



STRABAG SE

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

Offering of EUR [●][●]% 2015-2022 Bonds ISIN AT0000A1C741

This offering (the “**Offering**”) by STRABAG SE (the “**Issuer**” or the “**Company**” or “**STRABAG SE**”) consists of (i) an offer to the public in the Republic of Austria (“**Austria**”) and the Federal Republic of Germany (“**Germany**”) of EUR [●][●]% 2015-2022 bonds with a denomination of EUR 500 each (the “**Bonds**”) and (ii) an offering of the Bonds to selected institutional investors outside of Austria and Germany.

The final total principal amount will be determined after consultation with the Joint Lead Managers by the Issuer in the course of a bookbuilding procedure on or about January 28, 2015 and published prior to the beginning of the subscription period.

The reoffer price, at which institutional investors may buy the Bonds (the “**Reoffer Price**”), the issue price, at which retail investors may subscribe the Bonds (the “**Issue Price**”) and the aggregate 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 February 4 of each year, commencing on February 4, 2016. The interest rate, the aggregate principle amount, the Reoffer Price, the Issue Price, the issue proceeds, reoffer yield and the issue price yield will be included in a pricing notice which will be filed with the Austrian financial markets authority (*Finanzmarktaufsichtsbehörde*) (the “**FMA**”) and published in accordance with Section 7(5) of the Austrian Capital Market Act (*Kapitalmarktgesetz*) (the “**Capital Market Act**”) on the website of STRABAG SE on or around January 28, 2015.

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 (the “**Prospectus Directive**”), for the offer to the public of the Bonds, issued by STRABAG SE, in Austria and Germany and to selected institutional investors outside of Austria and 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 Annex IV, V, XXII and XXX of Commission Regulation (EC) No 809/2004 of April 29, 2004, as amended, and conforms to the requirements of the Capital Market Act (*Kapitalmarktgesetz*) and the Austrian Stock Exchange Act (*Börsengesetz*).

This Prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*) (the “FMA”) in its capacity as competent authority under the Capital Market Act. The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the Prospectus only in respect of its completeness, coherence and comprehensibility pursuant to Section 8a Capital Market Act.

This Prospectus will also be notified to the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, the “**BaFin**”) before any offer to the public in Germany. This Prospectus will also be filed as a listing prospectus (*Zulassungsprospekt*) 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.

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 Germany will only be made following the FMA’s delivery to the BaFin of, *inter alia*, a certificate of approval pursuant to Article 18 Prospectus Directive attesting that this Prospectus has been drawn up in accordance with the Prospectus Directive.

Joint Lead Managers

Erste Group Bank AG

Raiffeisen Bank International AG

UniCredit Bank Austria AG

The date of this Prospectus is January 26, 2015

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 by reference 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 Managers 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 its date. The delivery of this Prospectus and the offering, sale or delivery of the Bonds may not be taken as an implication that (i) the information contained in such documents is accurate and complete subsequent to the date of issuance or (ii) that there has been no adverse change in the financial situation of the Issuer since such date or (iii) that any other information supplied in connection with the Bonds is accurate (a) at any time subsequent to the date on which such other information is supplied or, (b) if different, the date indicated in the document containing such other information. The Issuer has no intention to and assumes no responsibility for updating the information contained in this Prospectus, if not required in accordance with Section 6 of the Capital Market Act. Every significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Bonds and which arises or is noted between the approval of the Prospectus by the FMA and the later of February 3, 2015 and the start of trading of the Bonds on the Vienna Stock Exchange (expected to be on or about February 4, 2015) will be published in a supplement to the Prospectus in accordance with Section 6 of the Capital Market Act. Such supplement must be published in the same manner as this Prospectus and be approved by the FMA.

The Issuer gives its express consent to the use of the Prospectus for a subsequent resale or final placement of the Bonds in Austria and Germany, by financial intermediaries between the banking day following the approval and publication of the Prospectus and February 3, 2015 (see “*Terms and Conditions of the Offering—Consent to use the Prospectus*”).

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.

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 (as defined below) 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. Each financial intermediary offering the Bonds has to comply with the selling restrictions contained in this Prospectus (see “*Selling Restrictions*”).

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
Market and Industry Data.....	1
Documents Available for Inspection	2
Summary	3
Risk Factors.....	14
Selected Consolidated Financial Data	29
Business.....	31
Management	37
Principal Shareholders.....	40
General Information about the Company	43
Disclosure for the Securities.....	46
Terms and Conditions of the Offering.....	48
Selling restrictions	51
Documents Incorporated by Reference	54
Taxation.....	56
Conditions of Issue.....	64
Statement pursuant to Commission Regulation (EC) no 809/2004 of April 29, 2004 and pursuant to § 8 para 1 Capital Market Act	D-1
German Translation of the Summary	S-1

Definitions

In this Prospectus, unless the context otherwise requires,

- “**Audited Consolidated Financial Statements**” refers to the audited consolidated financial statements in accordance with IFRS, as adopted by the EU, of the Company as of, and for the years ended, December 31, 2013 and 2012 in the English language;
- “**BaFin**” refers to the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*);
- “**Basic Element**” refers to Company Bazovy Element LLC, Moscow, Russian Federation, a company indirectly controlled by Mr. Oleg Deripaska;
- “**CEE**” refers to Central and Eastern Europe, which for the purposes of this Prospectus, includes the Russian Federation;
- “**Consolidated Financial Statements**” refers to the Audited Consolidated Financial Statements and the Unaudited Interim Financial Statements;
- “**Euroconstruct Countries**” are Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland and the United Kingdom.
- “**FMA**” refers to the Austrian financial markets authority (*Finanzmarktaufsichtsbehörde*);
- “**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;
- “**OeKB**” refers to Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4/Strauchgasse 3, 1010 Vienna;
- “**Raiffeisen NÖ-Wien Group**” refers to RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. and its consolidated subsidiaries;
- “**Rasperia**” refers to Rasperia Trading Limited, Limassol, Cyprus, a company indirectly controlled by Mr. Oleg Deripaska;
- “**STRABAG Group**”, the “**Group**” or “**STRABAG**” refer to STRABAG SE and its consolidated subsidiaries;
- “**STRABAG SE**” or the “**Company**” or the “**Issuer**” refer to STRABAG SE;
- “**Unaudited Interim Financial Statements**” refers to the unaudited interim financial statements of the Company as of, and for the nine months ended, September 30, 2014; and
- “**UNIQA Group**” refers to UNIQA Versicherungen AG and its consolidated subsidiaries;

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 2013 study dated June 2014 (available at http://www2.deloitte.com/content/dam/Deloitte/be/Documents/realestate/be_fas_real-estate-EPOC_2013.pdf and referred to as the “**Deloitte EPoC 2013**”), the 78th Euroconstruct Summary Report dated November 2014 (“**Euroconstruct 2014**”), the Report of the Chairman Karl Heinz Daehre of the Commission „Future of traffic infrastructure financing” (*Zukunft der Verkehrsinfrastrukturfinanzierung*) (December 2012) available on the website of the Association of German transport companies (*Verband Deutscher Verkehrsunternehmen*) the European Union’s website content on EU climate actions (http://ec.europa.eu/clima/policies/brief/eu/index_en.htm) and the United Nations’ website content on world urbanisation prospects (<http://www.un.org/en/development/desa/news/population/world-urbanization-prospects-2014.html>). The information in these sources 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

This Prospectus will be published on the Company's website (www.strabag.com) under the icons "Investor Relations", "Creditor Relations" and "Bonds". Copies of the following documents will be available free of charge 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; and
- the Documents Incorporated by Reference.

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings

A.1 Warning..... The following summary must be read as an introduction to this Prospectus. Any decision to invest in the Bonds should be based on a consideration of this Prospectus as a whole by the investor. 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 European Economic Area, have to bear the costs of translating this Prospectus before legal proceedings are initiated. Civil liability attaches to those persons who have tabled this summary, including any translation thereof, 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 or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds.

A.2 Consent by the Issuer to the use of the prospectus by financial intermediaries..... The Issuer gives its express consent to the use of the Prospectus for a subsequent resale or final placement of the Bonds in Austria and Germany, by financial intermediaries between the banking day following the approval and publication of the Prospectus and February 3, 2015. Financial intermediaries can make a subsequent resale or final placement of Bonds during this period. Any financial intermediary using the prospectus has to state on its website that it uses the prospectus in accordance with the consent and the conditions attached thereto. The Issuer accepts responsibility for the content of the Prospectus also with respect to a subsequent resale or final placement of securities by any financial intermediary which was given consent to use the Prospectus; an exceeding liability of the Issuer is excluded. No other conditions are attached to the consent which are relevant for the use of the Prospectus. However, the Issuer may revoke or limit its consent at any time, whereby such revocation requires a supplement to the Prospectus. **In the event of an offer being made by a financial intermediary, the financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.**

Section B – Issuer

B.1 Legal and commercial name of the issuer..... The legal name of the Company is STRABAG SE, the Company's as well as the Group's commercial name is STRABAG.

B.2 Domicile, legal form, legislation, country of incorporation..... The Issuer has its corporate seat in Villach and its business address at Triglavstraße 9, A-9500 Villach.

The Issuer is incorporated under Austrian law in Austria as a *Societas Europaea* (SE) according to Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company as amended.

B.4b Known trends of the Issuer and its industries **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.

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. Despite the economic recovery in the US and in the emerging markets, the upswing of the European economy was delayed. After a decline in 2012, the gross domestic product of the 19 Euroconstruct Countries stagnated in 2013. As a result, private consumption, the labor market and income development remained moderate in 2014. With a decline of 3.0%, the development of the European construction sector in 2013 again was significantly worse than the economy as a whole. The strongest losses were registered in the countries of Northern and Southern Europe.

The reasons for the continuous pressure on the European construction sector include the sovereign debt crisis in several countries as well as the austerity pressure on public budgets and insecurities regarding the future economic development. The situation of the construction industry improved only slightly in 2014. The sovereign debt crisis harmed especially the prospects for civil engineering, while the weak macroeconomic environment, the high unemployment and the lack of consumer confidence impaired the outlook for residential construction and the other building construction.

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.

Urbanisation

By the year 2050, some 66 % of the world's population will live in cities – this represents an increase of the urban population by 2.5 billion people. Accompanying this growth is a higher demand for infrastructure.

Energy efficiency

The European Union wants to cut its greenhouse gas emissions by the year 2020 to 20% below 1990 levels and is aiming at a reduction of 80–95% by the year 2050. For this reason, among others, the Group's clients are increasingly demanding that existing buildings be adapted with a view toward higher energy efficiency and less emissions during operation.

Financial environment

The historically low interest rates and a very volatile financial environment make real estate an attractive investment alternative for several investor groups – a situation the Group is currently observing in particular in its largest market Germany. Moreover, low interest rates are facilitating the financing of project developments.

- B.5 Description of the Group and the position of the Issuer in the Group..... STRABAG SE is a holding company and the parent company of the STRABAG 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. To implement these tasks, the Management Board is supported, *inter alia*, by central staff divisions (*Stabstellen*), central divisions (*Zentralbereiche*) and the divisions (*Unternehmensbereiche*); these divisions and the business operations are organized in a number of separate legal entities which are subsidiaries of STRABAG SE.

- B.9 Profit forecast/estimate..... Not applicable, as the Issuer does not include profit forecasts or estimates in the Prospectus.

- B.10 Qualifications in the audit report Not applicable, as the auditor did not make any qualifications in the audit reports on the historical financial information.

- B.12 Selected key financial information 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, 2013 and 2012 and as of and for the nine months ended, September 30, 2014.

	Nine months ended September 30, 2014		Year Ended December 31, 2013	
	2014	2013 ⁽¹⁾	2013	2012
	unaudited (TEUR)		audited (TEUR)	
Selected Income Statement Figures				
Revenue.....	8,892,290	8,806,467	12,475,654	12,983,233
Profit/loss before taxes	39,425	21,021	230,037	156,460
Profit for the period/net income	20,275	8,562	156,259	110,038
Selected Balance Sheet Data				
Total non-current assets.....	4,404,058	-	4,416,290	4,546,459
Cash and cash equivalents	1,135,414	-	1,711,968	1,374,955
Total assets.....	10,494,474	-	10,560,790	10,137,691
Equity	3,168,647	-	3,238,769	3,162,542
Total non-current liabilities ..	2,326,076	-	2,465,788	2,431,916
Other Financial Data				
EBIT.....	64,279	39,627	261,577	207,186
EBITDA.....	349,822	328,849	694,914	608,354
	Nine months ended September 30, 2014		Year Ended December 31, 2013	
	unaudited (EUR million, unless otherwise stated)		unaudited, unless otherwise stated (EUR million, unless otherwise stated)	
Other Operating Data				
Output volume (audited) ⁽²⁾	9,712	9,609	13,573	14,043
Order backlog.....	15,400	13,999	13,470	13,203
Equity ratio (in %) ⁽²⁾	30.2	30.7	30.7	31.2

(1) For accounting periods beginning on or after January 1, 2014, IFRS 11 and IAS 28 regulating accounting of arrangements in which an entity exercises joint control over a joint venture or a joint operation is applicable and leads to changes in the presentation in the income statement. Figures for the nine months ended September 30, 2013 have been adjusted and are presented in amended form.

(2) 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 in particular because output volume also includes (1) STRABAG's pro rata share of the output volume attributable to unconsolidated entities, associated entities and consortia (whose revenues are not reflected in STRABAG's revenue) and (2) STRABAG's pro rata share of the output volume of consolidated entities (whose revenues are fully reflected in STRABAG's revenue), with the exception of STRABAG AG and Ed. Züblin (whose output volume is fully included, and not only pro rata). 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.

There has been no material adverse change in the prospects of STRABAG since December 31, 2013. There were no significant changes in the financial or trading position subsequent to September 30, 2014.

B.13	Recent events to a material extent relevant for the solvency of the Issuer	Not applicable, as no recent event was to a material extent relevant to evaluate the Issuer's solvency.
B.14	Dependency of the Issuer on other entities of the Group	As a holding company, the Issuer depends on contributions and distributions by its affiliates.
B.15	Principal activities of the Issuer	STRABAG SE is a holding company and the parent company of the STRABAG Group. STRABAG is a European-based technology group for construction services and a leader in innovation based on management's estimates. The Group's services span all areas of the construction industry and cover the full construction value chain. The Group's entities integrate these services and assume responsibility for them towards its customers: STRABAG coordinates the timely use of manpower, materials and machinery in order to realise complex construction projects on schedule, of quality and at a competitive price. A network of subsidiaries in many European countries and, increasingly, on other continents is helping to expand the Group's area of operation beyond the borders of Austria and Germany.
B.16	Ownership and controlling interest	The Issuer is effectively controlled by the Haselsteiner family, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia, who have entered into a shareholders' agreement and control approximately 77% of the Issuer's shares.
B.17	Ratings of the Issuer and its debt securities	STRABAG SE is rated BBB- with a stable outlook by Standard & Poor's. Management expects that the Bonds will also be rated BBB- by Standard & Poor's.
Section C – Securities		
C.1	Type and class, identification.....	Senior, unsecured, bearer bonds. ISIN: AT0000A1C741.
C.2	Currency	Euro
C.5	Restrictions on transferability.....	The Bonds are bearer securities and in general freely transferable. Restrictions on transferability can result from applicable regulations of the clearing systems.
C.8	Rights, ranking, limitation of the rights	Rights attached to the Bonds are in particular the right for interest and for repayment on the maturity date, as further described in C.9. The Bonds constitute direct and unconditional obligations of the Issuer, ranking <i>pari passu</i> among themselves, being neither subordinated nor secured.

C.9	Interest rate, payment dates, yield, representation	<p>The nominal interest rate, the aggregate principal amount, the reoffer price, the issue price, the issue proceeds and the yield of the issue will be filed with the FMA in accordance with the Capital Market Act and published on the website of the Issuer (www.strabag.com) on or around January 28, 2015.</p> <p>Interest on the Bonds will be payable annually, for a period starting on February 4, 2015 (inclusive) and ending on the day preceding the maturity of the Bonds (February 3, 2022). Interest is payable in arrears at February 4 of each calendar year, first on February 4, 2016. The Bonds will be redeemed at their principal amount on February 4, 2022.</p> <p>Payments by the Issuer on the Bonds shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System and will be credited through the individual custodian banks of the Bondholders.</p> <p>The Terms and Conditions contain no provisions on the representation of the Bondholders. Under certain conditions, a trustee (<i>Kurator</i>) may be appointed to represent the Bondholders before the courts in accordance with Austrian Bond Trustee Act Gazette RGBI 1874/49, as amended.</p>
C.10	Derivative component	Not applicable, as the Bonds have no derivative component.
C.11	Admission to trading	Application will be made to the Vienna Stock Exchange for the Bonds to be admitted to trading on the Second Regulated Market (<i>Geregelter Freiverkehr</i>) of the Vienna Stock Exchange.

