Intelligent growth

ANNUAL REPORT **2012**

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PORR presents the highlights of the 2012 business year

Production output 2012 of EUR 2,891.0m matches high level of previous year | Page 47

Order backlog reaches EUR 3,373.3m thanks to sensational large-scale projects, an increase of 22.0% | Page 49

Fist international order in Qatar: enabling works for the planned underground rail construction in Doha | Page 73

Consolidation of real estate underway | Page 77

Significant reduction in net debt to EUR 586.5m | Page 53

First phase of **fitforfuture** optimisation program successfully completed | Page 19

Key Data

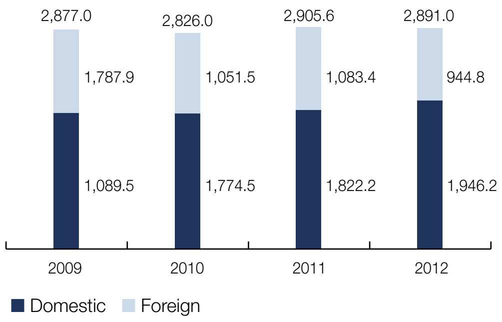
in EUR m	2012	Change	2011[1]	2010	2009
Income Statement					
Production output	2,891.0	-0.5%	2,905.6	2,826.0	2,877.0
of which domestic	1,946.2	6.8%	1,822.2	1,774.5	1,787.5
of which foreign	944.8	-12.8%	1,083.4	1,051.5	1,089.5
Foreign share in %	32.7	-4.6 PP	37.3	37.2	37.9
Revenue	2,314.8	4.6%	2,212.5	2,217.5	2,457.3
EBITDA	103.8	-	10.8	102.8	117.5
EBIT	53.8	-	-40.5	49.1	64.0
EBT	22.0	-	-83.1	20.7	36.5
Profit/loss	18.0	-	-70.2	16.7	31.0
Statement of Financial Position					
Total assets	2,057.9	-3.7%	2,137.1	2,177.9	1,990.8
Non-current assets	1,098.6	-6.7%	1,178.1	1,131.1	1,059.6
Current assets	959.3	0.03%	959.0	1,046.8	931.2
Non-current liabilities	592.8	-27.0%	811.7	706.7	648.1
Current liabilities	1,142.6	11.8%	1,022.1	993.9	867.0
Net debt	586.5	-7.8%	636.1	441.3	475.3
Equity (incl. minority interest)	322.6	6.4%	303.2	477.3	475.7
Equity with cash flow hedges in %	15.7	1.5 PP	14.2	21.9	23.9
Equity without cash flow hedges in %	17.4	1.9 PP	15.5	22.9	24.9
Cash Flow and Investments					
Cash flow from financing activities	72.0	-	-48.4	64.5	67.5
Operating cash flow	110.9	-	39.5	159.6	78.8
Cash flow from operating activities	-108.3	-	-126.0	-99.9	-88.2
Cash flow from investing activities	-44.3	-	29.7	-14.4	83.7
Investments	136.8	-	153.7	143.5	116.0
Depreciation/amortisation/impairment	61.2	-	56.0	54.2	52.4
Operating Data					
Order backlog at year end	3,373.3	22.0%	2,764.2	2,448.9	2,683.9
Order bookings	3,500.1	8.7%	3,220.9	2,591.1	2,998.9
Average staffing levels	10,696	0.7%	10,618	11,654	11,880

Key data regarding shares

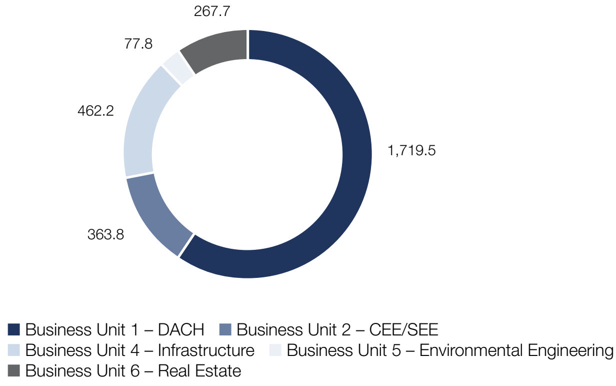
	2012	2011	2010	2009	2008
Number of listed shares					
Ordinary shares	2,045,927	2,045,927	1,960,537	1,960,537	1,341,750
Preference shares	642,000	642,000	642,000	642,000	642,000
Market capitalisation in EUR m (at year end)					
Ordinary shares	152.4	245.5	245.1	247.4	181.1
Preference shares	22.6	23.8	37.9	32.7	34.3
Dividends per share in EUR	1.25[2]	-	0.55	2.2	2.2

[1] The comparative figures for 2011 have been adjusted retrospectively.
[2] Proposal to the AGM

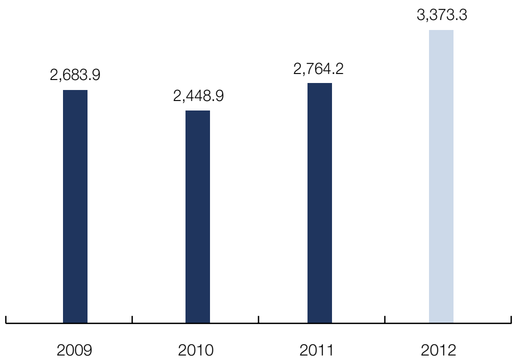
Production output, domestic and foreign
in EUR m



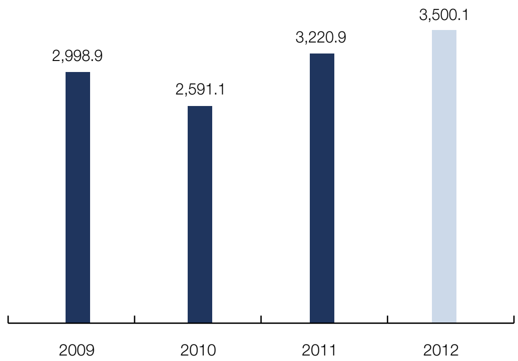
2012 production output by Business Unit
in EUR m



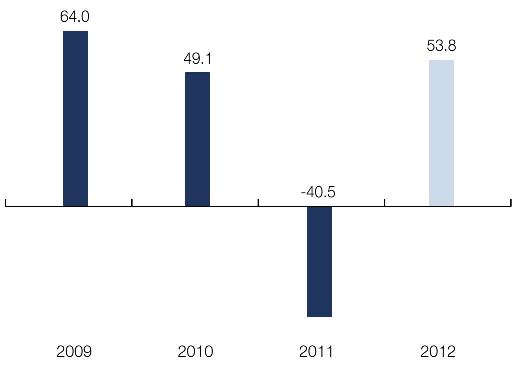
Order backlog
in EUR m



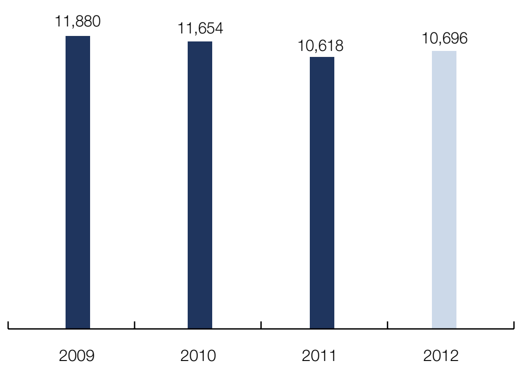
Order bookings
in EUR m



EBIT
in EUR m



Staffing levels (yearly average)



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Intelligent growth means

Strategic realignment and reorganisation

Starting in 2011, PORR has implemented a new organisational structure. Flat hierarchies, clear responsibilities and increased transparency are driving the cultural change in the company. Furthermore, efficiency is increasing in the course of the Group-wide optimisation programme, **fit**for**future**. The programme's goal is to reduce costs, eliminate redundant structures and simplify processes.

fitforfuture

Intelligent growth means

Concentration on the home markets

The strong home markets of Austria, Germany, Switzerland, Poland and the Czech Republic represent the solid foundations of PORR's long-term growth. The company is aiming for further growth in these economically stable countries. These economically stable and crisis-proof home markets have been a factor in the solid operating performance and in the high number of new orders.

Intelligent growth means

Sustainability as corporate strategy

For PORR an equal balance between economy, ecology and social considerations is crucial. Conducting business sustainably and considering our society and future generations plays a key role in the company's growth. PORR has been committed to a sustainable management approach ever since it was founded; the company is a fair employer which works in partnership with almost 11,000 staff and is committed to diversity and realising the potential of every employee. A clear signal is also being sent with regard to the environment. PORR has adopted a responsible approach to resources and conducts intensive research and development on the issue of climate protection.

“We have ambitious plans ...”

Karl-Heinz Strauss, CEO of PORR AG, talks about the 2012 business year, the “new” PORR and the challenges of the future.

Following the difficult year in 2011, you have reported a turnaround in 2012 – can you elaborate?

I am satisfied with our progress. Although 2012 was very challenging in terms of the economy, PORR is now in a better position than at any time before the start of the crisis. Our order books have never been so full, not in the past 144 years; we were able to reduce our debt level significantly and the results for the year are positive. This is all thanks to the hard work of every single staff member. Together with my Executive Board colleagues, Christian B. Maier and Hans Wenkenbach, I believe that PORR is on the right track. With our intense efforts it should be possible in the coming years to secure the Group’s positive business performance and continue to achieve intelligent growth.

The key phrase is “intelligent growth” – how do you interpret this? Has this strategy contributed to the turnaround?

Following on from the difficult year 2011, PORR has managed a return to profitable business in the past year. This success is a testament to the strategy we are pursuing.

For this year and the years to come PORR has one goal: intelligent growth. This also means focusing on our core competencies – permanent business in our five home markets and targeted expansion with our export products in the infrastructure sector in the international markets. PORR has outstanding expertise which will allow us to be successful even beyond Europe. One point here is particularly critical for me: the risks must be clearly laid out; neither I nor my colleagues are interested in adventure.

PORR has also cited fitforfuture as a factor in its success. How has this programme contributed to strengthening the company?

It has made a very important contribution. Since 2011 we have scoured the company for optimisation potential and opportunities to cut costs and we have implemented numerous measures which prevent duplication and inefficiencies. Making processes faster and less bureaucratic does not only save time and money, but allows us to focus on the issues which are really important. This includes avoiding failing construction sites through a strict dual-control principle involving technical and commercial staff and the ongoing optimisation of our purchasing strategy. The largest cost pool for PORR involves materials; by centralising Group Purchasing we have maximised the optimisation potential.

At the start you mentioned the dedication of PORR’s staff. What is your key issue regarding the almost 11,000 employees and workers?

The work which is realised at PORR day in, day out, is excellent. It is the backbone of our corporate success and this is why we have great appreciation for our staff. We only need to look around – companies whose recognition of staff value fluctuates depending on the year’s earnings will never achieve long-term success. I personally am a big proponent of the concept of staff autonomy. It is important to me that our employees think like entrepreneurs and that they work on improvements and optimisation in their respective areas, at the end of the day benefiting the company as a whole.

The existing knowhow in tunnelling, the slab track railway system, cooperation with universities and research institutes – is PORR on its way to becoming a technology company?

PORR already is. Thanks to the top performance and expertise of our staff, the company already has a long tradition in trailblazing. We only need to recognise more readily that we are world class in many sectors. One great example of this is the slab track railway system. With two major new orders in Germany and the system's implementation on the Stuttgart–Ulm project (Stuttgart 21), 2012 was a seminal year for us – our Austrian knowhow has made its mark internationally to great acclaim. If we continue to build on our strengths in the future, we will have the best opportunities to sell these export products on additional international markets.

You have now been at the PORR helm for two years. How would you rate the company's development in this time? And how do you personally feel?

I am constantly surprised that I have already – or only – been at the company for two years. On the one hand time has flown by, on the other I now know the company so well it's as if I had never done anything else. In the past months my Executive Board colleagues and I have made numerous changes. But the scaffolding, the essence of PORR remains in place. It is this positive impulse to achieve something new, to be unafraid of challenges and to always be the best. This is also the reason why I have personally increased my interest in the company in the course of the stock takeover. I want it to send a clear message: I stand beside PORR and our staff and am certain that together we will enjoy great success with our current approach.

"Intelligent growth is the goal for the coming years. This means focusing on our core competencies – securing our five home markets and carrying out targeted and selective expansion in the infrastructure sector on the international markets."

The Executive Board

Karl-Heinz Strauss has been Chairman of the Executive Board and CEO at PORR since September 13th 2010. On the PORR Board he is responsible for Business Unit 1 – DACH (for Austria and Switzerland) and for Business Unit 5 – Environmental Engineering and Business Unit 6 – Real Estate, along with Strategy/M&A, Internal Audit, Communication, Legal Affairs, Human Resources and Quality Management. Born in 1960, he completed international study programmes in Harvard, St. Gallen, Fontainebleau and Hayward after graduating from the technical college of civil engineering. From 1992 he worked in various positions as Managing Director and member of the Supervisory Board in various RZB real estate companies and was head of Concorde Projektentwicklungsgesellschaft m.b.H., which he played a large role in founding and building up. In 1994 he was appointed to the Executive Board of Raiffeisen Wohnbaubank AG. In 2000 he took over the management of STRAUSS & PARTNER IMMOBILIEN GmbH.

Karl-Heinz Strauss
Chairman of the Executive Board, CEO

"The good performance on our home markets played a decisive role in the positive 2012 results."

J. Johannes Wenkenbach
Executive Board member, COO

"Our international focus is on export products for profitable, low-risk projects."

J. Johannes Wenkenbach was appointed to the PORR Executive Board on February 1st 2012 and is the COO. On the Executive Board he is responsible for Business Unit 1 – DACH (for Germany), as well as Business Unit 2 – CEE/SEE, Business Unit 3 – International, Business Unit 4 – Infrastructure, Purchasing and for Porr Equipment Services GmbH. Born in 1957, J. Johannes Wenkenbach began his career at the Dutch construction company Ballast Nedam Groep after graduating from Delft Technical University. He has built up his operating expertise in the construction industry throughout his career in various international construction companies such as the Royal BAM Group subsidiary, Wayss & Freitag Ingenieurbau AG. In terms of geography, his experience is focused on the Middle East, South East Asia and Germany.

J. J. Wenkenbach

Christian B. Maier was appointed to the PORR Executive Board on February 1st 2012 and is the CFO. On the Executive Board he is responsible for Group Management, Risk Management/ICS, Accounting, Controlling, Treasury/Insurance, Tax and IT, as well as Financial Management. Born in 1966, he graduated in mechanical engineering from HTBL Kapfenberg, a secondary industrial college, before going on to study geology and business administration in Vienna. His career led him to Creditanstalt and Bank Austria AG before moving to Unternehmens Invest AG. In 2003 Christian B. Maier took up the post of CFO at Constantia Industries where he played a key role in the company's success.

Christian B. Maier
Executive Board member, CFO

"We have succeeded in significantly reducing net debt. Our goal is to eliminate net debt completely."

K.-H. Strauss

C. B. Maier

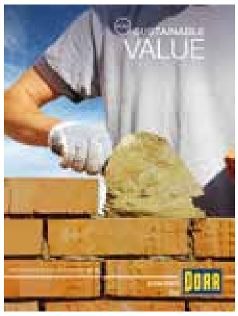
2012 Highlights

January **EBRD supports PORR in Serbia.** PORR received a special-purpose loan from the EBRD (European Bank for Reconstruction and Development) to build a sleeper factory in Svilajnac, around 100km south of Belgrade. PORR intends to expand its activities in the South-East European railway market with production capacity of 200,000 sleepers per year.

February **Groundbreaking on "Westside Wohnen".** Ground was broken on the modern residential complex in Klagenfurt am Wörthersee in freezing conditions. "Westside Wohnen" in Anzengruberstraße is a joint project headed up by PORR. The project involves high-quality freehold flats from 39m² to 166m².

March **Handover of Münster Gröben II residential complex.** In March the twin-building residential complex in Gröben, at the entrance to Zillertal, was handed over on time to the developers. The first building consists of 18 subsidised apartments with an underground garage with 83 parking spaces and a kindergarten. The second phase involves 36 apartments.

April **2012 Sustainable Value Report.** PORR once again presented its Sustainable Value Report in 2012. PORR expressed its renewed commitment to the three pillars – recognising value in terms of staff, adding value with a clear focus on sustainability and preserving value with regard to the environment. For the first time the report was based on the international GRI (Global Reporting Initiative) standards.



May **Major order for Krankenhaus Nord Hospital in Vienna.** In the course of a Europe-wide call for tenders by the Vienna Hospital Association, PORR won the order to build the shell of the Krankenhaus Nord Hospital in Vienna. With an order volume of EUR 98.4m, this project underlines PORR's expertise in building medical facilities.

June **Breakthrough on Emscher Sewage Canal.** "Wasser marsch!" was heard in June at the new Emscher Sewage Canal in Henrichenburg/Nordrhein-Westfalen. Following a construction period of almost 4 years, the Emscher now flows into its new bed. The overall project is currently Europe's largest sewage canal project. PORR has also been charged with other sections.

July

Two additional lots on Stuttgart–Ulm. PORR received another major order from Deutsche Bahn for the Stuttgart–Ulm project (formerly Stuttgart 21, S21). The tender involves two civil engineering sections in Untertürkheim and Obertürkheim. This was followed in October by another major order on this project, with the Albaufstieg.

August

Market entry in Qatar. There was great success for PORR in Qatar with the acquisition of the Doha Metro project. With the enabling works for the underground railway construction, PORR is well positioned for further contracts in the course of the 2022 FIFA World Cup. Its local partners HBK (Qatar) and SBG (Jeddah, Saudi Arabia) have international experience and have been working successfully in the region for decades.

September

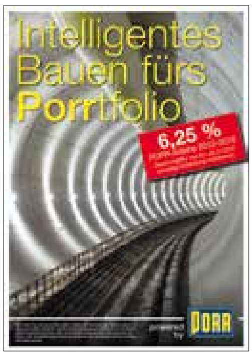
Strauss & Partner hands over Margaretenstraße residence. In just 22 months the residential complex developed by Strauss & Partner Development in Vienna was completed on schedule. The apartments are between 30m² and 140m² and located in four buildings between Margaretenstraße and Gießaufgasse. Every part of the sites meets low-energy standards. Modern commercial space and office buildings on the ground floor complement the surrounding infrastructure.

October

Breakthrough on the Brenner Base access tunnel. Construction work on the Brenner Base Tunnel began just three years ago with an exploratory tunnel in the Sill Gorge. In July 2010 work started north of the Europa Bridge under the A13 with the excavation of the lateral Ahrental access tunnel. Since then 4,300m has been tunnelled by PORR and its partners from the Sill Gorge towards the Brenner Pass. The breakthrough was completed in October.

November

PORR bond issued. The 2012 PORR bond was successfully placed on the market in November. With a total volume of EUR 50m, the bond was tailored to private and institutional investors in Austria, Germany and Luxembourg.



December

Additional lot S10-Freistadt. ASFINAG awarded the final open lot 3 on the S10-Mühlviertler expressway infrastructure project to a PORR consortium. PORR had already proven its expertise on the Götschka Tunnel and lot 4/1 (Freistadt Süd). The Kefermarkt construction phase covers 5km. The project consists of subsurface routes and other civil engineering structures.

About PORR

As a full service provider, PORR realises construction projects of every type and size both within and beyond Europe. The company covers every aspect of the modern construction industry – from project development to building construction, civil engineering and road construction through to energy and environmental engineering. The central feature of the strategy is the guiding principle of earnings-based growth, whereby the focus is on the selective acquisition of high-margin projects. Furthermore the company has comprehensive knowhow in developing, marketing and operating real estate.

PORR at a glance

Modern, international, trailblazing

The PORR Group today is one of Austria's largest construction companies and one of the leading construction firms in Europe. With numerous locations in Central, South-Eastern and Eastern Europe, it is involved in realising trailblazing construction projects. PORR is also active in Qatar, Oman, Saudi Arabia and Turkey on a project-only basis.

PORR services range from residential construction through to complex infrastructure projects in every area of the construction industry. Clients are guaranteed perfect execution from planning through to handover and can also rely on the profitability of their respective projects. The PORR Group feels especially obligated to its shareholders with a corporate policy centred on sustainable business growth.

In-depth knowledge and a thirst for innovation form the basis for PORR's top-quality services as well as a willingness to constantly learn and improve. National and international partnerships also give the group a competitive edge.

The **fit**for**future** programme

The Group has undergone a comprehensive realignment in the course of the ongoing optimisation process **fit**for**future**, implemented in April 2012. The programme aims to reduce costs, eliminate redundant structures and simplify processes.

fitfor**future** involves various projects which address issues such as reducing material and structural costs, more efficient site management and Group reporting. The real estate strategy is also being comprehensively revised in the course of this programme with the divestment of non-operational real estate. Three success factors will thereby make PORR even more productive in future: clear responsibilities, streamlined and flexible structures and transparent management.

Streamlined holding and powerful Business Units

At the head of the PORR Group there is a streamlined holding with four divisions – Strategy and Mergers & Acquisitions, Internal Audit, Group Management and Corporate Communications. All other divisions in the Group have been merged into a "Shared Service Center" which acts as a central service provider for the entire Group. This ensures all sectors have access to the same standards in accounting, financing, controlling, legal affairs and IT.

The PORR holding functions as a strategic operational umbrella under which Porr Bau GmbH is positioned. The numerous individual, country-specific companies are included in this large operational unit. PORR's business is divided into the following Business Units:

Business Unit 1 – DACH covers all activities on the home markets of Austria, Germany and Switzerland as well as large-scale building construction projects.

Business Unit 2 – CEE/SEE is responsible for the home markets of Poland and the Czech Republic and all project-related activities in the CEE/SEE countries – at present the main focus is on Romania, Bulgaria, Serbia and Slovakia.

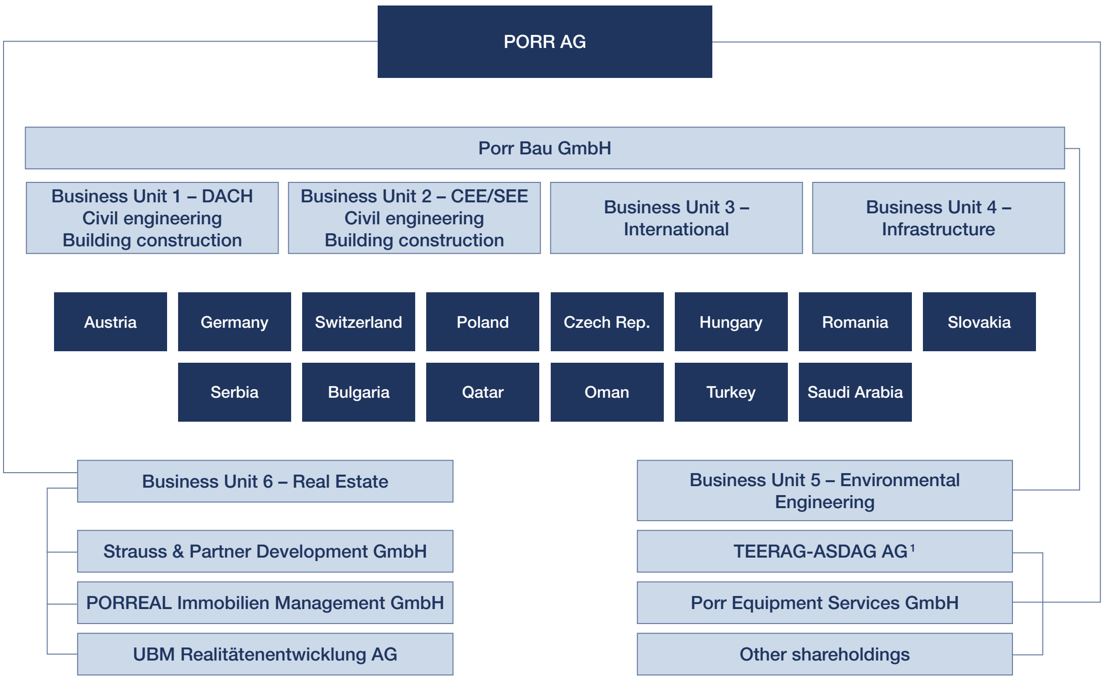
In addition PORR is involved in the international markets of Qatar, Oman, Saudi Arabia and Turkey with **Business Unit 3 – International**. Here the company acts as premium provider and infrastructure specialist, predominantly in the areas of tunnelling, railway construction and foundation engineering.

Business Unit 4 – Infrastructure complements the PORR spectrum in the home markets and international markets. It includes all activities in tunnelling, railway construction, foundation engineering and large-scale projects in road and bridge construction, power plant construction and civil engineering.

Business Unit 5 – Environmental Engineering is home to the Group's expertise in environmental clean-up, waste management and renewable energy. PORR Environmental Engineering develops, builds and operates landfills and waste treatment and sorting facilities in Austria, Germany and Serbia.

Business Unit 6 – Real Estate is covered by the project developer Strauss & Partner Development GmbH, the property management specialists PORREAL Immobilien Management GmbH and UBM Realitätenentwicklung Aktiengesellschaft. The focus of the Business Unit ranges from the office, commercial, tourism and hotel sectors to concession models from hospitals through to large-scale infrastructure projects.

Organisational Structure



[1] part of Business Unit 1

PORR Locations

The PORR Group markets are split into three categories:

The **home markets** are Austria, Germany, Switzerland, Poland and the Czech Republic. Owing to the stable economic situation and the good credit standing, PORR is represented here with every product and service and offers comprehensive coverage.

The **project-based markets** in Eastern and South Eastern Europe (CEE/SEE region) are countries in which PORR is active with individual projects and niches – primarily in the infrastructure sector. Here the main countries in which PORR operates are Romania, Bulgaria, Serbia and Slovakia.

On the **international markets** PORR presents itself as an expert, premium provider and infrastructure specialist. In addition to orders in Qatar, which acts as the regional hub, PORR is pursuing individual projects in Turkey, Saudi Arabia and Oman. Here PORR focuses on its core competencies such as tunnelling, railway construction and foundation engineering, where it can offer clear added value.

