Press Release
Investor Information

STRABAG SOCIETAS EUROPAEA

STRABAG SE lowers winter loss in the first quarter 2015

Contact

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- **Output volume at € 2.5 billion, increase of 5 %**
- **Order backlog at high level of € 15.1 billion (+4 %)**
- **EBIT up 3 %, earnings per share up 12 %; seasonally negative as usual in the first quarter**
- **Outlook for 2015 confirmed: output volume of € 14.0 billion, EBIT of at least € 300 million**

		3M/15	3M/14	%
Output volume	€m	**2,468.34**	**2,343.74**	***5%***
Revenue	€m	**2,283.96**	**2,163.96**	***6%***
Order backlog	€m	**15,128.02**	**14,481.88**	***4%***
EBITDA	€m	**-66.09**	**-69.91**	***5%***
EBITDA margin	%	*-2.9%*	*-3.2%*	
EBIT	€m	**-159.32**	**-163.74**	***3%***
EBIT margin	%	*-7.0%*	*-7.6%*	
Net income	€m	**-127.45**	**-140.30**	***9%***
Net income margin	%	*-5.6%*	*-6.5%*	
Net income after minorities	€m	**-116.47**	**-132.01**	***12%***
Net income after minorities margin	%	*-5.1%*	*-6.1%*	
Earnings per share	€	**-1.14**	**-1.29**	***12%***
Employees	number	**71,176**	**69,335**	***3%***

Vienna, 29 May 2015 The publicly listed construction group STRABAG SE has lowered the winter loss characteristic for the construction industry in the first quarter 2015: The earnings before interest, taxes, depreciation and amortisation (EBITDA) as well as earnings before interest and taxes (EBIT) improved by 5 % and 3 % respectively; the net income after minorities stood at € -116.47 million, 12 % less deeply in negative territory.

"The first quarter in the construction industry is not an especially informative one. But even if the first three months do not allow any reliable conclusions for the full year, we are pleased to have further contained the typical winter losses this year. More important now than the earnings is the order backlog – and at over € 15 billion, it is particularly high. This leaves us optimistic regarding the financial year and enables us to confirm our outlook: The output volume should reach € 14.0 billion, the earnings before interest and taxes at least € 300 million." says **Thomas Birtel**, CEO of STRABAG SE.

Output volume and revenue
STRABAG SE generated an output volume of € 2,468.34 million in the first quarter of the 2015 financial year. This increase of 5 % was driven primarily by the markets of Poland, Germany, Chile and Slovakia. The consolidated group revenue, like the output volume, was also up, growing by 6 % to € 2,283.96 million.

Order backlog
The order backlog grew to € 15,128.02 million on 31 March 2015, up 4 % versus 31 March 2014. This growth was influenced in particular by industrial construction orders acquired in Russia the year before, but also came in response to large orders in Denmark and a number of transportation infrastructure projects in Poland.

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

The higher revenue also resulted in improved earnings before interest, taxes, depreciation and amortisation (EBITDA) in the first quarter of 2015 by 5 % to € -66.09 million. The depreciation and amortisation was at about last year's level (+1 %). The earnings before interest and taxes (EBIT) stood at € -159.32 million, 3 % less deeply in negative territory. This development was influenced by the segments South + East as well as International + Special Divisions.

Significant positive exchange rate differences, especially regarding the Swiss franc, resulted in a positive net interest income of € 7.70 million after € -4.04 million a year before. Below the line, this resulted in a 10 % improvement of the earnings before taxes (EBT) of € 151.62 million. Accordingly, the income tax was again in positive territory with € 24.17 million and thus provided some relief despite being 12 % lower on the year. This left a net income of € 127.45 million (+9 %). But as third-party shareholders helped bear a loss of € 10.98 million, the net income after minorities improved by 12 % to € -116.47 million. In light of 102,600,000 outstanding shares, this corresponds to earnings per share of € -1.14 after € -1.29 for the first quarter last year.

Financial position and cash flows
The balance sheet total of € 10,280.87 million on 31 March 2015 remained more or less unchanged versus the end of 2014. Conspicuous was the increase of non-current liabilities resulting from a € 200 million bond issue in the first quarter of 2015. As usual, the typical winter losses also led to a seasonally influenced slightly lower equity. The equity ratio, however, remained at the usual high level with 29.7 % after 30.6 % at the end of 2014. The net cash position

was € 55.87 million; it therefore decreased, as is seasonally usual, in comparison to year's end, but did not move into a net debt position as it had done in the first quarter of the previous year.

While the cash flow from earnings was 21 % more positive after the first quarter of 2015, the cash flow from operating activities, which stood at € -184.67 million, was 57 % deeper in negative territory. This was due to the lower reduction of receivables compared to last year's first quarter. The other cash flows improved: The cash flow from investing activities, with € -32.82 million after € -48.15 million, was less negative thanks to increased asset sales. The cash flow from financing activities benefited from the aforementioned bond issue.

Employees
The 3 % growth in the number of employees to 71,176 in the first quarter of 2015 is almost exclusively due to the acquisition of Germany and Austria-based DIW Group last year. The increases and decreases in the other markets balanced each other out: in the Americas region, for example, the group employed an additional 1,000 persons compared to the first quarter of the previous year, while the employee levels in Africa were reduced by a similarly high amount.

Outlook
The management board of STRABAG SE expects the output volume in the 2015 financial year to grow from € 13.6 billion to € 14.0 billion. The EBIT should increase to at least € 300 million. In this regard, the efforts made thus far to further improve the risk management and to lower costs would already have an impact on earnings. This would bring the company one step closer to its target of achieving an EBIT margin (EBIT/revenue) of 3 % in 2016.