



## STRABAG SE

*(a Societas Europaea (SE) in Austria, registered number FN 88983h)*

### **Offering of up to EUR 75,000,000 [●] % 2012-2019 Bonds ISIN AT0000A0V7D8**

This offering (the "Offering") consists of (i) a public offering in Luxembourg, the Republic of Austria and the Federal Republic of Germany of the up to EUR 75,000,000 [●] % 2012-2019 bonds with a denomination of EUR 1,000.00 each (the "Bonds") and (ii) an offering of the Bonds to selected institutional investors outside of Luxembourg, the Republic of Austria and the Federal Republic of Germany.

The Issuer has reserved the right to increase the total principal amount of the Offering to up to EUR 125,000,000. The final total principal amount will be determined after consultation with the Joint Lead Managers by the Issuer on or about May 3, 2012 and published prior to the beginning of the subscription period.

The issue price of the Bonds and the final total principal amount of the Offering will be determined in accordance with a bookbuilding procedure. The issue price of the Bonds is expected to range between 98 % and 102 % of the nominal value of the Bonds. Interest on the Bonds carrying a fixed annual coupon is payable annually in arrears on an unadjusted basis on May 10 of each year, commencing on May 10, 2013. The interest rate will be published together with the issue price.

With respect to the Bonds application will be made for admission to and trading on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange, a regulated market pursuant to Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on markets in financial instruments.

**Prospective investors should be aware that an investment in the Bonds involves a risk and that, if certain risks, in particular those described in the chapter "Risk Factors" occur, the investors may lose all or a very substantial part of their investment.**

This prospectus (the "Prospectus") constitutes a prospectus pursuant to Article 5 paragraph 3 of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended, for the public offering of the Bonds, issued by STRABAG SE, in Luxembourg, the Republic of Austria and the Federal Republic of Germany and to selected institutional investors outside of Luxembourg, the Republic of Austria and the Federal Republic of Germany and for the admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. This Prospectus has been prepared in accordance with Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended, and conforms to the requirements of the Luxembourg law of 10 July 2005 on the prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*, the "Prospectus Law"), the Austrian Capital Market Act (*Kapitalmarktgesetz*), the Austrian Stock Exchange Act (*Börsegesetz*) and the German Securities Prospectus Act (*Wertpapierprospektgesetz*). This Prospectus has been approved as a prospectus by the Commission de Surveillance du Secteur Financier (the "CSSF") in its capacity as competent authority under the Prospectus Law and will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). CSSF assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. This Prospectus will be notified to the Austrian financial markets authority (*Finanzmarktaufsichtsbehörde*, the "FMA") and the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* "BaFin") before any public offering will be made in the Republic of Austria. This Prospectus will be filed as a listing prospectus (*Zulassungssprospekt*) with the Vienna Stock Exchange in accordance with the Stock Exchange Act in connection with the listing application for the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. A supplement to the Prospectus, if any, to be prepared pursuant to the Prospectus Law will also be filed with the CSSF, must be approved by the CSSF and will then be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy Bonds in any jurisdiction where such offer or solicitation is unlawful. The Bonds have not been and will not be registered under the United States Securities Act of 1933 (the *Securities Act*). Offers to the public in the Republic of Austria and in the Federal Republic of Germany will only be made following the CSSF's delivery to the FMA and to the BaFin of, *inter alia*, a certificate of approval pursuant to Article 18 of directive 2003/71/EC (the "Prospectus Directive") attesting that this Prospectus has been drawn up in accordance with the Prospectus Directive.

Joint Lead Managers

**Raiffeisen Bank  
International AG**

**UniCredit Bank Austria AG**

The date of this Prospectus is April 30, 2012

STRABAG SE (the “Issuer”), with its registered office in Villach, Austria, accepts responsibility for the correctness of the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Prospectus should be read and construed on the basis that such documents are incorporated and form part of the Prospectus.

No person is or was authorized to give any information which is not contained in or not consistent with this Prospectus or any other document entered into in relation to the issuance of the Bonds or any information supplied by the Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorized by the Issuer.

The Issuer is responsible for the information contained in this Prospectus and the documents incorporated herein by reference, and to the extent permitted by the laws of any relevant jurisdiction, neither any Joint Lead Manager nor any other person mentioned in this Prospectus, excluding the Issuer, accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

This Prospectus reflects the status as of the date of issuance of the Bonds. The delivery of this Prospectus and the offering, sale or delivery of the Bonds may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to the date of issuance or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the Bonds is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Prospectus contains statements under the captions “Summary of the Prospectus”, “Risk Factors”, and elsewhere which are, or may be deemed to be, “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward looking terminology, including the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “targets”, “may”, “will”, “plans”, “continue” or “should” or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, goals, future events or intentions. The forward-looking statements contained in this Prospectus include certain “targets”. These targets reflect goals that the Issuer is aiming to achieve and do not constitute forecasts.

STRABAG bases forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Investors should not place undue reliance on these forward-looking statements. Many factors could cause STRABAG’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The forward-looking statements contained in this Prospectus include all matters that are not historical facts and include statements regarding the Issuer’s intentions, beliefs or current expectations concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy and the industry and markets in which the Issuer operates. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

Many factors could cause the actual results, performance or achievements of STRABAG to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Some of these factors are discussed in more detail under “Risk Factors” below.

Should one or more of these risks or uncertainties described in this Prospectus occur, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Prospectus as anticipated, believed, estimated or expected. The Issuer has no intention to and assumes no responsibility for updating the information contained in this Prospectus after the end of the Offering.

This Prospectus has been prepared by the Issuer in connection with the Offering solely for the purpose of enabling a prospective investor to consider the purchase of the Bonds and to comply with the listing requirements of the Vienna Stock Exchange. In making an investment decision regarding the Bonds offered pursuant to this Prospectus, investors must rely on their own examination of the STRABAG Group and the terms of the Offering, including, without limitation, the merits and risks involved. The Offering is being made solely on the basis of this Prospectus.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own lawyer, financial adviser or tax adviser for legal, financial or tax advice.

The distribution of this Prospectus and the offering, sale and delivery of Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions.

The Bonds offered hereby have not been and will not be registered under the Securities Act or with any authority of any state of the US, or the applicable securities laws of Australia, Canada, Japan and the United Kingdom, and may not be offered or sold in the US or to, or for the account of, any US persons or to any person resident in Australia, Canada, Japan, the United Kingdom and the US.

This Prospectus contains statements regarding the market position of STRABAG SE. Unless specified otherwise, such statements regarding the Group's market or competitive position are based on the Group's internal market research.

Where information was sourced from a third party, STRABAG SE confirms that this information was accurately reproduced and that as far as STRABAG SE is aware and is able to ascertain from information published by that third party, no facts were omitted which would render the reproduced information inaccurate or misleading. Where such information was included in this Prospectus, the source is indicated.

The legally binding language of this Prospectus is English; except for the Conditions of issue of the Bonds (the "Conditions of Issue") where the German language is legally binding.

## TABLE OF CONTENTS

|  |       |
|--|-------|
| Definitions .....  | 1     |
| Financial Statements.....  | 1     |
| Financial information displayed in this Prospectus.....  | 2     |
| Table of Documents incorporated by Reference .....   | 2     |
| Market and Industry Data.....  | 2     |
| Documents Available for Inspection .....   | 3     |
| Summary .....  | 4     |
| Summary Consolidated Financial Data .....  | 8     |
| Risk Factors.....  | 9     |
| Selected Consolidated Financial Data .....   | 21    |
| Trends and events that are reasonably likely to have a material effect on STRABAG's prospects..... | 22    |
| Investments in progress and planned investments in 2012.....                                       | 22    |
| Business.....  | 23    |
| Legal Disputes and Other Proceedings.....  | 27    |
| Material Contracts .....   | 28    |
| Management .....   | 28    |
| Principal Shareholders.....  | 32    |
| Shareholders' Agreements .....   | 33    |
| General Information about the Company .....  | 34    |
| Auditor .....  | 37    |
| Disclosure for the Securities.....   | 37    |
| Taxation in Austria.....   | 38    |
| Taxation in the Federal Republic of Germany .....  | 41    |
| Taxation in Luxembourg .....   | 44    |
| Terms and Conditions of the Offering.....  | 46    |
| Allotment, Pricing, Underwriting, Admission to Trading.....  | 47    |
| Conditions of Issue.....   | 49    |
| Zusammenfassung .....  | D - 1 |
| Zusammenfassung der Konzernfinanzdaten.....  | D - 6 |

## Definitions

In this Prospectus, unless the context otherwise requires,

- “STRABAG SE” or the “Company” or the “Issuer” refer to STRABAG SE;
- “STRABAG Group”, the “Group” or “STRABAG” refer to STRABAG SE and its consolidated subsidiaries;
- “Raiffeisen NÖ-Wien Group” refers to RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. and its consolidated subsidiaries;
- “UNIQA Group” refers to UNIQA Versicherungen AG and its consolidated subsidiaries;
- “Rasperia” refers to Rasperia Trading Limited, Limassol, Cyprus, a company indirectly controlled by Mr. Oleg Deripaska;
- “Basic Element” refers to Company Bazovy Element LLC, Moscow, Russian Federation, a company indirectly controlled by Mr. Oleg Deripaska;
- “IFRS” refers to International Financial Reporting Standards (“IFRSs”) including International Accounting Standards (“IASs”) and interpretations published by International Accounting Standard Board, as adopted by the EU; and
- “CEE” refers to Central and Eastern Europe, which for the purposes of this Prospectus, includes the Russian Federation.

## DOCUMENTS INCORPORATED BY REFERENCE

### Financial Statements

The audited consolidated financial statements in accordance with IFRS of the Company as of, and for the years ended, December 31, 2011 and 2010 in the English language (the “Consolidated Financial Statements”) and the auditors’ report thereon extracted from the STRABAG SE Annual Report 2011 and the STRABAG SE Annual Report 2010, respectively, as set out below, are incorporated by reference into this Prospectus and are defined herein as the “Documents Incorporated by Reference”. This Prospectus should be read and construed in conjunction with the Documents Incorporated by Reference which have been previously published and which have been filed with the CSSF and shall form part of this Prospectus.

The Company has prepared the German language Consolidated Financial Statements in accordance with IFRS. The Audited Annual Consolidated Financial Statements 2011 and 2010 in German language were audited by KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Kudlichstraße 41, A-4020 Linz, Austria (“KPMG”), certified public auditors and members of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstrehänder*). KPMG changed its corporate form from a company with limited liability (*GmbH*) to a stock corporation (*AG*) in April, 2012. The Consolidated Financial Statements and the auditors’ report thereon are translations of the original German language documents.

The Documents Incorporated by Reference are available at the Company’s registered office and the Company’s Vienna office during usual business hours for twelve months from the date of publication of this Prospectus, see “*Documents Available for Inspection*”. The Consolidated Financial Statements may also be inspected on STRABAG SE’s website ([www.strabag.com](http://www.strabag.com)) under the icons “Investor Relations” and “Reports” as follows:

- The consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2011 (the “2011 Consolidated Financial Statements”), together with the auditor’s report thereon as published in the Company’s Annual Report 2011.
- The consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2010 (the “2010 Consolidated Financial Statements”), together with the auditor’s report thereon as published in the Company’s Annual Report 2010.

### **Financial information displayed in this Prospectus**

All financial information displayed in this Prospectus, including, in particular, the information under the headings “Summary Consolidated Financial Data”, and “Selected Consolidated Financial Data” is extracted from the Consolidated Financial Statements.

The Prospectus, including the Documents Incorporated by Reference, will be published on the website of the Company ([www.strabag.com](http://www.strabag.com)) and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The Documents Incorporated by Reference are available at the Company’s Vienna office at Donau-City-Straße 9, A-1220 Vienna, Austria (Tel: +43 (1) 22 4 22 – 1170) during usual business hours for 12 months from the date of this Prospectus, see “*Documents Available for Inspection*”.

### **Table of Documents incorporated by Reference**

The following Documents Incorporated by Reference form part of this Prospectus:

1. 2011 Consolidated Financial Statements, pages 123-175, including:
  - consolidated income statement, page 123
  - statement of comprehensive income, page 123
  - consolidated balance sheet, page 124
  - consolidated cash flow statement, page 125
  - statement of changes in equity, pages 126
  - consolidated statement of changes in fixed assets, pages 128-129
  - notes to the consolidated financial statements, pages 130-175 and the auditors’ report thereon, pages 177-178.
2. 2010 Consolidated Financial Statements, pages 123-176, including:
  - consolidated income statement, page 123
  - statement of comprehensive income, page 123
  - consolidated balance sheet, page 124
  - consolidated cash flow statement, page 125
  - statement of changes in equity, page 126-127
  - consolidated statement of fixed assets 128-129
  - notes to the consolidated financial statements, pages 130-176 and the auditors’ report thereon, pages 178-179.

Any information not listed in this cross reference list but included in the Documents Incorporated by Reference is given for information purposes only.

### **Market and Industry Data**

This Prospectus includes information regarding market share, market position, growth rates and industry data for the Group’s lines of business, which consists of estimates based on the Deloitte European Powers of Construction 2010 study dated June, 2011 (available at [http://www.deloitte.com/assets/Dcom-Germany/Local%20Assets/Documents/11\\_RealEstate/2011/EPoC\\_2010.pdf](http://www.deloitte.com/assets/Dcom-Germany/Local%20Assets/Documents/11_RealEstate/2011/EPoC_2010.pdf) and referred to as the “Deloitte EPoC 2010”) and the 72nd Euroconstruct Country and Summary Books dated November 2011 (together referred to as “Euroconstruct 2011”). The information on this website

is not incorporated by reference into this Prospectus. The Company assumes no responsibility for the correctness of any market share or industry data included in this Prospectus. Such third party sources have been accurately reproduced and as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company does not have access to the facts and assumptions underlying the numerical data, market data and other information extracted from publicly available sources and has not independently verified market data provided by third parties or industry or general publications. In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. While the Company believes its internal research to be reliable, such research has not been verified by any independent sources and the Company cannot guarantee its accuracy. The Company believes that such data are useful in helping investors understand the industry in which the Group operates and the Group's position within the industry.

### **Documents Available for Inspection**

Copies of the following documents will be available for inspection at the Company's registered office at Triglavstraße 9, A-9500 Villach, Austria, and at the Company's Vienna office at Donau-City-Straße 9, A-1220 Vienna, Austria (Tel: +43 (1) 22 4 22 – 1170), during usual business hours for twelve months from the date of publication of this Prospectus:

- the Articles of Association of STRABAG SE;
- this Prospectus;
- the 2011 Consolidated Financial Statements; and
- the 2010 Consolidated Financial Statements.

## Summary

**Warning.** *The following summary must be read as an introduction to this Prospectus, and any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole, including the Consolidated Financial Statements and the matters set out under “Risk Factors”. Civil liability attaches to those persons who have tabled this summary and applied for its notification, but only if this summary is misleading, inaccurate or inconsistent when read together with the other sections of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court, a plaintiff investor might, under the national legislation of the relevant member state of the EEA, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. In the event that such legal proceedings are initiated before a court in Austria, a German translation of the Prospectus will be required, and the costs thereof will have to be borne initially by the plaintiff investor and ultimately by the party held to be responsible therefor in the legal proceedings.*

**Issuer** STRABAG SE with its registered seat in Villach and its business address Donau-City-Straße 9, A-1220 Vienna. The Company is registered with the commercial register of the District Court Klagenfurt under FN 88983h.

**Business activity of the Issuer** From the core markets of Austria and Germany, the Group is present via numerous subsidiaries in all countries of Eastern and South-East Europe, in selected markets in Western Europe and increasingly on other continents. STRABAG’s service range covers all segments of the construction industry. The Group offers its services under several brands including STRABAG, Heilit+Woerner, Möbius and Züblin.

The STRABAG Group operates in three segments:

- *Building Construction & Civil Engineering:* The Building Construction & Civil Engineering segment comprises the construction of commercial and industrial properties, office and administration buildings, residential real estate and the production of prefabricated elements. Medium-sized and large-scale projects – predominantly from private clients – form the core of the business activities. In the field of Civil Engineering, STRABAG is engaged in the construction of complex infrastructure projects, in the field of power plant construction, in large-scale bridge building as well as in environmental technology.
- *Transportation Infrastructures:* The Transportation Infrastructures segment covers asphalt and concrete road construction as well as any remaining construction activities associated with road construction, such as earthmoving, canalisation, waterway construction, dyking, paving, the construction of sport and recreational facilities, safety and protective structures, small-scale bridge projects and the construction of offshore wind power facilities. In recent years railway construction and hydraulic engineering were added as important specialist areas. The Transportation Infrastructure segment also includes the production of construction materials such as asphalt, concrete and aggregates to supply the Group and external clients.

- *Special Divisions & Concessions:* The Special Divisions & Concession segment includes the area of tunnelling, which comprises the construction of road and railway tunnels as well as of underground galleries and caverns. A further area of business is the concessions business. The segment also includes global project development activities mainly in Transportation Infrastructures as well as property and facility management. These include project related services such as development, financing and operation.

As of December 31, 2011, the Group had approximately 76,900 employees (full time equivalents) worldwide. The STRABAG Group generated a total output volume (for an explanation of output volume see “Summary Consolidated Financial Data” on page 8) of EUR 14,326 million in the financial year ended December 31, 2011, and of EUR 12,777 million in the financial year ended December 31, 2010.

### ***Material risk factors***

The Issuer is subject to a number of risks which - in case they materialize - could have a material adverse effect on the Issuer’s business, results of operations and financial condition. It is not even possible to entirely exclude a complete loss of the capital invested. The risks are described in detail under the caption “*Risk Factors*” (pages 9 *et seq.*). The risks are, *inter alia*, the following:

#### *Risks relating to the Issuer and the STRABAG Group*

- Uncertain economic situation and associated risks
- Dependency on cyclical construction sector activity levels
- Calculation and pricing of construction projects, in particular lump sum pricing, expose the STRABAG Group to significant risks
- Seasonality of the STRABAG Group’s business and dependency on weather conditions
- Competition in the industry could negatively impact the STRABAG Group’s business
- The STRABAG Group’s order backlog may not be a reliable indicator of future revenue developments
- The failure of counterparties to pay amounts due may have a material adverse effect on STRABAG Group’s business
- Participation in consortia entails specific liability risks
- Implementation of construction projects under legal structures that entail specific risks in addition to the project completion risk
- Cost increases or lack of availability of raw materials
- Impairments may be required in the future
- In many Central and Eastern European Countries economic and political developments are uncertain, the legal systems, procedural safeguards and anti-corruption measures are not fully developed and material changes in law may occur at any time
- The STRABAG Group faces different economic, political and legal environments and changes in the regions where the STRABAG Group is active
- The European construction industry suffers from a lack of skilled labor
- Contractual penalties, other losses and reputational risks

- Dependency on certain customers, including governments funding infrastructure projects
- Warranty and liability risks for defective services and products
- The STRABAG Group may be liable for misconduct of its sub-contractors
- The continued internationalization of its business entails certain risks for the STRABAG Group
- The STRABAG Group is subject to risks associated with the acquisition of other businesses
- No controlling interest in some of the companies through which the STRABAG Group conducts its business
- The STRABAG Group may need to raise capital in the future and may be able to do so only on economically unfavorable terms
- Financial and other covenants under certain credit facilities may not be complied with
- Liability and risks associated with inadequate insurance
- Environmental and other regulatory matters may cause additional costs or liability for the STRABAG Group
- The STRABAG Group is exposed to tax risks
- The STRABAG Group is dependent on its senior management and other key employees
- Failure to maintain and further develop an appropriate risk management could adversely affect the STRABAG Group
- Investigations are currently being conducted against the STRABAG Group and its current and former employees
- Competition law risks
- The STRABAG Group may face risks from pending and future litigations and proceedings
- The Company's principal shareholders may exercise significant influence over the STRABAG Group and their interests may not always correspond to the interests of the Company
- The Company is a holding company and its ability to satisfy any debt obligations depends on its receipt of funds from its subsidiaries

*Risks relating to the Bonds*

- Investors bear the risk of their investment decision
- Credit risk: The Issuer's creditworthiness may deteriorate and the Issuer may become insolvent
- Market risk: Uncertainty of price development
- Illiquid markets
- A suspension of trading in the Bonds or in the Company's shares could adversely affect the market price of the Bonds
- Risk of changing interest rates
- In case of inflation, the real yield of the Bonds decreases
- The Issuer may redeem the Bonds for tax reasons
- Premature redemption and reinvestment risk
- Investors have to rely on the clearing system procedures to receive payments under the Bonds
- The Issuer is not limited to issue debt and may engage in transactions which are not in the interest of Bondholders

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>- Risk of structural subordination</li> <li>- Transaction costs and fees may reduce the yield of the Bonds</li> <li>- Investors may be required to pay taxes and other charges or duties</li> <li>- Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged</li> <li>- Change of law risk</li> <li>- A court can appoint a trustee for the bonds who shall exercise the rights and represent the interests of the bondholder on its behalf</li> <li>- It may not be lawful for prospective investors to purchase the Bonds</li> </ul> |
| <b><i>Reasons for the Offering and use of proceeds</i></b>          | The Issuer intends to use the net proceeds of the issue of the Bonds for general corporate purposes.  |
| <b><i>Offered Securities</i></b>                                    | The Issuer intends to issue the Bonds in the total amount of up to EUR 75,000,000 with a denomination of EUR 1,000.00 each. The Issuer has reserved the right to increase the total principal amount of the Offering to up to EUR 125,000,000. The final total principal amount will be determined after consultation with the Joint Lead Managers by the Issuer on or about May 3, 2012 and published prior to the beginning of the subscription period.   |
| <b><i>Tenor of the Bonds</i></b>                                    | 7 years, May 10, 2012 until May 9, 2019 (inclusive).  |
| <b><i>Interest</i></b>  | [●] % per year (payable annually in arrears).   |
| <b><i>Issue price</i></b>   | The issue price of the Bonds will be determined after completion of the bookbuilding procedure by the Joint Lead Managers in consultation with the Issuer (See “ <i>Allotment, Pricing, Underwriting, Admission to Trading</i> ” on pages 47 <i>et seq.</i> ).  |
| <b><i>Estimated net proceeds</i></b>                                | Taking into consideration estimated fees and expenses of EUR [●] and assuming an issue price of 100%, the Issuer expects to receive net proceeds of EUR [●].  |
| <b><i>Redemption</i></b>  | The Bonds will be redeemed at their principal amount on May 10, 2019.   |
| <b><i>Joint Lead Managers</i></b>                                   | Raiffeisen Bank International AG and UniCredit Bank Austria AG.   |
| <b><i>Paying Agent</i></b>  | Raiffeisen Bank International AG.   |
| <b><i>Total principal amount, issue price, interest, yield</i></b>  | The final total principal amount of the Offering as well as the final issue price, the interest and the yield of the Bonds will be included in the pricing notice which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu).  |
| <b><i>Listing</i></b>   | Application will be made for admission to listing of the Bonds on the Second Regulated Market ( <i>Geregelter Freiverkehr</i> ) of the Vienna Stock Exchange.   |
| <b><i>International Securities Identification Number (ISIN)</i></b> | AT0000A0V7D8  |
| <b><i>Common Code</i></b>   | 077889019   |

## Summary Consolidated Financial Data

The following information and data have been extracted from, and are only a summary of, the Consolidated Financial Statements which are incorporated into this Prospectus by reference. Potential investors are encouraged to read the entire Prospectus, including the Consolidated Financial Statements and the other financial information included in the Prospectus.

|   | Year Ended December 31,   |                   |
|---|---|-------------------|
|   | 2011  | 2010              |
|   | audited (TEUR)  |                   |
| <b>Selected Income Statement Figures</b>      |   |                   |
| Revenue.....                                  | 13,713,804  | 12,381,537        |
| <b>Profit/loss before taxes .....</b>         | <b>343,329</b>  | <b>279,274</b>    |
| <b>Profit for the period/net income .....</b> | <b>239,290</b>  | <b>188,378</b>    |
| <b>Selected Balance Sheet Data</b>            |   |                   |
| Total non-current assets.....                 | 4,534,355   | 4,345,039         |
| Cash and cash equivalents .....               | 1,700,237   | 1,952,452         |
| <b>Total assets.....</b>                      | <b>10,386,054</b>   | <b>10,382,157</b> |
| <b>Equity .....</b>                           | <b>3,149,842</b>  | <b>3,232,438</b>  |
| Total non-current liabilities .....           | 2,358,854   | 2,363,476         |
| <b>Other Financial Data</b>                   |   |                   |
| EBIT .....                                    | 334,785   | 298,951           |
| EBITDA .....                                  | 746,331   | 734,693           |
|   |   |                   |
|   | Year Ended December 31,   |                   |
|   | 2011  | 2010              |
|   | Unaudited, unless otherwise stated<br>(TEUR, unless otherwise stated) |                   |
| <b>Other Operating Data</b>                   |   |                   |
| Output volume (audited) <sup>(1)</sup> .....  | 14,325,851  | 12,777,000        |
| Order backlog .....                           | 13,354,000  | 14,738,740        |
| Equity ratio (in %).....                      | 30.3  | 31.1              |

- (1) STRABAG presents output volume because it is widely used in the construction industry and management believes it is a useful measure for assessing the overall construction output of STRABAG and other entities and alliances in which STRABAG holds a direct or indirect interest. It is important to note that output volume is not an IFRS financial measure and is not designed to measure STRABAG's financial performance. Moreover, STRABAG's output volume is not indicative of its revenue. There is no official definition of output volume. Measures bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may be calculated differently.

