Press Release
Investor Information

STRABAG SE earnings 2015: On course for a 3% EBIT margin

Contact

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- **EBIT +21 % to € 341 million, earnings per share +22 % to € 1.52**
- **Proposed dividend of € 0.65 – highest dividend since IPO**
- **Net cash position expanded even more to € 1,094 million**
- **Outlook 2016: EBIT margin on revenue of 3 % (2015: 2.6%)**

		2015	2014	%	Q4/15	Q4/14	%
Output volume	€m	**14,289.76**	**13,566.00**	***5%***	**4,034.25**	**3,854.39**	***5%***
Revenue	€m	**13,123.48**	**12,475.67**	***5%***	**3,642.76**	**3,583.38**	***2%***
Order backlog	€m	**13,134.58**	**14,403.44**	***-9%***			
EBITDA	€m	**816.10**	**719.94**	***13%***	**412.31**	**370.12**	***11%***
EBITDA margin	%	*6.2%*	*5.8%*		*11.3%*	*10.3%*	
EBIT	€m	**341.04**	**281.96**	***21%***	**225.23**	**217.68**	***3%***
EBIT margin	%	*2.6%*	*2.3%*		*6.2%*	*6.1%*	
Net income after minorities	€m	**156.29**	**127.97**	***22%***	**97.95**	**113.57**	***-14%***
Net income after minorities margin	%	*1.2%*	*1.0%*		*2.7%*	*3.2%*	
Earnings per share	€	**1.52**	**1.25**	***22%***	**0.95**	**1.11**	***-14%***
Employees	number	**73,315**	**72,906**	***1%***			

Vienna, 29 April 2016 The publicly listed construction company STRABAG SE significantly grew its earnings in the 2015 financial year. The earnings before interest and taxes (EBIT) reached € 341.04 million, a 21 % increase over the previous year. Double-digit growth was also achieved in the net income after minorities, with a plus of 22 % to € 156.29 million, and the earnings per share, which gained from € 1.25 to € 1.52. These developments have compelled the Management Board to propose to the Annual General Meeting in June 2016 a dividend of € 0.65 – the highest dividend since the IPO in 2007.

"Our aim is to put profitability before revenue. We gauge our progress through our operating margin, i.e. by measuring the EBIT-to-revenue ratio. The trend in the last couple of years shows that we are on the right course and that our measures are having an effect. The construction business involves a high degree of risk, which is why risk management plays such an important role for improving the profitability. The Risk Management unit analyses the causes behind positive and negative outcomes of construction projects in order to derive valuable lessons learned and share these with the group. We are also working intensely on the digitalisation of the construction process under the concept of Building Information Modelling, or BIM.5D®. This digital-based way of working helps us to design, build and operate buildings more efficiently," says **Thomas Birtel**, CEO of STRABAG SE.

Output volume and revenue
The STRABAG SE Group generated an output volume of € 14.3 billion in the 2015 financial year, a plus of 5 % over the previous year. The consolidated group revenue amounted to € 13.1 billion, which also represents an increase of 5 %.

Order backlog
The order backlog decreased in 2015, a situation which already became apparent over the course of the year. At year's end, this figure stood at € 13.1 billion, 9 % below the level of 31 December 2014. This development is mostly due to the completion of large projects in Hungary, Italy and Slovakia, but also because of the adverse economic conditions in the RANC region (Russia and Neighbouring Countries).

Financial performance
In total, there was a 13 % increase of the earnings before interest, taxes, depreciation and amortisation (EBITDA) to € 816.10 million, while the EBITDA margin grew from 5.8 % to 6.2 %. The depreciation and amortisation stood at € 475.06 million, which corresponds to a plus of 8.5 % over the previous year. The EBIT increased significantly by 21 % to € 341.04 million, which corresponds to an EBIT margin of 2.6 % after 2.3 % in 2014. Compared to the previous year, this figure improved in Poland, the Czech Republic, Slovakia and Hungary, among other places. A tunnelling project in Chile, on the other hand, represented a significant burden on the earnings.

The net interest income came to rest at about the same level of the previous year (€ -24.42 million versus € -26.20 million). The positive foreign currency effects increased slightly from € 5.29 million in 2014 to € 8.43 million in 2015. In the end, the earnings before taxes (EBT) showed a plus of 24 %. The income tax rate was again unusually high, with 42.4 % after 42.3 % in 2014. The net income settled at € 182.49 million in 2015; after € 147.50 million in 2014, this corresponds to an increase of 24 %. Earnings owed to minority shareholders amounted to € 26.20 million, compared to € 19.53 million the year before. The net income after minorities for 2015 thus came to € 156.29 million, a plus of 22 % versus the previous year. The earnings per share also increased by 22 % to € 1.52. Following the 100 % takeover of Ed. Züblin AG in April 2016, the minority interest will be reduced significantly in the future with the result of a corresponding increase of the net income after minorities.

Financial position and cash flows
The balance sheet total of STRABAG SE increased from € 10.3 billion to € 10.7 billion. This was in large part due to the increase in cash and cash equivalents from € 1.9 billion to € 2.7 billion. The hydraulic engineering equipment for sale is no longer presented under property, plant and equipment, but under the special item "Assets held for sale" at the agreed purchase price of € 70 million. Conspicuous on the liabilities side is the stable equity

ratio of 31.0 % (2014: 30.6 %) as well as the higher non-current financial liabilities resulting from the € 200 million bond issue.

With a 6 % higher cash flow from earnings of € 657,98 million, the cash flow from operating activities grew by 54 % to € 1,240.35 million. The working capital improvement, on the other hand, was influenced by the uncharacteristically high project-related advance payments. As no larger acquisitions were made in the 2015 financial year, the cash flow from investing activities, despite higher investments in property, plant and equipment, stood at € -320.21 million – significantly below the previous year's value of € -435.30 million. The cash flow from financing activities amounted to € -117.55 million after € -142.42 million the previous year. The positive effect from the bond issues and repayments were countered by cash outflows from returns of financing liabilities and dividends.

Employees
In the 2015 financial year, the STRABAG Group employed an average of 73,315 people (2014: 72,906), of which 44,763 were blue-collar and 28,552 were white-collar workers. Despite the integration of several thousand employees of Germany- and Austria-based DIW Group, the number of employees grew only marginally (+1 %). Quite variable trends were observed on the other markets. In the Americas, for example, the company took on more than 1,000 additional employees, while employee levels in Africa fell by a similar figure.

Outlook
STRABAG SE expects a more or less unchanged output volume of about € 14 billion for the 2016 financial year. The Management Board confirms the target of achieving a lasting EBIT margin of 3 % starting in 2016.

Additional details as to the 2015 financial figures will be presented by the CEO, Thomas Birtel, at the financial press conference taking place today, Friday, at 10:00 a.m.

***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 machinery at the right place and at the right time in order to realise even 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 more than € 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.*