SUCCESS IS IN THE DETAILS.

INTERIM REPORT JANUARY–SEPTEMBER 2013

29 NOVEMBER 2013

STRABAG
SOCIETAS EUROPAEA

CONTENT

KEY FIGURES

KEY FINANCIAL FIGURES

€ MLN.	Q3/2013	Q3/2012	CHANGE IN %	9M/2013	9M/2012	CHANGE IN %	2012
Output volume	3,966.21	4,074.92	-3 %	9,609.21	10,111.10	-5 %	14,042.60
Revenue	3,732.04	3,588.73	4 %	8,891.19	9,289.84	-4 %	12,983.23
Order backlog				13,999.05	14,572.83	-4 %	13,202.66
Employees				72,904	73,847	-1 %	74,010

KEY EARNING FIGURES

€ MLN.	Q3/2013	Q3/2012	CHANGE IN %	9M/2013	9M/2012	CHANGE IN %	2012
EBITDA	260.38	261.18	0 %	328.85	277.32	19 %	608.35
EBITDA margin % of revenue	7.0 %	7.3 %		3.7 %	3.0 %		4.7 %
EBIT	162.44	168.42	-4 %	39.63	1.71	2,220 %	207.19
EBIT margin % of revenue	4.4 %	4.7 %		0.4 %	0.0 %		1.6 %
Profit before taxes	152.72	153.76	-1 %	21.02	-43.62	n. m.	156.46
Net income	114.04	114.45	0 %	8.56	-42.22	n. m.	110.04
Earnings per share	0.97	0.86	13 %	-0.02	-0.66	97 %	0.58
Cash-flow from operating activities	103.83	17.28	501 %	-117.32	-310.12	62 %	268.80
ROCE in %	2.5 %	2.6 %		1.3 %	0.5 %		4.0 %
Investments in fixed assets	119.86	119.70	0 %	292.35	335.44	-13 %	458.28
Net income after minorities	99.64	89.35	12 %	-2.18	-68.92	97 %	60.63
Net income after minorities margin % of revenue	2.7 %	2.5 %		0.0 %	-0.7 %		0.5 %

KEY BALANCE SHEET FIGURES

€ MLN.	30.9.2013	31.12.2012	CHANGE IN %
Equity	3,111.01	3,162.54	-2 %
Equity Ratio in %	30.2 %	31.2 %	
Net Debt	605.37	154.55	292 %
Gearing Ratio in %	19.5 %	4.9 %	
Capital Employed	5,388.44	5,322.35	1 %
Balance sheet total	10,299.28	10,137.69	2 %

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

Thomas Birtel

CEO'S REVIEW

Dear shareholders, associates and friends of STRABAG SE,

We were able to nearly make up for the weather-related decline in output volume from the first two quarters of 2013. As a result, we are confident of being able to report a full-year output figure that corresponds approximately to that of the previous year: In our home markets of Germany and Austria, there is plenty of building construction work to be done at this time. Our books are also well padded for the future, with an order backlog of € 14.0 billion – especially satisfying were the awards of several new large building construction orders in Germany. And in Poland, which recorded the greatest decline in output volume, we can see the first signs of a slight improvement of the climate in the Polish construction sector: more than 700 km of expressways are planned for realisation here between 2014 and 2020.

My management board colleagues and I are therefore staying overall with the forecast of nearly € 14.0 billion for the group's output volume in the 2013 financial year. While we are currently registering another slight worsening of the business environment in the European construction sector, and an intensified competition on the price as a result, we also continue to believe that larger negative non-recurring items will not burden the result to the same degree as in 2012. We therefore continue to expect the earnings before interest and taxes (EBIT) to grow to at least € 260 million in the 2013 financial year.

Your

Birtel

Thomas Birtel

- EBIT up manifold to € 40 million after the first nine months of 2013 (9M/2012: € 2 million) – non-recurring items had been a burden in the previous year
- Output volume 5 % lower at € 9.6 billion: weather-related effects from the first two quarters nearly made up, though Poland shows the expected, strong, market-related decline
- Order books well filled at € 14.0 billion
- 2013 outlook confirmed: output volume of nearly € 14.0 billion, EBIT of at least € 260 million expected

IMPORTANT EVENTS

JULY

STRABAG merges Swiss group companies
The STRABAG Group has undergone enormous growth in Switzerland over the past few years with the acquisitions of Brunner Erben AG, Astrada AG, Egolf AG, Meyerhans AG and Baunova AG. In order to achieve a uniform presence on the Swiss market, these group companies were merged into STRABAG AG, Switzerland, effective retroactively to 1 January 2013. Eggstein AG, which had already been merged into STRABAG AG, Switzerland, in 2010 and which had been renamed Eggstein Swissboring, is now doing business under the STRABAG brand. Under the merger, STRABAG AG, Switzerland, assumed the assets and liabilities of the acquired companies. STRABAG SE continues to hold 100 % of the shares of its subsidiary STRABAG AG, Switzerland.

STRABAG lands new orders internationally worth € 230 million
Four new contracts have increased the order backlog of the STRABAG Group until July 2013 by more than € 230 million. Those projects include the construction of a flood protection dam for € 92 million in Oman, two road construction projects in Oman with a total contract value of € 28 million, production of concrete sleepers for railway construction worth € 88 million in Thailand and construction of an LNG tank in Brunei, worth € 23 million.

Züblin constructs office complex for € 95 million at Stuttgart Airport
Ed. Züblin AG, Stuttgart, a subsidiary of STRABAG SE, constructs the building „New Office Airport Stuttgart“ on behalf of client Flughafen Stuttgart GmbH. The contract value of the office ensemble, which is being built under a partnership arrangement with a guaranteed maximum price and upon completion will be leased almost entirely to management consulting firm Ernst & Young as its Germany headquarters, stands at about € 95 million.

AUGUST

Züblin building tunnel for € 250 million on new Wendlingen–Ulm rail line
Through Ed. Züblin AG, Stuttgart, STRABAG has been awarded a large contract by the Deutsche Bahn AG, with an order volume of € 250 million, 60 % of which is Ed. Züblin AG’s share. The construction of the 5.9 km tunnel from the Swabian Jura to the tracks of Ulm Central Station will last four-and-a-half-years.

SEPTEMBER

Züblin officially awarded the contract to build a cultural quarter in Dresden
Ed. Züblin AG will act as main contractor and build the centrally located cultural quarter for around € 70 million at a vacant plot of land of a former power station until the summer of 2016. The contract involves the renovation of the former machine hall, a new seven-storey building, the renovation of an existing four-storey building and the demolition and construction of a new two-storey workshop.

STRABAG developing and building infrastructure highlight Orgelpipan 6 in Stockholm
Swedish STRABAG Projektutveckling will develop the multi-functional building “Orgelpipan 6” at Stockholm’s Citybanan Commuter Station, Sweden’s largest and busiest railway terminal. The investment volume is in the triple-digit million euro range. Completion of the project – which will include apartments, a hotel, shopping and servicing facilities – is planned for December 2015.

STRABAG to build Bosnian motorway between Svilaj and Odžak
A consortium led by STRABAG AG won the contract to build the Svilaj-Odžak section of the international motorway corridor 5c in Bosnia. Works on the 10.4 km long section – which have already started in October – include the construction of the roadway, the border crossing at Svilaj, the Svilaj toll station, two service areas and two motorway exits. Completion is

scheduled for December 2014. The contract value amounts to a total of € 84 million, 50 % of which is STRABAG's share.

