INTERIM REPORT JANUARY–SEPTEMBER 2008

28 November 2008

STRABAG
SOCIETAS EUROPAEA

KEY FIGURES

Key Financial Figures

	Q3/2008 T€	Q3/2007 T€	Change in %	9M/2008 T€	9M/2007 T€	Change in %	2007 T€
Output Volume	4,085,003	3,151,673	29.6	9,381,775	7,614,975	23.2	10,746,223
Revenue	3,537,128	2,814,162	25.7	8,314,541	6,860,897	21.2	9,878,600
Order Backlog				13,966,774	10,806,349	29.2	10,742,287
Net income	126,517	102,114	23.9	108,697	69,684	56.0	207,614
Employees				69,106	59,287	16.6	61,125

Key Earnings Figures

	Q3/2008 T€	Q3/2007 T€	Change in %	9M/2008 T€	9M/2007 T€	Change in %	2007 T€
EBITDA	261,236	218,178	19.7	391,356	320,632	22.1	595,899
EBITDA margin as % of revenue	7.4	7.8	-5.1	4.7	4.7	0.0	6.0
EBIT	176,909	149,931	18.0	148,497	128,306	15.7	312,428
EBIT margin as % of revenue	5.0	5.3	-5.7	1.8	1.9	-5.3	3.2
Earnings before taxes	168,675	140,965	19.7	145,322	91,512	58.8	276,256
Net income	126,517	102,114	23.9	108,697	69,684	56.0	207,614
Cash-flow from operating activities	113,628	100,514	13,0	-232,791	-147,825	-57.5	493,989
ROCE in %	3.2	4.3	-25.6	3.5	4.4	-20.5	8.5
Investments in fixed assets and intangible assets	174,384	107,834	61.7	698,140	343,039	103.5	543,842

Key Balance Sheet Figures

	30.9.2008 T€	31.12.2007 T€	Change in %
Equity	3,093,311	3,096,454	-0.1
Equity Ratio in %	31.8	40.0	-20.5
Net Debt	606,428	-926,972	165.4
Gearing Ratio in %	19.6	-29.9	166.7
Capital Employed	5,327,871	4,135,257	28.8
Total Assets	9,740,713	7,740,814	25.8

EBITDA = profit for the period before net interest income, income tax expense, 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 without 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

FOREWORD

Dr. Hans Peter Haselsteiner
Chairman of the
Management Board

Dear shareholders, associates and friends of STRABAG SE,

Today I would like to present you with two pictures: The first is the picture painted by our results from January through September 2008. The order backlog is at a record high and the output volume increased by some 23 %. The EBITDA and the EBIT also grew at double-digit rates. Net profit after minorities increased strongly by 73 %.

The second picture depicts our share price chart – which you may find on page 3 of this report. It is obvious that the development of the share price in no way reflects the previous Group results. The financial crisis that began in the United States has spilled over onto the real economy, resulting in a depressed business outlook for companies in Europe. Much worse in my opinion, however, is the high degree to which the crisis has shattered investor trust. As co-owners of STRABAG SE you will justly ask what effect the financial crisis could have on your company and which measures the Management has taken in order to anticipate and forestall the consequences of the negative business climate.

The order backlog currently amounts to nearly € 14 billion. This represents a comfortable reserve for the remaining months of the current financial year as well as for 2009. The Management is in constant contact with our clients to guarantee that the order backlog remains stable and to ensure that no major projects in process fail due to a lack of financing. We are assuming that the demand for construction services from private clients will no longer show the same dynamism as in past years – all the more reason for us to feel safe with the many orders from the public sector, which account for more than 50 % of the order backlog.

The project business makes up the largest part of our activities, which means it is easier for us as a construction group – as opposed to a manufacturing company – to adapt to the changing market conditions. We can do this by transferring personnel and machinery from a country with a weaker outlook to another region with higher potential.

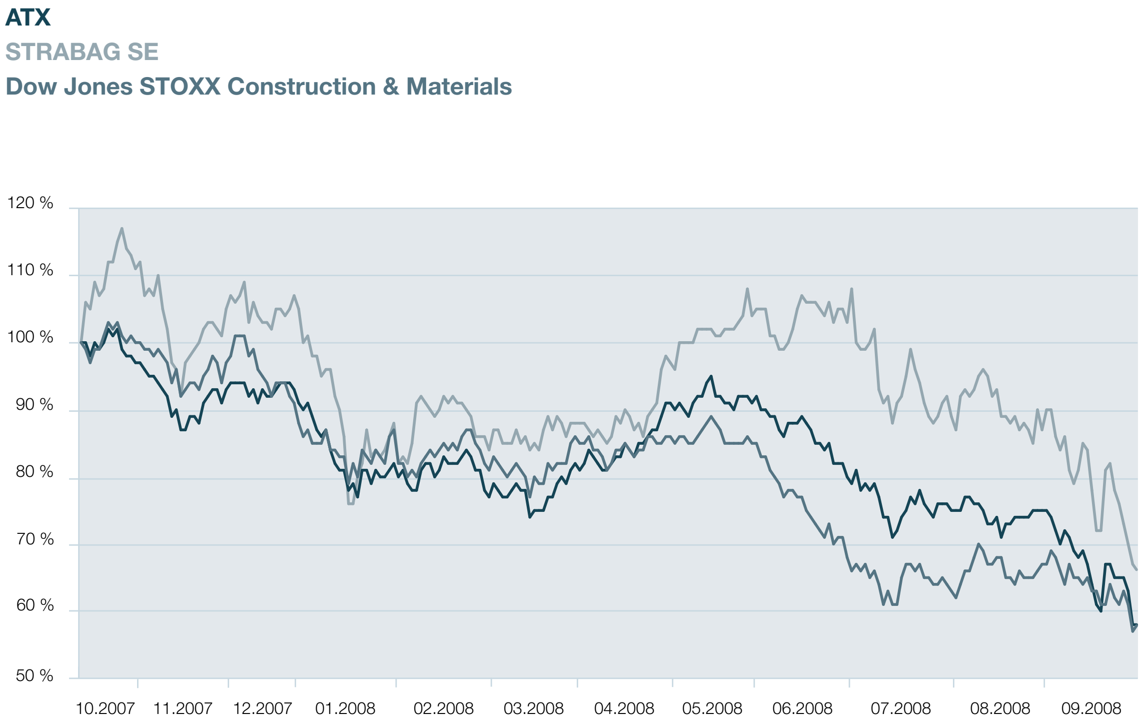
The financial crisis has raised a number of questions regarding liquidity. STRABAG SE currently has an equity ratio of 32 % and possesses cash and cash equivalents in the amount of € 811 million. In the future, we will be more selective in placing bids and will choose a more careful approach regarding our growth investments. This means that we will cut investment spending in the coming financial year by more than half compared to the investment spending in 2008.

I expect that the business environment will have only a small effect on our Group in 2008 and 2009. From 2010, we will see which construction companies responded quickly enough to the financial crisis. I am sure that STRABAG SE will be one of them.