## **Risk Factors**

**Warning:** *Prospective investors should consider carefully the risk factors set forth below before making an investment in the Bonds. The risks described below constitute, in the STRABAG Group's opinion, the most significant risks of which it is currently aware, but the list does not purport to be exhaustive and the risks described do not constitute the only risks to which the STRABAG Group is exposed. The order in which the individual risks are presented does not provide an indication of the likelihood of their occurrence nor of the severity or significance of the individual risks. Furthermore, other risks and aspects may be of significance of which the STRABAG Group is currently unaware or which it does not currently consider to be material but which may also have a material adverse effect on the STRABAG Group's business and business prospects and on its financial condition and results of operations. If these risks materialize, individually or together with other circumstances, this may have a material adverse effect on the STRABAG Group's business, financial condition and results of operations and STRABAG SE's ability to fulfil its obligations as Issuer of the Bonds and investors could lose all or part of their investment.*

### ***Risks relating to the Issuer and the STRABAG Group***

#### *Uncertain economic situation and associated risks*

The global financial and economic and the euro zone debt crises has had considerable effects on the real economy, including the construction sector in Europe. The economic situation remains uncertain and volatile and the STRABAG Group cannot exclude that further negative events, which are entirely beyond its control, may unfold and negatively affect the macroeconomic climate. This may have an adverse effect on the development of the real economy and in particular construction sector as well as on the overall stability of the Central Eastern and South Eastern European region, and subsequently on the assets, financial position and earnings of the STRABAG Group. A decline in construction activity in the STRABAG Group's markets could cause excess capacity in the construction industry and lead to increased price pressure. Therefore, a prolonged or worsening economic downturn in the STRABAG Group's markets could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

#### *Dependency on cyclical construction sector activity levels*

The results of the STRABAG Group depend heavily on infrastructure, commercial and to some degree residential construction activity and spending levels. Construction activity and spending levels vary across the STRABAG Group's many markets and generally tend to be cyclical, especially in mature economies. The construction industry is sensitive to interest rates and economic and other factors outside the STRABAG Group's control. Economic downturns may lead to recessions in the construction industry, either in individual markets or globally, and construction spending may fall even in growing economies. The STRABAG Group may thus be affected significantly by global downturns or downturns in one or more individually significant markets, each of which may have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

#### *Calculation and pricing of construction projects, in particular lump sum pricing, expose the STRABAG Group to significant risks*

Calculation and pricing of construction projects, in particular lump sum pricing and construction projects providing for a functional description of services (*funktionale Ausschreibung*), expose the STRABAG Group to significant risks. Due to relatively low margins achieved on most construction projects, one or a small number of loss-making construction projects could have a disproportionately large effect on the STRABAG Group's business, financial condition and results of operations of the STRABAG Group.

#### *Seasonality of the STRABAG Group's business and dependency on weather conditions*

Construction activity decreases substantially during periods of cold weather, snow or heavy or sustained

rain. Consequently, demand for construction services is significantly lower in winter. Further, demand for construction services may be generally volatile. Typically, construction companies' operations are partly seasonal, with turnover generally increasing during the second half of the year in most markets because of better weather conditions. However, high levels of rainfall can adversely impact the operations of such companies during these periods as well. Accordingly, seasonal patterns and adverse weather conditions, including natural disasters, can materially adversely affect the results of operations of the STRABAG Group, particularly if such conditions occur with unusual intensity, during abnormal periods, or last longer than usual. Also, results achieved during good quarters may not be sufficient to compensate for bad quarters. Further, turnover and profit fluctuations may occur due to the deferral of construction projects. All such effects could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

*Competition in the industry could negatively impact the STRABAG Group's business*

The STRABAG Group operates in a variety of local and regional markets around the world, and many factors affect the competitive environment the STRABAG Group faces in any particular market. These factors include the number of competitors in the market, their pricing policies and market penetration, pre-existing relationships with customers or customers' prior experience with specific contractors, a track record of being able to complete construction projects on time, financial strength (including key financial data such as equity ratios, which are prerequisites in certain bidding processes), the total production capacity serving the market, up to-date technology in terms of construction methods and equipment, market entry barriers, which are typically low, and the proximity of natural resources, as well as general economic conditions and demand within the market. Each of these factors or a combination thereof may influence the competitive environment in the markets in which the STRABAG Group operates and may have a material adverse impact on the demand for its products and services, on its market share and consequently its business, financial condition and results of operations.

*The STRABAG Group's order backlog may not be a reliable indicator of future revenue developments*

Incoming orders materialize upon conclusion of a contract or receipt of a binding commitment by the customer/awarding authority. Nevertheless, the risk remains that the project fails or the STRABAG Group is unable to generate the expected return. In particular, major project cancellations may have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

*The failure of counterparties to pay amounts due may have a material adverse effect on STRABAG Group's business*

Credit risk is the potential exposure of the STRABAG Group to losses in case counterparties, in particular customers, fail to perform or pay amounts due. Due to the severity of the recent financial and economic crisis, it is possible that the creditworthiness of some of the STRABAG Group's business partners is lower than in the past and/or the STRABAG Group's assessments of the creditworthiness of its counterparties outdate rapidly. As a consequence, the STRABAG Group may experience a higher than normal level of counterparty failure. The realization of such counterparty risk may have a material adverse effect on the STRABAG Group's business, results of operations and financial condition.

*Participation in consortia entails specific liability risks*

Due to their size and the risk involved, construction projects are frequently awarded to and carried out by consortia. As a construction group, STRABAG Group is regularly participating in such consortia. In case of the withdrawal of another consortium member (e.g. in case of insolvency), the project risk for the remaining members increases. In addition, Austrian law provides for joint and several liability of all consortium members for the contracted construction works and any damages caused by any one consortium member. Other countries in which the STRABAG Group operates have implemented comparable liability concepts for consortia. As a consequence, the STRABAG Group may be held liable by third parties for breaches of contract of and damages caused by other consortium members. The STRABAG Group may, for various reasons, not be able to take recourse internally against the

responsible consortium member, which could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group. In particular, the Group is a member of a joint venture in connection with the construction of a proton therapy medical centre in Essen, Germany, where STRABAG AG, Germany, and a subsidiary have been partially responsible for the building structure of the medical centre and its maintenance; so far the awarding entity denied acceptance of the medical centre; this view was recently confirmed by a partial arbitral award; however, joint liability for the malfunctions of the technical equipment, default damages or liabilities incurred due to the guarantees granted by the Group for the benefit of the project company and the entire project could exceed the Group's immediate obligations considerably.

*Implementation of construction projects under legal structures that entail specific risks in addition to the project completion risk*

In particular in the Project Development – Infrastructure business segment, major infrastructure projects are increasingly financed by public-private partnerships (“PPP”), where – in the typical scenario – the government assigns responsibility for constructing and operating a piece of infrastructure, such as a highway, to a company but retains regulatory control and ownership. In a particular type of PPP arrangement referred to as build-operate-transfer (“BOT”), a public sector entity grants a concession to a private company, which undertakes to construct, finance and operate a piece of infrastructure over the period of the concession before finally transferring the facility, at no cost to the government, as a fully operational facility. The return on any investment in such projects depends on the duration of the concession, in addition to the amount of usage revenues collected, debt service costs and other factors. Thus in addition to the risk of failure of a construction project as such, the STRABAG Group is exposed to risks involved in the operation of infrastructure projects in the long term, which may materially and adversely affect its business, financial condition and results of operations.

*Cost increases or lack of availability of raw materials*

The STRABAG Group seeks to secure the supply of materials and other supplies it needs by developing permanent relationships with important suppliers, concluding framework agreements and acquiring its own resources (e.g., quarries, asphalt and concrete mixing plants) for certain types of raw materials. However, the STRABAG Group may not always be successful in doing so. Occasionally, certain raw materials may temporarily not be available at all (e.g., bitumen, which would mainly affect the road construction or steel which would mainly affect the building construction and civil engineering segment). Should the STRABAG Group's existing suppliers cease operations or reduce or terminate production or should the cost of procuring the relevant materials increase significantly for other reasons, the STRABAG Group may face significant increases in costs for the completion of its construction projects. Further, because pricing arrangements contained in agreements of the STRABAG Group with its customers may limit the STRABAG Group's ability to pass on increases in supply costs, the STRABAG Group's financial condition and results of operations may be materially adversely affected if any such increases occur and are not anticipated by the STRABAG Group.

*Impairments may be required in the future*

In 2011, the obligatory impairment tests in accordance with IFRS 3 required the STRABAG Group to write down approximately EUR 16 million in goodwill. As of December 31 2011, the carrying value of goodwill on the STRABAG Group's subsidiaries amounted to approximately EUR 472 million.

The carrying value of goodwill on the STRABAG Group's subsidiaries may become subject to further impairments if an economic downturn, decreased operating margins or any other adverse effects caused STRABAG Group's estimate of future cash flows generated by its subsidiaries to be revised downwards or if the rate used to discount the cash flows is increased. Depending on the size of such impairments, further write downs may have a material adverse effect on the STRABAG Group's business, financial condition and results of operations.

*In many Central and Eastern European Countries economic and political developments are uncertain, the legal systems, procedural safeguards and anti-corruption measures are not fully developed and material changes in law may occur at any time*

The economic development in the CEE region is subject to risks common to all regions that have recently undergone, or are undergoing, political, economic and social change, including currency fluctuations, evolving regulatory environments, inflation, economic recession, local market disruption, labor unrest, changes in disposable income or gross national product, variations in interest rates and taxation policies, levels of economic growth, declines in birth rate and other similar factors. Far-reaching political and economic reforms mean that political and economic tensions could accompany the development of the new democratic and market-oriented systems. Generally, the countries in the CEE region that are not EU member states (in particular the Ukraine, Serbia, Croatia, Bosnia, Kosovo, Moldavia, Macedonia and Montenegro) are not yet as stable as the countries in the region that have already joined the EU.

Many EU member states (such as Hungary, the Czech Republic, Slovakia, Poland, Bulgaria and Romania) have undergone economic reform in recent years, yet public discussion continues as to the need to reform pension and healthcare systems and to balance the fiscal budget. A failure to safeguard the stability of the public finances in these countries could potentially destabilize such countries' currencies, increase inflation and the borrowing costs of such country through lower debt ratings and deteriorate the overall economic situation, which may thereby materially adversely affect the STRABAG Group's business, financial condition and results of operations.

The legal systems of many CEE countries have undergone substantial changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in an inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations.

Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations in a reasonably timely manner or at all. Institutions and legal and regulatory systems characteristic of parliamentary democracies have been developed in certain CEE countries. They still lack an institutional history, and there may be no generally observed procedural guidelines. Moreover, a lack of legal certainty or the inability to obtain effective legal remedies in a reasonably timely manner may have a material adverse effect on the STRABAG Group's business, financial condition and results of operations.

Many CEE countries have not implemented effective measures against corruption, money laundering, organized crime and the existence of a considerable black and grey market economy. As a consequence, corrupt and illegal activity, which may also arise within the STRABAG Group, poses further risks to the STRABAG Group's business in CEE and may generally have a material adverse effect on its business, financial condition and results of operations.

*The STRABAG Group faces different economic, political and legal environments and changes in the regions where the STRABAG Group is active*

The STRABAG Group offers its services in more than 30 countries worldwide (including all countries of Eastern and South-East Europe, selected markets in Western Europe and increasingly countries on other continents) and faces different economic, political and legal environments and changes in these markets. The STRABAG Group may face difficulties to react to these different economic, political and legal situations and changes, leading to a decrease in market share in certain regions and an overall negative effect on the STRABAG Group's results. Moreover, political instability or adverse changes in the legal environment in any of the STRABAG Group's markets could materially adversely affect the STRABAG Group's business, financial condition and results of operations.

*The European construction industry suffers from a lack of skilled labor*

Competition among the construction companies for skilled labor can be intense and may result in both a

deterioration of quality of services provided and an increase in labor costs. Occasionally, entire teams of construction personnel decide to accept offers from competitors, which typically has a significant negative impact on the completion of affected ongoing construction projects. Any limited availability of skilled personnel, if enduring and significant, may materially and adversely affect the STRABAG Group's ability to further pursue its growth strategy and the STRABAG Group's business, financial condition and results of operations.

#### *Contractual penalties, other losses and reputational risks*

Construction projects are time-critical and schedule-driven and for the most part have to be carried out within the narrow time frame requested by the client. Particularly as a result of adverse weather conditions, unexpected technical difficulties, occurrences of damage arising during construction, for example water leakage or breakdown of a structural component, or on account of delays of the start of construction, there is a risk that, with respect to any given project, the STRABAG Group may not in all cases be able to meet the contractually agreed deadlines and that the final acceptance of its services may not occur at all or may be delayed until considerable time has been spent on rectifying defects, which may not be separately remunerated. In the event of any such delay, the applicable contractual provisions regularly provide for a contractual penalty that is partly independent of fault. Further, such delays may require a longer use of resources, which were already scheduled to be used in other projects. An accumulation of such events may have a materially adverse impact on the reputation, business, financial condition and results of operations of the STRABAG Group.

#### *Dependency on certain customers, including governments funding infrastructure projects*

Companies and governments of countries that regularly award construction contracts could restrict or suspend awarding contracts to the STRABAG Group due to political or other considerations. Generally, the construction industry is to some extent dependent on the amount of infrastructure work funded by various governmental agencies which, in turn, depends on the condition of the existing infrastructure in the relevant countries, the need for new or expanded infrastructure and federal, state or local government spending levels. Partly, the STRABAG Group also depends on the extent to which infrastructure programs are funded by the EU. The award of contracts by contracting authorities is furthermore subject to uncertainties as a result of restricted or altered budgets, the participation in costly tender procedures with uncertain outcome, bureaucracy and corruption. A decrease in government funding of infrastructure projects could decrease the number of construction projects available and limit the STRABAG Group's ability to obtain new contracts, which could reduce revenues and/or profits.

#### *Warranty and liability risks for defective services and products*

Services provided or products sold by the STRABAG Group may contain defects. This may lead to the relevant customers or buyers asserting a contractual warranty claim against the STRABAG Group. Further, third parties may also bring a claim for damages or for product liability against the STRABAG Group where defective products have caused damage to property or personal injury. Hidden defects that are not detected for years may cause such claims to be raised at a later point in time than expected and may impair the ability to claim recourse from consortium members or sub-contractors or other third parties to which such defects are attributable and thus could materially adversely affect the STRABAG Group's reputation, business, financial condition and results of operations.

#### *The STRABAG Group may be liable for misconduct of its sub-contractors*

The STRABAG Group relies on sub-contractors to render certain services. Particularly in connection with turnkey construction projects in the building construction segment, if a sub-contractor violates prior commitments to participate in a construction project, the STRABAG Group may face significant increases in costs for the completion of that project or may be obliged to procure alternatives to replace the relevant services. Further, deficiencies in the performance of services rendered by sub-contractors or violations of law by such sub-contractors (e.g., labor law, environmental issues and corruption) may expose the STRABAG Group to warranty and damages claims by customers and other legal action which could materially adversely affect the STRABAG Group's business, financial condition and

results of operations.

*The continued internationalization of its business entails certain risks for the STRABAG Group*

Currently, the STRABAG Group, apart from the core markets of Austria and Germany, is present via numerous subsidiaries in all countries of Eastern and South-East Europe, in selected markets in Western and northern Europe and increasingly on other continents. The STRABAG Group aims to further develop its business internationally and to increase its presence in the global construction markets. Based on its current plans the STRABAG Group will focus more attention on non-European markets such as individual regions in Asia, the Americas, Africa and the Middle East, where it seeks to increase its presence. There can be no assurance, however, that the envisaged further expansion will be successful and that the required use of financial and human resources will yield the desired results. Inaccurate projections of market conditions in the relevant countries or a failure to utilize business and growth opportunities may materially and adversely affect the business, financial condition and results of operations of the STRABAG Group.

*The STRABAG Group is subject to risks associated with the acquisition of other businesses*

The STRABAG Group's strategy of developing its market position could lead to further acquisitions of new businesses and the integration of those businesses into its organization. The integration of new businesses may be costly and synergies from acquisitions may prove less than originally expected. Further, acquisition candidates may have liabilities or adverse operating issues, which the STRABAG Group may fail to discover prior to the acquisition. Financing for these acquisitions could increase STRABAG Group's debt burden. All this could have a material adverse impact on the business, financial condition and results of operations of the STRABAG Group.

*No controlling interest in some of the companies through which the STRABAG Group conducts its business*

The Company does not have a controlling interest in some of the companies through which it conducts its business and may make future investments in companies in which it will not have a controlling interest. Some key matters, such as the approval of business plans and the timing and amount of cash distributions, require the consent of the other shareholders or may be approved by the other shareholders without the consent of the Company. Consequently, the strategy of such companies may not always be aligned with the Company's and/or the STRABAG Group's interests. These and other limitations arising from investments in companies the Company does not control may prevent the Company from achieving its objectives for these investments. Further, actions by minority investors whose interests are not always aligned with the Company's may adversely impact operating and financial strategies and results by, among other things, impairing or delaying reorganizational measures taken within the STRABAG Group in order to enhance organizational efficiency and could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

*The STRABAG Group may need to raise capital in the future and may be able to do so only on economically unfavorable terms*

The STRABAG Group has a significant need for liquidity and financing, which has up to now predominantly been met from cash flow from operations and through bank loans and corporate bonds. Further, the Company has taken out a syndicated facility and bilateral facilities permitting the issuance of letters of guarantee for various purposes (e.g., bid bonds, performance bonds) at the Company's request. To the extent that the STRABAG Group's cash flow from operations is insufficient, the STRABAG Group may require additional financing. The STRABAG Group's ability to obtain such financing on economically favorable terms in the future will depend in part upon prevailing capital markets conditions, particularly interest rate levels, conditions imposed on its business and operating results and credit ratings. If adequate funds are not available on acceptable terms or at all, the STRABAG Group may not be able to make future investments, acquire businesses, pursue other opportunities or respond to competitive challenges which could have a materially adverse impact on the

business, financial condition and results of operations of the STRABAG Group.

*Financial and other covenants under certain credit facilities may not be complied with*

The STRABAG Group is party to several credit facility agreements that restrict the ability of the STRABAG Group to engage in certain activities, including the ability (subject to certain exceptions) to incur liens or encumbrances, incur additional indebtedness or guarantee obligations in excess of certain thresholds, dispose of a material portion of assets, effect material acquisitions, engage in a merger with a third party or pledge accounts receivable. If the STRABAG Group fails to meet the terms of these covenants or of any other restrictions contained in the credit facility agreements, an event of default could occur, which could result in the acceleration of all of the STRABAG Group's outstanding indebtedness causing such debt to become immediately due and payable. If such acceleration occurs, the STRABAG Group may not be able to repay such indebtedness on a timely basis which could have a material adverse effect on its business operations and, in the worst case, lead to its insolvency.

*Liability and risks associated with inadequate insurance*

The STRABAG Group believes it is currently insured to a reasonable extent against operational risks. There can be no assurance, however, that the STRABAG Group will not incur losses or that no claims will be made which exceed the amounts agreed under its insurance contracts. The STRABAG Group is in particular exposed to the risk of incurring losses for which no or only insufficient insurance coverage exists which would have a materially adverse effect on the business, financial condition and results of operations of the STRABAG Group.

*Environmental and other regulatory matters may cause additional costs or liability for the STRABAG Group*

The STRABAG Group's operations are subject to various environmental laws and regulations relating to the management, disposal and remediation of hazardous substances and the emission and discharge of pollutants into the air, water and soil. Existing comprehensive precautionary measures and risk management might turn out to be insufficient and as a result such substances may occasionally cause damage to customers, employees and third parties and expose the STRABAG Group to liability. In addition, the STRABAG Group could be held liable under any of these laws and regulations for contamination resulting not only from its own activities but also from the historical activities carried out by others on its project sites or on properties acquired by the STRABAG Group. The STRABAG Group's operations are also subject to laws and regulations relating to, among other things, workplace safety and workers' health. As a result, the STRABAG Group could become subject to substantial fines and penalties, cleanup and other obligations, third-party property damage or personal injury claims as well as to reputational damage, all of which could have a materially adverse effect on the business, financial condition and results of operations of the STRABAG Group.

*The STRABAG Group is exposed to tax risks*

The STRABAG Group operates in more than thirty countries around the world, and any of these countries could modify its tax laws in ways that would adversely affect the STRABAG Group. The STRABAG Group is subject to regular audits by the competent tax authorities. The STRABAG Group is of the view that the tax returns provided by the Company and its subsidiaries have been fully and accurately submitted. To the extent that the STRABAG Group anticipates potential tax liabilities arising from currently pending tax audits, it has established provisions on its balance sheet in amounts that it considers to be reasonable. Nonetheless, with hindsight and because in the course of a tax audit finance authorities may contest the factual basis of those tax returns or may take views that are different from those reflected in such returns, substantial additional tax demands could arise which would have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group.

*The STRABAG Group is dependent on its senior management and other key employees*

The commercial success of the STRABAG Group depends in large part on the qualification and the continuing service of its senior management, particularly the members of the Management Board, and other key personnel of the STRABAG Group. Qualified personnel is of great importance to the STRABAG Group's continuing success as, by reason of its business experience, it is in the position to recognize and avoid possible risks in the development and implementation of construction projects. The STRABAG Group endeavors to assure sufficient availability of qualified personnel by continuously investing in the further education of its personnel and striving to recruit highly qualified university graduates. However, there can be no assurance that the STRABAG Group will be able to retain its key personnel or, where necessary, attract suitable successors. The risk of loss of senior management and other personnel in key positions, which is particularly pronounced with respect to qualified management personnel in CEE countries, and the shortage of available junior staff, may have material adverse effects on the STRABAG Group's business, financial condition and results of operations.