Section D – Risks

D.2	Key risks specific to the Issuer	<p>Risks relating to the Issuer and the STRABAG Group</p> <ul style="list-style-type: none"> • The euro zone debt crises and general economic slowdown in parts of Europe may adversely impact macroeconomic conditions in Europe and could have a material adverse impact on the STRABAG Group. • The results of the STRABAG Group depend heavily on infrastructure, commercial and to some degree residential construction activity and spending levels. • The calculation and pricing of construction projects, in particular lump sum pricing, expose the STRABAG Group to significant risks. • The STRABAG Group’s business is characterized by seasonality and depends on weather conditions. • The fierce competition in the industry could negatively impact the STRABAG Group’s business.
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- 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.
- The participation in consortia entails specific liability risks.
- The participation in public-private partnerships entails specific risks in addition to the project completion risk.
- Raw materials may temporarily not be available or their price may significantly increase.
- The STRABAG Group may be exposed to risks in connection with force majeure or hazard.
- Impairments may lead to significant write downs of goodwill.
- 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 may adversely affect the STRABAG Group.
- The STRABAG Group may infringe patents and other intellectual property rights. The STRABAG Group may also be subject to litigation regarding intellectual property associated with the STRABAG Group's business and this could be costly to defend and could prevent the STRABAG Group from using or selling the challenged technology.
- The European construction industry suffers from a lack of skilled labor.
- The non-compliance with time frames requested by the STRABAG Group's clients could lead to contractual penalties, other losses and reputational damages.
- The STRABAG Group depends on certain customers, including governments funding infrastructure projects.
- The STRABAG Group is subject to 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.

- The STRABAG Group has 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.
- If the STRABAG Group fails to meet financial and other covenants provided under certain credit facilities, outstanding indebtedness may immediately become due and payable.
- The STRABAG Group may incur losses which are not adequately insured.
- Environmental and other regulatory matters may cause additional costs or liability for the STRABAG Group.
- The STRABAG Group is exposed to tax and payroll tax risks.
- The STRABAG Group is dependent on its senior management and other key employees.
- The STRABAG Group depends on undisrupted and access-protected operation of its computer and IT systems.
- Failure to maintain and further develop an appropriate risk management could adversely affect the STRABAG Group.
- Investigations are being conducted against the STRABAG Group and its current and former employees.
- Investigations by competition authorities may lead to significant penalties and bans from the participation in public tenders.
- 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.

D.3 Key risks specific to the Bonds.....

Risks relating to the Bonds

- Investors bear the risk of their investment decision.
- The Issuer's creditworthiness may deteriorate and the Issuer

may become insolvent (credit risk).

- The price of the Bonds on the Vienna Stock Exchange may decline (market price risk).
- An illiquid market for the Bonds or a suspension of trading in the Bonds could adversely affect the market price of the Bonds.
- A suspension of trading in the Bonds or in the Issuer's shares could adversely affect the market price of the Bonds.
- A rise in the interest rate level will most likely cause a decrease in the price of the Bonds.
- A rating of the Bonds may not adequately reflect investment risks and may further be suspended, downgraded or withdrawn.
- In case of inflation, the real yield of the Bonds decreases.
- The Issuer may redeem the Bonds for tax reasons.
- Selling of Bonds or premature redemption are connected with a 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.
- 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.
- Transaction costs and fees may reduce the yield of the Bonds.
- Claims towards the Issuer in respect of repayment become time-barred if not asserted within thirty years and in respect of interest within three years.
- Investors may be required to pay taxes and other charges or duties.
- Purchases of Bonds financed by loans substantially increase the risk of losses and are generally to be discouraged.
- Investors are subject to the risk that changes in law have an adverse effect on the Issuer or the investors themselves.
- A court can appoint a trustee for the bonds who shall exercise the rights and represent the interests of the bondholder on its behalf.
- It may not be lawful for prospective investors to purchase the Bonds.

Section E – Offer

E.2b	Reasons for the offer, use of proceeds.....	The Issuer makes the offer and intends to use the net proceeds of the issue of the Bonds for general corporate purposes such as, e.g. refinancing of existing debt, in particular the EUR 100 million 4.25% bonds due on May 25, 2015 (ISIN AT0000A0DRJ9), the payment of capital expenditures or other operating costs.
E.3	Terms and conditions of the offer	The Bonds will be offered through the Joint Lead Managers to certain institutional investors and to retail investors in Austria and Germany. During the period from January 30, 2015 to, including, February 3, 2015 (the “ subscription period ”; the right to shorten the subscription period has been reserved) the Bonds will be offered to retail investors. The Bonds will be issued on or about February 4, 2015. The issue price for the Bonds is not yet fixed and expected to range between 98% and 102% of the nominal value of the Bonds. The issue price and the interest rate will be determined on basis of 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 January 28, 2015. In the course of the bookbuilding procedure, the Joint Lead Managers will accept within a limited period of time binding subscription orders from institutional investors, including spreads usually within a predetermined spread range. Subsequently, the Joint Lead Managers determine in consultation with the Issuer the interest rate (coupon), and the issue price 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 determined on the basis of the reoffer price for institutional investors plus selling commission of 1.5 percentage points. The issue price and the reoffer price will be published on or around January 28, 2015 in accordance with applicable laws.
E.4	Material interest in the issue/offer including conflicting interests	The Joint Lead Managers are participating in their ordinary course of business in order to generate management fees and selling commissions. They receive a management fee of up to 0.3% of the principal amount of the Bonds they underwrite. In addition, the Issuer has agreed to reimburse the Joint Lead Managers in respect of certain of their costs and expenses. 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 of business, 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. The net proceeds may (in whole or in part) be used to repay outstanding obligations towards the Joint Lead Managers or their affiliates.

E.7 Costs for Bondholders The Issuer and the Joint Lead Managers will not charge any costs, expenses or taxes directly to any investor in connection with the Bonds. Customary charges and fees may be charged to the Bondholders by their depositary banks. .

RISK FACTORS

Prospective investors should carefully review the following risk factors in conjunction with the other information contained in this Prospectus before making an investment in the Bonds. If these risks materialize, individually or together with other circumstances, they may have a material adverse effect on the Group's business, results of operations and financial condition. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to fulfill its obligations under the Bonds for other reasons than those described below, and the Issuer does not represent that the risks below are exhaustive. Additional risks not currently known to the Group or that it currently believes are immaterial may also adversely affect its business, results of operations and financial condition. Should any of these risks materialize, the trading price of the Bonds could decline, the Company may not be able to fulfill its obligations under the Bonds. Investors could lose all or a part of their investment. 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.

Risks relating to the Issuer and the STRABAG Group

The euro zone debt crises and general economic slowdown in parts of Europe may adversely impact macroeconomic conditions in Europe and could have a material adverse impact on the STRABAG Group

The global financial and economic and the euro zone debt crises have had considerable effects on the real economy, including the construction sector in Europe. The eurozone debt crisis and general economic slowdown in parts of Europe from, among other factors, lower consumer confidence, falling gross domestic product, rising unemployment and uncertainty may adversely impact macroeconomic conditions in Europe. In addition, high sovereign debt in a number of European countries, discussions on austerity programs and restrictive lending policies by banks have intensified the crisis of confidence surrounding the Euro. 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/or results of operations of the STRABAG Group.

The results of the STRABAG Group depend heavily on infrastructure, commercial and to some degree residential construction activity and spending 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/or results of operations of the STRABAG Group.

The 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/or results of operations of the STRABAG Group.

The STRABAG Group's business is characterized by seasonality and depends 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/or results of operations of the STRABAG Group.

The fierce 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/or 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/or 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/or financial condition.

The 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/or results of operations of the STRABAG Group.

The participation in public-private partnerships entails 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/or results of operations.

Raw materials may temporarily not be available or their price may significantly increase

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/or results of operations may be materially adversely affected if any such increases occur and are not anticipated by the STRABAG Group.

The STRABAG Group may be exposed to risks in connection with force majeure or hazard

Investors should take into consideration that certain risks exist for losses which cannot be insured (such as acts of war) or which are not economically sound to be insured (such as losses due to natural disasters, acts of terrorism etc.). In addition, the STRABAG Group is exposed to further external risks such as natural disaster, epidemics, fire, accidents and malicious acts. Physical damage to the STRABAG Group' or its suppliers' premises, production units, warehouses and stock in transit can lead to business interruptions.

Impairments may lead to significant write downs of goodwill

In 2013, the obligatory impairment tests in accordance with IFRS 3 required the STRABAG Group to write down approximately EUR 4 million in goodwill. As of December 31, 2013, the carrying value of goodwill on the STRABAG Group's subsidiaries amounted to approximately EUR 461 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/or 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 Russia, the Ukraine, Serbia, 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, Romania and Croatia) 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/or results of operations.

The legal systems of many CEE countries have undergone substantial changes in recent years with further, sometimes unpredictable, changes still being possible in certain cases. 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/or 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/or results of operations.

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

The STRABAG Group offers its services in through a network of subsidiaries in many European countries (including all countries of Eastern and South-East Europe and 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/or results of operations.

The STRABAG Group may infringe patents and other intellectual property rights. The STRABAG Group may also be subject to litigation regarding intellectual property associated with the STRABAG Group's business and this could be costly to defend and could prevent the STRABAG Group from using or selling the challenged technology

The STRABAG Group offers its services in a wide range of countries, which may lead to the infringement of local patents or other intellectual property rights. It cannot be ruled out that patents or other intellectual property rights by third parties that could have been missed or which might be registered in the future may lead to litigation, damage claims, license fees and other financial or actual burdens. Intellectual property claims against the STRABAG Group, and any resulting lawsuits, may result in the Group incurring significant expenses and could expose the STRABAG Group to significant liability for damages. Furthermore, they may invalidate what the STRABAG Group currently believes are either its own proprietary rights or public knowledge. These claims, regardless of their merits or outcome, would likely be time-consuming and expensive to resolve and could divert the STRABAG Group's management's time and attention. If the STRABAG Group were subject to a successful claim of infringement related to intellectual property and the STRABAG Group failed to develop non-infringing intellectual property or license the infringed intellectual property on acceptable terms and on a timely basis, the STRABAG Group's ability to sustain and grow its business could be materially and adversely affected and thus the STRABAG Group's operating results could decline. Any one of these factors could have a material adverse effect on the STRABAG Group's business, financial condition and/or results of operation.

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/or results of operations.

The non-compliance with time frames requested by the STRABAG Group's clients could lead to contractual penalties, other losses and reputational damages

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/or results of operations of the STRABAG Group.

The STRABAG Group depends 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.

The STRABAG Group is subject to 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/or 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/or 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 at a geographical expansion and may increase its presence in the global construction markets. 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/or results of operations of the STRABAG Group.

The continued internationalization also leads to an increased portion of the Group's revenues and expenses from subsidiaries originating in currencies other than the euro. Changes in the exchange rates used to translate foreign currencies into euro, the Group's reporting currency, may impact the Group's

results of operations or financial position as reported in euro. Additional currency risks arise when the currency of an order deviates from the functional currency of the subsidiary affected and in the case of internal financing of companies within the Group using different functional currencies. Therefore, changes in the exchange rates may adversely affect the business, financial condition and/or 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. For example, entities could have participated in fraudulent, corrupt or anti-competitive behavior prior to the acquisition and become subject to fines following such acquisition which impairs such entity's value, while STRABAG could face difficulties to recover the loss from the entity's seller. 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/or results of operations of the STRABAG Group.

The STRABAG Group has 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/or 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, note loans (*Schuldscheindarlehen*) and corporate bonds. Further, the Company has entered into 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.

Changing interest rates are a particular risk for the STRABAG Group. Some of the financial instruments bear variable interest rates. The risk of financial instruments bearing variable interest rates consists of increasing interest charges and sinking interest revenue resulting from an unfavourable change in market interest rates.

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/or results of operations of the STRABAG Group.

If the STRABAG Group fails to meet financial and other covenants provided under certain credit facilities, outstanding indebtedness may immediately become due and payable

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.

The STRABAG Group may incur losses which are not adequately insured

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/or 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/or results of operations of the STRABAG Group.

The STRABAG Group is exposed to tax and payroll 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. If the STRABAG Group anticipates potential tax liabilities arising from currently pending tax audits, it establishes provisions on its balance sheet in line with applicable laws. Such provisions may prove to be insufficient. In the course of a tax audit finance authorities may contest the factual basis of tax returns or may take views that are different from those reflected in such returns. Similarly, social security authorities could charge supplementary social security contributions e.g. if they impose payroll taxes on compensatory payments which were tax-free prior to a change of the authorities' interpretation. Therefore, substantial additional tax or social security contribution demands could arise which would have a materially adverse impact on the business, financial condition and/or 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 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. 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/or results of operations.

The STRABAG Group depends on undisrupted and access-protected operation of its computer and IT systems

The STRABAG Group depends on efficient and uninterrupted operation of its computer and IT systems. Computer and IT systems are generally susceptible to faults, damage, power failures, computer viruses, fires, unauthorized attempts by external parties to access them and similar events. For this reason, it cannot be ruled out that these systems may be subject to operational disruptions or interruptions. As the STRABAG Group operates in a variety of countries outside Austria, the STRABAG Group relies on the efficient operation of group-wide corporate reporting. Any of these systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, attacks and similar events. The STRABAG Group's systems and those of third parties on which the Group relies may also be vulnerable to computer viruses, break-ins and similar disruptions. If the STRABAG Group or its associates are unable to prevent such outages and breaches, the operations could be disrupted. If unauthorized parties gain access to the STRABAG Group's information systems or such information is used in an unauthorized manner, misdirected, lost or stolen during transmission, any theft or misuse of such information could result in, among other things, unfavorable publicity, governmental inquiry and oversight, difficulty in marketing the STRABAG Group's services, allegations by the STRABAG Group's customers that the STRABAG Group has not performed its contractual obligations, litigation by affected parties and possible financial obligations for damages related to the theft or misuse of such information. Any of these factors could have a material adverse effect on the STRABAG Group's business, financial condition and/or results of operation.

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/or results of operations.

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

Investigations regarding fraud, embezzlement, money laundering, formation of a criminal organization and bribery had been conducted against a STRABAG group company in Germany in 2007 and the following years. STRABAG employees were found guilty and sentenced to imprisonment. The damages of the respective clients were compensated by STRABAG and self-cleaning measures were taken. STRABAG claimed damages from the acting former employees and received corresponding judgments.

In Croatia, criminal investigations in particular in connection with road construction projects contracted out by the state-owned Croatian motorway company Hrvatske autoceste d.o.o. (“HAC”) were initiated against *inter alia* former members of the management of HAC. The crimes at issue include corruption, embezzlement, money laundering, and bribery especially with regard to business relationships between HAC and several construction companies active in Croatia. During these investigations also premises of STRABAG were searched. STRABAG fully cooperated with and still supports the competent authorities and conducted and continues to conduct internal investigations. Former employees and a former member of the management of STRABAG were named as suspects in press articles and were questioned by authorities. Also the Austrian authorities initiated corresponding investigations. STRABAG has not received any official indication that it is being a suspect as legal entity under the investigations, however, it cannot be ruled out that the authorities investigate or will also investigate against STRABAG Group itself. As a result, prosecutors, procurement agencies, third persons having suffered damages and others could take action against STRABAG and its former employees; STRABAG could be blocked from HAC’s future tender proceedings for lack of reliability. All this could have a material adverse effect on the reputation, business, results of operations and/or financial condition of the STRABAG Group. Similar investigations were in the past and could in the future be initiated in other, in particular CEE countries where STRABAG is active and it cannot be ruled out that such investigations will uncover evidence of criminal wrongdoing.

The STRABAG Group has not conducted a comprehensive compliance review of all 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.

Investigations by competition authorities may lead to significant penalties and bans from the participation in public tenders

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. As a result from such proceedings, a *de facto* ban from participation in public tenders with a duration of up to five years was imposed on Szentesi Vasútépít Kft. in the year 2013 and on STRABAG Zrt. and FRISSBETON Kft. in 2014. Further, damage claims against STRABAG Zrt. and other Hungarian affiliates amounting to roughly EUR 50 million are pending before of courts and reputational damage may be suffered. In addition, a damage claim of approximately EUR 15 million is expected to be brought against Szentesi Vasútépít Kft. 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 lead to fines imposed by competitions authorities as well as claims for damages and may have a materially adverse impact on the reputation, business, financial condition and/or 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/or 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 family, the Raiffeisen NÖ-Wien Group, the UNIQA Group and Rasperia Trading Limited hold in aggregate around 77% 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 a supervisory board consisting of six members, two of which shall be nominated by each of the Haselsteiner family, the Raiffeisen NÖ-Wien 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 family and Rasperia, respectively), the coordination of voting rights of the shares of the Haselsteiner family, 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/or 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. Furthermore, the Bondholders' ability to receive payments of interest and/or principal under the Bonds in case of the Issuer's insolvency will depend on the value of the Company's subsidiaries which will have to be disposed of in such default scenario. As senior unsecured creditors of the Issuer, the Bondholders' claims not only will be discharged following secured creditors of the Company, but are also structurally subordinated to creditors of the Issuer's subsidiaries, which enjoy privileged access to assets of such subsidiaries, because in case of the insolvency of a subsidiary, the Company may distribute only eventual liquidation proceeds (following satisfaction of all secured and unsecured creditors of the subsidiary) to its Bondholders. Under the Conditions of Issue, subsidiaries are even free to issue secured bonds.

