of successful order acquisitions in Poland. Three subsidiaries of STRABAG SE were awarded the contract to build a new bridge complex in Toruń. The project has a volume of about € 139 million.

The high order backlog should in most countries secure the output volume of the Building Construction & Civil Engineering segment for the 2010 financial year at the levels of the previous year (€ 4.4 billion if taking into account the reorganisation of the group structure). In Germany, more than 60 % of the planned output for 2011 is already covered by existing orders. In Austria, a stable-to-satisfactory picture is taking shape for 2010. STRABAG also expects to see a clear improvement of the situation in the segment in Poland.

Difficulties remain in Hungary, Romania, Bulgaria and Croatia, where STRABAG at best sees potential in the fields of environmental technology and power plant modernisation. In the Czech Republic and Slovakia, further postponements of contract awarding or even the withdrawal of already awarded tenders can be observed.

* Presentation in accordance with the Annual Report 2009. Changes in segment structure starting from 2010 are only considered in the text.

TRANSPORTATION INFRASTRUCTURES

	Q3/10 € MLN.	Q3/09 € MLN.	CHANGE IN %	9M/10 € MLN.	9M/09 € MLN.	CHANGE IN %	2009 * € MLN.
Output volume	1,995.73	2,006.26	-1 %	4,150.70	4,148.10	0 %	6,000.51
Revenue	1,922.91	1,981.73	-3 %	3,983.62	4,015.54	-1 %	5,853.18
Order backlog				5,208.42	4,858.51	7 %	4,806.27
EBIT	130.29	144.97	-10 %	64.53	87.54	-26 %	163.74
EBIT margin as a % of revenue	6.8 %	7.3 %		1.6 %	2.2 %		2.8 %
Employees				29,654	29,772	0 %	33,374

At € 4,150.70 million, the output volume in the Transportation Infrastructures segment after nine months in 2010 remained nearly unchanged over the previous year's comparison period. The boom in the Polish construction sector compensated for declines in Germany, Austria and Hungary.

The output volume also remained stable in a third-quarter comparison at € 1,995.73 million. The same is true for the employee numbers: on average, STRABAG Transportation Infrastructures employed 29,654 people in the first nine months of 2010.

The revenue over the last nine months stagnated at € 3,983.62 million; in the third quarter, it was down slightly by 3 % to € 1,922.91 million. The earnings before interest and taxes (EBIT), in comparison, fell by a considerable 26 % to € 64.53 million after nine months and 10 % to € 130.29 million in the third quarter. This development was due to lower earnings in Hungary as well as the weak construction materials business.

In terms of order backlog, no major changes could be observed at the country level in comparison to the previous year's reporting date. The 7 % increase to € 5,208.42 million is mostly due to a single major order in Scandinavia: STRABAG's Swedish subsidiaries were awarded the contract to plan, expand and renovate the Täby Centrum shopping centre in Stockholm. The volume of the order is in the triple-digit million euros. Because of the organisational history, the project is being carried out in the Transportation Infrastructures segment despite its nature as a building project.

STRABAG plans to close the ongoing 2010 financial year in the Transportation Infrastructures segment with an output volume of about € 5.9 billion (after € 5.8 billion in 2009).

In Germany, public-sector investments and invitations for tenders in road construction are noticeably easing off. There has been a recovery in private demand, but not enough to compensate for the declines in the public sector. This has led to ruinous competition, a situation which has already been felt in Austria. Tender activity also fell in the Czech Republic, and projects have been postponed to 2011 and 2012. In Czech railway construction, the sector is hoping for some major tenders at the beginning of next year. In Slovakia, STRABAG also expects new bid openings in the fourth quarter of 2010.

In Poland, the output volume is expected to increase considerably over the previous year on top of slightly lower margins. In the area of construction materials, a reduction in the price of concrete, in particular, could be seen. Expectations for the full-year 2010 include declining revenue and lower results in the area of construction materials.

* Presentation in accordance with the Annual Report 2009. Changes in segment structure starting from 2010 are only considered in the text.

SPECIAL DIVISIONS & CONCESSIONS

	Q3/10 € MLN.	Q3/09 € MLN.	CHANGE IN %	9M/10 € MLN.	9M/09 € MLN.	CHANGE IN %	2009 * € MLN.
Output volume	610.02	622.15	-2 %	1,765.60	1,904.77	-7 %	2,077.58
Revenue	769.57	667.02	15 %	1,978.61	2,029.32	-3 %	2,293.45
Order backlog				3,901.15	3,951.76	-1 %	2,902.99
EBIT	10.60	2.18	386 %	20.37	7.01	191 %	58.70
EBIT margin as a % of revenue	1.4 %	0.3 %		1.0 %	0.3 %		2.6 %
Employees				18,686	20,472	-9 %	9,943

The output volume in the Special Divisions & Concessions segment in the first nine months of the 2010 financial year fell by 7 % on the year to € 1,765.60 million. The lower output volume is due in part to the small number of projects in tunnelling and in part to declines in the Middle East.