*Failure to maintain and further develop an appropriate risk management could adversely affect the STRABAG Group*

The STRABAG Group's risk management system is designed to assist with the assessment, avoidance and reduction of risks which jeopardize its business. If the risk management system in place turns out to be insufficient, there can be no assurance that violations of internal guidelines, applicable law or criminal acts by employees or third parties retained by the STRABAG Group such as sub-contractors or consultants and their employees, including corruption, fraud, money laundering and other illegal business practices, can be entirely prevented. If the STRABAG Group's risk management system does not achieve its objectives or if the STRABAG Group's internal organizational, information, risk monitoring, and risk management systems are inadequate, corporate or administrative failures or illegal activities could occur or wrong decisions could be made, which in turn could have material adverse effects on the STRABAG Group's reputation, business, financial condition and results of operations.

*Investigations are currently being conducted against the STRABAG Group and its current and former employees*

Investigations are being conducted in Germany, in particular in connection with road construction projects in and around Chemnitz, Eastern Germany with respect to certain road construction projects in Saxony, Eastern Germany, in which the STRABAG Group was involved. The crimes at issue include fraud, embezzlement, money laundering, formation of a criminal organization and bribery. As a result of these investigations, prosecutors, procurement agencies and others may take action against the STRABAG Group and former employees that could have a material adverse effect on the reputation, business, results of operations and financial condition of the STRABAG Group.

Initially prosecutors estimated that the total damage suffered by third parties as a result of the crimes described above would amount to approximately EUR 27 million. The STRABAG Group established a provision in its financial statements to cover potential damages, expenses and losses arising out of or in connection with such crimes. The risk was revaluated as a result of the ongoing inquiries of the crimes by prosecutors and by the STRABAG Group internally in subsequent years. As a result of such revaluations the provision was consecutively reduced for the remaining risks. In addition to the direct financial consequences covered in this provision, the STRABAG Group, as a result of the investigations and proceedings, could face substantial additional sanctions, which could have a material adverse effect on the business, results of operations and financial condition of the STRABAG Group.

The STRABAG Group has not conducted a comprehensive compliance review of all road construction projects. Therefore, it is possible that additional investigations launched by prosecutors will uncover evidence of criminal wrongdoing in other parts of the STRABAG Group of which the STRABAG Group currently has no knowledge. Evidence of such wrongdoing may cause authorities to exclude the STRABAG Group from participating in public tenders and lead to reputational and financial harm.

### *Competition law risks*

In the construction industry's recent past, a series of investigations by competition authorities have been carried out on both a national and an international level. For example, with respect to possible competition law offences in Hungary several proceedings are currently pending before Hungarian courts and before of the Hungarian Competition Authority. As a result from such proceedings and in light of court decisions already handed down, a ban from participation in public tenders on STRABAG Zrt. and Szentesi Vasútépítő Kft. with a duration of up to five years could be imposed and significant damage liabilities may be suffered. Additionally, fines might be imposed by the Hungarian Competition Authority. Similarly, competition investigations against Strabag AG, Ljubljana branch, and Strabag gradbene storitve d.o.o. in Slovenia for alleged infringements of Slovenian and European competition laws could result in substantial fines imposed on the companies and certain responsible individuals. Similarly, in Romania cartel law investigations were initiated also against the Group and are pending. Also in future the STRABAG Group may from time to time become involved in such investigations. Competition law risks apply in particular to situations where the STRABAG Group participates in private and public procurement procedures in which a limited number of competitors take part. In such situations there is a risk that competition authorities, competitors, or contractors may suspect the existence of illegal agreements between market participants, which restrict competition, and accordingly proceed against them. Such proceedings may have a materially adverse impact on the reputation, business, financial condition and results of operations of the Group.

#### *The STRABAG Group may face risks from pending and future litigations and proceedings*

The STRABAG Group is currently subject to various litigation matters as plaintiff or defendant, e.g. with minority shareholders, contracting authorities and other customers, sub-contractors and consortium partners. In the construction business, legal disputes concerning claims for compensation or damages are frequent and often end in settlement. An unanticipated liability, from any such litigation or tax, environmental or other administrative proceeding, could have a material adverse effect on the STRABAG Group's business, financial condition and results of operations. The STRABAG Group's involvement in such litigation could result in significant expense and diversion of the Group's resources and harm the STRABAG Group's reputation.

#### *The Company's principal shareholders may exercise significant influence over the STRABAG Group and their interests may not always correspond to the interests of the Company*

The Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia Trading Limited hold in the aggregate more than 75% of the shares of STRABAG SE. Each of the Haselsteiner family, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia Trading Limited have entered into a shareholders' agreement. The shareholders' agreement provides for nomination rights with respect to members of the supervisory board of the Company (with the Haselsteiner Group and Rasperia each being entitled to nominate one member), the coordination of voting rights of the shares of the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia at the Company's shareholders' meetings and other rights with respect to the shares as well as certain additional core undertakings with respect to strategic business development of the STRABAG Group. The principal shareholders may be able to significantly influence matters requiring shareholder approval, and there can be no assurance that they will align their voting behavior with the interests of the Company which may have a material adverse effect on the business, financial condition and results of operations of STRABAG Group.

#### *The Company is a holding company and its ability to satisfy any debt obligations depends on its receipt of funds from its subsidiaries*

The Company is a holding company with no significant assets other than direct and indirect interests in the many subsidiaries through which it conducts its operations. The Company's ability to satisfy any debt obligations depends predominantly upon receipt of sufficient funds from its subsidiaries. The extent of such cash flows to the Company will depend on the business, financial condition and results of

operations of its subsidiaries. In addition, payments and transfers of funds may be restricted by the terms of any indebtedness that may be incurred by subsidiaries and by applicable law. Some countries may impose regulations restricting the payment of dividends to foreign shareholders through exchange control regulations. To the Company's knowledge, there are currently no countries in which it has operative subsidiaries that directly restrict the payment of dividends. However, there can be no assurance that such restrictions will not arise in the future. The above factors could cause any or all subsidiaries to be unable to pay dividends or make other distributions directly or indirectly to the Company which may have a material adverse effect on the business, financial condition and results of operations of STRABAG Group.

### ***Risks relating to the Bonds***

#### *Investors bear the risk of their investment decision*

Potential investors in the Bonds must determine the suitability of such investment in the light of their own circumstances, in particular their financial resources, investment expectations, knowledge and experience in financial and business matters and the long-term commitment regarding the invested capital. Each investor should consult a professional adviser regarding the risks associated with the Bonds before making an investment decision.

#### *Credit risk: The Issuer's creditworthiness may deteriorate and the Issuer may become insolvent*

The Issuer's creditworthiness has a significant effect on the development of the market price of the Bonds. If the Issuer's creditworthiness deteriorates, this may result in declining market prices of the Bonds and, consequently, losses for holders of Bonds ("Bondholders"), who sell the Bonds prior to maturity. In case of insolvency, the Issuer may not be able to fulfill its obligations under the Bonds and investors could lose all or a part of their investment. The Bonds are not covered by the statutory bank deposit insurance scheme.

#### *Market risk: Uncertainty of price development*

The Issuer will apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. It cannot be guaranteed that the stock exchange prices at which the Bonds will be quoted in the future will not be below the respective nominal value. Negative consequences on the stock exchange price of the Bonds may be caused in particular by an unsatisfactory business development of the Issuer, a deterioration of the Issuer's branch of business or the economy as a whole, an increase of the current level of interest as well as a general decline of the securities markets. The securities markets have seen material stock exchange price and trading volume fluctuations during the past years. Such fluctuations could result in a material adverse effect for investors. The Bondholders are therefore exposed to the risk of an unfavorable development of and fluctuations in the market prices of the Bonds which materializes if the Bonds are sold prior to maturity.

#### *Illiquid markets*

The Issuer intends to apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange; it can still not be guaranteed that active trading in these securities will develop and that the market for the Bonds will be liquid.

Illiquid markets can result in a situation where investors may be forced to sell their securities below a reasonable price, the price they have bought such securities or a price which is appropriate for such securities. This could result in a material adverse effect for investors.

#### *A suspension of trading in the Bonds or in the Issuer's shares could adversely affect the market price of the Bonds*

The FMA is authorized to suspend or request the relevant regulated market on which the securities are admitted to trading to suspend such securities from trading due to various reasons (e.g. if, in its opinion,

the respective issuer's situation is such that continued trading would be detrimental to the investors' interest). Further to the possibility of suspension of trading in an issuer's securities by the Vienna Stock Exchange, the FMA is also authorized to instruct the Vienna Stock Exchange to suspend trading in an issuer's securities in connection with measures taken against market manipulation and insider trading. The relevant stock exchange must suspend trading in securities which no longer comply with the rules of the regulated market unless such step would likely cause significant damage to investors' interests or the orderly functioning of the market. Any suspension of trading in the Bonds or in the shares of the Issuer could adversely affect the market price of the Bonds.

#### *Risk of changing interest rates*

A change in the current interest rate level may cause changes in the stock exchange prices for fixed interest securities. Rising interest rates will most likely cause decreasing bond prices and vice versa. The longer the remaining tenor of a corporate bond is, the more impact on the stock exchange price will be caused by a change in the interest rate level. Investors who intend to sell Bonds during the tenor of a corporate bond are subject to the risk of falling stock exchange prices driven by an increase of the interest rate level which could result in a material adverse effect for investors.

#### *In case of inflation, the real yield of the Bonds decreases*

The inflation risk refers to the risk that the value of assets, such as the Bonds, or income therefrom decreases when the purchasing power of a currency decreases due to inflation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the interest of the Bonds, the real yield is zero or even negative.

#### *The Issuer may redeem the Bonds for tax reasons*

The Issuer is entitled to early termination of the Bonds, in whole but not in part, and to redeem the Bonds for tax reasons in accordance with §5(2) of the Conditions of Issue. If Bonds are redeemed prior to maturity, Bondholders are exposed to the risk that their investment will have a lower than expected yield due to early redemption.

#### *Premature redemption and reinvestment risk*

In the event that the Bonds are being sold during their tenor or in the event of premature redemption of the Bonds, an investor may be subject to the risk that he may not find any reinvestment opportunities at better or at least the same conditions. The same also applies to the reinvestment of coupon payments derived from the investment. This could result in a material adverse effect for investors.

#### *Investors have to rely on the clearing system procedures to receive payments under the Bonds*

The Bonds are represented by a Global Bond, which is kept in custody by the Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB") as central securities depository. Purchases and sales of the Bonds are settled via clearing system and Bondholders will only be able to trade their beneficial interest in the Global Bond through and receive payments via the clearing system. As a consequence, Bondholders have to rely on the clearing systems' procedures for transfer, payment and communication with the Issuer to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Bond.

#### *The Issuer is not limited to issue debt and may engage in transactions which are not in the interest of Bondholders*

The interests of the Issuer and the Bondholders are not identical and future transactions of the Issuer directly or indirectly affecting the Bonds may have a negative influence on the development of the Bonds' trading price. In particular, there is no restriction on the amount of debt which the Issuer may issue which ranks equal to the obligations under or in connection with the Bonds. Such issuance of further debt may reduce the amount recoverable by the Bondholders upon insolvency or winding-up of

the Issuer and may increase the likelihood that the Issuer may or shall defer payments of interest under the Bonds.

#### *Risk of structural subordination*

Bondholders are unsecured creditors of the Issuer and, therefore, structurally subordinated to secured creditors, who have a preferential access to assets for which they have been provided collateral. A structural subordination also exists with regard to unsecured creditors of the Issuer's subsidiaries, since these have preferential access to the relevant subsidiary's assets if the subsidiary becomes insolvent, while the Issuer only receives the liquidation proceeds that remain after all creditors of the relevant subsidiary have been satisfied in full. Furthermore, receivables of the Issuer vis-à-vis an insolvent subsidiary may be treated as subordinated obligations according to applicable law. These aspects could have a materially adverse impact on the business, financial condition and results of operations of the STRABAG Group and the Issuer's ability to fulfil its obligations under the Bonds.

#### *Transaction costs and fees may reduce the yield of the Bonds*

Purchasing, depositing and selling Bonds can cause commissions, fees and other transaction costs. The cost burden can substantially reduce the yield of the Bonds and may, in case of small transaction values, be above-average. Potential investors are advised to inform themselves about such costs before purchasing or selling Bonds.

#### *Investors may be required to pay taxes and other charges or duties*

Potential investors in the Bonds should be aware that they may be required to pay taxes or Bonds are transferred to or other jurisdictions and should consult their own independent tax advisers, if they are in any doubt as to their tax position.

#### *Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged*

Current payments under the Bonds may be below any possible loan interest rates. There is no assurance that the yield or the redemption price of the Bonds will be sufficient to pay back loan obligations (including interest). In case of a purchase of Bonds financed by loans and a subsequent delay or default of payment by the Issuer or a material decrease in the market price of the Bonds, the investor must not only bear the related loss, but also service and repay the loan. Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged.

#### *Change of law risk*

The Conditions of Issue are based on Austrian law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Austrian law (including Austrian tax laws) or Austrian administrative practice after the date of this Prospectus and investors are subject to the risk that such decisions and/or changes have an adverse effect on the Issuer the Bonds or the investors.

#### *A court can appoint a trustee for the bonds who shall exercise the rights and represent the interests of the bondholder on its behalf*

Pursuant to the Bonds Trustee Act (*Teilschuldverschreibungskuratorengesetz*) (RGGBl 49/1874 of 24 April 1874), a trustee (*Kurator*) can be appointed by a court for the purposes of representing the common interests of bondholders; for instance, in connection with any amendments to the terms and conditions of the bonds, changes relating to the issuer, the insolvency of the issuer, or other such circumstances. If a trustee is appointed, it will exercise the rights and represent the interests of the bondholders and will be entitled to make statements on their behalf which shall be binding on all bondholders. Where a trustee represents the interests and exercises the rights of creditors, this can conflict with or otherwise adversely affect the interests of individual or all bondholders.

*It may not be lawful for prospective investors to purchase the Bonds*

Neither the Issuer, the Joint Lead Managers or other syndicate members nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Bonds by a prospective purchaser, under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates, or its compliance with any applicable laws, regulation or regulatory policy. A prospective purchaser may not rely on the Issuer, the Joint Lead Managers or other syndicate members, or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Bonds.

## Selected Consolidated Financial Data

The following selected consolidated financial data of the Group have been derived from the Consolidated Financial Statements, which are incorporated into this Prospectus by reference, as of and for the twelve months ended December 31, 2011 and 2010.

|   | <b>Year Ended December 31,</b>            |                   |
|---|---|-------------------|
|   | <b>2011</b>                               | <b>2010</b>       |
|   | <b>audited (TEUR)</b>                     |                   |
| <b>Selected Income Statement Figures</b>      |   |                   |
| Revenue .....                                 | 13,713,804                                | 12,381,537        |
| <b>Profit/loss before taxes</b> .....         | <b>343,329</b>                            | <b>279,274</b>    |
| <b>Profit for the period/net income</b> ..... | <b>239,290</b>                            | <b>188,378</b>    |
| <b>Selected Balance Sheet Data</b>            |   |                   |
| Total non-current assets .....                | 4,534,355                                 | 4,345,039         |
| Cash and cash equivalents .....               | 1,700,237                                 | 1,952,452         |
| <b>Total assets</b> .....                     | <b>10,386,054</b>                         | <b>10,382,157</b> |
| <b>Equity</b> .....                           | <b>3,149,842</b>                          | <b>3,232,438</b>  |
| Total non-current liabilities .....           | 2,358,854                                 | 2,363,476         |
| <b>Other Financial Data</b>                   |   |                   |
| EBIT .....                                    | 334,785                                   | 298,951           |
| EBITDA .....                                  | 746,331                                   | 734,693           |
| <b>Other Operating Data</b>                   |   |                   |
|   | <b>Year Ended December 31,</b>            |                   |
|   | <b>2011</b>                               | <b>2010</b>       |
|   | <b>Unaudited, unless otherwise stated</b> |                   |
|   | <b>(TEUR, unless otherwise stated)</b>    |                   |
| Output volume (audited) <sup>(1)</sup> .....  | 14,325,851                                | 12,777,000        |
| Order backlog .....                           | 13,354,000                                | 14,738,740        |
| Equity ratio (in %) .....                     | 30.3                                      | 31.1              |

- (1) STRABAG presents output volume because it is widely used in the construction industry and management believes it is a useful measure for assessing the overall construction output of STRABAG and other entities and alliances in which STRABAG holds a direct or indirect interest. It is important to note that output volume is not an IFRS financial measure and is not designed to measure STRABAG's financial performance. Moreover, STRABAG's output volume is not indicative of its revenue. There is no official definition of output volume. Measures bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may be calculated differently.

## **Trends and events that are reasonably likely to have a material effect on STRABAG's prospects**

Since the date of its last published financial statements as of December 31, 2011, no events affecting the Group have occurred which have resulted in a material change in the prospects or a significant change in the financial or trading position of STRABAG.

The following factors are reasonably likely to have a material effect on STRABAG's prospects:

**Development of market position.** A leading market position, not just in the home markets Austria and Germany is considered to be a critical factor for the Group's development. Furthermore, the Group's management regards a broad geographic positioning as an important factor. In the 2012 financial year the management of STRABAG focuses on further increasing market shares in the Group's growth markets and maintaining market leadership in those countries in which the Group is number one.

Moreover STRABAG will continue to cover raw material needs with own resources and intends to increase the coverage of Group supply from own production. STRABAG will also maintain its focus on the extension of the value added chain, the filling of niche segments and the participation in public PPP projects.

**General economic conditions and government spending on infrastructure projects.** STRABAG's results in any given period are materially affected by construction sector activity levels, which in turn are primarily driven by general economic conditions and the level of government spending on infrastructure projects.

In recent years cyclical trends in general economic conditions have been partially offset by the enlargement of the European Union, as a result of which the construction industry in the new EU member states has experienced significant growth. This growth has been driven primarily by government programs aimed at enhancing the inadequate and frequently outdated infrastructure. STRABAG was present in these markets at an early stage and thus able to benefit from this growth.

The financial and economic crisis which evolved since summer 2008 and particularly since beginning of 2009 impacted on the real economy including the construction sector. This led to a decrease of construction activity in most European countries. The economic situation is still uncertain and the pace and degree of recovery from the financial and economic crisis, if at all, is presently unknown and will have a significant effect on the Group's future prospects.

**Seasonality.** Due to snow, ice and other adverse weather conditions, STRABAG's revenue in the winter season is typically lower than in the spring and summer seasons. Because a large portion of its costs are fixed, STRABAG has in the past experienced significant losses in the first quarter of each calendar year, which have been offset by higher margin contributions starting in the second quarter. STRABAG typically has reached the break-even point early in the second half of the year. Seasonal patterns are particularly pronounced in the STRABAG Group's road construction business and to a lesser extent in its building construction and civil engineering activities. While these variations do not affect the comparability of STRABAG's revenue, output volume and results from year to year, any interim financial information that STRABAG may publish will be subject to seasonal patterns.

## **Investments in progress and planned investments in 2012**

STRABAG prepares annual budgets for plant and machinery, tools and equipment. For 2012, STRABAG is planning investments of approximately EUR 350 million for such budgeted items. Within the framework of the Group's investment concept, property and acquisitions are approved by STRABAG's management and supervisory boards on a case by case basis. STRABAG assumes that the investments planned for 2012 will be financed from existing liquidity. Since December 31, 2011, STRABAG has not made principal investments.

## **Business**

The STRABAG Group is one of the major providers of construction services in Europe based on the Deloitte EPoC 2010, Euroconstruct 2011 and the Company's own internal estimates.

From the core markets of Austria and Germany, the Group is present via numerous subsidiaries in all countries of Eastern and South-East Europe, in selected markets in Western Europe and increasingly on other continents. The Group offers its services under several brands including STRABAG, Heilit+Woerner, Möbius and Züblin. These services cover all areas of the construction industry and the entire value-added chain in the field of construction.

The STRABAG Group generated a total output volume (for an explanation of output volume see "Selected Consolidated Financial Data" on page 21) of EUR 14,326 million in the financial year ended December 31, 2011, and of EUR 12,777 million in the financial year ended December 31, 2010. As of December 31, 2011, the Group had approximately 76,900 employees (full time equivalents) worldwide.

### ***Market Position, Basis for Statements regarding STRABAG's competitive position***

Based on the Deloitte EPoC 2010, Euroconstruct 2011 and the Group's own internal estimates, management believes that in 2011 in terms of output volume, the Group was number one in Austria, the Czech Republic, Germany, Poland, Slovakia and Hungary and number three in Romania and Switzerland. In 2011, the Group generated more than 80% of its output volume in countries where it held a market position among the top three construction companies. The Group is market leader in the construction sector in Central and Eastern Europe on a combined basis. Business in Eastern Europe accounts for 30% of the Group's total output volume.

### ***Organization***

STRABAG SE is the parent company of the Group. Its Management Board exercises the coordinated management of the Group, is responsible for maintaining its financial balance and determines the Group's strategic goals. At the execution of these tasks, the management board is supported by central staff divisions (*Stabstellen*), central divisions (*Zentralbereiche*) and the divisions (*Unternehmensbereiche*).

The division managers (*Unternehmensbereichsleiter*) coordinate and steer their sub-divisions (*Direktionen*) and report directly to the management board member responsible for their division. The division managers manage their business independently and on their own responsibility within the framework of the Group's business policy, i.e. it is their responsibility to reach the objectives laid out in the strategic and operative planning and to realise the specified measures.

The operating business is managed by the sub-divisions, which in turn are organized into individual business units. They are responsible for the performance in their regional markets and are as a rule managed, coordinated and controlled by the division manager.

The central divisions handle Group-internal services in the areas of accounting, treasury, controlling, risk management, personnel development, technical development, equipment management, quality management and logistics.

The central staff divisions are responsible for legal matters, contract management and internal audit and report directly to the CEO.

In order to maintain an overview of the entire Group, STRABAG has developed a management information system aiming to ensure that the same standards apply in all regions where STRABAG is active. Clear criteria for the assessment of new projects, a standardized process for the submission of bids and control systems serve as filters to avoid loss-generating projects.

## ***The STRABAG Group's Segments and Markets***

The operating business of STRABAG SE is divided into three segments, which also constitute the Group's primary reporting segments: Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions. A further segment defined as "Other", which is not discussed in detail in this Prospectus, encompasses expenditures, income and employees at the Group's service companies and staff units as well as consolidation effects. In the financial year ended December 31, 2011, the Building Construction & Civil Engineering, Transportation Infrastructures and Special Divisions & Concessions segments contributed 35.9%, 46.8% and 16.2% respectively to the Group's total output volume. Figures under this heading "The STRABAG Group's Segments and Markets" for the financial years ended December 31, 2011 and 2010 are based on the data set out in the STRABAG's Annual Report 2011 which reflects the transfer of the subsegments *Special Foundation Engineering* and *Offshore Wind Plants* from the segment Special Divisions & Concessions to the segment Transportation Infrastructures also for the financial year ended December 31, 2010.