Home markets

1 Austria
2 Germany
3 Switzerland
4 Poland
5 Czech Republic

Offering all products and sectors with complete coverage

Project-based markets

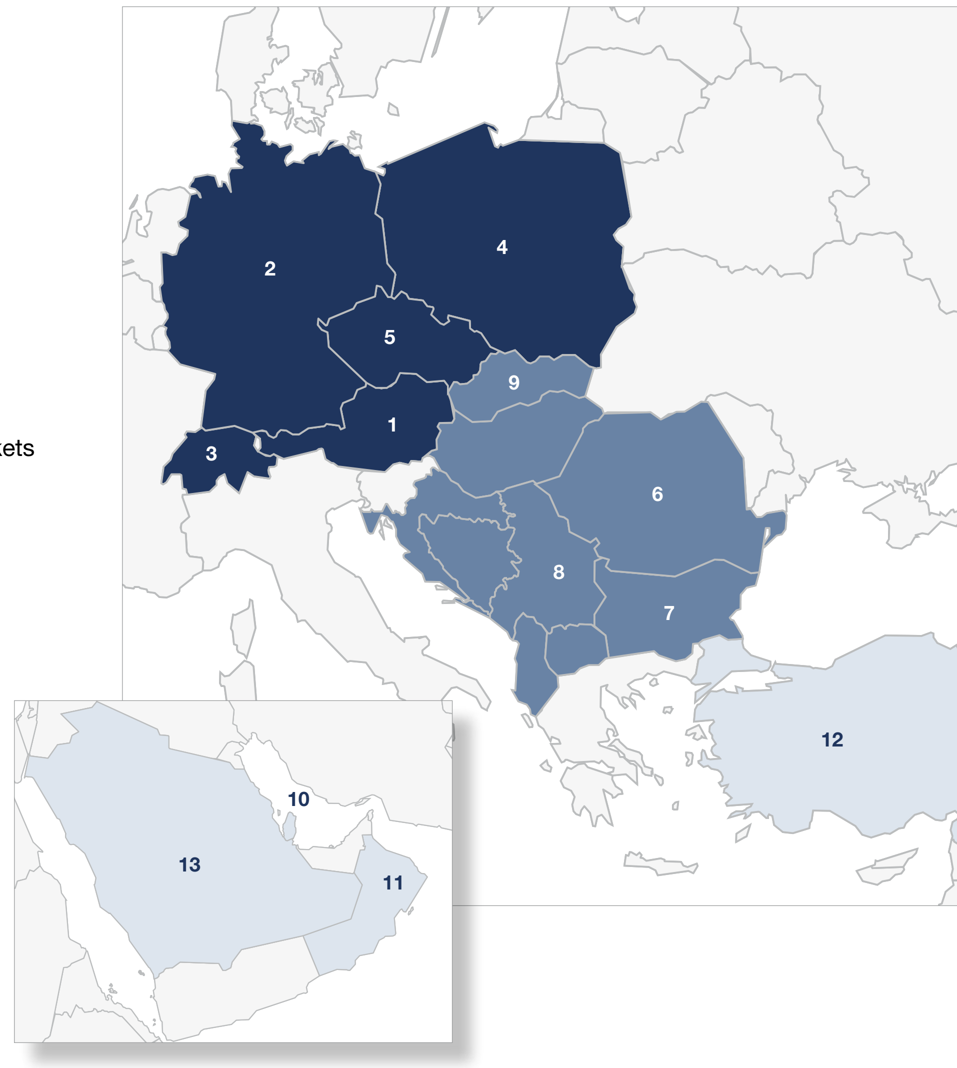
6 Romania
7 Bulgaria
8 Serbia
9 Slovakia and other CEE/SEE markets

Selective range predominantly in infrastructure sector

International markets

10 Qatar
11 Oman
12 Turkey
13 Saudi Arabia

Selective concentration on selected markets



Corporate Strategy

Construction as core competency for over 140 years

Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft was founded in 1869 and has operated successfully in the construction industry for more than 140 years. The Group's extensive experience and expertise has made PORR into a modern European construction company, able to recognise what customers need and to provide tailor-made solutions.

PORR is committed to its core competency – construction. While the Group covers the entire value chain from advance project development to follow-up services such as facility management, it is technical construction which remains at the heart of the service portfolio. PORR relies on the immense dedication and innovative talent of its staff and is committed to providing a high share of services in-house. Where necessary, PORR works with renowned partners in order to realise highly demanding and complex projects.

PORR has been listed on the Vienna Stock Exchange ever since it was founded in 1869, making it one of the country's oldest listed companies. The stock market environment is under constant observation and capital measures are taken after close consultation with shareholders when market conditions demand.

Flexibility and speed

The construction industry is Europe's economic engine – the construction market is traditionally known for being highly dynamic. The target is achieving growth which is simultaneously of high quality and focused on earnings and safety; here PORR relies on reacting quickly and flexibly to changing market conditions. Three success factors have made the company's performance even stronger: clear responsibilities, streamlined, flexible structures and transparent leadership. Comprehensive application of the dual-control principle between the commercial and technical sides guarantees the best-possible symbiosis of technical excellence and reliable returns. The **fit**for**future** optimisation programme is entering the next phase in 2013 with important projects related to structural costs, site management, reporting and working capital. Thanks to the optimisation of cost structures, it was already possible to reduce net debt significantly in 2012. Further divestment is also planned for the current year.

Deeply rooted in the home markets

The secure home markets of Austria, Germany, Switzerland, Poland and the Czech Republic form the foundation for sustainable growth. PORR generates more than 80% of production output in these economically stable countries, as well as having excellent networks and a first-class reputation. All products and sectors are offered across the region with almost complete coverage, whereby any gaps are being steadily closed off. The approach of a portfolio covering all sectors enables PORR to balance out fluctuations in the individual regions and business segments to the greatest extent possible.

Risk-averse international expansion

PORR is able to draw on long-term experience in Eastern and South-Eastern Europe. The company has been represented with infrastructure projects and in niches on a project basis in countries such as Serbia and Romania for decades. Owing to the tense situation with public-sector budgets, PORR is only pursuing projects outside its home markets in the CEE/SEE region which are co-financed by international finance institutions or the EU.

Beyond Europe, PORR's business focus lies in the Middle East. PORR is developing the markets of Oman, Saudi Arabia and Turkey with Qatar as the regional hub. A risk-averse approach is at the forefront, whereby projects – primarily export products in the infrastructure sector with secure financing – are only offered after a comprehensive analysis of the risks and opportunities.

Focus on core competencies

With its patents such as the slab track railway system and cutting-edge tunnelling technology, PORR has exceptional expertise in its core competency – infrastructure. In recent years construction technology has grown into an ever more important competitive advantage. PORR benefits from its patents and accumulated knowledge and is positioned as a first-class technology company. PORR is also recognised as an expert in other areas of construction – such as building housing, municipal buildings or hotels – and in civil engineering sectors such as foundation engineering on its home markets and beyond. These core competencies will be expanded still further in the coming years. The very high backlog of orders permits the selective acquisition of high-margin projects.

Staff innovation is key success factor

A significant degree of PORR's success is due to its staff, who number almost 11,000. PORR is a fair employer which works in partnership with its staff and is committed to diversity by nurturing the potential of every single staff member. The innovation talent of the technicians and engineers, together with the cumulative construction expertise of the skilled workers has been enabling PORR to provide construction services at the highest level for decades. In order to continue providing such pioneering services in the future, PORR continuously invests in the Know-how of its staff.

PORR on the Stock Exchange

Financial markets affected by national debts

Despite the turbulence surrounding the European debt crisis, the global finance and capital markets experienced positive growth in 2012. The growth trend in shares was driven in particular by the expansive monetary policy of the central banks which led to historically low interest rates.

The start of 2012 began with strong price rises and low volatility on the markets which lasted until the end of March. The first reversal followed in spring and was mainly caused by the European debt crisis. In the second quarter 2012 Greece was once again the focus of the financial markets; added to this was the ratings downgrades of Spain and Italy in particular. These developments heightened uncertainty on the markets and led to sharp price corrections. It was only after several votes that Greece managed to establish a political majority for far-reaching austerity measures. The ECB then expressed a willingness to help out the hard-hit peripheral countries, leading to the first alleviation of the tense situation. The announcement of further fiscal policy programmes by the US Federal Reserve pushed share prices overseas to new highs.

In the second half of the year there was high variation in developments on the international stock markets. The upward trend in Europe persisted until the turn of the year, albeit with high volatility. In the USA two topics dominated market performance in December: on the one hand the Fed surprised the markets with an expansion of its programme to buy Treasury securities, on the other, the possibility of a fiscal cliff reignited fears of recession and caused investors to shy away from US securities

International indices

In Europe the last trading day 2012 closed with slight rises. After the Eurostoxx 50 Index picked up speed in June and headed towards the finishing line in mid November, it ended the year on 2,635.91 points; the increase for the year was therefore around 14.0%. DAX, the German stock index, was up by as much as 27.0%. In contrast, the US stock markets were dominated by the impending fiscal cliff. This uncertainty caused the Dow Jones Industrial Average (DJI) to end 2012 at 13,104.14 points, an increase for the year of 7.3 percentage points. The Asian stock markets enjoyed a successful year in 2012, albeit far from their historic highs. The Japanese Nikkei Index and the Hang Seng in Hong Kong each grew by nearly 23.0%.

There were positive developments on the stock exchanges of the emerging markets. The Eastern European CECE Index, capitalised in euros, put in a strong performance of 25.7% and ended the year at 1,884.06 points. The MSCI Emerging Markets Index experienced weaker growth and was up by just 15.1%.

Upward trend on the Vienna Stock Exchange

There was high volatility on the Austrian stock markets in 2012. The leading ATX index closed up at 2,401.21 points in the year under review, representing a plus of 26.9% on the previous year and significantly outperforming the Eurostoxx 50. The market experienced renewed benefits from the high weighting towards financial securities and real estate stock.

Following a difficult stock market environment in 2011, the leading ATX index recorded a significant increase in the first quarter 2012. Within just a few weeks the ATX climbed by around 18.0% to 2,245.7 points, although it suffered a correction later on. The renewed exacerbation of the national debt crisis led to a fall in the ATX by the end of June back to 1,880.77 points. From July onwards an upward trend set in, which was only sporadically interrupted by slight corrections. The year high was achieved in December with 2,427.37 points.

PORR ordinary and preference shares

Developments on the international financial markets, the global economic decline and a comprehensive internal restructuring of the PORR Group were the main factors affecting the PORR shares in the year 2012.

The ordinary shares started the year with a value of EUR 116.0 and were predominantly volatile in January; the year high of EUR 124.9 was achieved in January. There was a continuous decline in ordinary PORR shares from February to around mid July, characterised by investor concerns both about general economic growth and about the success of the **fit**for**future** programme implemented by PORR in 2012. After this the shares showed volatile developments until the end of November, fluctuating between EUR 82.0 and EUR 92.3. The mandatory public offering demanded by the Takeover Commission had a negative impact on the share price in November. On December 28th 2012 the share price closed at EUR 74.5.

Overall the preference shares mirrored the total market and saw similar developments to the ordinary shares until July. The preference shares started the year at a level of EUR 37.2, showing an upward trend in January, before subsequently slipping back until the summer. The year low of EUR 28.0 was hit in July. In contrast to the ordinary shares, a recovery in the preference share price took hold in August which continued until the end of the year with only occasional interruptions. The shares reached their year high on December 17th 2012 at EUR 45.0. At year end 2012 the preference shares were listed at EUR 35.2.

PORR market capitalisation

The market capitalisation of the PORR Group amounted to EUR 175.0m at year end 2012; this contrasts with EUR 269.3m at the end of 2011.

PORR capital share certificates

PORR capital share certificates were in line with the general trend, although trading revenue was very low in the reporting period. At year end 2012 the price of PORR capital share certificates had fallen to EUR 33.0.

SuP takeover bid

SuP Beteiligungs GmbH, Vienna, a company wholly owned by the PROSPERO Privatstiftung (hereafter: Strauss Group) concluded purchase agreements on July 16th 2012 with DV Beteiligungsverwaltungs GmbH, a B & C Group company, as well as with UniCredit Bank Austria AG to acquire 775,952 ordinary shares, 511,312 preference shares and 14,826 capital share certificates in PORR AG. The contracts were concluded on October 25th 2012. At the same time the Strauss Group entered into the syndicate with the Ortner Group in place of the B & C Group; in total the syndicate holds 72.75% of voting rights in PORR. As a consequence of procuring a controlling share and the ruling by the Takeover Commission, SuP Beteiligungs GmbH made a mandatory public offering in line with Article 22 et seq. Takeover Act. The purchase price amounted to EUR 52.0 per ordinary share including 2012 dividends, EUR 32.0 per preference share including 2012 dividends as well as EUR 37.0 per capital share certificate including share of profits for 2012. The acceptance period ran from November 21st 2012 to December 5th 2012.

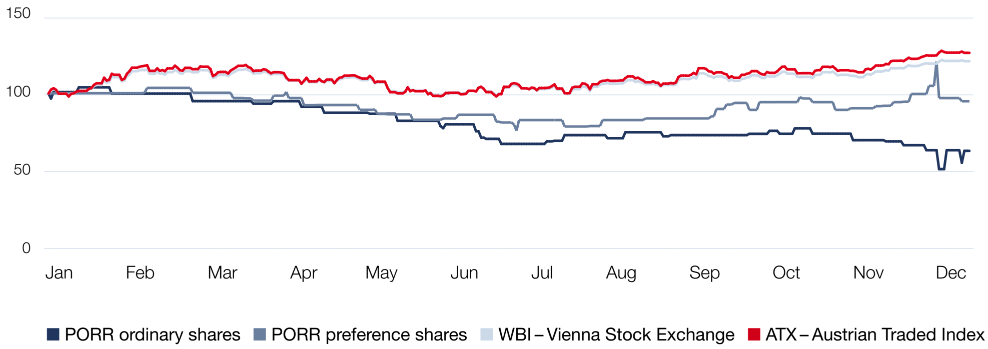
PORR Corporate Bond 2012

The PORR Group's financing is primarily secured by means of long-term capital market instruments. Despite a difficult market backdrop in 2012, the company issued another corporate bond of EUR 50m. The bond was placed in Vienna, on the Second Regulated Market of the Vienna Stock Exchange, and in Frankfurt, in the Entry Standard segment. The bond has a denomination of EUR 1,000, a four-year term and a coupon of 6.25%. The PORR Group has used the proceeds from the bond issue to optimise the finance portfolio and strengthen the company's financial position, in particular for the settlement of financial liabilities due in 2013.

Observing Austrian Compliance Guidelines

To prevent the misuse of insider information "issuer compliance regulations" produced by the financial market supervisory authority came into force on April 1st 2002, which were then revised in 2007. PORR AG enacted its own new compliance guidelines in order to meet the requirements of the Stock Exchange Act and the 2007 compliance regulations; these came into effect in November 2007. They regulate the

Development of the price of PORR shares (index) from January to December 2012
in %



Stock market indicators

in EUR	Ordinary shares	Preference shares
Price at 31.12.2011	120.0	37.1
Price at 31.12.2012	74.5	35.2
Year high 2012	(on 13.1.) 124.9	(on 17.12.) 44.975
Year low 2012	(on 18.12.) 60.0	(on 4.7.) 28.0
Listing on the Vienna Stock Exchange	Official trading standard market auction	Official trading standard market auction
ISIN codes	AT 000 060 960 7	AT 000 060 963 1
Security code	POS	POV

PORR on the Vienna Stock Exchange

	ISIN codes	Number of shares quoting/nominals	First quoted
PORR ordinary shares	AT 000 060 960 7	2,045,927 shares	8.4.1869
PORR preference shares	AT 000 060 963 1	642,000 shares	3.11.1986
PORR capital share certificates	AT 000 060 966 4	49,800 shares	22.10.1990
PORR bond 6.0% 09–14	AT 000 0A0 F9G7	EUR 100.0m	6.11.2009
PORR bond 5.0% 10–15	AT 000 0A0 KJK9	EUR 125.0m	13.10.2010
PORR bond 6.25% 12–16	AT 000 0A0 XJ15	EUR 50.0m	4.12.2012
ABAP profit participation rights 2007	AT 000 0A8 6F0	EUR 70.0m	3.11.2008

PORR bonds

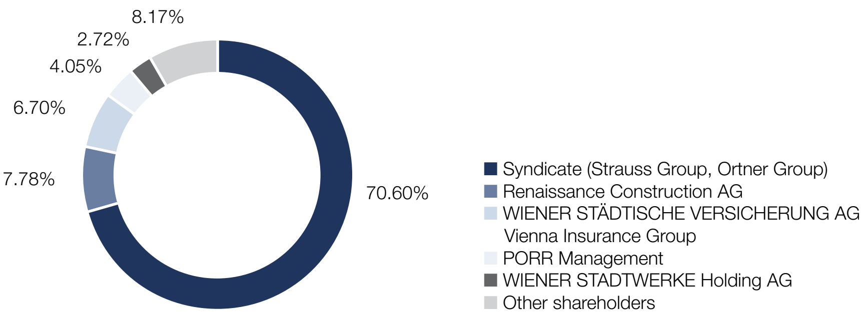
	Nominal amount	Interest	Coupon	Redemption
PORR bond 2012	EUR 50.0m	6.25% p.a.	4.12.	4.12.2016
PORR bond 2010	EUR 125.0m	5.0% p.a.	13.10. and 13.4.	13.10.2015
PORR bond 2009	EUR 100.0m	6.0% p.a.	6.5. and 6.11.	6.11.2014

exchange of information within the company and specify measures to monitor all internal and external flows of information with a view to preventing their misuse. The aim is to make employees, executive bodies, consultants and other persons active on behalf of PORR aware of the legal prohibition on the abuse of insider information.

Investor Relations

The mutual trust in the PORR Group which has been shared by investors and partners for over 140 years is considered by the Executive Board to be both a privilege and a responsibility. The basis of the cooperation between all stakeholders which has been so successful in the past lies in ongoing, open communication channels. All relevant corporate information including downloadable versions of the annual and interim reports can be found on the homepage – www.porr-group.com/group-reports. The office of the CFO, Christian B. Maier, is available to answer any further questions (T +43 50 626-1903, christian.maier@porr.at).

PORR AG shareholder structure (equity interest in share capital)



Financial Calendar

Publication of the 2012 Annual Report	12.4.2013
Financial Results Press Conference	12.4.2013
Interest payment on PORR bond 2010	15.4.2013
Publication of the Interim Report on the 1st Quarter 2013	29.4.2013
Interest payment on PORR bond 2009	6.5.2013
133rd Annual General Meeting, 11:00am, 1100 Vienna, Absberggasse 47	24.5.2013
Ex-dividend trading on the Vienna Stock Exchange	28.5.2013
Dividend payout day for the 2012 business year	29.5.2013
Publication of the Interim Report on the 1st Half 2013	30.8.2013
Interest payment on PORR bond 2010	14.10.2013
Interest payment on PORR bond 2009	6.11.2013
Publication of the Interim Report on the 3rd Quarter 2013	11.11.2013
Interest payment on PORR bond 2012	4.12.2013

Corporate Governance Report

PORR views Corporate Governance as a key concept for responsible and transparent company management and the comprehensive auditing that accompanies this. The Executive Board and Supervisory Board work closely together in the interests of the company and its staff and are involved in the ongoing evaluation of the development and strategic direction of the PORR Group. Constant dialogue with all relevant interest groups builds trust, also in corporate activities, and provides the basis for sustainable company development in the future.

So far, the PORR Group has made no formal declaration committing itself to observance of the "Austrian Code of Corporate Governance", as the code regulates the prime market and is only mandatory for companies listed on the prime market. At present, all ordinary shares and preference shares of PORR AG are listed in the standard market auction segment. This means that commitment to the Corporate Governance Code is not compulsory for PORR. PORR does however – as it has for many years now – comply with all mandatory regulations and most of the Comply or Explain rules (C-Rules) from the Corporate Governance Code.

The "Austrian Code of Corporate Governance" as laid out by the Austrian Working Group for Corporate Governance is available to the public on the homepage of the Austrian Working Group for Corporate Governance at www.corporate-governance.at.

The Group Executive Board

In accordance with Article 7 Section 1 of PORR's Articles of Association, the Executive Board consists of two, three, four, five or six people appointed by the Supervisory Board. The Executive Board currently consists of three members. The number of Executive Board Members is agreed by the Supervisory Board in line with the Articles of Association. The Supervisory Board can name a member of the Executive Board as Chairman and appoint Deputy Executive Board Members. When the Supervisory Board appoints a member of the Executive Board as Chairman of the Executive Board, he only has a casting vote if the Supervisory Board specifies this.

The members of the Executive Board are appointed by the Supervisory Board for a maximum term of five years. The renewed appointment or an extension of this period (each for a maximum of five years) is permitted. The Supervisory Board can dismiss a member of the Executive Board before the end of his/her term in office if there is an important reason to do so, for example if there is a serious breach of duty or if the Annual General Meeting passes a vote of no confidence in the Executive Board Member.

The Articles of Association specify that the Executive Board can pass rules of procedure for the Executive Board, which require the previous approval of the Supervisory Board. The resolution from April 8th 1999 states that the Supervisory Board has approved the rules of procedure for the Executive Board.

The Group is represented by two Executive Board Members, or by one Executive Board Member with one authorised signatory. With legal restrictions, the Group can also be represented by two authorised signatories. The Supervisory Board can grant individual Executive Board Members the authority of sole agency.

The following list shows the Executive Board Members, their date of birth, their position, the date of their first appointment as well as the probable end of their time in office. In 2012 the following people sat on the Executive Board:

Karl-Heinz Strauss (d.o.b. 27.11.1960)
Chairman of the Executive Board, CEO
Member since 13.9.2010, appointed until 31.12.2014

Christian B. Maier (d.o.b. 9.1.1966)
Executive Board Member, CFO
Member since 1.2.2012, appointed until 31.1.2015

J. Johannes Wenkenbach (d.o.b. 26.2.1957)
Executive Board Member, COO
Member since 1.2.2012, appointed until 31.1.2015

Former Executive Board Members Rudolf Krumpeck and Peter Weber left the Executive Board with effect from February 1st 2012. J. Johannes Wenkenbach was appointed as a regular Executive Board Member and Chief Operating Officer (COO) as of February 1st 2012. Christian B. Maier was also appointed as a regular Executive Board Member and Chief Financial Officer (CFO) as of February 1st 2012. The term of office of the newly appointed Board Members runs until January 31st 2015.

Ing. Karl-Heinz Strauss, MBA, was born on November 27th 1960 in Klagenfurt, Austria. After graduating from the technical college of civil engineering, he completed international study programmes in Harvard, St. Gallen, Fontainebleau and Hayward. From 1980 to 1984 he worked as an independent entrepreneur in the civil engineering sector. In 1987 he started his career at Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB) in the corporate customers sector. From 1992 he worked in various positions as a Managing Director and member of the Supervisory Board in various RZB real estate companies and was head of Concorde Projektentwicklungsgesellschaft m.b.H., which he played a large role in founding and building up. In 1994 he was appointed to the Executive Board of Raiffeisen Wohnbaubank AG. In 2000 he took over the management of STRAUSS & PARTNER IMMOBILIEN GmbH.

Karl-Heinz Strauss has been Chairman of the Executive Board and CEO at PORR since September 13th 2010. On the PORR Executive Board he is responsible for Business Unit 1 – DACH (for Austria and Switzerland) and for Business Unit 5 – Environmental Engineering and Business Unit 6 – Real Estate, along with Strategy/M&A, Internal Audit, Communication, Legal Affairs, Human Resources and Quality Management.

MMag. Christian B. Maier was born on January 9th 1966 in Judenburg, Austria. He graduated in mechanical engineering from HTBL Kapfenberg, a secondary industrial college, before going on to study geology and business administration in Vienna. His career led him to Creditanstalt and Bank Austria before moving to Unternehmens-Invest AG. In 2003 Christian B. Maier took up the post of CFO at Constantia Industries where he played a key role in the company's success. Christian B. Maier was appointed to the PORR Executive Board on February 1st 2012 and is the PORR CFO. On the Executive Board he is responsible for Group Management, Risk Management/ICS, Accounting, Controlling, Treasury/Insurance, Tax and IT, as well as Financial Management.

Dipl.-Ing. J. Johannes Wenkenbach was born on February 26th 1957 in The Hague, Netherlands. He began his career at the Dutch construction company "Ballast Nedam Groep" after graduating from Delft Technical University. He has built up his operating expertise in the construction industry throughout his career in various international construction companies such as the Royal BAM Group subsidiary, Wayss & Freitag Ingenieurbau AG. In terms of geography, his experience is focused on the Middle East, South East Asia and Germany.

J. Johannes Wenkenbach was appointed as a regular Executive Board Member and PORR COO on February 1st 2012. On the PORR Executive Board he is responsible for Business Unit 1 – DACH (for Germany) as well as Business Unit 2 – CEE/SEE, Business Unit 3 – International, Business Unit 4 – Infrastructure, Purchasing and Porr Equipment Services GmbH.

The members of the Group's Executive Board each fulfil the following additional functions on Supervisory Boards or comparable positions in (non-consolidated) domestic and foreign companies:

Karl-Heinz Strauss
Supervisory Board Member:
DATAX HandelsgmbH
KAPSCH-Group Beteiligungs GmbH
Kapsch Aktiengesellschaft

Christian B. Maier
Supervisory Board Member:
Rath Aktiengesellschaft
Raiffeisenbank Knittelfeld eGen

The Group's Supervisory Board

The Group's Supervisory Board is composed of members appointed at the Annual General Meeting and appointed in line with Article 110 of the Labour Constitutional Act. As specified in the PORR AG Articles of Association, the number of members appointed by the AGM must be at least three and not more than twelve. The Group's Supervisory Board currently consists of ten members appointed by the AGM and five further members appointed by the Works Council.