The revenue in the last nine months fell more marginally, by 3 % to € 1,978.61 million. In the third quarter of 2010, the output volume decreased slightly by 2 % to € 610.02 million. In the same period, the revenue grew by 15 % to € 769.57 million as STRABAG sold a number of project developments and invoiced for several large projects which are represented in revenue but not in the output volume. The earnings before interest and taxes (EBIT) increased in the nine months from € 7.01 million to € 20.37 million. In the third quarter, it rose from € 2.18 million to € 10.60 million. This is due to an approximately € 20 million extraordinary write-off made in the comparison period of the previous year on the subsidiary EFKON AG, which at the time was reported in the balance sheet using the equity method.

In line with the lower output volume, employee numbers in the Middle East fell by more than 1,700 persons. This, coupled with the workforce declines in Austria and Hungary, resulted in a 9 % decline in workforce levels throughout the entire segment to 18,686 employees.

The order backlog, in comparison, remained stable at the end of September, reaching € 3,901.15 million or about the level of last year's comparison date. This was due to the completion of several large projects being balanced out by newly acquired projects in the Middle East. In March, for example, STRABAG was awarded the contract to build the New Sohar Airport in Oman. The € 55 million order will be included in the order backlog from the third quarter 2010.

In Germany, STRABAG is acting as real estate developer for the Donnersberger Höfe project in Munich. The residential project received planning and building permission in September 2010, therefore this € 55 million project (corresponds to the STRABAG share of 75 %) is also included in the order backlog from the third quarter. STRABAG's PPP (Public Private Partnership) building construction business is currently seeing the first signs of a recovery of the real estate market in Germany. In the last nine months, STRABAG sold several commercial properties at attractive conditions, allowing the business field to continue to focus on commercial real estate in the mid-double-digit million euro range.

The PPP transportation infrastructures business is also developing in a satisfactory manner. Exceptions are Hungary and the countries of South-East Europe where the conditions for concession models and their financing are proving to be difficult. The same is true for tunnelling, which, in response to the modest market situation, is shifting its contract acquisition efforts onto international large-scale projects both within as well as outside of the core markets. Bids are currently being prepared in Abu Dhabi, Chile and Qatar, among other places. These projects require a high degree of technological know-how. The calculated margins are attractive enough to justify the added risk in non-European countries and the high bidding costs.

Regarding Property & Facility Services, STRABAG is confident of higher earnings on a lower output volume in the 2010 financial year. This will be possible thanks to efficiency gains and savings in terms of structural costs. The challenge consists in acquiring new clients in order to compensate for the lower revenue with the dominant client Deutsche Telekom AG. In July, STRABAG acquired a majority interest in the Rimex Group, helping to expand its spectrum by infrastructural facility management segment and taking a further step towards increasing its attractiveness as a single-source provider for property & facility management services. In September, STRABAG announced the acquisition of ECM Facility a.s.

* Presentation in accordance with the Annual Report 2009. Changes in segment structure starting from 2010 are only considered in the text.

With the acquisition, the company enters the Czech market for property and facility management among the top five and expands its geographic presence.

On the whole, STRABAG expects to post an output volume of about € 2.5 billion in the Special Divisions & Concessions segment for the full year 2010 after € 2.7 billion in 2009.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF STRABAG SE, VILLACH, AS OF 30 SEPTEMBER 2010

CONSOLIDATED INCOME STATEMENT FOR 1.1. – 30.9.2010

	1.7.–30.9.2010 T€	1.7.–30.9.2009 T€	1.1.–30.9.2010 T€	1.1.–30.9.2009 T€
Revenue	3,854,268	3,744,179	8,889,238	9,091,505
Changes in inventories	-1,216	21,350	17,472	-8,983
Own work capitalised	19,579	24,837	55,268	51,881
Other operating income	49,557	43,849	167,723	157,091
Raw materials, consumables and services used	-2,649,594	-2,581,037	-5,982,226	-6,161,360
Employee benefits expense	-763,027	-735,454	-2,067,495	-2,047,894
Other operating expenses	-226,818	-222,992	-644,345	-628,921
Share of profit or loss of associates	2,957	-14,658	28,028	-17,031
Net investment income	3,760	-2,004	12,023	4,530
EBITDA	**289,466**	**278,070**	**475,686**	**440,818**
Depreciation and amortisation expense	-86,369	-92,333	-282,948	-266,209
EBIT	**203,097**	**185,737**	**192,738**	**174,609**
Interest and similar income	12,341	15,742	49,629	50,879
Interest expense and similar charges	-33,107	-13,261	-77,143	-64,964
Net interest income	**-20,766**	**2,481**	**-27,514**	**-14,085**
Profit before tax	**182,331**	**188,218**	**165,224**	**160,524**
Income tax expense	-53,168	-49,190	-48,858	-43,294
Net income	**129,163**	**139,028**	**116,366**	**117,230**
Attributable to: Non-controlling interests	9,428	12,869	8,097	14,481
Attributable to: Equity holders of the parent	119,735	126,159	108,269	102,749
Earnings per share (in €)	**1.05**	**1.11**	**0.95**	**0.90**