Züblin expands Allianz Campus Unterföhring
Acting as general contractor, Ed. Züblin AG was awarded the contract to build Allianz Campus Unterföhring near Munich. In a consortium together with Munich-based Dobler Metallbau GmbH, it will construct the new building with a gross floor area of 58,000 m². The contract has a value of approx. € 100 million; Züblin's share amounts to 90 %. A DGNB gold certification for the new building is aimed at. A Precertification has already been awarded. Completion is planned for autumn of 2015.

Züblin awarded large building construction contract in Denmark
Züblin A/S, a Danish subsidiary of the STRABAG Group, was awarded the contract to build the "Bryghus", a six-storey multi-use building on the site of a former brewery at the Copenhagen waterfront. The value of the contract amounts to about € 140 million. Construction time is scheduled from autumn 2013 to autumn 2017.

Züblin testing the new ground engineering sealing method „BioSealing"
Züblin Spezialtiefbau Österreich engaged in the „BioSealing" joint industry project, a European joint project to further investigate the principle of operation of bacteria for the sealing of underground leaks. In total nine companies will invest € 400,000 in the coming years.

OCTOBER

STRABAG SE bonds listed in new corporates prime segment of Vienna Stock Exchange
Since 1 October 2013, bonds of STRABAG SE are listed in the Corporates Prime segment of the Vienna Stock Exchange's bond trading platform. This new segment comprises bonds from issuers in non-financial sectors with the aim of increasing the transparency of and providing more effective publicity for Austrian bonds and their issuers. The participating companies agree to provide potential bond buyers with standardised information about their bonds.

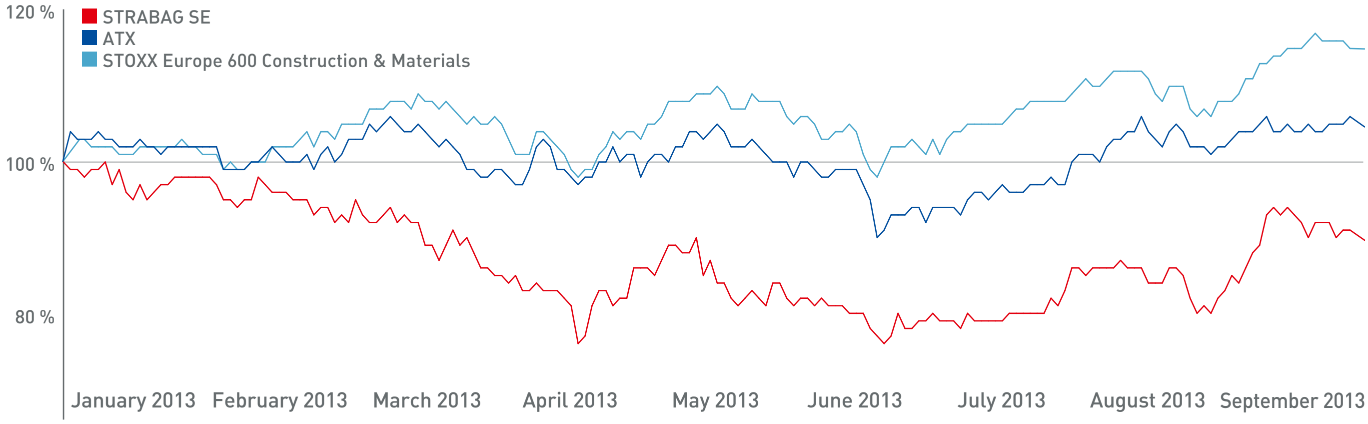
STRABAG won tender for section of motorway M4 in Hungary
STRABAG will build the third section of the Hungarian motorway M4 between Abony and Geyvernek for about € 106 million. The section has a length of 13.2 km and is part of the 233 km long motorway which links Budapest to the Ukrainian border.

NOVEMBER

STRABAG awarded road construction contract for R2 in Slovakia
A consortium led by STRABAG signed the contract to build the 10.4 km long section of the R2 expressway between Pstruša and Kriván in Slovakia. The contract value amounts to € 178 million, of which STRABAG a.s. holds a 40 % share.

SHARE

DEVELOPMENT OF STRABAG SE SHARE PRICE AND THE BENCHMARK INDEXES



The downward trend of the STRABAG SE share price since the beginning of the year reached its lowest point at € 15.59 in June. The price began to recover in September, however, a development that was surely influenced by the company's relisting in the Austrian benchmark index ATX effective 23 September 2013. STRABAG SE shares closed at € 18.44 on 30 September 2013; while this translates to growth of 16 % versus the previous quarter, it still represents a minus of 10 % over the first nine months of 2013.

Despite a subdued second quarter, the ATX as well as the international stock exchanges reported strong performance over the nine-month period: Japan's Nikkei Index led the winners' list with a plus of 39 %, followed by New York's Dow Jones Industrials with growth of 16 %. The industry index STOXX Europe 600 Construction & Materials and Europe's Euro Stoxx 50 reported an increase of 15 % and 10 %, respectively. The ATX came in last, closing with a plus of 5 %.

STRABAG SE ended its share buyback programme on 23 May 2013. From July 2011, the company continuously bought back a total of 11,400,000 shares on the stock market as well as over the counter, corresponding to 10 % of all issued shares. This brings the volume of the free float to 13 %. Some € 237 million were spent on the buyback.

Although STRABAG SE did not form part of the ATX between March and September, the cumulative trade volume of STRABAG SE shares on the Vienna Stock Exchange in the first nine months of 2013 amounted to about € 194 million[1], with an average trade volume per day of 58,217 shares[1]. The share's weight in the ATX stood at 1.03 %.

STRABAG's shares are currently under observation by eleven international banks. The analysts calculated an average share price target of € 18.00. Detailed analyses and recommendations are available on the STRABAG SE website at www.strabag.com > Investor Relations > Share > Research & Analysts

STRABAG SE SHARE

		9M/2013
Market capitalisation on 30 September 2013	€ million	1,892
Closing price on 30 September 2013	€	18.44
Year's maximum on 2 January 2013	€	20.61
Year's minimum on 25 June 2013	€	15.59
Performance nine months 2013	%	16
Outstanding bearer shares on 30 September 2013 (absolute)	shares	102,599,997
Outstanding bearer shares nine months 2013 (weighted)	shares	102,756,227
Weight in ATX on 30 September 2013	%	1.03
Volume traded nine months 2013	€ million[1]	194
Average trade volume per day	shares[1]	58,217
% of total volume traded on Vienna Stock Exchange	%	0.66

1) double count

MANAGEMENT REPORT JANUARY–SEPTEMBER 2013

OUTPUT VOLUME AND REVENUE

The STRABAG Group's output volume in the first nine months of 2013 fell by 5 % versus the same period of the previous year to € 9,609.21 million. More than half of the decrease was accounted for by the expected, market-related decline in Poland following the end of the construction boom. On the other hand, it was possible to almost fully make up for the weather-related declines that had occurred in several countries during the first two quarters.