The Supervisory Board Members – as long as their function is not specified for a shorter period – are appointed until the end of the Annual General Meeting which rules on the approval of the Supervisory Board for the fourth business year after the initial election. The business year in which the Supervisory Board Member was appointed does not count towards this four-year term. Should an elected Supervisory Board Member decline to accept the post, or should he/she leave the Board in the course of the year, there is no need for a replacement to be found, as long as there are at least three appointed members on the Supervisory Board. Members appointed as a replacement only serve for the remainder of the term which the previous member would have served.

Every Supervisory Board Member can be relieved from his/her post with a resolution from the Annual General Meeting, which requires a simple majority. Every member of the Supervisory Board can resign from his/her post following a three-month notice period upon a written declaration to the Chairman of the Supervisory Board.

Once a year following the Annual General Meeting, the Supervisory Board elects a Chairman and one or more Deputies from among its members. If the Chairman or one of the elected Deputies withdraws from his/her post, the Supervisory Board must immediately hold a new election to appoint a successor.

As laid out in the Articles of Association, the Supervisory Board is quorate when at least three appointed members are present. The Supervisory Board passes resolutions via a simple majority of the members present. If the vote is tied, the Chairman has the casting vote. The method of voting is determined by the Chairman. The Supervisory Board convenes at least four times per fiscal year, whereby the meetings should be held once a quarter.

In the 2012 business year the Supervisory Board held six regular and four extraordinary Supervisory Board meetings.

Composition of the Supervisory Board

The following table shows the current members of the Supervisory Board in 2012, their date of birth, their position, the date of their first appointment to the Supervisory Board as well as the probable end of their time in office:

Karl Pistotnik (d.o.b. 12.8.1944)
Chairman since 6.12.2012
Member since 6.12.2012, appointed until AGM 2014 [1]

Friedrich Kadrnoska (d.o.b. 28.6.1951)
Deputy Chairman until 21.6.2012
Chairman from 21.6.2012 until 12.10.2012
Member from 12.10.2012 until 6.12.2012
Member since 24.5.20071, appointed until 6.12.2012 [1]

Klaus Ortner (d.o.b. 26.6.1944)
Deputy Chairman since 21.6.2012
Chairman until 21.6.2012
Member since 30.7.1998, appointed until AGM 2014 [1]

Nematollah Farrokhnia (d.o.b. 8.8.1946)
Member
Member since 27.5.2010, appointed until AGM 2014 [1]

Walter Knirsch (d.o.b. 8.2.1945)
Member
Member since 6.12.2012, appointed until AGM 2014 [1]

Michael Junghans (d.o.b. 6.7.1967)
Member
Member since 27.5.2010, appointed until 25.10.2012 [3]

Martin Krajcsir (d.o.b. 11.5.1963)
Member
Member since 24.6.2004, appointed until AGM 2014 [1]

Walter Lederer (d.o.b. 24.10.1961)
Member
Member since 27.6.2002, appointed until 21.6.2012 [3]

Iris Ortner (d.o.b. 31.8.1974)
Member
Member since 27.5.2010, appointed until AGM 2014 [1]

[1] The Supervisory Board Members are appointed by the Annual General Meeting until the end of the Annual General Meeting which will rule on the fiscal year 2013.
[2] Friedrich Kadrnoska was previously a member of the Supervisory Board from 16.3.2000 to 28.6.2001.
[3] Date of leaving the Board

Patrick Prügger (d.o.b. 8.8.1975)
Member
Member since 21.6.2012, appointed until 25.10.2012 [1]

Wolfgang Reithofer (d.o.b. 30.12.1948)
Member
Member since 27.5.2010, appointed until 6.12.2012 [1]

Karl Samstag (d.o.b. 3.12.1944)
Member, Chairman from 12.10.2012 to 6.12.2012
Member since 16.9.1992, appointed until AGM 2014 [2]

Bernhard Vanas (d.o.b. 10.7.1954)
Member
Member since 6.12.2012, appointed until AGM 2014 [2]

Susanne Weiss (d.o.b. 15.4.1961)
Member
Member since 6.12.2012, appointed until AGM 2014 [2]

Thomas Winischhofer (d.o.b. 26.5.1970)
Member
Member since 29.5.2008, appointed until AGM 2014 [2]

Peter Grandits [3] (d.o.b. 9.12.1959)
Member
Member since 13.9.2001, appointed until n/a

Walter Huber [3] (d.o.b. 7.6.1955)
Member
Member since 1.7.2010 4, appointed until n/a

Walter Jenny [3] (d.o.b. 12.12.1954)
Member from 6.11.2012 and since 6.12.2012
Member since 1.9.2005 [5], appointed until n/a

Michael Kaincz [3] (d.o.b. 31.1.1960)
Member
Member since 9.6.2011, appointed until n/a

Michael Tomitz [3] (d.o.b. 4.1.1961)
Member
Member since 9.6.2011, appointed until n/a

The members of the Group's Supervisory Board each fulfil the following additional functions on Supervisory Boards or comparable positions in (non-consolidated) domestic and foreign companies:

Karl Pistotnik, Chairman
Chairman of the Supervisory Board:
SDN Beteiligungs GmbH
Deputy Chairman of the Supervisory Board:
Treuhand- und Kontroll-Aktiengesellschaft (Societa Fiduciaria e di Controllo Societa per Azioni, Trust and Control Company Ltd., Societe Fiduciare et de Controle Societe Anonyme)
Supervisory Board Member:
Stumpf AG

Klaus Ortner, Deputy Chairman
Chairman of the Supervisory Board:
ELIN GmbH

Walter Knirsch
Supervisory Board Member:
Finanzmarktaufsicht (FMA)

Martin Krajcsir
Chairman of the Supervisory Board:
Immobiliendevelopment WIENER STADTWERKE BMG & STC Swiss Town Consult Aktiengesellschaft
WIENER STADTWERKE Finanzierungs-Services GmbH
Supervisory Board Member:
WIEN ENERGIE GmbH

Iris Ortner
Deputy Chairman of the Supervisory Board:
ELIN GmbH
Supervisory Board Member:
TKT Engineering Sp. z o.o.

Karl Samstag
Chairman of the Supervisory Board:
Bank Austria Wohnbaubank AG
Deputy Chairman of the Supervisory Board:
Signa Property Funds Holding AG
Supervisory Board Member:
Bank für Tirol und Vorarlberg Aktiengesellschaft
BKS Bank AG
Handl Tyrol Beteiligung GmbH
Oberbank AG
Österreichisches Verkehrsbüro Aktiengesellschaft
SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft
Signa Prime Selection AG
UniCredit Bank Austria AG
VAMED Aktiengesellschaft

Susanne Weiss
Chairman of the Supervisory Board:
ROFA AG
Supervisory Board Member:
Giesecke & Devrient GmbH
UniCredit Bank AG, München
Wacker Chemie AG

Thomas Winischhofer
Supervisory Board Member:
TKT Engineering Sp. z o.o.

[1] Date of leaving the Board
[2] The Supervisory Board Members are appointed by the Annual General Meeting until the end of the Annual General Meeting which will rule on the fiscal year 2013.
[3] Appointed by the Works Council
[4] Walter Huber was previously a member of the Supervisory Board from 13.9.2001 to 20.5.2009.
[5] Not a member from 6.11.2012 to 6.12.2012

Supervisory Board committees

The Articles of Association stipulate that the Supervisory Board can form committees made up of its members. The Supervisory Board formed an audit committee and a staff committee. The strategy committee and **fit**for**future** committee were dissolved on December 6th 2012, as the relevant issues are handled in the Supervisory Board as a whole.

The audit committee was composed of the following Supervisory Board members in 2012: Karl Pistotnik (since December 6th 2012), Klaus Ortner, Friedrich Kadrnoska (until December 6th 2012), Michael Junghans (until October 25th 2012), Karl Samstag, Bernhard Vanas (since December 6th 2012), Thomas Winischhofer, Peter Grandits, Walter Huber and Michael Tomitz (until November 7th 2012 and since December 6th 2012). Karl Samstag is the financial expert as defined in Article 92 Section 4a Stock Corporation Act. The responsibilities of the audit committee include (i) monitoring the financial reporting process; (ii) monitoring the effectiveness of the internal control system, the internal revision system and the Group's risk management system; (iii) monitoring the auditing of the individual and consolidated financial statements; (iv) assessing and monitoring the independence of the chartered auditors, in particular as regards any additional services they may have provided to the company; (v) assessing the annual financial statements and preparing for their approval, assessing the proposal for appropriation of earnings, the management report and the Corporate Governance report as well as reporting on the audit findings to the Supervisory Board; (vi) assessing the consolidated financial statements and the Group management report as well as reporting back to the Supervisory Board of the parent on the audit findings; (vii) preparing the Supervisory Board's recommendation on the choice of auditor. On April 26th 2012 a meeting of the audit committee was held in the presence of the auditors for the purpose of auditing and preparing the approval of the 2011 consolidated financial statements. Further meetings of the audit committee were held on September 27th 2012 and November 9th 2012; the purpose of these meetings was to monitor the financial reporting process, select an auditor for the consolidated and annual financial statements as per December 31st 2012, and evaluate the effectiveness of the internal control system, the internal revision system and risk management within the Group.

The staff committee was composed of the following Supervisory Board members in 2012: Karl Pistotnik (since December 6th 2012), Klaus Ortner, Michael Junghans (until October 25th 2012), Friedrich Kadrnoska (until December 6th 2012) and Susanne Weiss (from December 6th 2012). The staff committee deals with human resource issues related to the Group's Executive Board. In 2012 the staff committee was charged with realising contractual regulations related to changes in the Group's Executive Board.

The strategy committee was composed of the Supervisory Board members Klaus Ortner, Friedrich Kadrnoska and Peter Grandits and was dissolved on December 6th 2012, as the relevant issues were dealt with in the Supervisory Board as a whole.

To accompany the **fit**for**future** programme, the Supervisory Board formed a **fit**for**future** committee on May 24th 2012. The **fit**for**future** programme involves different projects, for example reducing material costs and structural costs in the Group, Group reporting, and the development of Group real estate. The **fit**for**future** committee was composed of the Supervisory Board members Klaus Ortner, Michael Junghans, Nematollah Farrokhnia, Wolfgang Reithofer and the members appointed by the Works Council, Walter Huber and Walter Jenny. The **fit**for**future** committee was dissolved on December 6th 2012, as the relevant issues were dealt with in the Supervisory Board as a whole.

Positive action for women

Female managers at various levels of the organisation, division heads, female authorised signatories and a female member of the Supervisory Board have been active in the PORR Group for many years. An additional woman joined the

PORR Supervisory Board with the appointment of Susanne Weiss on December 6th 2012.

Positive action for women at every level of the hierarchy poses a particular challenge for the PORR Group. The traditionally low percentage of women in the construction industry is seen as the main barrier to the future appointment of female managers in top positions. PORR is supporting measures such as the “Vienna Daughters’ Day”, the “Apprenticeship Day” and the “HTL4girls” project, in order to encourage girls and women towards technical professions and those in the construction industry, whether this be as trade apprentices, commercial trainees or in graduate jobs. The goal is to make the male-dominated construction sector more attractive to women.

With regard to recruiting managers, the company’s focus lies in finding appropriate female candidates. The first signs of this strategy’s success can already be seen in the continuous increase in the percentage of women at management level. A further measure involves an increase in attendance at graduate career fairs and alerting female graduates to the attractive opportunities offered by the construction industry. The increase in the share of women in operational units should lead to a reservoir of qualified women which can also supply the top management level in the medium term

Disclosure of information on Executive Board remuneration

Remuneration policy principles

The total remuneration of the Executive Board consists of a fixed salary, a variable bonus and other compensation.

The maximum value of the variable performance bonus for the Chairman of the Executive Board amounts to EUR 300,000.00 gross per year. The calculation relates to the Group’s annual earnings after deductions for non-controlling interest. If the annual earnings meet or exceed the amount defined by the staff committee, the Chairman of the Executive Board is entitled to the maximum amount of the variable performance bonus. If earnings are below the defined amount, he is entitled to an aliquot share.

The maximum value of the bonus for the Executive Board members Christian B. Maier and J. Johannes Wenkenbach amounts to EUR 400,000.00 gross per year. The precondition for granting this bonus is fulfilling the quantitative and qualitative elements of a set of criteria which is specified by the Supervisory Board’s staff committee.

An annual contribution of EUR 25,000.00 is paid into a pension scheme for Executive Board members Christian B. Maier and J. Johannes Wenkenbach.

D&O liability insurance covers the members of the Executive Board, the cost of which is borne by the company. J. Johannes Wenkenbach receives a housing supplement paid by the company.

Emoluments of the Executive Board

Name	2012 salary	Variable gratuities	Pension fund
Karl-Heinz Strauss	700,000.00	300,000.00	-
Christian B. Maier (aliquot from 1.2.2012)	366,674.00	366,674.00	22,916.66
J. Johannes Wenkenbach (aliquot from 1.2.2012)	366,674.00	366,674.00	22,916.66
Rudolf Krumpeck (aliquot until 1.2.2012)	54,671.98		4,888.28
Settlement upon leaving	1,280,000.00	-	
Peter Weber (aliquot until 31.1.2012)	26,032.44		2,628.64
Voluntary redundancy	40,870.26		
Settlement upon leaving	533,645.14	-	

Supervisory Board Report

2012 was a decisive year for PORR. The company had to overcome the difficult situation from the year 2011 and this against an economic backdrop which was only satisfactory on the home markets. The Supervisory Board believes that the turnaround has been successful. It was thereby possible to return to profit and the historically high order backlog provides grounds for optimism in the coming years. Furthermore the company's reorganisation has been progressing as planned and already had a positive impact on PORR's financial position and cash flows in the reporting period. Since February 1st 2012 CEO Karl- Heinz Strauss has had two proven experts by his side, fellow Board members Christian B. Maier (CFO) and J. Johannes Wenkenbach (COO). The Supervisory Board positively acknowledges the good and productive cooperation of the new Executive Board.

The high order backlog and strong credit standing of the public and private clients represents a good order situation for the coming years. PORR continues to face the challenge of adjusting to the changing frame conditions. The Executive Board's strategy of, on the one hand, focusing clearly on the stable home markets and, on the other hand, only pursuing infrastructure projects in Eastern Europe which are (co)financed by the EU or international finance institutions, provides a stable foundation for operating on international markets. The Supervisory Board welcomes the acquisition of the first project in Qatar and supports the risk-averse and earnings-focused approach of the Executive Board.

The Supervisory Board has actively encouraged and supported the company's development in keeping with the responsibilities assigned to it. The Supervisory Board has been kept constantly informed of full details of the development of the business and financial position of the Group and its shareholdings, of staff and planning matters and of investment and acquisition projects through spoken and written reports from the Executive Board, and the latter has discussed strategy, business development and risk management with the Supervisory Board. In a total of ten meetings, the Supervisory Board passed the relevant resolutions that were required.

The necessary approval for the transactions for which consent is required under Article 95 Section 5 of the Stock Corporation Act and pursuant to the rules of procedure for the Executive Board was obtained; in urgent cases, written voting was used for authorisation of this nature. The average level of attendance at Supervisory Board meetings on the part of the members that had been elected by the AGM was 83.3%.

The Supervisory Board formed an audit committee, which was composed of the following Supervisory Board members in 2012: Karl Pistotnik (since December 6th 2012), Klaus Ortner, Friedrich Kadrnoska (until December 6th 2012), Michael Junghans (until October 25th 2012), Karl Samstag, Bernhard Vanas (since December 6th 2012), Thomas Winischhofer, Peter Grandits, Walter Huber and Michael Tomitz (until November 7th 2012 and since December 6th 2012). Karl Samstag is the financial expert as defined in Article 92 Section 4a Stock Corporation Act.

On April 26th 2012 a meeting of the audit committee was held in the presence of the auditors, for the purpose of auditing the 2011 financial statements and preparing them for adoption. Further meetings of the audit committee were held on September 27th 2012 and on November 9th 2012. The purpose of these meetings was to monitor the financial reporting process, select the audit company for the consolidated and annual financial statements as per December 31st 2012, evaluate the effectiveness of the internal control system, the internal revision system and risk management within the Group.

The staff committee was composed of the following Supervisory Board members in 2012: Karl Pistotnik (since December 6th 2012), Klaus Ortner, Michael Junghans (until October 25th 2012), Friedrich Kadrnoska (until December 6th 2012) and Susanne Weiss (since December 6th 2012). The staff committee deals with human resource issues related to the Group's Executive Board. In 2012 the staff committee was charged with realising contractual regulations related to changes in the Group's Executive Board.

The strategy committee was composed of the Supervisory Board members Klaus Ortner, Friedrich Kadrnoska and Peter Grandits and was dissolved on December 6th 2012, as the relevant issues were dealt with in the Supervisory Board as a whole.

To accompany the **fit**for**future** programme, the Supervisory Board formed a **fit**for**future** committee on May 24th 2012. The **fit**for**future** programme involves different projects, for example reducing material costs and structural costs in the Group, Group reporting, and the development of Group real estate. The fitforfuture committee was composed of the Supervisory Board members Klaus Ortner, Michael Junghans, Nematollah Farrokhnia, Wolfgang Reithofer and the members appointed by the Works Council, Walter Huber and Walter Jenny. The fitforfuture committee was dissolved on December 6th 2012, as the relevant issues were dealt with in the Supervisory Board as a whole.

The annual financial statements of Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft as per December 31st 2012, including the notes to the consolidated financial statements and the management report, and the consolidated financial statements that had been prepared as of December 31st 2012 in accordance with International Financial Reporting Standards (IFRS) and the Group management report, were audited by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. The audit, based on the bookkeeping and documentation of the company as well as the explanations and documentation provided by the Executive Board, revealed that the bookkeeping records and the annual financial statements and consolidated accounts complied with the legal requirements and provided no cause for complaint. The Group report and management report accord with the annual and consolidated financial statements. The aforementioned audit company has therefore issued an unqualified audit opinion for the annual and consolidated financial statements.

The audit report prepared by the auditor, the Corporate Governance report and the Executive Board's proposal on the appropriation of earnings were dealt with in detail with the auditors on April 9th 2013 in the audit committee and submitted to the Supervisory Board. The Executive Board proposes to pay a preference dividend of EUR 0.51 per preference share from the net retained profits of EUR 3,784,461.01 and to pay the profit share for capital share certificates of EUR 0.51 per capital share certificate for the business year 2011. The Executive Board also proposes to pay a dividend of EUR 1.25 per share on shares entitled to a dividend as well as EUR 1.25 per capital share. The payout therefore amounts to a total of EUR 3,774,976.75 and the balance of EUR 9,484.26 will be carried forward to new account. The audit committee and the Supervisory Board have approved the annual financial statements as of December 31st 2012 and the Group management report, the Corporate Governance Report and the proposal of the Executive Board regarding the appropriation of earnings following intensive discussion and auditing. The annual financial statements as of December 31st 2012 have thus been adopted. The audit committee and the Supervisory Board also approved the consolidated accounts for 2012 that had been prepared in accordance with IFRS and the Group management report. The Supervisory Board agreed with the proposal of the Executive Board regarding the appropriation of earnings.

The Supervisory Board thanks customers and shareholders for the confidence they have placed in PORR and their commitment to the company, as well as the Executive Board and staff for the dedication they have demonstrated over the past year and the constructive collaboration it has enjoyed with them.

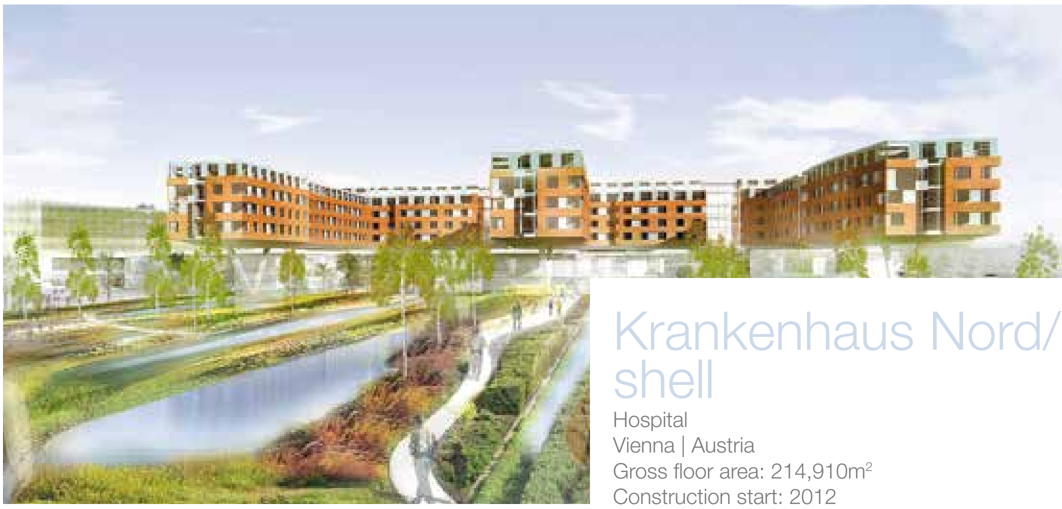
April 2013, Vienna

Karl Pistotnik
Chairman of the Supervisory Board

PORR in Pictures

Hotel Doppio & Doppio Offices

Hotel and office complex
Vienna | Austria
Gross floor area: 7,514m²
Built: 2010–2012



Krankenhaus Nord/shell

Hospital
Vienna | Austria
Gross floor area: 214,910m²
Construction start: 2012

Sea Tower

Residential and office complex
Gdynia | Poland
Gross floor area: 7,500m²
Built: 2006–2007

Polecki Business Park

Office building
Warsaw | Poland
Gross floor area: 96,000m²
Built: 2008–2010

Alexander Parkside

Hotel
Berlin | Germany
Gross floor area: 31,000m²
Built: 2010–2013

Galeria Harfa

Shopping and leisure centre
Prague | Czech Republic
Usable area: 42,000m²
Built: 2009–2011

Loisium Wine & Spa Resort

Wellness hotel
Ehrenhausen | Austria
Gross floor area: 9,700m²
Built: 2010–2012

Margareten residential complex

Vienna | Austria
Gross floor area: 33,300m²
Built: 2010–2012

EURO PLAZA/ phase 5

Office Park
Vienna | Austria
Gross floor area: 34,000m²
Build: 2012–2014

Palais Hansen Kempinski

Hotel and apartments
Vienna | Austria
Gross floor area: 33,204m^2
Completion: 2013

Hotel & Office Campus Berlin

Hotel and office complex
Berlin | Germany
Gross floor area: 34,010m^2
Build: 2012–2014

Steigen-berger am Kanzleramt

Hotel
Berlin | Germany
Gross floor area: 23,000m^2
Build: 2012–2014

Hotel Storchengasse

Hotel and underground parking
Vienna | Austria
Gross floor area: 19,750m²
Built: 2011–2013

Palais Fürth

Luxury residences
Vienna | Austria
Gardens: 1,500m²
Apartments: 150m²–490m²
Built: 2012–2013

Vienna Central Station

Railway station
Vienna | Austria
Excavation: 1,040,00m³
Build: 2009–2015

Stuttgart–Ulm/ Lot 2A

Railway premises
Stuttgart | Germany
Concrete: 22,400m³
Build: 2012–2018

South Approach Roads

Sava Bridge approach roads
Belgrade | Serbia
Bridge area: 37,000m²
Built: 2011–2013

Ashta Power Plant

Hydropower plant
Albania
Annual output: 241 GWh
Built: 2010–2012

Machland Dam/ Lot 3

Central Europe's largest flood control project
Machland | Austria
Length: 13km
Built: 2008–2012

S10-Freistadt

Götschka Tunnel and
Freistadt Bypass
Freistadt | Austria
Tunnel length: 8.8km^2
Build: 2012–2015

Zurndorf Windpark

Wind farm
North Burgenland | Austria
Energy output: 9 MW
Start of operation: 2001

Doha Metro

Underground railway
Doha | Qatar
Enabling works
Construction start: 2012

Erfurt–Leipzig/Halle

Railway line
Gröbers | Germany
Length: 180km slab track railway
Build: 2011–2015

Emscher Sewer

Misc. construction
Castrop-Rauxel | Germany
Earthmoving: 550,000m³
Built: 2008–2012

Management Report

PORR achieved a satisfactory business performance in the 2012 business year. A decisive factor in these stable developments was PORR's strategic decision to focus on the home markets of Austria, Germany, Switzerland, Poland and the Czech Republic in these economically challenging times.

General Economic Environment

Europe tries to balance necessary cuts with ways to boost growth

Following on from a brief recovery phase at the beginning of 2012, the global economy had declined once again by the end of the year. Stagnation in Europe and the crisis of confidence and debt problems in the Southern and Eastern EU member states were not the only factors in this slump. Many industrial countries outside the eurozone were also confronted with a difficult macroeconomic backdrop. In the USA household saving rates increased significantly, causing the most import economic driver – consumer spending – to stagnate. To counteract this, the Federal Reserve decided to keep interest rates at near zero until mid 2015 – half a year longer than previously thought. However, 2012 still saw GDP increase by 2.3%, a high level of growth compared to the previous years.

According to the Austrian Institute of Economic Research – WIFO, economic growth in China amounted to 8.0% in 2012, far below the growth rates of 2009 to 2011. The main reason for this was lower demand from Europe and the USA. The same factor also had a negative impact on the economies of South-East Asia and Latin America, after all, the Western industrial states remain the most important consumers of South-East Asian products in the medium term even in the face of economic difficulties.

With renewed GDP growth of 1.7%, Japan managed to shrug off the recession in the reporting period – in 2011 Japanese GDP had shrunk by 0.6%. Therefore economic output in the most important non-European countries was broadly stable last year, although experts predict a significant slowdown in growth in the USA, China and Japan in 2013.

Eurozone stagnates

The eurozone remained stagnant in 2012 and GDP fell by 0.1% for the full year according to WIFO. The economies of Greece, Ireland, Portugal, Spain and Italy were responsible for this economic decline, while the northern member states continued to achieve stable growth. In the reporting period the main problem in these countries continued to be the ongoing difficulties in the banking sector, which is suffering from losses on government bonds and implementing much more restrictive credit policies as a consequence. The ECB reacted with an announcement to introduce unlimited bond-buying. While this move will not reduce the disparity between eurozone countries in the long term, it is likely to have a positive short-term impact. With this support mechanism, GDP growth of 0.2% has been forecast for the eurozone for 2013. Initial forecasts for 2014 even put growth at over 1.0%, thereby showing the eurozone bucking the trend of other economic areas which are broadly expected to see a slowdown in 2013. Overall, preliminary indicators suggest an easing off and the eurozone members are therefore not in immediate danger of renewed recession.