STATEMENT OF COMPREHENSIVE INCOME FOR 1.1. – 30.9.2010

	1.7.-30.9.2010 T€	1.7.-30.9.2009 T€	1.1.-30.9.2010 T€	1.1.-30.9.2009 T€
Net income	**129,163**	**139,028**	**116,366**	**117,230**
Differences arising from currency translation	38,649	19,905	46,361	10,801
Change in hedging reserves including interest rate swaps	-4,718	24,090	-44,911	16,325
Deferred taxes on neutral change in equity	218	-6,508	3,499	-4,785
Total comprehensive income	**163,312**	**176,515**	**121,315**	**139,571**
Attributable to: Non-controlling interests	12,169	14,563	9,857	15,518
Attributable to: Equity holders of the parent	151,143	161,952	111,458	124,053

CONSOLIDATED BALANCE SHEET AS OF 30.9.2010

ASSETS	30.9.2010 T€	31.12.2009 T€
Non-current assets		
Intangible assets	562,834	496,056
Property, plant and equipment	2,285,028	2,146,440
Investment property	77,800	113,120
Investments in associates	92,941	131,949
Other financial assets	281,055	240,833
Receivables from concession arrangements	870,669	938,532
Trade receivables	64,831	61,410
Non financial assets	7,284	5,398
Other financial assets	34,157	32,730
Deferred taxes	160,873	133,984
	4,437,472	**4,300,452**
Current assets		
Inventories	721,113	655,703
Receivables from concession arrangements	19,099	18,008
Trade receivables	3,097,878	2,401,589
Non financial assets	152,359	121,126
Other financial assets	378,743	333,761
Cash and cash equivalents	1,226,829	1,782,951
	5,596,021	**5,313,138**
	10,033,493	**9,613,590**

EQUITY AND LIABILITIES	30.9.2010 T€	31.12.2009 T€
Group equity		
Share capital	114,000	114,000
Capital reserves	2,311,384	2,311,384
Retained earnings	575,169	524,803
Non-controlling interests	146,444	148,877
	3,146,997	**3,099,064**
Non-current liabilities		
Provisions	895,215	867,626
Financial liabilities [1]	1,256,180	1,274,647
Trade payables	45,897	40,011
Non financial liabilities	1,046	1,067
Other financial liabilities	30,149	68,090
Deferred taxes	37,536	53,990
	2,266,023	**2,305,431**
Current liabilities		
Provisions	613,821	580,407
Financial liabilities [2]	301,636	234,515
Trade payables	2,966,587	2,635,245
Non financial liabilities	340,639	360,363
Other financial liabilities	397,790	398,565
	4,620,473	**4,209,095**
	10,033,493	**9,613,590**

1) thereof non-recourse debts in the amount of T€ 693,838 (31 December 2009 T€ 715,099)
2) thereof non-recourse debts in the amount of T€ 42,709 (31 December 2009 T€ 41,981)

CONSOLIDATED CASH-FLOW STATEMENT FOR 1.1.–30.9.2010

	1.1.–30.9.2010 T€	1.1.–30.9.2009 T€
Net income	116,366	117,230
Deferred taxes	-38,151	-24,360
Non-cash effective results from associates	-25,719	18,588
Depreciations/write ups	283,669	266,664
Changes in long term provisions	25,451	1,489
Gains/losses on disposal of non-current assets	-26,188	-11,453
Cash-flow from profits	**335,428**	**368,158**
Change in items:		
Inventories	-59,178	31,130
Trade receivables, construction contracts and consortia	-673,667	-417,629
Receivables from subsidiaries and receivables from participation companies	-29,872	-27,184
Other assets	-20,707	-4,565
Trade payables, construction contracts and consortia	270,204	139,475
Liabilities from subsidiaries and liabilities from participation companies	-8,239	26,694
Other liabilities	-43,527	-65,410
Current provisions	22,632	-32,756
Cash-flow from operating activities	**-206,926**	**17,913**
Purchase of financial assets	-47,887	-25,948
Purchase of property, plant, equipment and intangible assets	-394,456	-311,094
Gains/losses on disposal of non-current assets	26,188	11,453
Disposals of non-current assets (carrying value)	63,432	45,818
Change in other cash clearing receivables	2,941	-3,921
Change in scope of consolidation	279	-12,642
Cash-flow from investing activities	**-349,503**	**-296,334**
Change in bank borrowings	32,199	-28,379
Change in bonds	25,000	-50,000
Change in non-current provisions	0	-61,026
Change in liabilities from finance leases	-9,445	-8,162
Change in other cash clearing liabilities	4,535	2,725
Change in equity due to capital consolidation	-11,583	-14,207
Distribution and withdrawals from partnership	-61,969	-68,987
Cash-flow from financing activities	**-21,263**	**-228,036**
Cash-flow from operating activities	-206,926	17,913
Cash-flow from investing activities	-349,503	-296,334
Cash-flow from financing activities	-21,263	-228,036
Net change in cash and cash equivalents	**-577,692**	**-506,457**
Cash and cash equivalents at the beginning of the year	1,782,951	1,491,373
Change in cash and cash equivalents due to currency translation	21,570	-1,216
Cash and cash equivalents at the end of the period	**1,226,829**	**983,700**
Interest paid	43,352	48,089
Interest received	39,568	42,801
Taxes paid	83,693	78,974