Your Dr. Hans Peter Haselsteiner

- **Again record order backlog of € 14 billion – increase of 29 % over first nine months of 2007**
- **Output volume +23 % to € 9,381.8 million in the first nine months of 2008 – EBITDA and EBIT up 22 % and 16 % respectively – consolidated earnings after minorities up 73 %**
- **Outlook 2008 confirmed: expected growth of output volume to about € 13.3 billion – increase of EBIT margin and even more significant growth of net margin after minorities**

SHARE


ATX
STRABAG SE
Dow Jones STOXX Construction & Materials
120 %
110 %
100 %
90 %
80 %
70 %
60 %
50 %
10.2007
11.2007
12.2007
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08.2008
09.2008

The macroeconomic climate during the first nine months of the financial year was affected by the bankruptcy of a number of prestigious U.S. banks. This had a strong negative effect on investor confidence – and the talk of financial crisis shifted to talk of a crisis of confidence. As a result of the increasingly global nature of business, Europe's financial community was unable to escape the consequences of the crisis. Both U.S. and European stock indices were down in the past three quarters: the Dow Jones Industrial lost 18 %, Europe's Euro Stoxx 50 fell by 31 % and Austria's ATX index of leading stocks dropped by 39 %.

In line with these developments, the building sector had to accept serious losses as well. The Dow Jones STOXX Construction & Materials, which measures the performance of construction sector shares, lost 39 %. Despite keeping up a relatively good performance for much of the time, the final closing price of STRABAG SE shares was down 36 % in a year-on-year comparison.

Shares of STRABAG SE are currently under observation by analysts from seven international banks. They calculate an average share price target of € 24. Detailed analyses and recommendations are available at the STRABAG SE website at www.strabag.com / Investor Relations / Share / Research & Analysts.

STRABAG SE Share

Market capitalization at 30.9.2008	€ mln.	3,534
Closing price on 30.9.2008	€	31.00
Year's maximum on 30.5.2008	€	50.92
Year's minimum on 30.9.2008	€	31.00
Performance 9 months 2008	%	-36.4
Outstanding shares (absolute)	shares	113,999,997
Outstanding shares (weighted) in Q3/08	shares	113,999,997
Weight in ATX on 30.9.2008	%	2.8
Volume traded 9 months 2008	€ mln.*	2,782
Average trade volume per day	shares*	341,011
% of total volume trade on Vienna Stock Exchange	%	2.3

* double count

IMPORTANT EVENTS

STRABAG SE acquires Deutsche Telekom facility management subsidiary

In July, Deutsche Telekom and STRABAG SE concluded an agreement over the sale of Frankfurt-based Deutsche Telekom Immobilien und Service GmbH (DeTeImmobilien), a 100 % subsidiary of Deutsche Telekom. According to the terms of the agreement, DeTeImmobilien will be sold by Deutsche Telekom effective1 October 2008 and operations will be continued by the STRABAG Group. DeTeImmobilien has about 6,240 employees and provides comprehensive services in the field of facility management. The company generated revenues of roughly € 1 billion in the 2007 financial year. DeTeImmobilien was renamed to STRABAG Property and Facility Services GmbH.

STRABAG SE now holds 89.3 % of German subsidiary STRABAG AG

Following the offer submitted to shareholders of Cologne-based STRABAG AG for the acquisition of their shares, STRABAG SE as of 30 September 2008 holds 89.3 % of its publicly traded German subsidiary. By the deadline for acceptance on 22 July 2008, the voluntary public purchase offer issued by STRABAG SE on 17 June had been accepted for a total of 851,679 shares of STRABAG AG, Cologne. This corresponds to approx. 21.1 % of the share capital and voting rights of STRABAG AG. Following the deadline, the Group continued its share acquisition at a more modest level and acquired a further 1.6 % of STRABAG AG.

STRABAG SE acquires Austrian and Hungarian operations of building materials market leader CEMEX

In July, STRABAG SE announced the 100 % acquisition of CEMEX Austria AG and CEMEX Hungaria Epitöanyagok Kft., two important market participants in the field of concrete, gravel and stone production in Austria and Hungary. In 2007, CEMEX Austria generated revenues of € 196 million. CEMEX Hungaria's revenues amounted to € 61 million in the same year. This strategically important acquisition helps to strengthen STRABAG's market position in stone, gravel and concrete production in Austria and Hungary. Particularly in Austria, where STRABAG's presence in the raw materials sector had been relatively low, the acquisition results in nationwide market presence. The antitrust authorities' approval is still outstanding.

STRABAG SE subsidiary gets orders of € 375 million in Polish transportation infrastructure

STRABAG in August announced that its Polish subsidiary STRABAG Sp. z o.o. had won orders in the transportation infrastructure segment totalling € 375 million. As general contractor, the company is building the Słupsk bypass, a section of National Road DK 6 from Szczecin to Gdańsk. The volume of the order totals € 89 million, with STRABAG's share amounting to 60 %. STRABAG will also upgrade a part of National Road DK 16 to an expressway. This project, being carried out 100 % by STRABAG, has a value of € 87.7 million. The third and largest order involves the construction of a section of the A1 motorway from Bełk to Świerklany. The project is being realized in a 50:50 partnership with Heilit Woerner Budowlana Sp. z o.o., also a member of the STRABAG Group. The contract has a volume of € 233.8 million.

STRABAG SE postpones plans for the expansion of its cement strategy outside its Central European core markets

The Management Board of STRABAG SE in September decided to put on hold plans to expand its cement activities outside the Group's core markets for the time being. The decision was based on expectations – in part already realized – of declining prices for cement in Russia. While construction, already in progress, of STRABAG's first cement factory in Hungary will continue according to plan, plans for a joint venture in the cement business with Russia's Basic Element will not be realized at this time.

STRABAG standardizes corporate presence in Switzerland

Effective 1 October 2008, Zurich-based Züblin Murer AG and Erstfeld-based Murer Tunnelbau – including its divisions Murer Sedrun and Disentis – will do business under the STRABAG AG name and brand.

STRABAG SE gets regulatory approval for acquisition of Kirchner

STRABAG SE had in April announced its intention to acquire 80 % of German construction SME Kirchner Holding GmbH. Regulatory approval by the cartel authorities was delivered on 25 September 2008, allowing STRABAG SE to consolidate Kirchner Group in full as of the third quarter 2008. Kirchner, active mainly in the infrastructure construction segment, generated a construction output volume of € 373.4 million and employed 1,500 persons in 2007.

STRABAG consortium awarded € 500 million order for construction of Wroclaw bypass in Poland

A consortium around STRABAG in October won the € 500 million contract to build the Wrocław bypass in Poland. About 70 % (€ 350 million) of the contract value falls upon the STRABAG Group. The project comprises the construction of an approximately 13 km section of the A8 motorway, 0.5 km of the S8 express road and 5.6 km of the Długołęka access road.

Recent STRABAG acquisition Kirchner wins € 340 million deal in Poland

Also in October, a consortium around German construction company Kirchner, recently acquired by the STRABAG Group, was awarded a contract to upgrade the S1 and S69 expressways in Poland. Kirchner's share of the € 340 million contract is 32 %.

Housing estate Hackerhöfe, Munich, Germany

MANAGEMENT REPORT JANUARY – SEPTEMBER 2008

Output Volume and Revenue

STRABAG SE was able to grow its construction output in the first nine months of 2008 by 23 % over the same period last year to € 9,381.8 million. About one-third of this increase was contributed by Germany and the initial consolidation of F. Kirchhoff AG (Germany: +€ 604.7 million to € 3,328.4 million). Significant growth was seen in Russia and Hungary as well.