The consolidated group revenue amounted to € 8,891.19 million, 4 % below the level of the comparison period in the previous year. The ratio of revenue to output was 93 %. In the third quarter of 2013, the output volume fell by 3 % versus the same quarter of the previous year to € 3,966.21 million, while the revenue grew by 4 % to € 3,732.04 million.

ORDER BACKLOG

The company completed several large projects, such as the Olympic Village in the RANC region (Russia and Neighbouring Countries), and worked off orders in the markets of Canada and Benelux in these past months. Nevertheless, the order backlog fell by just 4 % compared to the end of September of the previous year to € 13,999.05 million, as a number of new building construction orders in Germany bolstered the order backlog by more than € 750 million.

FINANCIAL PERFORMANCE

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

Despite the somewhat lower revenue, the earnings before interest, taxes, depreciation and amortisation (EBITDA) increased in the first nine months of 2013 by 19 % to € 328.85 million. In the previous year, damage compensation payments related to an arbitration ruling on a failed acquisition had distorted results in the second quarter and transportation infrastructures projects caused losses in Poland. At the same time, the cost development among large projects in hydraulic engineering, a transportation infrastructures project in the Netherlands and the competitive pressure in railway construction were a burden both in the period under report as well as in the previous year.

For the international business, the company had invested in specialty equipment that is now being depreciated over just a few years of construction. Depreciation and amortisation therefore increased by 5 % in the nine-month period. The earnings before interest and taxes (EBIT) improved from € 1.71 million to € 39.63 million.

At € 260.38 million, the EBITDA remained nearly unchanged in the third quarter; the EBIT was down by 4 %.

The negative interest income decreased significantly after the first nine months of 2013: While the € -45.32 million of the comparison period had included approx. € -28 million in negative currency exchange rate differences, 2013 has so far seen exchange rate gains in the amount of a little more than € 5 million so that the interest income reached € -18.61 million. Below the line, this resulted in a positive profit before tax of € 21.02 million after € -43.62 million the year before. Correspondingly, the income tax was calculated at € 12.46 million – during the same period of the previous year, by comparison, the result had been negative and the taxes had provided some relief. This left net income of € 8.56 million. Non-controlling interests accounted for a result of € 10.74 million, resulting in a net income after minorities of € -2.18 million.

Due to the – now concluded – share buy-back programme, the number of weighted outstanding shares was down from 104,365,968 to 102,756,227. The result per share in the first nine months of the 2013 financial year thus amounted to € -0.02 after € -0.66.

The third quarter yielded a result per share of € 0.97, compared to € 0.86 in the same period of the previous year.

FINANCIAL POSITION AND CASH FLOWS

The balance sheet total reached € 10,299.28 million, showing little change versus 31 December 2012. The same can be said for the equity ratio, which settled at 30.2 % after 31.2 % at year's end. In view of the financing need for operating activities during the period, among other things, the net debt position was up from € 154.55 million at year's end to € 605.37 million after the first nine months of 2013.

The cash flow from profits grew by 60 % to € 248.06 million. Project financing in associated companies was replaced with bank financing. As a result, the cash flow from operating activities, which reached € -117.32 million, was 62 % less deeply in negative territory.

The cash flow from investing activities could be contained by 20 % and therefore amounted to € -256.92 million. The purchase of property, plant and equipment and intangible assets was handled even more restrictively than previously and enterprise acquisitions took place to only a minor extent. The cash flow from financing activities transitioned into positive territory, from € -128.12 million to € 76.16 million. The comparison period from the previous year had been characterised by a significant repayment of bank borrowings.

CAPITAL EXPENDITURES

In addition to the necessary maintenance expenditures, STRABAG invested especially in equipment for large tunnelling projects in Austria and the international business as well as in the home market of Germany in the first nine months of 2013. The expenditures include € 292.35 million for the purchase of property, plant and equipment and intangible assets as well as € 14.11 million for the purchase of financial assets and € 6.46 million for enterprise acquisitions (changes to the scope of consolidation).

EMPLOYEES

The number of employees fell by only 1 % to 72,904. Large changes in several entities nearly balanced each other out here: on the one hand, the workforce in Poland was scaled back for market reasons; on the other hand, new large projects in non-European markets and in Germany resulted in the addition of more than 1,600 jobs.

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 2012 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 recognizable which constitute a threat to its continued existence.

OUTLOOK

Based on the balanced business in terms of regions and segments, STRABAG SE expects to nearly reach the previous year's output volume of about € 14.0 billion in the 2013 financial year. The reduction in Poland is expected to be countered by increases in building construction in Austria and Hungary, for example.

While STRABAG sees another slight worsening of the business environment in the European construction sector in 2013, and an intensified competition on the price as a result, it continues to believe that larger negative non-recurring items will not burden the result to the same degree as in 2012. The company therefore continues to expect the group's EBIT to grow to at least € 260 million in the 2013 financial year.

© Andreas Buchberger

SEGMENT REPORT

SEGMENT NORTH + WEST

€ MLN.	Q3/2013	Q3/2012	CHANGE IN %	9M/2013	9M/2012	CHANGE IN %	2012
Output volume	1,753.66	1,842.14	-5 %	4,273.16	4,549.53	-6 %	6,237.17
Revenue	1,636.39	1,604.23	2 %	3,979.68	4,003.86	-1 %	5,509.53
Order backlog				5,801.44	5,429.36	7 %	4,826.52
EBIT	55.30	30.86	79 %	-20.82	-107.81	81 %	-51.32
EBIT margin as a % of revenue	3.4 %	1.9 %		-0.5 %	-2.7 %		-0.9 %
Employees				22,617	25,079	-10 %	25,108

The segment North + West generated an **output volume** of € 4,273.16 million in the first nine months of 2013, 6 % lower than in the same period of the previous year. This is mostly due to the significant market- and weather-related declines in Poland, after Germany the second-largest geographic market in this segment. As this development was expected, it should still be possible to reach the full-year target output of € 5.8 billion for the segment. The **revenue** remained largely stable in the first nine months with -1 % to € 3,979.68 million. The negative **earnings before interest and taxes** (EBIT) improved by 81 % to € -20.82 million after € -107.81 million in the comparison period of the previous year. In the third quarter, the revenue increased slightly by 2 % to € 1,636.39 million. The EBIT grew by 79 % to € 55.30 million. An especially positive contribution came from the building construction business in Germany. The result also improved in Poland and in the German transportation infrastructures and construction materials business. The cost development among large projects in hydraulic engineering and a transportation infrastructures project in the Netherlands continue to be a burden, however.

In comparison, several new large orders helped raise the **order backlog** to € 5,801.44 million, an increase of 7 % versus the end of September of the previous year. Particularly positive developments were registered in building construction in Germany: In Jena, STRABAG subsidiary Ed. Züblin AG was awarded the construction contract for a section of Thuringia's new university clinic; the project has a total value of more than € 170 million. The company was also awarded the contracts to establish an office building at the Stuttgart airport for about € 95 million, to build a cultural quarter in Dresden for € 70 million, and to expand the Allianz Campus in Unterföhring near Munich with a volume of € 100 million (share 90 %). In Denmark, Ed. Züblin AG was chosen to build the multi-use Bryghus building at the Copenhagen harbour for € 140 million. And in Poland, STRABAG companies recently began construction of sections of the A4 and S8 highways.