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/or 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.

The Issuer's creditworthiness may deteriorate and the Issuer may become insolvent (credit risk)

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.

The price of the Bonds on the Vienna Stock Exchange may decline (market price risk)

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 market prices at which the Bonds will be quoted in the future will not be below the respective nominal value. Negative consequences on the market 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 market 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.

An illiquid market for the Bonds or a suspension of trading in the Bonds could adversely affect the market price of the Bonds

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.

A rise in the interest rate level will most likely cause a decrease in the price of the Bonds

A change in the current interest rate level may cause changes in the market 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 market 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 market prices driven by an increase of the interest rate level which could result in a material adverse effect for investors.

A rating of the Bonds may not adequately reflect investment risks and may further be suspended, downgraded or withdrawn

A rating of the Bonds, if any, may not adequately reflect all risks of the investment in such Bonds. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

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.

Selling of Bonds or premature redemption are connected with a 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.

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

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/or 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.

Claims towards the Issuer in respect of repayment become time-barred if not asserted within thirty years and in respect of interest within three years

Claims towards the Issuer for repayment relating to the Bonds become time-barred and terminate, if not asserted within thirty years (in respect of repayment) and three years (in respect of interest). There is a risk that holders of Bonds will not be able to assert their payment claims against the Issuer after expiration of the limitation periods.

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 if Bonds are transferred to 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.

Investors are subject to the risk that changes in law have an adverse effect on the Issuer or the investors themselves

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*) (RGBI 49/1874 of April 24, 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, nor the Joint Lead Managers or 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 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, 2013 and 2012 and as of and for the nine months ended, September 30, 2014.

	Nine months ended September 30,		Year Ended December 31,	
	2014	2013 ⁽¹⁾	2013	2012
	unaudited (TEUR)		audited (TEUR)	
Selected Income Statement Figures				
Revenue	8,892,290	8,806,467	12,475,654	12,983,233
Profit/loss before taxes	39,425	21,021	230,037	156,460
Profit for the period/net income	20,275	8,562	156,259	110,038
Selected Balance Sheet Data				
Total non-current assets	4,404,058	-	4,416,290	4,546,459
Cash and cash equivalents	1,135,414	-	1,711,968	1,374,955
Total assets	10,494,474	-	10,560,790	10,137,691
Equity	3,168,647	-	3,238,769	3,162,542
Total non-current liabilities	2,326,076	-	2,465,788	2,431,916
Other Financial Data				
EBIT	64,279	39,627	261,577	207,186
EBITDA	349,822	328,849	694,914	608,354

	Nine months ended September 30,		Year Ended December 31,	
	2014	2013	2013	2012
	unaudited (EUR million, unless otherwise stated)		unaudited, unless otherwise stated (EUR million, unless otherwise stated)	
Other Operating Data				
Output volume (audited) ⁽²⁾	9,712	9,609	13,573	14,043
Order backlog	15,400	13,999	13,470	13,203
Equity ratio (in %)	30.2	30.7	30.7	31.2

(1) For accounting periods beginning on or after January 1, 2014, IFRS 11 and IAS 28 regulating accounting of arrangements in which an entity exercises joint control over a joint venture or a joint operation is applicable and leads to changes in the presentation in the income statement. Figures for the nine months ended September 30, 2013 have been adjusted and are presented in amended form.

(2) 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 in particular because output volume also includes (1) STRABAG's pro rata share of the output volume attributable to unconsolidated entities, associated entities and consortia (whose revenues are not reflected in STRABAG's revenue) and (2) STRABAG's pro rata share of the output volume of consolidated entities (whose revenues are fully reflected in STRABAG's revenue), with the exception of STRABAG AG and Ed. Züblin (whose output volume is fully included, and not only pro rata). 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.

There has been no material adverse change in the prospects of STRABAG since December 31, 2013. There were no significant changes in the financial or trading position subsequent to September 30, 2014.

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

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

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.

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. Despite the economic recovery in the US and in the emerging markets, the upswing of the European economy was delayed. After a decline in 2012, the gross domestic product of the 19 Euroconstruct Countries stagnated in 2013. As a result, private consumption, the labor market and income development remained moderate in 2014. With a decline of 3.0%, the development of the European construction sector in 2013 again was significantly worse than the economy as a whole. The strongest losses were registered in the countries of Northern and Southern Europe.

The reasons for the continuous pressure on the European construction sector include the sovereign debt crisis in several countries as well as the austerity pressure on public budgets and insecurities regarding the future economic development. The situation of the construction industry improved only slightly in 2014. The sovereign debt crisis harmed especially the prospects for civil engineering, while the weak macroeconomic environment, the high unemployment and the lack of consumer confidence impaired the outlook for residential construction and the other building construction.

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.

Urbanisation. By the year 2050, some 66 % of the world's population will live in cities – this represents an increase of the urban population by 2.5 billion people (source: <http://www.un.org/en/development/desa/news/population/world-urbanization-prospects-2014.html>). Accompanying this growth is a higher demand for infrastructure. In the Group's home market Germany, for example, the 2012 report by the Daehre Commission estimates additional annual investments for the modernization and expansion of the transportation network of more than EUR 2.65 billion in the 15 years following the date of the report.

Energy efficiency. The European Union wants to cut its greenhouse gas emissions by the year 2020 to 20% below 1990 levels and is aiming at a reduction of 80–95% by the year 2050 (source: http://ec.europa.eu/clima/policies/brief/eu/index_en.htm). For this reason, among others, the Group's clients are increasingly demanding that existing buildings be adapted with a view toward higher energy efficiency and less emissions during operation.

Financial environment. The historically low interest rates and a very volatile financial environment make real estate an attractive investment alternative for several investor groups – a situation the Group is currently observing in particular in its largest market Germany. Moreover, low interest rates are facilitating the financing of project developments.

Investments in progress and planned investments

STRABAG prepares annual budgets for plant and machinery, tools and equipment. About EUR 250 million is spent annually as maintenance expenditures related to the equipment fleet in order to prevent inventory obsolescence. For 2015, STRABAG is planning investments of approximately EUR 331.7 million for such budgeted items. For investments exceeding certain thresholds, an approval of STRABAG's management and supervisory board, respectively, on a case by case basis is necessary. STRABAG assumes that the investments planned for 2015 will be financed from existing liquidity. Since December 31, 2013, STRABAG has apart from the DIW Acquisition (as defined and described under "*Business–Material contracts*") not made principal investments.

BUSINESS

STRABAG SE is a holding company and the parent company of the STRABAG Group. STRABAG is a European-based technology group for construction services and a leader in innovation based on management's estimates. The Group's services span all areas of the construction industry and cover the full construction value chain. The Group's entities integrate these services and assume responsibility for them towards its customers: STRABAG coordinates the timely use of manpower, materials and machinery in order to realise complex construction projects on schedule, of quality and at a competitive price. A network of subsidiaries in many European countries and, increasingly, on other continents is helping to expand the Group's area of operation beyond the borders of Austria and Germany.

The STRABAG Group generated a total output volume (for an explanation of output volume see "*Selected Consolidated Financial Data*") of EUR 13.57 billion in the financial year ended December 31, 2013, and of EUR 14.04 billion in the financial year ended December 31, 2012. As of December 31, 2013, the Group had approximately 73,100 employees (full time equivalents) worldwide.

Market position, basis for statements regarding STRABAG's competitive position

Based on Deloitte EPoC 2013, Euroconstruct 2014 and the Group's own internal estimates, management believes that in 2012 in terms of output volume/revenues, the Group was number one in Germany, Slovakia, Hungary, Romania and Croatia, number two in Austria, Poland and the Czech Republic and number three in Slovenia. In 2013, the Group generated 78% of its output volume in countries where it held a market position among the top three construction companies. Management estimates that the Group has a leading market position in the construction sector in Central and Eastern Europe on a combined basis. Business in Central and Eastern Europe accounts for 25% of the Group's total output volume in 2013.

Organization

STRABAG SE is a holding company and the parent company of the STRABAG 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. To implement these tasks, the Management Board is supported, *inter alia*, by central staff divisions (*Stabstellen*), central divisions (*Zentralbereiche*) and the divisions (*Unternehmensbereiche*); these divisions and the business operations are organized in a number of separate legal entities which are subsidiaries of STRABAG SE.

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 or business fields 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, taxes, finances, IT, human resources, real estate, insurances, risk management, personnel development, technical development, equipment management, quality management and logistics.

The central divisions are responsible for legal matters, contract management and internal audit and report directly to the Chairman of the Management Board.

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

In July 2012, STRABAG changed from assigning board member responsibility in line with business segment to business responsibility largely by region. Furthermore, STRABAG departed from the principle of having both a technical and commercial director for each segment. Accordingly, since July 1, 2012, the Group reports according to the following segments:

The segment "North + West" includes Germany, Poland, Benelux, Scandinavia, ground and hydraulic engineering and offshore wind; the segment "South + East" includes Austria, Switzerland, Hungary, the Czech Republic, Slovakia, the Adriatic, Rest of Europe, Russia and neighbouring countries, railway structures, environmental technology, and real estate development. The third segment "International + Special Divisions" includes the international area, tunnelling, services and real estate development, infrastructure development, and construction materials.

In the financial year ended December 31, 2013, the North + West, South + East and International + Special Divisions segments contributed 44%, 34% and 21% 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, 2013 are based on the data set out in the STRABAG's Annual Report 2013.

The following table sets forth a breakdown of the Group's output volume in 2013 into countries and geographical regions:

	Output volume in the twelve months ended December 31, 2013	
	audited	
	in EUR million	as % of total output volume
Germany.....	5,789	43
Austria.....	1,982	15
Poland.....	787	6
Czech Republic.....	645	5
Russia and neighboring countries.....	561	4
Scandinavia.....	510	4
Hungary.....	496	4
Benelux.....	400	3
Switzerland.....	386	3
Slovakia.....	340	3
Middle East.....	323	2
Romania.....	322	2
The Americas.....	263	2
Others.....	769	4
Total output volume.....	13,573	100

The segment North + West contributed EUR 6,021.11 million output volume in 2013 (-3% in a year-on-year comparison). The revenue for the segment of EUR 5,524.43 million in 2013 was relatively stable compared to 2012 (EUR 5,509.53 million). The order backlog of EUR 5,451.26 million in 2013 was up 13% compared to 2012 (EUR 4,826.52 million). Earnings before interest and taxes (EBIT) amounted to EUR 72.54 million in 2013 (2012: EUR -51.32 million).

The segment South + East contributed EUR 4,593.36 million output volume in 2013 (-3% in a year-on-year comparison). The revenue for the segment of EUR 4,466.03 million in 2013 was down 7% compared to 2012 (EUR 4,792.43 million). The order backlog of EUR 3,805.48 million in 2013 was down 12% compared to 2012 (EUR 4,326.12 million). Earnings before interest and taxes (EBIT) of EUR 138.23 million in 2013 was down 7% compared to 2012 (EUR 148.89 million).

The segment International + Special Divisions contributed EUR 2,822.41 million output volume in 2013 (-4% in a year-on-year comparison). The revenue for the segment of EUR 2,458.68 million in 2013 was down 8% compared to 2012 (EUR 2,661.29 million). The order backlog of EUR 4,202.28 million in 2013 was up 4% compared to 2012 (EUR 4,038.33 million). Earnings before interest and taxes (EBIT) of EUR 69.58 million in 2013 was down 45% compared to 2012 (EUR 126.93 million).

The product range of and services provided by the Group

The following services are provided by all three segments:

- *Commercial and industrial facilities:* Shopping centers and business parks, office and commercial buildings, hotels and banks, multi-storey car parks, cinema complexes, swimming pools, thermal baths, stadiums, airports and railway stations, sheds, warehouses and production facilities, industrial facilities, towers and industrial chimneys, industrial flooring.
- *Public buildings:* Hospitals, rehabilitation centers, universities, schools and nursery schools, fire and ambulance facilities, administration buildings.
- *Production of Prefabricated Elements.*
- *Civil engineering.*
- *Bridges:* Road and railway bridges, foot bridges.
- *Power plants:* Hydroelectric power plants, river power plants, thermal power plants, concrete dams and earthfill dams.
- *Roads, earthworks:* Motorways, roads and paths, drilling and jointing technologies, paving and milling works, road rehabilitation / recycling, recycling of building materials, asphaltic concrete for hydraulic structures, test tracks, precision surface construction, landfills and surface sealing, operation of excavation landfills.
- *Paving.*
- *Large-area works:* Runways and taxiways, reloading and parking facilities.
- *Protective structures:* Protective slopes.
- *Sewer systems:* Sewer engineering and pipeline rehabilitation, pipeline construction.
- *Production of construction materials.*

The following services are provided by the North + West and the South + East segments only:

- *Residential construction.*
- *Hydraulic engineering, waterways, dyking.*
- *Landscape architecture and development.*
- *Sports and recreational facilities.*

The following services are provided in one or two of the three segments only, as indicated:

- *Environmental technology:* Landfills, landfill operation, waste treatment plants, regeneration of polluted soils and industrial sites, hazardous materials in building construction, water supply installations, waste water collection and treatment, demolition works, recycling of construction debris, construction of power plants for renewable energy: these services are provided by the South + East segment only.
- *Railway structures:* permanent bed, tracks, solid track bed system: these services are provided by the South + East segment only.

- *Ground engineering*: well exploration and soil investigations, bore and injection techniques, hydro-jetting and anchoring, deep drilling etc.: these services are provided by the North + West segment only.
- *Offshore wind*: Offshore wind power facilities: these services are provided by the North + West and the International + Special Divisions segments only.

The following services are provided only in the International + Special Divisions:

- *Tunnelling*: Cyclical and continuous, tunnel driving, road and railway tunnels, galleries and underground chambers.
- *Real estate development*.
- *Infrastructure development*.
- *Property and facility services*.
- *Operation, maintenance, marketing of PPP projects*.

Risk management and compliance

STRABAG 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.

With respect to possible competition law offences in Hungary, several proceedings are currently pending before Hungarian courts. As a result from such proceedings, a *de facto* ban from participation in public tenders with a duration of up to five years was imposed on Szentesi Vasútépít Kft. in the year 2013 and on STRABAG Zrt. and FRISSBETON Kft. in 2014. Further, damage claims against STRABAG Zrt. and other Hungarian affiliates amounting to roughly EUR 50 million are pending before courts and reputational damage may be suffered. In addition, a damage claim of approximately EUR 15 million is expected to be brought against Szentesi Vasútépít Kft.

The Slovenian Competition Protection Office, on October 4, 2010, initiated proceedings against Strabag AG, Ljubljana branch, and Strabag gradbene storitve d.o.o., regarding alleged 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 first decision by the Competition Protection Office was rendered in 2012, basically asserting a violation of law by the STRABAG entities. This decision was annulled again in 2013 by the local supreme court for violation of constitutional rights of the provisions in the Competition Act and referred back to the Competition Office. In the course of the searches of STRABAG's premises. A new decision of the Competition Office 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 Croatia, criminal investigations in particular in connection with road construction projects contracted out by the state-owned HAC were initiated against *inter alia* former members of the management of HAC. The crimes at issue include corruption, embezzlement, money laundering, and bribery especially with regard to business relationships between HAC and several construction companies active in Croatia. During these investigations also premises of STRABAG were searched. STRABAG fully cooperated with and still supports the competent authorities and conducted and continues to conduct internal investigations. Former employees and a former member of the management of STRABAG were named as suspects in press articles and were questioned by authorities. Also the Austrian authorities initiated corresponding investigations. STRABAG has not received any official indication that it is being a suspect as legal entity under the investigations, however, it cannot be ruled out that the authorities investigate or will also investigate against STRABAG Group itself. Similar investigations were in the past and could in the future be initiated in other, in particular CEE countries where STRABAG is active and it cannot be ruled out that such investigations will uncover evidence of criminal wrongdoing.

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 neighboring 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. Due to technical difficulties material investigations were delayed in 2014 and presumably continue to be delayed in 2015. 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 Cologne claimed the involved construction companies for compensation in damages. Nevertheless, the amount of any potential liability cannot 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 and 2007. 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 had been postponed by the Higher Court of Cologne and have not been resumed. Furthermore, two minority shareholders of STRABAG AG have filed an action for a declaratory judgment and payment of damages in connection with the fact that STRABAG AG's latest annual shareholders' meeting had not resolved upon one item requested to be put on the agenda by the minority shareholders. The Company is unable to predict the likelihood of prevailing of STRABAG AG in the pending case on the legal questions raised.