Consolidated Group revenue in the first nine months of the 2008 financial year amounted to € 8,314.5 million, compared to € 6,860.9 million in the same period last year (+21 %). Revenue in the third quarter 2008 was up by 26 % to € 3,537.1 million.

All companies consolidated for the first time in the first nine months of the year contributed a total of € 280.8 million to the consolidated revenue and € 4.4 million to the consolidated profit.

Order Backlog

The order backlog at 30 September 2008 reached a new record high of € 13,966.8 million, up 29 % compared to the first nine months of the previous year. The increase in the order backlog is due two-thirds to increases in Central and Eastern Europe – in Russia and Poland, additional projects were generated worth around € 908 million and € 559 million respectively. Worth noting is the fact that Russia, with € 2,088.1 million, already has the second highest order backlog in the STRABAG Group after Germany. The Austrian market comes third, followed by Poland in fourth place. At € 1,106.7 million, Poland's order backlog has more than doubled since 30 September 2007.

Financial Position, Financial Performance and Cash-flows

The EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization), at € 391.4 million, grew by 22 % over the first nine months of 2007. The EBIT (Earnings before Interest and Taxes) grew by 16 % to € 148.5 million, although the EBIT margin fell slightly from 1.9 % to 1.8 %. Due to the only slightly negative net interest when compared to the same period the previous year, STRABAG's pre-tax profit (EBT) improved strongly by 59 % to € 145.3 million. The net profit stood at € 108.7 million (+56 %); the net profit after minorities grew even more strongly by 73 % to € 114.9 million. The earnings per share thus stood at € 1.0.

The EBITDA, the EBIT and the net profit grew by a double-digit rate in the third quarter 2008. While the EBITDA and EBIT margins were down, the net margin (earnings after minority interest) in the quarter grew from 3.0 % to 3.2 %.

The earnings development of the STRABAG Group is subject to significant seasonal effect due to the limited capacity for construction in winter. The first two quarters of the year typically result in a negative net contribution to earnings, which is then overcompensated by results in the second half of the year. As a result of these seasonal effects, a quarterly comparison (to Q2 2008) makes little sense.

The balance sheet total increased from € 7,740.8 million on 31 December 2007 to € 9,740.7 million on 30 September 2008, above all due to the new balance sheet item "Receivables from concession contracts". This item contains the receivables which are carried at the present value of the payment to be made by the state to the concession company AKA Alföld Koncessizios Zrt., Budapest. In the concession agreement with the Hungarian state, AKA committed to develop, plan, finance, build and operate the M5 motorway. In exchange, AKA receives an availability fee, independent of transit volume, from the Hungarian state for making the motorway available to the public. Due to the resulting increase of the balance sheet total, the equity ratio fell from 40.0 % to 31.8 %. In the medium term, STRABAG is aiming at an equity ratio between 20 % and 25 %. The previous net cash position developed into one of net debt of € 606.4 million.

At € -232.8 million, the cash-flow from operating activities stood below the previous year´s level of € -147.8 million. The cash-flow from earnings nearly doubled, but the working capital also grew due to the Group´s expansion. The cash-flow from investing activities climbed from € -401.8 million to € -995.7 million as a result of the STRABAG Group's acquisition and expansion activities. While the capital increases during the first nine months of the previous year resulted in an increase of the cash-flow from financing activities to € 702.0 million, the same figure has only reached € 50.5 million in the ongoing financial year.

Investments

In addition to the necessary replacement investments, investments made under the STRABAG corporate strategy during the first nine months of the 2008 financial year included significant expansion investments - e. g. in the railway and waterway construction businesses. Additionally, the expansion and the consolidation of the market share were advanced through acquisitions.

Employees

As a result of the acquisitions and due to the rising construction activity when compared to the same period last year, the level of employment grew by 17 % to 69,106 persons. Of these, 44,544 were blue-collar and 24,562 white-collar workers. The highest increase was in Germany, followed by the growth markets Middle East, Poland and Russia.

MANAGEMENT REPORT JANUARY – SEPTEMBER 2008

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, organizational, personnel, and investment risks. The risks are explained in more detail in the 2007 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.

Power Plant Bockhartsee, Austria

Outlook

STRABAG sees no reliable indications that would require a significant change to the 2008 and 2009 full-year outlook made after the first six months of 2008. A careful analysis of new orders during the first quarter of the 2009 financial year will be necessary to refine or confirm the outlook.

STRABAG expects the output volume in 2008 to grow by 24 % to € 13.3 billion over the 2007 financial year. STRABAG is aiming for the ambitious goal of raising its earnings before interest and taxes (EBIT) to nearly € 400 million, which should allow for a slight improvement of the EBIT margin. Following the acquisition of further shares of the publicly listed German subsidiary STRABAG AG, Cologne, the minority interest in the group profit of € 37 million in the 2007 financial year should fall to between € 20 million and € 25 million this year. For this reason, STRABAG expects the margin of the net profit after minority interest in the 2008 financial year to rise more significantly than the EBIT margin.

In 2009, STRABAG expects to increase its output volume and revenues subject to the overall economic development. The EBIT should reach a similar level as in the 2008 financial year. The tax ratio is expected to remain stable at about 25 %. STRABAG estimates the amount of the earnings attributable to minority shareholders at between € 25 million and € 30 million.

SEGMENT REPORT

BUILDING CONSTRUCTION & CIVIL ENGINEERING

	Q3/08	Q3/07	Change	9M/08	9M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	1,648,775	1,448,713	13.8	4,239,627	3,906,829	8.5	5,417,841
Revenue	1,449,679	1,220,634	18.8	3,755,528	3,432,681	9.4	4,815,571
Order Backlog				7,559,238	6,205,090	21.8	6,261,855
EBIT	73,919	40,280	83.5	70,519	34,231	106.0	76,565
EBIT margin as a % of revenue	5.1	3.3		1.9	1.0		1.6
Employees				28,267	25,476	11.0	26,322

The Building Construction & Civil Engineering Segment generated an output volume of € 4,239.6 million in the first nine months of the 2008 financial year. This represents approximately a 9 % plus over the same period of the previous year. The segment contributed 45 % to the Group's overall output volume in the first nine months, down from 51 % last year. The development reflects the Group's strategy of focusing its growth efforts on Central and Eastern Europe: the output volume in the CEE region grew by 42 %. While output more than doubled in Russia (+115 %), it fell by 8 % in Austria.

The situation of the order backlog paints a dynamic picture: At the end of the first nine months, the order backlog stood at € 7,559.2 million, 22 % higher than at the same time the previous year. The order backlog in Central and Eastern Europe was up 46 %, above all due to the plus of 123 % in Poland to € 277.5 million and of 76 % in Russia to € 2,011.8 million. With this figure, Russia has the second-highest order backlog over all Group segments.

In Russia, the STRABAG Group was able to land several major building construction projects during the first nine months of 2008. At the end of April, STRABAG AG was awarded the tender for its first project in Sochi. Under the contract, STRABAG will upgrade and modernize the terminal at Adler International Airport. The total volume of the order amounts to about € 62 million. Meanwhile, the construction project for a residential complex in Saratov has been included in the order backlog since June. The "cost plus fee" project has a volume of about € 140 million.