The following table sets forth a breakdown of the Group's output volume in 2011 into geographical regions:

|                                       | <b>Output volume in the twelve months ended December 31, 2011</b> |                                    |
|---------------------------------------|---|------------------------------------|
|                                       | <b>in EUR million</b>   | <b>as % of total output volume</b> |
| Germany.....                          | 5,609   | 39%                                |
| Austria.....                          | 1,985   | 14%                                |
| Poland .....                          | 1,719   | 12%                                |
| Czech Republic .....                  | 769   | 5%                                 |
| Switzerland .....                     | 574   | 4%                                 |
| Scandinavia .....                     | 512   | 4%                                 |
| Russia and neighboring countries..... | 487   | 3%                                 |
| Slovakia .....                        | 441   | 3%                                 |
| Hungary .....                         | 436   | 3%                                 |
| Benelux .....                         | 360   | 3%                                 |
| Middle East .....                     | 309   | 2%                                 |
| America.....                          | 257   | 2%                                 |
| Others.....                           | 868   | 6%                                 |
| <b>Total output volume.....</b>       | <b>14,326</b>   | <b>100%</b>                        |

### ***Building Construction & Civil Engineering***

The Building Construction & Civil Engineering Segment contributed EUR 5,142 million (representing a share of 35.9%) in 2011 and EUR 4,279 million (representing a share of 33.5%) to STRABAG's total output volume in 2010.

With its Building Construction & Civil Engineering Segment, the STRABAG Group has a diversified product portfolio and a notable technical position in complex civil engineering projects. The Group has turnkey competence for large sized mandates with a special focus on infrastructure, industrial and environmental projects.

The following is a summary of the comprehensive product range of the STRABAG Group's Building Construction & Civil Engineering Segment:

#### **Building Construction**

- *Commercial and Industrial Construction:* Shopping centers and business parks, office and commercial buildings, hotels and banks, multi-storey car parks, underground garages, cinema complexes, swimming pools and thermal baths, stadiums, airports and railway stations, warehouses and production facilities, industrial facilities, industrial chimneys, petrol stations and industrial flooring.
- *Public Buildings:* Administrative buildings, cultural venues, museums, hospitals, rehabilitation centers, old people's and nursing homes, fire brigade and ambulance facilities, educational

institutions such as universities, schools and nursery schools.

- *Housing*: Residential buildings and estates, production of prefabricated building components, refurbishment and facade and steelwork construction.

#### Civil Engineering

- *Bridges*: Road and railway bridges, cantilevering, incremental launching, combined concrete and steel bridges, supporting framework reinforcements, underground routing as well as tunnels constructed using an cut-and-cover method.
- *Power Plants*: Hydroelectric power plants, river power plants, thermal power plants, concrete dams and earthfill dams.
- *Environmental Engineering*: Landfills, landfill operation, waste treatment plants, regeneration of polluted soils and industrial sites, hazardous materials in building construction, water supply installations, as well as waste water collection and treatment.
- *Special Railway Construction*: Solid track bed system.
- *General Civil Engineering*: Underground traffic routes.

In any of these areas the Group may operate as the master builder, the general contractor in collaboration with subcontractors, or as a subcontractor.

#### Transportation Infrastructures

The Transportation Infrastructures Segment contributed EUR 6,701 million (representing a share of 46.8%) in 2011 and EUR 5,990 million (representing a share of 46.9%) to STRABAG's total output volume in 2010.

The following is a summary of the comprehensive product range of the STRABAG Group's Transportation Infrastructures Segment:

- *Roads, Earthworks*: Motorways, roads and paths, drilling and jointing technologies, paving and milling works, road rehabilitation and recycling, constructing smaller road and railway bridges in the context of road and railway construction, foot bridges, recycling of building materials, asphaltic concrete for hydraulic structures, automobile test tracks, landfills and surface sealing as well as operating excavation landfills.
- *Building Materials Production*: STRABAG has established a dense network of concrete and asphalt mixing plants, gravel pits and quarries, predominantly in Bavaria, Austria, Hungary, the Czech Republic, Slovakia and Poland. The Group is also active in the production of bitumen emulsion and insulating materials as well as in the bitumen trade. This field's main goal is supply to the Group; to the extent products are not required for Group supply, they are also sold to third party customers.
- *Hydraulic Engineering*: Construction and maintenance of waterways and dikes.
- *Large-Area Design*: Construction of large area facilities under special conditions, such as terminals for heavy transport or runways for airports, reloading and parking facilities.
- *Railway Construction*: Track superstructure, tracks, solid track bed systems, high-speed routes and track maintenance.
- *Pipe- and Waste Water Construction*: Sewer engineering and pipeline rehabilitation as well as pipeline construction.

- *Security and Protective Edifices*: Protective embankments, terrain securing, galleries and guide bars.
- *Sports and Recreational Facilities*: Constructing and renovating outdoor sports facilities, facilities for trend sports, various surfacings for open air sports facilities, indoor coverings, constructing golf and tennis courses, renovating deteriorating sports facilities as well as turnkey construction of multifunction arenas, sports halls and swimming pools.
- *Urban Planning, Landscape Architecture and Development, Paving*.
- *Special Foundation Engineering*: Soil investigations and well exploration, hydro-jetting and anchoring, walls in trench and piles, pipe jacking, bore and injection techniques, deep compaction, diaphragm walls, and pile driving.
- *Offshore Wind Plants*: The construction of offshore wind power facilities..

#### *Special Divisions & Concessions*

The Segment contributed EUR 2,315 million (representing a share of 16.2%) in 2011 and EUR 2,338 million (representing a share of 18.3%) to STRABAG's total output volume in 2010.

The following is a summary of the comprehensive product range of the STRABAG Group's Special Divisions & Concessions Segment:

- *Tunnelling*: Cyclical and continuous tunnel driving, using conventional and mechanical driving methods; road and railway tunnels and galleries and caverns.
- *Facility Management*: Operation, maintenance and marketing of real property.
- *Project Development – Real Estate*: Development and production of multi-functional projects (entertainment, hotel, etc.), commercial buildings (offices and shops), hospitals, commercial real estate (industrial parks, operational premises), shopping centers and residential buildings.
- *Infrastructure*: Traffic, energy and environmental technology.
- *Concessions*: Concession projects are predominantly pursued in traffic route construction and PPP-real estate.
- *Services in non-European markets*: Since January 1, 2010, the Group's services in non-European markets have been bundled in the Special Divisions & Concessions segment.

#### ***Risk Management and Compliance***

The STRABAG Group is subject to a number of risks in the course of its business activities. These risks are identified and assessed using an active risk management system in line with the Group's risk policy.

The Group's goals are defined at all company levels. This allows setting up processes for the timely identification of potential risks being an obstacle for achieving the Group's objectives. The organization of the Group's risk management builds on project-related jobsite and acquisitions controlling, supplemented by the higher-level assessment and steering management. The risk controlling process includes a certified quality management system, internal Group guidelines for the workflow in the operating units, a central administration, controlling, auditing and contract management. Through the establishment of Group-wide quality standards in quotation processing and supplemental services management, the centrally organized contract management department should be put in a position to better assert claims for outstanding debt.

The Group has in place a code of ethics addressing, among other things, compliance with applicable law, proper recording of business transactions, avoidance of conflicts of interest, acceptance and granting of gifts, as well as prevention of bribery and corruption. Measures to enforce the code include employee education, segregation of duties, risk management systems, job rotation, whistle-blower rules including the appointment of an internal and an external contact person for complaints, internal and external auditing as well as the imposition of appropriate sanctions for violations.

### **Legal Disputes and Other Proceedings**

In the course of its ordinary business operations, the Group is regularly involved in legal disputes as plaintiff or defendant. In the construction business, legal disputes concerning claims for compensation or damages are frequent and often end in settlement. Management believes that sufficient provisions have been made against the risk of pending or threatened litigation.

In addition, the Group, or consortia in which the Group currently participates or has participated, assert and have asserted claims in a series of cases in and out of court, especially for payment of remuneration.

Following the planned acquisition of CEMEX Austria AG, which failed in summer 2009 an arbitration proceeding is pending. RMC Holdings B.V., a company incorporated in the Netherlands, which was the intended seller, claims damages in the amount of approximately EUR 150 million from STRABAG SE and Austria Asphalt GmbH which would have been the buyers of 100% of the shares of CEMEX Austria AG, after the transaction failed, because the required merger control clearance in Austria was not achieved within the contractually agreed long-stop-date. In line with the assessment of its legal counsels, management does not expect the sum claimed to be granted; a court decision is expected to be delivered in the first half of 2012.

With respect to possible competition law offences in Hungary several proceedings are currently pending before Hungarian courts and before the Hungarian Competition Authority. As a result from such proceedings and in light of court decisions already handed down, a ban from participation in public tenders on STRABAG Zrt. and Szentesi Vasútépítő Kft. with a duration of up to five years could be imposed. Further, damage claims against STRABAG Zrt. amounting to roughly EUR 54 million have been raised and reputational damage may be suffered. In addition, damage claims of approximately EUR 16 million are expected to be brought against Szentesi Vasútépítő Kft.

The Slovenian Competition Protection Office, on October 4, 2010, has issued a resolution on the commencement of proceedings against Strabag AG, Ljubljana branch, and Strabag gradbene storitve d.o.o., alleging breaches of the Slovenian Prevention of Competition Act and Article 101 of the Treaty on the Functioning of the EU through unlawful agreements in procurement proceedings and exchange of sensitive information related to prices and other terms and conditions of operation in the market of the construction business. A decision by the Competition Protection Office is expected until October 4, 2012, at the latest, and could result in fines of up to 10% of the consolidated annual turnover of the respective company. In addition, fines ranging from EUR 5,000 to EUR 10,000 could be imposed on certain responsible individuals.

In March 2009, an accident occurred in the context of the construction of the Cologne underground (*Nord-Süd Stadtbahn*), resulting in the collapse of the Historical Archive of the City of Cologne and significant portions of two neighbouring buildings. Two residents who were trapped under the rubble could only be brought out dead. Investigations and proceedings were initiated and technical experts were appointed by the department of public prosecution and by the regional court. Despite an interim report prepared by the technical expert appointed by the regional court in April 2011, the cause of the accident is still unidentified and the investigations have not been finished yet. Besides the Group also other construction companies Bilfinger Berger AG and Wayss & Freytag Ingenieurbau AG hold a 33.3% share in the consortium working on the construction project. In December 2011, the City of Köln claimed the involved construction companies for compensation in damages. Nevertheless, the amount of any potential liability can not be specified on the date of this Prospectus. The members of the consortium are jointly and severally liable for all claims against the consortium.

Minority shareholders of the Company's German subsidiary STRABAG AG, Cologne, have filed claims against STRABAG AG challenging most of the resolutions adopted at the shareholders' meetings of STRABAG AG in 2006, 2007 and 2008. In connection with the claims regarding the annual shareholders' meeting of the year 2006, a decision ruling in favor of the plaintiff concerned the appointment of an expert as special auditor (*Sonderprüfer*) to investigate matters relating to the STRABAG AG's management board and supervisory board; however, the case is still not finally resolved and the Higher Court of Cologne, where the claims are currently pending, postponed all proceedings until final decision regarding resolutions in the shareholders' meeting in 2007. The respective legal proceedings are currently still pending with the Higher Court of Cologne. The resolutions of the shareholders' meeting in 2008 have also been challenged and the respective proceedings are still pending with the District Court of Cologne. The Company is unable to predict the likelihood of prevailing of STRABAG AG in the pending cases on the legal questions raised. However, due to the latest court decision of the Higher Court of Cologne and the German Federal Court of Justice (*Bundesgerichtshof*), which both ruled in favor of STRABAG AG in a related matter, a prevailing of STRABAG AG also in these proceedings seems to be more likely.

### **Material Contracts**

STRABAG, at the date of this Prospectus, has no contracts which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds. While STRABAG considers the following contracts entered into recently to be important, they are not relevant for its ability to meet its obligations to Bondholders in respect of the Bonds.

In October 2010, the Issuer has concluded a renewal of a syndicated surety loan with a consortium of international banks led by Deutsche Bank and Raiffeisen Bank International AG. The EUR 2.0 billion surety loan with a duration of five years replaced the previous credit line in the amount of EUR 1.5 billion.

In order to intensify its Russian business, STRABAG, in November 2010 paid a preliminary purchase price of EUR 70 million for a 26% stake in the Russian road construction company Transstroy, which forms a part of the diversified industrial holding Basic Element. STRABAG will conduct a thorough due diligence of Transstroy, which generated a turnover of RUB 39 billion in 2009, and has the right to withdraw from the contract if due diligence results are not satisfactory.

On May 25, 2010, the French building materials company Lafarge SA ("Lafarge") and STRABAG signed an agreement creating the holding company Lafarge Cement CE Holding GmbH with headquarters in Austria. The transaction was approved by the relevant competition authorities in February 2011 and was closed on July 29, 2011. Lafarge contributed its cement plants at Mannersdorf and Retznei in Austria, Cízkovice in Czech Republic and Trbovlje in Slovenia into the holding, while STRABAG in September 2011 contributed the plant built in Pécs in Hungary into the holding company. Lafarge holds a 70% stake in the new company, while STRABAG holds 30%. As a result of adjustment payments effected by STRABAG, Lafarge's debt was reduced by EUR 77.5 million.

In March, 2012, STRABAG issued bonded loans (*Schuldscheindarlehen*) in an amount of EUR 140 million with five and seven years maturities and with partly fixed, partly variable coupons which were placed with institutional investors in Germany as well as European and Asian financial institutions. The transaction was accompanied by the bookrunners Commerzbank Aktiengesellschaft and Landesbank Baden-Württemberg and achieved a further diversification of the Group's financing structure.

### **Management**

The members of the Management Board and Supervisory Board may be contacted at the Company's registered office in Villach or at the Company's Vienna office at Donau-City-Straße 9, A-1220 Vienna, Austria.

## ***Management Board***

The members of the Management Board are appointed by the Supervisory Board for a maximum period of five years; re-election is possible. Pursuant to the Articles of Association of the Company, the Management Board consists of up to eight members. The appointment of the Management Board members terminates after the general shareholders meeting deciding, among other things, upon the discharge of the Management Board for the financial year in which the relevant Management Board member has reached the age of 70. The Supervisory Board may remove a member of the Management Board prior to the expiration of its term for cause, such as gross negligence or deliberate breach of duty.

Unless the Supervisory Board resolves differently upon appointment of a Management Board member, the Company is represented by two members of the Management Board acting jointly. Currently only Hans Peter Haselsteiner is entitled to represent the Company alone.

Currently, the Management Board consists of the following six members:

| <b>Name</b>                  | <b>Position</b>                       |
|------------------------------|---------------------------------------|
| Hans Peter Haselsteiner..... | Chairman of the Management Board, CEO |
| Fritz Oberlerchner .....     | Vice-Chairman of the Management Board |
| Thomas Birtel.....           | Member                                |
| Hannes Truntschnig.....      | Member                                |
| Peter Krammer .....          | Member                                |
| Siegfried Wanker.....        | Member                                |

The Management Board members hold functions predominantly in other STRABAG Group entities which may be regarded as activities for the Group. Other activities performed outside the Group are not significant with respect to the Issuer.

## ***Supervisory Board***

The Supervisory Board consists of up to six members elected by the shareholders' meeting or nominated by certain shareholders, plus the members nominated by the works council.

Pursuant to the articles of association of the Company, the Supervisory Board consists of up to six members elected or nominated by the Company's shareholders. In accordance with an agreement between the Company and its works council, the works council may nominate up to five Supervisory Board members, but in no event more than elected or nominated by the Company's shareholders.

Currently, the Supervisory Board consists of four members elected by the shareholders' meeting including Ms. Kerstin Gelbmann as free float representative, plus two members (Erwin Hameseder and Andrei Elinson) who have been nominated by the holders of registered shares number 1 (Haselsteiner Group) and 2 (Rasperia), respectively, plus five additional members nominated by the Company's works council.

The Syndicate Partners (as defined below) have agreed that the Supervisory Board shall consist of six members two of which shall be nominated by each of the Haselsteiner Group, the Raiffeisen Group and Rasperia. For more detailed information on the Shareholders' Agreement see "*Principal Shareholders – Shareholders' Agreement*".

The current members of the Supervisory Board are:

| Name                       | Position              | Significant management activities performed outside the STRABAG Group   |
|----------------------------|-----------------------|---|
| Alfred Gusenbauer .....    | Chairman              | Haselsteiner Familien-Privatstiftung (board member), Gusenbauer Projektentwicklung und Beteiligung GmbH (CEO), Gabriel Resources Ltd. (member of the supervisory board)   |
| Erwin Hameseder .....      | Vice-Chairman         | RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG (CEO), AGRANA Beteiligungs AG, Flughafen Wien AG, Raiffeisenbank International AG, Südzucker AG, UNIQA Versicherungen AG (member of supervisory boards)   |
| Andrei Elinson.....        | Member                | Director of Corporate Governance and Internal Control at Basic Element (deputy CEO) Ingosstrakh (member of the supervisory board)   |
| Gottfried Wanitschek ..... | Member                | UNIQA Versicherungen AG (member of the management board)  |
| Siegfried Wolf .....       | Member                | GAZ (Gorkovsky Avtomobilny Zavod), division OJSC Russian Machines (chairman of the board of directors), VERBUND AG (member of the supervisory board), Russian Machines JSC, Glavstroy Corporation LLC and Transstroy Engineering & Construction Company Ltd. (chairman of the supervisory boards) |
| Kerstin Gelbmann.....      | Member                | Austro Holding GmbH (co-managing director), Grosso Holding GmbH (co-managing director), E.F. Grossnigg Finanzbetreuung und Treuhandgesellschaft mbH (co-managing director), conwert Immobilien Invest SE (member of the supervisory board)  |
| Andreas Batke .....        | Member <sup>(1)</sup> | STRABAG AG, Colonia (deputy chairman of the supervisory board), "STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)  |
| Miroslav Cerveny .....     | Member <sup>(1)</sup> | "STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)  |
| Magdolna P. Gyulainé....   | Member <sup>(1)</sup> | "STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)  |
| Wolfgang Kreis .....       | Member <sup>(1)</sup> | "STRABAG Arbeits- und Sozialfonds" Privatstiftung (member of the management board)  |
| Gerhard Springer .....     | Member <sup>(1)</sup> | "STRABAG Arbeits- und Sozialfonds" Privatstiftung (chairman of the management board)  |

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(1) Nominated by the Company's works council.

Further to the illustrated above, the Supervisory Board members hold functions in other supervisory boards or similar functions which are not significant with respect to the Issuer.

### ***Committees of the Supervisory Board***

The Supervisory Board has established a Presidium (*Präsidium*), a Presidium and Nomination

Committee (*Präsidial- und Nominierungsausschuss*) and an Audit Committee (*Prüfungsausschuss*). The rules of procedure of the Supervisory Board apply to the Supervisory Board Committees, unless the Supervisory Board resolves differently.

The Presidium is responsible for all matters regarding the relations of the Company and the members of the Management Board other than the appointment and revocation to the Management Board and the granting of options for shares of the Company. In particular, the Presidium is responsible for the Management Board members' compensation and the content of their employment agreements. The Presidium is authorized to conclude, modify or terminate employment agreements and to grant additional variable compensation.

The members of the Presidium are Alfred Gusenbauer (the Chairman of the Supervisory Board), Erwin Hameseder (the Vice-Chairman of the Supervisory Board) und Andrei Elinson.

The Presidium and Nomination Committee presents the Supervisory Board with proposals regarding the filling of new management board mandates or positions which are opening up, deals with questions of succession planning and makes decisions on urgent matters.

The members of the Presidium and Nomination Committee are Alfred Gusenbauer (the Chairman of the Supervisory Board), Erwin Hameseder (Vice-Chairman of the Supervisory Board), Andrei Elinson, Wolfgang Kreis and Gerhard Springer.

The Audit Committee is responsible for the audit and preparation of the approval of the financial statements and consolidated financial statements of the Company, the preparation of a proposal for the distribution of profits and the review of the management report. The Audit Committee also examines the auditor's management letter and the auditor's report on the assessment of the effectiveness of the Company's risk management. Furthermore, the Audit Committee prepares the proposal for the auditor to be elected by the shareholders' meeting. Upon election of the auditor by the shareholders' meeting, the Audit Committee mandates the auditor and agrees on the auditor's compensation.

One member of the Audit Committee must be a person with special knowledge and practical experience in finance and accounting and reporting (*Finanzexperte*). Persons who were members of the Management Board, executives or auditors of the Company or persons having certified the (consolidated) financial statements of the Company within the last three years may not be *Finanzexperte* or Chairman of the Audit Committee.

The members of the Audit Committee are Alfred Gusenbauer (the Chairman of the Supervisory Board), Erwin Hameseder (the Vice-Chairman of the Supervisory Board, also as *Finanzexperte*), Andrei Elinson, Gottfried Wanitschek, Andreas Batke, Wolfgang Kreis and Gerhard Springer.

### ***Conflicts of Interest***

No potential conflict of interest exists in respect of any member of the Management Board or Supervisory Board between his duties to the Company and his private duties and/or other duties. There are no family ties between members of the Management Board and the Supervisory Board. However, one member of the Supervisory Board (Andrei Elinson) has been nominated by Rasperia and holds a management function at Basic Element. Both companies, Rasperia and Basic Element, are not prohibited from pursuing activities in the construction industry under the terms and conditions of the Shareholders' Agreement (as defined below).

The Company has no outstanding loans to and no guarantees on behalf of any members of the Supervisory Board or Management Board.

No legal relationships exist between the members of the Management Board or the Supervisory Board and the Company or any of its subsidiaries other than their respective appointments as Board members.

## ***Compliance with Corporate Governance Code***

The Corporate Governance Code (“CGC”) was published by the Austrian Working Group for Corporate Governance, a group of representatives of public and private organizations and individuals in 2002 and has been amended several times, most recently in January 2012.

The CGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The CGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law (“Legal Requirements”, “L-Rules”). In addition, the CGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Non-compliance with some of these rules must be explained (“Comply or Explain”, “C-Rules”).

The Company currently complies with all “L Rules” and “C-Rules” of the CGC and is committed to compliance with the CGC, as applicable from time to time, with the following exceptions. With regard to Rules 2C, 27C and 27aC, STRABAG SE, in accordance with the “Comply or Explain” concept, has issued the following explanations:

*Rule 2C CGC:* STRABAG SE issued two specific registered shares (*Namensaktien*). Each of these shares entitles the respective shareholder to delegate a member of the Supervisory Board; this delegation right ensures – to the advantage of STRABAG SE – that know-how of main stakeholders is available within the Supervisory Board.

*Rule 27C CGC:* It is a matter of concern for STRABAG SE that remuneration of the Management Board members is made according to measurable criteria, in a transparent and easily comprehensible way. The remuneration of the Management Board is therefore based on the scope of work, the responsibilities and the personal performance of the individual board member as well as on the achievement of the corporate goal, the size and the economic situation of the Company. Non-financial criteria are not applied for the remuneration, as these do not guarantee a transparent and easily comprehensible remuneration within the business activities of STRABAG SE.

*Rule 27aC CGC:* The previous clause in the management contracts regarding severance payments in the case of premature termination has proved its worth, so that STRABAG SE sees no reason for changes or amendments in this regard. In the case of premature termination of a management contract without material breach, the Management Board member’s claim to the annual fixed portion (but not for the performance-based variable portion) remains unaffected for the remaining term of the contract. No severance payment is made in the case of premature termination of a management contract for a material reason for which a Management Board member is responsible.

In addition to its obligation to prepare a Corporate Governance Report, the STRABAG SE submits every three years to an independent evaluation of full and complete compliance with the CGC. The evaluation report for the 2010 financial year dated March 31, 2011 is available on the Company’s website.