The number of **employees** was down by 10 % to 22,617 in response to the shifting of activities in the Americas region into the segment International + Special Division. At the same time, an expansion of the workforce in Germany was countered by an expected market-related reduction of the blue-collar and white-collar workforce in Poland.

A note on the **outlook** of the segment: according to the autumn reports of the economic research institutes, the German economy is seen at the beginning of an upswing in the economic cycle. Further economic stimulus is being provided by the favourable financing conditions and the positive labour market situation. As a result, building construction and civil engineering showed very positive development; for the beginning of 2014, STRABAG SE expects to see an order backlog here that will again cover at least 70 % of the output volume being forecast for the coming year. The future is likely to bring rising subcontractor prices but stable raw materials prices, however. In the German transportation infrastructures business, the company nearly succeeded in balancing out the weather- and flood-related output backlog of the previous quarters. Furthermore, policymakers have recognised the investment backlog in public-sector infrastructure, with the result that a number of tenders are expected which could have a positive impact on the market from the second half of 2014.

The end of the construction boom in Poland was clearly reflected in the output volume of the segment in 2013. Momentum is expected starting in 2014, however: more than 700 km of expressways are planned for realisation in Poland between 2014 and 2020, co-financed in part by the EU.

Scandinavia, which accounts for 9 % of the segment output, is the third-largest region in North + West, with Sweden and Denmark making the most significant contributions to the output volume of several hundred million euros. Both the overall economic environment and the market for tunnelling and infrastructure projects continue to remain stable. Especially in the Stockholm region, the coming years will see the realisation of a number of large infrastructure projects and housing developments. Increasing competitive pressure is expected, however, as internationally operating construction groups enter this market.

While STRABAG has indefinitely postponed its investments in the field of offshore wind due to the adverse political and organisational environment in the German renewable energy sector, the company invested in other areas with growth potential in the first nine months of the 2013 financial year: Ed. Züblin AG expanded its range of services in the field of structural timber engineering with the acquisition of Merk Timber GmbH (formerly Metsä Wood Merk GmbH), a German manufacturer of cross-laminated timber; STRABAG B.V. took over the employees, equipment and production facilities of the transportation infrastructures activities of Janssen de Jong Groep in the Netherlands.

SEGMENT SOUTH + EAST

€ MLN.	Q3/2013	Q3/2012	CHANGE IN %	9M/2013	9M/2012	CHANGE IN %	2012
Output volume	1,400.39	1,493.90	-6 %	3,226.46	3,413.83	-5 %	4,755.74
Revenue	1,395.17	1,453.48	-4 %	3,095.16	3,355.25	-8 %	4,792.43
Order backlog				4,352.73	4,897.19	-11 %	4,326.12
EBIT	109.82	109.77	0 %	48.04	31.08	55 %	148.89
EBIT margin as a % of revenue	7.9 %	7.6 %		1.6 %	0.9 %		3.1 %
Employees				20,992	22,571	-7 %	22,699

The **output volume** in the segment South + East decreased to € 3,226.46 million in the first nine months of 2013, down 5 % versus the same period of the previous year. A decisive factor was, among other things, the shifting of the building construction business in Poland into the segment North + West. Meanwhile, on a more positive note, growth of the output volume was reported in Hungary and the Czech Republic. Like the output volume, the **revenue** was also down – specifically by 8 %, while the **earnings before interest and taxes** (EBIT) grew by 55 % to € 48.04 million. In the third quarter, the revenue fell by 4 % while the EBIT remained more or less unchanged at € 109.82 million. Decisive factors behind this development included, on the one hand, the successful result-improvement programme of the environmental technology business as well as the continued considerable competitive pressure in railway construction, on the other hand.

The **order backlog** fell by 11 % to € 4,352.73 million. This was influenced by the completion of large projects such as the Olympic Village in the region Russia and Neighbouring Countries (RANC) or of the Deva–Orăştie motorway section in Romania, which will soon be handed over to the client, as well as by the aforementioned internal shifting in Poland. A recovery of the order situation can be seen in Hungary, on the other hand, where work began on two new motorway projects in the past few months. And in Bosnia, a consortium including STRABAG secured the tender to build the Svilaj–Odžak section of the international motorway corridor 5c.

Corresponding to the lower order backlog, the number of **employees** in the segment decreased by 7 % to 20,992; a declining workforce was registered in nearly all markets, however.

The management board expects the output volume to just fall below the previously expected output volume of approximately € 5.0 billion for the segment South + East in the 2013 financial year. In general, the price pressure in transportation infrastructures in Central and Eastern Europe will continue to last. A lack of financing, e specially in the Czech Republic, in Romania and in the Adriatic region, means that very few large public-sector projects are being awarded at this time – with a resulting tougher competition on the price. A more positive outlook, on the other hand, is offered by transportation infrastructures in Slovakia, where several large motorway and expressway projects are currently being tendered, as well as in the area of building construction for private clients in Slovakia and the Czech Republic.

Austria, with a contribution of 36 % to the segment output the largest market in South + East, paints a mixed picture: From the vantage point of the present, the shifting competitive landscape resulting from a competitor's market departure is unlikely to result in a reduction of margin pressure in the transportation infrastructures business or in the Austrian states – where Upper Austria and Carinthia are particularly affected. In the greater Vienna area, meanwhile, STRABAG continues to see itself faced with a stable environment in which it was possible to selectively acquire certain construction projects from the departed competitor.

In Hungary, which contributes the fourth-greatest share to the segment output, stabilisation is becoming apparent at a low level: investments from international industrial groups are growing slightly and the long-awaited large projects in road construction are now finally coming up for tender. Older projects continue to have a negative impact, however.

In the RANC region, acquisition efforts are shifting from building construction in metropolitan areas in Russia to industrial projects as well as projects with special demands on know-how in countries such as Turkmenistan and Kazakhstan, where a STRABAG subsidiary was recently awarded the contract for concrete works for the Astana–Karaganda motorway section.

In Switzerland, STRABAG merged most of its companies, so that a homogeneous brand presence is now possible. The reorganisation, which is now largely complete, had become necessary due to the strong growth experienced by the group in Switzerland in the past few years.

The railway construction business will remain characterised by overcapacities and a distorted competitive landscape in Germany; additionally, the long winter means that large equipment has been hardly used this year.

SEGMENT INTERNATIONAL + SPECIAL DIVISIONS

€ MLN.	Q3/2013	Q3/2012	CHANGE IN %	9M/2013	9M/2012	CHANGE IN %	2012
Output volume	773.51	711.67	9 %	2,006.35	2,055.48	-2 %	2,924.86
Revenue	692.05	519.89	33 %	1,794.26	1,907.08	-6 %	2,661.29
Order backlog				3,835.86	4,236.64	-9 %	4,038.33
EBIT	12.48	35.58	-65 %	14.13	72.45	-80 %	126.93
EBIT margin as a % of revenue	1.8 %	6.8 %		0.8 %	3.8 %		4.8 %
Employees				23,556	20,432	15 %	20,426

In the volatile segment International + Special Division, the **output volume** showed little change in the first nine months of the 2013 financial year, slipping by 2 % to € 2,006.35 million. The greatest share of the output volume was again generated in the markets of Germany, the Middle East and Austria. The **revenue** fell by 6 %, as last year's figure had included a large infrastructure project in Poland. The **earnings before interest and taxes** (EBIT) reached only € 14.13 million after € 72.45 million in the comparison period of the previous year. This development is due to the typically volatile business in the segment, particularly in the international business and in tunnelling. This volatility was also evident in the third quarter: the revenue grew by 33 %, while the EBIT fell by 65 %.