In Poland, STRABAG was awarded a € 91.7 million tender to build a shopping centre in the city of Częstochowa. STRABAG's share of the project is 88.5 %. The shopping centre is scheduled for completion in October 2010. Furthermore, STRABAG has been hired to build an additional part of the Z-Tower commercial complex in Riga, Latvia. The volume of the order for STRABAG amounts to € 126.5 million. In Sofia, Bulgaria, STRABAG will build a multifunction complex. The contract for the Megapark Sofia was signed in April and is worth € 85 million.

On the German home market, the STRABAG Group in the third quarter was awarded the contract to build the new nationwide headquarters in Munich of the German automobile club ADAC under a partnership model. The order has a volume of about € 200 million.

The average workforce level was up by 11 % to 28,267 persons. The workforce level fell in Austria and Germany at the same time that it grew in the Russian Federation (+804) and in the Middle East (+1,205).

In the first nine months of the 2008 financial year, revenues in the Building Construction & Civil Engineering Segment were up 9 % to € 3,755.5 million. The EBIT more than doubled to € 70.5 million. Third-quarter revenues rose by 19 % to € 1,449.7 million; the EBIT for the quarter was up by 84 % to € 73.9 million, while the EBIT margin grew from 3.3 % to 5.1 %.

A general contractor like STRABAG in the Building Construction and Civil Engineering Segment has a relatively favourable position during periods of downturn in the economic cycle. This is due to two factors: Firstly, the order backlog covers a longer period of time – over one year in STRABAG's case. Secondly, materials and subcontractor services can be purchased at a more affordable price during downturns at the same time that revenues from fixed-price contracts remain stable.

With the end of the third quarter, it has become clear that last year's improvement of the margins in the Building Construction & Civil Engineering Segment will be continued through the 2008 financial year. In the home markets of Germany and Austria, STRABAG has still not felt any noteworthy effects of an economic downturn. However, the Management expects to see declining orders particularly in the field of private project developments – e.g. hotels, office buildings or shopping centres. Unlike many competitors, STRABAG – thanks to its focus on the private luxury segment and on contracts handled under a "cost plus fee" model in Russia – continues to see itself in a stable situation and there have been no cancelled orders or client bankruptcies worth mentioning thus far.

Mesaieed Housing Project, Mesaieed, Qatar

SEGMENT REPORT

TRANSPORTATION INFRASTRUCTURES

	Q3/08	Q3/07	Change	9M/08	9M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	2,089,897	1,534,521	36.2	4,226,303	3,210,139	31.7	4,616,841
Revenue	1,733,162	1,444,758	20.0	3,650,222	3,044,094	19.9	4,455,142
Order backlog				3,962,574	2,589,120	53.0	2,081,015
EBIT	105,645	95,853	10.2	87,713	75,938	15.5	185,646
EBIT margin as a % of revenue	6.1	6.6		2.4	2.5		4.2
Employees				32,342	27,478	17.7	28,352

The revenues in the Transportation Infrastructures Segment rose by 20 % to € 3,650.2 million in the first nine months of the 2008 financial year. The EBIT increased by 16 % to € 87.7 million. Third-quarter revenues stood at € 1,733.2 million, also 20 % above the figures from the same quarter of the previous year. The quarterly EBIT, by comparison, grew by just 10 % to € 105.7 million so that the margin fell from 6.6 % to 6.1 %.

The output volume of the Transportation Infrastructures Segment in the first nine months of the 2008 financial year amounted to € 4,226.3 million, a plus of 32 % over the same period of the previous year. This development is largely due to growth in Germany (+43 % to € 1,726.5 million) and the Czech Republic (+26 % to € 540.0 million).

The growth in Germany is due not least to an acquisition in that country. STRABAG SE acquired a majority stake in F. Kirchhoff AG, the market leader in the transportation infrastructure business in the German state of Baden-Württemberg. In 2007, the company employed 1,600 people and generated revenues of about € 350 million. The acquisition allows STRABAG to tap a regional market in which it had so far not had a widespread presence. With the acquisition, STRABAG continues to pursue the strategic objective of expanding its raw materials base.

In April, STRABAG SE acquired an 80 % stake in Kirchner Holding GmbH, a leading German construction SME. Kirchner, active mainly in the infrastructure construction and environmental technology segments, generated a output volume of € 373 million and employed 1,500 persons in 2007. Kirchner has an important international presence – particularly in the Transportation Infrastructures Segment in Poland – and has access to proprietary raw materials resources. Regulatory approval by the cartel authorities was delivered on 25 September 2008, allowing STRABAG SE to consolidate the investment in full as of the third quarter 2008.

Despite the acquisitions in Germany, the Group's focus remains on expanding its business activities in Central and Eastern Europe. The order backlog in this region already accounts for 51 % of the total order backlog in the segment. Orders in the third quarter included STRABAG's first Russian contract in the Transportation Infrastructures Segment: a € 53 million contract to build the Moscow Raceway, a 4.1 km Formula One circuit in Wolokolamsk. The entire volume of order backlog in the Transportation Infrastructures Segment rose 53 % to € 3,962.6 million, due above all to the contribution of Poland (+114 % to € 802.2 million). STRABAG was awarded numerous contracts in Poland, including the construction of the Słupsk bypass, the upgrade of a section of National Road DK 16 to an expressway and the construction of a section of the A1 motorway from Bełk to Świerklany.

In the course of the expansion of the business in Poland, and due to acquisitions in Germany, the workforce in the Transportation Infrastructures Segment grew by 18 % to 32,342 employees. In Hungary, the business dynamic was down and the number of employees fell by 12 %, or 312 people, in the same period.

The Transportation Infrastructures Segment has made intensive investments in the expansion of the raw materials basis in the past nine months. In addition to the acquisition of sand and gravel facilities and smaller construction materials groups, STRABAG SE in July announced the 100 % acquisition of CEMEX Austria AG and CEMEX Hungaria Epitöanyagok Kft., two important market participants in the field of concrete, gravel and stone production. In 2007, CEMEX Austria generated revenues of € 196 million. CEMEX Hungaria's revenues amounted to € 61 million in the same year. These strategically important acquisitions help to strengthen STRABAG's market position in stone, gravel and concrete production in Austria and Hungary. Particularly in Austria, where STRABAG's presence in the raw materials sector had been relatively low, the acquisition results in nationwide market presence. As regulatory approval has not yet been granted, STRABAG was unable to consolidate the CEMEX companies as of 30 September 2008.

STRABAG expects the output volume in the Transportation Infrastructures Segment in the 2008 financial year to increase at the Group level. Earlier significant price increases for diesel and bitumen, however, represent a constraint to the growth of the operating result.

Northeast-motorway A6, Bruckneudorf-Kittsee, Austria

SEGMENT REPORT

SPECIAL DIVISIONS & CONCESSIONS

	Q3/08	Q3/07	Change	9M/08	9M/07	Change	2007
	T€	T€	in %	T€	T€	in %	T€
Output volume	300,093	143,536	109.1	781,117	413,595	88.9	582,077
Revenue	347,640	127,962	171.7	882,382	332,675	165.2	584,961
Order backlog				2,395,674	1,972,732	21.4	2,347,814
EBIT	-3,112	15,972	-119.5	-11,258	17,539	-164.2	48,455
EBIT margin as a % of revenue	-0.9	12.5		-1.3	5.3		8.3
Employees				3,383	1,790	89.0	1,824

The output volume of the Special Divisions & Concessions Segment grew by 89 % to € 781.1 million in the first nine months of 2008. The output volume comprises only construction services performed by the Group and does not include services rendered by consortium partners which are only passed on by STRABAG. As a result, the revenue increased more significantly by 165 % to € 882.4 million. While the EBIT was in positive territory during the first nine months of the last year, it has been in negative territory so far this year. In the third quarter 2008, revenues grew by 172 % to € 347.6 million; the EBIT, however, has so far not been moving in the same positive territory.