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.

STRABAG is considering to participate in a tender process for the public auction of a participation in Kommunalkredit Austria AG, the "good bank" of the Kommunalkredit group which collapsed 2008 in the course of the global financial and economic crisis. STRABAG would acquire a minority participation in a joint venture bidding vehicle which would remain an (unconsolidated) financial investment. Mr. Gusenbauer and Ms. Gelbmann, members of the Company's Supervisory Board, and the Haselsteiner Familien-Privatstiftung, a part of the Haselsteiner family as defined and used in this Prospectus, hold functions and/or have other interests in other members of the bidding vehicle. The current schedule provides that last and final bids are to be submitted in the course of February, 2015, and that the closing with the successful bidder should take place in the first half of 2015.

In September 2014, STRABAG completed the acquisition of DIW Instandhaltung Ltd. & Co. KG, Stuttgart, a 100% subsidiary of Voith GmbH, for a purchase price in the double-digit million euro range ("**DIW Acquisition**"). With the DIW Acquisition, STRABAG expanded its service portfolio to include industrial cleaning. DIW Instandhaltung Ltd. & Co. KG has approximately 6,000 employees and generates annual revenues of about EUR 175 million.

In June 2014, the Issuer renewed two existing credit lines before the end of their respective terms due to favourable market conditions: In December, 2012, the Issuer has entered into a revolving syndicated cash credit line in the amount of EUR 400 million with a consortium of international banks. The facility initially had a term of five years and partially replaced already existing short-term bilateral credit lines and provided an overall improvement of the liquidity reserves. In June 2014, this credit line was extended with the same lender consortium for a new basic term of five years until 2019 plus two one-year extension options. Furthermore, the Issuer renewed a EUR 2 billion syndicated surety loan with a consortium of 14 international banks with the line of credit being available to all STRABAG subsidiaries for sureties (bank guarantees) within the scope of exercising the general business activity. Also this credit line was extended for a new basic term of five years until 2019 plus two one-year extension options.

In May, 2013, Company issued a EUR 200 million 3% senior corporate bond with term to maturity of seven years, thereby continuing its long lasting bond issue strategy (see also "*Terms and Conditions of the Offering–Allotment, Pricing, Underwriting, Admission to Trading*").

In March, 2012, STRABAG issued note 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 in any event 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.

If more than one Management Board member is appointed, the Company is represented by two members of the Management Board acting jointly or one member of the Management Board jointly with a holder of procuration (*Prokurist*). If a chairperson of the Management Board is appointed, such chairperson may solely represent the Company.

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

Name	Position	Significant management activities performed outside the STRABAG Group
Thomas Birtel.....	Chairman, CEO	Deutsche Bank AG, Germany (member of the advisory board), HDI-Gerling Industrie Versicherung AG, Germany (member of the advisory board), VHV Allgemeine Versicherung AG, Deutschland (member of the supervisory board).
Christian Harder.....	CFO	Haselsteiner Familien-Privatstiftung (member of the board), HPH-Privatstiftung (member of the board).
Hannes Truntschnig.....	Member	Raiffeisen evolution project development GmbH (deputy chairman of the advisory board), Syrena Immobilien Holding AG (deputy chairman of the supervisory board).
Peter Krammer.....	Member	-
Siegfried Wanker.....	Member	Syrena Immobilien Holding AG (member of the supervisory board).

Other activities performed outside the Group, if any, are not significant with respect to the Company. In addition to the activities performed outside the STRABAG Group, the Management Board members hold functions predominantly in other STRABAG Group entities which may be regarded as activities for the Group.

On April 29, 2013, Mr. Haselsteiner announced his resignation from the Management Board effective with the end of the annual general meeting of the Company on June 14, 2013. The Supervisory Board accepted the resignation and appointed Thomas Birtel as new Chairman of the Management Board and CEO of the Company as of June 14, 2013. Mr. Haselsteiner will continue to support the Management Board until December 31, 2015 as consultant and authorised representative responsible for the Group's internationalization and strategic orientation. In this position, he will in particular be involved in the "Task Force 2013 et seq" which aims to make the Group more efficient and focuses on the strategic orientation and has been evaluating STRABAG's options regarding its organisational and strategic future since mid-2012 by travelling to the Group's local offices, talking to local management and visiting construction sites. Improvement measures are decided by the Management Board based on the task force's analysis in an ongoing process.

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, exceeding the legal requirements, nominate such an additional number of Supervisory Board members that the number of members elected or nominated by the Company's shareholders is only one member higher than the number of members delegated by the works council.

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 family) 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 family, the Raiffeisen NÖ-Wien 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 ⁽¹⁾	Chairman	Gabriel Ressources Ltd., Canada (member of the supervisory board), Signa Holding GmbH (member of the advisory board)
Erwin Hameseder	Vice-Chairman	AGRANA Beteiligungs AG, Flughafen Wien AG, Raiffeisen Bank International AG (vice chairman of the supervisory boards), Südzucker AG, Germany (member of supervisory board), UNIQA Versicherungen AG (vice chairman of the supervisory boards)
Andrei Elinson	Member	Ingosstrakh, Russia, GAZ (Gorkovsky Avtomobilny Zavod) Group, Russia (member of the supervisory boards)
Hannes Bogner ⁽¹⁾	Member	Takaful Emarat Insurance plc., Dubai (member of the board of directors (until 8 December 2013))
Siegfried Wolf ⁽¹⁾	Member	GAZ (Gorkovsky Avtomobilny Zavod), Russia (chairman of the supervisory board), Österreichische Industrieholding Aktiengesellschaft (chairman of the supervisory board), VERBUND AG (member of the supervisory board), Continental AG (member of the supervisory board) conwert Immobilien Invest SE (member of the administrative board), ECO Business-Immobilien AG (member of the supervisory board)
Kerstin Gelbmann ⁽¹⁾	Member	STRABAG AG, Germany (vice chairman of the supervisory board (until 28 June 2013), Member of the supervisory board (from 28 June 2013))
Andreas Batke	Member ⁽²⁾	-
Miroslav Cerveny	Member ⁽²⁾	-
Magdolna P. Gyulainé	Member ⁽²⁾	-
Wolfgang Kreis	Member ⁽²⁾	-
Georg Hinterschuster	Member ⁽²⁾	-

(1) Current term ends with the Annual General Meeting in 2015.

(2) 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 an Executive Committee (*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 Executive Committee 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 Executive Committee is responsible for the Management Board members' compensation and the content of their employment agreements. The Executive Committee is authorized to conclude, modify or terminate employment

agreements and to grant additional variable compensation.

The members of the Executive Committee are Alfred Gusenbauer (the Chairman of the Supervisory Board), Erwin Hameseder (the Vice-Chairman of the Supervisory Board) and 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 Georg Hinterschuster.

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, Hannes Bogner, Andreas Batke, Wolfgang Kreis and Georg Hinterschuster.

Conflicts of Interest

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). In addition, members of the Supervisory Board nominated by parties of the Shareholders' Agreement may in certain individual cases have conflicting interests. In such case, the member concerned does not exercise its voting right. Mr. Harder and Mr. Gusenbauer are board members of the Haselsteiner Familien-Privatstiftung which is part of the Haselsteiner family as described and used in this Prospectus. Other than that, 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.

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 July 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, 27aC and 38C, 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.

Rule 38 CGC: The appointment of Mag. Christian Harder to CFO was made on the basis of a requirements specification for an expert in finance defined by the supervisory board in line with the corporate orientation and situation. In the interest of the company, however, it was decided to forego a formal, defined appointment procedure as Christian Harder had already before his appointment exercised essentially the same agenda and because the supervisory board, in light of his indisputable qualifications and years of in-depth familiarity with the company, viewed his nomination as compelling.

STRABAG SE further endeavours to abide not only by the minimum requirements but also by all of the Code’s R-rules (Recommendations).

In addition to its obligation to prepare a Corporate Governance Report, STRABAG SE undergoes an independent evaluation of the status of compliance with the CGC every three years. The most recent evaluation report for the 2014 financial year dated April 30, 2014 is available on the Company’s website.

Principal Shareholders

As of September 30, 2014, according to the Company’s internal data, the shares of STRABAG SE are held by the following shareholders and by the Company:

shares owned

	(shares)	(percentage)
Haselsteiner family.....	29,087,453	25.5
Raiffeisen NÖ-Wien Group ⁽¹⁾	14,524,513	12.7
UNIQA Group.....	15,682,466	13.7
Rasperia	28,500,001	25.0
Other shareholders/free float ⁽²⁾	14,805,567	13.0
Treasury shares ⁽³⁾	11,400,000	10.0
Total.....	114,000,000	100.00⁽⁴⁾

- (1) Raiffeisen NÖ-Wien Group holds an indirect participation in the Joint Lead Manager Raiffeisen Bank International AG of 16.57%.
- (2) Not related to any other shareholders listed above.
- (3) The Company's share buy-back program is based on an approval granted in the Company's shareholders' meetings of June 15, 2011, for a period of 12 months until July 10, 2013. It was initiated on July 6, 2012 and ended on May 23, 2013.
- (4) Due to rounding differences, the sum of the percentages listed above is slightly below 100%.

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

The Issuer is effectively controlled by the Haselsteiner family, 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 all of the shares in the Company held by Rasperia to Deutsche Bank AG. In 2008 this debt was refinanced by the Haselsteiner family, 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. Rasperia was granted an option to repurchase the 28,500,000 shares (corresponding to a 25% stake in the Company). Rasperia exercised this call option in parts in November, 2010, July 2012, January 2013, and most recently on July 15, 2014. Since this date Rasperia holds again a blocking minority of 25% plus one share in STRABAG SE, as it previously did after the Issuer's IPO in 2007.

Shareholders' Agreements

On April 23, 2007, the Haselsteiner family, 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, for example 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 family, the Raiffeisen NÖ-Wien 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 family 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 NÖ-Wien 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. Other than those, the Company is not aware of arrangements the operation of which may at a subsequent date result in a change in control of the Issuer. The Shareholders' Agreement has been entered into for an initial term until December 31, 2017, allowing for extensions for consecutive five-year periods.

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 (as described in detailed in “– *Corporate History and Recent Events Relevant to the Evaluation of the Issuer’s Solvency*” below) 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. 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. Beside these two forms of no par value voting shares, no other classes of shares exist. The Company’s shares are listed on the Official Market, assigned to trading in the prime market segment, of the Vienna Stock Exchange. No convertible debt securities, exchangeable debt securities or warrant instruments have been issued by the Issuer.

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.

No recent event was to a material extent relevant to evaluate the Issuer’s solvency.

Corporate Purpose

The Company’s business objectives as stated in Section 2 of its Articles of Association are

- (1) the planning, execution and business management of building structures of every kind (in particular road construction, building construction, geotechnical engineering, civil engineering, project development), also in joint venture with other construction companies; the operation of

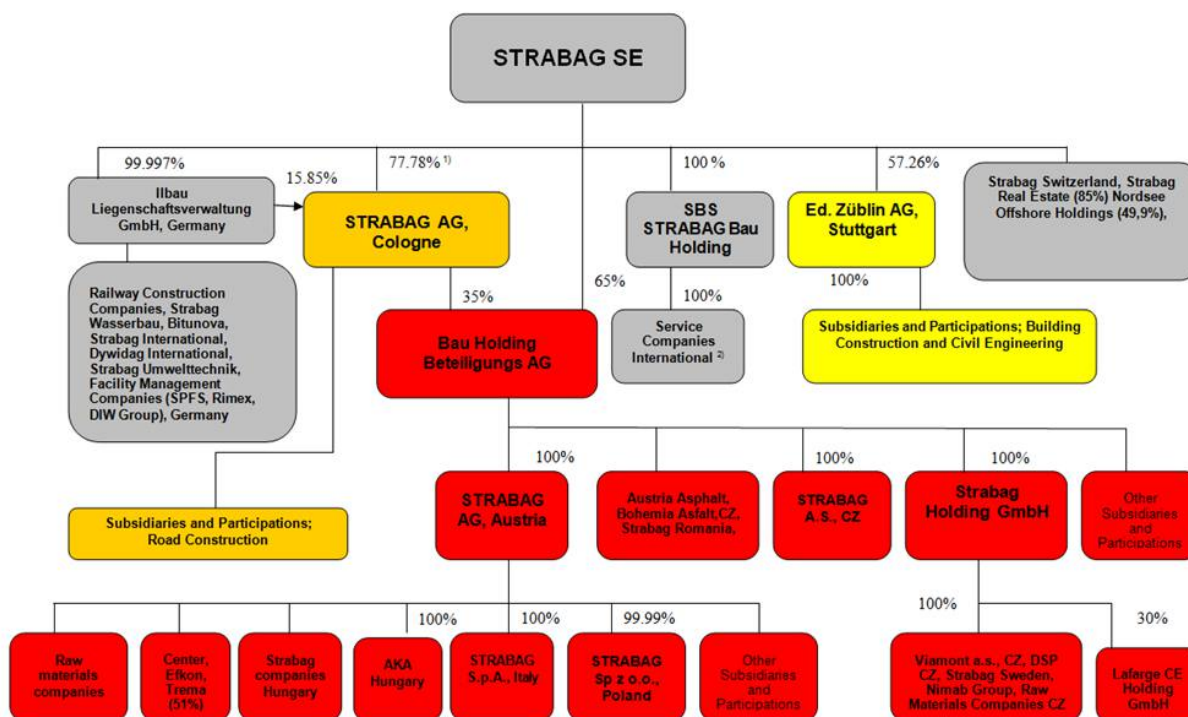
cement and ready-mix concrete plants, rock, sand and gravel quarries; mechanical engineering, industrial engineering and piping; the equitable conversion of real estate and similar rights; the erection, purchase and sale of houses for one or more families as well as the creation of residential property and all ancillary and subsidiary activities and trades related to these activities, including the trade of paver, property developer, special waste collector and recycler, leasing of manpower; the operation of engineering offices and test labs; the trade of insurance agent, real estate agent and property manager, and advertising agency, as well as trade with all kinds of goods (in particular trade with building materials);

- (2) the exercise of corporate management functions;
- (3) the acquisition, management and disposal of shares and investment in companies of any kind in Austria and abroad, in particular the Russian Federation.

The Company is also entitled to do any business and take any measures that may appear necessary or expedient in achieving the objectives of the Company, in particular the acquisition of property, the establishment of branch offices and subsidiaries, the disincorporation or assignment in whole or in part of businesses to affiliated companies and the conclusion of business management and business assignment contracts, venture contracts and other corporate contracts, both in Austria and abroad. It may limit itself to the management of investments.

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) The various international service companies of the Group are except for (i) BRVZ, Cologne which is held in equal shares by STRABAG AG, Cologne, and Ed. Züblin AG and (ii) BMTI DE which are held by STRABAG AG, Cologne (50%), Ed. Züblin AG (40%) and Ilbau Liegenschaftsverwaltung GmbH (10%) held by SBS STRABAG Bau Holding.

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

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 ⁽¹⁾
Ed. Züblin AG.....	Germany	Stuttgart	57.26
STRABAG Property and Facility Services GmbH.....	Germany	Münster	100.00 ⁽¹⁾
Bau Holding Beteiligungs AG.....	Austria	Spittal a d Drau	97.77 ⁽¹⁾⁽³⁾
STRABAG AG	Austria	Spittal a d Drau	97.77 ⁽¹⁾⁽³⁾
STRABAG a.s.....	Czech Republic	Prague	97.77 ⁽¹⁾⁽³⁾
Strabag Sp.z o.o.	Poland	Warsaw	97.77 ⁽¹⁾⁽²⁾⁽³⁾

(1) Combined (indirect) shareholding as of the date of this Prospectus.

(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%.

Auditors

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 Audited Consolidated Financial Statements of the Group for the years ended December 31, 2013 and 2012. Apart from the 2013 and 2012 Audited Consolidated Financial Statements, no information in this Prospectus has been audited by the auditors. The auditors have audited only the German language Audited Consolidated Financial Statements.

DISCLOSURE FOR THE SECURITIES

Conflicts of interest, use of proceeds

The Joint Lead Managers 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 of business, 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. The net proceeds may (in whole or in part) be used to repay outstanding obligations towards the Joint Lead Managers or their affiliates. Raiffeisen NÖ-Wien Group and the UNIQA Group, collectively hold an ownership interest of approximately 26.5% in the Company. Raiffeisen Zentralbank Österreich Aktiengesellschaft, the parent company of the Joint Lead Manager Raiffeisen Bank International AG, indirectly holds a 31.4% shareholding in UNIQA Versicherungen AG. Raiffeisen NÖ-Wien Group has an indirect shareholding of approximately 16.57% in Raiffeisen Bank International AG.