The **order backlog** fell by 9 % to € 3,835.86 million: new projects were recorded in Chile, in Thailand and in Oman, and the order books were further padded in the home market of Germany by the contract to build a new government building in Potsdam under a public-private partnership (PPP) arrangement; at the same time, however, a number of large projects were completed in Africa, in Austria and in Benelux.

1) RANC = Russia and Neighbouring Countries

The **number of employees** grew by a considerable 15 % to 23,556. This can be explained, though, with the restructuring of staff in the Americas region – precisely Chile – from the segment North + West into the segment International + Special Divisions due to an organisational adjustment and with several orders in Africa.

The company no longer expects to fully achieve the targeted 2013 output volume of € 3.0 billion in the segment International + Special Divisions. The earnings are likely to remain satisfactory, however, even if the price level is ruinously low in some areas. STRABAG has observed that competition in tunnelling in Austria, in Germany and in Switzerland is increasingly being carried out on the price.

The market for concession projects in Europe also remains a challenging one. In this business field, STRABAG is currently working on offers in Belgium, Ireland, Romania or Croatia. Competitive pressure is on the rise and, especially in Eastern Europe, the sector is facing political and financial hurdles. PPP Building Construction, on the other hand, is likely to benefit from the great investment needs in Germany in particular. The market for PPP measures in building construction should therefore continue to grow, especially as this constellation makes it possible for the client to realise efficiency advantages from an integrated solutions approach, i.e. from the observation of lifecycle costs. STRABAG is moreover in a position to completely cover all specifications in this area, thanks to the inclusion of specialist providers from within the group such as STRABAG Property and Facility Services. Property management in particular is contributing to stable development of this service subsidiary in 2013; STRABAG had acquired a residential property management company last year and has been able to develop this business within the group.

The price pressure in the European core markets requires STRABAG to diversify more broadly geographically. In addition to selected countries in East Africa, the foreign markets currently being worked by the company include Oman, the United Arab Emirates and Qatar. In Canada – the Niagara Tunnel Project was successfully concluded here in March –, Colombia and the United Kingdom, STRABAG has been working on new order opportunities in the area of concession and infrastructure projects. Looking at specific construction segments, the conclusion of a partnership agreement with mining company Rio Tinto marked the group's entry into the mining business. STRABAG is also offering specialty construction services around the world in pipe jacking (a tunnelling technique), in test track construction and in the field of liquefied natural gas (LNG).

The construction materials business will continue to put pressure on the margins of the segment, as the market for concrete is stagnating at a very low level. In Bulgaria, therefore, STRABAG has already ended its engagement in this business field. In many countries, the situation with stone and gravel continues to be modest at best, and the situation in the cement business is also not expected to improve in the short term.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH, AS OF 30 SEPTEMBER 2013

CONSOLIDATED INCOME STATEMENT FOR 1.1.–30.9.2013

	1.7.–30.9.2013 T€	1.7.–30.9.2012 T€	1.1.–30.9.2013 T€	1.1.–30.9.2012 T€
Revenue	3,732,037	3,588,729	8,891,189	9,289,844
Changes in inventories	-3,457	-26,249	48,500	-19,804
Own work capitalised	340	5,484	1,997	17,501
Other operating income	60,423	36,989	164,583	141,739
Raw materials, consumables and services used	-2,511,527	-2,361,263	-5,914,830	-6,210,813
Employee benefits expenses	-799,674	-823,229	-2,252,468	-2,281,229
Other operating expenses	-230,435	-168,216	-629,701	-671,282
Share of profit or loss of associates	5,180	3,707	-1,075	-2,910
Net income from investments	7,489	5,223	20,654	14,270
EBITDA	**260,376**	**261,175**	**328,849**	**277,316**
Depreciation and amortisation expense	-97,938	-92,752	-289,222	-275,608
EBIT	**162,438**	**168,423**	**39,627**	**1,708**
Interest and similar income	11,162	15,230	45,850	47,544
Interest expense and similar charges	-20,884	-29,893	-64,456	-92,867
Net interest income	**-9,722**	**-14,663**	**-18,606**	**-45,323**
Profit before tax	**152,716**	**153,760**	**21,021**	**-43,615**
Income tax expense	-38,677	-39,309	-12,459	1,395
Net income	**114,039**	**114,451**	**8,562**	**-42,220**
Attributable to: non-controlling interests	14,397	25,106	10,738	26,698
Attributable to: equity holders of the parent company	99,642	89,345	-2,176	-68,918
Earnings per share (€)	**0.97**	**0.86**	**-0.02**	**-0.66**

STATEMENT OF COMPREHENSIVE INCOME FOR 1.1.–30.9.2013

	1.7.–30.9.2013 T€	1.7.–30.9.2012 T€	1.1.–30.9.2013 T€	1.1.–30.9.2012 T€
Net income	**114,039**	**114,451**	**8,562**	**-42,220**
Differences arising from currency translation	5,252	20,775	-31,197	47,820
Change in hedging reserves including interest rate swaps	1,380	-12,629	25,443	-24,108
Deferred taxes on neutral change in equity	-339	2,481	-4,938	4,746
Other income from associates	-876	1,384	-2,834	4,979
Total of items which are later recognised ("recycled") in the income statement	**5,417**	**12,011**	**-13,526**	**33,437**
Other income from associates	19	0	59	0
Total of items which are not later recognised ("recycled") in the income statement	**19**	**0**	**59**	**0**
Other income	**5,436**	**12,011**	**-13,467**	**33,437**
Total comprehensive income	**119,475**	**126,462**	**-4,905**	**-8,783**
Attributable to: non-controlling interests	13,775	26,397	8,985	28,598
Attributable to: equity holders of the parent company	105,700	100,065	-13,890	-37,381

CONSOLIDATED BALANCE SHEET AS OF 30.9.2013

ASSETS	30.9.2013 T€	31.12.2012 T€
Non-current assets		
Intangible assets	528,841	530,361
Property, plant and equipment	2,191,377	2,225,572
Investment property	37,847	41,667
Investments in associates	367,360	379,122
Other financial assets	253,979	250,292
Receivables from concession arrangements	781,584	782,567
Trade receivables	88,839	91,426
Non-financial assets	6,984	12,009
Other financial assets	35,257	35,824
Deferred taxes	209,894	197,619
	4,501,962	**4,546,459**
Current assets		
Inventories	1,098,754	1,031,557
Receivables from concession arrangements	24,165	22,785
Trade receivables	3,009,328	2,535,469
Non-financial assets	114,971	106,372
Other financial assets	485,355	520,094
Cash and cash equivalents	1,064,745	1,374,955
	5,797,318	**5,591,232**
	10,299,280	**10,137,691**