Economic upswing expected in CEE/SEE region for 2014

Although multiple countries in Eastern and South-Eastern Europe entered a double-dip recession in 2012, the slumps were not as pronounced as at the height of the 2009 crisis. They were also below the declines of the South-Eastern EU countries of Spain, Portugal, Greece and Italy. However, the entire region still faces grave challenges. 2013 growth is likely to remain far below the years 2010 and 2011 and – with few exceptions – approach the levels of Western European growth rates.

Given the region's pressing need to catch up with the rest of the continent, Eastern and South-Eastern are on the cusp of a challenging year. Growth rates are only likely to return to levels far above Western and Central Europe from 2014 and more sharply from 2015. According to WIFO, there is no real danger of a double-dip recession and long-term economic indicators also suggest stable growth for Eastern Europe.

Economic growth indicators 2012[1]

in %	Growth rate real-terms GDP	Inflations rate (HVPI basis)	Unemployment rate (seasonally adjusted)
European Union	-0.3	2.6	10.5
Eurozone	-0.6	2.5	11.4
Austria	0.8	2.6	4.3[2]
Germany	0.7	2.1	5.5
Switzerland	1.0	-0.7	3.4[2]
Poland	2.0	3.7	10.1
Czech Republic	-1.1	3.5	7.0
Hungary	-1.7	5.7	10.9
Romania	0.3	3.4	7.0
Serbia	-1.7[3]	7.3[3]	24.0[3]

[1] Source: Eurostat
[2] Source: IWF
[3] Source: WKO

Austria as stability factor

Thanks to its close ties to the economic powerhouse of Germany, Austria has managed to distance itself somewhat from the euro crisis. Stable consumer spending and a slight increase in investment volumes had a positive impact in 2012. In the reporting period GDP rose by 0.6% and an increase of 1.0% has been forecast for 2013. The employment market remains an outstanding feature. Despite a slight increase, unemployment in the second quarter 2012 was the lowest in the EU and the second lowest worldwide, just behind Norway. Lending rates became for favourable with a yearly average of 0.7%.

Austria's national debt was affected by general stagnation in the period under review. The debt ratio reached 74.6% in 2012 and WIFO forecasts suggest it will continue to increase in 2013. This development was caused by new debt, measures to cushion the debt crisis in the eurozone and possible resources to support the financial sector. In general these gross liabilities are balanced by receivables, although they are not without risk. National debt is not expected to decline until 2014.

Developments in the Construction Industry

Varied developments in European construction industry

The European construction industry remained challenging last year. Construction output Europe-wide declined by 4.7% in 2012, the second sharpest fall since 2009. A decline in construction output is also expected in 2013, after which a recovery may be possible. Overall, the construction industry is suffering the ongoing impact of the troublesome economy to a degree not experienced by any other sector, although there are still significant differences between the stable Central and North European states and the difficult markets in Southern and Eastern Europe.

Massive changes are being seen in terms of sector on the construction market. In recent years the three sectors – private residential construction, building construction and civil engineering – were solidly distributed on the European construction market, but this spread has been changing since 2012. The budget problems of many states mean that in the coming years the ratio will be heavily weighted towards civil engineering. Education has been the main beneficiary in terms of building construction investment from public stimulus packages in recent years; a transfer of funds in favour of healthcare is expected in the coming years. There were sharp declines in private building construction from 2009 to 2011 because of the crisis, although there were significant increases in recent months, particularly in industrial construction. Public investment in civil engineering and national debt are directly correlated, albeit with a two-year time lag. Leading experts, such as those from Euroconstruct, are predicting an increase in public debt in Europe and civil engineering is therefore unlikely to display major growth potential in the medium term.

Regional construction market differences becoming more pronounced

While the overall situation in Europe remains problematic, regional developments continue to vary. On the whole, the trends of recent years became more pronounced in 2012. Many Southern and Eastern European markets such as Spain, Portugal, Slovakia and Hungary continued to struggle with sharp declines, while Central Europe established itself as a region of stability and growth, also holding true for construction. Norway had the highest growth rates in 2012, followed by Poland, Austria and Switzerland. With a slight decrease of 0.2%, Germany retained the high levels of the previous years. According to Euroconstruct, the outlook for Germany and Switzerland is positive; construction output is set to rise sharply in both countries in the coming years.

A slight recovery has been forecast in Eastern Europe in the following years. Although the difficult backdrop will remain the central topic in Hungary and Slovakia in 2013, any declines in these two countries should not be as high as in recent years, when they sometimes reached double digits. From 2014 there may be a slight growth spurt in the region's construction markets, albeit starting out from a very low level. In contrast, Poland looks set to buck the trend and is developing more and more into Eastern Europe's exception on the construction market. Even at the height of the crisis in 2009, Poland was the only European country not to experience a decline, but it looks to be facing two difficult years in 2013 and 2014, with construction shrinking for the first time. In any case, this slight decline is from a very high starting point and sufficient construction orders are expected overall, thanks not least to high EU subsidies.

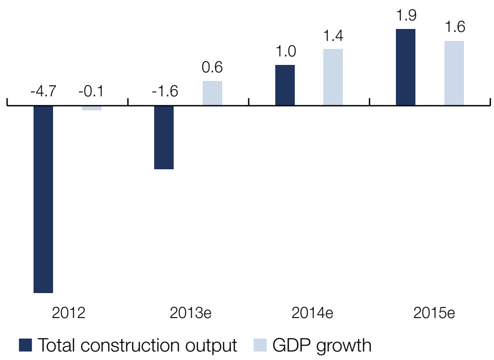
Corporate landscape is changing

The ongoing difficulties in Southern and Eastern Europe did not leave construction companies unscathed and led to a Europe-wide market shakeout last year. Many companies which had expanded rapidly prior to 2008 faced serious problems in securing a stable order backlog. The number of insolvencies in the fourth crisis-year rose sharply, especially in the Iberian Peninsula, Ireland and Eastern and South-Eastern Europe. Even if it seems that the trough has now passed for construction investment in most countries, there will be another market shakeout in the coming months. This is evidenced by surplus capacities, increasingly fierce competition and severe pressure on margins, even on smaller orders. This trend can be seen in every European country, but is having a particularly negative effect on the Eastern European markets.

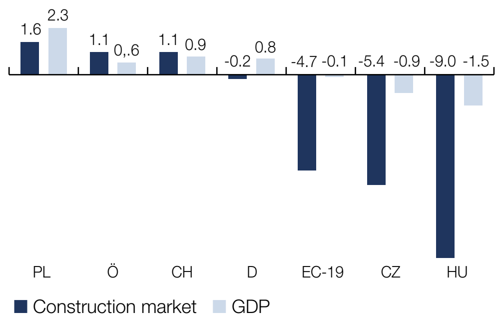
Slight growth for Austrian construction market in 2011

Construction output in Austria is growing at a similar rate to GDP. Strong growth in 2011 (+4.4%) stood in contrast to weaker 2012 growth (+1.1%). However, when compared to the rest of Europe, last year's growth of +1.1% is actually the third highest. Unfortunately, Austria's construction industry is set to lose this leading position as early as 2013. While Euroconstruct experts have forecast growth of 0.6%, this is far below that of neighbours Germany and Switzerland. The Austrian government's austerity measures are expected to have a particularly strong impact on the further development of the construction market and increasingly restrictive measures are expected here in the coming years. While consolidation measures were kept low in 2012 (EUR 500m or 0.15% of GDP), they are set to reach volumes of around EUR 4bn in 2013 (1.25% of BIP); this is particularly likely to affect civil engineering. New debt must not exceed the 3% mark in the coming years, thereby leaving little room for investments. The restrictions placed on the banking sector present a further challenge – credit conditions have become significantly less favourable since 2008. Although the overall order situation is good for 2013 in Austria and its German-speaking neighbours, budget consolidation is mirrored by sector growth in the construction industry. Private residential construction continues to hold potential for growth, albeit at a slower pace. Positive tendencies can also be seen in public building construction, in contrast to civil engineering where no new growth drivers are expected before 2014.

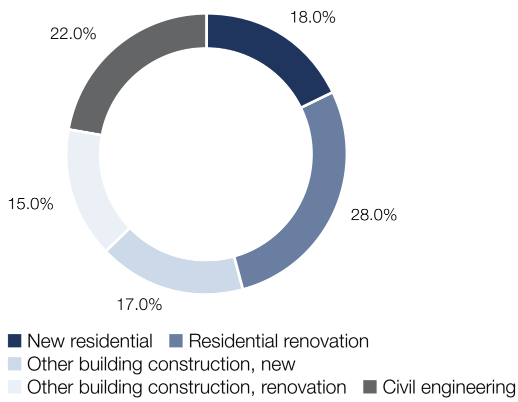
GDP growth and construction output in Euroconstruct countries 2012–2015e
in %



Construction market growth and GDP 2012
in %



Structure of the European construction market in 2012



Source: Euroconstruct; EC-19 = Euroconstruct Countries: D, A, CH, CZ, HU, PL, SK, B, NL, DK, FIN, F, I, IRE, N, P, E, S, UK

Developments in the Real Estate Industry

Growth in Germany, declines in Southern Europe

Developments in the European real estate industry were varied in 2012. The countries which were still in recession also faced stagnation or even declines on the property markets. However, in Germany and France the overall market underwent slight growth in the third quarter, while Italy and Spain faced further falls in 2012 following on from the preceding weak years. Great Britain's economy also declined in the second half of the year, although GDP growth was positive for the year as whole.

For commercial property, investment volumes in the nine most important European cities for the real estate industry – as stated by BNP Paribas Real Estate – (London, Paris, Frankfurt, Munich, Berlin, Hamburg, Milan, Madrid and Brussels) amounted to EUR 44.7bn, a 9% increase on 2011. In contrast, top returns on office rents fell by around 2%. In terms of regions, the German cities of Berlin, Frankfurt and Munich saw unexpected increases thanks to a lively final quarter. With an increase in top office rents of 65%, Germany's capital city experienced the highest increase on 2011, while Hamburg held steady at a high level. Paris did undergo a slight decline of 2%, albeit from a historically high level. Conversely, the picture in London showed a significant slowdown in the last quarter of the reporting period. The experts at BNP Paribas Research see this as the first evidence of a decline in the London property market which is expected to take hold from 2013. Declines in debt-ridden EU countries, Italy and Spain in particular, were in line with expectations. Further falls are expected in these markets in 2013. The exceptions here are the major cities of Madrid, Milan and Brussels, which seem to be over the worst. European real estate market growth rates in the fourth quarter 2012 were the second highest in five years, not least because of the exceptional developments in Germany.

Eastern Europe also under pressure

According to Corporate Commercial Real Estate Services (CBRE), growth in the commercial property market in Eastern Europe underwent a significant slowdown last year. Investments totalled EUR 7.6bn, a fall of 34.5% against 2011. The share of Eastern Europe in the overall European investment market thereby amounted to 6.3%. Here 91% of Eastern European investments were made on just three markets: Russia, Poland and the Czech Republic.

CBRE forecasts that this trend will continue or even become more pronounced in 2013, as the Czech Republic may decline, leaving Russia and Poland to make up an even bigger share. No rebound is in sight for any other countries in the region.

Office rents also saw dramatic declines in Eastern Europe. While there was still demand for rented offices in Moscow, Warsaw and Bratislava, demand in most other cities fell by between 20% and 35%. Belgrade alone experienced an increase in office rents of around 3.5%, otherwise they stagnated or declined – for example by 8.6% in Kiev, or 5% in Bucharest and Zagreb.

Strong demand for residential property in Germany

An additional rise was seen in Germany in respect of residential property. With a transaction volume of almost EUR 11.4bn, the volume for larger housing stocks increased almost twofold (+91%) in 2012; actual prices paid also increased. Foreign buyers showed great interest in German housing stock: US investors were especially active, followed by buyers from Sweden, Austria (3% of total investment), Switzerland and Great Britain.

Development of Output

Definition of production output

PORR's production output is determined from the proportional construction output of all companies in which PORR has a direct or indirect interest, as well as from the proportional output of joint ventures involving any one of the PORR Group companies, reconciled pursuant to commercial criteria. As opposed to the gross revenues reported in the consolidated income statement, the output of joint ventures on the one hand and the output of all Group companies on the other hand – regardless of their form of inclusion in the consolidated accounts (fully consolidated, at equity or those of minor significance) – are included proportionately in the calculation of production output.

2012 output matches high level of previous year

In 2012 PORR generated production output of EUR 2,891.0m, practically matching the high level of the previous year with just a slight decrease of 0.5% or EUR 14.7m. On the most important home markets PORR even succeeded in increasing output.

A decisive factor in this stable performance was PORR's strategic decision to concentrate on the home markets of Austria, Germany, Switzerland, Poland and the Czech Republic in these times of economic turbulence. While it is true that the governments in these countries also implemented austerity measures in 2012, they still maintained state investment in infrastructure. Furthermore building construction in Central Europe, which is driven by private investors, performed very well. In the Eastern and South-East European markets which have been hard hit by the crisis, PORR is implementing its strategy of flexible market cultivation with great consistency and primarily pursuing projects in the infrastructure sector. Many of these projects are being realised with the backing of the EU or other international finance institutes and therefore have access to secure financing.

PORR's operational Business Units largely underwent positive developments. Business Unit 1 – DACH remained PORR's most important sector by some margin and even managed to exceed the good output of the previous year. Business Units 5 – Environmental Engineering and 6 – Real Estate recorded growth. There were declines in Business Unit 2 – CEE/SEE, responsible for all activities in Eastern and South-Eastern Europe. Business Unit 4 – Infrastructure was subject to a decrease as certain large-scale projects were concluded and – despite successful acquisitions – the subsequent orders are not yet fully underway.

Development of production output by Business Unit

In 2012 Business Unit 1 – DACH generated production output of EUR 1,719.5m, an increase of 5.1% or EUR 83.1m. The main reason for this pleasing growth was building construction, which continues to perform very well in the three home markets. In addition to Vienna and Carinthia, it was possible to increase production output in Upper Austria significantly, although this was predominantly due to civil engineering projects related to the S10-Mühlviertler expressway. The past business year was also highly satisfactory for Germany and the large-scale building construction projects sector.

Business Unit 2 – CEE/SEE, responsible for the PORR Group's activities in the home markets of Poland and the Czech Republic, as well as the Eastern and South-Eastern European markets, generated production output of EUR 363.8m, a decline of 14.3% or EUR 60.7m. With the exception of Poland and the Czech Republic, the region's countries remain mired in the crisis and public investments have broadly been cancelled in light of the precarious budget situation – despite the prevailing urgent need to catch up in terms of infrastructure. Potential private clients have also been affected by the crisis, being forced to put their investments on hold.

Business Unit 3 – International is currently expanding its activities and from 2013 will be dealing with the execution of its first order, the enabling works for the Doha metro in Qatar, in addition to pursuing acquisitions.

In 2012 Business Unit 4 – Infrastructure also recorded a slight fall in output. Production output amounted to EUR 462.2m, a decrease of 10.3% or EUR 52.9m. In any case, this decline was caused by the fact that the sector is driven by large-scale projects – in contrast to Business Unit 2 – and was therefore to be expected. Large-scale projects such as the Sava Bridge in Belgrade, infrastructure projects in Romania and the Ashta power plant in Albania opened in 2012, while subsequent projects such as Stuttgart-Ulm and the large-scale slab track orders in Germany are not yet fully underway.

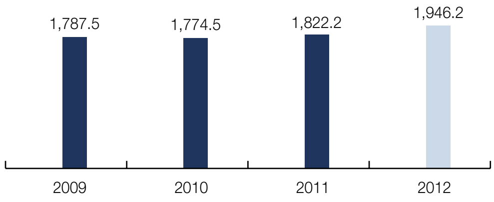
There was pleasing growth in Business Unit 5 – Environmental Engineering. In the previous business year it generated production output of EUR 77.8m, an increase of 10.5% or EUR 7.4m. In addition to the positive growth in earthworks, Trier Kalk-, Dolomit- und Zementwerke (TKDZ Wellen) was acquired in 2012, contributing to output for the first time.

Business Unit 6 – Real Estate recorded production output of EUR 267.7m in 2012, a rise of 3.3% or EUR 8.5m. This positive development was partly the result of the successful realisation of Strauss & Partner Development projects such as Olympia Gate Munich and Palais Hansen Kempinski in Vienna.

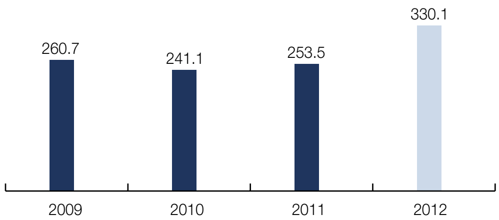
The output of the remaining segment, Other, primarily consists of services by the holding group and Business Unit 3 – International.

Development of production output on the home markets (all segments)
in EUR million

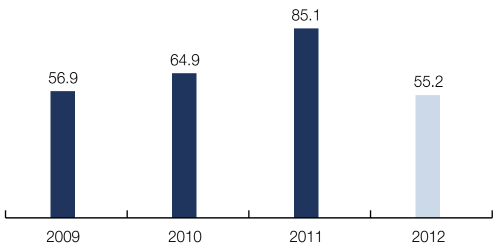
Austria



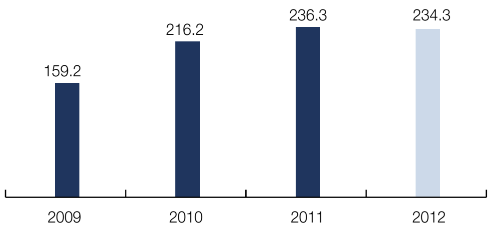
Germany



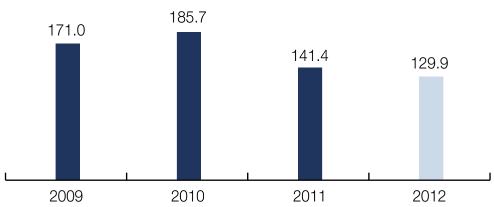
Switzerland



Poland



Czech Republic



Order Balance

In the period under review the European construction market was influenced by two key factors which had a significant impact on the order situation of the construction companies. On the one hand was the crisis in Eastern and South-Eastern Europe, on the other the declines in public tenders caused by budget cuts, predominantly affecting civil engineering. PORR reacted to these negative factors by focusing clearly on the home markets and, with regard to civil engineering, concentrating on cultivating markets in sectors where it is a market leader in terms of technology. This strategy was validated in the past business year. The order backlog and order bookings reached record levels – particularly in the solid home markets.

Further increase in 2012 order backlog

At December 31st 2012 the order backlog amounted to EUR 3,373.3m, an increase of 22.0% or EUR 609.2m against the already high levels of 2011. Here all operational units recorded increases, although these were most pronounced in Business Unit 1 – DACH and Business Unit 4 – Infrastructure with the spectacular railway orders from Germany. Many of these orders have secured PORR's capacity utilisation not only for the 2013 business year, but will also have an impact on the following years.

Strong growth on the home markets

PORR's home markets have proven to be a significant growth region, as seen in the increase in the order backlog. The order backlog grew by 83% in Germany, while a significant increase in the cushion of orders was also achieved in Austria and the Czech Republic. Only modest growth was recorded in Poland in 2012. This also reflected the difficult backdrop, as demand levelled off somewhat as numerous public tenders came to an end. Nevertheless, the market continues to offer interesting opportunities. Switzerland was the only home market where PORR experienced a decline in the order backlog; here the company is represented in both civil engineering and building construction, where it is currently working off orders.

Varied developments in Eastern and South-Eastern Europe

The economic problems in most CEE/SEE countries had an impact on the development of PORR's order backlog, albeit to different degrees. In Bulgaria it was even possible to buck the trend and increase the cushion of orders. Overall the uncertain budgetary situation of most countries prevented effective infrastructure measures and improvements have only emerged in certain parts of the region.

2012 order bookings dominated by large-scale acquisitions

The 2012 business year was characterised by several spectacular large-scale acquisitions, predominantly in railway construction and tunnelling as well as large-scale building construction projects. In total order bookings amounted to EUR 3,500.1m at December 31st, an increase of 8.7% or EUR 279.1m. With the exception of Business Unit 4 – Infrastructure, dominated by large-scale projects, every operating unit recorded growth.

The largest new orders in the 2012 business year were:

- Railway tunnel Albaufstieg bei Ulm consortium/Germany
- Krankenhaus Nord Hospital, shell, Vienna/Austria
- Coburg–Ilmenau slab track railway line/Germany
- Stuttgart–Ulm, lot 3/Germany
- Dimitrovgrad–Svilengrad railway line/Bulgaria
- Hotel & Office Campus Berlin/Germany

Home markets guarantee future growth

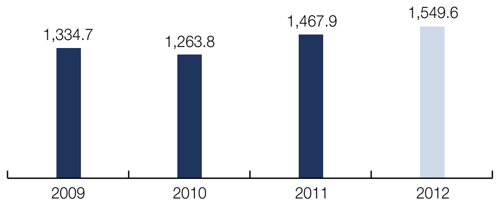
Similar to the order backlog, developments in order bookings were positive overall on the home markets. With the exception of Switzerland, there were increases everywhere, particularly Germany, Poland and the Czech Republic where numerous new projects were acquired. The Austrian market continued to see growth across every province, despite the fact that the level was already very high. In addition to the new orders mentioned above, numerous large-scale projects were underway in 2012, for example the S10-Mühlviertler expressway in Upper Austria, the Business Park Posen project in Poland and numerous residential construction projects, especially in the Greater Vienna area. Despite the public-sector budget cuts in almost every country in Europe, PORR still managed to succeed in numerous civil engineering tenders in the past year.

CEE/SEE markets show variation in order bookings

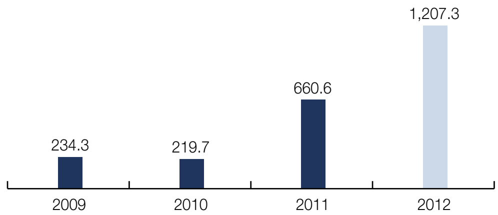
Order bookings continued to develop unevenly in the Eastern and South-East European markets, particularly Serbia, Romania, Bulgaria and Slovakia, although there was an overall regressive trend owing to the difficult backdrop. An additional factor is that PORR is only offering individual projects in the infrastructure sector in many of the region's markets and this naturally leads to fluctuations in order bookings.

Development of order backlog on the home markets
in EUR m

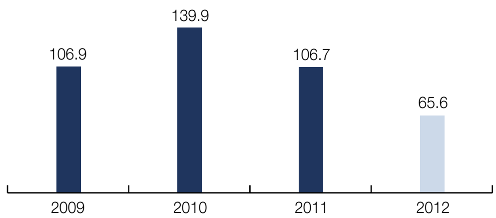
Austria



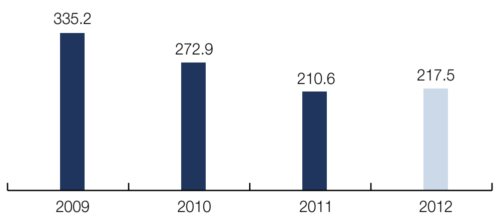
Germany



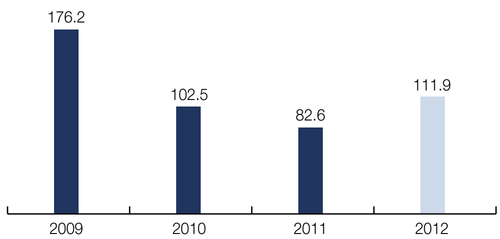
Switzerland



Poland



Czech Republic



Financial Performance

Increase in revenues

In the 2012 consolidated income statement the PORR Group recorded consolidated revenue of EUR 2,314.8m. This represents an increase of 4.6% on the previous year.

Production output, commonly used in the construction industry as an indicator of size, is determined from the proportional construction output of all companies in which PORR has a direct or indirect interest, as well as from the proportional output of joint ventures in which a Group company participates, reconciled pursuant to commercial criteria. As opposed to the gross revenues reported in the consolidated income statement, the output of joint ventures on the one hand and the output of all Group companies on the other hand – regardless of their form of inclusion in the consolidated accounts (fully consolidated, at equity or those of minor significance) – are included proportionately in the calculation of production output. There was only a slight change in production output in 2012, decreasing by EUR -14.6m to EUR 2,891.0m.

In 2012 it was possible to increase income from associates by EUR 2.3m to EUR 20.2m. The PORR Group's other operating income also rose by EUR 3.2m to EUR 70.3m. The primary reason for these increases was the project sales realised in Business Unit 6 – Real Estate.

Expenses hold steady

In terms of expenses, cost of materials and other related production services represent the highest cost factor, as is common to the industry. The amount of these costs is dependent on how many of the services on construction projects are carried out by the Group itself and how many by subcontractors. This cost item decreased slightly in 2012 in relation to revenue. Here the individual components showed contrasting developments: while expenditure on purchased services decreased once again (-4.4% to EUR 897.1m), expenditure on materials saw a renewed increase of 4.9% to EUR 558.3m. This shows that PORR was able to increase its own services in 2012 and reduce the number of subcontractor services.

Increase in staff numbers

The increased proportion of own services is also reflected in the staffing levels and developments in salaries and wages. Average staffing levels rose against 2011 by 0.7%. In contrast, staff expense rose by 7.7% to EUR 625.3m, owing to factors such as adjustments under collective agreements and the first-time inclusion in the consolidated group of companies with high payroll costs. Depreciation, amortisation and impairment expense of EUR 50.0m remained similar to the previous year (EUR 51.3m).