The order backlog reached € 2,395.7 million, a plus of 21 % compared to the first nine months of 2007. Significant increases result in part from Phase III of the M6 motorway in Hungary (Hungary +382 % to € 236.5 million) as well as from several PPP (Public Private Partnership) projects in Germany: the Berufsakademie Heidenheim (Heidenheim University of Cooperative Education), the Brandenburg Ministry of Finance in Potsdam and a number of schools in Ratzeburg/Lauenburg (Germany +50 % to € 397.8 million).

In February, STRABAG SE signed the agreements covering the 100 % acquisition of Adanti S. p. A., Bologna, an Italy-based construction firm. In 2007, Adanti generated revenues of € 160 million and employed 370 people. Adanti helped to boost the order backlog of the Special Divisions & Concessions Segment in Italy by 40 % to € 628.0 million.

In the second quarter, STRABAG SE acquired a substantial package of shares in EFKON AG just below a majority holding. EFKON is a leading company in electronic payment systems in the field of transportation and in intelligent traffic control systems. In the 2007 financial year, the Graz-based company generated revenues of about € 70 million. The investment in EFKON allows STRABAG to provide toll systems in addition to actual building work when bidding for motorway projects under a PPP model in the field of infrastructure construction. The shareholding has been included at-equity in the consolidated financial statements from the second quarter.

Not least because of the acquisitions of Adanti and EFKON, the workforce level in the Special Divisions & Concessions Segment rose to 3,383 persons.

The Tunnelling Business Unit and the Specialty Foundation Engineering Business Unit are currently preparing bids for major projects in Switzerland, Austria, Italy and Poland. There is no lack of potential projects in these core markets, but the price level is quite low. The Management expects demand by private clients to decline but the profit situation in the area of public-sector construction to remain stable. Furthermore, the significant decline of the raw materials prices had a positive effect on the profits from ongoing projects for which escalator clauses were agreed.

In its Facility Management Business Unit, STRABAG will undertake far-reaching organizational changes. Deutsche Telekom sold its DeTeImmobilien subsidiary effective 1 October 2008, operations of which are being continued by the STRABAG Group under the name STRABAG Property and Facility Services GmbH. The company employs about 6,240 people, provides comprehensive services in the field of facility management and generated revenues of roughly € 1 billion in the 2007 financial year. In a next step, STRABAG will merge its existing facility management activities in STRABAG Property and Facility Services GmbH. STRABAG is confident that it will be able to capture a high share of the market in the strongly fragmented but growing German facility management market. Following a period of consolidation, DeTeImmobilien is expected to generate EBIT margins above the Group average in the next few years.

In its Infrastructure Development Business Unit, STRABAG sees itself in a strongly growing market with a number of promising tenders. The Management's attention therefore is on the responsible selection of projects. Bids are currently being prepared for projects in Russia, Ireland and Slovakia.

In Real Estate Development, the STRABAG Group is currently pre-qualified and/or in the bidding phase for potential PPP (Public Private Partnership) construction projects with an investment volume of € 370 million. Meanwhile it has become clear that the financial and banking crisis has infected the real economy and that this will have consequences for the development business. Projects could be delayed as a result of a lack of financing options or due to unfavourable credit conditions.

Railway Tunnel Brixlegg, Austria

CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2008

CONSOLIDATED INCOME STATEMENT 1.1.2008 - 30.9.2008

	1.7.-30.9.2008 T€	1.7.-30.9.2007 T€	1.1.-30.9.2008 T€	1.1.-30.9.2007 T€
Revenue	3,537,128	2,814,162	8,314,541	6,860,897
Changes in inventories	16,000	12,720	31,959	-42,193
Own work capitalized	12,690	18,729	53,770	43,744
Other operating income	64,184	64,542	174,300	167,426
Raw materials, consumables and services used	-2,540,328	-1,993,772	-5,987,098	-4,851,730
Employee benefits expense	-665,358	-547,449	-1,737,885	-1,461,887
Other operating expenses	-164,038	-154,810	-472,332	-417,188
Share of profit or loss of associates	-4,102	3,878	-1,193	13,730
Net investment income	5,060	178	15,294	7,833
EBITDA	**261,236**	**218,178**	**391,356**	**320,632**
Depreciation and amortization expense	-84,327	-68,247	-242,859	-192,326
EBIT	**176,909**	**149,931**	**148,497**	**128,306**
Interest and similar income	17,392	14,951	61,423	28,847
Interest expense and similar charges	-25,626	-23,917	-64,598	-65,641
Net interest income	**-8,234**	**-8,966**	**-3,175**	**-36,794**
Profit before tax	**168,675**	**140,965**	**145,322**	**91,512**
Income tax expense	-42,158	-38,851	-36,625	-21,828
Profit for the period	**126,517**	**102,114**	**108,697**	**69,684**
Attributable to: Minority interest	12,641	18,791	-6,195	3,357
Attributable to: Equity holders of the parent	113,876	83,323	114,892	66,327
Earnings per share (in €)	1.00	1.03	1.01	0.90

STATEMENT OF RECOGNIZED INCOME AND EXPENSE

	1.1.-30.9.2008	1.1.-30.9.2007
	T€	T€
Differences arising from currency translation	43,746	-1,182
Change in hedging reserves	2,531	-4,450
Deferred taxes on neutral change in equity	-633	736
Net income recognized directly in equity	**45,644**	**-4,896**
Profit for the period	108,697	69,684
Total of recognized income and expense for the period	**154,341**	**64,788**
Attributable to: Minority interest	-3,704	2,725
Equity holders of the parent	158,045	62,063

Feeder diabase plant, Saalfelden, Austria

CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2008

CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2008

Assets	**30.9.2008**	**31.12.2007**
	T€	T€
Non-current assets		
Intangible assets	497,025	239,852
Property, plant and equipment	2,018,397	1,543,569
Investment property	143,089	149,407
Investments in associates	155,371	139,260
Other financial assets	284,251	223,567
Receivables from concession contracts	1,029,179	0
Trade receivables	61,997	40,062
Other receivables and other assets	40,381	40,599
Deferred taxes	65,050	93,528
	4,294,740	**2,469,844**
Current assets		
Inventories	601,591	477,443
Receivables from concession contracts	16,326	0
Trade receivables	3,415,603	2,448,074
Other receivables and other assets	601,760	379,678
Cash and cash equivalents	810,693	1,965,775
	5,445,973	**5,270,970**
	9,740,713	**7,740,814**

Equity and Liabilities	**30.9.2008**	**31.12.2007**
	T€	T€
Share capital	114,000	114,000
Capital reserves	2,311,384	2,311,384
Retained earnings	540,465	445,120
Minority interests	127,462	225,950
	3,093,311	**3,096,454**
Non-current liabilities		
Provisions	668,056	625,863
Financial liabilities[1)]	1,329,095	484,772
Trade payables	44,241	30,556
Other liabilities	14,567	6,075
Deferred taxes	49,928	21,100
	2,105,887	**1,168,366**
Current liabilities		
Provisions	417,376	448,109
Financial liabilities[2)]	533,707	199,320
Trade payables	2,835,778	2,275,687
Other liabilities	754,654	552,878
	4,541,515	**3,475,994**
	9,740,713	**7,740,814**