STATEMENT OF CHANGES IN EQUITY FOR 1.1. – 30.9.2010

	SHARE CAPITAL T€	CAPITAL RESERVES T€	RETAINED EARNINGS T€	HEDGING RESERVE T€	FOREIGN CURRENCY RESERVE T€	GROUP EQUITY T€	NON-CONTROLLING INTERESTS T€	TOTAL EQUITY T€
Balance as of 1.1.2010	**114,000**	**2,311,384**	**617,207**	**-65,284**	**-27,120**	**2,950,187**	**148,877**	**3,099,064**
Total comprehensive income	0	0	108,269	-40,405	43,594	111,458	9,857	121,315
Change due to capital consolidation	0	0	-4,092	0	0	-4,092	-7,321	-11,413
Distribution of dividends	0	0	-57,000	0	0	-57,000	-4,969	-61,969
Balance as of 30.9.2010	**114,000**	**2,311,384**	**664,384**	**-105,689**	**16,474**	**3,000,553**	**146,444**	**3,146,997**

	SHARE CAPITAL T€	CAPITAL RESERVES T€	RETAINED EARNINGS T€	HEDGING RESERVE T€	FOREIGN CURRENCY RESERVE T€	GROUP EQUITY T€	NON-CONTROLLING INTERESTS T€	TOTAL EQUITY T€
Balance as of 1.1.2009	**114,000**	**2,311,384**	**530,342**	**-97,755**	**-20,414**	**2,837,557**	**141,424**	**2,978,981**
Total comprehensive income	0	0	102,749	11,259	10,045	124,053	15,518	139,571
Change in non-controlling interest due to capital consolidation	0	0	0	0	0	0	-14,207	-14,207
Distribution of dividends	0	0	-62,700	0	0	-62,700	-6,287	-68,987
Balance as of 30.9.2009	**114,000**	**2,311,384**	**570,391**	**-86,496**	**-10,369**	**2,898,910**	**136,448**	**3,035,358**

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF STRABAG SE, VILLACH, AS OF 30 SEPTEMBER 2010

BASIC PRINCIPLES

The consolidated interim financial statements of STRABAG SE, based in Villach, Austria, with reporting date 30 September 2010 were drawn up under application of IAS 34 in accordance with the International Financial Reporting Standards (IFRS) – issued by the International Accounting Standards Board (IASB) in London and recognised by the European Union – including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) valid on the reporting date. Applied were exclusively those IASB standards and interpretations adopted by the European Commission before the reporting deadline and published in the Official Journal of the European Union.

In accordance with IAS 34, the consolidated interim financial statements do not contain all the information and details required of annual financial statements. The interim statements should therefore be read in conjunction with the annual financial statements of STRABAG SE, Villach, with reporting date 31 December 2009.

The consolidated financial statements of the Group as at and for the year ended 31 December 2009 are available at www.strabag.com.

CHANGES IN ACCOUNTING POLICIES

The following amended or new accounting standards are effective for annual periods beginning on or after 1 January 2010:

	APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO IASB)	APPLICATION FOR FINANCIAL YEARS WHICH BEGIN ON OR AFTER (ACCORDING TO EU ENDORSEMENT)
IFRS 1 First-time Adoption of IFRS	1.7.2009	1.1.2010
IFRS 1 Amendments to Additional Exemptions for First-time Adopters	1.1.2010	1.1.2010
IFRS 2 Amendments for Group Cash-settled Share-based Payment Transactions	1.1.2010	1.1.2010
IFRS 3 Business Combinations (adapted 2008)	1.7.2009	1.7.2009
IAS 27 Consolidated and Separate Financial Statements under IFRS (amended)	1.7.2009	1.7.2009
IAS 39 Recognition an Measurement of Eligible Hedged Items	1.7.2009	1.7.2009
IFRIC 12 Service Concession Arrangements	1.1.2008	30.3.2009
IFRIC 15 Agreements for the Construction of Real Estate	1.1.2009	1.1.2010
IFRIC 16 Hedges of a Net Investment in a Foreign Operation	1.10.2008	1.7.2009
IFRIC 17 Distributions of Non-cash Assets to Owners	1.7.2009	1.11.2009
IFRIC 18 Transfers of Assets from Customers	1.7.2009	1.11.2009
Amendments to various IFRS under the 2009 annual improvement process	1.1.2009	1.1.2010

The following changes result in the present interim report in comparison to 31 December 2009:

IFRS 3 and IAS 27: Phase II of the Capital Consolidation project reworked the rules for capital consolidation. The most important changes are that IFRS 3 allows an accounting policy choice to measure non-controlling interest at fair value (full goodwill method), transaction costs must be recognised in profit or loss, no goodwill adjustments are possible with post-acquisition reassessment of the purchase price, and step acquisitions result in a remeasurement of the previously recognised assets and liabilities in profit or loss. Furthermore, all transactions with minority shareholders are recognised directly in equity.