Key figures

in EUR m	2012	Change	2011	2010	2009
Production output	2,891.0	-0.5%	2,905.6	2,826.0	2,877.0
Revenue	2,314.8	4.6%	2,212.5	2,217.5	2,457.3
EBITDA	103.8	-	10.8	102.8	117.6
EBIT	53.8	-	-40.5	49.1	64.0
EBT	22.0	-	-83.1	20.7	36.5
Consolidated profit/loss	18.0	-	-70.2	16.7	31.0

Other operating expenses fell by 6.0% to EUR 224.9m. Other operating expenses include legal and consultancy services, office running costs, travel expenses, buildings and land, taxes and duties, advertising and shares of losses linked to orders processed through joint ventures, as well as provisions for losses and penalties. The reduction is primarily due to the fact that in 2011 this item included expenditure for impairment on receivables and provisions for losses in CEE countries. Together with this revenue decrease, EUR -82.0 was recognised in operating income in the previous year.

Income from shareholdings improved in 2012 by 7.3m to EUR -2.6m. This is predominantly accounted for by one-off expenses for participations in the previous year. The interest result of EUR -29.2m (2011: EUR -32.6m) shows the effect of the massively reduced interest rate. EBT of EUR 22.0m results in a consolidated profit of EUR 18.0m after deducting tax expense amounting to EUR 4.0m.

Financial Position and Cash Flows

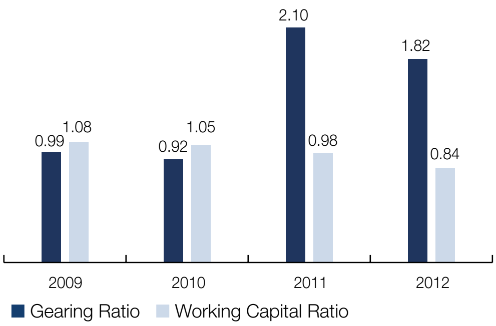
Total assets decrease

At the closing date December 31st 2012 the PORR Group's total assets amounted to EUR 2,057.9m, representing a decrease of EUR 79.1m, or 3.7%, against the previous year's total of 2,137.1m.

Divestment of properties under non-current assets

Non-current assets totalled EUR 1,098.6m, which was EUR 79.4m or 6.7% lower than the previous year's value. This was primarily caused by the sale of investment property and real estate reported under property, plant and equipment. In contrast, high positive earnings from associates and companies consolidated for the first time (EUR +13.5m to EUR 209.1m) led to an increase in shareholdings in associates, thereby having a reverse effect. In the same way, acquisitions in the last business year led to an increase in non-current assets, particularly intangible assets (EUR +7.7m to EUR 58.7m) through the recognition of goodwill. In comparison to the previous years, PORR managed to realise savings on investments in property, plant and equipment.

Gearing Ratio and Working Capital Ratio
in %



Current assets remain constant

The increase in inventories primarily resulted from the acquisition of shares in project companies operating in residential construction and residential properties held for sale which are recorded in this item. The reduction in cash and cash equivalents enabled current assets to be kept broadly constant.

Adjustments to the capital and financing structures

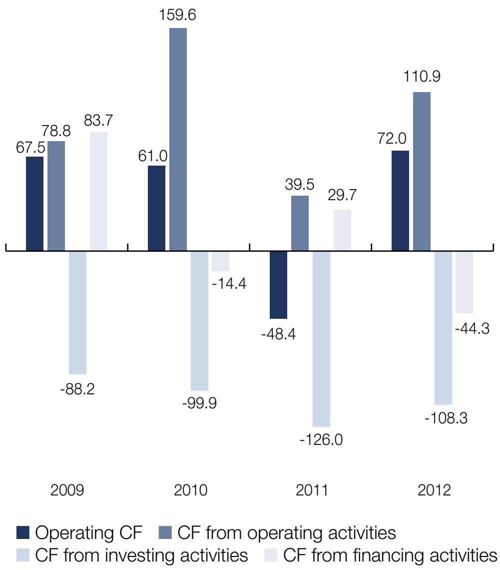
The PORR Group's equity amounted to EUR 322.6m at December 31st 2012. The equity base has therefore increased against the previous year (EUR 303.2m) by 19.3m, or 6.4%. This was caused by the issue of subordinated loans which are classified as equity, as well as the profit for the year. Therefore the equity ratio was 15.7% (2011: 14.2%), significantly higher than the previous year. If the interest rate hedge for Hungarian PPP projects is excluded, the equity ratio is 17.4%. Non-current liabilities had fallen by 27.0% on the reporting date and totalled EUR 592.8m. This change primarily resulted from the reclassification of a ULSG loan amounting to EUR 200.0m into current liabilities, as it will be paid back in 2013. Furthermore the sale of investment property and the related repayment of financing led to an overall decrease in non-current liabilities. A EUR 50.0m bond was already issued in the last business year for the partial refinancing of a EUR 69.9m bond up for redemption. These factors caused current liabilities to rise by EUR 120.5m to EUR 1,142.6m.

Decrease in cash and cash equivalents

The cash flow statement shows the use and origin of the Group's cash and cash equivalents. In 2012 operating cash flow stood at EUR 72.0m, which was caused first and foremost by the good operating result for the year. Cash flow from operating activities made a key contribution to the positive liquidity situation with EUR 110.9m, primarily due to the increase in current provisions and liabilities. Cash flow from investing activities fell by EUR 17.7m to EUR -108.3m. As was the case in the previous years, investments in property, plant and equipment and investment property were the highest cost factor, amounting to EUR 115.9m, reflected in the expenditure for completing or developing several large-scale real estate projects, particularly those on the German market.

There was a positive effect on cash flow from the sale of property, plant and equipment and investment property amounting to EUR 26.1m. Cash flow from financing activities amounted to EUR -44.3m, mainly reflecting the cash outflow for the redemption of the bond due in 2012 (EUR -70m) and the return of project financing. The incoming funds from a subordinated loan of EUR 11m and a bond worth EUR 48.7m had a counter effect. At year end 2012 the PORR Group had cash and cash equivalents of EUR 110.4m (December 31st 2011: EUR 153.8m).

Development of cash flow
in EUR m



Staff

Staff numbers similar to previous year

In 2012 PORR employed 10,696 staff on average, a slight increase of 78 people or 0.7%. This breaks down into 6,538 waged workers and 4,113 salaried employees – an increase of 44 workers and 34 employees. The number of waged workers increased owing to preparation work for large-scale projects already underway, such as the S10 expressway in Upper Austria and the Reisseck II pumped-storage plant. The increase in salaried employees was related to the one-off impact of taking on the staff of TKDZ Wellen (Trier lime, dolomite and cement works) in Germany by Porr Umwelttechnik and ALBA GmbH in Munich by Strauss & Partner. In contrast to the pro-cyclical growth in staff numbers in the operational sector which reflects the significant increase in the order backlog, it was possible to reduce the number of employees in the Shared Services Center through process optimisation in the course of the **fit**for**future** programme.

HR management realising strategic goals

As part of the **fit**for**future** optimisation programme, the work done by HR management last year focused on supporting this reorganisation. Key features included targeted and demand-oriented support for the operational units as well as implementing the revised Staff Charter and Management Charter into the HR development instruments (appraisals, courses, training).

Focus on leadership skills

The professionalization of leadership training introduced the previous year was continued successfully and institutionalised in the form of new programmes and processes. Twelve "areas of expertise for PORR managers" were defined as the basis for the future analysis of leadership potential and pinpointing demand for targeted development measures. Furthermore, the nomination process for the leadership programme was completely revamped. Here the most important feature was the introduction of a promotion meeting between the nominating manager and the nominated employee. The "Taking the lead" programme launched in 2011 was successfully completed for nine groups. New leadership programmes have been developed for an additional two groups – the compact, intensive training "Building on leadership" for the group leaders and the comprehensive development course for junior managers, "Leadership building blocks".

Education brings corporate value add

PORR has a long tradition in targeted staff development. Not only managers, but all staff members have straightforward access to numerous

Development of average staffing levels

	2012[1]	Change	2011	2010	2009
Domestic					
Waged workers	5,353	+2.4%	5,226	5,576	5,922
Salaried employees	2,535	+0.9%	2,512	2,651	2,722
Total	**7,888**	**+1.9%**	**7,738**	**8,227**	**8,644**
Foreign					
Waged workers	1,230	–6.4%	1,314	1,506	1,383
Salaried employees	1,578	+0.8%	1,566	1,921	1,853
Total	**2,808**	**–2.5%**	**2,880**	**3,427**	**3,236**
Total					
Waged workers	6,583	+0.7%	6,540	7,082	7,305
Salaried employees	4,113	+0.9%	4,078	4,572	4,575
Total	**10,696**	**+0.7%**	**10,618**	**11,654**	**11,880**

[1] As of the 2012 fiscal year the average staffing levels reported are from the fully consolidated companies and do not – as previously – proportionately include associates and companies of minor significance. The comparative figures for 2011 have been appropriately adjusted.

education and development opportunities with the aid of the modern, integrated, HR seminar management tool “porr academy”. In addition to specialised vocational training with a technical or commercial focus, there are also numerous courses and seminars available to develop soft skills. The high level of the education and training opportunities is reflected in the consistently positive feedback from participants.

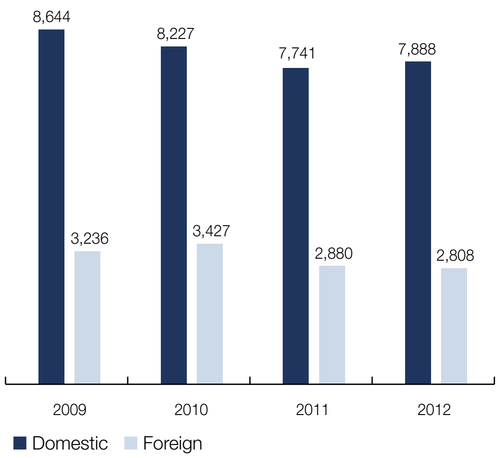
HR marketing to educational institutes

In addition to the targeted training and employment of highly qualified technicians and commercial executives, PORR is also the leading construction company in Austria for cooperation with schools, colleges and universities. Clearly defined focus points are used to steadily build up networks with pupils and students of different disciplines and interested parties are given support through specific training programmes. The goal is to position PORR as the “best place to work”. In addition to contact with future graduates, PORR is also represented at numerous career orientation shows and information events, where the company introduces itself with its own stands and information packs tailored to the target groups. There is a particular focus on integrating young people with migrant backgrounds. PORR is a partner in the KONNEX Initiative and supports efforts to encourage cultural exchange through its own good experiences with people of different backgrounds.

Online HR marketing as calling card

The vast majority of applications are received via PORR’s online job portal; applications by post have fallen to below 5% a year. There has been a clear trend towards people researching a company before they apply – a development which the company welcomes thanks to its good experience with interested applicants. The HR marketing team is working intensively with internet-based job sites and recruitment platforms in order to present PORR in a genuine and contemporary manner. PORR also has a strong presence through job advertisements and on career websites. Overall these efforts have yielded clear success: the number of applications rose yet again last year and the award of the “Career‘s Best Recruiters” golden label clearly shows that PORR has a positive image on the job market thanks to its online activities.

Development of average staffing levels at home and abroad



Research and Development

Peter Kremnitzer
Head of Technology Development

Gernot Wagner
Managing Director Porr Design & Engineering GmbH

Clear commitment to invest in research and development

PORR has traditionally attached great importance to research and development (R&D) – particularly with regard to sustainability, environmental engineering, construction materials and construction processes. In keeping with this, PORR has taken on a central role in the Austrian Construction Technology Platform, an organisation whose aim is to establish a network between the construction industry and construction research. In this network the construction industry defines first and foremost which developments it considers essential in order to meet the economic, social and ecological requirements of the coming decades. On top of this, it gives the company the opportunity to take part in trailblazing developments from the earliest stages. PORR is committed to close, long-term cooperation with universities and other research institutes in order to realise its research activities. The "supp**orr**t" project has also created incentives within the Group in order to increase the innovation potential of individual staff members.

Research focus on environmental protection

One of these projects aims to use tunnel construction projects as a source of raw materials. On the one hand, excavated material should be used for the project itself to produce various construction materials. On the other hand it aims to recycle the waste in the construction industry and other resource-intensive industry sectors. The project is being realised with partners from five European countries and is subsidised by the European Commission.

For many years PORR has accorded great value to a sustainable approach to natural resources. This has enabled the company to establish a firm position on the market in the fields of waste treatment, recycling and disposal as well as the rehabilitation of contaminated sites, a position it has held for many years. Here Porr Umwelttechnik GmbH is managing a project whose aim is to extract heat from disused mining sites and use it to heat the neighbouring municipalities.

Other projects PORR is involved in aim to achieve economic optimisation of construction methods by reducing the amount of material used, thereby also having a positive environmental impact. This relates in particular to road construction, where lane surface constructions which are thinner but higher quality are being developed, as well as building watertight concrete structures and railway construction with reduced quantities of steel.

PORR is also committed to forms of technology which make buildings and their utilisation safer. Following on from various projects to increase tunnel safety, a research project was launched in 2012 with the goal of designing road surfaces to absorb energy, thereby reducing the impact from the vehicles.

Patents and licensing

Thanks to its proprietary technology, PORR is not reliant on licensing intellectual property rights from third parties to any significant degree. The Group's most important proprietary patents include the slab track railway system. The ÖBB–PORR slab track system consists of an elastically supported track base plate and was jointly developed by the Austrian Federal Railways (ÖBB) and PORR. It was thanks to this system in particular that PORR managed to acquire a range of large-scale orders in Germany worth several hundred million euros and thereby securing the company's position as a technological leader in railway construction for years to come.

A planning, calculation and development tool based on "bim" (Building Information Modelling) has been developed in the internal Design & Engineering planning office; it is the first of its kind on the market and will facilitate integrated design, calculation and operations for PORR. This will avoid interfaces in the aforementioned areas and allow processes to be carried out with great efficiency. In 2013 several projects will be realised with this new technology in the course of two pilot projects in Germany and Austria.

Corporate Social Responsibility

Sustainable value at PORR

PORR publishes its Sustainable Value Report at regular intervals in order to provide an overview of the wide range of measures in this sector. The latest 2012 report – which conforms to the international GRI (Global Reporting Initiative) standards for the first time – along with reports from earlier years can all be downloaded from the company's website.

For PORR an equal balance between economy, ecology and social considerations is crucial. Coherence of these three aspects guarantees productivity and sustainability. Since it was founded in 1869, PORR has been acting on the values which today are collectively known as Corporate Social Responsibility (CSR). Conducting business sustainably and considering our society and future generations is a crucial principle, particularly for the construction industry.

Sustainability is applied across the board in the Group and has found its way into every area of the company. The PORR Group understands the term sustainable value to play a key role in the ongoing development of the company. Whether it's recognising value as it applies to the staff, long-term, sustainable value add, i.e. adding value, as well as the great importance of preserving value in terms of the environment – all of these have been part of PORR for decades and have transformed the Austrian construction company into an international group.

PORR's commitment to CSR is multifaceted and based on the three pillars of economy, ecology and society. These three pillars are complemented by the important compliance aspect and the activities of the Works Council, whose valuable work the company expressly upholds.

Integral compliance

A fair and open approach to stakeholders builds trust. This is why the Compliance Guidelines were implemented across the whole Group in April 2002. The guidelines specify basic principles for disseminating information, provide key measures to avoid insider trading and regulate the preventative measures which guarantee legal adherence and avoid conflict of interests. The Compliance Guidelines are regularly updated to conform to the changes in the law, most recently in March 2012.

A dedicated compliance officer is responsible for monitoring the Compliance Guidelines; this officer reports directly to the Executive Board and ensures adherence to the guidelines. These standards and regulations protect PORR's staff and ensure that the same conditions apply to every market participant.

The Works Council

Advancing globalisation, technological changes and mobility requirements all affect the world of work at PORR and constantly present staff members with new challenges. Staff members receive support for all of the issues concerning them through workers' advocates. The Works Council committees at PORR represent the economic and social interests of the employees. The Works Council also functions as a competent contact point and expert advisor to the Executive Board and the management. The key elements of this cooperation include concluding bargaining agreements; assessing compliance to the collective agreement and to health and safety policy; negotiating voluntary, profit-related financial benefits; information on retirement, progressive retirement provisions, redundancy pay; support for employees in need and for dependant relatives after the death of active employees through monetary and other donations; as well as implementing and promoting corporate welfare provisions.

Adding value

Adding value forms the foundation of every economic activity within the PORR Group. Here the company engages in ongoing dialogue with all stakeholders and always has a focus on a long-term increase in company value. This strategy has been behind PORR's continuing success for more than 140 years.

PORR's corporate strategy does not look to short-term profit, but rather strives for sustainable growth which will secure the company's long-term stability. Thanks to clear guidelines such as the Code of Ethics or the Staff Charter, all activities within the Group are centred around the concrete principles of legality, openness and transparency.

Transparency also calls for regular reporting on the company's sustainability performance. In the 2012 Sustainable Value Report PORR aligned itself to the Global Reporting Initiative guidelines for the first time. PORR takes seriously its responsibilities to shareholders, staff, customers and society and is involved in an open, transparent dialogue with its stakeholders. This allows requirements and expectations to flow into business processes as well as facilitating the targeted, sustainable development of products and services.

Recognising value

Significant credit for PORR's success must go to its almost 11,000 staff members. PORR is a fair employer which works in partnership with its employees and is committed to diversity by nurturing the potential of every single staff member.

The quality of cooperation between managers, colleagues and employees is a top priority at PORR. Clear targets, regular feedback, a respectful approach and open communication, along with high levels of individual responsibility, form the basis of the management principles.

An open and timely information policy and strong representation of interests lead to a good, performance- oriented corporate climate. Comprehensive social services – such as a social plan for reorganisations, corporate retirement provisions and loyalty bonuses – provide support for the staff and strengthen their ties to the company. PORR secures high levels of occupational health and safety for its staff. This is guaranteed by an occupational health and safety management system in line with the international standard OHSAS 18001, as well as through regular check-ups and measures to increase awareness of health and safety such as the annual PORR Health Day.

PORR is highly valued as an attractive employer, which is reflected in the length of time that staff remain with the company. For example, Austrian salaried employees aged between 25 and 50 have been with the company for about 10 years on average.

Preserving value

A responsible approach to ecological resources forms the second pillar of the sustainability strategy at PORR. The company is expressly committed to protecting the environment and draws heavily on research and development in the interests of climate protection. The construction industry uses many natural resources in order to improve people's lives. PORR is well aware of this responsibility to the environment. This is why taking an efficient approach to resources is a paramount consideration at PORR. From waste management on construction sites right through to the development of new methods which conserve resources, PORR deploys all available means to establish resource conservation in the company.

Designing buildings which are environmentally friendly is a major concern for PORR. To this end PORR advises clients right from the planning phase on sustainable construction methods, thereby creating energy-efficient buildings boasting great comfort and usability. One particular challenge lies in establishing high standards in terms of the environment and welfare throughout the entire supply chain. In order to implement all of these ecological aspects in the company PORR employs an internationally recognised environmental management system. This means that environmental protection is a central parameter of management policy.

Risk Report

The qualified approach to risks and opportunities has long been one of the PORR Group's most important principles when carrying out any economic activity and secures its competitive ability. Risks should also be targeted as opportunities where possible. The PORR Group only takes risks which can be calculated and managed. The aim of risk management is to identify risks and then minimise them while still maintaining the company's earnings potential. The goal of risk management within the PORR Group lies in developing and implementing the required organisational processes which help to pinpoint risks early on as well as taking any appropriate measures to counter those risks. The following lists the most significant risks known to the PORR Group, which can have a lasting influence on the financial position, cash flows and financial performance of the Group.

Market risks

Market risks result from changes to economic environments and frameworks in the important PORR markets. PORR is primarily countering this risk with appropriate measures to reduce costs as part of the **fit**for**future** optimisation programme. Furthermore, disparities between national economies cause a variation in demand across the PORR Group's markets. PORR reacts to fluctuations in national markets and business segments and to the current budget restrictions in the public sector of many countries by concentrating on the home markets where margins are secure. On the remaining markets of Eastern and South-Eastern Europe, as well as on the international markets, PORR only offers export products for selected projects in the fields of tunnelling, rail construction (slab track railway system) and foundation engineering. In markets such as these the PORR Group is, to varying degrees, confronted in the development phase with competitors and other legal regulations which can represent a competitive disadvantage for the PORR Group which may in turn have a negative effect on the target margins.

Project risks

These apply to all operating units of the PORR Group and can be qualified in terms of calculation and execution risks. From the tender stage to the conclusion of a contract, all projects are assessed for specific technical, commercial and legal risks. This is carried out in close collaboration between the parties responsible for operations and the respective staff units and Shared Service Centers with risk checklists. Regular target/performance comparisons are carried out during the project execution stage of all projects. If the project is outside the target parameters, then appropriate control measures are initiated and monitored as part of an ongoing process and assessed with regard to results.

Staff risks

Successful management of risks related to human resources is crucial to the development of the PORR Group. Staff risks arise from employee fluctuations and loss of expertise, as well as shortages of skilled labour, management and young talent. This is why PORR's activities are targeted towards steadily developing the talents of the staff members through efficient training measures and increasing the PORR Group's appeal as an employer through career opportunities and incentive schemes. PORR deals with the increasing competition for highly qualified specialists and managers by optimising recruitment measures and through targeted employer branding.

Financial risks

Managing financial risks, in particular liquidity risks, interest rate risks and currency risks is carried out by the Treasury division and governed by standard Group guidelines. To minimise the risks as far as possible, certain derivative and non-derivative hedging instruments are used in line with evaluations. Nevertheless, in general only operational risks are hedged, speculative transactions are forbidden. All hedge transactions are performed centrally by the Group financial management. An internal control system (ICS) designed around current requirements has been implemented to monitor and control risks linked to money market and foreign exchange trading. The cornerstone of managing these risks is the complete functional separation of commerce, processing and accounting. The most important risks for the PORR Group in terms of finance – liquidity risks, interest rate risks and currency risks – are described below in more detail.

Liquidity risks

The liquidity risk is defined as the risk that liabilities cannot be paid upon maturity. At December 31st 2012 net debt, defined as the balance from cash and cash equivalents, bonds and current and non-current financial liabilities, amounted to EUR 586.5m (previous year: EUR 636.1m). Current liabilities exceed current assets by EUR 183.3m (previous year: surplus of EUR 63.1m), whereby trade receivables exceeded trade payables by EUR 95.0m (previous year: EUR 100.5m). Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to EUR 254.6m (previous year: EUR 157.5m) and are more than 50% covered by liquid funds and assets held for sale of EUR 134.8m (previous year: EUR 170.6m). Current financial liabilities include a loan of EUR 200.0m, which was granted as part of the 2010 Austrian Corporate Liquidity Strengthening Act and whose term runs until November 30th 2013. Multiple options are under evaluation for replacement financing, including redemption through freed-up liquidity from the sale of real estate, a bond issue in 2013, a prolongation of the loan, or a combination of these measures. The Executive Board assumes that that all obligations will be honoured. EUR 273.1m of non-current financial liabilities totalling EUR 442.3m relate to bonds. The Group has access to a syndicated, guaranteed credit line (Avalrahmen) amounting to EUR 470.0m with a remaining term until June 30th 2013. Negotiations are underway to extend this credit line and so far indicate that it will be possible to extend the line to a considerable extent. There are also bilateral credit lines for the European market of EUR 516.5m, in addition to credit lines in Qatar and Oman of EUR 220.9m which generally run for a one-year term. As at December 31st 2012, around 69% of the European credit lines had been drawn on and around 12% of the lines in Qatar and Oman.

Interest rate risks

The Group's interest rate risk is defined as the risk from rising interest cost or falling interest income in connection with financial items. For PORR this risk results almost exclusively from the scenario of rises in interest rates, especially in the short term. Any future hedge transactions that are required will be concluded by the Group's financial management. At the end of the reporting period, the management of this risk was conducted with non-derivative instruments and an interest rate swap (IRS) of EUR 80.0m which is designated as a cash flow hedge.

The IRS involves the exchange of variable interest flows for fixed interest flows and is due in November 2013.

Foreign currency risks

At December 31st 2012 the PORR Group had concluded forward contracts amounting to EUR 132.7m (previous year: EUR 103.3m). Of these, EUR 61.4m related to forward purchases, while EUR 71.3m were forward sales. Around EUR 54.6m (previous year: EUR 20.8m) was used to hedge project cash flows, while the remainder of around EUR 78.0m (previous year: EUR 82.5m) was used to hedge intragroup financing. At December 31st 2012 the market valuation of open forward contracts resulted in a fair value of EUR -0.3m. In 2012 changes in the fair value of forward contracts amounted to an expense of EUR 1.1m, which was recognised in profit or loss.

Credit risks

The risk related to receivables from customers can be classified as marginal, owing to the broad dispersion and ongoing creditworthiness checks. Specific to the industry, construction contracts require an advance payment by the general contractor which will not be covered by payments until a later date. To reduce the default risk an extensive creditworthiness check is carried out and adequate sureties are agreed as far as possible.

The default risk related to other primary financial instruments recorded as assets is also considered marginal, as the contract partners are financial institutes and other debtors with excellent credit standing. The carrying amount of all financial assets represents the maximum default risk. In as far as default risks on financial assets are possible to determine, these risks are addressed by applying impairment. Apart from these, there are no other risk concentrations arising from high outstanding amounts from individual debtors.

At December 31st 2012 the maximum credit risk amounted to EUR 931.7m (previous year: EUR 983.6m) and relates mainly to loans, other financial assets, other assets, trade receivables and cash and cash equivalents.

Supplier risks

The strategic decision to position the PORR Group as a full service provider means that PORR offers a comprehensive service portfolio. Capacity restrictions mean that some work must also be carried out by subcontractors. The risks connected with this concern quality, delivery times and expenses and can lead to supply difficulties in times of increased demand. Partner management in the form of cooperation agreements with the supply industry and trade takes a long-term approach and contributes to minimising supply risks in subcontractor purchasing, whereby steel, cement and diesel are the most important commodities for the PORR Group. In the core area of steel, steel monitoring has been implemented across the Group. Derivative price hedging for diesel supplies was concluded with banks for specific projects.