The Issuer makes the offer and intends to use the net proceeds of the issue of the Bonds for general corporate purposes such as, e.g. refinancing of existing debt, in particular the EUR 100 million 4.25% bonds due on May 25, 2015 (ISIN AT0000A0DRJ9), the payment of capital expenditures or other operating costs.

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/Strauchgasse 3, 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 AT0000A1C741.

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. 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. 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 February 4, 2015 (inclusive) and ending on the day preceding the maturity of the Bonds (February 4, 2022). Interest is payable in arrears on February 4 of each calendar year. The first interest payment is due on February 4, 2016 (see the payment provision on § 4 of the Conditions of Issue). The nominal interest rate will together with the Reoffer Price, the Issue Price, the aggregate principal amount and the yield of the Bonds (the "**Pricing Details**") be determined in the course of the pricing of the Bonds on or around January 28, 2015 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 Pricing Details. 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 February 4, 2022 (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). 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 November 27, 2014 and by the Supervisory Board dated December 12, 2014. The Bonds are freely tradeable and transferable. Reference is made to the risk factors "*An illiquid market for the Bonds or a suspension of trading in the Bonds could adversely affect the market price of the Bonds*" and "*The price of the Bonds on the Vienna Stock Exchange may decline (market price risk)*".

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 EUR [●]. The Bonds will be offered in the period from January 30, 2015 until, including, February 3, 2015 (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 1.5 percentage points (see “-*Allotment, Pricing, Underwriting, Admission to Trading*” below). The final total principal amount will together with the other Pricing Details be determined after consultation with the Joint Lead Managers by the Issuer in the course of the bookbuilding procedure on or around January 28, 2015 and will then be filed with the FMA and published on the website of the Company (www.strabag.com).

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. 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 500. 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 (February 4, 2015). 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/ Strauchgasse 3, 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 January 28, 2015. The Reoffer Price, the Issue Price, the aggregate principal amount 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 January 28, 2015 and will then, together with the yield of the Bonds, be filed with the FMA in accordance with the Capital Market Act and published on the website of the Issuer (www.strabag.com) 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 1.5 percentage points) less a management and underwriting fee of up to 0.3% of the principal amount of the Bonds underwritten by the Joint Lead Managers and with the consent of the Issuer. It is intended to offer the Bonds to non-institutional and institutional investors. 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 and the other Pricing Details 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 January 28, 2015, 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 Joint Lead Managers. 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 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 1.5 percentage points. The Issue Price and the other Pricing Details will be published prior to the subscription period in accordance with applicable laws as described above. The Issuer and the Joint Lead Managers will not charge any costs, expenses or taxes directly to any investor in connection with the Bonds. Customary charges and fees may be charged to the Bondholders by their depository banks. In connection with the offering of the Bonds, the Issuer will receive net proceeds of approximately EUR [●] after deducting total expenses. Total expenses (including the management fee described above) amount to approximately 0.5 % of the aggregate principal amount.

Erste Group Bank AG, Raiffeisen Bank International AG and UniCredit Bank Austria AG act as Joint Lead Managers (coordinators). 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. Raiffeisen Bank International AG is appointed as Paying Agent for the Bonds. The depository agent for the global note of the Bonds is OeKB, Am Hof 4/ Strauchgasse 3, 1010 Vienna.

The management and underwriting fee will be up to 0.3% of the principal amount of the Bonds underwritten. In addition, the Issuer has agreed to reimburse the Joint Lead Managers in respect of certain of their costs and expenses. The underwriting agreement will presumably be entered into on January 30, 2015. The underwriting agreement may be terminated in certain circumstances prior the value date (February 4, 2015).

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	100,000,000	2010-2015	4.25	AT0000A0DRJ9
STRABAG SE	175,000,000	2011-2018	4.75	AT0000A0PHV9
STRABAG SE	100,000,000	2012-2019	4.25	AT0000A0V7D8
STRABAG SE	200,000,000	2013-2020	3.00	AT0000A109Z8

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. Management expects that the Bonds will also be rated BBB- 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-certified-CRAs>).

Consent to use the Prospectus

The Issuer gives its express consent to the use of the Prospectus for a subsequent resale or final placement of the Bonds in Austria and Germany by financial intermediaries between the banking day following the approval and publication of the Prospectus and February 3, 2015. Financial intermediaries can make a subsequent resale or final placement of Bonds during this period. **Any financial intermediary using the prospectus has to state on its website that it uses the prospectus in accordance with the consent and the conditions attached thereto.** The Issuer accepts responsibility for the content of the Prospectus also with respect to a subsequent resale or final placement of securities by any financial intermediary which was given consent to use the Prospectus; any liability of the Issuer beyond that is excluded. No other conditions are attached to the consent which are relevant for the use of the prospectus. However, the Issuer may revoke or limit its consent at any time, whereby such revocation requires a supplement to the Prospectus. **In the event of an offer being made by a financial intermediary, the financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.**

SELLING RESTRICTIONS

General selling restrictions

Each financial intermediary represents, warrants and undertakes that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Bonds or possesses, distributes or publishes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor the Joint Lead Managers shall have any responsibility therefore.

Public offer selling restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each financial intermediary represents and agrees that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Bonds, unless that from the Relevant Implementation Date in the Relevant Member State such public offer is admissible. This is the case:

- (a) after publication of a prospectus for the Bonds approved by the competent authority of the Relevant Member State or approved in another Relevant Member State and notified to the competent authority of the Relevant Member State;
- (b) to qualified investors in the meaning of the Prospectus Directive;
- (c) to fewer than 150 natural or legal persons per Member State (other than qualified investors as defined in the Prospectus Directive), if the Joint Lead Managers gave their consent to such offer;
or
- (d) in any other circumstances falling within Article 3 (2) of the Prospectus Directive,

provided that no such offer of Bonds shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Bonds to the public” in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC as amended and, for the purposes of this section, includes any relevant implementing measure in each Relevant Member State.

United Kingdom of Great Britain and Northern Ireland

Each Joint Lead Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Bonds has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation and, accordingly, each Joint Lead Managers represents and agrees that, save as set out below, it has not offered, sold or distributed, and will not offer, sell or distribute any Bonds or any copy of the Prospectus or any other offer document in the Republic of Italy (“**Italy**”) except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree no. 58 of 24 February 1998 (the “**Consolidated Financial Services Act**”) and Article 34-ter, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the “**CONSOB Regulation**”), all as amended; or
- (b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Bonds or distribution of copies of the Prospectus or any other document relating to the Bonds in Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the “**Banking Act**”), CONSOB Regulation No. 16190 of 29 October 2007, all as amended;
- (ii) in compliance with Article 129 of the Banking Act and the implementing guidelines, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- (iii) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

Provisions relating to the secondary market in the Republic of Italy

Investors should also note that, in any subsequent distribution of the Bonds in the Republic of Italy, Article 100-bis of the Consolidated Financial Services Act may require compliance with the law relating to public offers of securities. Article 100-bis of the Consolidated Financial Services Act affects the transferability of the Bonds in Italy to the extent that any placing of the Bonds is made solely with qualified investors and such Bonds are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if has not been published a prospectus compliant with the Prospectus Directive, purchasers of Bonds who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and to claim damages from any authorised person at whose premises the Bonds were purchased, unless an exemption provided for under the Consolidated Financial Services Act applies.

This Prospectus and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents.

United States

The Bonds have not been and will not be registered under the Securities Act. The Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. Each financial intermediary agrees that it will not offer or sell the Bonds as part of their distribution at any time within the United States or to, or for the account or benefit of, U.S. persons and that it will

have sent to each dealer to which it sells any Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Bonds will be offered and sold in reliance on Regulation S outside of the United States and to non-United States persons. An offer or sale of Bonds within the United States by a financial intermediary could violate the registration requirements under the Securities Act.

It is assumed that each holder of Bonds has declared that he is aware of the fact that the sale of Bonds takes place under an exemption of the registration requirement provided in Regulation S.

Finally, the Bonds are bearer bonds falling under the provisions of the U.S. tax law. Apart from certain exceptions, Bonds must not be offered, sold or delivered within the United States or to U.S. persons.

DOCUMENTS INCORPORATED BY REFERENCE

Financial Statements

The audited consolidated financial statements prepared in accordance with IFRS, as adopted by the EU, of the Company as of, and for the years ended, December 31, 2013 and 2012 in the English language (the “**Audited Consolidated Financial Statements**”) and the auditors’ report thereon extracted from the STRABAG SE Annual Report 2013 and the STRABAG SE Annual Report 2012, respectively, and the unaudited interim financial statements as of, and for the nine months ended, September 30, 2014 extracted from the STRABAG SE Interim Report January to September 2014 (the “**Unaudited Interim Financial Statements**”, and together with the Audited Consolidated Financial Statements, “**Consolidated Financial Statements**”) 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 FMA and shall form part of this Prospectus.

The Company has prepared the German language Consolidated Financial Statements in accordance with IFRS, as adopted by the EU. The Audited Consolidated Financial Statements 2013 and 2012 in German language were audited by KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Kudlichstraße 41, A-4020 Linz, Austria. KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft has been changed from an stock corporation (AG) to a limited liability company (GmbH) (*formwechselnde Umwandlung*). As of registration with the commercial register on September 30, 2014, KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is thus replaced by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (“**KPMG**”), which is member of the Austrian Chamber of Chartered Accountants (*Kammer der Wirtschaftstreuhand*). KPMG rendered unqualified audit reports on the Audited Consolidated Financial Statements. The Audited 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 at Triglavstraße 9, A-9500 Villach (Austria) 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) under the icons “Investor Relations” and “Reports” as follows:

- The consolidated financial statements of STRABAG SE as of and for the nine months ended September 30, 2014 (the “**2014 Unaudited Interim Financial Statements**”) as published in the Company’s Interim Report January to September 2014 ([http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/1E554CF24B1D767BC1257D9E0023C488/\\$File/STRABAG%20SE_Zwischenbericht_9M14_E.pdf](http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/1E554CF24B1D767BC1257D9E0023C488/$File/STRABAG%20SE_Zwischenbericht_9M14_E.pdf)). The 2014 Unaudited Interim Financial Statements are unaudited and have not been reviewed by the Company’s auditor.
- The consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2013 (the “**2013 Audited Consolidated Financial Statements**”), together with the auditor’s report thereon as published in the Company’s Annual Report 2013 ([http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/EC55650735467255C1257CCA001E62BE/\\$File/STRABAG%20SE_GB%202013_englisch.pdf?OpenElement](http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/EC55650735467255C1257CCA001E62BE/$File/STRABAG%20SE_GB%202013_englisch.pdf?OpenElement)).
- The consolidated financial statements of STRABAG SE as of and for the year ended December 31, 2012 (the “**2012 Audited Consolidated Financial Statements**”), together with the auditor’s report thereon as published in the Company’s Annual Report 2012 ([http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/4D7FC10E59C2FB1BC1257B5D001E4EAA/\\$File/STRABAG%20SE_Gesch%C3%A4ftsbericht_E_2012.pdf?OpenElement](http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/4D7FC10E59C2FB1BC1257B5D001E4EAA/$File/STRABAG%20SE_Gesch%C3%A4ftsbericht_E_2012.pdf?OpenElement)).

Financial information displayed in this Prospectus

All financial information displayed in this Prospectus, including, in particular, the information under the headings “*Summary–Selected historical financial information*”, 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). 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. 2014 Unaudited Interim Financial Statements, pages 17-30, including:
 - consolidated income statement, page 17
 - statement of comprehensive income, page 17
 - consolidated balance sheet, page 18
 - consolidated cash flow statement, page 19
 - statement of changes in equity, page 20
 - and notes to the consolidated financial statements, pages 21-30.

2. 2013 Audited Consolidated Financial Statements, pages 116-179, including:
 - consolidated income statement, page 118
 - statement of comprehensive income, page 118
 - consolidated balance sheet, page 119
 - consolidated cash flow statement, page 120
 - statement of changes in equity, page 121
 - consolidated statement of fixed assets 122-123
 - notes to the consolidated financial statements, pages 124-179and the auditors’ report thereon, pages 181-182.

3. 2012 Audited Consolidated Financial Statements, pages 127-175, including:
 - consolidated income statement, page 128
 - statement of comprehensive income, page 128
 - consolidated balance sheet, page 129
 - consolidated cash flow statement, page 130
 - statement of changes in equity, pages 131
 - consolidated statement of changes in fixed assets, pages 132-133
 - notes to the consolidated financial statements, pages 134-175and the auditors’ report thereon, pages 177-178.

The information incorporated by reference that is not included in this cross-reference list is either not relevant for the investor or covered elsewhere in the prospectus.

TAXATION

Taxation in Austria

The following is a general overview of certain Austrian tax aspects in connection with the Bonds and contains the information required on taxation by the Commission Regulation (EC) No 809/2004 of April 29, 2004. 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 overview 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. This overview is based on the assumption that the Bonds are offered to the public.

Non-resident individuals from non-EU member states are explicitly informed that as of January 1, 2015 a 25% Austrian withholding tax will be deducted if interest income is paid out by an Austrian paying agent or an Austrian securities account keeping agent. Relief from such withholding tax may be granted under applicable double tax treaties.

Austrian residents

Income from the Bonds derived by individuals whose domicile or habitual abode is in Austria is subject to Austrian income tax pursuant to the provisions of the Austrian Income Tax Act (*Einkommensteuergesetz*).

Interest income from the Bonds is subject to a special income tax rate of 25%. If the interest is paid out to the Bondholder by an Austrian paying agent (Austrian bank or Austrian branch of foreign bank or investment firm), the interest income from the Bonds is subject to Austrian withholding tax (*Kapitalertragssteuer*) at a rate of 25%, which is withheld by the paying agent (*auszahlende Stelle*). The income tax for interest income generally constitutes a final taxation (*Endbesteuerung*) for individuals, irrespectively whether the Bonds are held as private assets or as business 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 Austrian income tax at a rate of 25%. Realized capital gain means any income derived from the sale or redemption or other disposal of the Bonds. The tax base is, in general, the difference between the sale proceeds or the redemption 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% are not 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 securities account and having the same securities identification number but which are acquired at different points in time, an average price shall apply.

Where an Austrian securities depository (*depotführende Stelle*) or paying agent is involved and pays out or settles the capital gain, also any realized capital gain from the Bonds is subject to 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 depository. 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 securities depository (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 Austrian bank to transmit the pertaining information to the competent tax office or has, in the case of transfers from a foreign account, 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 bank or the bank 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 or Austria loses for other reasons its taxation right in respect of the Bonds to other countries (which gives rise to a deemed capital gain and exit taxation with the option for deferred taxation upon application 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 their regular personal income tax rate. Any 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 such income are also not deductible if the option for taxation at the regular personal income tax rate is made.

Income from Bonds which are not offered to the public within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates.

Losses from Bonds held as private assets may only be set off with other investment income subject to the special 25% tax rate (excluding, *inter alia*, interest income from bank deposits and other claims against banks) and must not be set off with any other income. Austrian tax law provides for a mandatory set-off by the Austrian securities depository of losses against investment income from securities accounts at the same securities depository (subject to certain exemptions). However, a carry-forward of such losses is not permitted.

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

Income including capital gains from the Bonds derived by corporate Bondholders whose seat or place of management is based in Austria is subject to Austrian corporate income tax pursuant to the provisions of the Austrian Corporate Income 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*) (interim tax, no withholding tax).

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

Non-residents

For income including capital gains 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**”) in general the following applies:

Since 1 January 2015, for non-resident individuals interest income derived from the Bonds is subject to a 25% Austrian withholding tax (*Kapitalertragsteuer*) if such interest income is paid out through a paying agent or securities depository located in Austria. Taxable interest income from the Bonds includes all interest income within the meaning of the Austrian EU Withholding Tax Act and therefore also accrued interest realized upon a sale or repayment of the Bonds. Interest income which is not subject to Austrian withholding tax (because it is not received through an Austrian paying agent or securities depository) is, however, not taxable in Austria.

Applicable double tax treaties may provide for a reduction of, or relief from, such new Austrian withholding tax. However, Austrian banks may not be entitled to apply such double tax reduction or relief at source so that Bondholders wishing to obtain relief from the respective Austrian withholding tax under an applicable double tax treaty would have to file for a refund with the competent Austrian tax office which may require a certificate of residency issued by the competent authority of the Bondholder's state of residence.

Interest income which is received by individuals resident in another member state of the EU to which the EU Withholding Tax Act applies (see below "*Implementation of the EU Savings Directive in Austria*") is not subject to the above mentioned new 25% Austrian withholding tax.

For non-resident corporate Bondholders income including capital gains derived from the Bonds is not taxable in Austria. Thus, non-resident corporate Bondholders - in case they receive income or capital gains from the Bonds through a securities depository or 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, inter alia, 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 securities depository or paying agent from any non-taxable payment, 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.

For withholdings made after 31 December 2014, applications for refund may only be filed after the end of the calendar year when the withholding was made.

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

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.