EQUITY AND LIABILITIES	30.9.2013 T€	31.12.2012 T€
Group equity		
Share capital	114,000	114,000
Capital reserves	2,311,384	2,311,384
Retained earnings	393,189	436,130
Non-controlling interests	292,441	301,028
	3,111,014	**3,162,542**
Non-current liabilities		
Provisions	1,009,102	1,025,833
Financial liabilities[1)]	1,377,912	1,265,982
Trade payables	47,125	61,006
Non-financial liabilities	1,334	1,328
Other financial liabilities	24,902	33,330
Deferred taxes	47,354	44,437
	2,507,729	**2,431,916**
Current liabilities		
Provisions	685,534	735,457
Financial liabilities[2)]	396,380	384,002
Trade payables	2,909,745	2,724,119
Non-financial liabilities	332,139	327,586
Other financial liabilities	356,739	372,069
	4,680,537	**4,543,233**
	10,299,280	**10,137,691**

1) thereof T€ 561,462 concerning non-recourse liabilities from concession arrangements (31 December 2012 T€ 585,105)
2) thereof T€ 45,843 concerning non-recourse liabilities from concession arrangements (31 December 2012 T€ 45,206)

CONSOLIDATED CASH FLOW STATEMENT FOR 1.1.–30.9.2013

	1.1.–30.9.2013 T€	1.1.–30.9.2012 T€
Net income	8,562	-42,220
Deferred taxes	-16,939	-67,462
Non-cash effective results from consolidation	0	2,491
Non-cash effective results from associates	6,064	9,078
Depreciations/write ups	292,989	275,489
Changes in long-term provisions	-11,838	8,105
Gains/losses on disposal of non-current assets	-30,776	-30,054
Cash flow from profits	**248,062**	**155,427**
Change in items:		
Inventories	-70,230	-89,239
Trade receivables, construction contracts and consortia	-463,422	-399,827
Receivables from subsidiaries and receivables from participation companies	39,912	-28,023
Other assets	-7,383	-24,038
Trade payables, construction contracts and consortia	189,965	194,633
Liabilities from subsidiaries and liabilities from participation companies	23,741	-2,815
Other liabilities	-32,703	-60,178
Current provisions	-45,260	-56,059
Cash flow from operating activities	**-117,318**	**-310,119**
Purchase of financial assets	-14,112	-30,015
Purchase of property, plant, equipment and intangible assets	-292,352	-335,436
Gains/losses on disposal of non-current assets	30,776	30,054
Disposals of non-current assets (carrying value)	35,516	24,569
Change in other cash clearing receivables	-10,288	12,705
Change in scope of consolidation	-6,459	-23,258
Cash flow from investing activities	**-256,919**	**-321,381**
Change in bank borrowings	28,755	-176,849
Change in bonded loan	0	140,000
Change in bonds	105,000	25,000
Change in liabilities from finance leases	-9,244	-3,339
Change in other cash clearing liabilities	-1,732	-6,404
Change due to acquisitions of non-controlling interests	-89	-2,283
Acquisition of own shares	-8,863	-34,650
Distribution and withdrawals from partnerships	-37,670	-69,597
Cash flow from financing activities	**76,157**	**-128,122**
Cash flow from operating activities	-117,318	-310,119
Cash flow from investing activities	-256,919	-321,381
Cash flow from financing activities	76,157	-128,122
Net change in cash and cash equivalents	**-298,080**	**-759,622**
Cash and cash equivalents at the beginning of the period	1,374,955	1,700,237
Change in cash and cash equivalents due to currency translation	-12,130	31,224
Cash and cash equivalents at the end of the period	**1,064,745**	**971,839**
Interest paid	52,855	50,915
Interest received	32,834	41,695
Taxes paid	38,209	114,025

STATEMENT OF CHANGES IN EQUITY FOR 1.1.–30.9.2013

	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 1.1.2013	**114,000**	**2,311,384**	**554,709**	**-121,825**	**3,246**	**2,861,514**	**301,028**	**3,162,542**
Net income	0	0	-2,176	0	0	-2,176	10,738	8,562
Differences arising from currency translation	0	0	0	0	-29,084	-29,084	-2,113	-31,197
Change in hedging reserves	0	0	0	-788	0	-788	-20	-808
Changes in associates	0	0	58	-919	-1,851	-2,712	-63	-2,775
Change of interest rate swaps	0	0	0	25,710	0	25,710	541	26,251
Deferred taxes on neutral change in equity	0	0	0	-4,840	0	-4,840	-98	-4,938
Total comprehensive income	**0**	**0**	**-2,118**	**19,163**	**-30,935**	**-13,890**	**8,985**	**-4,905**
Transactions concerning non-controlling interests	0	0	332	0	0	332	-422	-90
Own shares	0	0	-8,863	0	0	-8,863	0	-8,863
Distribution of dividends[1]	0	0	-20,520	0	0	-20,520	-17,150	-37,670
Balance as of 30.9.2013	**114,000**	**2,311,384**	**523,540**	**-102,662**	**-27,689**	**2,818,573**	**292,441**	**3,111,014**

STATEMENT OF CHANGES IN EQUITY FOR 1.1.–30.9.2012

	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 1.1.2012	**114,000**	**2,311,384**	**656,913**	**-97,816**	**-45,737**	**2,938,744**	**211,098**	**3,149,842**
Net income	0	0	-68,918	0	0	-68,918	26,698	-42,220
Differences arising from currency translation	0	0	0	0	45,497	45,497	2,323	47,820
Change in hedging reserves	0	0	0	3,016	0	3,016	61	3,077
Changes in associates	0	0	0	-1,895	6,919	5,024	-45	4,979
Change of interest rate swaps	0	0	0	-26,662	0	-26,662	-523	-27,185
Deferred taxes on neutral change in equity	0	0	0	4,662	0	4,662	84	4,746
Total comprehensive income	**0**	**0**	**-68,918**	**-20,879**	**52,416**	**-37,381**	**28,598**	**-8,783**
Transactions concerning non-controlling interests	0	0	-1,200	0	0	-1,200	23,882	22,682
Own shares	0	0	-34,650	0	0	-34,650	0	-34,650
Distribution of dividends[2]	0	0	-62,492	0	0	-62,492	-7,105	-69,597
Balance as of 30.9.2012	**114,000**	**2,311,384**	**489,653**	**-118,695**	**6,679**	**2,803,021**	**256,473**	**3,059,494**

1) The total dividend payment of T€ 20,520 corresponds to a dividend per share of € 0.20 based on 102,600,000 shares.
2) The total dividend payment of T€ 62,492 corresponds to a dividend per share of € 0.60 based on 104,153,000 shares.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH, AS OF 30 SEPTEMBER 2013

BASIC PRINCIPLES

The consolidated interim financial statements of STRABAG SE, based in Villach, Austria, with reporting date 30 September 2013 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 2012.

The consolidated financial statements of the Group as at and for the year ended 31 December 2012 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 2013:

	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 13 Fair Value Measurement	1.1.2013	1.1.2013
IAS 1 Presentation of Financial Statements	1.7.2012	1.7.2012
IAS 12 Deferred Tax – Recovery of Underlying Assets	1.1.2012	1.1.2013
IAS 19 Employee Benefits	1.1.2013	1.1.2013
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	1.1.2013	1.1.2013
Annual Improvements to IFRS 2009–2011	1.1.2013	1.1.2013

The first-time application of the IFRS and IFRIC mentioned had secondary consequences on the interim consolidated financial statements for the period ending 30 September 2013.

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 2012.