1) thereof non-recourse debts amounting to T€ 777,203
2) thereof non-recourse debts amounting to T€ 40,236

CONSOLIDATED CASH-FLOW STATEMENT FOR 1.1. - 30.9.2008

	1.1.-30.9.2008 T€	1.1.-30.9.2007 T€
Profit for the period	**108,697**	**69,684**
Deferred taxes	-11,408	-27,688
Non-cash effective results from associates	6,477	-8,893
Depreciations/write ups	249,306	192,458
Changes in long term provisions	-11,554	-33,241
Gains/losses on disposal of non-current assets	-7,250	-20,927
Cash-flow from profits	**334,268**	**171,393**
Change in items:		
Inventories	56	-21,136
Trade receivables, construction contracts and consortia	-671,562	-296,679
Receivables from subsidiaries and receivables from participation companies	-86,933	-28,079
Other assets	-69,085	24,062
Trade payables, construction contracts and consortia	311,578	115,791
Liabilities from subsidiaries and liabilities from participation companies	1,903	425
Other liabilities	813	-68,255
Current provisions	-53,829	-45,347
Cash-flow from operating activities	**-232,791**	**-147,825**
Purchase of financial assets	-115,463	-31,543
Purchase of property, plant, equipment and intangible assets	-698,140	-343,039
Gains/losses on disposal of non-current assets	7,250	20,927
Disposals of non-current assets (carrying value)	103,949	115,510
Change in other cash pooling receivables	1,908	-39,028
Change in scope of consolidation	-295,209	-124,588
Cash-flow from investing activities	**-995,705**	**-401,761**
Change in bank borrowings	192,175	-291,975
Change in bonds	25,000	25,000
Change in liabilities from finance leases	-4,870	11,293
Change in other cash pooling liabilities	-252	-3,876
Acquisition of minority interest	-91,812	1,857
Capital increase/contributions	0	1,042,125
Distribution and withdrawals from partnership	-69,704	-82,422
Cash-flow from financing activities	**50,537**	**702,002**
Cash-flow from operating activities	-232,791	-147,825
Cash-flow from investing activities	-995,705	-401,761
Cash-flow from financing activities	50,537	702,002
Net change in cash and cash equivalents	**-1,177,959**	**152,416**
Cash and cash equivalents at the beginning of the year	1,965,775	586,265
Change in cash and cash equivalents due to currency translation	22,877	717
Cash and cash equivalents at the end of the period	**810,693**	**739,398**
Interest paid	47,496	60,165
Interest received	65,457	32,719
Taxes paid	38,809	37,874

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30.9.2008

Basic Principles

The consolidated interim financial statements of STRABAG SE, based in Villach, Austria, with reporting date 30 September 2008 was 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 recognized 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 2007.

The consolidated financial statements of the Group as at and for the year ended 31 December 2007 are available at www.strabag.com.

Accounting and Valuation Methods

All accounting and valuation, as well as all notes and details, are fundamentally based on the same accounting principles and valuation methods underlying the consolidated annual financial statements with reporting date 31 December 2007.

Information regarding the accounting and valuation methods can be found in the annual financial statements with reporting date 31 December 2007.

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 2008 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 Q1-3/2008 accounting period as follows:

	consolidation	equity method
Situation on 31.12.2007	278	14
First-time inclusions in reporting period	37	1
Spin-offs in reporting period	0	0
Mergers in reporting period	– 2	0
Exclusions in reporting period	0	– 1
Situation on 30.9.2008	**313**	**14**

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/ Foundation
Consolidation:		
Adanti S. p. A., Bologna	100.00	02.4.2008
AKA Alföld Koncessizios Autopalya Zrt., Budapest	100.00	26.6.2008
Alpines Hartschotterwerk Georg Kässbohrer & Sohn GmbH & Co. KG, Senden	100.00	15.7.2008
Asphalt-Mischwerke Oberschwaben GmbH & Co. KG, Langenargen	100.00	15.7.2008
BHG Bitumenhandelsgesellschaft mbH, Hamburg	100.00	01.1.2008
Cosima Grundstücksverwaltungsgesellschaft mbH & Co. Objekt Beta KG, Pöcking	94.00	15.7.2008
ESB Kirchhoff GmbH & Co KG, Langenargen	100.00	15.7.2008
F. Kirchhoff Straßenbau GmbH & Co. KG, Leinfelden-Echterdingen	100.00	15.7.2008
F. Kirchhoff Systembau GmbH & Co KG, Münsingen	100.00	15.7.2008
F. Kirchhoff AG, Leinfelden-Echterdingen	94.99	15.7.2008
Hermann Kirchner Bauunternehmung GmbH, Bad Hersfeld	100.00	25.9.2008
Hermann Kirchner Hoch- und Ingenieurbau GmbH, Bad Hersfeld	100.00	25.9.2008
Hermann Kirchner Polska Sp z.o.o., Lódź	99.95	25.9.2008
Hermann Kirchner Projektgesellschaft mbH, Bad Hersfeld	100.00	25.9.2008
JHP spol. s.r.o., Prague	100.00	10.4.2008
KIMAG GmbH, Leinfelden-Echterdingen	100.00	15.7.2008
Kirchhoff Asphaltmischwerke GmbH & Co. KG, Leinfelden-Echterdingen	100.00	15.7.2008
Kirchhoff Leipzig Straßenbau GmbH & Co. KG, Großlehna	100.00	15.7.2008
Kirchner & Völker Bauunternehmung GmbH, Erfurt	90.00	25.9.2008
Kirchner Holding GmbH, Bad Hersfeld	100.00	25.9.2008
Kirchner International GmbH, Bad Hersfeld	100.00	25.9.2008
M.A. d.o.o., Split	100.00	14.2.2008
M5 Beteiligungs GmbH, Vienna	100.00	26.6.2008
M5 Holding GmbH, Vienna	100.00	26.6.2008
MINERAL K. S. K. d.o.o., Čavle	100.00	04.8.2008
Mobil Baustoffe GmbH, Reichenfels	100.00	24.9.2008
Mobil Baustoffe GmbH & Co. KG, Ditzingen	100.00	24.9.2008
ODEN Anläggningsentreprenad AB, Stockholm	100.00	30.4.2008
Plzeňská obalovna spol. s.r.o., Pilsen	100.00	01.1.2008
Pomgrad Inženjering d.o.o., Split	100.00	14.2.2008
Poßögel & Partner Straßen- und Tiefbau GmbH Hermsdorf/Thür., St. Gangloff	100.00	05.6.2008
PPP Schulen Kreis Düren GmbH, Bad Hersfeld	100.00	25.9.2008
Štěrkovny spol. s.r.o Dolní Benešov, Dolní Benešov	100.00	12.6.2008
StraBAG Strassenbau und Beton AG, Zurich	100.00	02.5.2008
Strabag-Hidroinženjering d.o.o., Split	100.00	14.2.2008
Trema Engineering 2 sh p. k., Tirana	51.00	14.4.2008
WITTA BAU AG, Zurich	100.00	02.5.2008
at-equity:		
EFKON AG, Graz	49.78	28.4.2008

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30.9.2008

In February 2008, the Croatian competition authority approved the acquisition of Pomgrad Inženjering d.o.o., Split. Pomgrad Inženjering d.o.o. is a specialist in the construction of ports and port facilities and the acquisition allows STRABAG to strengthen its know-how in this field.