Implementation of the EU Savings Directive in Austria

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments ("**EU Savings Directive**") provides for an exchange of information between the authorities of EU Member States regarding interest payments made in one EU Member State to beneficial owners who are individuals and resident for tax purposes in another EU Member State (concerning the EU Savings Directive, please see also below).

Austria has implemented the EU 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 (or certain entities within the meaning of Art 4/2 of the EU Savings Directive) resident for tax purposes in another EU 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 EU 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).

Austria has in general agreed to transpose into national law an automatic exchange of information on Austrian bank accounts in the future.

Concerning directive 2014/48/EU which will amend and broaden the scope of the requirements described above, see “–Taxation in Germany–Implementation of the EU Savings Directive in Germany” below).

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

Other taxes

Currently, 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 August 1, 2008. However, gifts from or to Austrian residents have to be notified to the tax authorities within a three months 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. For the proposed financial transaction tax which is currently discussed in the European Union see below.

Taxation in Germany

The following discussion of the tax consequences of an investment in the Bonds is based on the laws in force in the Federal Republic of Germany (“**Germany**”) on the date of this Prospectus. The Issuer emphasizes that the tax implications can be subject to change due to future law changes.

Although this discussion of the tax implications of an investment in the Bonds reflects the Issuer’s opinion, it should not be construed as tax advice or misunderstood as a guarantee in an area of law which is not free from doubt. Further, this discussion is not intended as the sole basis for an investment in the Bonds as the individual tax position of the investor needs to be investigated. Therefore, this statement is confined to a general discussion of certain German tax consequences. **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 tax resident investors holding Bonds as private assets

Taxation of income from the Bonds

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 generally taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25% flat tax (*Abgeltungsteuer*) (plus a 5.5% solidarity surcharge (*Solidaritätszuschlag*) thereon and, if applicable to the individual investor, church tax (*Kirchensteuer*)).

The same applies to capital gains from the sale or redemption of the Bonds. The capital gain is generally determined as the difference between the proceeds from the sale or redemption of the Bonds and the acquisition costs. Expenses directly and factually related (*unmittelbarer sachlicher*

Zusammenhang) to the sale or redemption are taken into account in computing the taxable capital gain. Otherwise the deduction of related expenses for tax purposes is not permitted.

Where the Bonds are acquired and/or sold in a currency other than euro, the acquisition costs will be converted into euro at the time of acquisition, the sales proceeds will be converted in euro at the time of sale, and only the difference will then be computed in euro.

The flat tax is generally collected by way of withholding (see “*Withholding tax*” below) 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 (e.g., in case there is no Domestic Paying Agent, as defined below) the investor will have to include the income received with respect to the Bonds in its annual income tax return. The flat tax will then be collected by way of tax assessment. The investor may also opt for inclusion of 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 available losses carried forward or foreign tax credits). If the investor’s individual income tax rate which is applicable on all taxable income including the investment income is lower than 25%, the investor may opt to be taxed at individual progressive rates with respect to its investment income.

Capital losses from the sales or redemption of the Bonds held as private assets should generally be tax-recognised irrespective of the holding period of the Bonds. Any tax-recognised capital losses may not be used to offset other income like employment or business income but may only be offset against investment income. Capital losses not utilised in one annual assessment period may be carried forward into subsequent assessment periods but may not be carried back into preceding assessment periods. Capital losses might not be recognised by the German tax authorities if the Bonds are sold at a market price, which is lower than the transaction costs.

Individual investors are entitled to a saver’s lump sum tax allowance (*Sparer-Pauschbetrag*) for investment income of EUR 801 per year (EUR 1,602 jointly assessed investors). The saver’s lump sum tax allowance is also taken into account for purposes of withholding tax (see “*Withholding tax*” below) if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective Domestic Paying Agent (as defined below). The deduction of related expenses for tax purposes is not permitted.

Withholding tax

If the Bonds are kept or administered in a domestic securities deposit account with a German credit institution (*Kreditinstitut*) or financial services institution (*Finanzdienstleistungsinstitut*) (or with a German branch of a foreign credit or financial services institution), or with a German securities trading company (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (together a “**Domestic Paying Agent**”) which 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 applicable withholding tax rate is in excess of the aforementioned rate if church tax is collected for the individual investor which, in the case of interest received from 1 January, 2015, is provided for as a standard procedure unless the Bondholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

The Issuer of the Bonds is not obliged under German law to withhold any withholding tax (*Quellensteuer*) from the interest payments.

Capital gains from the sale or redemption of the Bonds are also subject to the 25% withholding tax, plus a 5.5% solidarity surcharge thereon, if the Bonds are kept or administered by a Domestic Paying Agent effecting the sale or redemption from the time of their acquisition. If the Bonds were sold or redeemed after being transferred to a securities deposit account with a Domestic Paying Agent, 25% withholding tax (plus solidarity surcharge thereon) would be levied on 30% of the proceeds from the sale or the redemption, as the case may be, unless the investor or the previous depository bank was able and

allowed to provide evidence for the investor's actual acquisition costs to the current Domestic Paying Agent. The applicable withholding tax rate is in excess of the aforementioned rate if church tax is collected for the individual investor which, in the case of capital gains from 1 January, 2015, is provided for as a standard procedure unless the Bondholder has filed a blocking notice with the German Federal Central Tax Office.

German resident investors holding the Bonds as business assets

Taxation of income from the Bonds

If the Bonds are held as business assets (*Betriebsvermögen*) by an individual or corporate investor which is tax resident in Germany (i.e., a corporation with its statutory seat or place of management in Germany), interest income and capital gains from the Bonds are subject to personal income tax at individual progressive rates or corporate income tax (plus a 5.5% solidarity surcharge thereon and church tax, if applicable to the individual investor) and, in general, trade tax. The effective trade tax rate depends on the applicable trade tax factor (*Gewerbsteuer-Hebesatz*) 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.

Capital losses from the sale or redemption of the Bonds should generally be tax-recognised and may generally be offset against other income.

Withholding tax

If the Bonds are kept or administered by a Domestic Paying Agent which 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 generally levied on the interest payments. The applicable withholding tax rate is in excess of the aforementioned rate if church tax is collected for the individual investor which, in the case of interest received from 1 January, 2015, is provided for as a standard procedure unless the Bondholder has filed a blocking notice with the German Federal Central Tax Office.

No withholding is generally required on capital gains from the disposal or redemption of the Bonds which is derived by German resident corporate investors and, upon application, by individual investors holding the Bonds as assets of a German business, subject to certain requirements.

Any capital losses incurred from the disposal or redemption of the Bonds will not be taken into account for withholding tax purposes. The withholding tax does not satisfy the investor's personal or corporate income tax liability with respect to the Bonds. The income from the Bonds 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.

Non-German tax resident investors

Income derived from the Bonds by investors who are not tax resident in Germany is in general not subject to German income taxation, and no withholding tax shall be withheld, unless (i) the Bonds are held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, (ii) the income derived from the Bonds does otherwise constitute German source income (such as income from the letting and leasing of certain property located in Germany) or (iii) the income is paid by a Domestic Paying Agent against presentation of the Bonds or interest coupons (so-called over-the-counter transaction, *Tafelgeschäfte*).

If the income derived from the Bonds is subject to German taxation according to (i) through (iii) above, the income is subject to German income taxation and withholding tax similar to that described above for German tax residents. 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 and gift tax

The transfer of Bonds to another person by way of gift or inheritance may be subject to German gift or inheritance tax, respectively, if *inter alia*

- (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*), has 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 business assets attributable to a permanent establishment or a permanent representative in Germany,

Special regulations may apply to certain German expatriates.

Prospective holders are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their particular 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 elect to pay value added tax with regard to the sales of Bonds to other entrepreneurs which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

Implementation of the EU Savings Directive in Germany

The EU Savings Directive has been implemented in Germany by the decree on the taxation of interest income (*Zinsinformationsverordnung*) which applies from July 1, 2005 on. Under the EU Savings Directive, each Member State is required to provide the tax authorities of another Member State with details of interest payments paid by a person within its jurisdiction to an individual resident in that other Member State. Austria may instead apply a withholding system for a transitional period in relation to such payments, deducting tax at rates rising over time to 35% (see also “*-Taxation in Austria-Implementation of the EU Savings Directive in Austria*” above).

On March 24, 2014 the Council of the European Union has adopted Directive 2014/48/EU which will, when implemented, amend and broaden the scope of the requirements described above. Directive 2014/48/EU will expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities, and the circumstances in which payments must be reported or paid subject to withholding. For example, payments made to (or for the benefit of) (i) an entity or legal arrangement effectively managed in an EU Member State that is not subject to effective taxation, or (ii) a person, entity or legal arrangement established or effectively managed outside of the EU (and outside any third country or territory that has adopted similar measures to the EU Savings Directive) which indirectly benefits an individual resident in an EU Member State, may fall within the scope of the EU Savings Directive, as amended. Directive 2014/48/EU requires EU Member States to adopt national legislation necessary to comply with it by January 1, 2016, which legislation must apply from January 1, 2017.

The proposed financial transaction tax

The European Commission had published an original proposal for a Directive for a common financial transaction tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The financial transaction tax as originally proposed has a very broad scope and could apply to certain dealings in financial instruments (including secondary market transactions) in certain circumstances. The issuance and subscription of financial instruments should, however, be exempt.

Under current proposals the financial transaction could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

According to a recent press announcement of the EU Council, ten participating Member States, including Austria and Germany, intend to introduce an amended financial transaction tax based on an progressive implementation of that tax as of January 1, 2016 latest. Compared to the original proposal, the new proposal for a financial transaction tax has a limited scope only with respect to the financial instruments concerned and shall first focus on shares and certain derivatives. As to the further implementation of any financial transaction tax there is currently no detailed plan or timetable available.

However, many details remain unclear and the currently proposed financial transaction tax might also be altered again prior to any implementation. The financial transaction tax proposal remains subject to negotiation between the participating Member States and was (and most likely will be) the subject of legal challenge. Additional EU Member States may decide to participate. Prospective holders of Bonds are advised to seek their own professional advice in relation to the financial transaction tax.

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 EUR [●]
[●]% Teilschuldverschreibungen 2015-2022
ISIN AT0000A1C741

der

STRABAG SE

CONDITIONS OF ISSUE OF THE BONDS (the “Conditions”)

Principal Amount EUR [●]
[●]% Bonds 2015-2022
ISIN AT0000A1C741

issued by

STRABAG SE

§1

WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

- (1) Währung, Stückelung: Die [●]% Teilschuldverschreibungen 2015-2022 (die “**Teilschuldverschreibungen**” oder die “**Anleihe**”) der STRABAG SE (die “**Emittentin**”) wird am 4. Februar 2015 in Euro (die “**festgelegte Währung**”) im Gesamtnennbetrag von EUR [●] (in Worten: Euro [●]) in einer Stückelung von EUR 500.-- (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 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.

§1

CURRENCY, DENOMINATION, FORM, DEFINITIONS

- (1) Currency, Denomination: The [●]% bond 2015-2022 (the “**Bond**”) of STRABAG SE (the “**Issuer**”) is issued on February 4, 2015 in Euro (the “**Currency**”) in an aggregate principal amount of EUR [●] (in words: Euro [●]) and with a denomination of EUR 500.-- 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 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) Negativverpflichtung: Die Emittentin verpflichtet sich während der Laufzeit der gegenständlichen Anleihe, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital 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 4. Februar 2015 (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich [●]% verzinst. Die Zinsen sind nachträglich am 4. Februar eines jeden Jahres zahlbar (jeweils ein **“Zinszahlungstag”**). Die erste Zinszahlung erfolgt am 4. Februar 2016.
- (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 vorausgeht, 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 4. Februar 2015 und endet mit dem Ablauf des 4. Februar 2022. Die Laufzeit beträgt somit 7 Jahre.

(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 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 February 4, 2015 until the maturity date (as defined in § 5(1)) (exclusive). Interest is payable in arrears on February 4 of each calendar year (each an **“Interest Payment Date”**). The first interest payment will be made on February 4, 2016.
- (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 February 4, 2015 and ends on February 4, 2022 (inclusive). The tenor shall therefore be 7 years.

**§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 Teilschuldverschreibungen in Euro.
- (3) Erfüllung: Die Zahlung an das Clearingsystem oder an dessen Order, vorausgesetzt, die Schuldverschreibungen werden noch durch das Clearingsystem gehalten, befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen.
- (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.

**§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 4. Februar 2022 (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag 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

**§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.
- (3) Performance: Payments to the Clearing System or to its order shall, to the extent of amounts so paid and provided the Bonds are still held by the Clearing System, release the Issuer from its corresponding obligations under the Bonds.
- (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
REDEMPTION**

- (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 February 4, 2022 (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

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 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.

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

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

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

§6 ZAHLSTELLE

§6 PAYING AGENT

- (1) **Bestellung:** Die bestellte Zahlstelle ist Raiffeisen Bank International AG.
- (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) **Bbeauftragte 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.

- (1) **Appointment:** Raiffeisen Bank International AG 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
STEUERN

§7
TAXATION

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:

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) anders als durch Einbehalt oder Abzug auf Zahlungen zu entrichten sind, die die Emittentin an den Anleihegläubiger leistet; oder | (1) are payable other than by withholding or deduction on payments that the Issuer makes to the Bondholders; or |
| (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 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 | (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 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 |
| (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 | (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 |

Verwaltungsvorschriften oder internationalen Verträgen, welche zur Umsetzung oder im Zusammenhang mit dieser Richtlinie erlassen wurden; oder

- (9) aufgrund eines Doppelbesteuerungsabkommens oder den Steuergesetzen der Republik Österreich rückerstattbar wären oder aufgrund gemeinschaftsrechtlicher Bestimmungen (EU) an der Quelle entlastbar wären; oder
- (10) die von einem Anleihegläubiger nicht zu leisten wären, soweit er zumutbarer Weise Steuerfreiheit oder eine Steuererstattung oder eine Steuervergütung hätte erlangen können.

§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 bei Fälligkeit nicht zahlt und die jeweilige Zahlung nicht innerhalb von 7 Tagen nach dem jeweiligen Fälligkeitstag nachgeholt wird, oder
- (ii) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Teilschuldverschreibungen unterlässt und die Unterlassung länger als 15 Tage fort dauert, nachdem die Zahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat, oder
- (iii) die Emittentin oder eine Haupttochtergesellschaft (a) eine Schuld nicht erfüllt, die von einem (Schieds-)Gericht oder einer Verwaltungsbehörde (im jeweiligen Sitzstaat) rechtskräftig festgestellt wurde und diese Nichterfüllung länger als vier Wochen fort dauert, oder (b) eine Zahlungsverpflichtung der Emittentin infolge Vorliegens eines Kündigungsgrundes vorzeitig fällig wird oder geworden ist oder (c) eine für eine Zahlungsverpflichtung bestellte Sicherheit geltend gemacht wird, und der in Frage stehende Betrag in jedem der Fälle (a) bis (c) im Zusammenhang mit einer Kredit- oder sonstigen Geldaufnahme steht, und EUR 10.000.000,- (oder den Gegenwert in einer anderen Währung) übersteigt.

Als „**Haupttochtergesellschaft**“ im Sinne dieser Bedingungen gilt eine Tochtergesellschaft, deren Umsatz mehr als 10% des konsolidierten Konzernumsatzes der Emittentin des vorangegangenen Geschäftsjahres erreicht.

the implementation of or in connection with this directive;

- (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) 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 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 on the due date and fails to make the respective payment 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 related thereto by the Paying Agent; or
- (iii) the Issuer or a Material Subsidiary fails to comply with an obligation and (a) 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 persists longer than 4 weeks, or (b) such payment obligation of the Issuer becomes or has become prematurely due following a reason for early termination or (c) a security created for such obligation is asserted and the obligation in each such case (a) through (c) is in respect of moneys borrowed or raised, and exceeds EUR 10,000,000.-- (or the equivalent thereof in another currency).

“**Material Subsidiary**” for the purpose of these Conditions means any subsidiary contributing more than 10% of the consolidated total sales of the Issuer in the preceding business year.

- (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.

- (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.

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

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

- (2) 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.

- (2) 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

§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.

Zahlstelle zwecks Entwertung eingereicht werden.

- (3) Entwertung: Sämtliche vollständig zurückgezahlten Teilschuldverschreibungen sind unverzüglich zu entwerten und können nicht wieder emittiert oder wiederverkauft werden.

- (3) Cancellation: All Bonds completely redeemed must be cancelled without delay and cannot be reissued or sold again.