IFRIC 12 Service Concession Arrangements: IFRIC 12 regulates the accounting of rights and duties from service concession agreements. If the company has an unconditional contractual right to receive a payment, a financial asset is recognised (financial asset model). If the company merely has the right to charge users a usage fee, an intangible asset is recognised (intangible asset model). STRABAG already applies IFRIC 12 for the classification of assets. No changes therefore result from mandatory application of this interpretation.

IFRIC 15 Agreements for the Construction of Real Estate: IFRIC 15 puts into concrete terms the concept of construction contracts according to IAS 11 and reconciles revenue recognition according to IAS 18 with agreements for the construction of real estate. IFRIC 15 states that IAS 11 is applicable only if the buyer has the ability to specify the major structural elements of the real estate design – if not, IAS 18 applies.

The first-time application of the remaining IFRS and IFRIC mentioned had secondary consequences on the interim consolidated financial statements for the period ending 30 September 2010.

ACCOUNTING AND VALUATION METHODS

With exception of the above mentioned changes in the accounting and valuation methods the accounting and valuation are fundamentally based on the same accounting principles and valuation methods underlying the consolidated annual financial statements with reporting date 31 December 2009.

Information regarding the accounting and valuation methods can be found in the annual financial statements with reporting date 31 December 2009.

ESTIMATES

The establishment of the interim report requires estimations and assumptions to be made which may influence the application of the accounting and valuation methods as well as the figures for the assets, liabilities, expenses and income. The actual results could deviate from these estimates.

SCOPE OF CONSOLIDATION

The consolidated interim financial statements as of 30 September 2010 include STRABAG SE as well as all major domestic and foreign subsidiaries where STRABAG SE either directly or indirectly holds a majority of the voting rights. Major associated companies are reported in the balance sheet using the equity method.

The number of consolidated companies changed in the 1-9/2010 period as follows:

	CONSOLIDATION	EQUITY METHOD
Situation on 31.12.2009	**316**	**14**
First-time inclusions in the reporting period	2	0
First-time inclusions in the reporting period due to demerger	1	0
Merger in the reporting period	-4	0
Exclusions in the reporting period	-1	-1
Situation on 30.9.2010	**314**	**13**

ADDITIONS TO SCOPE OF CONSOLIDATION

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

COMPANY	DIRECT STAKE %	DATE OF ACQUISITION OR FOUNDATION
Consolidation:		
Magyar Aszfalt Kft, Budapest	100.00	1.1.2010 [1)]
Viamont DSP a.s., Usti nad Labem	100.00	15.2.2010
Rimex Gebäudemanagement GmbH, Ulm	70.00	28.9.2010

1) The company was separated from an already fully consolidated company.

With the purchase agreement from 21 December 2009, STRABAG SE acquired a further 50 % of the shares in Viamont DSP a.s., Usti nad Labem, Czech Republic. 50 % of the company had already been owned by the STRABAG Group.

Viamont, one of Eastern Europe's leading rail construction companies, generated revenue of CZK 4 billion (about € 150 million) last year.

Approval by the cartel authorities was delivered on 15 February 2010.

On 16 July 2010, STRABAG acquired a 70 % majority interest in the Rimex Gebäudemanagement GmbH, Ulm. The acquisition of Rimex, a specialist in maintenance services for landscaping and exteriors, helps to expand the service spectrum in the infrastructural facility management segment.

The Closing was effected on 28 September 2010.

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

	ACQUISITIONS T€
Acquired assets and liabilities:	
Goodwill	68,299
Other non-current assets	31,953
Current assets	104,457
Increase in non controlling interest in equity	-170
Non-current liabilities	-8,460
Current liabilities	-77,078
Purchase price	**119,001**
Less non-cash-effective purchase price component	-77,438
Acquired cash and cash equivalents	-41,871
Net cash inflow from acquisitions	**-308**

In accordance with the new rule regarding step acquisitions as provided by IFRS 3 and IAS 27, the previous interest in Viamont DSP a.s. is measured through profit or loss at the fair value in the amount of T€ 24,600.

For the acquisition of 100 % of Viamont DSP a.s., a premium for control was considered in the purchase price for the additional 50 % interest. As synergy effects in the group may only be used after organisational measures, these synergies are not yet included in the value-in-use calculation for goodwill. This resulted in a charge for goodwill impairment in the amount of T€ 14,000.

The result of the initial consolidation of Viamont DSP a.s. was a positive earnings effect in the amount of T€ 10.600.

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

Assuming a fictitious initial consolidation on 1 January 2010 for all acquisitions in the reporting period, the consolidated revenue would amount to T€ 8,905,461 and consolidated profit would have changed by a total of T€ -541.

All companies which were consolidated for the first time in the reporting period contributed T€ 94,562 to revenue and T€ 1,023 to profit.