Information regarding the accounting and valuation methods can be found in the annual financial statements with reporting date 31 December 2012.

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 2013 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 (investments in associates).

The number of consolidated companies changed in the first nine month as follows:

	CONSOLIDATION	EQUITY METHOD
Situation as of 31.12.2012	**321**	**21**
First-time inclusion in year under report	1	0
Merger/accretion in year under report	-17	0
Exclusion in year under report	-1	0
Situation as of 30.9.2013	**304**	**21**

ADDITION TO SCOPE OF CONSOLIDATION

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

CONSOLIDATION	DIRECT STAKE %	DATE OF ACQUISITION
Merk Timber GmbH (former Metsä Wood Merk GmbH), Aichach	100.00	22.4.2013

Per contract from 11 March 2013, STRABAG acquired 100 % of Merk Timber GmbH (former Metsä Wood Merk GmbH), Aichach, effective retroactively to 1 January 2013. The acquisition serves to expand the group's existing activities in the field of structural timber engineering. The closing took place on 22 April 2013.

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

	ACQUISITION T€
Acquired assets and liabilities	
Goodwill	1,835
Other non-current assets	2,352
Current assets	5,617
Current liabilities	-2,952
Purchase price	**6,852**
Acquired cash and cash equivalents	-393
Net cash outflow from the acquisition	**6,459**

Assuming a fictitious initial consolidation on 1 January 2013 for the acquisition in the reporting period, the consolidated revenue would amount to T€ 8,897,187 and consolidated profit would have changed by a total of T€ -913.

The company which was consolidated for the first time in the reporting period contributed T€ 14,549 to revenue and T€ -2,229 to profit.

DISPOSALS OF SCOPE OF CONSOLIDATION

As of 30 September 2013, the following companies were no longer included in the scope of consolidation:

DISPOSAL FROM SCOPE OF CONSOLIDATION	
Züblin International Malaysia Sdn. Bhd., Kuala Lumpur	Fell below significant level

MERGER[1]	
A2 Strada sp.z o.o., Pruszkow	Merger
Astrada AG, Subingen	Merger
Baunova AG, Dällikon	Merger
Brunner Erben AG, Zurich	Merger
Egolf AG Strassen- und Tiefbau, Weinfelden	Merger
"GfB" Gesellschaft für Bauwerksabdichtungen mbH, Kobern-Gondorf	Merger
Merk Timber GmbH (former Metsä Wood Merk GmbH), Aichach	Merger
Meyerhans AG Amriswil, Amriswil	Merger
Meyerhans AG, Strassen- und Tiefbau Uzwil, Uzwil	Merger
Northern Energy GlobalTech III. GmbH, Aurich	Merger
Polski Asfalt Sp.z o.o., Pruszkow	Merger
POßÖGEL & PARTNER STRAßEN- UND TIEFBAU GMBH HERMSDORF/THÜR., St. Gangloff	Merger
R I M E X GmbH Servicebetriebe, Aalen	Merger
riw Industriewartung GmbH, Ulm	Merger
SBR Verwaltungs-GmbH, Kehl	Merger
SLOVAKIA ASFALT s.r.o., Bratislava	Merger
STRABAG Beteiligungsverwaltung GmbH, Cologne	Merger

Deconsolidation led to an insignificant disposal of assets and liabilities.

METHODS OF CONSOLIDATION AND CURRENCY TRANSLATION

The same methods of consolidation and principles of currency translation were applied in drawing up the consolidated interim financial statements with reporting date 30 September 2013 as were used for the consolidated annual financial statements with reporting date 31 December 2012. Details regarding the methods of consolidation and principles of currency translation are available in the 2012 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.–30.9.2013 T€	1.1.–30.9.2012 T€
Interest income	51,557	53,146
Interest expense	-25,707	-27,544
Total	**25,850**	**25,602**

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 1-9/2013, a total goodwill from capital consolidation on the basis of the preliminary purchase price allocations in the amount of T€ 1,835 was capitalised and no impairments were made.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In 1-9/2013, tangible and intangible assets in the amount of T€ 292,352 (1-9/2012 T€ 335,436) were acquired.

In the same period, tangible and intangible assets with a book value of T€ 26,123 (1-9/2012 T€ 35,043) were sold.

PURCHASE OBLIGATIONS

On the reporting date, there were € 53 million (30 September 2012 € 114 million) in contractual commitments for the acquisition of property, plant and equipment which were not considered in the financial statements.

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€ -43,881 (31 December 2012 T€ -61,198) 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€ 607,305 (31 December 2012 T€ 630,311), 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-in share capital amounts to € 114,000,000 and is divided into 113,999,997 no-par bearer shares and three registered shares.

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

CONTINGENT LIABILITIES

The company has accepted the following guarantees:

	30.9.2013 T€	31.12.2012 T€
Guarantees without financial guarantees	903	903

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 71,760 (31 December 2012 T€ 56,019).

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 (Management Approach).

Internal reporting at STRABAG is based on the dedicated management board functions North + West, South + East and International + Special Divisions, 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 Other.

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

SEGMENT REPORTING FOR 1.7.–30.9.2013

	NORTH + WEST 1.7.–30.9.2013 T€	SOUTH + EAST 1.7.–30.9.2013 T€	INTERNATIONAL + SPECIAL DIVISIONS 1.7.–30.9.2013 T€	OTHER 1.7.–30.9.2013 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.7.–30.9.2013 T€	TOTAL 1.7.–30.9.2013 T€
Output volume	**1,753,665**	**1,400,385**	**773,505**	**38,654**		**3,966,209**
Revenue	**1,636,395**	**1,395,171**	**692,055**	**8,416**	**0**	**3,732,037**
Inter-segment revenue	31,900	4,236	114,348	227,979		
EBIT	**55,295**	**109,829**	**12,483**	**965**	**-16,134**	**162,438**
Interest and similar income	0	0	0	11,162	0	11,162
Interest expense and similar charges	0	0	0	-20,884	0	-20,884
Profit before tax	**55,295**	**109,829**	**12,483**	**-8,757**	**-16,134**	**152,716**

SEGMENT REPORTING FOR 1.7.–30.9.2012

	NORTH + WEST 1.7.–30.9.2012 T€	SOUTH + EAST 1.7.–30.9.2012 T€	INTERNATIONAL + SPECIAL DIVISIONS 1.7.–30.9.2012 T€	OTHER 1.7.–30.9.2012 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.7.–30.9.2012 T€	TOTAL 1.7.–30.9.2012 T€
Output volume	**1,842,138**	**1,493,905**	**711,675**	**27,196**		**4,074,914**
Revenue	**1,604,229**	**1,453,487**	**519,888**	**11,125**	**0**	**3,588,729**
Inter-segment revenue	25,393	4,507	125,333	249,658		
EBIT	**30,861**	**109,772**	**35,580**	**-837**	**-6,953**	**168,423**
Interest and similar income	0	0	0	15,230	0	15,230
Interest expense and similar charges	0	0	0	-29,893	0	-29,893
Profit before tax	**30,861**	**109,772**	**35,580**	**-15,500**	**-6,953**	**153,760**