STRABAG SE acquired a majority stake of 51 % of Trema Engineering 2 sh p.k., Tirana, Albania's third-largest construction company, thus expanding its presence in the Balkan region.

In April 2008, STRABAG acquired 100 % of Czech construction firm JHP spol. s.r.o., Prague, a specialist in bridge-building.

In April 2008, STRABAG acquired 82,3 % of the Swedish construction company ODEN Anläggningsentreprenad AB, Stockholm. The company is considered a specialist for infrastructure projects in Sweden and is largely active in the fields of road construction and tunnelling. Due to an existing put option by the previous owner, the company has been consolidated with 100 %. A liability in the amount of the estimated option price has been recognized.

In April 2008, the competent cartel authorities approved the acquisition of Adanti S.p.A., Bologna. Adanti is one of the leading construction companies on the Italian market and operates in all segments.

In May 2008, STRABAG SE acquired Switzerland-based StraBAG Strassenbau und Beton AG, Zurich, and WITTA BAU AG, Zurich. The main business activity is in the areas of road construction, civil engineering and underground construction as well as paving and surfacing.

In June 2008, the competent competition authorities approved the 100 % acquisition of Czech stone miner Štěrkovny spol. s.r.o. Dolní Benešov, Dolní Benešov. The acquisition allows STRABAG to significantly strengthen its proprietary raw materials basis in the Czech Republic.

Following cartel approval in June 2008, STRABAG acquired 100 % of Hungarian M5 motorway concession company, AKA Alföld Koncessizios Autopalya Zrt., Budapest. The Group already held a 25.1 % stake, which was recognized using the equity method. Effective 26 June 2008, the company will be included in the financial statements by consolidation.

In July 2008, the competition authorities approved the majority takeover of F. Kirchhoff AG by STRABAG. The Kirchhoff Group is the market leader in road construction in the southern German state of Baden-Württemberg. Kirchhoff is also active in the fields of raw materials extraction and processing – the company possesses a number of proprietary facilities in this area – as well as in the field of building construction and civil engineering.

In September 2008, STRABAG received approval by the cartel authorities for its acquisition of 80 % of Kirchner Holding GmbH. Kirchner perfectly complements STRABAG's business activities in Germany in the area of infrastructure construction and environmental technologies as well as in field of raw materials and construction materials. Kirchner's presence in the road construction segment in Poland represents an important addition to STRABAG's activities in that country. Due to an existing put option by the previous owner, the company has been consolidated with 100 %. A liability in the amount of the estimated option price has been recognized.

In September 2008, STRABAG acquired 100 % of Mobil Baustoffe GmbH. The company holds a leading position in mobile concrete production in the Germany-Austria-Switzerland region.

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

	Acquisition 1.1.-30.9.2008
Acquired assets and liabilities:	
Goodwill	93,243
Other non-current assets	1,267,511
Current assets	630,611
Increase in minority interest	-4,033
Non-current liabilities	-1,091,423
Current liabilities	-387,353
Purchase price	**508,556**
Less non-cash effective purchase price component	-91,911
Acquired cash and cash equivalents	-121,436
Net cash outflow from the acquisition	**295,209**

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 2008 for all acquisitions in the Q1-3/2008 reporting period, the consolidated revenue would amount to T€ 8,794,078 and consolidated profit would have decreased by a total of T€ -2,663.

All companies which were consolidated for the first time in Q1-3/2008 contributed T€ 280,819 to revenue and T€ 4,361 to profit.

In April 2008, STRABAG acquired a 45.72 % stake in EFKON AG, a leading company in electronic payment systems in the field of transportation and in intelligent traffic control systems. EFKON AG will be included in the consolidated financial statements using the equity method effective 28 April 2008. After an increase of capital STRABAG´s stake amounts to 49.78 %.

Disposals from the Scope of Consolidation

Consolidation	
Plzeňská obalovna spol s.r.o., Pilsen	merger with BOHEMIA ASFALT s.r.o., Sobeslav
MINERAL K. S. K. d.o.o., Čavle	merger with MINERAL IGM d.o.o., Zapuzane

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 2008 as were used for the consolidated annual financial statements with reporting date 31 December 2007. Details regarding the methods of consolidation and principles of currency translation are available in the 2007 annual report.

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. Effective 30 September 2008, there was no indication that goodwill amortization was necessary.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30.9.2008

In June 2008, STRABAG SE made a public purchase offer in accordance with the German Securities Acquisition and Takeover Act for the purchase of up to 1,346,186 no-par bearer shares of STRABAG AG, Cologne. The offer price was € 260 per share. Before the deadline for acceptance, the purchase offer was accepted for 851,679 no-par bearer shares. After the end of the offer period, STRABAG SE acquired a further 65,146 shares. From the acquisition of the additional 916,825 no-par bearer shares of STRABAG AG, Cologne, goodwill in the amount of T€ 153,229 was capitalized as part of the capital consolidation.

In Q1-3/2008, a total goodwill from capital consolidation in the amount of T€ 247,432 was capitalized.

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:

	30.09.2008 T€	30.09.2007 T€
Interest income	18,282	0
Interest expense	-8,303	0
Total	**9,979**	**0**

NOTES ON THE ITEMS IN THE CONSOLIDATED BALANCE SHEET

Property, Plant and Equipment and Intangible Assets

In Q1-3/2008, tangible and intangible assets in the amount of T€ 698,140 (Q1-3/2007 T€ 343,039) were acquired.

In the same period, tangible and intangible assets in the amount of a book value of T€ 41,794 were sold (Q1-3/2007 T€ 28,581).

Extraordinary impairments on property, plant and equipment in the amount of T€ 338 (Q1-3/2007 T€ 155) were made. Impairment on goodwill amounts to T€ 0 (Q1-3/2007 T€ 521).

Purchase Obligations

On the reporting date, there were € 159 million in contractual commitments for the acquisition of property, plant and equipment which were not considered in the financial statement.

Receivables from concession contracts

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

In the concession agreement with the Hungarian state, AKA committed to develop, plan, finance, 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 completion of the third phase and handover for traffic took place in March 2006. The concession period runs until 2031. A one-time extension for up to 17.5 years is possible.

All services provided under this concession arrangement are accounted for under the separate balance sheet item "Receivables from concession contracts". The receivables are carried at the present value of the payment to be made by the state. The annual accumulation amount is recognized 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 the project. 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 recognized directly in equity. The interest rate swap in the amount of T€ 99,300 is also recognized as long-term receivables from concession contracts.

Recognizable receivables from concession contracts are offset by non-recourse financing in the amount of T€ 817,439, classified either as a current or non-current liability depending on the term. The resulting interest expense is recognized in "Other operating income".