## **Principal Shareholders**

As of April 27, 2012, according to the Company’s internal data, the shares of STRABAG SE are held by the following shareholders and by the Company:

|                               | <b>shares owned</b> |                     |
|-------------------------------|---------------------|---------------------|
|                               | <b>(shares)</b>     | <b>(percentage)</b> |
| Haselsteiner Group.....       | 33,647,453          | 29.52               |
| Raiffeisen NÖ-Wien Group..... | 17,696,687          | 15.52               |
| UNIQA Group.....              | 17,070,292          | 14.97               |
| Rasperia.....                 | 19,380,001          | 17.00               |

|  | <b>shares owned</b> |               |
|--|---------------------|---------------|
|  | (shares)            | (percentage)  |
| Other shareholders/free float <sup>(1)</sup> ..... | 16,979,297          | 14.89         |
| Treasury shares <sup>(2)</sup> .....               | 9,226,270           | 8.09          |
| <b>Total .....</b>                                 | <b>114,000,000</b>  | <b>100.00</b> |

(1) Not related to any other shareholders listed above.

(2) The Company's share buy-back program is based on an approval granted in the Company's shareholders' meetings of June 10, 2011, for a period of 13 months until July 10, 2012. It was initiated on July 14, 2011 and is continuing in 2012, also after the date of this prospectus.

The Company's shareholders do not have different voting rights from each other or other shareholders.

The Issuer is effectively controlled by the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia, who have entered into a shareholders' agreement (see "Shareholders' Agreements").

In connection with the acquisition of its interest in the Company, Rasperia entered into financing agreements with Deutsche Bank AG which provide, among other things, for a pledge of the shares in the Company held by Rasperia to Deutsche Bank AG. In 2008 this debt was refinanced by the Haselsteiner Group, the Raiffeisen NÖ-Wien Group and the UNIQA Group; the shares in the Company held by Rasperia were pledged in favor of the new creditors. In April 2009, the pledge was realized and 28,500,000 shares in the Company were transferred to the pledgees, in detail 9,293,479 shares were transferred to the Haselsteiner Group, 9,913,043 shares were transferred to the Raiffeisen NÖ-Wien Group and 9,293,478 shares were transferred to the UNIQA Group. Rasperia was granted an option to repurchase the 28,500,000 shares (corresponding to a 25% stake in the Company) at an agreed price on or before December 18, 2009. In December 2009, Rasperia paid a premium to extend this deadline. On November 30, 2010, Rasperia exercised the call option for a 17% stake in the Company, corresponding to 19.38 million shares (thereof 4,733,479 from the Haselsteiner Group, 6,740,869 from the Raiffeisen NÖ-Wien Group and 7,805,652 from the UNIQA Group) for a purchase price of EUR 19.25 per share, i.e. an aggregate of EUR 373,065,000 and remains a full-fledged member of the syndicate on the basis of the Shareholders' Agreement (details see below "Shareholders' Agreements"). The call option for the further 8%, corresponding to 9,120,000 shares, was extended until July 15, 2014.

### **Shareholders' Agreements**

On April 23, 2007, the members of the Haselsteiner Group, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia (the "Syndicate Partners") concluded a shareholders' agreement, which since then has been amended on several occasions ("Shareholders' Agreement").

The Syndicate Partners have agreed on several core undertakings, in particular (i) a limitation of cash funding of the Company by Rasperia to Rasperia's initial investment, (ii) good faith negotiations on potential contributions in kind or other combinations of assets of Basic Element with those of the Company, (iii) the joint development of the Russian Federation and the former Soviet Union as core markets of the Company and, upon request of a Syndicate Partner, investments of the Company in these markets and the provision of certain services by the Company to Rasperia or its nominees at arm's length terms and conditions, as agreed by the Syndicate Partners and (iv) a prohibition of measures or transactions of Syndicate Partners which could trigger a mandatory takeover offer pursuant to the Austrian Takeover Act (including an indemnification for damages resulting from a breach).

As to future dividend policy, the Syndicate Partners have agreed to distribute to the shareholders of STRABAG SE annually an amount corresponding to at least 30% of the Group's annual consolidated profit attributable to the equity holders of the parent.

The Syndicate Partners have agreed that the Supervisory Board shall consist of six members two of which shall be nominated by each of the Haselsteiner Group, the Raiffeisen Group and Rasperia. These nomination rights include the rights of delegation vested in the Registered Shares with numbers one (1)

and two (2) which are held by the Haselsteiner Group and Rasperia, respectively. If a minority representative is elected pursuant to section 87 para 1 Stock Corporation Act or pursuant Rule 54 CGC, the Raiffeisen Group will be entitled to nominate only one member of the Supervisory Board instead of two.

Resolutions of the Syndicate Partners are required on matters to be resolved by the Supervisory Board relating to amendments of the rules of procedure for the Management Board or the Supervisory Board and on all matters to be resolved by the shareholders' meetings of the Company and may only be passed unanimously, and the Syndicate Partners have agreed to vote their respective Syndicated Shares accordingly.

The Shareholders' Agreement provides for certain transfer restrictions imposed on the Syndicate Partners, in particular the shares for sale must first be offered to the other Syndicate Partners.

The Shareholders' Agreement has been entered into for an initial term until December 31, 2017, allowing for extensions for consecutive five-year periods.

Pursuant to a confirmation and amendment agreement to the Shareholders' Agreement dated April 30, 2009, Rasperia despite the transfer of all shares (save for the registered share) held by it in the Company remained a party to the Shareholders' Agreement and retained the legal position and control rights under the Shareholders' Agreement as if Rasperia still held all shares in the Company as were held by it before the realization of the share pledge described above. Consequently, Rasperia is a Syndicate Partner with all rights attached to it although its shareholding in the Company was limited to one registered share and is currently limited to a participation of 17%. Besides other rights, this allows Rasperia to delegate one member of the Supervisory Board and to nominate a second member of the Supervisory Board.

Management believes that STRABAG's corporate governance structure, together with the provisions of Austrian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

## **General Information about the Company**

### ***Legal and Commercial Name, Registered Seat, Financial Year, Duration, Share Capital***

STRABAG SE is a *Societas Europaea* (SE) formed under Austrian law for an indefinite period and with its registered seat in Villach and its registered business address at Triglavstraße 9, A-9500 Villach, Austria. The Company was founded in Austria as Sobau Beteiligungsgesellschaft m.b.H. on September 4, 1984 and transformed into (now) STRABAG SE on October 12, 2004. The Company may be reached at its Vienna office at Donau-City-Straße 9, A-1220 Vienna (+43 (1) 22 4 22 – 1170) or on its website [www.strabag.com](http://www.strabag.com). The information on the Company's website, except for the Documents Incorporated by Reference, is not incorporated by reference into this Prospectus. The Company's as well as the Group's commercial name is STRABAG. The Company is registered with the commercial register of the District Court Klagenfurt under FN 88983h. The Company's financial year is identical with the calendar year. As of the date of this Prospectus, the Issuer's share capital amounts to EUR 114,000,000 which is fully paid up and divided into 113,999,997 ordinary no par value voting bearer shares (*Inhaberaktien*) and 3 registered shares (*Namensaktien*), each share representing a calculated notional amount of EUR 1.00 of the nominal share capital.

### ***Corporate History and Recent Events Relevant to the Evaluation of the Issuer's Solvency***

STRABAG SE developed as a result of among others the merger of the old established and internationally active construction groups ILBAU, STRABAG und STUAG.

In 2004, BAUHOLDING STRABAG AG changed its legal form to *Societas Europaea* (SE), a company structure based on European law, and the firm's name was changed to BAUHOLDING STRABAG SE. In 2005, the Group took over significant parts of the insolvent WALTER-BAU Group.

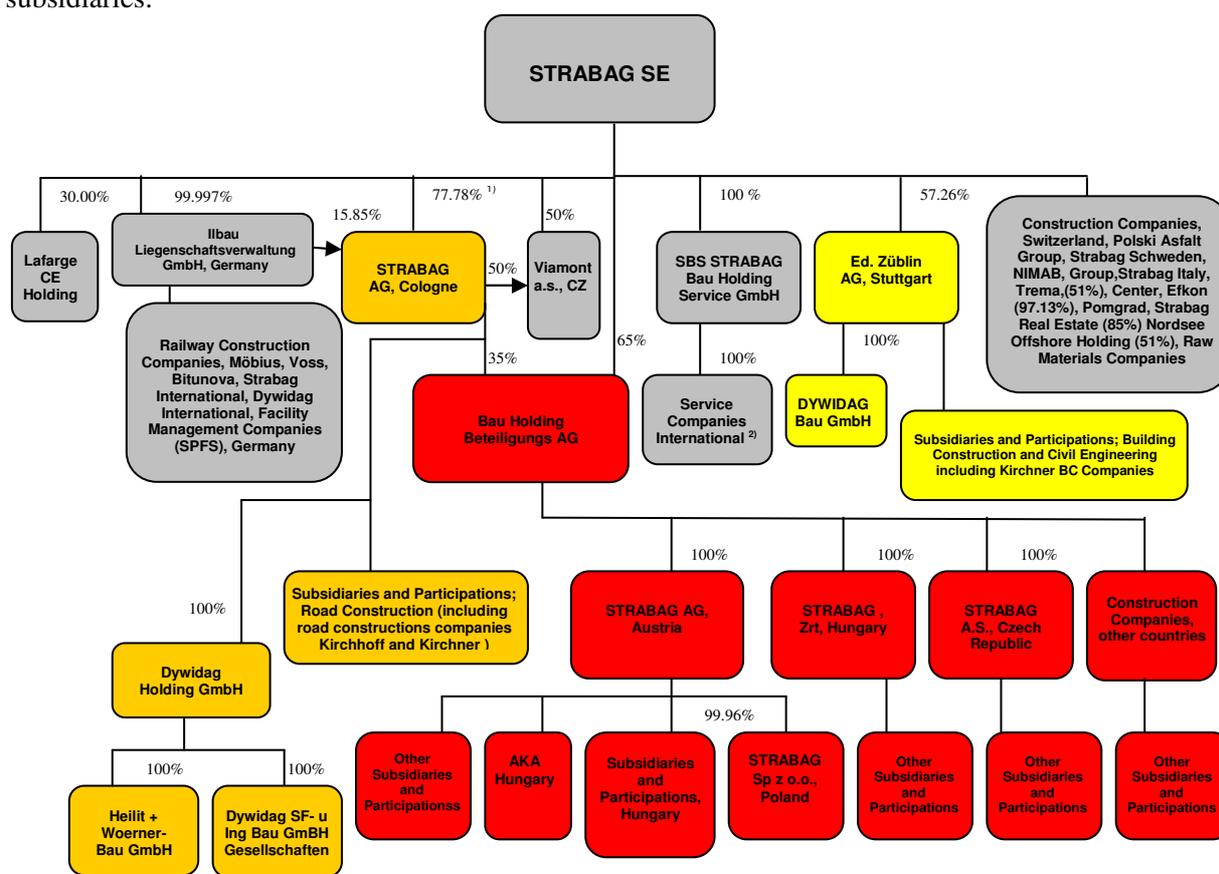
The acquisition included DYWIDAG International GmbH and the newly founded DYWIDAG Holding GmbH. This company combined DYWIDAG SF- und Ing. Bau GmbH, DYWIDAG Bau GmbH and Walter Heilit Verkehrswegebau GmbH, which changed into Heilit+Woerner Bau GmbH, and was directly managed by the German group company, STRABAG AG in Cologne. In 2005, also the takeover of a majority shareholding in Ed. ZÜBLIN AG, Stuttgart, including more than 7,000 employees and an output volume of approx. EUR 1.5 billion by BAUHOLDING STRABAG SE took place. In 2006, BAUHOLDING STRABAG SE changed its name to STRABAG SE. After a merger of FIMAG Finanz Industrie Management AG and A-WAY Holding und Finanz AG into STRABAG SE, the Company has become the new parent company of the STRABAG Group. In 2007 Rasperia acquired a shareholding in the Company of 25% plus one share after a capital increase and initial public offering, which were carried out in the same year. In this capital increase and initial public offering, the Company successfully placed 28,200,001 shares (of which 19,000,000 shares were new shares and 9,200,001 shares were existing shares) and since then all of the Company's 113,999,997 ordinary no-par value bearer shares are listed on the Prime Market of the Vienna Stock Exchange. In 2009 all but one share held by Rasperia in the Company were transferred to other Syndicate Partners; on November 30, 2010, Rasperia repurchased 17% of these shares.

### ***Corporate Purpose***

The Company's business objectives as stated in Section 2 of its Articles of Association include planning, execution and management of constructions of all sorts, in particular road construction, structural engineering, underground engineering, civil engineering and project development, operation of cement works (*Zement- und Lieferbetonwerke*), quarries, sand- and gravel-pits, exploitation of real estate and similar land rights, related activities including holding functions for the Group. The Company may carry out any business transactions which serve the purpose of the Company.

## Group Structure

STRABAG SE is the parent company of the Group and has direct and indirect interests in the following subsidiaries:



1) Thereof 2.97 % indirect shareholding.

2) Except for BRVZ, Cologne and BMTI, Cologne which are held in equal shares by STRABAG AG, Cologne and Ed. Züblin AG.

The chart has been produced by STRABAG for purposes of illustration of this Prospectus and sets forth STRABAG's subsidiaries as of December 31, 2011.

## Significant Subsidiaries

The Company considers the following companies to be its significant subsidiaries:

| Name of Company                                   | Country of Incorporation | Registered Seat  | Percentage of ownership and voting power |
|---|--------------------------|------------------|--|
| STRABAG AG.....                                   | Germany                  | Cologne          | 93.63 <sup>(1)</sup>                     |
| Ed. Züblin AG.....                                | Germany                  | Stuttgart        | 57.26                                    |
| STRABAG Property and Facility Services GmbH. .... | Germany                  | Münster          | 100.00 <sup>(1)</sup>                    |
| Bau Holding Beteiligungs AG....                   | Austria                  | Spittal a d Drau | 97.77 <sup>(1)(3)</sup>                  |
| STRABAG AG.....                                   | Austria                  | Spittal a d Drau | 97.77 <sup>(1)(3)</sup>                  |
| STRABAG a.s.....                                  | Czech Republic           | Prague           | 97.77 <sup>(1)(3)</sup>                  |
| Strabag Sp.z o.o.....                             | Poland                   | Warsaw           | 97.77 <sup>(1)(2)(3)</sup>               |

(1) Combined (indirect) shareholding as of December 31, 2011.

(2) In addition to STRABAG AG's shareholding of 99.96%, resulting in a combined indirect shareholding of STRABAG SE of 97.73% (as shown in the chart above), 0.04% are held by Strabag International GmbH.

(3) Voting power 100%.

## **Auditor**

KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Kudlichstraße 41, A-4020 Linz, Austria, certified public auditors and members of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstreuhänder*), has acknowledged the inclusion by reference of its auditors' report in relation to the Consolidated Financial Statements of the Group for the years ended December 31, 2011 and 2010. Apart from the 2011 and 2010 Consolidated Financial Statements in the German language, no information in this Prospectus has been audited by the auditor.

## **Disclosure for the Securities**

### ***Conflicts of interest, use of proceeds***

The Joint Lead Managers and the other members of the syndicate are participating in their ordinary course of business in order to generate management and underwriting fees and selling commissions. The Joint Lead Managers and their affiliates have provided or provide various banking, financial advisory and/or similar services to the Company in the ordinary course, and maintain normal business relationships with the Company in their capacity as credit institutions or as lenders under credit facilities for which they have received and may continue to receive customary fees and expenses. Raiffeisen NÖ-Wien Group and the UNIQA Group, collectively hold an ownership interest of approximately 30.5% in the Company. Raiffeisen Zentralbank Österreich Aktiengesellschaft indirectly holds a 39.8% shareholding in UNIQA Versicherungen AG (calculated on a pro rata basis in proportion to the respective shareholdings of its subsidiaries). Raiffeisen NÖ-Wien Group has a shareholding of approximately 25.1% in Raiffeisen Bank International AG.

The Issuer intends to use the net proceeds of the issue of the Bonds for general corporate purposes.

### ***Information concerning the securities to be offered / admitted to trading***

It is expected that the Bonds will be listed and traded on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange. The Bonds are bearer bonds which will be represented in whole by a global note which will be deposited with Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, 1010 Vienna, for the tenor of the Bonds. Bondholders have no right to request individual bond certificates. The Bonds are denominated in Euro. The Bonds constitute direct and unconditional obligations of the Issuer, ranking *pari passu* among themselves, being neither subordinated nor secured. They shall rank *pari passu* with all other present or future obligations of the Issuer, being neither subordinated nor secured, unless mandatory law privileges these other obligations.

The ISIN (International Securities Identification Number) is AT0000A0V7D8. The Common Code is 077889019.

The form and contents of the Bonds and the rights and obligations of the Bondholders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law excluding the mandatory provisions of Austrian international private law. To the extent permissible under mandatory Austrian consumer protection laws, the Commercial Court of Vienna shall have exclusive jurisdiction for all disputes which may arise out of or in connection with the Bonds.

During the tenor of these Bonds, the Issuer undertakes, but no longer than until settlement of all amounts for the interest and principal on the Bonds, for any other bonds including guarantees or liabilities therefore,

- (i) not to create any *in rem* security upon any of its present or future assets or revenues; or
- (ii) not to procure that third parties provide any *in rem* security on the assets of the third party to secure the issued or guaranteed Bonds of the Issuer,

unless, at the same time, the Bondholders are secured equally by such security or such other security as

shall be approved as equal security by an independent certified public auditor. The Bondholders are creditors of the Issuer with all rights and obligations as can be derived from the statutory provisions and those of the Conditions of Issue beginning on page 49. The rights of the Bondholders include the right to interest and redemption payments by the Issuer at the maturity dates. The Bondholders may prematurely terminate the Bonds in case of events described in § 9 of the Conditions of Issue (pages 49 *et seq*). The payment of interest and the repayment of capital shall be made by way of crediting the respective amounts to an account held with the respective investor's custodian bank.

Interest on the Bonds will be payable annually, for a period starting on May 10, 2012 (inclusive) and ending on the day preceding the maturity of the Bonds (May 9, 2019). Interest is payable in arrears at May 10, of each calendar year. The first interest payment is due on May 10, 2013 (see the payment provision on § 4 of the Conditions of Issue beginning on page 49). The nominal interest rate will be determined in the course of the pricing of the Bonds on or around May 3, 2012 on the basis of the seven-year Euro swap rate as reference rate. Euro swap rates are quoted by various different data providers (such as Reuters). The current Euro swap rate is increased by a margin reflecting the creditworthiness of the Issuer. The sum of the Euro swap rate and the margin results in a yield which is used to determine the nominal interest rate and the issue price. The limitation period shall be three years in respect of interest due and 30 years in respect of principal due.

To the extent not previously redeemed in whole or in part or repurchased and cancelled in accordance with § 5 para 2, § 5 para 3 or § 9 of the Conditions of Issue, the Bonds shall be redeemed at their final redemption amount on May 10, 2019 (the "Maturity Date") at its principal amount and shall be repaid via the account holder for the respective Bondholder (see the repayment provision described in § 5 para 1 of the Conditions of Issue beginning on page 49). The calculation of the yield is based on actual/actual (pursuant to the calculation method defined by ICMA). The Conditions of Issue contain no provisions on the representation of the Bondholders. Under certain conditions, a joint representative (*Kurator*) may be appointed to represent the Bondholders before the courts in accordance with Imperial Law Gazette RGBI 1874/49 as amended.

The Bonds will be issued by virtue of resolutions by the Issuer's Management Board dated April 11, 2012 and by the Supervisory Board dated April 26, 2012. The Bonds will be offered in the period from May 4, 2012 until, including, May 8, 2012 (the "subscription period"; the right to shorten the subscription period has been reserved) and issued on May 10, 2012. The Bonds are freely tradeable and transferable. Reference is made to the risk factors "*Illiquid Markets*" and "*Market risk: Uncertainty of price development*", see page 18. It is expected that the Bonds will be listed and traded on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

### **Taxation in Austria**

The following is a brief summary of certain Austrian tax aspects in connection with the Bonds. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the Bonds nor does it take into account the Bondholders' individual circumstances or any special tax treatment applicable to the Bondholder. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisors as to the particular tax consequences of the acquisition, ownership, disposition or redemption of the Bonds.

This summary is based on Austrian law as in force when drawing up this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. It cannot be ruled out that the Austrian tax authorities adopt a view different from that outlined below.

#### ***Austrian residents***

Income from the Bonds with respect to natural persons, whose place of residence or usual abode is in Austria, is liable for income tax pursuant to the provisions of the Austrian Income Tax Act (*Einkommenssteuergesetz*).

Interest income from the Bonds is subject to a special tax rate of 25%. Where an Austrian deposit

account or paying agent (Austrian bank or branch of foreign bank or investment firm) is involved, the interest income from the Bonds is subject to the Austrian withholding tax (*Kapitalertragssteuer*) at a rate of 25%, which is deducted by the paying agent (*auszahlende Stelle*). The income tax for interests generally constitutes a final taxation (*Endbesteuerung*), irrespectively whether the Bonds are held as private assets or as commercial assets. If the interest income is not subject to Austrian withholding tax because there is no domestic paying agent, the taxpayer will have to include the interest income derived from the Bonds in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Furthermore, any realized capital gain (*Einkünfte aus realisierten Wertsteigerungen*) from the Bonds is subject to income tax at a rate of 25%. Realized capital gain means any income derived from the sale, redemption or other pay-off of assets which may generate income from the provision of capital, i.e. the difference amounts between acquisition costs and sale or redemption proceeds of the Bonds. The tax base is, in general, the difference amount between the sale proceeds or, the redemption or other pay-off amount and the acquisition costs, in each case including accrued interest. Expenses which are directly connected with income subject to the special tax rate of 25% shall be non-deductible. For Bonds held as private assets, the acquisition costs shall not include incidental acquisition costs. For the calculation of the acquisition costs of Bonds held within the same Bonds account and having the same Bonds identification number which is acquired at different points in time, an average price shall apply.

Where a securities account keeping agent (*depotführende Stelle*) or paying agent is involved and pays out or settles the income of the realized capital gain, the income tax will be also deducted by applying a 25% withholding tax. The 25% withholding tax deduction will result in final income taxation for private investors (holding the Bonds as private assets) provided that the investor has evidenced the factual acquisition costs of the Bonds to the securities account keeping agent. If the realized capital gain is not subject to Austrian withholding tax because there is no domestic securities depository or paying agent, the taxpayer will also have to include the realized capital gain derived from the Bonds in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Withdrawals (*Entnahmen*) and other transfers of Bonds from the securities account will be treated as disposals (sales), unless specified exemptions will be fulfilled like the transfer of the Bonds to a securities account owned by the same taxpayer (i) with the same Austrian bank, (ii) with another Austrian bank if the account holder has instructed the transferring bank to disclose the acquisition costs to the receiving bank or (iii) with a non-Austrian bank, if the account holder has instructed the transferring bank to transmit the pertaining information to the competent tax office or has himself notified the competent Austrian tax office within a month; or like the transfer without consideration to a securities account held by another taxpayer, if the fact that the transfer has been made without consideration has been evidenced to the securities account keeping agent or the agent has been instructed to inform the Austrian tax office thereof or if the taxpayer has himself notified the competent Austrian tax office within a month. Special rules apply if a taxpayer transfers his residence outside of Austria (exit taxation with the option for deferred taxation in the case of a transfer to an EU member state or certain member states of the European Economic Area).

Taxpayers, whose regular personal income tax is lower than 25% may opt for taxation of the income derived from the Bonds at the regular personal income tax rate. The tax withheld will then be credited against the income tax. Such application for opting into taxation at the regular personal income tax rate must, however, include all income subject to the special 25% tax rate. Expenses in direct economical connection with income subject to Bonds are also not deductible for persons having opted for taxation at the regular personal income tax rate.