Ongoing analysis of the markets for the Group's core materials is carried out centrally and the findings uncovered there are passed on to the operational units within the procurement organisation. The price risk of other key materials purchases can only be hedged through long-term price fixing in the form of frame agreements, owing to the lack of functioning derivative markets for these materials.

The increasing challenges for the operational areas in recent years have been the price increases in the energy and commodities sectors. As long as it is not possible to transfer these costs to the customer, they may have a negative effect on the Group's financial performance. Building up stable, long-term relationships with suppliers and subcontractors is therefore seen as an urgent priority and enables the Group to minimise these risks by means of long-term frame agreements.

Capital risk management

The aim of the Group's capital management is to substantially increase equity and to significantly decrease debt.

In the year under review there was a EUR 20.5m increase in equity to EUR 323.7m. In the same period total assets fell by EUR 79.1m. Thereby the equity ratio rose from 14.2% to 15.7%. According to the statement of changes in equity, EUR 35.3m was recorded as an equity decrease through the allocation of a reserve for cash flow hedges. This is related to the financing of the parts of the M6 motorway in Hungary which have been operational since 2006 and 2012 respectively.

The PORR Group holds a minority interest in this project, which is financed on a PPP basis. The underlying loans are financed at variable rates in compliance with the tender; however the bank consortium agreed to an interest hedge on a fixed basis before the loan was taken out, whereby all variable interest payments are offset and only a fixed interest obligation remains. The loans are therefore, in substance, subject to fixed interest. As part of the interest hedge was concluded with a different credit institute than the one responsible for the loan, IFRS specifies that in cases such as this, positive or negative market value from the valuation at year end must be transferred into a reserve for cash flow hedges. Owing to the falling interest for years, at December 31st 2012 there was a negative market value of EUR 35.3m. If this value did not have to be recorded in equity, there would be equity of EUR 358.0m and therefore an equity ratio of 17.4%.

In the year under review net debt fell from EUR 636.1m by EUR 49.6m to EUR 586.5m. The interest-bearing financial liabilities decreased from EUR 789.9m by EUR 93.0m to EUR 696.9m.

The Net Gearing Ratio, defined as net financial debt divided by equity, is applied for the control of capital management. The interest-bearing net debt is the balance between cash and cash equivalents and interest-bearing financial liabilities. In 2012 it was possible to improve net gearing in relation to equity from 2.1 to 1.8. There was an improvement in charges under the item provisions for hedge accounting to 1.6.

Internal control system

The PORR Group's internal control system (ICS) is oriented towards the EU standards which have been compulsory since 2009 and whose aim is to produce comparable evaluations of the efficacy of the ICS. Furthermore, PORR is dedicated to securing the company's assets, guaranteeing the actual effects and efficiency of operational processes and ensuring the reliability of financial reporting.

The responsibility for implementing and adhering to legal stipulations for the accounting-related internal control system lies with the Executive Board, which has in turn charged the Group audit department with internal auditing and the accounting department with external reporting tasks.

The internal control system involves assessing operational risks as well as the appropriate implementation of organisational standards and processes across all areas of accounting and reporting within the PORR Group.

The internal control system in the PORR Group ensures that the recording, preparation and accounting of business transactions are standardised across the Group and incorporated correctly into Group accounting. Measures such as clear, Group-internal guidelines, predefined process directives and system-supported processes for recording accounting data all support a uniform and orderly accounting practice. The reporting of subsidiaries included in the consolidated accounts as well as their consolidation is carried out using integrated IT systems supported by databases.

The relevant requirements for guaranteeing correct accounting practices are laid out in uniform Group methods of accounting and valuation and disseminated regularly. The clear functional separation and various control and monitoring methods such as plausibility checks, regular auditing activities at various reporting levels and the dual-control principle mean that proper and reliable accounting is assured. The systematic audit management ensures that accounting in the PORR Group conforms to international accounting standards and internal guidelines and guarantees the proper and uniform execution of all accounting-related processes.

Within the internal control system, the audit committee takes on the Supervisory Board's task of monitoring accounting processes and financial reporting. The internal audit team also carry out an independent assessment of the effectiveness of the ICS with the aim of improving business processes. The internal audit of the PORR Group was externally certified in 2008 by Deloitte Wien to IIA (Institute of Internal Auditors) standards, thereby conforming to internationally recognised stipulations.

The internal auditors have comprehensive audit powers, including both preventative and exploratory controls, at their disposal to enable them to realise their duties. The audit activities of the internal auditors are carried out to a yearly audit plan on direct behalf of the Group Executive Board. In addition, ad-hoc audits can be initiated at any time at the request of the Executive Board should events occur that may yield risks.

As the PORR Group contains many decentralised units, the internal control system must also be applicable locally, while the internal audit team oversees the processes centrally. Responsibility for the organisation and execution of monitoring and audit processes and the requisite understanding of how to implement control and audit measures therefore lies with every individual manger for their own sphere of responsibility.

The aim of the PORR Group is to continue developing the internal control system and to keep it constantly updated to conform to changing frame conditions.

Forecast Report

Construction market in state of flux

In the 2012 reporting period the construction industry once again experienced an economic slowdown, causing the order backlogs and the margins of many market players to fall sharply. The European construction market remained challenging last year, with construction output across Europe decreasing by 4.7% in 2012. Against a backdrop of continued decline in SEE – particularly on the Spanish and Portuguese construction markets – a decrease of 1.6% has been forecast for 2013. The situation looks better in Central Europe where Germany and Austria continue to record stable growth rates. From 2014 the whole of Europe is expected to enter a general period of recovery.

Civil engineering has been especially badly hit by the austerity measures in many European countries. There is an ongoing discrepancy in many regions – predominantly CEE/SEE countries – between the pressing need for infrastructure and the prolonged budget restrictions. Every company which had not adapted sufficiently to the difficult economic backdrop was confronted with major problems, leading to a market shakeout in most European countries. However, there were also some construction sectors which experienced growth in the reporting period, for example renovations in both building construction and civil engineering.

High cushion of orders provides stable foundation

PORR can approach the 2013 business year with optimism. The historic high in the order backlog and the exceptional position on the home markets lend weight to these positive expectations. PORR generates the vast majority of its business on the home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, where the risks are low thanks to the stability of the national economies and the good market position of the company. Despite a Europe-wide slump in the civil engineering sector, many projects continue to be realised on these markets. Austria and Germany in particular are among Europe's most prospering regions at present – this also holds true for the construction market. Thanks to its strong position on these markets, PORR will be able to profit from this growth in the coming years.

With regard to the variability of developments in the markets of Eastern and South-Eastern Europe as well as the international markets of the Middle East, PORR will continue to carry out its activities very selectively and after consideration of country-specific developments. Business Unit 2 – CEE/SEE will focus primarily on individual, attractive projects in Serbia, Romania, Bulgaria and Slovakia. Here the main concentration will be on pursuing large-scale infrastructure projects whose financing is secured by international finance institutions or the EU.

In Business Unit 3 – International PORR has positioned itself in Qatar, Oman, Saudi Arabia and Turkey as an expert, premium provider and infrastructure specialist and is primarily represented with its export products in tunnelling, rail construction and foundation engineering. The wealth of resources in these countries means that financing is secure, nevertheless, the economic and political situations on the international markets demands that risk management play a key role.

Increased focus on core competencies

In 2012 PORR managed to acquire numerous large-scale orders, especially in rail construction and tunnelling. A lot of capacity for the coming years is therefore already allocated, allowing PORR to be selective in its new acquisitions in 2013 and pay attention to margins. The guiding principle "profit over output" applies to every area, but even more so for sectors in which PORR holds a clear competitive advantage. In addition to the innovative, slab track railway system and tunnelling expertise, this advantage applies to PORR's leading role in residential construction in the Greater Vienna area and its strong position in foundation engineering throughout Austria.

In recent years clients such as the public sector, Deutsche Bahn, ÖBB, and private developers have become more and more convinced by technologies "powered by PORR". The company's innovative edge is based on the dedication and problem-solving skills of its staff and these will be nurtured in a more targeted manner across the Group in future.

Cost reductions through **fit**for**future**

In addition to the stable position on its home markets, PORR has benefited from **fit**for**future**, an optimisation and cost-cutting programme introduced in 2011; the first positive effects on earnings emerged in 2012. The measures to simplify structures, optimise processes and cut costs will continue in 2013. Streamlining processes in administrative affairs and Shared Services has led to a significant decrease in material, project and structural costs. The step-by-step expansion of **fit**for**future** to the construction site management in the past year had a positive impact on the Group's financial position and cash flows.

In view of the high order backlog, the strong position on the most important markets and the positive impact of **fit**for**future**, PORR heads into 2013 with a stable operating income. The sharp variation on the construction markets does however mean that this forecast is subject to a significant fluctuation range.

Disclosure according to Art. 243a, Section 1, Austrian Commercial Code

1. The share capital as at December 31st 2012 comprises 2,045,927 ordinary shares and 642,000 7% preference shares without voting rights. All shares are no-par value bearer shares, each of which participates equally in the share capital of EUR 19,533,927.31. At the end of the reporting period, all 2,687,927 shares were in circulation. The same legally standardised rights and obligations apply to all ordinary shares. In particular, ordinary shares confer voting rights exercised according to the number of shares and participate equally in profit and, in the event of winding up, in the remaining liquidation proceeds. In accordance with Article 22 Section 1 of the company statutes, voting rights begin with the rendering of the minimum legal investment where shares are not fully paid in. The share capital of the company is fully paid in. Identical rights and obligations also apply to preference shares. In line with legal provisions, the company's preference shares do not confer voting rights.

Shareholders' rights regarding the issue of share certificates are excluded in line with Article 5 of the company statues, as long as their issue is not required by the rules of the stock exchange on which the shares are registered. In accordance with Article 10 Section 2 of the Stock Corporation Act, bearer shares are to be issued in one, or where necessary multiple, global certificate(s). From January 1st 2014 at the latest, every listed company must have deposited its global certificate(s) at a securities clearing or deposit bank in accordance with Article 1 Section 3 of the Austrian Act on Securities Deposits, or at an equivalent facility abroad. The company met this obligation in the 2012 business year. All of the share certificates previously in circulation were declared invalid, in line with the respective legal regulations. The company has also issued profit participation rights in the form of 49,800 capital share certificates with a total value of EUR 361,910.71. Where the company raises capital by issuing new shares – granting direct or indirect subscription rights to the shareholders – and/or issues additional capital share certificates, other profit participation rights, other securities with subscription rights or adjustment/ convertible bonds, the holders of capital share certificates, through the granting of proportionate subscription rights or other measures at the discretion of the company, must be in a position to retain the economic substance of the rights to which they are entitled. This does not imply subscription rights for new shares, even where the company is able to grant such rights. Before the ordinary shares, preference shares and capital share certificates receive a preference dividend or profit share amounting to 7% of the proportionate due capital paid to them. If the preference dividend or profit share of the capital share certificates is not paid (or not paid in full) for one fiscal year, the arrears from the profit reported in the statement of financial position for the following fiscal years must be paid subsequently. In the event of liquidation, the holders of capital share certificates followed by the holders of preference shares receive any outstanding profit shares from remaining liquidation proceeds along with the proportionate amount of the capital due to them. Ordinary shareholders receive the proportionate amount of the capital due to them. Any remaining liquidation proceeds are distributed to holders of capital share certificates and the shareholders in relation to the number of capital share certificates or shares.

2. SuP Beteiligungs GmbH belongs to the Strauss Group and entered into the existing syndicate agreement with the Ortner Group, which was redrafted on this occasion, in place of B & C Baubeteiligungs GmbH in the course of the acquisition of shares from DV Beteiligungsverwaltungs GmbH and UniCredit Bank Austria AG. The Chairman of the Executive Board is aware of this syndicate agreement as the Strauss Group, which is led by the PROSPERO Privatstiftung, is under his control. The Executive Board as a whole has no knowledge of the content of the syndicate agreement from his function as a Board member. Resolutions passed by the syndicate oblige the syndicate members to exercise their voting rights. There is a reciprocal acquisition right. SuP Beteiligungs GmbH has a right of first refusal over the shares held by other Executive Board members.

3. The following shareholders have a direct or indirect holding in the capital of at least 10% in the form of ordinary shares as at December 31st 2012:

	Voting rights	% of share capital
Strauss Group	40.81%	48.58%
Ortner Group	28.81%	21.93%
Renaissance Construction	10.22%	7.78%

The following shareholders had the following holdings as at March 15th 2013:

	Voting rights	% of share capital
Strauss Group	48.59%	48.40%
Ortner Group	21.13%	22.20%
Renaissance Construction	10.22%	7.78%

The Strauss Group is made up of SuP Beteiligungs GmbH and AIM Industrieholding und Unternehmensbeteiligungen GmbH, both of which are wholly and directly attributed to the PROSPERO Privatstiftung, which is under the control of Karl-Heinz Strauss, Chairman of the Executive Board. Regarding the shares of the Ortner Group, the majority are directly and indirectly held by Klaus Ortner.

4. The company has no shares with special rights of control.

5. The company has no employee share ownership plans, under which employees do not exercise voting rights directly.

6. In accordance with Article 21 Section 1 of the company statues, resolutions of the Annual General Meeting, unless otherwise defined by mandatory provisions of the Stock Corporation Act, are passed by simple majority. From the legal viewpoint of the Executive Board, this statutory regulation has reduced the necessary majority of at least three quarters of the share capital represented in voting as required by the Stock Corporation Act (also for changes to the statutes) to a simple capital majority.

7. Above and beyond the direct legal provisions, Executive Board Members are not specially authorised to repurchase shares. As at December 31st 2012 the Executive Board is authorised in accordance with Article 4 Section 5 of the statute valid until December 10th 2013, to raise the share capital of the company with the approval of the Supervisory Board, in multiple tranches if so wished, to EUR 2,090,782.91 by issuing up to 287,698 no-par value shares, as follows (authorised capital), whereby the class of shares, the issue price, the conditions of issue, the subscription ratio, and, as far as necessary, the exclusion of subscription rights are settled by the Executive Board with the approval of the Supervisory Board:

i) through issuing shares in exchange for cash without excluding the subscription rights of the shareholder, but also by indirect subscription rights in accordance with Article 153 Section 6 of the Stock Corporation Act; and
ii) through issuing shares in exchange for contribution in kind, with or without excluding the subscription rights of the shareholder.

The Executive Board is also authorised in accordance with Article 171 Section 2 of the Stock Corporation Act, to bestow rights upon the new shares which are created by exercising this authorisation, which are on a par with those of the existing preference shares without voting rights.

8. In 2009, 2010 and 2012 the company issued bonds (debentures) of EUR 100,000,000 (for the period from 2009 to 2014), EUR 125,000,000 (for the period from 2010 to 2015) and EUR 50,000,000 (for the period from 2012 to 2016). These incorporate the following agreement: where a change of control takes place which seriously impairs the ability of the issuer to meet its obligations in connection with the debentures, every bond creditor shall be entitled to accelerate maturity of their debentures and demand immediate repayment at the nominal value, including interest accrued up to the date of repayment.

The company also has a framework guarantee credit contract for EUR 470,000,000 until June 30th 2013. Under this contract, the agent and the individual lenders are entitled to immediately rescind the respective shares of the framework tranches and demand security where one or more persons who are not Group companies attain a controlling share, as defined in Article 22 of the Takeover Act, in the beneficiary or a major Group company. There were no other significant agreements under the terms of Article 243a Section 1 Line 8 of the Commercial Code.

9. Indemnification agreements under the terms of Article 243a Section 1 Line 9 of the Commercial Code shall not apply.

Segment Report

Segment Business Unit 1 – DACH

Deeply rooted in the region

Business Unit 1 – DACH is responsible for the home markets of Austria, Germany and Switzerland, as well as large-scale building construction projects with a special focus on general contractor and design-build services. The segment includes the activities of the TEERAG-ASDAG Group. This segment focuses in particular on residential construction, office construction, industrial construction and road construction. Numerous large-scale infrastructure projects are developed in cooperation with Business Unit 4 – Infrastructure.

With Business Unit 1 – DACH, PORR has complete coverage throughout Austria and will expand its activities in 2013, optimising niche areas such as earthwork and hydraulic engineering. In Germany the main focus is on metropolitan areas such as Munich, Berlin and Frankfurt. In Switzerland PORR is primarily involved in civil engineering and individual large-scale building construction projects.

Central Europe as stability region

While GDP declined slightly in 2012 in Europe, developments in Austria, Germany and Switzerland were stable. In particular, Germany's robust economy had a positive impact on its German-speaking neighbours. In 2012 the highest GDP growth of the three countries was achieved by Switzerland (+0.9%), ahead of Germany (+0.8%) and Austria (+0.6%), while in the EU as a whole GDP fell by 0.1% on average. Construction output in Central Europe remained stable in a market environment which was difficult overall. Austria and Switzerland achieved 1.1% growth, while a modest decline of 0.2% was recorded in Germany. This decline was, however, from a very high starting point.

Renewed growth in production output

Business Unit 1 – DACH performed very well in the reporting period. At December 31st 2012 production output amounted to EUR 1,719.5m, an increase of EUR 83.1m or 5.1%. This rise was largely due to strong demand in building construction projects, although growth was also achieved in civil engineering, bucking the trend despite the prevailing budget restrictions. First and foremost, the building construction department managed to increase production output significantly, thereby validating its strategy of concentrating on specific customer segments.

In terms of individual markets, production output developed well overall, with just a few exceptions. The Greater Vienna area in particular achieved significant increases in residential construction. In Upper Austria the lot on the S10-Mühlviertler expressway provided a solid workload and the federal provinces of Carinthia and Salzburg also performed well – both areas yielded their first successes in building construction following the reorganisation.

In Germany building construction demand was extremely positive and it was also possible to increase the civil engineering business significantly in cooperation with Business Unit 4 – Infrastructure thanks to the large-scale railway orders. Although entry into the Swiss building construction market proved challenging, two large-scale orders were successfully acquired. PORR intends to have an ongoing presence on this market. In contrast, civil engineering in Switzerland was satisfactory.

Key data

in EUR m	2012	Change	2011	2010	2009
Production output	1,719.5	+5.1%	1,636.4	1,599.7	1,668.7
Foreign share in %	13.8	+0.7 PP	13.1	14.4	14.4
Order backlog at year end	1,491.8	+19.2%	1,251.1	1,243.3	1,081.8
Average staff	6,629	-2.8%	6,821	7,133	7,451

Managing Directors of
Business Unit 1 – DACH

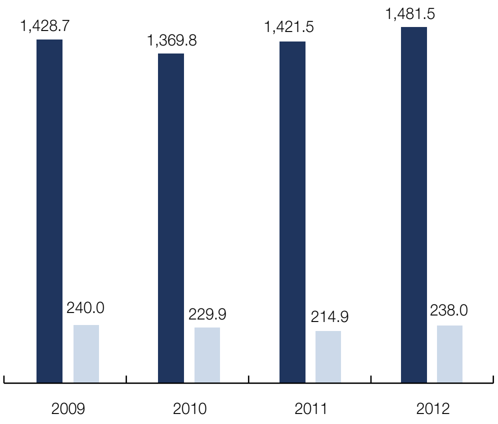
Christian Motz   Josef Stekovics   Josef Pein

High order backlog thanks to numerous acquisitions

In addition to production output, the order backlog also saw significant growth. Almost the entire production output which had been planned for the year had already been booked by the third quarter. This solid order situation allows PORR to be selective in acquiring new orders and focus on results. The order backlog stood at EUR 1,491.8m, an increase of EUR 240.8m or 19.2%. This high cushion of orders offers a high degree of capacity utilisation for 2013 and beyond.

At December 31st 2012 order bookings amounted to EUR 1,960.2m, an increase of EUR 315.9m or 19.2%. The most important new orders were the railway contracts in Germany, which will be realised in cooperation with Business Unit 4 – Infrastructure, as well as numerous building construction projects. These included the shell of the Krankenhaus Nord Hospital in Vienna, the HOC project – Hotel & Office Campus Berlin, the new BMW subsidiary in Berlin and a range of large housing projects, especially in the Greater Vienna area. With these projects PORR is cementing its leading position in this sector (DC Living residential complex, multiple lots on the Seestadt housing project, Monte Laa residential complex).

Production output, domestic and foreign
in EUR m

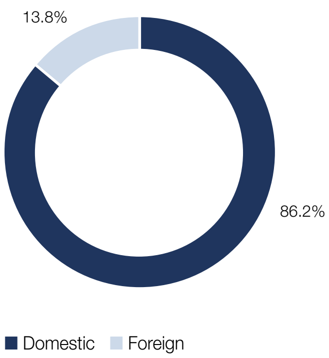


Stable outlook for 2013

Business Unit 1 can look forward to the 2013 business year with optimism and expects stable business developments, not least because of the reassuring order backlog. The three home markets of Austria, Germany and Switzerland are expected to benefit from stable growth on the construction market in the coming years, albeit at a slightly slower pace for Austria. The construction sector continues to be affected by key issues such as the debt levels of the federal provinces and the subsequent lower levels of public (civil engineering) investment, for example by the Austrian Federal Railways (ÖBB) and ASFINAG. Nevertheless, a sufficient number of additional orders is still expected. PORR benefits from its good local networks and excellent relationships with clients. These success factors are also helping to cushion the impact of increasingly fierce competition, as the economic crisis in Eastern Europe has led to a sharp rise in the number of competitors in Austria.

In addition to increased competition and the uncertainty surrounding the budget situation at federal, provincial and municipal level, Business Unit 1 focuses on the possible payment default or insolvency of clients, consortium partners or subcontractors. In order to mitigate these risks, strict attention is paid to credit checks and bank guarantees to secure client payments.

2012 Production output, domestic and foreign



Managing Directors of Business Unit 2 – CEE/SEE

Franz Scheibenecker   Werner Pattermann   Michael Salzmann

Segment Business Unit 2 – CEE/SEE

At home in Poland and the Czech Republic

Business Unit 2 – CEE/SEE covers the home markets of Poland and the Czech Republic, where PORR offers a complete range of construction services in building construction and civil engineering along with the specialist division for large-scale projects in earthworks, hydraulic engineering and pipeline construction. It also deals with all project-based activities in CEE/SEE countries – at present these mostly relate to Romania, Bulgaria, Serbia and Slovakia.

Against a backdrop of a stable economy and ongoing solid credit rating, PORR offers all products in Poland and the Czech Republic with complete coverage. PORR offers its export products selectively in Serbia and Romania – particularly in the infrastructure sector – and is thereby pursuing a cautious step-by-step strategy. An expansion of the range will only be considered in the medium to long term in light of a sufficiently stable economic situation.

Trough has passed for region’s economy

Even if multiple countries in Eastern and South-Eastern Europe entered a double-dip recession in the reporting period, the declines were less steep than at the height of the 2009 crisis. Furthermore, they were below the losses of the EU countries in Southern Europe – Spain, Portugal, Greece and Italy. The construction markets in Eastern and South-Eastern Europe were also affected by the crisis in 2012. Sharp negative growth rates, some of which reached double figures, continued to hit countries such as Slovakia and Hungary. That said, it seems that the trough has passed. In 2013 almost all of the region’s countries are expected to see a return to slight growth in construction output, albeit starting out from a very low level. Poland is the exception here, although the expected slowdown in the Polish construction market should only involve a one-off decline.

Regressive production output caused by postponed orders

The production output of Business Unit 2 – CEE/SEE declined in 2012 and amounted to EUR 363.8m at year end, a decrease of EUR 60.7m or 14.3%. The reasons for this decline varied greatly across the region. Individual countries such as Serbia bucked the trend with an increase in output, while the home market of the Czech Republic broadly held steady with just a slight decrease. In the home market of Poland output was pushed back to 2013, particularly in building construction. Here the economic uncertainty on the Polish market had a significant impact. The sharp rise in the order backlog in 2012 in comparison to the previous year and the orders already booked indicate that many investments have not been cancelled but merely postponed and that output levels are likely to start to recover in 2013. It is also noteworthy that there were concrete expectations for multiple interesting orders at the end of 2012. The reduced production volumes in Hungary are accounted for by the strategic decision to handle this market very selectively; the economic and political backdrop continues to be highly problematic.

Improved order backlog against the trend

In contrast to production output and in spite of the market conditions, the order backlog of Business Unit 2 actually increased. It amounted to EUR 379.3m, a rise of EUR 37.6m or 11.0%. Growth was recorded in the home market of the

Key data

in EUR m	2012	Change	2011	2010	2009
Production output	363.8	-14.3%	424.5	465.6	398.9
Order backlog at year end	379.3	+11.0%	341.7	416.0	600.5
Average staff	1,662	-8.2%	1,811	2,015	2,030

Managing Director of
Business Unit 3 –
International

Thomas Stiegler

Czech Republic as well as Romania and Serbia. It was possible to broadly match the previous year's order backlog levels.

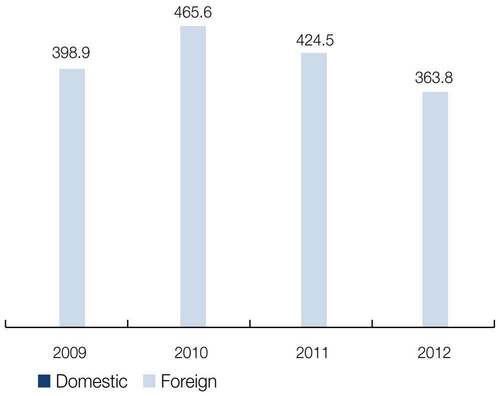
At December 31st 2012, Business Unit 2 – CEE/SEE recorded order bookings of EUR 401.4m, an increase of EUR 51.3m or 14.7%. This growth was driven by new acquisitions in both building construction and civil engineering. The most significant new projects included numerous building construction orders such as the Business Park Posen and the Nimbus office building in Warsaw. In civil engineering the unit managed to acquire the Torun–Bydgoszcz railway project in Poland together with Business Unit 4 – Infrastructure as well as road construction projects on the municipal road network in the Czech Republic.