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30.9.2008

Equity

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

The changes in equity are shown as follows:

	Share Capital	Capital Reserves	Retained Earnings	Foreign currency reserve	Minority Interest	Total
	T€	T€	T€	T€	T€	T€
Balance at 1.1.2007	**70,000**	**448,047**	**333,745**	**6,225**	**177,877**	**1,035,894**
Differences arising from currency translation	0	0	0	-991	-191	-1,182
Profit for the period	0	0	66,327	0	3,357	69,684
Change in hedging reserves	0	0	-4,023	0	-427	-4,450
Deferred taxes on neutral change in equity	0	0	750	0	-14	736
Change in minority interest resulting from capital consolidation	0	0	0	0	11,104	11,104
Capital increase	25,000	1,017,125	0	0	0	1,042,125
Distribution of dividends	0	0	-77,000	0	-5,422	-82,422
Balance at 30.9.2007	**95,000**	**1,465,172**	**319,799**	**5,234**	**186,284**	**2,071,489**

	Share Capital	Capital Reserves	Retained Earnings	Foreign currency reserve	Minority Interest	Total
	T€	T€	T€	T€	T€	T€
Balance at 1.1.2008	**114,000**	**2,311,384**	**430,206**	**14,914**	**225,950**	**3,096,454**
Differences arising from currency translation	0	0	0	41,240	2,506	43,746
Profit for the period	0	0	114,892	0	-6,195	108,697
Change in hedging reserves	0	0	2,522	0	9	2,531
Deferred taxes on neutral change in equity	0	0	-609	0	-24	-633
Change in minority interest resulting from capital consolidation	0	0	0	0	-87,780	-87,780
Distribution of dividends	0	0	-62,700	0	-7,004	-69,704
Balance at 30.9.2008	**114,000**	**2,311,384**	**484,311**	**56,154**	**127,462**	**3,093,311**

Contingent Liabilities

The company has accepted the following guarantees:

	30.9.2008	31.12.2007
	T€	T€
Guarantees without financial guarantees	10,279	14,029

Furthermore, there is a derived credit risk arising from the financial guarantee contracts (guarantees issued) of T€ 47,962 (31 December 2007 T€ 34,955).

SEGMENT REPORTING

The segment reporting is based on the three operating segments Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions. Expenses and income were attributed to the individual segments only as far as they could be attributed directly or by applying an allocation according to the principle of causation to the respective segment. Items not attributed in this way are shown under Miscellaneous. This segment primarily includes group management, commercial administration, IT, machine management and quality assurance. The settlement between the single segments is made at arm's-length prices.

Segment Reporting for 1.7.-30.9.2008

	Building Construction & Civil Engineering 1.7.-30.9.2008	Transportation Infrastructures 1.7.-30.9.2008	Special Divisions & Concessions 1.7.-30.9.2008	Miscellaneous and Consolidation 1.7.-30.9.2008	Total 1.7.-30.9.2008
	T€	T€	T€	T€	T€
Output Volume	1,648,775	2,089,897	300,093	46,238	4,085,003
Revenue	1,449,679	1,733,162	347,640	6,647	3,537,128
EBIT	**73,919**	**105,645**	**-3,112**	**457**	**176,909**

Segment Reporting for 1.7.-30.9.2007

	Building Construction & Civil Engineering 1.7.-30.9.2007	Transportation Infrastructures 1.7.-30.9.2007	Special Divisions & Concessions 1.7.-30.9.2007	Miscellaneous and Consolidation 1.7.-30.9.2007	Total 1.7.-30.9.2007
	T€	T€	T€	T€	T€
Output Volume	1,448,713	1,534,521	143,536	24,903	3,151,673
Revenue	1,220,634	1,444,758	127,962	20,808	2,814,162
EBIT	**40,280**	**95,853**	**15,972**	**-2,174**	**149,931**

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS STRABAG SE, VILLACH AS OF 30.9.2008

Segment Reporting for 1.1.-30.9.2008

	Building Construction & Civil Engineering 1.1.-30.9.2008	Transportation Infrastructures 1.1.-30.9.2008	Special Divisions & Concessions 1.1.-30.9.2008	Miscellaneous and Consolidation 1.1.-30.9.2008	Total 1.1.-30.9.2008
	T€	T€	T€	T€	T€
Output Volume	4,239,627	4,226,303	781,117	134,728	9,381,775
Revenue	3,755,528	3,650,222	882,382	26,409	8,314,541
EBIT	**70,519**	**87,713**	**-11,258**	**1,523**	**148,497**

Segment Reporting for 1.1.-30.9.2007

	Building Construction & Civil Engineering 1.1.-30.9.2007	Transportation Infrastructures 1.1.-30.9.2007	Special Divisions & Concessions 1.1.-30.9.2007	Miscellaneous and Consolidation 1.1.-30.9.2007	Total 1.1.-30.9.2007
	T€	T€	T€	T€	T€
Output Volume	3,906,829	3,210,139	413,595	84,412	7,614,975
Revenue	3,432,681	3,044,094	332,675	51,447	6,860,897
EBIT	**34,231**	**75,938**	**17,539**	**598**	**128,306**

Notes on Related Parties

Notes on related parties may be found in the 2007 consolidated financial statements. Since 31 December 2007, there have been no significant changes in this area. Arm`s-length business relations exist in transactions with related parties.

Events after Reporting Date

No significant events occurred after the reporting date.

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 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, 28. November 2008

Board of Management

Dr. Hans Peter Haselsteiner

Ing. Fritz Oberlerchner

Dr. Thomas Birtel

Dipl.-Ing. Nematollah Farrokhnia

Dipl.-Ing. Roland Jurecka

Mag. Wolfgang Merkinger

Mag. Hannes Truntschnig

FINANCIAL CALENDAR

Interim Report January–September 2008	**Fri., 28 Nov. 2008**
Publication	07.30 am
Analyst Conference Call	12.30 pm
Annual Report 2008	**Thur., 30 Apr. 2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Analyst Conference & Webcast	14.00 pm
Financial Press Conference	10.00 pm
Notice of Annual General Meeting	**Thur., 28 May 2009**
Interim Report January–March 2009	**Fri., 29 May 2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Deposit deadline for shares	**Mon., 15 June 2009**
Annual General Meeting 2009	**Fri., 19 June 2009**
Location to be announced	10.00 am
Ex-dividend date	**Fri., 26 June 2009**
Payment date for dividend	**Mon., 29 June 2009**
Semi-Annual Report 2009	**Mon., 31 Aug. 2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm
Interim Report January–September 2009	**Mon., 30 Nov. 2009**
Publication	07.30 am
Analyst Conference Call	14.00 pm

All times are CET/CEST

Power Plant Middle Marsyangdi, Nepal

CORPORATE BONDS

Maturity	Coupon	Volume	ISIN	Stock exchange
2004 - 2009	5.50 %	€ 50 million	AT0000342332	Vienna
2005 - 2010	4.25 %	€ 75 million	AT0000492723	Vienna
2006 - 2011	5.25 %	€ 75 million	AT0000A013U3	Vienna
2007 - 2012	5.75 %	€ 75 million	AT0000A05HY9	Vienna
2008 - 2013	5.75 %	€ 75 million	AT0000A09H96	Vienna

CORPORATE CREDIT RATING

Standard & Poors	BBB-	Outlook stable

CODES

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

Have you already had a look at our STRABAG SE website www.strabag.com? Get STRABAG SE share price info daily: Investor Relations/Share/Reminder

www.strabag.com

For further questions please refer to our Investor Relations department:

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Internet: www.strabag.com

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

STRABAG
SOCIETAS EUROPAEA