Losses from Bonds held as private assets may only be set off with other investment income (excluding, inter alia, interest income from bank deposits and other claims against banks) and must not be set off with any other income. The Austrian Budget Implementation Act 2012 provides for a mandatory set-off of losses applied as of 1 January 2013 by the Austrian securities account keeping agent to investment income achieved in all securities accounts at the same agent qualifying as private assets. Also losses accrued in private assets between 1 April 2012 and 31 December 2012 will have to be set off by 30

April 2013 by the Austrian securities account keeping agents. A carry-forward of such losses is not permitted.

Income derived from the Bonds which are held as business assets may also be subject to the special tax rate of 25% deducted by way of a withholding tax. However, realized capital gains, contrary to interest income, have to be included in the tax return and must not be a main focus of the entity's operating activity. Write-downs to the going-concern value and losses derived from the sale, redemption or other pay-off of Bonds held as business assets must primarily be set off against positive income from realized capital gains of financial instruments and only half of the remaining loss may be set off or carried forward against any other income.

Income from the Bonds with respect to corporate bondholders, whose seat or place of management is based in Austria, is liable for corporate tax pursuant to the provisions of the Austrian Corporate Tax Act (*Körperschaftsteuergesetz*). Corporate bondholders deriving business income from the Bonds may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*). There is, *inter alia*, a special tax regime for private foundations established under Austrian law (*Privatstiftungen*).

### ***Non-Residents***

Income derived from the Bonds by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors who do not have their corporate seat or their place of management in Austria ("**non-residents**") is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below).

Thus, non-resident Bondholders – in case they receive income or capital gains from the Bonds through a paying agent located in Austria – may avoid the application of Austrian withholding tax if they evidence their non resident-status vis-à-vis the paying agent by disclosing their identity and address pursuant to the provisions of the Austrian income tax guidelines. The provision of evidence that the Bondholder is not subject to Austrian withholding tax is the responsibility of the Bondholder.

If any Austrian withholding tax is deducted by the paying agent the tax withheld shall be refunded to the non-resident Bondholder upon his application which has to be filed with the competent Austrian tax authority within five calendar years following the date of the imposition of the withholding tax.

Where non-residents receive income from the Bonds as part of business income taxable in Austria (e.g. permanent establishment), they will, in general, be subject to the same tax treatment as resident investors.

### ***EU Savings Directive***

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments ("**Savings Directive**") provides for an exchange of information between the authorities of EU member states regarding interest payments made in one member state to beneficial owners who are individuals and resident for tax purposes in another member state.

Austria has implemented the Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax is levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state of the European Union or certain dependent and associated territories. The EU withholding tax currently amounts to 35%.

No EU withholding tax is deducted if the EU-resident Bondholder provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence. Such certificate has to indicate, among other things, the name and address of the paying agent as well as the bank account number of the Bondholder or the identification of the Bonds (section 10 EU Withholding Tax Act).

The Issuer does not assume responsibility for withholding tax at source and is not obliged to make additional payments in case of withholding tax deductions at source.

### ***Other Taxes***

There should be no transfer tax, registration tax or similar tax payable in Austria by Bondholders as a consequence of the acquisition, ownership, disposition or redemption of the Bonds. The Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished with effect as of 1 August 2008. However, gifts from or to Austrian residents have to be notified to the tax authorities within a three-month notification period. There are certain exemptions from such notification obligation, e.g. for gifts among relatives that do not exceed an aggregate amount of EUR 50,000 per year or gifts among unrelated persons that do not exceed an aggregate amount of EUR 15,000 within five years.

### **Taxation in the Federal Republic of Germany**

The following summary does not consider all aspects of income taxation in the Federal Republic of Germany that may be relevant to a holder of the Bonds in the light of the holder's particular circumstances and income tax situation. The summary applies to investors holding the Bonds as private investment assets (except where explicitly stated otherwise) and is not intended to be, nor should it be construed to be, legal or tax advice. This discussion is based on German tax laws and regulations, all as currently in effect (except where explicitly stated otherwise) and all subject to change at any time, possibly with retroactive effect. Prospective holders should consult their own tax advisers as to the particular tax consequences to them of subscribing, purchasing, holding and disposing of the Bonds, including the application and effect of state, local, foreign and other tax laws and the possible effects of changes in the tax laws of Germany.

#### ***German resident bondholders***

##### *Interest income*

If the Bonds are held as private assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, payments of interest under the Bonds are taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25% flat tax (*Abgeltungsteuer*) (plus a 5.5% solidarity surcharge thereon and, if applicable to the individual investor, church tax).

The flat tax is generally collected by way of withholding and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Bonds. If, however, no or not sufficient tax was withheld the investor will have to include the income received with respect to the Bonds in its income tax return and the flat tax will then be raised by way of tax assessment. The investor may also opt for tax assessment of its investment income in its income tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor's aggregated flat tax liability on investment income (e.g., because of an available loss carry forward or a foreign tax credit). If the investor's total income tax liability on all taxable income including the investment income determined by generally applicable graduated income tax rates is lower than 25%, the investor may opt to be taxed at graduated rates with respect to its investment income.

If tax was withheld on interest paid to German investors according to the Savings Directive (as defined above) German investors will generally be entitled to a credit or a refund of the tax withheld against its German income tax liability.

Individual investors are entitled to a tax allowance (*Sparer-Pauschbetrag*) for investment income of EUR 801 per year (EUR 1,602 for married couples filing their tax return jointly). The tax allowance is taken into account for purposes of the withholding tax provided that the investor files a withholding tax exemption request (*Freistellungsauftrag*) with the respective bank or financial institution where the securities deposit account to which the Bonds are allocated is held. The deduction of related expenses for tax purposes is not possible.

If the Bonds are held as business assets (*Betriebsvermögen*) by an individual or corporate investor who is tax resident in Germany (i.e., a corporation with its statutory seat or place of management in Germany), interest income from the Bonds is subject to personal income tax at graduated rates or corporate income tax (each plus solidarity surcharge thereon and for individuals eventually church tax) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of individual investors the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. The interest income will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

#### *Withholding tax on interest income*

If the Bonds are kept with or administered by a German credit or financial services institution (or by a German branch of a foreign credit or financial services institution), or by a German securities trading firm (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) in a domestic securities deposit account (altogether the "**Domestic Paying Agent**") and that Domestic Paying Agent pays or credits the interest, a 25% withholding tax, plus a 5.5% solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375%, is levied on the interest payments. The withholding rate will be in excess of the aforementioned rate if church tax is collected for the individual investor.

#### *Capital gains from disposal or redemption of the Bonds*

Subject to the tax allowance for investment income described under *Interest income* above capital gains from the disposal or redemption of the Bonds held as private assets are taxed at the 25% flat tax (plus a 5.5% solidarity surcharge thereon and, if applicable to the individual investor, church tax). The capital gain is generally determined as the difference between the proceeds from the disposal or redemption of the Bonds and the acquisition costs.

Expenses directly related to the disposal or redemption are taken into account in computing the capital gain. Otherwise, the deduction of related expenses for tax purposes is not possible.

Capital losses from the disposal or redemption of the Bonds held as private assets are generally tax-recognized irrespective of the holding period of the Bonds. The losses may not be used to offset other income like employment or business income but may only be offset against investment income. Losses not utilized in one year may be carried forward into subsequent years.

The flat tax is generally collected by way of withholding and the tax withheld shall generally satisfy the individual investor's tax liability with respect to the Bonds. With respect to situations where the filing of a tax return is possible or required investors are referred to the description under *Interest income* above.

If the Bonds are held as business assets (*Betriebsvermögen*) by an individual or corporate investor that is tax resident in Germany, capital gains from the Bonds are subject to personal income tax at graduated rates or corporate income tax (plus solidarity surcharge thereon and for individuals eventually church tax) and trade tax. The trade tax liability depends on the applicable trade tax factor of the relevant municipality where the business is located. In case of an individual investor the trade tax may, however, be partially or fully creditable against the investor's personal income tax liability depending on the applicable trade tax factor and the investor's particular circumstances. The capital gains or losses will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) is generally fully creditable against the investor's personal or corporate income tax liability or refundable, as the case may be.

### *Withholding tax on capital gains*

If the Bonds are kept with or administered by a domestic paying agent at the time of their disposal or redemption a 25% withholding tax plus a 5.5% solidarity surcharge thereon is levied on the capital gains resulting in a total withholding tax charge of 26.375%. The capital gains are generally determined as the difference between the proceeds from the disposal or redemption of the Bonds and the acquisition costs. If the Bonds were sold or redeemed after being transferred from a securities deposit account with a foreign bank the 25% withholding tax (plus solidarity surcharge thereon) will be levied on 30% of the proceeds from the disposal or the redemption, as the case may be, unless the investor provides evidence for the investor's actual acquisition costs to the domestic paying agent. Such evidence is only permissible if the foreign bank is resident within the EU, European Economic Area or a contracting state of the EU Savings Directive (as defined above). The applicable withholding rate is in excess of the aforementioned rate if church tax is collected for the individual investor.

No withholding is generally required on capital gains derived by German resident corporate bondholders and upon application by individual bondholders holding the Bonds as business assets.

### *Non-German resident bondholders*

Income derived from the Bonds by holders who are not tax resident in Germany is in general not subject to German income taxation, and no withholding tax shall be withheld, provided however (i) the Bonds are not held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, or (ii) the income derived from the Bonds does not otherwise constitute German source income or (iii) the Bonds are not presented for payment or credit at the offices of a German credit or financial services institution including a German branch of a foreign credit or financial services institution (over-the-counter transaction).

If the income derived from the Bonds is subject to German taxation according to (i) to (iii) above, the income is subject to withholding tax similar to that described above under the paragraphs *Withholding tax*. Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

### *Inheritance tax / gift tax*

The transfer of Bonds to another person by way of gift or inheritance is subject to German gift or inheritance tax, respectively, if

- (i) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), had its seat or place of management in Germany at the time of the transfer of property,
- (ii) except as provided under (i), the testator's or donor's Bonds belong to a business asset attributable to a permanent establishment or a permanent representative in Germany,

Special regulations apply to certain German expatriates.

Investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their circumstances.

### *Other taxes*

The purchase, sale or other disposal of Bonds does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany. However, under certain circumstances entrepreneurs may choose liability to value added tax with regard to the sales of Bonds which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

## **Taxation in Luxembourg**

The following summary is of a general nature and is included herein solely for preliminary information purposes. It is a description of the essential material Luxembourg tax consequences with respect to the Bonds. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to any prospective investor and may not include tax considerations that arise from rules of general application or that are generally assumed to be known by Bondholders. This summary is based on the laws in force in Luxembourg on the date of this Prospectus and is subject to any change in law that may take effect after such date. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Bonds should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Investors should be aware that the residence concept used below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Investors should also note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Corporate Bondholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual tax payers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

### ***Luxembourg tax residency of the Bondholders***

A Bondholder will not become, nor be deemed to be resident, in Luxembourg by reason only of the holding of the Bonds, or the execution, performance, delivery and/or enforcement of the Bonds.

### ***Withholding tax***

#### ***Resident Bondholders***

Under the Luxembourg law dated December 23, 2005 (the "**Law**"), a 10% withholding tax is levied as of January 1, 2006 on interest payments (or similar income) made by a Luxembourg paying agent to or for the immediate benefit of a Luxembourg resident individual. This withholding tax also applies on accrued interest received upon disposal, redemption or repurchase of the Bonds. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

Further, a Luxembourg resident individual who acts in the course of the management of his/her private wealth and who is the beneficial owner of an interest payment made by a paying agent established outside Luxembourg in a Member State of the European Union or of the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the Savings Directive, may also opt for a final 10% levy. In such case, the 10% levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 10% levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year.

#### ***Non-resident Bondholders***

Under the Luxembourg tax law currently in effect and subject to the application of the Luxembourg laws dated June 21, 2005 implementing the Savings Directive (the "**Laws**") and several agreements concluded between Luxembourg and certain dependant territories of the European Union, there is no withholding tax on payments of interests (including accrued but unpaid interest) made to a Luxembourg

non-resident Bondholder, repayment of the principal, or redemption or exchange of the Bonds.

Under the Laws, a Luxembourg based paying agent (within the meaning of the Savings Directive) is required, since July 1, 2005, to withhold tax on interest and other similar income (including reimbursement premium received at maturity) paid by it to (or under certain circumstances, to the benefit of) an individual or a residual entity (a “**Residual Entity**”) in the sense of article 4.2. of the Savings Directive (*i.e.* an entity without legal personality except for (i) a Finnish *avoin yhtiö* and *kommandiittiyhtiö / öppet bolag* and *kommanditbolag* and (ii) a Swedish *handelsbolag* and *kommanditbolag*, and whose profits are not taxed under the general arrangements for the business taxation and that is not, or has not opted to be considered as, a UCITS recognized in accordance with Council Directive 85/611/EEC), resident or established in another Member State of the European Union, unless the beneficiary of the interest payment elects for an exchange of information. The same regime applies to payments to individuals or Residual Entities resident in any of the following territories: Aruba, the British Virgin Islands, Guernsey, the Isle of Man, Jersey, Montserrat and the Netherlands Antilles.

The withholding tax is currently of 35% since 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

In each case described above, responsibility for the withholding tax will be assumed by the Luxembourg paying agent.

### ***Taxation of the Bondholders***

#### *Taxation of Luxembourg residents*

A Luxembourg resident individual, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts under the Bonds, except if a withholding tax has been levied by the Luxembourg paying agent on such payments in accordance with the Law.

Under Luxembourg domestic tax law, gains realised upon the sale, disposal or redemption of the Bonds by a Luxembourg resident individual, who acts in the course of the management of his/her private wealth, on the sale or disposal, in any form whatsoever, of Bonds are not subject to Luxembourg income tax, provided this sale or disposal took place at least six months after the acquisition of the Bonds.

A gain realized by a Luxembourg resident individual who acts in the course of the management of his/her private wealth upon the sale of Bonds before their maturity must be included in his/her taxable income for Luxembourg income tax assessment purposes.

A Luxembourg resident individual, who acts in the course of the management of a professional or business undertaking to which the Bonds are attributable, has to include interest and gains realized on the sale or disposal of the Bonds in his/her taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Bonds sold or redeemed.

A Luxembourg resident company (*société de capitaux*) must include interest and gains realized on the sale or disposal of the Bonds in its taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Bonds sold or redeemed.

Luxembourg residents who benefit from a special tax regime, such as, for example, (i) undertakings for collective investment subject to the law of December 17, 2010, (ii) specialised investment funds subject

to the law dated February 13, 2007 or (iii) family wealth management companies subject to the law dated May 11, 2007, are exempt from income tax in Luxembourg and thus income derived from the Bonds, as well as gains realised thereon, are not subject to Luxembourg income taxes.

#### *Taxation of Luxembourg non-residents*

A non-resident who has neither a permanent establishment nor a permanent representative in Luxembourg to which the Bonds are attributable is not liable to any Luxembourg income tax, whether he receives payments of principal or interest (including accrued but unpaid interest) or realizes capital gains upon redemption, repurchase, sale or exchange of any Bonds.

A Luxembourg non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the Bonds are attributable has to include any interest, as well as any capital gain realized on the sale or disposal of the Bonds, in his/her taxable income for Luxembourg income tax assessment purposes.

#### ***Net Wealth Tax***

A Luxembourg resident or a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the Bonds are attributable is subject to Luxembourg net wealth tax on such Bonds, except if the Bondholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the law of December 17, 2010, (iii) a securitisation company governed by the law of March 22, 2004 on securitisation, (iv) a company governed by the law of June 15, 2004 on venture capital vehicles, (v) a specialized investment fund subject to the law of February 13, 2007 or (vi) a family wealth management company subject to the law of May 11, 2007.

#### ***Other Taxes***

##### *Registration taxes and stamp duties*

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the Bondholders as a consequence of the issuance of the Bonds, nor will any of these taxes be payable as a consequence of a subsequent transfer, redemption or repurchase of the Bonds.

##### *Value added tax*

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Bonds or in respect of the payment of interest or principal under the Bonds or the transfer of the Bonds. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

##### *Inheritance tax and gift tax*

No estate or inheritance taxes are levied on the transfer of the Bonds upon death of a Bondholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes. Gift tax may be due on a gift or donation of Bonds if the gift is recorded in a deed passed in front of a Luxembourg notary or otherwise registered in Luxembourg.

#### **Terms and Conditions of the Offering**

The Offering is not subject to any conditions. The Issuer issues the Bonds in the aggregate principal amount of up to EUR 75,000,000. The Issuer has reserved the right to increase the total principal amount of the Offering to up to EUR 125,000,000. The Bonds will be offered in the period from May 4, 2012 until, including, May 8, 2012 (the “subscription period”; the right to shorten the subscription period has been reserved). Institutional investors may buy the Bonds at the reoffer price and retail

investors at the issue price, which is calculated on the basis of the reoffer price plus an extra charge of up to 1.5% (see “–*Allotment, Pricing, Underwriting, Admission to Trading*” below). The final total principal amount will be determined after consultation with the Joint Lead Managers by the Issuer in the course of the bookbuilding procedure on or around May 3, 2012 and will then be filed with the CSSF and published prior to the beginning of the subscription period on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Issuer and the Joint Lead Managers have reserved the right to prematurely terminate the subscription period (e.g. in case the issue is promptly oversubscribed) and the right to reject subscriptions. Such early termination would, in accordance with § 11 of the Conditions of Issue, be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). In this case all subscriptions for the Bonds received before termination of the subscription period will remain valid. The minimum amount for subscription corresponds to the minimum denomination of the Bonds which is EUR 1,000.00. For the Bonds no maximum subscription amount has been set. The Bonds will be delivered to those investors who have provided the respective funds required on the value date with their custodian bank (*Depotbank*). Delivery of the Bonds will be made by crediting the subscribed Bonds on the respective investors’ deposit accounts on the value date (May 10, 2012). The Bonds will be represented in whole by a global note (*veränderbare Sammelurkunde*) pursuant to § 24 lit. b of the Austrian Depository Act (*Depotgesetz*), Federal Law Gazette No 424/1969, as amended, which bears the signatures of the required number of representatives of the Issuer with signing authority and the control signature of the Paying Agent. The global note for the Bonds will be deposited with Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, 1010 Vienna, for the tenor of the Bonds. The Bondholders are entitled to joint ownership stakeholdings in the global note which can be transferred within Austria pursuant to the general terms and conditions of OeKB and outside of Austria pursuant to the terms and conditions of Clearstream Banking S.A., Luxembourg and Euroclear Bank S.A./N.V., Brussels, Belgium.

The reoffer price, the issue price and the interest rate of the Bonds are expected to be determined on or around May 3, 2012. The reoffer price, the issue price and the interest rate will be calculated on basis of the tenor of the Bonds, the yield and the demand by institutional investors in the course of the bookbuilding procedure on or around May 3, 2012 and will then, together with the final total principal amount and the yield of the Bonds, be filed with the CSSF in accordance with the Prospectus Law and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) prior to the beginning of the subscription period. Investors will be informed by their custodian banks (*Depotbanken*) of the number of Bonds allocated. There are no pre-emption or subscription rights.

### **Allotment, Pricing, Underwriting, Admission to Trading**

The Bonds will be underwritten at the reoffer price (i.e. the issue price less a sales commission of up to 1.5%) less a management and underwriting fee of up to 0.35% of the principal amount of the Bonds underwritten and distributed by the Joint Lead Managers and other syndicate members with the consent of the Issuer. It is intended to offer the Bonds to non-institutional and institutional investors. The Offering will be accompanied by advertisements in Luxembourg and Austrian newspapers. Investors will be notified about the number of securities allocated to them by their custodian banks (*Depotbanken*). Each investor may directly dispose over the Bonds. Trading will commence, if an approval for listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange is granted.

The issue price for the Bonds is not yet fixed and expected to range between 98.00% and 102.00% of the nominal value of the Bonds. The issue price of the Bonds will be calculated on basis of the interest rate, the tenor of the Bonds, the yield and the demand by institutional investors in the course of the determination of the conditions (bookbuilding procedure) on or around May 3, 2012, and will be published prior to the start of the subscription period. The bookbuilding procedure serves the purpose of recording the demand of institutional investors like credit institutions, insurance companies and funds by the syndicate banks. In the course of a bookbuilding procedure, the Joint Lead Managers will accept within a limited period of time binding subscription orders from institutional investors, including yields

usually within a predetermined yield range. Subsequently, the Joint Lead Managers determine in consultation with the Issuer the interest rate (coupon) and the issue prices at which the Bonds are issued. Institutional investors may buy the Bonds at the reoffer price. The issue price at which retail investors may buy the Bonds during the subscription period is calculated on the basis of the reoffer price for institutional investors plus an extra charge of up to 1.5%. The issue price will be published prior to the subscription period in accordance with applicable laws as described above. For the placement of the Bonds, the Joint Lead Managers and the members of the banks' syndicate will receive customary commissions. No taxes will be specifically charged to subscribers or purchasers. Taking into consideration estimated fees and expenses of EUR [●] and assuming an issue price of 100%, the Issuer expects to receive net proceeds of EUR [●].

Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna and UniCredit Bank Austria AG, Schottengasse 6-8, 1010 Vienna, act as Joint Lead Managers (coordinators) and will form a syndicate with Austrian banks including Erste Group Bank AG, Joh. Berenberg, Gossler & Co.KG, Niederlassung Wien, Oberbank AG, RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG and Raiffeisenlandesbank Oberösterreich Aktiengesellschaft as Senior Co-Lead Managers and Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft as Co-Lead Manager. Bonds may also be ordered at any credit institution with access to the settlement systems of OeKB, Austria, Clearstream Banking société anonyme, Luxembourg or Euroclear Bank S.A./N.V., Brussels, Belgium, by stating the ISIN / Common Code. Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna is appointed as Paying Agent for the Bonds. The depository agent for the global note of the Bonds is OeKB, Am Hof 4/Strauchgasse 1-3, 1010 Vienna.

The management and underwriting fee will be up to 0.35% of the principal amount of the Bonds underwritten. In addition, the Issuer has agreed to reimburse the syndicate members in respect of certain of their costs and expenses. The underwriting agreement will presumably be entered into on May 8, 2012. The underwriting agreement may be terminated in certain circumstances prior the value date (May 10, 2012).

The Issuer will apply for admission to listing of the Bonds on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange.

The following table sets forth the bonds issued by the Company which are currently listed on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange:

| Issuer           | Total Amount | Term      | Coupon in % | ISIN         |
|------------------|--------------|-----------|-------------|--------------|
| STRABAG SE ..... | 75,000,000   | 2007-2012 | 5.75        | AT0000A05HY9 |
| STRABAG SE ..... | 75,000,000   | 2008-2013 | 5.75        | AT0000A09H96 |
| STRABAG SE ..... | 100,000,000  | 2010-2015 | 4.25        | AT0000A0DRJ9 |
| STRABAG SE ..... | 175,000,000  | 2011-2018 | 4.75        | AT0000A0PHV9 |

No entities have firm commitments to act as intermediaries in secondary trading.

STRABAG SE is rated BBB- with a stable outlook by Standard & Poor's. Standard & Poor's defines the BBB rating as follows: An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Standard & Poor's Credit Markets Services Europe Limited (operating under its commercial name Standard & Poor's Ratings Services) is established in the European Union and registered, as from October 31, 2011, under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies (as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of May 11, 2011). The latest update of the list of credit rating agencies registered under this Regulation is published on the website of the European Securities and Market Authority (<http://www.esma.europa.eu/page/List-registered-and-CRAs>).

