Press Release
Investor Information

29 August 2014

STRABAG SE IMPROVES EARNINGS AFTER SIX MONTHS

- **Output volume of € 5.8 billion (+2 %) – Particularly strong growth in Germany**
- **Order backlog up 10 % to € 15.5 billion thanks to acquisitions in e.g. Germany, Denmark and Austria**
- **EBITDA improvement by 17 %, EBIT by 12 %; EBIT seasonally still negative as usual**
- **2014 outlook confirmed: Output volume of € 13.6 billion, EBIT of at least € 260 million expected**

		6M/14	6M/13	%	Q2/14	Q2/13	%
Output volume	€m	**5,779.55**	**5,643.00**	*2%*	**3,435.81**	**3,507.88**	*-2%*
Revenue	€m	**5,353.94**	**5,110.04**	*5%*	**3,189.98**	**3,147.47**	*1%*
Order backlog	€m	**15,468.48**	**14,046.50**	*10%*			
EBITDA	€m	**80.43**	**68.47**	*17%*	**150.34**	**146.26**	*3%*
Ebitda margin	%	*1.5%*	*1.3%*		*4.7%*	*4.6%*	
EBIT	€m	**-107.98**	**-122.81**	*12%*	**55.75**	**49.49**	*13%*
Ebit margin	%	*-2.0%*	*-2.4%*		*1.7%*	*1.6%*	
Net income	€m	**-98.89**	**-105.48**	*6%*	**41.41**	**35.76**	*16%*
Net income margin	%	*-1.8%*	*-2.1%*		*1.3%*	*1.1%*	
Net income after minorities	€m	**-93.12**	**-101.82**	*9%*	**38.89**	**38.47**	*1%*
Net income after minorities margin	%	*-1.7%*	*-2.0%*		*1.2%*	*1.2%*	
Earnings per share	€	**-0.91**	**-0.99**	*8%*	**0.38**	**0.37**	*1%*
Employees	number	**71,215**	**71,931**	*-1%*			

Vienna, 29 August 2014 The publicly listed construction group STRABAG SE today, Friday, disclosed its figures for the first half of 2014. The company contained the typical seasonal loss, increased revenues a bit and confirms the outlook on the full-year.

"As expected, the favourable weather conditions at the beginning of the year resulted in several orders being moved up into the first quarter. These would otherwise have been carried out over the course of the year. In our home market of Germany, we still have a 10 % plus in output volume after the first six months. At the same time, however, several markets fell back slightly, leaving growth of 2 % for the group as a whole. For the full year, my management board colleagues and I had predicted an output volume of € 13.6 billion – unchanged versus 2013. We feel that the development to date confirms this prognosis", comments **Thomas Birtel**, **CEO of STRABAG SE**.

Output volume and revenue

The STRABAG SE Group registered an output volume of € 5,779.55 million in the first half of 2014. This corresponds to an increase by 2 % versus the same period of the previous year. The consolidated group revenue, like the output volume, also grew upward with a plus of 5 %. The second quarter revenue remained more or less stable with +1 %.

Order backlog

The order backlog grew by 10 % from € 14,046.50 million at the end of June 2013 to € 15,468.48 million on 30 June 2014. This development was driven particularly by the large projects that had been acquired last year in

Germany, Chile, Slovakia and Hungary, on the one hand, as well as by new contracts acquired in Denmark and Austria during the ongoing business year.

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.

The earnings before interest, taxes, depreciation and amortisation (EBITDA) in the first half of 2014 improved by 17 % to € 80.43 million. The depreciation and amortisation was at about last year's level. The earnings before interest and taxes (EBIT), at € -107.98 million, were 12 % less deeply in negative terrain. The net interest income fell slightly, reaching € -13.00 million after € -8.88 million in the first half of the previous year. Below the line, this resulted in an 8 % improvement of the earnings before tax (EBT) in the amount of € -120.98 million. Accordingly, the income tax was again in positive territory with € 22.09 million and thus provided some relief despite being 16 % lower on the year. The remaining net income was up 6 %. The thirdparty shareholders helped bear a loss of € 5.77 million for a net income after minorities of € -93.12 million (+9 %). The earnings per share reached € -0.91 after € -0.99 in the first half of the year before.

STRABAG SE generated an EBITDA of € 150.34 million in the second quarter, a plus of 3 %. The EBIT grew by 13 % to € 55.75 million.

Financial position and cash flows

The balance sheet total, at € 10,304.52 million, changed little versus 31 December 2013. Seasonal factors resulted in an increase of the trade receivables to the detriment of cash and cash equivalents. The equity ratio, with 30.2 % after 30.7 % at the end of 2013, remained at the usual high level. The net cash position, as is typical for the season, turned from net cash in the amount of € 73.73 million at year's end into net debt of € 281.73 million. A comparison with the net debt at the end of June 2013 shows a decrease by 54 %.

The cash flow from earnings more than doubled over the comparison period to € 46.81 million. The cash flow from operating activities and the cash flow from investing activities, at € -181.18 million and € -137.18 million, were 18 % and 11 % less negative, respectively. The cash flow from financing activities, meanwhile, moved from positive into negative terrain due to a € 125 million bond emission last year, something which STRABAG opted against this year.

Employees

The number of employees fell by just 1 % to 71,215 in comparison to the same period of the previous year. Large changes in several entities nearly balanced each other out: The workforce was scaled back for market reasons in Poland and for project-related reasons in Russia and Romania, while new large projects in Germany, in Denmark and in Hungary led to increases in staff levels.

Outlook

The management board of STRABAG SE continues to expect the output volume for the 2014 financial year to remain more or less unchanged versus 2013 at € 13.6 billion. It forecasts an EBIT of at least € 260 million for the current financial year, which more or less corresponds to the value of 2013. Although the realisation of the measures proposed by the internal STRABAG 2013ff task force is beginning to show first successes, STRABAG faces a challenging environment in 2014 with high price pressure in the European infrastructure construction sector. On the other hand, the company is registering continued solid conditions in building construction for the private sector, especially in Germany.

***STRABAG SE** is a European-based technology group for construction services, a leader in innovation and financial strength. Our services span all areas of the construction industry and cover the entire construction value chain. We create added value for our clients by our specialised entities integrating the most diverse services and assuming responsibility for them. We bring together people, materials and machines at the right place and at the right time in order to realise even the most complex construction projects – on schedule, of the highest quality and at the best price. The hard work and dedication of our more than 73,000 employees allows us to generate an annual output volume of about € 14 billion. At the same time, a dense network of numerous subsidiaries in many European countries and, increasingly, on other continents is helping to expand our area of operation far beyond the borders of Austria and Germany. More information is available at www.strabag.com.*

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