Developments expected to remain variable

Business Unit 2 – CEE/SEE still faces major challenges, although there will be significant regional variation in the coming years. While Poland and the Czech Republic continue to show solid growth potential as PORR's home markets, there will be a selective approach to most other markets and only individual projects with secure margins will be pursued. In the home markets PORR will concentrate even more strongly on its core areas and the most important projects. For building construction this includes office construction, hotels and shopping centres – projects for which PORR enjoys an outstanding reputation. In civil engineering the strategy involves focusing on niche areas – for example railway construction together with the Infrastructure segment, or earthworks, hydraulic engineering and pipeline construction.

PORR has reacted to the economic situation of many Eastern and South-East European countries by focusing on the stable home markets of Poland and the Czech Republic as well as increased risk management, even on projects financed by the public sector. The whole region is dominated by payment difficulties and long payment terms from public authorities. In addition to the usual construction-related risks, currency risks also play a key role in Business Unit 2 – CEE/SEE. In order to minimise these risks, Business Unit 2 is working with the Group Financial Management to develop specific risk management tools.

Production output
in EUR m



Segment Business Unit 3 – International

High demand for infrastructure

The segment Business Unit 3 – International bundles all of PORR's activities in the international markets of Qatar, Oman, Saudi Arabia and Turkey. On these markets PORR presents itself as an expert, premium provider and infrastructure specialist and is particularly well-represented with its export products in tunnelling, railway construction and foundation engineering. The international expansion has a selective, results-oriented and professional focus.

Demand in the region for modern infrastructure is unwaveringly strong. For example, Qatar is preparing to host the 2022 FIFA World Cup, when it must be ready to manage the masses of visitors effectively. Extensive natural reserves of oil and gas mean that project financing is secured. Qatar serves as a local hub for Business Unit 3 – International, from which activities on the other international markets are managed.

Managing Directors of Business Unit 4 – Infrastructure

Alfred Sebl Werner Heihal Hubert Wetschnig

Success with Doha metro

The first success was yielded from activities in the region in Qatar in 2012. PORR, together with its partners SBG and the local HBK, was charged with the enabling works for the new Doha metro. The order includes building demolition works, transfer of pipes, setting up logistical areas, excavation, site clearance and other peripheral construction measures. Thanks to good local networking, further projects are expected in tunnelling, underground railway construction and road building. The development of infrastructure projects in collaboration with local partners is currently under observation in Oman. The country is potentially a promising market and has a secure financing base in a similar way to Qatar and Saudi Arabia. Reconnaissance is underway in Saudi Arabia at present, although market entry is dependent on successfully acquiring projects with secure margins. A small local office for a wholly owned PORR subsidiary has opened in Ankara to deal with future projects. State funding in excess of EUR 80bn has been earmarked for improving the country's infrastructure.

Focus on risk management

The expansion of business activities to Qatar, Oman, Saudi Arabia and Turkey promises future increases in output; nevertheless it is being pursued in a very cautious, risk-averse manner. The goal is to use every market opportunity in the region which is conducive to long-term, profitable growth. Given the special economic and political situation on the international markets, risk management plays a critical role. In addition to the economic parameters, political stability is a key factor in light of the dominance of the public sector in awarding tenders. At present PORR is only offering selected large-scale projects in the infrastructure sector. This strategy means that in markets such as this the PORR Group is confronted in the development phase with competitors, to varying degrees, some of whom have extensive resources at their disposal. In this region PORR is competing with some of the best construction companies in the world in terms of technology; the company is addressing this through increased cooperation with local partners.

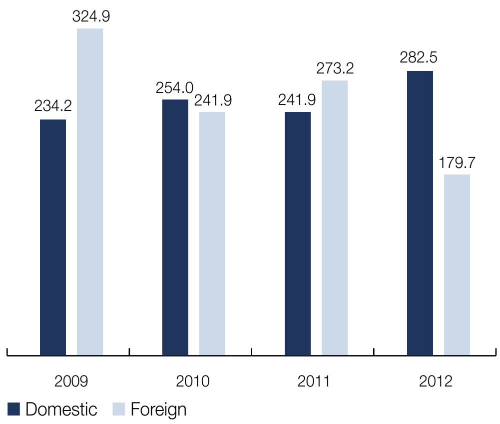
Segment
Business Unit 4 – Infrastructure

Technical market leader in many areas

PORR is a leader in infrastructure projects, far beyond its home markets of Austria, Germany, Switzerland, Poland and the Czech Republic. The segment Business Unit 4 – Infrastructure includes activities in tunnelling, rail construction and foundation engineering, as well as large-scale projects in road and bridge construction, power plant construction and civil engineering. PORR realises the entire range of traffic construction, from smaller construction tasks through to complex large-scale projects and traffic infrastructure initiatives.

Business Unit 4 – Infrastructure has first-class expertise in many areas. For example PORR is one of the leading companies in Europe for every aspect of underground construction, from conventional tunnelling with shotcrete right through to high-tech mechanical boring. In railway construction PORR developed the slab track railway system in cooperation with ÖBB, the Austrian Federal Railways. This system

Production output, domestic and foreign
in EUR m



stands out because the high precision of the track base plate guarantees an exact track position with exceptional dynamic and sound-reducing technical properties. More and more clients rely on this system and it led to numerous acquisitions in Germany in 2012.

National debt puts pressure on civil engineering investments

Most European countries have been forced to reduce their national debt as a consequence of the financial crisis. These austerity measures have affected civil engineering in particular. These reductions have been felt on PORR's Central European home markets – in Austria, Germany and Switzerland – and to a lesser degree in the two Eastern European home markets of Poland and the Czech Republic; however, the effect on the construction industry has been kept in check thanks to a strong reputation and technical expertise. The situation is different in Eastern and South-Eastern Europe. Here the mismatch between massive demand for improvements in infrastructure contrasted with budget consolidation measures has led to significant falls in the order backlog.

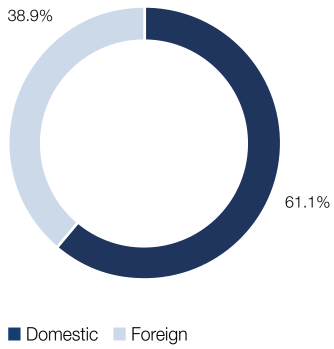
Project completion leads to decline in output

Business Unit 4 – Infrastructure generated production output of EUR 462.2m in 2012, a decrease of EUR 52.9m or 10.3%. While the segment did therefore experience a decline, this reflects the fact that this segment is driven by large-scale projects. Major projects such as infrastructure projects in Romania and the Ashta power plant in Albania opened in 2012, while subsequent projects like Stuttgart–Ulm and the large slab track system orders in Germany are on the order books but not yet fully underway. Intensive work was carried out on the large-scale projects S10-Mühlviertler expressway in Upper Austria, the Biel bypass in Switzerland and the Münster–Wiesing railway line in Tyrol.

Cushion of orders results in high capacity utilisation

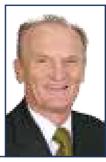
In contrast to production output, the order backlog increased and amounted to EUR 1,204.6m, a rise of EUR 180.1m or 17.6%. This significant boost was predominantly generated by acquisitions in Germany, while existing projects were completed in Austria and the order backlog shrank across every federal province. Overall, Business Unit 4 – Infrastructure has a very high cushion of orders, many of which are multi-year projects which will be steadily realised in the coming years.

2012 Production output, domestic and foreign

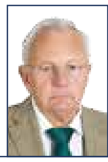


Key data

in EUR m	2012	Change	2011	2010	2009
Production output	462.2	-10.3%	515.1	495.9	559.1
Foreign share in %	38.9	-14.1 PP	53.0	48.8	58.1
Order backlog at year end	1,204.6	+17.6%	1,024.5	640.7	834.0
Average staff	1,285	+14.2%	1,125	1,264	1,315


Alfred Jahn


Richard Metzenbauer


Franz Steinacher

Managing Directors of Business Unit 5 – Environmental Engineering

Amounting to EUR 642.3m, order bookings fell short of 2011 levels, with a decrease of EUR 256.7m or 28.6%. As the capacity of Business Unit 4 – Infrastructure is already very well utilised with existing orders, the unit took a selective approach in 2012, only bidding on high-margin projects. In addition to the first project on the underground railway construction on the international market of Qatar, the segment focused primarily on railway construction projects with the Albaufstieg project on the Stuttgart–Ulm railway line, as well as the lots on the Coburg–Ilmenau slab-track project. In 2012 the slab track railway system achieved a breakthrough in Germany and secured PORR's position as a technological leader.

Strategic focus on technological leadership

As Deutsche Bahn is increasingly relying on the slab track railway technology, in a similar way to ÖBB, one key area for the year ahead will be to focus on further development and possible new acquisitions in national and international rail construction. Another focal point is on tunnelling and foundation engineering, areas in which PORR has a similar advantage through its technological expertise. The segment will continue to work closely with other operational units, particularly with Region 3 – International on the enabling works project for the Doha metro in Qatar.

The high order backlog makes it possible for Business Unit 4 – Infrastructure to be selective in its choice of projects, as well as facilitating a risk-averse approach. Target projects will be identified in terms of risk, payment security and legal certainty. Nevertheless, this segment's complex projects are subject to ongoing risk management to ensure the best-possible realisation. This process involves evaluating risks not only in the execution phase, but also specific risks or opportunities in the preparation stage. This is even more applicable to projects in countries outside the home markets.

Segment Business Unit 5 – Environmental Engineering

Centre of excellence for "Green Solutions"

The segment Business Unit 5 – Environmental Engineering is home to the Group's expertise in environmental clean-up, waste management and renewable energy. The activities of Porr Environmental Engineering have a clear focus on Austria, although an important step was taken in Germany in 2012 with the purchase of TKDZ Wellen (Trier lime, dolomite and cement works). Porr Environmental Engineering develops, builds and operates landfills, waste treatment and sorting facilities in Austria, Germany and Serbia.

Porr Environmental Engineering GmbH was founded in 1990 as a PORR AG subsidiary in order to bundle existing expertise and satisfy the growing trend towards "Green Solutions". Today Porr Environmental Engineering GmbH is the most important subsidiary of Porr Bau GmbH.

Stable market backdrop

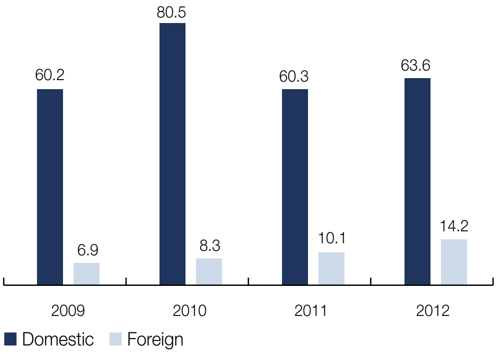
PORR has achieved a high standard in environmental engineering on its home markets. Nevertheless, demand remains high in the area of waste recycling and environmental clean-up. Despite public budget limitations, local authorities are still investing in expanding and maintaining landfills. The situation in SEE is more varied. While demand for waste infrastructure, the majority of which must be newly built, is unwaveringly high, the funding available and public-sector payment practices have declined in the course of the crisis. The environmental engineering segment has reacted to these developments by focusing on projects co-financed by international backers such as the EU or the World Bank.

Satisfactory business year 2012

The previous business year ended with a rise in production output for the segment Business Unit 5 – Environmental Engineering.

This amounted to EUR 77.8m, an increase of EUR 7.4m or 10.5%. Output also rose in the three most important markets, with the sharpest growth in Germany where TKDZ Wellen was acquired at the beginning of the year. The works are being restructured and will pursue a clear, results-oriented strategy from 2013. The sewage construction subsidiary Thorn, which has been operating successfully for many years, primarily in the region of Bavaria, continued to experience positive growth.

Production output, domestic and foreign



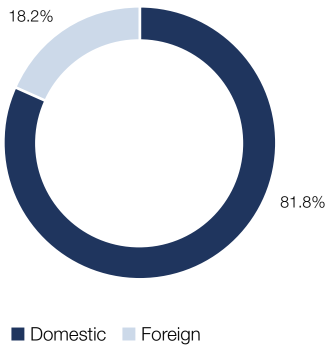
In Serbia PORR signed the contract to acquire the remaining shares in the Porr-Werner-Weber Group were acquired. The Group operates landfills and handles domestic waste collection in the regions of Jagodina and Leskovac; there is also potential for the coming years in the commercial waste business. The takeover of TKDZ Wellen led to an increase in staff numbers in the PORR Group. Work is progressing on existing orders in Austria including large-scale projects such as operating a wet screening plant and a concrete mix plant "Ground Unit" on the premises of voestalpine Stahl GmbH in Linz or the rehabilitation of several contaminated sites across the whole country.

Major new acquisitions

Alongside production output, the order balance had also increased at the reporting date December 31st. The order backlog stood at EUR 65.8m, a rise of EUR 23.1m or 54.2%. As with production output, the growth in the order backlog was distributed across all important markets. In terms of volume, Austria remains the most important market by some margin, particularly the federal provinces of Vienna, Lower Austria, Upper Austria and Carinthia.

Order bookings also rose thanks to several acquisitions, increasing to EUR 100.9m, a rise of EUR 2.7m or 2.7%. The most important new construction orders were rehabilitating coking plants 1 and 2 for voestalpine in Linz, environmental clean-up projects in Brückl and Rum/Tyrol, demolition of the Voitsberg power station in Styria as well as earthworks for the major Krankenhaus Nord Hospital project in Vienna. The segment also renewed its commitment to long-term resource preservation, with several projects set to be realised from 2013. Overall, the order backlog with these new projects and the existing cushion of orders paint a pleasing picture, securing a solid workload even for the years beyond 2013.

2012 Production output, domestic and foreign



Key data

in EUR m	2012	Change	2011	2010	2009
Production output	77.8	+10.5%	70.4	88.8	67.1
Foreign share in %	18.2	+3.9 PP	14.3	9.3	10.3
Order backlog at year end	65.8	+54.2%	42.7	14.8	23.3
Average staff	229	+17.4%	195	236	230

Managing Directors of Business Unit 6 – Real Estate

Christoph Schäffer
Strauss & Partner

Claus Stadler
Strauss & Partner

Michael Wurzinger
Strauss & Partner

Gerhard Haumer
PORREAL

Gottfried Riedl-Riedenstein
PORREAL

Well-prepared for 2013

On the basis of the positive business activities in 2012, the segment is also well prepared for the coming business year. Market development is expected to hold steady in the two home markets of Austria and Germany, whereby there will also be opportunities in the environmental clean-up sector in 2013. There will be further stabilisation of business activities in Serbia, however, new projects will only be pursued on the basis of secure (co-) financing and after careful consideration. Growth in the field of renewable energy, particularly photovoltaic and geothermal is dependent on getting suitable financing in place.

In addition to the dependency on municipal tenders, the main risk management focus for Business Unit 5 – Environmental Engineering lies in the collectability of receivables, particularly outside the two home markets of Austria and Germany.

Segment Business Unit 6 – Real Estate

One-stop solutions

The segment Business Unit 6 – Real Estate encompasses a broad range in project development and property development. The focus here is on the promising core competencies of the office, commercial, tourism and hotel sectors as well as concession models from hospitals through to large-scale infrastructure projects. The Group's main markets are Austria and Germany, complemented by projects in most other PORR markets.

The segment Business Unit 6 – Real Estate was restructured in 2012 and is now composed of Strauss & Partner Development GmbH, PORREAL Immobilien Management GmbH, Alba BauProjektManagement GmbH, Konzernimmobilien and UBM. Here Strauss & Partner is the PORR Group's project development specialist with core competencies in developing projects in building construction as well as infrastructure, healthcare and tourism. It is also synonymous with exceptional achievements in developing office and residential construction projects.

PORREAL is positioned as a complete service provider for property management services on the relevant domestic and foreign markets. It offers a full service portfolio in property, facility and asset management, as well as real estate consulting, and focuses on the property management business across its entire life cycle. ALBA is a key construction project manager in Germany in the areas of project management and real estate services. UBM, in which PORR holds significant shares, is a leader in the development, letting and sales of real estate throughout Europe.

Increase in production output in 2012

The segment's production output amounted to EUR 267.7m at December 31st 2012, an increase of EUR 8.5m or 3.3%. While Austria recorded a significant rise in output, the other markets experienced an overall decline. The most important ongoing orders included the project Hotel & Office Campus at the O2 Arena in Berlin as well large-scale hotel projects such as the Palais Hansen Kempinski in Vienna and Alexander Parkside in Berlin.

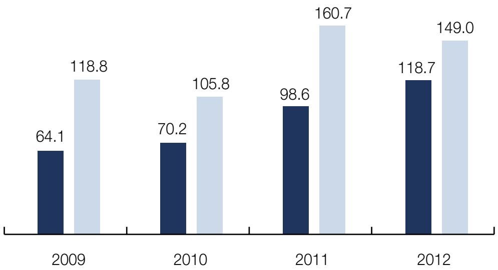
Positive developments in the order backlog

The order backlog of Business Unit 6 – Real Estate expanded in the period under review and amounted to EUR 217.2m at the end of 2012, a rise of EUR 113.0m or 108.4%. Orders developed analogously to production output on the Austrian market, while other markets experienced decreases. In any case, high fluctuation is common in the order backlog given the fact that tenders usually run for several years.

Order bookings also rose sharply to EUR 380.7m, an increase of EUR 151.3m or 65.9%. The most important new acquisitions were the

Olympia Gate Munich project for Strauss & Partner, the EURO PLAZA order and the urban development project Quarter 2 in Vienna, as well as facility management services for the entire IVG portfolio in Hungary for PORREAL.

Production output, domestic and foreign
in EUR m

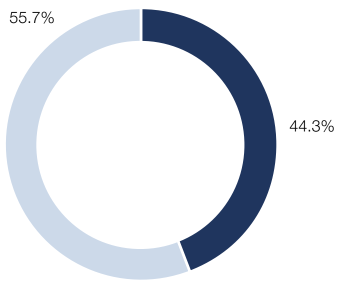


Focal points for the individual operating units

As before, the focus of Strauss & Partner and Group real estate was on the restructuring process which was consistently implemented in 2012. The goal is to further streamline the structures and secure a clear focus on the high-margin home markets. The successful sale of land reserves and the sale of general real estate such as the Haidäcker Park shopping centre in Eisenstadt, the Austria Trend Hotel Doppio and lots 1, 2 and 4 at the Oberpfaffenhofen technology park in Bavaria, will also be pursued in the coming business year. Overall, there will be an increased future focus on Austria and the major German cities Berlin, Munich, Hamburg and Frankfurt am Main – above all in the asset classes of office, hotel, residential and healthcare.

In 2012 PORREAL managed to put in place the internal structures needed for successful growth, which has already yielded its first success with the aforementioned acquisitions. The fields of property management and facility management were expanded with the addition of real estate consulting and international property management International. A first step towards internationalisation was taken in Hungary with PORREAL Kft, this should be further promoted in 2013. The subsidiary has already managed to acquire renowned partners such as UNIQA and IVG. In cooperation with Strauss & Partner, PORREAL will significantly expand the value chain in Business Unit 6 – Real Estate.

2012 Production output, domestic and foreign



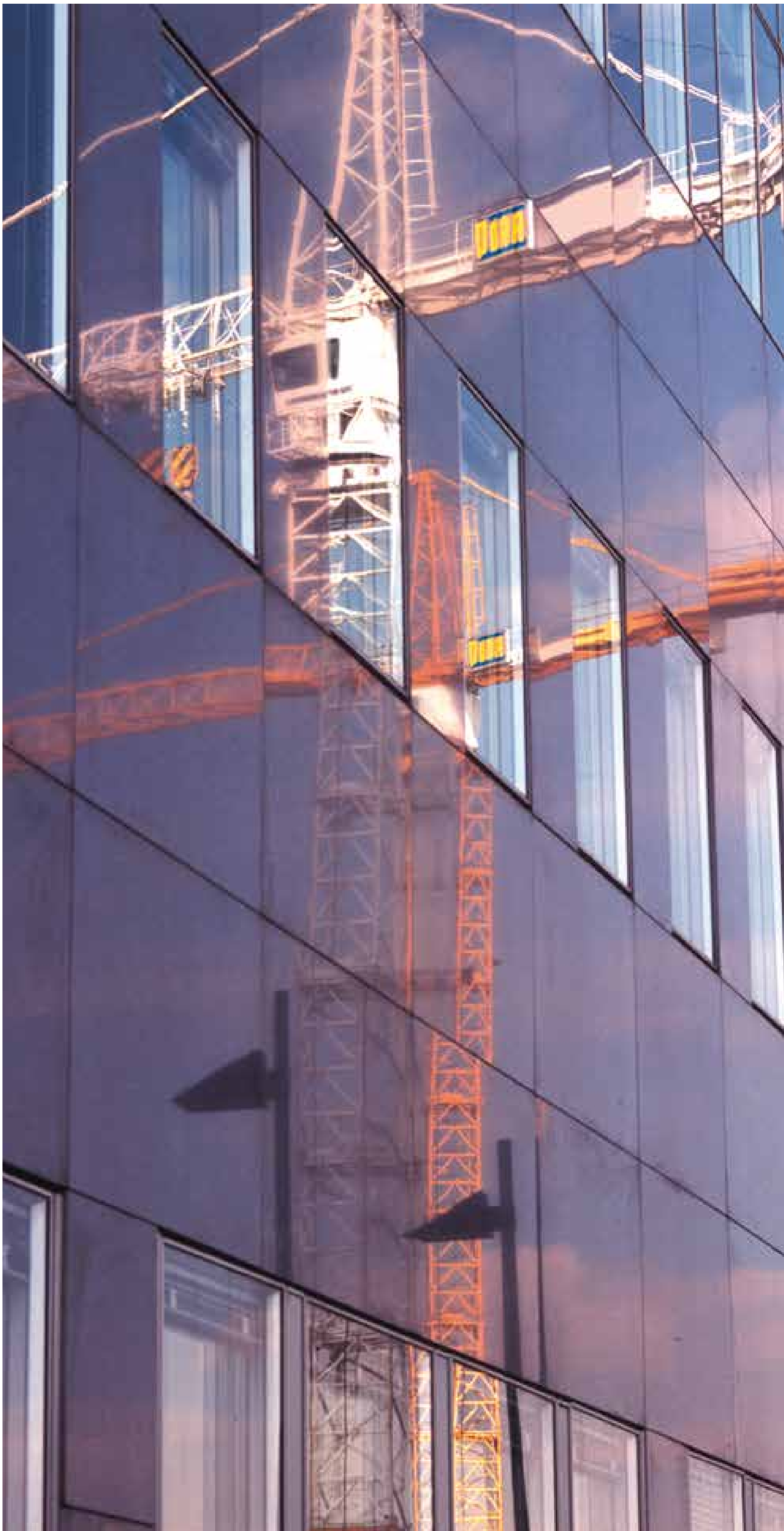
Key data

in EUR m	2012	Change	2011	2010	2009
Production output	267.7	+3.3%	259.2	176.0	182.9
Foreign share in %	55.7	-6.3 PP	62.0	60.1	65.0
Order backlog at year end	217.2	+108.4%	104.2	134.1	144.2
Average staff	300	+14.5%	262	594	460

The problematic backdrop resulting from the financial crisis has also led to increased risk management in the segment Business Unit 6 – Real Estate. As in the preceding years, financing and utilisation risks presented the biggest challenge in project development. With regard to financing, the increase in own funds required also increased the risk to investors, making financing significantly harder to come by. In addition, long-term contracts – albeit with sharp regional differences – are becoming less common. The length of rental contracts and lease agreements is given top priority in order to be able to generate secure, sustainable earnings from existing projects, minimise the risk of default and facilitate a timely exit through the sale to end investors.