§11 MITTEILUNGEN

- (1) Alle die Teilschuldverschreibungen betreffenden Mitteilungen an die Anleihegläubiger sind im Amtsblatt zur Wiener Zeitung oder, falls diese ihr Erscheinen einstellt, in einer anderen Tageszeitung mit Verbreitung in ganz Österreich zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag der Veröffentlichung als wirksam erfolgt.
- (2) Falls die Teilschuldverschreibungen zum Handel an einem geregelten Markt zugelassen werden, gelten sämtliche Mitteilungen an die Anleihegläubiger als ordnungsgemäß bekannt gemacht, wenn sie durch elektronische Mitteilungsförm mit Verbreitung innerhalb der Europäischen Union und dem Staat des jeweiligen geregelten Marktes, an der Teilschuldverschreibungen notiert sind, durch elektronische Veröffentlichung veröffentlicht werden, solange diese Notierung fort dauert und die Regeln der jeweiligen Börsen dies erfordern. Jede Mitteilung gilt mit dem Tag der ersten Veröffentlichung als bekannt gemacht; falls eine Veröffentlichung in mehr als einer elektronischen Mitteilungsförm vorgeschrieben ist, ist der Tag maßgeblich an dem die Bekanntmachung erstmals in allen erforderlichen elektronischen Mitteilungsförm erfolgt ist.

§11 NOTICES

- (1) All notices concerning the Bonds will be published in the *Amtsblatt zur Wiener Zeitung* or, if it ceases to be published, in any other daily newspaper published throughout Austria. Any notice so given will be deemed to have been validly given on the date of such publication.
- (2) If the Bonds are admitted to trading on a regulated market, all notices to the Bondholders shall be deemed to be validly effected, if they are published by electronic means within the European Union and the country of the relevant regulated market where the Bonds are listed, through electronic publication, so long as the listing continues and the rules of the relevant stock exchange so require. Each such notification will be deemed to have been validly given on the date of the first publication; if notification is required by more than one electronic means, the day when the notice is first published by all such required electronic means, shall be relevant.

§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.

§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.

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**STATEMENT PURSUANT TO COMMISSION REGULATION (EC) NO 809/2004 OF
APRIL 29, 2004 AND PURSUANT TO § 8 PARA 1 CAPITAL MARKET ACT**

STRABAG SE is responsible for the information given in this prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

STRABAG SE

as issuer (als Emittent)

Dr. Thomas Birtel

Vienna, January 26, 2015

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The following translation of the original summary is a separate document attached to the prospectus. It does not form part of the prospectus itself and has not been approved by the FMA. Further, the FMA did not review its consistency with the original summary.

Die folgende Übersetzung der Originalzusammenfassung ist ein separates Dokument und bildet einen Anhang zu diesem Prospekt. Sie ist selbst kein Teil dieses Prospekts und wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit der Originalzusammenfassung wurde nicht von der FMA geprüft.

GERMAN TRANSLATION OF THE SUMMARY

ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus sogenannten Elementen, die verschiedene Informations- und Veröffentlichungspflichten enthalten. Die Elemente sind in den Abschnitten A bis E nummeriert (A.1 bis E.7). Diese Zusammenfassung enthält alle Elemente, die für Wertpapiere und Emittenten dieser Art vorgeschrieben sind. Nachdem manche Elemente nicht erforderlich sind, können Lücken in der Nummerierung der Elemente auftreten. Auch wenn ein Element aufgrund der Art der Wertpapiere und des Emittenten für die Zusammenfassung vorgeschrieben ist, kann es sein, dass dazu keine passende Information gegeben werden kann. In diesem Fall ist in der Zusammenfassung eine kurze Beschreibung des Elements mit dem Hinweis „entfällt“ enthalten.

Abschnitt A - Einleitung und Warnhinweise

- A.1 Warnhinweise Diese Zusammenfassung sollte als Einleitung zum Prospekt verstanden werden. Anleger sollten sich bei jeder Entscheidung zur Anlage in die betreffenden Wertpapiere auf die Prüfung des gesamten Prospekts stützen. Ein Anleger, der wegen der in diesem Prospekt enthaltenen Angaben Klage einreichen will, muss nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen, bevor das Verfahren eingeleitet werden kann. Zivilrechtlich haften nur diejenigen Personen, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lässt.
- A.2 Zustimmung der Emittentin zur Prospektverwendung durch Finanzintermediäre Die Emittentin erteilt ihre ausdrückliche Zustimmung zur Verwendung dieses Prospekts für eine spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen durch Finanzintermediäre in Österreich und Deutschland zwischen dem Bankarbeitsstag, welcher der Billigung und Veröffentlichung des Prospekts folgt und dem 3. Februar 2015. Während dieses Zeitraums können Finanzintermediäre spätere Weiterveräußerungen oder endgültige Platzierungen vornehmen. Jeder Finanzintermediär, der den Prospekt verwendet, hat auf seiner Webseite anzugeben, dass er den Prospekt mit Zustimmung und gemäß den Bedingungen verwendet, an die die Zustimmung gebunden ist. Die Emittentin erklärt, die Haftung für den Inhalt des Prospekts auch hinsichtlich einer späteren Weiterveräußerung

oder endgültigen Platzierung von Wertpapieren durch Finanzintermediäre, denen die Zustimmung zur Prospektverwendung erteilt wurde, zu übernehmen. Darüber hinaus übernimmt die Emittentin keine Haftung. Die Zustimmung der Emittentin zur Verwendung dieses Prospekts ist an keine sonstigen Bedingungen gebunden, kann jedoch jederzeit widerrufen oder eingeschränkt werden, wobei ein Widerruf eines Nachtrags zum Prospekt bedarf. **Macht ein Finanzintermediär ein Angebot hinsichtlich der Schuldverschreibungen, ist er verpflichtet, Informationen über die Bedingungen des Angebots zum Zeitpunkt der Vorlage des Angebots zur Verfügung zu stellen.**

Abschnitt B – Emittentin

B.1 Gesetzliche und kommerzielle Bezeichnung der Emittentin..... Die gesetzliche Bezeichnung der Gesellschaft ist STRABAG SE, die kommerzielle Bezeichnung der Gesellschaft sowie der Gruppe ist STRABAG.

B.2 Sitz, Rechtsform, Recht, Land der Gründung Die Emittentin hat ihren Sitz in Villach und ihre Geschäftsanschrift in Triglavstraße 9, A-9500 Villach.

Die Emittentin ist eine nach österreichischem Recht in Österreich gegründete *Societas Europaea* (SE) gemäß Verordnung (EG) Nr. 2157/2001 des Rates vom 8. Oktober 2001 über das Statut der Europäischen Gesellschaft (SE) in der geltenden Fassung.

B.4b Bekannte Trends bei der Emittentin und in ihrer Branche **Allgemeine Wirtschaftslage und Staatsausgaben für Infrastrukturprojekte**

Die Ergebnisse der STRABAG in einer jeden Periode werden vom Aktivitätsniveau im Bausektor wesentlich beeinträchtigt, welches hauptsächlich von der allgemeinen Wirtschaftslage und dem Ausmaß von staatlichen Ausgaben für Infrastrukturprojekte bewegt wird.

Die Finanz- und Wirtschaftskrise seit Sommer 2008 und insbesondere Anfang 2009 hat die Realwirtschaft inklusive dem Bausektor beeinträchtigt. Sie führte zu einem Rückgang der Bautätigkeit in den meisten europäischen Ländern. Trotz der konjunkturellen Belebung in den USA und in den Schwellenländern verzögerte sich der Aufschwung der europäischen Wirtschaft. Nach einem Rückgang im Jahr 2012 stagnierte das Bruttoinlandsprodukt der 19 Euroconstruct-Länder 2013. Die Aussichten für den privaten Konsum, den Arbeitsmarkt und die Einkommensentwicklung sind deshalb im Jahr 2014 nach wie vor gedämpft geblieben. Mit einem Rückgang von 3,0% entwickelte sich die Bauwirtschaft in Europa 2013 erneut deutlich schlechter als die Wirtschaft insgesamt. Die stärksten Verluste verzeichneten dabei die Länder Nord- und Südeuropas.

Gründe für den anhaltenden Druck auf die europäische Bauwirtschaft waren neben der in einigen Ländern bestehenden Staatsschuldenkrise auch der Spardruck der öffentlichen Haushalte und die Unsicherheiten über die weitere Konjunktorentwicklung. 2014 hat sich die Lage der Bauwirtschaft nur leicht verbessert. Die Staatsschuldenkrise dämpfte insbesondere die Perspektiven für den Tiefbau, während das schwache gesamtwirtschaftliche Umfeld, die hohe Arbeitslosigkeit und das mangelnde Konsumentenvertrauen die Aussichten für den Wohnbau und den sonstigen Hochbau trübten.

Saisonalität

Aufgrund von Schnee, Eis und anderen schlechten Wetterbedingungen ist der Umsatz der STRABAG in der Wintersaison typischerweise niedriger als in der Frühjahrs- und Sommersaison. Aufgrund eines hohen Anteils an Fixkosten hat die STRABAG in der Vergangenheit im ersten Quartal eines jeden Kalenderjahres signifikante Verluste erlitten, die durch höhere Margenbeiträge ab Beginn des zweiten Quartals aufgeholt wurden. Typischerweise erreicht die STRABAG den Break-Even-Point früh im zweiten Halbjahr. Saisonale Schwankungen treten typischerweise im Straßenbaugeschäft und zu einem geringeren Ausmaß im Wohnbau und im Bereich Bauingenieurswesen der STRABAG Gruppe auf. Während diese Abweichungen die Vergleichbarkeit von Umsatz, Bautätigkeit und Ergebnissen der STRABAG auf Jahresbasis nicht beeinträchtigen, können von STRABAG publizierte Zwischenfinanzinformationen wesentlichen saisonalen Schwankungen unterliegen.

Urbanisierung

Bis zum Jahr 2050 werden 66 % der globalen Bevölkerung in Städten leben – eine Erhöhung der städtischen Einwohnerzahl um 2,5 Milliarden Menschen. Dies bringt einen höheren Bedarf an Infrastruktur mit sich.

Energieeffizienz

Die Europäische Union will bis zum Jahr 2020 die Treibhausgasemissionen gegenüber dem Jahr 1990 um 20% verringern, bis 2050 ist eine Reduktion um 80 bis 95% vorgesehen(. Nicht zuletzt deshalb fordern die Kunden der Gruppe zunehmend eine Umstellung bestehender Bauwerke auf eine höhere Energieeffizienz und einen emissionsärmeren Betrieb.

Finanzumfeld

Historisch niedrige Zinsen und ein sehr volatiles Finanzumfeld machen Immobilien zu einer attraktiven Investitionsalternative für manche Investorengruppen – die Gruppe nimmt dies derzeit sehr stark in ihrem größten Markt Deutschland wahr. Zudem erleichtern niedrige Zinsen die Finanzierung von Projektentwicklungen.

- B.5 Beschreibung der Gruppe und der Stellung der Emittentin in der Gruppe Die STRABAG SE ist eine Holdinggesellschaft und die Muttergesellschaft der STRABAG Gruppe. Ihr Vorstand koordiniert das Management der Gruppe, ist für den Erhalt des finanziellen Gleichgewichts verantwortlich und bestimmt die strategischen Ziele der Gruppe. Zur Umsetzung dieser Aufgaben wird der Vorstand unter anderem von Stabstellen, Zentralbereichen und Unternehmensbereichen unterstützt; diese Bereiche sind in eigenen Rechtsträgern eingerichtet und allesamt Tochtergesellschaften der STRABAG SE.
- B.9 Gewinnprognosen und -schätzungen..... Entfällt, weil die Emittentin keine Gewinnprognosen oder -schätzungen in den Prospekt aufnimmt.
- B.10 Beschränkungen im Bestätigungsvermerk..... Entfällt, weil die Jahresabschlüsse im Zeitraum der historischen Finanzinformation mit einem uneingeschränkten Bestätigungsvermerk des Abschlussprüfers versehen wurden.
- B.12 Ausgewählte wesentliche Finanzinformationen..... Die folgenden, ausgewählten konsolidierten Finanzinformationen der Gruppe wurden den konsolidierten Jahresabschlüssen zum, und für die zwölf Monate endend 31. Dezember 2013 und 2012, sowie zum und für die neun Monate endend 30. September 2014, welche in diesen Prospekt per Verweis aufgenommen sind, entnommen.

	Neun Monate endend 30. September		Geschäftsjahr endend 31. Dezember	
	2014	2013 ⁽¹⁾	2013	2012
	ungeprüft (TEUR)		geprüft (TEUR)	
Ausgewählte Kennzahlen aus der Konzern-Gewinn- und Verlustrechnung				
Umsatz.....	8.892.290	8.806.467	12.475.654	12.983.233
Ergebnis vor Steuern.....	39.425	21.021	230.037	156.460
Ergebnis nach Steuern.....	20.275	8.562	156.259	110.038
Ausgewählte Kennzahlen aus der Konzernbilanz				
Langfristige Vermögenswerte.....	4.404.058	-	4.416.290	4.546.459
Liquide Mittel.....	1.135.414	-	1.711.968	1.374.955
Bilanzsumme.....	10.494.474	-	10.560.790	10.137.691
Eigenkapital.....	3.168.647	-	3.238.769	3.162.542
Langfristige Schulden.....	2.326.076	-	2.465.788	2.431.916
Andere Finanzkennzahlen				
EBIT.....	64.279	39.627	261.577	207.186
EBITDA.....	349.822	328.849	694.914	608.354

	Neun Monate endend 30. September		Geschäftsjahr endend 31. Dezember	
	2014	2013	2013	2012
	ungeprüft (EUR Millionen, sofern nicht anders angegeben)		ungeprüft, sofern nicht anders angegeben (EUR Millionen, sofern nicht anders angegeben)	
Andere Betriebskennzahlen				
Leistung (geprüft) ²⁾	9.712	9.609	13.573	14.043
Auftragsbestand.....	15.400	13.999	13.470	13.203
Eigenkapitalquote (in %).....	30,2	30,7	30,7	31,2

- (1) Für Bilanzierungszeiträume, die am oder nach dem 1. Jänner 2014 beginnen sind IFRS 11 und IAS 28 anwendbar, welche die Bilanzierung von Sachverhalten regeln, in denen ein Unternehmen die gemeinschaftliche Führung über Gemeinschaftsunternehmen (Joint Venture) oder seine gemeinschaftliche Tätigkeit (Joint Operation) ausübt und führen zu geänderten Darstellungen in der Gewinn- und Verlustrechnung. Die Zahlen für die neun Monate endend 30. September 2013 wurden angepasst und werden in geänderter Form dargestellt.
- (2) Die STRABAG führt ihre Leistung an, da dies in der Bauindustrie weit verbreitet ist und der Vorstand der Meinung ist, dass die Anführung der eigenen Leistung ein geeignetes Mittel darstellt, um die Leistung der STRABAG 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 Leistung keinem IFRS Maßstab entspricht und nicht dazu geeignet ist, um die finanzielle Leistung von STRABAG darzustellen. Die Leistung stellt keinen geeigneten Richtsatz dar, um Rückschlüsse auf die Umsätze der STRABAG zu ziehen, insbesondere weil Leistung auch (1) STRABAGs Leistungsanteil in nicht-konsolidierten Gesellschaften, Beteiligungsgesellschaften und Konsortien (deren Umsätze nicht in STRABAGs Umsatz berücksichtigt sind) und (2) STRABAGs anteilige Leistung in konsolidierten Gesellschaften (deren Umsätze in STRABAGs Umsätzen voll berücksichtigt sind), mit Ausnahme von STRABAG AG and Ed. Züblin (deren Leistung zur Gänze und nicht nur pro rata einbezogen wird), umfasst. Es gibt keine offizielle Definition von Leistung. 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.

Seit 31. Dezember 2013 haben sich die Aussichten der Gruppe nicht wesentlich verschlechtert. Es gab seit dem 30. September 2014 keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition.