Disposals from scope of consolidation:	
Jakob Gärtner GmbH, Friedberg	Fell below significant level
Merger: [1]	
Eggstein AG, Kriens	Merger
STRABAG AG, Zurich	Merger
WITTA BAU AG, Zurich	Merger
Züblin Romania S.R.L., Bucharest	Merger
at-equity:	
Viamont DSP a.s., Usti nad Labem	Consolidated

METHODS OF CONSOLIDATION AND CURRENCY TRANSLATION

Apart from the above mentioned changes concerning transaction with minority shareholders and step acquisitions (see page 22), the same methods of consolidation and principles of currency translation were applied in drawing up the consolidated interim financial statements with reporting date 30 September 2010 as were used for the consolidated annual financial statements with reporting date 31 December 2009. Details regarding the methods of consolidation and principles of currency translation are available in the 2009 annual report.

NOTES ON THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT

SEASONALITY

Due to snow, ice and other adverse weather conditions, revenue is usually lower in the winter months than in the summer. As the largest part of the costs involves fixed costs, noteworthy losses are posted in the first quarter every year. Starting with the second quarter, these losses are compensated for by rising contribution margins. The break-even point is usually not yet reached before the end of the second quarter. The largest portion of the earnings is expected in the third and fourth quarters. Seasonal fluctuations in the Transportation Infrastructures business are greater than they are in Building Construction & Civil Engineering.

The above-described, annually repeating business trend allows a year-on-year comparison of output volume, revenue and results of the respective quarters.

OTHER OPERATING INCOME

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

	1.1.–30.9.2010 T€	1.1.–30.9.2009 T€
Interest income	54,668	54,864
Interest expense	-28,246	-30,879
Total	**26,422**	**23,985**

1) The companies listed under “Merger” were merged with already fully consolidated companies.

NOTES ON THE ITEMS IN THE CONSOLIDATED BALANCE SHEET

GOODWILL

Goodwill assets are subjected to an annual impairment test in accordance with IAS 36. The impairment test is carried out in the last two months of the financial year.

In 1-9/2010, a total goodwill from capital consolidation in the amount of T€ 68,299 was capitalized and T€ 14,000 were impaired (see the information regarding the initial consolidation of Viamont DSP a.s., Usti nad Labem, on page 24).

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In 1-9/2010, tangible and intangible assets in the amount of T€ 394,456 (1-9/2009 T€ 311,094) were acquired.

In the same period, tangible and intangible assets with a book value of T€ 58,661 were sold (1-9/2009 T€ 34,044).

PURCHASE OBLIGATIONS

On the reporting date, there were € 248 million (30 September 2009 € 113 million) in contractual commitments for the acquisition of property, plant and equipment which were not considered in the financial statement.

RECEIVABLES FROM CONCESSION ARRANGEMENTS

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

In the concession agreement with the Hungarian state, AKA committed to develop, plan, finance and build and operate the M5 motorway. The motorway itself is the property of the state; all vehicles and equipment necessary for motorway operation are to be transferred to the state free of charge following the end of the concession period.

In exchange, AKA will regularly receive an availability fee, independent of transit volume, from the Hungarian state for making the motorway available to the public. AKA bears the operator's risk of motorway closure and non-compliance of contractually agreed roadway criteria.

The route totals 156.5 km and was built in three phases. The concession period runs until 2031. A one-time extension for up to 17.5 years is possible.

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

A part of the availability fee consists of interest adjustment payments of the Hungarian state. As a result, the state bears the interest risk from the financing of AKA. These interest adjustment payments represent an embedded hedging transaction which is measured separately in accordance with IAS 39.11.

Presentation is made as a cash flow hedge; as a result, changes in the fair value of the interest rate swap are recognised directly in equity.

The market value of the interest rate swap in the amount of T€ -21,960 (31 December 2009 T€ 31,440) is also recognised as long-term receivables from concession arrangements.

Recognisable receivables from concession arrangements are offset by non-recourse financing in the amount of T€ 736,547 (31 December 2009 T€ 757,080), classified either as a current or non-current liability depending on the term. The resulting interest expense is recognised in "Other operating income".

EQUITY

The fully paid share capital amounts to € 114,000,000 and is divided into 113,999,997 no-par bearer shares and 3 registered shares.

The following resolutions were passed at the Annual General Meeting of 18 June 2010:

The existing authorisation to buy back own shares as per resolution by the Annual General Meeting of 19 June 2009 was cancelled.

The management board was authorised to acquire bearer or registered no-par shares of the company on the stock market or over the counter to the extent of up to 10 % of the share capital during a period of 12 months from the day of the resolution at a minimum price per share of € 1.00 and a maximum price per share of € 34.00. The purpose of the acquisition may not be to trade with own shares. The authorisation can be exercised in full or in part or in several partial amounts for one or several purposes by the company, a subsidiary or third parties acting on behalf of the company.

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

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

The changes in equity are shown in the statement of changes in equity.

CONTINGENT LIABILITIES

The company has accepted the following guarantees:

	30.9.2010 T€	31.12.2009 T€
Guarantees without financial guarantees	4,335	6,787

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 41,298 (31 December 2009 T€ 41,368).