SEGMENT REPORTING FOR 1.1.–30.9.2013

	NORTH + WEST 1.1.–30.9.2013 T€	SOUTH + EAST 1.1.–30.9.2013 T€	INTERNATIONAL + SPECIAL DIVISIONS 1.1.–30.9.2013 T€	OTHER 1.1.–30.9.2013 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.1.–30.9.2013 T€	TOTAL 1.1.–30.9.2013 T€
Output volume	**4,273,165**	**3,226,455**	**2,006,346**	**103,242**		**9,609,208**
Revenue	**3,979,683**	**3,095,163**	**1,794,264**	**22,079**	**0**	**8,891,189**
Inter-segment revenue	99,468	9,570	225,575	596,994		
EBIT	**-20,823**	**48,044**	**14,130**	**420**	**-2,144**	**39,627**
Interest and similar income	0	0	0	45,850	0	45,850
Interest expense and similar charges	0	0	0	-64,456	0	-64,456
Profit before tax	**-20,823**	**48,044**	**14,130**	**-18,186**	**-2,144**	**21,021**

SEGMENT REPORTING FOR 1.1.–30.9.2012

	NORTH + WEST 1.1.–30.9.2012 T€	SOUTH + EAST 1.1.–30.9.2012 T€	INTERNATIONAL + SPECIAL DIVISIONS 1.1.–30.9.2012 T€	OTHER 1.1.–30.9.2012 T€	RECONCILIATION TO IFRS FINANCIAL STATEMENTS 1.1.–30.9.2012 T€	TOTAL 1.1.–30.9.2012 T€
Output volume	**4,549,533**	**3,413,834**	**2,055,482**	**92,250**		**10,111,099**
Revenue	**4,003,857**	**3,355,252**	**1,907,079**	**23,656**	**0**	**9,289,844**
Inter-segment revenue	107,471	18,382	264,231	644,590		
EBIT	**-107,811**	**31,084**	**72,455**	**-547**	**6,527**	**1,708**
Interest and similar income	0	0	0	47,544	0	47,544
Interest expense and similar charges	0	0	0	-92,867	0	-92,867
Profit before tax	**-107,811**	**31,084**	**72,455**	**-45,870**	**6,527**	**-43,615**

RECONCILIATION OF THE SUM OF THE SEGMENT EARNINGS TO 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 profit before tax 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.–30.9.2013 T€	1.1.–30.9.2012 T€
Investment income	3,986	11,724
Other consolidations	-6,130	-5,197
Total	**-2,144**	**6,527**

NOTES ON FINANCIAL INSTRUMENTS

With exception of the financial liabilities the book value of the financial instruments corresponds to the fair value. The fair value of the financial liabilities amounts to T€ 1,805,740 on 30 September 2013 (31 December 2012 T€ 1,671,524) composed to the recognised book value of T€ 1,774,292 (31 December 2012 T€ 1,649,984).

The **fair value measurement** at 30 September 2013 for financial instruments measured at fair value was done as follows:

ASSETS	VALUATION AT MARKET VALUE T€	VALUATION USING INPUT TAKEN FROM OBSERVABLE MARKET DATA T€	OTHER VALUATION METHODS T€	TOTAL T€
Investments in subsidiaries	0	0	109,145	109,145
Other investments	0	0	92,084	92,084
Securities	34,869	0	0	34,869
Cash and cash equivalents	9,417	0	0	9,417
Derivatives	0	-41,904	0	-41,904
Total	**44,286**	**-41,904**	**201,229**[1]	**203,611**
LIABILITIES				
Derivatives	0	-4,818	0	-4,818
Total	**0**	**-4,818**	**0**	**-4,818**

The **fair value measurement** at 31 December 2012 for financial instruments measured at fair value was done as follows:

ASSETS	VALUATION AT MARKET VALUE T€	VALUATION USING INPUT TAKEN FROM OBSERVABLE MARKET DATA T€	OTHER VALUATION METHODS T€	TOTAL T€
Investments in subsidiaries	0	0	101,493	101,493
Other investments	0	0	100,612	100,612
Securities	35,317	0	0	35,317
Cash and cash equivalents	12,472	0	0	12,472
Derivatives	0	-59,632	0	-59,632
Total	**47,789**	**-59,632**	**202,105**[2]	**190,262**
LIABILITIES				
Derivatives	0	-7,641	0	-7,641
Total	**0**	**-7,641**	**0**	**-7,641**

NOTES ON RELATED PARTIES

Notes on related parties may be found in the 2012 consolidated financial statements. Since 31 December 2012, there have been no significant changes in this area. Arm's-length business relations exist in transactions with related parties.

EVENTS AFTER THE REPORTING DATE

No material events occurred after the reporting for this interim financial statements.

AUDIT WAIVER

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

1) Investments in subsidiaries and other investments amounting to T€ 196,238 are recognised at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.
2) Investments in subsidiaries and other investments amounting to T€ 196,866 are recognised at cost less impairment according to IAS 39 because their fair value cannot be reliably determined.

STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the condensed interim financial statements as of 30 September 2013 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 2013

Management Board

Dr. Thomas Birtel
CEO
Responsibility Central Divisions and
Central Staff Divisions (except BRVZ)
as well as Divisions 3L RANC and 3M RANC[1)]

Mag. Christian Harder
CFO

DI Dr. Peter Krammer
Responsibility Segment North + West

DI Siegfried Wanker
Responsibility Segment South + East
(except Divisions 3L RANC and 3M RANC)[1)]

Mag. Hannes Truntschnig
Responsibility
Segment International + Special Divisions

1) RANC = Russia and Neighbouring Countries

FINANCIAL CALENDAR

Interim Report January–September 2013	**29 November 2013**
Publication	7:30 am
Investor and analyst telephone conference	2:00 pm
Annual report 2013	**30 April 2014**
Publication	7:30 am
Press conference	10:00 am
Investor and analyst telephone conference	2:00 pm
Interim report January–March 2014	**28 May 2014**
Publication	7:30 am
Investor and analyst telephone conference	2:00 pm
Notice of Annual General Meeting	30 May 2014
Shareholding confirmation record date	17 June 2014
Annual General Meeting 2014	**27 June 2014**
Beginning	*10:00 am*
Location – to be announced	
Ex-dividend date	4 July 2014
Payment date for dividend	7 July 2014
Semi-annual report 2014	**29 August 2014**
Publication	7:30 am
Investor and analyst telephone conference	2:00 pm
Interim report January–September 2014	**28 November 2014**
Publication	7:30 am
Investor and analyst telephone conference	2:00 pm

All times are CET/CEST. Please find the current road show schedule on the website www.strabag.com > Investor Relations > Company Calendar

CORPORATE BONDS

MATURITY	COUPON	VOLUME	ISIN	STOCK EXCHANGE
2010–2015	4.25 %	€ 100 million	AT0000A0DRJ9	Vienna
2011–2018	4.75 %	€ 175 million	AT0000A0PHV9	Vienna
2012–2019	4.25 %	€ 100 million	AT0000A0V7D8	Vienna
2013–2020	3.00 %	€ 200 million	AT0000A109Z8	Vienna

CORPORATE CREDIT RATING

Standard & Poors	BBB-	Outlook stable

CODES

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

FOR FURTHER QUESTIONS, PLEASE CONTACT OUR INVESTOR RELATIONS DEPARTMENT:

STRABAG SE, Donau-City-Str. 9, 1220 Vienna/Austria
+43 800 880890
investor.relations@strabag.com
www.strabag.com

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