## Conditions of Issue

THE GERMAN TEXT OF THE CONDITIONS OF ISSUE IS LEGALLY BINDING.  
THE ENGLISH TRANSLATION IS FOR CONVENIENCE ONLY.

### ANLEIHEBEDINGUNGEN (die "Bedingungen")

**NOMINALE BIS ZU EUR [150.000.000,--]**  
[●]% Teilschuldverschreibungen 2012-2019  
ISIN AT0000A0V7D8  
der  
**STRABAG SE**

#### §1

### WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

- (1) Währung, Stückelung: Die [●]% Teilschuldverschreibungen 2012-2019 (die "Teilschuldverschreibungen" oder die "Anleihe") der STRABAG SE (die "Emittentin") wird am 10. Mai 2012 in Euro (die "festgelegte Währung") im Gesamtnennbetrag von bis zu EUR [●].000.000,-- (in Worten: Euro [●] Millionen) in einer Stückelung von EUR 1.000,-- (die "festgelegte Stückelung") emittiert.
- (2) Form: Die Teilschuldverschreibungen lauten auf den Inhaber.
- (3) Verbriefung: Die Teilschuldverschreibungen werden durch eine Sammelurkunde gemäß § 24 lit b Depotgesetz (die "Sammelurkunde") ohne Zinsscheine verbrieft. Die Sammelurkunde trägt die eigenhändige(n) Unterschrift(en) der bzw. des bevollmächtigten Vertreter(s) der Emittentin und ist von der Zahlstelle mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.
- (4) Wertpapiersammelstelle: Die Sammelurkunde wird auf die Dauer der Laufzeit der Teilschuldverschreibungen von der Wertpapiersammelstelle verwahrt. "Wertpapiersammelstelle" ist die Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"), Am Hof 4/Strauchgasse 1-3, 1010 Wien. Den Inhabern der Teilschuldverschreibungen stehen Miteigentumsanteile an der Sammelurkunde zu, die gemäß den allgemeinen Geschäftsbedingungen der OeKB und außerhalb der Republik Österreich ausschließlich gemäß den Vorschriften der Clearstream Banking Aktiengesellschaft, Luxemburg, und Euroclear Bank S.A./N.V., Brüssel, Belgien, übertragen werden können.
- (5) Anleihegläubiger: "Anleihegläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Teilschuldverschreibungen.

#### §2

### STATUS, NEGATIVVERPFLICHTUNG

- (1) Status: Die Teilschuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind.
- (2) Negativverpflichtung: Die Emittentin verpflichtet sich während der Laufzeit der gegenständlichen Anleihe, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital

### CONDITIONS OF ISSUE OF THE BONDS (the "Conditions")

**Principal Amount up to EUR [150,000,000.00]**  
[●]% Bonds 2012-2019  
ISIN AT0000A0V7D8  
issued by  
**STRABAG SE**

#### §1

### CURRENCY, DENOMINATION, FORM, DEFINITIONS

- (1) Currency, Denomination: The [●]% bond 2012-2019 (the "Bond") of STRABAG SE (the "Issuer") is issued on May 10, 2012 in Euro (the "Currency") in an aggregate principal amount of up to EUR [●],000,000.00 (in words: Euro [●] million) and with a denomination of EUR 1,000.00 each (the "Fixed Denomination").
- (2) Form: The Bonds are bearer bonds.
- (3) Global Bond: The Bonds are represented by a global bond pursuant to Section 24 lit b of the Safe Custody Act (the "Global Certificate") without interest coupons. The Global Certificate shall be signed manually by one or more authorised signatories of the Issuer and shall be authenticated by the Paying Agent. Definitive Bonds and interest coupons shall not be issued.
- (4) Central Securities Depository Agent: The Global Bond shall be deposited for the tenor of the Bonds with the Central Securities Depository Agent. Central Securities Depository Agent is the Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB"), Am Hof 4/Strauchgasse 1-3, 1010 Vienna. The Bondholders are entitled to joint ownership shares in the Global Certificate that are transferable in accordance with the general business conditions of OeKB and outside of the Republic of Austria exclusively in accordance with the provisions of Clearstream Banking Aktiengesellschaft, Luxembourg and Euroclear Bank S.A./N.V., Brussels, Belgium.
- (5) Bondholder: "Bondholder" means any holder of a proportional co-ownership participation or right in the Bond.

#### §2

### STATUS, NEGATIVE PLEDGE

- (1) Status: The obligations of the Issuer under the Bonds constitute unsecured and non-subordinated obligations of the Issuer ranking *pari passu* among themselves and all other unsecured and non-subordinated obligations of the Issuer, unless mandatory law privileges these other obligations.
- (2) Negative Pledge: During the tenor of these Bonds, the Issuer undertakes, but no longer than for the time all amounts in respect of interest and principal on the Bonds

und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Teilschuldverschreibungen der Emittentin, einschließlich dafür übernommener Garantien oder Haftungen,

- (i) keine dinglichen Sicherheiten an ihren gegenwärtigen oder zukünftigen Vermögenswerten oder Einkünften zu bestellen oder
- (ii) Dritte nicht zu veranlassen, zur Besicherung der von der Emittentin emittierten oder garantierten Teilschuldverschreibungen dingliche Sicherheiten am Vermögen dieses Dritten zu bestellen,

ohne jeweils die Anleihegläubiger zur gleichen Zeit und im gleichen Rang an solchen Sicherheiten oder an solchen anderen Sicherheiten, die von einem unabhängigen Wirtschaftsprüfer, als gleichwertige Sicherheit anerkannt werden, teilnehmen zu lassen.

### §3 ZINSEN, LAUFZEIT

- (1) Zinssatz und Zinszahlungstage: Die Teilschuldverschreibungen werden bezogen auf ihren Nennbetrag vom 10. Mai 2012 (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich [●]% verzinst. Die Zinsen sind nachträglich am 10. Mai eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am 10. Mai 2013.
- (2) Zinsperiode: "Zinsperiode" bezeichnet den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).
- (3) Auflaufende Zinsen: Der Zinslauf der Teilschuldverschreibungen endet an dem Tag, der dem Tag voraus geht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Teilschuldverschreibungen bei Fälligkeit nicht einlöst, endet die Verzinsung des ausstehenden Nennbetrages der Teilschuldverschreibungen nicht an dem der Fälligkeit vorangehenden Tag, sondern erst mit dem Tag, der der tatsächlichen Rückzahlung der Teilschuldverschreibungen vorangeht.
- (4) Berechnung der Zinsen für Teile von Zeiträumen: Sofern Zinsen für einen Zeitraum von weniger als einem Jahr (der "Zinsberechnungszeitraum") zu berechnen sind, erfolgt die Berechnung auf der Grundlage der aktuellen Tage in dem Zinsberechnungszeitraum, geteilt durch die Anzahl der aktuellen Tage der Zinsperiode. Berechnungsbasis: Actual/Actual (gemäß ICMA-Regelung).
- (5) Laufzeit: Die Laufzeit der Teilschuldverschreibungen beginnt am 10. Mai 2012 und endet mit dem Ablauf des 9. Mai 2019. Die Laufzeit beträgt somit 7 Jahre.

### §4 ZAHLUNGEN

- (1) Zahlungen: Die Zahlung von Kapital und Zinsen erfolgt nach Maßgabe von § 4(2) über die Zahlstelle zur Weiterleitung an die Clearingsysteme oder nach deren Anweisung durch Gutschrift auf die jeweilige für den Anleihegläubiger depotführende Stelle.
- (2) Zahlungsweise: Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Teilschuldver-

have been provided to the Paying Agent, for any other bonds including guarantees or liabilities therefore,

- (i) not to create any *in rem* security upon any of its present or future assets or revenues; or
- (ii) not to procure that third parties provide any *in rem* security on the assets of the third party to secure the issued or guaranteed Bonds of the Issuer,

unless, at the same time, the Bondholders are secured equally by such security or such other security as shall be approved as equal security by an independent certified public auditor.

### §3 INTEREST, TENOR

- (1) Interest rate and interest payment date: The Bonds solely bear interest at the rate of [●]% per annum on their principal amount as of including May 10, 2012 until the maturity date (as defined in § 5(1)) (exclusive). Interest is payable in arrears on May 10 of each calendar year (each an "Interest Payment Date"). The first interest payment will be made on May 10, 2013.
- (2) Interest period: "Interest Period" means the period from and including the start of accrual of interest until and excluding the first interest payment date or respectively the period from and including each interest payment date until and excluding the following respective interest payment date.
- (3) Accrual of interest: Each Bond will cease to bear interest from the day, which is preceding the day on which the Bonds are due for redemption. If the Issuer does not redeem the Bonds when due, the Bonds in respect of the outstanding principal amount will not cease to bear interest on the day preceding the maturity date but on the day preceding the effective redemption of the Bonds.
- (4) Calculation of interest for parts of periods: If interest is calculated for a period of less than a year (the "Interest Calculation Period") the calculation is carried out on the basis of the actual number of days within the Interest Calculation Period divided by the actual number of in the respective Interest Period. Basis of Calculation: Actual/Actual (according to ICMA rules).
- (5) Tenor: The tenor of the Bonds starts on May 10, 2012 and ends on May 9, 2019(inclusive). The tenor shall therefore be 7 years.

### §4 PAYMENTS

- (1) Payments: Payment of principal and interest shall be made pursuant to § 4 (2) through the Paying Agent for on-payment to the clearing systems or to their order for credit to the respective depository bank for the Bondholder.
- (2) Method of payment: Save for applicable tax provisions or other statutory provisions or rules, payments on the Bonds shall be made in Euro.

schreibungen in Euro.

- (3) **Erfüllung:** Die Emittentin wird durch Leistung der Zahlung an die Clearingsysteme von ihrer Zahlungspflicht befreit.
- (4) **Zahltag:** Fällt der Fälligkeitstag einer Zahlung in Bezug auf Teilschuldverschreibungen auf einen Tag, der kein TARGET Geschäftstag oder kein Bankarbeitstag ist, so verschiebt sich der Zahlungstermin auf jenen unmittelbar folgenden Tag, der sowohl ein TARGET Geschäftstag als auch ein Bankarbeitstag ist. "TARGET Geschäftstag" in dem in diesen Bedingungen verwendeten Sinn bezeichnet einen Tag, an dem das Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System geöffnet ist. "Bankarbeitstag" in dem in diesen Bedingungen verwendeten Sinn bezeichnet einen Tag, an dem die Banken in Wien zum öffentlichen Geschäftsbetrieb geöffnet sind. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.
- (5) **Bezugnahmen auf Kapital und Zinsen:** Bezugnahmen in diesen Bedingungen auf Kapital der Teilschuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Teilschuldverschreibungen; den vorzeitigen Rückzahlungsbetrag der Teilschuldverschreibungen; sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Teilschuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Bedingungen auf Zinsen auf Teilschuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.
- (3) **Performance:** Upon performance of the payments to the clearing systems will be discharged from its obligation to pay.
- (4) **Payment date:** If the due date for payment of any amount in respect of any Bond is not a TARGET business day or a bank business day, the payment date shall be the day after the due date for payment that is both a TARGET business day and a bank business day. TARGET Business Day in these Conditions means a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System is operational. Banking Business Day in these Conditions means a day on which banks in Vienna are open to public business. A Bondholder is not entitled to claim further interest or other payments due to this delay.
- (5) **References to principal and interest:** references in these Conditions to principal of the Bonds shall be deemed to include, as applicable, the final redemption amount of the Bonds; the early redemption amount of the Bonds; and any premium or any other amounts which may be payable under or in respect of the Bonds. Any reference in these Conditions to interest on Bonds will be deemed to include, as applicable, any additional amount payable pursuant to § 7.

## §5

### RÜCKZAHLUNG

- (1) **Rückzahlung bei Endfälligkeit:** Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Teilschuldverschreibungen zu ihrem Rückzahlungsbetrag am 10. Mai 2019 (der "Fälligkeitstag") zurückgezahlt. Der Rückgabebetrag in Bezug auf jede Teilschuldverschreibung entspricht dem Nennbetrag der Teilschuldverschreibungen.
- (2) **Vorzeitige Rückzahlung aus steuerlichen Gründen:** Die Teilschuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Zahlstelle und gemäß § 11 gegenüber den Anleihegläubigern vorzeitig gekündigt und zu ihrem vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich etwaiger bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze oder Vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften am nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert) zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin zur Verfügung stehender Maßnahmen vermieden werden kann. Eine solche Kündigung darf allerdings nicht (i) mit Wirkung früher als 90 Tage vor dem frühest möglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Teilschuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem
- (1) **Redemption at maturity:** To the extent not previously redeemed in whole or in part or repurchased and cancelled, the Bonds shall be redeemed at their final redemption amount on May 10, 2019 (the "Maturity Date"). The final redemption amount in respect of each Bond shall be its principal amount.
- (2) **Redemption upon early termination for tax reasons:** The Issuer shall be entitled to early termination of the Bonds, in whole but not in part, and to redeem the Bonds at the early redemption amount (as defined hereinafter) together with interest accrued up to the date fixed for redemption on giving not less than 30 days nor more than 60 days notice to the Paying Agent and pursuant to § 11 to the Bondholders if, as a result of any change in, or amendment to, the fiscal laws (or any rules or regulations thereunder) of the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria, or any change in or amendment to any official interpretation or application of those laws and regulations, the Issuer is under the obligation to pay Additional Amounts (as defined in § 7) on the next Interest Payment Day (as defined in § 3 (1)) and the Issuer cannot avoid this obligation with measures reasonably expected from the Issuer. Such early termination must not be (i) made with effect earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts, if at that time a payment in respect of the Bonds were due, or (ii) be made, if at the time on which the termination is effected, the obligation to pay or to deduct or withhold Additional Amounts ceases to be in force. Publication of such notice shall be effected pursuant to § 11. This publication is irrevocable and shall contain the chosen day of redemption and a summary

## §5

### REDEMPTION

Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen oder zum Einbehalt oder Abzug nicht mehr wirksam ist. Die Veröffentlichung einer solchen Kündigung hat gemäß § 11 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

- (3) Vorzeitiger Rückzahlungsbetrag: Für die Zwecke von § 5(2) und § 9 entspricht der vorzeitige Rückzahlungsbetrag einer Teilschuldverschreibung dem Nennbetrag.

## §6 ZAHLSTELLE

- (1) Bestellung: Die bestellte Zahlstelle ist Raiffeisen Bank International AG, Wien.
- (2) Änderung der Bestellung oder Abberufung: Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle zu ändern oder zu beenden und eine andere zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Zahlstelle unterhalten und (ii) solange die Teilschuldverschreibungen an der Wiener Börse notiert sind, eine Zahlstelle mit bezeichneter Geschäftsstelle in Wien und/oder an solchen anderen Orten unterhalten, die die Regeln der Wiener Börse verlangen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), wenn die Anleihegläubiger hierüber gemäß § 11 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.
- (3) Beauftragte der Emittentin: Die Zahlstelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Anleihegläubigern. Es wird kein Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.

## §7 STEUERN

Sämtliche auf die Teilschuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Republik Österreich oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Republik Österreich auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "zusätzlichen Beträge") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht für solche Steuern und Abgaben, die:

- (1) anders als durch Einbehalt oder Abzug auf Zahlungen zu entrichten sind, die die Emittentin an den Anleihegläubiger leistet; oder
- (2) zahlbar sind, weil der Anleihegläubiger (i) zur Republik Österreich eine aus steuerlicher Sicht andere relevante Verbindung hat als den bloßen Umstand, dass er Inhaber der Teilschuldverschreibungen ist, oder (ii) eine Zahlung von Kapital oder Zinsen aus den Teilschuldverschreibungen

explanation elaborating the facts being constitutive for the Issuer's right of redemption.

- (3) Early redemption amount: For the purpose of § 5(2) und § 9 the early redemption amount of a Bond equals its principal amount.

## §6 PAYING AGENT

- (1) Appointment: Raiffeisen Bank International AG, Vienna, shall be appointed as paying agent (the "Paying Agent").
- (2) Change of appointment or dismissal: The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint another Paying Agent. The Issuer undertakes that at any time it (i) maintains a Paying Agent and (ii) for as long as the Bonds are listed on the Vienna Stock Exchange a Paying Agent with a designated branch in Vienna and/or in such other locations being subject to the rules of the Vienna Stock Exchange. Any change, dismissal or appointment or any other variation shall only become effective (except in the event of an insolvency where such change shall become effective immediately) if the Bondholders have been informed thereof in advance pursuant to § 11 by giving of not less than 30 days' notice, but no more than 45 days' notice.
- (3) Agents of the Issuer: The Paying Agent acts solely as agent of the Issuer and does not assume any obligations towards the Bondholders. No relationship of contract, agency or trust shall be created between the Paying Agent and the Bondholders.

## §7 TAXATION

All payments in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any present or future taxes or other duties of whatever nature imposed or levied by the Republic of Austria or on the account of it or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (the "Additional Amounts") as will result in receipt by the Bondholders of the same amounts as they would have received if no such withholding or deduction had been required; the obligation to pay such Additional Amounts shall not exist for such taxes and duties that:

- (1) are payable other than by withholding or deduction on payments that the Issuer makes to the Bondholders; or
- (2) are payable because the Bondholder (i) by reason of having some connection with the Republic of Austria from a tax perspective other than the mere holding of a Bond or (ii) receiving a payment of principal or capital on the Bonds form, or through involvement of, a coupon paying agent (or

von, oder unter Einbindung von, einer in der Republik Österreich befindlichen kuponauszahlenden (oder auszahlenden oder depotführenden) Stelle (im Sinne des § 95 EStG 1988 idgF oder einer allfälligen entsprechenden Nachfolgebestimmung) erhält; oder

- |      |   |      |   |
|------|---|------|---|
| (3)  | von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder   | (3)  | are withheld or deducted by a paying agent provided that such payment could have been made by another paying agent without withholding or deduction; or   |
| (4)  | nach Zahlung durch die Emittentin im Rahmen des Transfers an den Anleihegläubiger abgezogen oder einbehalten werden; oder   | (4)  | are deducted or withheld upon payment made by the Issuer in connection with a transfer to the Bondholders; or   |
| (5)  | nicht zahlbar wären, wenn der Anleihegläubiger den Anspruch auf die betreffende Zahlung von Kapital und Zinsen ordnungsgemäß innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag geltend gemacht hätte; oder  | (5)  | were not payable if the Bondholder had asserted his entitlement to payment of principal and interest in due form within 30 days after the respective due date; or   |
| (6)  | aufgrund oder infolge (i) eines internationalen Vertrages, dessen Partei die Republik Österreich ist, oder (ii) einer Verordnung oder Richtlinie, auferlegt oder erhoben werden; oder   | (6)  | are imposed or levied due to or as a result of (i) an international treaty to which the Republic of Austria is a party or (ii) a regulation or directive; or  |
| (7)  | wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 11 wirksam wird; oder  | (7)  | are payable due to a change of law, such change becoming effective later than 30 days after the due date of the respective payment, or in case this payment is made later, after proper provision of all due amounts and a respective notice in accordance with § 11; or  |
| (8)  | von einer Zahlstelle auf Grund der vom Rat der Europäischen Union am 3. Juni 2003 erlassenen Richtlinie im Bereich der Besteuerung von Zinserträgen (Richtlinie 2003/48/EG des Rates) einbehalten oder abgezogen wurden, oder auf Grund von Rechts- und Verwaltungsvorschriften oder internationalen Verträgen, welche zur Umsetzung oder im Zusammenhang mit dieser Richtlinie erlassen wurden; oder | (8)  | were withheld or deducted by a paying agent pursuant to the directive on the taxation of savings income issued by the Council of the European Union on June 3, 2003 (Council directive 2003/48/EC) or due to statutory or administrative provisions or bilateral treaties enacted for the implementation of or in connection with this directive; |
| (9)  | aufgrund eines Doppelbesteuerungsabkommens oder den Steuergesetzen der Republik Österreich rückerstattbar wären oder aufgrund gemeinschaftsrechtlicher Bestimmungen (EU) an der Quelle entlastbar wären; oder   | (9)  | are reimbursable pursuant to double taxation treaties pursuant to the fiscal laws of the Republic of Austria or are dischargeable at source pursuant to community law (EU); or  |
| (10) | die von einem Anleihegläubiger nicht zu leisten wären, soweit er zumutbarer Weise Steuerfreiheit oder eine Steuererstattung oder eine Steuervergütung hätte erlangen können.  | (10) | would not have to be paid by a Bondholder if it could have obtained tax exemption, a tax restitution or tax rebate in a reasonable way.   |

## §8 VERJÄHRUNG

Ansprüche auf Zahlung aus fälligen Zinsen verjähren nach 3 Jahren ab Fälligkeit; Ansprüche aus fälligen Tilgungszahlungen verjähren nach 30 Jahren ab Fälligkeit.

## §9 KÜNDIGUNG

- (1) Jeder Anleihegläubiger ist berechtigt, seine Teilschuldverschreibungen zu kündigen und deren sofortige Rückzahlung zu ihrem vorzeitigen Rückzahlungsbetrag (wie in § 5 (3) beschrieben), zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:
- (i) die Emittentin Kapital oder Zinsen nicht innerhalb von 7 Tagen nach dem jeweiligen Fälligkeitstag zahlt, oder
  - (ii) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Teilschuldverschreibungen unterlässt und

paying agent or depository bank) located in Austria (according to § 95 of the 1988 Income Tax Act as amended or any successor provision thereto); or

## §8 STATUTE OF LIMITATIONS

The limitation period shall be three years in respect of interest due and 30 years in respect of principal due.

## §9 EARLY REDEMPTION

- (1) Each Bondholder shall be entitled to declare its Bonds due and to demand immediate redemption at their early redemption amount (as set out in § 5 (3) together with accrued interest to the date of redemption if
- (i) the Issuer fails to pay principal or interest within 7 days after the respective due date; or
  - (ii) the Issuer fails to duly comply with any other substantial obligation from the Bonds during more than 15 days upon receipt of a Bondholder's notice

die Unterlassung länger als 15 Tage fort dauert, nachdem die Zahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat, oder

- (iii) eine von einem (Schieds-)Gericht oder einer Verwaltungsbehörde (im jeweiligen Sitzstaat) rechtskräftig festgestellte Schuld der Emittentin oder einer Haupttochtergesellschaft (wobei im Sinne dieser Bedingungen als "Haupttochtergesellschaft" eine Tochtergesellschaft gilt, deren Umsatz mehr als 10% des konsolidierten Konzernumsatzes der Emittentin erreicht) mit einem EUR 5.000.000,-- (oder den Gegenwert in einer anderen Währung) übersteigenden Betrag nicht erfüllt wird und diese Nichterfüllung länger als vier Wochen fort dauert, nachdem die Zahlstelle hierüber von einem Anleihegläubiger eine Benachrichtigung erhalten hat, oder eine Zahlungsverpflichtung der Emittentin infolge Vorliegens eines Kündigungsgrundes vorzeitig fällig werden kann oder eine dafür bestellte Sicherheit geltend gemacht wird, oder
- (iv) die Emittentin oder eine Haupttochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit allgemein bekannt gibt, oder
- (v) ein Gericht ein Insolvenzverfahren gegen die Emittentin oder eine Haupttochtergesellschaft eröffnet oder ein solches Insolvenzverfahren mangels kostendeckenden Vermögens abgelehnt wird, oder
- (vi) die Emittentin oder eine Haupttochtergesellschaft ihre Geschäftstätigkeit ganz oder überwiegend einstellt, alle oder wesentliche Teile ihrer Vermögenswerte veräußert oder anderweitig abgibt und dadurch den Wert ihres Vermögens wesentlich vermindert, oder
- (vii) die Emittentin oder eine Haupttochtergesellschaft in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Teilschuldverschreibungen eingegangen ist, werden von der anderen oder neuen Gesellschaft übernommen.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor wirksamer Ausübung des Rechts geheilt wurde.