SEGMENT REPORTING

The rules of IFRS 8 Operating Segments apply to the segment reporting. IFRS 8 prescribes defining the segments and reporting the earnings on the basis of the internal reporting.

Internal reporting at STRABAG is based on the dedicated management board functions Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions, which represent the group's operating segments. In addition, there are the central business units and central staff units, which handle services in the areas of accounting, group financing, technical development, machine management, quality management, logistics, legal affairs, contract management etc. These services are included in the segment Miscellaneous.

The settlement between the single segments is made at arm's-length prices.

From 1 January 2010, STRABAG is grouping its activities in non-European markets which had previously been handled under the segments Building Construction & Civil Engineering and Transportation Infrastructures in the Special Divisions & Concessions segment. For the purposes of comparison, the previous year's figures were adjusted to the new structure.

SEGMENT REPORTING FOR 1.7.–30.9.2010

	BUILDING CONSTRUCTION AND CIVIL ENGINEERING 1.7.–30.9.2010 T€	TRANSPORTATION INFRASTRUCTURES 1.7.–30.9.2010 T€	SPECIAL DIVISIONS & CONCESSIONS 1.7.–30.9.2010 T€	MISCELLANEOUS 1.7.–30.9.2010 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.7.–30.9.2010 T€	TOTAL 1.7.–30.9.2010 T€
Output Volume	**1,220,564**	**1,995,730**	**610,021**	**36,429**		**3,862,744**
Revenue	**1,149,996**	**1,922,909**	**769,562**	**11,801**	**0**	**3,854,268**
Intersegment revenue	47,196	138,959	0	249,840		
EBIT	**80,695**	**130,287**	**10,601**	**575**	**-19,061**	**203,097**
Interest and similar income	0	0	0	12,341	0	12,341
Interest expense and similar charges	0	0	0	-33,107	0	-33,107
Profit before tax	**80,695**	**130,287**	**10,601**	**-20,191**	**-19,061**	**182,331**

SEGMENT REPORTING FOR 1.7.–30.9.2009

	BUILDING CONSTRUCTION AND CIVIL ENGINEERING 1.7.–30.9.2009 T€	TRANSPORTATION INFRASTRUCTURES 1.7.–30.9.2009 T€	SPECIAL DIVISIONS & CONCESSIONS 1.7.–30.9.2009 T€	MISCELLANEOUS 1.7.–30.9.2009 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.7.–30.9.2009 T€	TOTAL 1.7.–30.9.2009 T€
Output Volume	**1,140,662**	**2,006,258**	**622,160**	**26,366**		**3,795,446**
Revenue	**1,085,225**	**1,981,729**	**667,022**	**10,203**	**0**	**3,744,179**
Intersegment revenue	11,547	91,895	1,242	258,369		
EBIT	**55,378**	**144,969**	**2,181**	**-1,460**	**-15,331**	**185,737**
Interest and similar income	0	0	0	15,742	0	15,742
Interest expense and similar charges	0	0	0	-13,261	0	-13,261
Profit before tax	**55,378**	**144,969**	**2,181**	**1,021**	**-15,331**	**188,218**

SEGMENT REPORTING FOR 1.1.–30.9.2010

	BUILDING CONSTRUCTION AND CIVIL ENGINEERING 1.1.–30.9.2010 T€	TRANSPORTATION INFRASTRUCTURES 1.1.–30.9.2010 T€	SPECIAL DIVISIONS & CONCESSIONS 1.1.–30.9.2010 T€	MISCELLANEOUS 1.1.–30.9.2010 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.1.–30.9.2010 T€	TOTAL 1.1.–30.9.2010 T€
Output Volume	**3,060,264**	**4,150,701**	**1,765,599**	**120,377**		**9,096,941**
Revenue	**2,897,722**	**3,983,619**	**1,978,605**	**29,292**	**0**	**8,889,238**
Intersegment revenue	97,498	290,677	0	671,387		
EBIT	**123,634**	**64,529**	**20,368**	**661**	**-16,454**	**192,738**
Interest and similar income	0	0	0	49,629	0	49,629
Interest expense and similar charges	0	0	0	-77,143	0	-77,143
Profit before tax	**123,634**	**64,529**	**20,368**	**-26,853**	**-16,454**	**165,224**

SEGMENT REPORTING FOR 1.1.–30.9.2009

	BUILDING CONSTRUCTION AND CIVIL ENGINEERING 1.1.–30.9.2009 T€	TRANSPORTATION INFRASTRUCTURES 1.1.–30.9.2009 T€	SPECIAL DIVISIONS & CONCESSIONS 1.1.–30.9.2009 T€	MISCELLANEOUS 1.1.–30.9.2009 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.1.–30.9.2009 T€	TOTAL 1.1.–30.9.2009 T€
Output Volume	**3,225,012**	**4,148,102**	**1,904,784**	**128,807**		**9,406,705**
Revenue	**3,018,499**	**4,015,541**	**2,029,320**	**28,145**	**0**	**9,091,505**
Intersegment revenue	77,871	157,698	3,380	654,823		
EBIT	**94,992**	**87,540**	**7,007**	**-1,371**	**-13,559**	**174,609**
Interest and similar income	0	0	0	50,879	0	50,879
Interest expense and similar charges	0	0	0	-64,964	0	-64,964
Profit before tax	**94,992**	**87,540**	**7,007**	**-15,456**	**-13,559**	**160,524**

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

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

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

Other minor differences result from the other consolidation entries.