- B.13 Für die Zahlungsfähigkeit der Emittentin in hohem Maße relevante Ereignisse aus der jüngsten Zeit Entfällt, weil in jüngster Zeit kein Ereignis für die Zahlungsfähigkeit der Emittentin in wesentlichem Maße relevant war.
- B.14 Abhängigkeit der Emittentin von anderen Unternehmen der Gruppe..... Als Holdinggesellschaft ist die Emittentin von Zuwendungen und Ausschüttungen ihrer Tochtergesellschaften abhängig.
- B.15 Haupttätigkeiten der Emittentin..... Die STRABAG SE ist eine Holdinggesellschaft und die Muttergesellschaft der STRABAG Gruppe. Die STRABAG ist ein europäischer Technologiekonzern für Baudienstleistungen und nach Ansicht des Managements führend in Innovation. Das Angebot der Gruppe umfasst sämtliche Bereiche der Bauindustrie und deckt die gesamte Bauwertschöpfungskette ab. Ihre Unternehmenseinheiten integrieren solche Leistungen und übernehmen dafür gegenüber ihren Kunden die Verantwortung. STRABAG koordiniert den zeitgerechten Einsatz von Arbeitskräften, Baumaterialien und Maschinen um dadurch komplexe Bauvorhaben – termin- und qualitätsgerecht und zu einem konkurrenzfähigen Preis zu realisieren. Ein Netz aus Tochtergesellschaften in vielen europäischen Ländern und zunehmend auf

	anderen Kontinenten erweitert ihr Einsatzgebiet über Österreichs und Deutschlands Grenzen hinaus.
B.16 Beteiligungen und Beherrschungsverhältnisse...	Die Emittentin wird kontrolliert von der Haselsteiner Familie, der Raiffeisen NÖ-Wien Gruppe, der Uniqa Gruppe und Rasperia, die einen Syndikatsvertrag abgeschlossen haben und etwa 77% der Aktien der Emittentin besitzen.
B.17 Ratings der Emittentin und ihrer Schuldtitel.....	STRABAG SE hat ein Rating von BBB- mit stabilem Ausblick von Standard & Poor's. Der Vorstand erwartet, dass die Schuldverschreibungen von Standard & Poor's ebenfalls mit BBB- geratet werden.
Abschnitt C - Wertpapiere	
C.1 Art und Gattung, Wertpapierkennung.....	Nicht nachrangige, unbesicherte, auf Inhaber lautende Schuldverschreibungen. ISIN: AT0000A1C741.
C.2 Währung.....	Euro
C.5 Beschränkungen der Übertragbarkeit	Die Schuldverschreibungen sind Inhabervertpapiere und grundsätzlich frei übertragbar. Beschränkungen der Übertragbarkeit können sich aus den anwendbaren Regeln der Clearingsysteme ergeben.
C.8 Rechte, Rang, Beschränkung der Rechte	Die Schuldverschreibungen berechtigen insbesondere zu den in C.9 beschriebenen Zinszahlungen und zur Rückzahlung am Fälligkeitstag. Die Schuldverschreibungen sind unmittelbare, unbedingte, untereinander gleichrangige, nicht nachrangige und unbesicherte Verbindlichkeiten der Emittentin.
C.9 Zinssatz, Zahlungsstermine, Rendite, Vertretung.....	Die Nominalverzinsung, das endgültige Emissionsvolumen, der Reoffer Preis, der Emissionspreis, der Emissionserlös und die Rendite werden am oder um den 28. Jänner 2015 bei der FMA gemäß dem Kapitalmarktgesetz eingereicht und auf der Webseite der Emittentin (www.strabag.com) veröffentlicht. Die Zinsen werden jährlich bezahlt, für einen Zeitraum beginnend am 4. Februar 2015 (einschließlich) und endend am der Fälligkeit vorangehenden Tag (3. Februar 2022). Die Zinsen sind im Nachhinein am 4. Februar eines jeden Kalenderjahres, erstmalig am 4. Februar 2016, zahlbar. Die Rückzahlung erfolgt zum Nominalbetrag am 4. Februar 2022. Zahlungen durch die Emittentin erfolgen an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen

	<p>Kontoinhaber des Clearingsystems und werden den Inhabern über ihre jeweiligen Depotbanken gutgeschrieben.</p> <p>Die Anleihebedingungen enthalten keine Bestimmungen zur Vertretung von Anleihegläubigern. Unter bestimmten Umständen könnte jedoch ein gemeinsamer Vertreter (<i>Kurator</i>) nach dem Kuratorengesetz RGBI 1874/49, in der geltenden Fassung, zur Vertretung von Anleihegläubigern vor Gericht bestellt werden.</p>
C.10	<p>Derivative Komponente Entfällt, weil die Schuldverschreibungen keine derivative Komponente enthalten.</p>
C.11	<p>Zulassung zum Handel..... Die Emittentin wird bei der Wiener Börse einen Antrag auf Zulassung der Schuldverschreibungen zum Handel im Regierten Freiverkehr der Wiener Börse stellen.</p>
Abschnitt D - Risiken	
D.2	<p>Wesentliche Risiken, die der Emittentin eigen sind Risikofaktoren, die die Emittentin und die STRABAG Gruppe betreffen:</p> <ul style="list-style-type: none"> • Die Euro-Schuldenkrise und der allgemeine wirtschaftliche Abschwung in Teilen Europas könnten die makroökonomischen Voraussetzungen in Europa negativ beeinträchtigen und könnten einen wesentlichen negativen Einfluss auf die STRABAG Gruppe haben. • Die Ergebnisse der STRABAG Gruppe hängen stark von der Bautätigkeit im Bereich Infrastruktur, Gewerbe und zu einem bestimmten Grad Wohnbau und vom Ausgabenniveau ab. • Durch Preisermittlungen und Kalkulationen bei Bauprojekten, insbesondere durch Pauschalpreise, ist die STRABAG Gruppe bedeutenden Risiken ausgesetzt. • Die Geschäftstätigkeit der STRABAG Gruppe ist von Saisonalität gekennzeichnet und von Witterungsverhältnissen abhängig. • Der starke Wettbewerb in der Branche könnte negative Auswirkungen auf das Geschäft der STRABAG haben. • Der Auftragsbestand der Gruppe könnte sich als kein sicherer Indikator für zukünftige Projekte erweisen. • Geschäftspartner könnten fällige Zahlungen unterlassen und dadurch die STRABAG Gruppe erheblich schädigen. • Die Beteiligung an Konsortien für Bauprojekte birgt besondere Haftungsrisiken. • Die Beteiligung an privat-öffentlichen Partnerschaften beinhaltet zusätzliche, spezielle Risiken neben dem Risiko der Projektfertigstellung.

- Rohstoffe könnten vorübergehend nicht verfügbar sein oder ihr Preis könnte erheblich steigen.
- Die STRABAG Gruppe könnte Risiken in Zusammenhang mit höherer Gewalt oder Zufall ausgesetzt sein.
- Impairment-Tests könnten zu erheblichen Abschreibungen von Firmenwerten führen.
- In vielen zentral- und osteuropäischen Ländern sind zukünftige wirtschaftliche und politische Entwicklungen ungewiss und Rechtssysteme, Verfahrensgarantien sowie Anti-Korruptions-Maßnahmen nicht voll entwickelt und die rechtlichen Rahmenbedingungen könnten sich jederzeit ändern.
- Die STRABAG Gruppe ist verschiedenen wirtschaftlichen, politischen und rechtlichen Entwicklungen ausgesetzt und Veränderungen in Regionen, in denen die Gruppe tätig ist, könnten zu erheblichen negativen Auswirkungen auf die STRABAG Gruppe führen.
- Die STRABAG Gruppe könnte Patente oder sonstiges geistiges Eigentum verletzen. Die STRABAG Gruppe könnte auch Rechtsstreitigkeiten über geistiges Eigentum in Zusammenhang mit der Geschäftstätigkeit der STRABAG Gruppe ausgesetzt sein. Dies könnte teuer zu verteidigen sein und könnte die STRABAG Gruppe davon abhalten, in Streit stehende Technologie zu nutzen oder zu verkaufen.
- Der europäischen Bauindustrie mangelt es an Fachkräften.
- Die Nichteinhaltung von Fristen, die von Kunden der STRABAG Gruppe verlangt wurden, könnte zu Vertragsstrafen, anderen Verlusten sowie Rufschädigungen führen.
- Die STRABAG Gruppe ist von bestimmten Kunden abhängig, einschließlich Regierungen die öffentliche Infrastrukturprojekte finanzieren.
- Die STRABAG Gruppe unterliegt Gewährleistungs- und Haftungsrisiken für mangelhafte Dienstleistungen und Produkte.
- Die STRABAG Gruppe könnte für ein Fehlverhalten von Subunternehmern haften.
- Die kontinuierliche Internationalisierung ihrer Geschäftstätigkeiten birgt bestimmte Risiken für die STRABAG Gruppe.
- Im Zusammenhang mit Akquisitionen von anderen Unternehmen ist die STRABAG Gruppe bestimmten Risiken ausgesetzt.

- Die STRABAG Gruppe hat in einigen Unternehmen, durch die die STRABAG Gruppe Geschäfte ausführt, keine kontrollierende Beteiligung.
- Die STRABAG Gruppe muss gegebenenfalls in Zukunft ihr Kapital erhöhen und könnte dazu gezwungen sein, dies zu wirtschaftlich ungünstigen Bedingungen durchzuführen.
- Wenn die STRABAG Gruppe unter bestimmten Kreditfazilitäten vereinbarte Finanz- oder sonstige Kennzahlen nicht einhält, könnten ausstehende Verbindlichkeiten sofort fällig und rückzahlbar werden.
- Die STRABAG Gruppe könnte Schäden erleiden, die nicht ausreichend versichert sind.
- Umwelt- und andere regulatorische Maßnahmen könnten zusätzliche Kosten oder Haftungen verursachen.
- Die STRABAG Gruppe ist steuerlichen und sozialversicherungsbeitragsrechtlichen Risiken ausgesetzt.
- Die STRABAG Gruppe ist von ihrem leitenden Management und anderen Schlüsselarbeitern abhängig.
- Die Gruppe ist von ununterbrochenem und Zugangsgeschütztem Betrieb ihrer Computer und IT-Systeme abhängig.
- Säumnisse oder unzureichende Weiterentwicklungen im Zusammenhang mit einem angemessenen Risikomanagement könnten die STRABAG Gruppe negativ beeinflussen.
- Gegen die STRABAG Gruppe und deren derzeitige und früheren Mitarbeiter sind Untersuchungen anhängig.
- Untersuchungen von Wettbewerbsbehörden könnten zu erheblichen Geldstrafen und zu Ausschlüssen von der Teilnahme an öffentlichen Ausschreibungen führen.
- 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 Gesellschaft stehen.
- Die STRABAG Gruppe ist eine Holding-Gesellschaft; die Erfüllung ihrer finanziellen Verpflichtungen hängt von Mitteln, die sie von ihren Tochterunternehmen erhält, ab.

D.3 Wesentliche Risiken, die den Wertpapieren eigen sind.....

Risiken im Zusammenhang mit den Schuldverschreibungen

- Die Investoren tragen das Risiko ihrer Anlageentscheidungen.
- Die Kreditwürdigkeit der Emittentin könnte sich verschlechtern und die Emittentin könnte zahlungsunfähig werden (Kreditrisiko).
- Der Preis der Schuldverschreibungen an der Wiener Börse könnte fallen (Marktpreisrisiko).
- Ein illiquider Markt für die Schuldverschreibungen oder eine Handelsaussetzung könnte den Preis der Schuldverschreibungen nachteilig beeinflussen.
- Eine Aussetzung des Handels mit den Schuldverschreibungen oder der Anteile der Emittentin könnte den Marktpreis der Schuldverschreibungen negativ beeinflussen.
- Ein Anstieg des Zinsniveaus führt höchstwahrscheinlich zu einem Rückgang des Preises für die Schuldverschreibungen.
- Ein Rating der Schuldverschreibungen stellt die Investitionsrisiken vielleicht nicht angemessen dar und könnte außerdem ausgesetzt, herabgestuft (*Downgrade*) oder zurückgezogen werden.
- Inflation senkt den tatsächlichen Wert der Schuldverschreibungen.
- Die Emittentin könnte die Schuldverschreibungen aus steuerlichen Gründen tilgen.
- Der Verkauf von Teilschuldverschreibungen oder eine vorzeitige Rückzahlung bringen ein Wiederveranlagerungsrisiko.
- Für den Erhalt von Zahlungen unter den Schuldverschreibungen 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.
- Schuldverschreibungsinhaber sind unbesicherte Gläubiger der Emittentin und daher strukturell nachrangig gegenüber besicherten Gläubigern, die bevorzugten Zugriff auf jene Vermögensgegenstände, mit denen sie besichert sind, genießen.
- Transaktionskosten und Gebühren könnten den tatsächlichen Wert der Schuldverschreibungen verringern.
- Forderungen gegenüber der Emittentin bezüglich der Rückzahlung verjähren innerhalb von dreißig Jahren und bezüglich

der Zinsen innerhalb von drei Jahren, wenn diese nicht geltend gemacht werden.

- Investoren könnten zur Leistung von Steuern oder anderen Abgaben verpflichtet werden.
- Fremdfinanzierte Zeichnung von Schuldverschreibungen erhöht das Verlustrisiko wesentlich; deswegen wird grundsätzlich davon abgeraten.
- Investoren unterliegen dem Risiko, dass Gesetzesänderungen sich negativ auf die Emittentin oder die Investoren selbst auswirken.
- Ein Gericht kann einen Treuhänder im Zusammenhang mit den Schuldverschreibungen bestellen, der die Rechte und Interessen der Schuldverschreibungsinhaber vertritt, bestellen.
- Der Kauf von Schuldverschreibungen könnte für potentielle Investoren gesetzeswidrig sein.

Abschnitt E - Angebot

E.2b Gründe für das Angebot,
Zweckbestimmung der
Erlöse

Die Emittentin macht das Angebot und beabsichtigt, den Nettoemissionserlös aus der Ausgabe der Schuldverschreibungen für allgemeine Unternehmenszwecke heranzuziehen, wie etwa die Refinanzierung von bestehenden Verbindlichkeiten, insbesondere die EUR 100 Millionen 4,25% Schuldverschreibungen fällig am 25. Mai 2015 (ISIN AT0000A0DRJ9), oder die Bezahlung von Investitionsausgaben oder sonstigen operativen Ausgaben.

E.3 Angebotskonditionen

Die Schuldverschreibungen werden von den Joint Lead Managern bestimmten institutionellen Investoren und Privatanlegern in Österreich und Deutschland angeboten. Zwischen 30. Jänner 2015 und 3. Februar 2015 (die „Angebotsfrist“; das Recht zur Verkürzung der Angebotsfrist vorbehalten) werden die Schuldverschreibungen Privatanlegern angeboten. Die Schuldverschreibungen werden am oder um den 4. Februar 2015 ausgegeben.

Der Emissionspreis für die Schuldverschreibungen ist noch nicht fixiert. Die Emittentin erwartet, dass sich dieser zwischen 98% und 102% des Nominalbetrags der Schuldverschreibungen bewegen wird. Der Emissionspreis und der Zinssatz werden auf Basis der Laufzeit der Schuldverschreibungen, der Rendite und der Nachfrage von institutionellen Investoren im Rahmen der Festlegung der Konditionen (Bookbuilding-Verfahren) am oder um den 28. Jänner 2015 berechnet. Im Rahmen des Bookbuilding-Verfahrens werden die Joint Lead Manager innerhalb einer bestimmten Frist bindende Zeichnungsaufträge von institutionellen Investoren akzeptieren, die für gewöhnlich Renditen innerhalb einer vorbestimmten Spanne beinhalten. In der Folge bestimmen die Joint Lead Manager in Absprache mit der Emittentin den Zinssatz (Kupon) und den Emissionspreis, zu dem die Schuldverschreibungen ausgegeben werden.

Institutionelle Investoren können Schuldverschreibungen zum Reoffer Preis kaufen. Der Emissionspreis, für den Privatanleger die Schuldverschreibungen während der Angebotsfrist kaufen können, wird auf Basis des Reoffer Preises für institutionelle Investoren zuzüglich einer Verkaufsprovision von 1,5 Prozentpunkte berechnet. Der Emissionspreis und der Reoffer Preis werden am oder um den 28. Jänner 2015 in Übereinstimmung mit den anwendbaren Gesetzen veröffentlicht.

E.4 Wesentliche Interessen an der Emission/dem Angebot einschließlich Interessenkonflikte

Die Joint Lead Manager nehmen im Rahmen ihres ordentlichen Geschäftsbetriebs an der Emission teil, um Managementgebühren und Verkaufsprovisionen zu erzielen. Sie erhalten eine Managementgebühr in Höhe von bis zu 0,3% des Nominalbetrags an Schuldverschreibungen, die sie übernehmen. Darüber hinaus hat die Emittentin zugesagt, den Joint Lead Managern bestimmte andere Kosten und Auslagen zu ersetzen.

Die Joint Lead Manager und deren verbundene Unternehmen erbringen im Rahmen ihres ordentlichen Geschäftsbetriebs verschiedene Bank-, Finanzdienstleistungs- oder ähnliche Dienstleistungen für die Emittentin, oder haben solche Dienstleistungen in der Vergangenheit erbracht, und erhalten in ihrer Position als Kreditinstitute oder Kreditgeber unter Kreditfazilitäten gewöhnliche Geschäftsbeziehungen mit der Emittentin, wofür sie übliche Gebühren und Kosten erhalten haben oder erhalten werden, aufrecht. Der Nettoerlös kann (ganz oder teilweise) zur Rückzahlung von ausstehenden Verpflichtungen gegenüber den Joint Lead Managern oder deren verbundene Unternehmen verwendet werden.

E.7 Kosten für den Anleger

Die Emittentin und die Joint Lead Manager werden in Zusammenhang mit der Emission der Schuldverschreibungen keine Kosten, Aufwendungen oder Steuern direkt an die Investoren verrechnen. Den Anleihegläubigern können von ihren jeweiligen Depotbanken übliche Spesen und Gebühren verrechnet werden.

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