- (2) In den Fällen des § 9(1)(ii) oder § 9(1)(iii) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in § 9(1)(i) oder § 9(1)(iv) bis (vii) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Zahlstelle Kündigungserklärungen von Anleihegläubigern im Nennbetrag von mindestens 1/10 der dann ausstehenden Teilschuldverschreibungen eingegangen sind.
- (3) Eine Benachrichtigung, einschließlich einer Kündigung der Teilschuldverschreibungen gemäß § 9(1) ist schriftlich in deutscher Sprache gegenüber der Zahlstelle zu erklären und per Einschreibesendung an den Sitz der Zahlstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Teilschuldverschreibungen ist. Der Nachweis kann durch eine Bescheinigung der Depotbank oder auf andere geeignete Weise erbracht werden.

related thereto by the Paying Agent; or

- (iii) the Issuer or a Material Subsidiary (for the purpose of these Conditions "Material Subsidiary" means any subsidiary contributing more than 10% of the consolidated total sales of the Issuer) fails to comply with an obligation which exceeds EUR 5,000,000.-- (or the equivalent thereof in another currency) and this failure was legally recognised by an (arbitration) court or an administrative authority (in the respective state where the Issuer is registered) and non-performance persist longer than 4 weeks after the Paying Agent's receipt of a Bondholder's notice relating thereto, or a payment obligation of the Issuer may be prematurely due following the a reason for early termination or a security created for the obligation is asserted; or
- (iv) the Issuer or a Material Subsidiary suspend payments or publicly announces its illiquidity; or
- (v) any order shall be made by a court to open insolvency proceedings against the Issuer or a Material Subsidiary or such insolvency proceedings are declined for lack of cost covering assets; or
- (vi) the Issuer or a Material Subsidiary shall cease its business activities, in whole or in part, disposes of or releases otherwise all or substantial parts of its assets thus substantially reducing the value of its assets; or
- (vii) the Issuer or a Material Subsidiary enters liquidation, save for the purpose of amalgamation or any other form of merger with another company or for the purposes of reorganization provided that all obligations the Issuer entered into in connection with the Bonds will be taken over by the other or the new company.

The right to terminate shall cease if the reason for termination has been remedied before the right is effectively exercised.

- (2) In the events specified in § 9(1)(ii) or § 9(1)(iii) any termination shall become effective only when the Paying Agent has received such number of notices from the Bondholders amounting to at least 10% of the nominal amount of Bonds then outstanding unless at the same time any of the termination events specified in section § 9(1)(i) or § 9(1) (iv) through § 9(1)(vii) have occurred.
- (3) Notices including notices for early redemption of the Bonds pursuant to § 9(1) shall be made in writing in German language to the Paying Agent and transmitted to the Paying Agent's registered seat by registered mail. A certificate showing that at the time of such notification the respective Bondholder is the holder of the respective Bonds needs to be attached to such notice. The certificate can be a confirmation by the depository bank or can be provided in another appropriate manner.

## §10

### EMISSION WEITERER TEILSCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

- (1) Emission weiterer Teilschuldverschreibungen: Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Teilschuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Emission, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu emittieren, dass sie mit diesen Teilschuldverschreibungen eine einheitliche Serie bilden.
- (2) Ankauf: Die Emittentin ist berechtigt, Teilschuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Teilschuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.
- (3) Entwertung: Sämtliche vollständig zurückgezahlten Teilschuldverschreibungen sind unverzüglich zu entwerten und können nicht wieder emittiert oder wiederverkauft werden.

## §11

### MITTEILUNGEN

Bekanntmachungen: Alle die Teilschuldverschreibungen betreffenden Mitteilungen sind auf der Webseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag der Veröffentlichung als wirksam erfolgt.

## §12

### ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

- (1) Anwendbares Recht: Form und Inhalt der Teilschuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach österreichischem Recht. Erfüllungsort ist Wien.
- (2) Gerichtsstand: Soweit nach zwingenden österreichischen Verbraucherschutzbestimmungen zulässig, ist das Handelsgericht Wien für sämtliche Rechtsstreitigkeiten im Zusammenhang mit den Teilschuldverschreibungen ausschließlich zuständig.
- (3) Teilnichtigkeit: Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Bedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.

## §10

### ISSUE OF FURTHER BONDS, PURCHASE AND CANCELLATION

- (1) Issue of further bonds: The Issuer shall at any time and without the consent of the Bondholders be entitled to issue further bonds having the same Conditions (if applicable except for the date of issue, the starting date for the accrual of interest and/or the issue price) so that those bonds constitute a single series with the respective Bonds.
- (2) Purchase: The Issuer is entitled to purchase its own Bonds in the market or elsewhere at any price. The purchased Bonds may at the Issuer's option be held, resold or handed in to the Paying Agent for the purpose of cancellation.
- (3) Cancellation: All Bonds completely redeemed must be cancelled without delay and cannot be reissued or sold again.

## §11

### NOTICES

Announcements: All notices relating to the Bonds shall be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Each such notice shall be deemed effective as of the date of publication.

## §12

### GOVERING LAW, JURISDICTION AND JUDICIAL ASSERTION

- (1) Governing law: The form and contents of the Bonds and the rights and obligations of the Bondholders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law. Place of performance is Vienna.
- (2) Jurisdiction: To the extent permissible under mandatory Austrian consumer protection laws, the Commercial Court of Vienna shall have exclusive jurisdiction for all disputes which may arise out of or in connection with the Bonds.
- (3) Partial Invalidity: If a provision in these Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall pursuant to the purpose of these Conditions be replaced by valid provisions that come as close as legally possible from an economic point of view to invalid provision.

**GERMAN TRANSLATION OF THE SUMMARY**  
**Zusammenfassung**

**Warnung.** Diese Zusammenfassung muss als Einführung zu diesem Prospekt verstanden werden und jede Entscheidung zur Anlage in die Schuldverschreibungen sollte auf einer Prüfung des gesamten Prospekts, einschließlich des Konzernabschlusses und der Aussagen im Abschnitt Risikofaktoren („Risk Factors“), basieren. Die für die Erstellung dieser Zusammenfassung und für deren Einreichung verantwortlichen Personen trifft keine zivilrechtliche Haftung, sofern diese Zusammenfassung einschließlich einer Übersetzung hiervon, nicht irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird. Für den Fall, dass vor einem Gericht eines Mitgliedsstaats des Europäischen Wirtschaftsraums Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnten die Kläger in Anwendung der einzelstaatlichen Rechtsvorschriften der Mitgliedstaaten des Europäischen Wirtschaftsraums die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben. Sollten derartige Klagen vor einem österreichischen oder deutschen Gericht eingebracht werden, so wird eine deutsche Übersetzung des Prospekts erforderlich sein. Die dabei anfallenden Kosten werden von dem als Kläger auftretende Anleger zu tragen sein und letztendlich von der Verfahrenspartei, die dafür verantwortlich ist.

**Emittentin**

STRABAG SE mit Sitz in Villach und der Geschäftsanschrift Donau-City-Straße 9, 1220 Wien, Österreich, eingetragen im Firmenbuch des Landesgerichtes Klagenfurt unter FN 88983h.

**Geschäftstätigkeit der Emittentin**

Ausgehend von ihren Kernmärkten Österreich und Deutschland, ist die STRABAG Gruppe (die „Gruppe“) über zahlreiche Tochtergesellschaften in allen ost- und südosteuropäischen, in ausgewählten Märkten Westeuropas und zunehmend auf anderen Kontinenten tätig. Die Dienstleistungen der Gruppe umfassen sämtliche Bereiche der Bauindustrie. Die Gruppe bietet ihre Leistungen unter verschiedenen Hauptmarken, unter anderem STRABAG, Heilit+Woerner, Möbius und Züblin, an.

Die STRABAG Gruppe erbringt ihre Dienstleistungen in drei Segmenten:

- *Hoch- und Ingenieurbau:* Das Segment Hoch- und Ingenieurbau umfasst den Bau von Gewerbe- und Industriebauten, Büro- und Verwaltungsgebäuden und Wohnbauten sowie die Fertigteilproduktion. Mittelgroße und Großprojekte – hauptsächlich von privaten Auftraggebern – sind das Kernstück der Geschäftstätigkeit. Im Bereich Ingenieurbau befasst sich die Gruppe mit der Errichtung komplexer Infrastrukturprojekte, mit dem Geschäftsfeld Kraftwerksbau, mit dem Großbrückenbau sowie der Umwelttechnik.
- *Verkehrswegebau:* Der Verkehrswegebau beinhaltet die Errichtung sowohl von Asphalt- als auch von Betonstraßen sowie jegliche Bautätigkeit im Zuge von Straßenbauarbeiten, wie z.B. Erdbau, Kanalbau, Gleisbau, Wasserstraßen- und Deichbau, Pflasterungen, den Bau von Sportstätten und Freizeitanlagen, Sicherungs- und

Schutzbauten, den Brückenbau in kleinem Ausmaß sowie die Errichtung von Offshore-Wind-Anlagen. In den letzten Jahren sind auch die Bereiche Gleisbau und Wasserstraßenbau als Kompetenzfelder hinzugekommen. Die Produktion von Baustoffen wie Asphalt, Beton und Zuschlagstoffen als Lieferant für die Gruppe und für externe Kunden fällt ebenfalls in den Aufgabenbereich des Segmentes Verkehrswegebau.

- *Sondersparten und Konzessionen:* Das Segment Sondersparten und Konzessionen beinhaltet den Bereich Tunnelbau, wobei die Errichtung von Straßen- und Eisenbahntunnels, unterirdischen Galerien und Kavernen von diesem Teilbereich erfasst sind. Das Konzessionsgeschäft stellt ein weiteres Betätigungsfeld dar. Das Segment umfasst auch weltweite Projektentwicklungsaktivitäten, wobei sich die Aktivitäten hauptsächlich auf Verkehrswegebauarbeiten sowie Property und Facility Service Geschäfte beziehen. Darin enthalten sind projektbezogene Leistungen, wie Entwicklung, Errichtung, Finanzierung und der Betrieb von derartigen Property und Facility Service Geschäften.

Zum 31. Dezember 2011 beschäftigte die Gruppe weltweit circa 76.900 vollzeitäquivalente Mitarbeiter. Im Geschäftsjahr 2011 erzielte die STRABAG Gruppe eine Bauleistung von EUR 14.326 Million und im Geschäftsjahr 2010 eine Bauleistung von EUR 12.777 Millionen (zur Erklärung des Begriffes Bauleistung siehe "Zusammenfassung der Konzernfinanzdaten" auf Seite D -6).

### ***Wesentliche Risikofaktoren***

Die Emittentin ist einer Reihe von Risikofaktoren ausgesetzt, die im Falle des Eintretens, erhebliche nachteilige Auswirkungen auf die Geschäftstätigkeit sowie die Finanz- und Ertragslage der Emittentin haben könnten. Selbst ein Gesamtverlust des investierten Kapitals kann nicht gänzlich ausgeschlossen werden. Für eine vollständige Beschreibung dieser Risikofaktoren wird auf den Abschnitt "Risk Factors" im Prospekt (Seite 9) verwiesen. Die Risikofaktoren sind unter anderem:

*Risikofaktoren, die die Emittentin und die STRABAG Gruppe betreffen:*

- Ungewisse wirtschaftliche Situation und die damit verbundenen Risiken
- Abhängigkeit von der zyklischen Baubranche
- Durch Preisermittlungen und Kalkulationen bei Bauprojekten, insbesondere durch Pauschalpreise, ist die STRABAG Gruppe bedeutenden Risiken ausgesetzt
- Saisonalabhängige Geschäftstätigkeit der STRABAG Gruppe und die Abhängigkeit von Witterungsverhältnissen
- Der Wettbewerb in den Geschäftsfeldern der STRABAG Gruppe könnte negative Auswirkungen auf die Gruppe haben
- Der Auftragsbestand der Gruppe könnte sich als kein sicherer Indikator für zukünftige Projekte erweisen
- Geschäftspartner könnten fällige Zahlungen unterlassen und dadurch die Gruppe erheblich schädigen
- Die Beteiligung an einem Konsortium enthält besondere Haftungsrisiken
- Die Realisierung von Bauprojekten unter besonderen rechtlichen Rahmenbedingungen beinhaltet zusätzliche, spezielle Risiken neben

- dem Risiko der Projektfertigstellung
- Eine Erhöhung der Kosten oder eine unzureichende Verfügbarkeit von Rohstoffen
- Außerordentliche Abschreibungen könnten erforderlich werden
- In vielen zentral- und osteuropäischen Ländern sind zukünftige wirtschaftliche und politischen Entwicklungen ungewiss und rechtliche Strukturen, Verfahrensgarantien sowie Anti-Korruptions-Maßnahmen nicht voll entwickelt; die rechtlichen Umstände könnten sich daher jederzeit ändern
- Die STRABAG Gruppe ist verschiedenen wirtschaftlichen, politischen und rechtlichen Entwicklungen sowie Veränderungen in Regionen, in denen die Gruppe tätig ist, ausgesetzt
- Der europäischen Bauindustrie mangelt es an Fachkräften
- Risiken in Zusammenhang mit Vertragsstrafen, anderen Verlusten sowie der Reputation
- Abhängigkeit von bestimmten Kunden, einschließlich öffentlich finanzierter Infrastrukturprojekte
- Garantie-, Gewährleistungs- und Haftungsrisiken für mangelhafte Dienstleistungen und Produkte
- Die STRABAG Gruppe könnte für ein Fehlverhalten von Subunternehmern haften
- Risiken im Zusammenhang mit der fortführenden Internationalisierung der STRABAG Gruppe
- Im Zusammenhang mit Akquisitionen ist die STRABAG Gruppe bestimmten Risiken ausgesetzt
- Die STRABAG Gruppe hat in einigen ihrer Unternehmen Beteiligungen, über die sie keine Kontrolle ausüben kann
- Die STRABAG Gruppe könnte in Zukunft ihr Kapital erhöhen müssen und könnte dazu gezwungen sein, dies zu wirtschaftlich ungünstigen Bedingungen durchzuführen
- Die Nichteinhaltung von vereinbarten Finanzkennzahlen oder anderen in bestimmten Kreditverträgen kann nicht ausgeschlossen werden
- Haftungen und andere Risiken im Zusammenhang mit unzureichender Versicherung
- Umwelt- und andere regulatorische Maßnahmen könnten zusätzliche Kosten oder Haftungen verursachen
- Die STRABAG Gruppe ist steuerlichen Risiken ausgesetzt
- Die STRABAG Gruppe ist von ihrem leitenden Management und anderen Schlüsselarbeitskräften abhängig
- Säumnisse oder unzureichende Weiterentwicklungen im Zusammenhang mit einem angemessenen Risikomanagement könnten die STRABAG Gruppe negativ beeinflussen
- Zum momentanen Zeitpunkt werden Ermittlungen gegen die STRABAG Gruppe sowie gegen Mitarbeiter und frühere Mitarbeiter geführt
- Wettbewerbsrechtliche Risiken
- Die STRABAG Gruppe ist Risiken im Zusammenhang mit anhängigen und zukünftigen Rechtsstreitigkeiten und Verfahren ausgesetzt
- Hauptaktionäre der Gesellschaft haben einen signifikanten Einfluss

- auf die STRABAG Gruppe und könnten Entscheidungen treffen, die nicht immer im Einklang mit den Interessen der Gruppe stehen
- Die STRABAG Gruppe ist eine Holding-Gesellschaft; die Erfüllung ihrer finanziellen Verpflichtungen hängt von Mitteln, die sie von ihren Tochterunternehmen erhält, ab

*Risiken im Zusammenhang mit den Schuldverschreibungen*

- Die Investoren tragen das Risiko ihrer Entscheidungen
- Kreditrisiko: Die Kreditwürdigkeit der Emittentin könnte sich verschlechtern und die Emittentin könnte zahlungsunfähig werden
- Marktrisiken: Ungewissheit der Preisentwicklung
- Illiquide Märkte
- Eine Aussetzung des Handels mit den Schuldverschreibungen oder der Anteile der Emittentin könnte den Marktpreis der Schuldverschreibungen negativ beeinflussen
- Zinsänderungsrisiken
- Inflation senkt den tatsächlichen Wert der Schuldverschreibungen
- Die Emittentin könnte die Schuldverschreibungen aus steuerlichen Gründen tilgen
- Das Risiko einer vorzeitigen Auflösung und einer Reinvestition
- Für den Erhalt von Zahlungen sind Investoren auf Clearing-Prozesse angewiesen
- Die Emittentin ist nicht in der Ausgabe von Schuldverschreibungen beschränkt und könnte Transaktionen vornehmen, die nicht im Interesse der Schuldverschreibungsinhaber liegen
- Risiken im Zusammenhang mit einer strukturellen Nachrangigkeit
- Transaktionskosten und Gebühren könnten den tatsächlichen Wert der Schuldverschreibungen verringern
- Investoren könnten zur Leistung von Steuern oder anderen Abgaben verpflichtet werden
- Fremdfinanzierte Zeichnung von Schuldverschreibungen erhöht das Verlustrisiko wesentlich; deswegen wird grundsätzlich davon abgeraten
- Risiko von Gesetzesänderungen
- Ein Gericht könnte einen Treuhänder, der die Rechte und Interessen der Schuldverschreibungsinhaber vertritt, bestellen
- Der Kauf von Schuldverschreibungen könnte für Investoren gesetzeswidrig sein

***Verwendung des Emissionserlöses***

Der Netto-Emissionserlös wird von der Emittentin für allgemeine Unternehmenszwecke herangezogen.

***Angebotene Wertpapiere***

Die Emittentin beabsichtigt Schuldverschreibungen mit einem Gesamtnennwert von bis zu EUR 75.000.000 und einer Stückelung von jeweils EUR 1.000,00 auszugeben. Der Gesamtnennwert kann bis zu einem Maximalwert von EUR 125.000.000 erhöht werden. Der endgültige Gesamtnennbetrag der Schuldverschreibungen wird am oder um den 3. Mai bestimmt und wird vor Beginn der Bezugsfrist veröffentlicht werden.

***Laufzeit***

7 Jahre, vom 10. Mai 2012 bis zum 9. Mai 2019 (einschließlich).

|  |   |
|--|---|
| <b>Zinssatz</b>  | [●] % jährlich (nachträglich).  |
| <b>Ausgabepreis</b>  | Der Ausgabepreis der Schuldverschreibungen wird nach Abschluss des Bookbuilding-Verfahrens von den Joint Lead Managers im Einvernehmen mit der Emittentin festgesetzt. (Vergleiche “ <i>Allotment, Pricing, Underwriting, Admission to Trading</i> ” auf Seite 47 ff).                    |
| <b>Geschätzter Nettoertrag</b>                               | Die Emittentin erwartet unter Berücksichtigung von geschätzten Kosten und Aufwendungen in Höhe von EUR [●] und unter Voraussetzung eines Ausgabepreises in Höhe von 100% einen Nettoertrag in Höhe von EUR [●].   |
| <b>Rückzahlung</b>   | Die Schuldverschreibungen werden zu 100% des Nennbetrags am 10. Mai 2019 getilgt.   |
| <b>Joint Lead Managers</b>                                   | Raiffeisen Bank International AG und UniCredit Bank Austria AG.   |
| <b>Zahlstelle</b>  | Raiffeisen Bank International AG.   |
| <b>Gesamtnennwert, Ausgabepreis, Zinssatz, Ertrag</b>        | Der endgültige Gesamtnennwert, Ausgabepreis, Zinssatz und Ertrag der Schuldverschreibungen wird in der pricing notice aufgenommen. Diese wird bei der CSSF eingereicht und auf der Website der luxemburgischen Börse ( <a href="http://www.bourse.lu">www.bourse.lu</a> ) veröffentlicht. |
| <b>Listing</b>   | Es wird die Zulassung der Schuldverschreibungen zum Handel im Regelmäßigen Freiverkehr bei der Wiener Börse beantragt.  |
| <b>International Securities Identification Number (ISIN)</b> | AT0000A0V7D8  |
| <b>Common Code</b>   | 077889019   |

## Zusammenfassung der Konzernfinanzdaten

Die nachstehenden Daten und Informationen wurden den Konzernabschlüssen, welche per Verweis in den Prospekt aufgenommen wurden, entnommen und stellen nur eine Zusammenfassung davon dar. Potenzielle Investoren sollten den gesamten Prospekt, einschließlich die Konzernabschlüsse und die übrigen Finanzinformationen in diesem Prospekt lesen, bevor sie eine Investitionsentscheidung treffen.

|   | Geschäftsjahr zum 31. Dezember  |                   |
|---|---|-------------------|
|   | 2011  | 2010              |
|   | geprüft (TEUR)  |                   |
| <b>Ausgewählte Kennzahlen aus der Gewinn- und Verlustrechnung</b> |   |                   |
| Umsatzerlöse .....  | 13.713.804  | 12.381.537        |
| <b>Ergebnis vor Steuern.....</b>                                  | <b>343.329</b>  | <b>279.274</b>    |
| <b>Ergebnis nach Steuern .....</b>                                | <b>239.290</b>  | <b>188.378</b>    |
| <b>Ausgewählte Kennzahlen aus der Bilanz</b>                      |   |                   |
| Langfristige Vermögenswerte.....                                  | 4.534.355   | 4.345.039         |
| Liquide Mittel.....   | 1.700.237   | 1.952.452         |
| <b>Bilanzsumme.....</b>   | <b>10.386.054</b>   | <b>10.382.157</b> |
| <b>Eigenkapital .....</b>   | <b>3.149.842</b>  | <b>3.232.438</b>  |
| Langfristige Schulden.....  | 2.358.854   | 2.363.476         |
| <b>Andere Finanzkennzahlen</b>                                    |   |                   |
| EBIT .....  | 334.785   | 298.951           |
| EBITDA .....  | 746.331   | 734.693           |
|   | Geschäftsjahr zum 31. Dezember  |                   |
|   | 2011  | 2010              |
|   | ungeprüft, sofern nicht anders angegeben<br>(TEUR, sofern nicht anders angegeben) |                   |
| <b>Andere Betriebskennzahlen</b>                                  |   |                   |
| Bauleistung (geprüft) <sup>(1)</sup> .....                        | 14.325.851  | 12.777.000        |
| Auftragsbestand.....  | 13.354.000  | 14.738.740        |
| Eigenkapitalquote (in %).....                                     | 30,3  | 31,1              |

- (2) Die STRABAG führt ihre Bauleistung an, da dies in der Bauindustrie weit verbreitet ist und das Management der Meinung ist, dass die Anführung der eigenen Bauleistung ein geeignetes Mittel darstellt, um die Bauleistung der STRABAG Gruppe und die Leistung von anderen Unternehmen und Allianzen, an welchen die STRABAG ein direktes oder indirektes Interesse hat, darzustellen. Es muss festgestellt werden, dass die Bauleistung keinem IFRS Maßstab entspricht und nicht dazu geeignet ist, um die finanzielle Leistung von STRABAG darzustellen. Die Bauleistung stellt keinen geeigneten Richtsatz dar, um Rückschlüsse auf die Einkünfte der STRABAG zu ziehen. Es existiert keine offizielle Definition von Bauleistung. Kennzahlen von anderen Bauunternehmen oder Kennzahlen, die in Industrieberichten oder ähnlichen Veröffentlichungen vorkommen, die die gleiche oder eine ähnliche Bezeichnung tragen, könnten anders berechnet und kalkuliert werden.

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