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

	1.1.–30.9.2010 T€	1.1.–30.9.2009 T€
Investment income	-12,548	-9,986
Other consolidations	-3,906	-3,573
Total	**-16,454**	**-13,559**

NOTES ON RELATED PARTIES

Notes on related parties may be found in the 2009 consolidated financial statements. Since 31 December 2009, there have been no significant changes in this area. Arm`s-length business relations exist in transactions with related parties.

EVENTS AFTER REPORTING DATE

With the acquisition of the Czech Republic's ECM Facility a.s. in September 2010, STRABAG Property and Facility Services expands its offer in the services sector. ECM Facility operates nationwide in the Czech Republic and is among the country's leading full-service facility maintenance providers. In 2009, the company employed 220 persons and generated revenues of about € 16 million. The closing took place on 15 October 2010.

STRABAG has acquired 100 % of K.H. Gaul GmbH & Co. KG, Sprendlingen, effective 1 January 2011, significantly strengthening its building materials activities in the Frankfurt/Wiesbaden area. The Gaul Group, together with its subsidiaries and affiliates, employs some 350 people in the field of stone, gravel, sand, asphalt and concrete production and will post revenues of about € 65 million in the 2010 financial year.

STRABAG is intensifying its business in Russia with an advance payment of € 70 million for a 26 % stake in the leading Russian road construction company Transstroy, a member of the diversified industrial holding Basic Element. STRABAG will take the time for a thorough due diligence of Transstroy, which posted revenues of RUB 39 billion in 2009, before agreeing on a final purchase price for the company.

AUDIT WAIVER

The present interim financial statements for STRABAG SE were neither audited nor subjected to an audit review.

STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the condensed interim financial statements as of 30 September 2010 give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the of important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the major related party transactions to be disclosed.

Villach, 29 November 2010

Management Board

Dr. Hans Peter Haselsteiner
Chairman of the Management Board
Responsibilities for Central Staff Units and BRVZ 02 Central Divison

Ing. Fritz Oberlerchner
Vice Chairman
Technical Responsibilities for Transportation Infrastructures

Dr. Thomas Birtel
Commercial Responsibilities
for Building Construction & Civil Engineering

DI Roland Jurecka
Technical Responsibilities
for Special Divisions & Concessions

Dr. Peter Krammer
Technical Responsibilities for Building Construction
& Civil Engineering

Mag. Hannes Truntschnig
Commercial Responsibilities for
Transportation Infrastructures and
Special Divisions & Concessions, Responsibilities
for BMTI 01, TPA 04 and BLT 05 Central Divisions

FINANCIAL CALENDAR

Annual Report 2010	**Thu, 28 April 2011**
Disclosure	7:30 am
Press conference	10:00 am
Investor and analyst conference	2:00 pm

Interim report January–March 2011	**Tue, 31 May 2011**
Disclosure	7:30 am
Investor and analyst conference call	2:00 pm

Notice of Annual General Meeting	13 May 2011
Shareholding confirmation record date	31 May 2011
Annual General Meeting 2011	**Fri, 10 June 2011**
Start	10:00 am
Venue: Austria Center Vienna, 1220 Vienna	
Ex-dividend date	Fri, 17 June 2010
Payment date for dividend	Mon, 20 June 2010

Semi-annual report 2011	**Wed, 31 August 2011**
Disclosure	7:30 am
Investor and analyst conference call	2:00 pm

Interim report January–September 2011	**Wed, 30 November 2011**
Disclosure	7:30 am
Investor and analyst conference call	2:00 pm

All times are CET/CEST
Please find the roadshow schedule on the website www.strabag.com -> Investor Relations -> Financial Calendar

CORPORATE BONDS

MATURITY	COUPON	VOLUME	ISIN	STOCK EXCHANGE
2006–2011	5,25 %	€ 75 Mio.	AT0000A013U3	Vienna
2007–2012	5,75 %	€ 75 Mio.	AT0000A05HY9	Vienna
2008–2013	5,75 %	€ 75 Mio.	AT0000A09H96	Vienna
2010–2015	4,25 %	€ 100 Mio.	AT0000A0DRJ9	Vienna

CORPORATE CREDIT RATING

Standard & Poors	BBB-	Outlook stable

CODES

Bloomberg:	**STR AV**
Reuters:	**STRV.VI**
Vienna Stock Exchange:	**STR**
ISIN:	**AT000000STR1**

FOR FURTHER QUESTIONS PLEASE REFER TO OUR INVESTOR RELATIONS DEPARTMENT:

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This interim report is also available in German.
In case of discrepancy the German version prevails.