Consolidated Financial Statements 2012

In accordance with International Financial Reporting Standards (IFRS)



Consolidated Income Statement

in EUR thousand	Note	2012	2011[1] restated
Revenue	(7)	2,314,828	2,212,490
Own work capitalised in non-current assets		4,210	4,152
Share of profit/loss of associates	(20)	20,201	17,916
Other operating income	(8)	70,312	67,158
Cost of materials and other related production services	(9)	-1,455,484	-1,470,861
Staff expense	(10)	-625,309	-580,804
Other operating expenses	(12)	-224,921	-239,225
EBITDA		**103,837**	**10,826**
Depreciation, amortisation and impairment expense	(11)	-50,028	-51,291
EBIT		**53,809**	**-40,465**
Income from financial investments and other current financial assets	(13)	5,976	1,738
Finance costs	(14)	-37,777	-44,342
EBT		**22,008**	**-83,069**
Income tax expense	(15)	-4,015	12,880
Profit/loss for the period		**17,993**	**-70,189**
of which attributable to non-controlling interest		742	2,749
Profit/loss for the period attributable to shareholders of the parent and holders of profit-participation rights		**17,251**	**-72,938**
of which attributable to holders of profit-participation rights		5,600	5,600
Profit/loss for the period attributable to shareholders of the parent		11,651	-78,538
Diluted/basic earnings per share (in EUR)	(16)	**4.26**	**-28.99**

[1] Comparative figures have been adjusted retrospectively in line with IAS 8

Statement of Comprehensive Income

in EUR thousand	Note	2012	2011[1] restated
Loss (profit) for the period		**17,993**	**-70,189**
Other comprehensive income:			
Gains (losses) from revaluation of property, plant and equipment	(18)	226	-85
Remeasurement from benefit obligations	(34)	-8,593	-2,665
Gains (losses) from fair value measurement of securities		298	-203
Gains (losses) from cash flow hedges			
Gains (losses) recognised in profit or loss	(43)	-475	67
Gains (losses) from cash flow hedges of associates		-5,958	-8,348
Exchange differences		1,722	-1,733
Income tax expense (income) on other comprehensive income	(15)	2,146	696
Other comprehensive income		**-10,634**	**-12,271**
Total comprehensive income		**7,359**	**-82,460**
of which attributable to non-controlling interest		799	2,679
Share attributable to shareholders of the parent and holders of profit-participation rights		**6,560**	**-85,139**
of which attributable to holders of profit-participation rights		5,600	5,600
Share attributable to shareholders of the parent		**960**	**-90,739**

[1] Comparative figures have been adjusted retrospectively in line with IAS 8

Consolidated Cash Flow Statement

in EUR thousand	Note (43)	2012	2011[1] restated
Profit/loss for the period		17,993	-70,189
Depreciation, impairment and reversals of impairment on fixed assets		61,180	56,017
Income from associates		-17,109	-8,355
Profits from the disposal of fixed assets		-1,695	-3,975
Increase/decrease in long-term provisions		13,421	-1,437
Deferred income tax		-1,810	-20,413
Operating cash flow		**71,980**	**-48,352**
Increase in short-term provisions		37,476	9,311
Decrease in inventories		1,390	19,825
Increase/decrease in receivables		-111	47,647
Increase in payables (excluding banks)		8,255	7,131
Other non-cash transactions		-8,105	3,987
Cash flow from operating activities		**110,885**	**39,549**
Proceeds from sale of property, plant and equipment and investment property		25,533	21,589
Proceeds from sale of financial assets		611	10,963
Investments in intangible assets		-3,484	-3,203
Investments in property, plant and equipment and investment property		-115,888	-126,975
Investments in financial assets		-17,494	-23,506
Proceeds from the sale of consolidated companies		9,280	-
Payments for the acquisition of subsidiaries		-6,833	-4,851
Cash flow from investing activities		**-108,275**	**-125,983**
Dividends		-	-1,459
Dividends paid out to non-controlling interest		-3	-17,513
Proceeds from bonds		48,684	-
Repayment of bonds		-70,000	-68,197
Repaying/obtaining loans and other financing		-33,941	154,825
Payments for the acquisition of non-controlling interest		-	-37,974
Proceeds from obtaining subordinated loans		10,989	-
Cash flow from financing activities		**-44,271**	**29,682**
Cash flow from operating activities		**110,885**	**39,549**
Cash flow from investing activities		**-108,275**	**-125,983**
Cash flow from financing activities		**-44,271**	**29,682**
Changes to cash and cash equivalents		**-41,661**	**-56,752**
Cash and cash equivalents at Jan 1st		153,813	212,161
Currency differences		978	-2,928
Changes to cash and cash equivalents resulting from changes to the consolidated group		-2,719	1,332
Cash and cash equivalents at Dec 31st		**110,411**	**153,813**
Interest paid		33,507	39,381
Interest received		9,014	12,400
Tax paid		3,488	5,775
Dividends received		-	953

[1] Comparative figures have been adjusted retrospectively in line with IAS 8

Consolidated Statement of Financial Position

in EUR thousands	Note	31.12.2012	31.12.2011[1] restated	1.1.2011[1] restated
Assets				
Non-current assets				
Intangible assets	(17)	58,733	51,022	31,412
Property, plant and equipment	(18)	393,535	409,752	415,871
Investment property	(19)	339,782	407,496	366,020
Shareholdings in associates	(20)	209,053	195,523	175,675
Loans	(21)	29,380	35,123	37,328
Other financial assets	(22)	20,115	25,440	34,404
Other non-current assets	(25)	40,442	44,251	45,741
Deferred tax assets	(29)	7,570	9,452	17,438
		1,098,610	1,178,059	1,123,889
Current assets				
Inventories	(23)	81,133	55,125	74,337
Trade receivables	(24)	610,146	602,639	652,370
Other financial assets	(25)	121,152	113,022	84,739
Other receivables and current assets	(26)	12,111	17,594	21,901
Cash and cash equivalents	(27)	110,411	153,813	212,161
Assets held for sale	(28)	24,381	16,800	-
		959,334	958,993	1,045,508
Total assets		2,057,944	2,137,052	2,169,397
Equity and liabilities				
Equity				
Share capital	(30)	19,896	19,896	19,275
Capital reserves	(31)	121,353	121,353	111,454
Other reserves	(31)	85,303	83,571	187,775
Equity attributable to shareholders of parent		226,552	224,820	318,504
Equity from profit-participation rights	(32)	92,119	75,530	75,530
Non-controlling interest	(33)	3,882	2,893	83,258
		322,553	303,243	477,292
Non-current liabilities				
Bonds	(35)	273,103	224,088	293,549
Provisions	(34)	115,581	101,676	102,150
Non-current financial liabilities	(36)	169,173	408,241	213,139
Other non-current financial liabilities	(38)	16,963	20,881	14,540
Other liabilities	(39)	-	33,981	29,950
Deferred tax liabilities	(41)	17,974	22,839	48,687
		592,794	811,706	702,015
Current liabilities				
Bonds	(35)	-	69,630	67,822
Provisions	(34)	117,236	73,717	63,672
Current financial liabilities	(36)	254,635	87,908	78,998
Trade payables	(37)	515,158	502,176	487,127
Other current financial liabilities	(38)	95,194	122,758	112,713
Other current liabilities	(39)	155,145	161,571	175,112
Tax payables	(40)	5,229	4,343	4,646
		1,142,597	1,022,103	990,090
Total equity and liabilities		2,057,944	2,137,052	2,169,397

[1] Comparative figures have been adjusted retrospectively in line with IAS 8

Statement of Changes in Group Equity

in EUR thousand	Notes (30–33)	Share capital	Capital reserves	Revaluation reserve	Remeasurement from benefit obligations
Balance at Jan 1st 2011		**19,275**	**111,454**	**13,075**	**-**
Standards applied for the first time		-	-	-	-491
Balance at Jan 1st 2011 adjusted		**19,275**	**111,454**	**13,075**	**-491**
Total profit/loss for the year		-	-	1,079	-2,003
Dividend payout		-	-	-	-
Income tax on interest for holders of profit-participation rights		-	-	-	-
Capital increase		621	9,899	-	-
Acquisition of non-controlling interest		-	-	-	-
Balance at Dec 31st 2011		**19,896**	**121,353**	**14,154**	**-2,494**
Total profit/loss for the year		-	-	-257	-6,351
Dividend payout		-	-	-	-
Income tax on interest for holders of profit-participation rights		-	-	-	-
Capital increase		-	-	-	-
Acquisition of non-controlling interest		-	-	-	-
Balance at Dec 31st 2012		**19,896**	**121,353**	**13,897**	**-8,845**

Foreign currency translation reserves	Total debt securities available for sale – fair value reserve	Reserve for cash flow hedges	Retained earnings and non-retained profit	Equity attributable to equity holders of the parent	Profit-participation rights	Non-controlling interest	Total
3,466	-19	-20,667	191,920	318,504	75,530	83,258	477,292
-	-	-	491	-	-	-	-
3,466	-19	-20,667	192,411	318,504	75,530	83,258	477,292
-625	-153	-8,298	-80,739	-90,739	5,600	2,679	-82,460
-	-	-	-1,459	-1,459	-5,600	-11,913	-18,972
-	-	-	1,400	1,400	-	-	1,400
-	-	-	-	10,520	-	-	10,520
-	-	-	-13,406	-13,406	-	-71,131	-84,537
2,841	-172	-28,965	98,207	224,820	75,530	2,893	303,243
1,656	224	-6,314	12,002	960	5,600	799	7,359
-	-	-	-	-	-	-3	-3
-	-	-	1,400	1,400	-	-	1,400
-	-	-	-	-	10,989	-	10,989
-	-	-	-628	-628	-	193	-435
4,497	52	-35,279	110,981	226,552	92,119	3,882	322,553

Notes to the Consolidated Financial Statements 2012

1. General information

The PORR Group consists of Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft (PORR AG) and its subsidiaries, hereafter referred to as the "Group". PORR AG is a public limited company according to Austrian law and has its registered head office at Absberggasse 47, 1100 Vienna. The company is registered with the commercial court of Vienna under reference number FN 34853f. The Group deals mainly with the planning and execution of a whole range of building construction activities as well as project development and real estate development.

The consolidated financial statements have been prepared pursuant to Art. 245a of the Commercial Code in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and accepted by the European Union and in accordance with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The reporting currency is the euro, which is also the functional currency of PORR AG and of the majority of the subsidiaries included in the consolidated financial statements. Results preceded by the abbreviation TEUR are in euro thousand.

The consolidated financial statements were prepared with the closing date of December 31st and relate to the fiscal year from January 1st to December 31st. The majority of numerical entries are rounded up or down to the nearest thousand (TEUR) and may result in rounding differences.

2. Consolidated group

In addition to PORR AG, 112 (previous year: 104) domestic subsidiaries and 55 (previous year: 56) foreign subsidiaries are included in the consolidated financial statements. 25 companies are no longer included in the consolidated group, whereby 15 of these were excluded through intragroup mergers. The following companies merged:

Company	Absorbing company	Effective date
Alois Felser Gesellschaft m.b.H.	TEERAG-ASDAG Aktiengesellschaft	24.7.2012
Gerhard Wagner Bodenmarkierungsges.m.b.H.	Ing. Otto Richter & Co Straßenmarkierungen GmbH	10.8.2012
ASDAG Baugesellschaft m.b.H.	TEERAG-ASDAG Aktiengesellschaft	24.7.2012
AGes-Bau Asphalt-Ges.m.b.H.	TEERAG-ASDAG Aktiengesellschaft	30.6.2012
Asphaltunternehmung Dipl.Ing. O. Smereker & Co. Gesellschaft m.b.H.	ASDAG Baugesellschaft m.b.H	3.7.2012
Asphaltmischwerk LEOPOLDAU – TEERAG-ASDAG + Mayreder-Bau GmbH & Co. KG	AMW Leopoldau TEERAG-ASDAG AG & ALPINE Bau GmbH OG	15.5.2012
Porr Tunnelbau GmbH	Porr Bau GmbH	3.7.2012
ASCHAUER Zimmerei GmbH	Wiener Betriebs- und Baugesellschaft m.b.H.	25.8.2012
Gamper Baugesellschaft m.b.H. & Co. KG	Wiener Betriebs- und Baugesellschaft m.b.H.	7.7.2012
Pfeiffer & Schmidt Baugesellschaft m.b.H.	ASCHAUER Zimmerei GmbH	21.7.2012
Hernalser Hof Beteiligungsverwaltungs GmbH & Co. KG	Hernalser Hof Beteiligungsverwaltungs GmbH in Liqu.	5.10.2012
Prazské silnicní a vodohospodárské stavby, a.s.	Porr a.s.	1.10.2012
Porr Technobau und Umwelt GmbH	Porr Deutschland GmbH	7.8.2012
TEERAG-ASDAG POLSKA Spólka z ograniczona Odpowiedzialnoscia	PORR (POLSKA) Spólka Akcyjna	29.6.2012
PORR (Slovensko) s.r.o.	PORR s.r.o.	1.11.2012

Four companies were liquidated, for two other companies so many shares were sold that only significant influence remains and four companies were sold in full. The assets and liabilities where control was lost, including shares in non-controlling interest, break down as follows:

in EUR thousand	2012
Intangible assets	165
Other non-current assets	183,828
Current assets	13,702
Non-current liabilities	-157,743
Current liabilities	-30,944

Additionally, 66 (previous year: 63) domestic and 18 (previous year: 18) foreign associates were valued under the equity method. The list of shareholdings (see page 145f) shows the subsidiaries and associates included. Companies that are of minor relevance to the consolidated financial statements are not included; a total of 59 (previous year: 67) subsidiaries were therefore not included in the consolidation.

PORR AG is entitled to the majority of the voting rights in respect of one subsidiary, but it does not have control of the company due to a voting trust agreement. This company is accounted for at equity.

2.1. First consolidations

In these consolidated financial statements the following 32 companies were consolidated for the first time:

Due to new formations and materiality:
Porr Design & Engineering GmbH
EPS LAA 43 GmbH
Bautech Labor GmbH
Monte Laa Immobilieninvest GmbH
Monte Laa DUO Immobilieninvest AG
MLSP Brunor GmbH & Co KG
MLSP Cador GmbH & Co KG
MLSP Dagonet GmbH & Co KG
MLSP Dinadan GmbH & Co KG
MLSP Lamorak GmbH & Co KG
MLSP Palamedes GmbH & Co KG
MLSP Peredur GmbH & Co KG
MLSP Gewerbepark Fünf Immobilien GmbH & Co KG
MLSP Gewerbepark Sechs Immobilien GmbH & Co KG
MLSP Gewerbepark Sieben Immobilien GmbH & Co KG
MLSP Gewerbepark Acht Immobilien GmbH & Co KG
MLSP GKB Immobilien GmbH & Co KG
MLSP IBC OST Immobilien GmbH & Co KG
MLSP IBC WEST Immobilien GmbH & Co KG
MLSP Murgalerien Immobilien GmbH & Co KG
MLSP IZT Immobilien GmbH & Co KG
MLSP Absberggasse Immobilien GmbH & Co KG
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság

PORR INSAAT SANAYI VE TICARET LIMITED SIRKETI
Pichlingerhof Liegenschaftsverwertungs GmbH & Co KG
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“
Porr Equipment Services Deutschland GmbH

Due to acquisitions:
Sitnica drustvo s ogranicenom odgovornoscu za usluge
CCG Immobilien GmbH
MultiStorage GmbH & Co KG
TKDZ GmbH
Wellener Immobiliengesellschaft mbH

A total of TEUR 10,830 was used for acquisitions and share increases. As the purchase price contains variable components, the purchase price has been provisionally determined as per IFRS 3.45 and could change, particularly with regard to intangible assets:

in EUR thousand	2012
Intangible assets	9,103
Other non-current assets	28,882
Current assets	15,422
Non-current liabilities	-24,462
Current liabilities	-18,115
Purchase price	**10,830**

The impact of first consolidations on the financial position and financial performance of the PORR Group (without including consolidating entries) breaks down as follows:

in EUR thousand	2012
Non-current assets	59,508
Current assets	23,675
Assets	**83,183**
Current liabilities	30,848
Non-current liabilities	41,288
Equity and liabilities	**72,136**
EBT	**-2,245**

The date of initial consolidation of the companies included in the consolidated group is January 1st 2012, while for one company it is January 20th 2012.

2.2. Acquisitions after the end of the reporting period

The PORR Group acquired the remaining 50% of PWW Holding GmbH with a contract date of December 21st 2012. For the contract to come into effect, several conditions precedent must be fulfilled, which had not been met by the reporting date. The Group operates various landfills in Serbia and is reported under associates in the PORR Group’s consolidated financial statements at the reporting date.

3. New accounting standards

3.1. Standards adopted for the first time in the year under review

Amendments to standards and interpretations
Disclosures about transfers of financial assets: amendments to IFRS 7 – Financial Instruments: Disclosures:

Additional details must be disclosed on transferred financial assets which continue to be reported in the statement of financial position. This amendment is applicable to fiscal years beginning on or after July 1st 2011 and has not had a significant effect on the consolidated financial statements.

Amendment to IAS 19 Employee Benefits

The amendments to IAS 19 lead to the elimination of the "corridor" approach. All amendments to defined contribution obligations and defined contribution plans are recognised immediately. Here all actuarial gains and losses are to be directly recognised in other comprehensive income. The amendments are applicable to fiscal years beginning on or after January 1st 2013 and are applied retrospectively, the option to apply them earlier has been exercised. Therefore the actuarial gains and losses and the corresponding taxes incurred are not recognised in full in the profit or loss for the period in which they occur, but rather in other comprehensive income. The relevant contributions were reclassified from retained earnings into a separate reserve in the statement of changes in Group equity.

The amendments to IAS 19 were applied retrospectively in accordance with IAS 8 and have led to a restatement of the comparative information. These have been adjusted as if the revised standard had already been applied in the 2011 business year and preceding periods. The following adjustments were carried out:

Adjustments at January 1st 2011:
Decrease in pension provisions: TEUR 8,505
Decrease in other financial assets: TEUR 8,505
Increase in deferred tax expense: TEUR 164
Decrease in staff expense: TEUR 655

Adjustments at December 31st 2011:
Decrease in pension provisions TEUR 7,744
Decrease in other financial assets: TEUR 7,744
Increase in deferred tax expense: TEUR 662
Decrease in staff expense: TEUR 2,665

Adjustments at December 31st 2012:
Decrease in pension provisions: TEUR 7,755
Decrease in other financial assets: TEUR 7,755
Increase in deferred tax expense TEUR 2,242
Decrease in staff expense: TEUR 8,582

Impact on earnings per share in 2011 and 2012:
Earnings per share for 2011 have been adjusted from EUR -29.73 to EUR -28.99 and for 2012 from EUR 1.94 to EUR 4.26

3.2. New accounting standards which have not yet been adopted

The following published standards and interpretations relevant to the preparation of consolidated financial statements did not need to be applied compulsorily to fiscal years beginning on or prior to January 1st 2012, and the voluntary option to apply them early was also not exercised.

Standards and interpretations already adopted by the European Union

New standards

IFRS 10 – Consolidated Financial Statements

In IFRS 10 control is defined as the only basis for consolidation, regardless of the type and background of the investee. As a consequence, the risk and rewards approach of SIC 12 is eliminated. This standard is applicable to fiscal years beginning on or after January 1st 2013 and will be applied retrospectively; however, the EU endorsement to change the effective date to January 1st 2014 applies to the Group. The Group is currently evaluating what the effect will be on the consolidated financial statements.

IFRS 11 – Joint Arrangements

The core principle of IFRS 11 is that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement. The option of applying proportionate consolidation to joint ventures will be eliminated in the future. This standard is applicable to fiscal years beginning on or after January 1st 2013; however, the EU endorsement to change the effective date to January 1st 2014 applies to the Group. The Group is currently evaluating what the effect will be on the consolidated financial statements.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 brings together the disclosures for interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities into one comprehensive standard. Many of these disclosures have been taken from IAS 27, IAS 31 or IAS 28, while other disclosures have been newly incorporated. This standard is applicable to fiscal years beginning on or after January 1st 2013; however, the EU endorsement to change the effective date to January 1st 2014 applies to the Group. The Group is currently evaluating what the effect will be on the consolidated financial statements.

IFRS 13 – Fair Value Measurement

The standard was published in May 2011 and introduces a comprehensive framework for measuring fair value of both financial and non-financial items. IFRS 13 does not, however, specify whether and when fair value must be measured. Instead it specifies how fair value must be measured when another standard requires the measurement of fair value. This standard is applicable to fiscal years beginning on or after January 1st 2013. The Group is currently evaluating what the effect will be on the consolidated financial statements.

New interpretations

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

The interpretation must be applied to every type of natural resource acquired through surface mining activities. This interpretation is applicable to fiscal years beginning on or after January 1st 2013 and will not be relevant to the financial statements of the Group.

Amendments to standards and interpretations

Amendment to IAS 1: Presenting Comprehensive Income

Items in other comprehensive income must be presented with separate subtotals for the elements which may be reclassified from equity into profit or loss (so-called recycling) and those elements which will not. The associated tax items must be presented accordingly. These amendments are applicable to fiscal years beginning on or after July 1st 2012 and are applied retrospectively.

Recovery of Underlying Assets: amendments to IAS 12 Income Taxes

The amendment specifies that when measuring deferred tax relating to an asset which falls under investment property or property, plant and equipment, and which is measured using the fair value model or the purchase method, the presumption should be made that the carrying amount of the asset will normally be realised through sale. This amendment is applicable to fiscal years beginning on or after January 1st 2012; however, the EU endorsement to change the effective date to January 1st 2013 applies to the Group. Any effects on the Group are being evaluated.

Amendment to IAS 27 Separate Financial Statements

As a result of the publication of IFRS 10, IAS 27 now only contains regulations on separate financial statements. These amendments are applicable to fiscal years beginning on or after January 1st 2013; however, the EU endorsement to change the effective date to January 1st 2014 applies to the Group.

Amendment to IAS 28 Investments in Associates and Joint Ventures

IAS 28 has been amended as a result of the publication of IFRS 10 and IFRS 11. These amendments are applicable to fiscal years beginning on or after January 1st 2013; however, the EU endorsement to change the effective date to January 1st 2014 applies to the Group.

Amendments to IAS 32 Financial Instruments: Presentation and IFRS 7 Financial Instruments: Offsetting Financial Assets and Financial Liabilities

The amendments should eliminate inconsistencies in the interpretation of existing requirements for offsetting financial assets and financial liabilities. In the future entities must disclose both gross and net offsetting amounts reflected in the statement of financial position – along with other existing rights of set-off that do not meet the requirements for set-off in the statement of financial position. The amendments are effective for annual periods beginning on or after January 1st 2014 and must be applied retrospectively. However, the expanded disclosures must be applied for annual and interim periods beginning on or after January 1st 2013 and must be applied retrospectively. The future effects of this amendment are currently being evaluated.

Amendment to IFRS 1 First-time Adoption of International Financial Standards

The amendments led to the removal of fixed dates for first-time adopters as well as guidance on the first-time adoption of IFRS when the entity was subject to severe hyperinflation. These amendments are applicable to fiscal years beginning on or after July 1st 2011; however, the EU endorsement to change the effective date to January 1st 2013 applies to the Group.

Standards and interpretations not yet adopted by the European Union

New standards

IFRS 9 – Financial Instruments: Classification and Measurement of Financial Assets

IFRS 9 Financial Instruments was published in November 2009. IFRS 9 specifies requirements for classifying and measuring financial assets. The former categories of loans and receivables, assets held to maturity, assets held for sale, and FVTPL (fair value through profit or loss) assets will be replaced by the categories amortised cost and fair value. Whether the instrument falls within the amortised cost category is partly dependent on the business model of the company, i.e. how it treats financial instruments for tax purposes, and partly on the contractual cash flows of the individual instruments. The changes are applicable to fiscal years beginning on or after January 1st 2015 and will be applied retrospectively. The Group is currently evaluating what the effect will be on the consolidated financial statements.

IFRS 9 – Financial Instruments: Additions for Financial Liability Accounting

The version of this standard reissued in 2010 incorporates requirements for the classification and measurement of financial liabilities, which basically conform to the classifications which currently exist under IAS 39. There are two significant differences regarding the disclosure of changes to default risk as well as removing the exception for derivative financial liabilities measured at amortised cost. The changes are applicable to fiscal years beginning on or after January 1st 2015 and will be applied retrospectively. The Group is currently evaluating what the effect will be on the consolidated financial statements.

Amendments to standards and interpretations

Amendments to IFRS 1 – Government Loans

The amendments relate to government loans with a below-market interest rate. First-time adopters may choose whether to apply the IFRS retrospectively when accounting for loans of this type. This amendment is applicable to fiscal years beginning on or after January 1st 2013 and is not relevant to the consolidated financial statements.

Amendments to IFRS 10, IFRS 12, IAS 27 – Investment Entities

The amendments provide for an exception with regard to the consolidation of subsidiaries if the parent qualifies for classification as an investment entity. Certain subsidiaries would then be measured at fair value through profit or loss as per IFRS 9 and IAS 39. The amendments are applicable to fiscal years beginning on or after January 1st 2014 and must be applied retrospectively. The Group is currently evaluating what the effect will be on the consolidated financial statements.

Annual Improvements to IFRS (Amended 2009–2011)

The annual improvements to IFRS – 2009–2011 cycle cover a number of amendments to the different standards. The amendments are applicable to fiscal years beginning on or after January 1st 2013. The amendments include:

Amendments to IAS 16: The changes to IAS 16 make it clear that spare parts and servicing equipment are to be classified as property, plant and equipment if they fulfil the definition. Otherwise they are to be treated as inventory. The Group does not expect the changes to IAS 16 to have a significant effect on the consolidated financial statements.

Amendments to IAS 32: The amendments to IAS 32 clarify that income taxes on payouts to holders of equity instruments and the costs related to equity transactions should be accounted for in accordance with IAS 12. The Group does not expect the changes to IAS 32 to have a significant effect on the consolidated financial statements.

IFRS 10–12 Transition Guidance (IASB publication: June 28th 2012; EU-Endorsement: not yet confirmed, but first adoption can be postponed in line with the underlying standard): The amendments clarify the transition guidance in IFRS 10 as well as additional simplification of all three standards. This applies in particular to the fact that for first-time adopters of IFRS the disclosure of adjusted comparative figures has been limited to the period immediately preceding.

4. Consolidation principles

Business combinations are accounted for in accordance with the acquisition method. According to this method, the assets acquired and liabilities assumed as well as contingent liabilities are measured on the acquisition date at their fair values attributable at this date. Where the difference between the acquisition costs and the attributable proportion of net assets valued at fair value relates to an asset, this item is shown as goodwill, which is not written off or amortised in regular amounts but is subjected to an annual test for impairment. Where any difference relates to a liability, its effect on net income is recognised immediately and shown in other operating income.

All accounts receivable and payable between consolidated companies are eliminated during debt consolidation. Intragroup income and expense is offset within the framework of consolidation of income and expense. Intragroup profits or losses from intragroup deliveries are eliminated if these relate to significant amounts and the relevant assets are still recognised in the consolidated financial statements.

Shares in net assets of subsidiaries not attributable to PORR AG are shown separately as part of equity capital under the item “non-controlling interest”.

5. Accounting and measurement methods

The annual financial statements of all companies included in the consolidated financial statements are prepared according to standard accounting and measurement methods.

Measurement principles

Historic acquisition costs form the basis for the measurement of intangible assets and property, plant and equipment (except for real estate) and for loans, inventories, accounts receivable from billed orders and liabilities.

The fair value at the end of the reporting period is the basis for the measurement in respect of securities available for sale, derivative financial instruments and investment property; the fair value at the date of revaluation is the basis for measurement for real estate used by the Group.

Accounts receivable for construction contracts on which a final invoice has not yet been raised, which are included under trade receivables, reflect the respective proportion of revenue corresponding to the percentage of completion at the end of the reporting period less any payments already made by the customer.

Currency translation: The companies included in the consolidated financial statements prepare their annual financial statements in their respective functional currencies, whereby the functional currency is the relevant currency for the commercial activities of the company concerned. The functional currency for nearly all of the companies included is the currency of the country in which the company concerned is domiciled.

Items in the consolidated statement of financial position are translated at the mean rate of exchange at the end of the reporting period and income statement items are translated at the annual mean rate of exchange for the fiscal year (as an arithmetic mean of all end-of-month quotations). Differences resulting from the currency translation are reported in other comprehensive income. These translation differences are recognised in the income statement at the date of disposal of the business activities.

In the event of company acquisitions, adjustments of the carrying amounts of the acquired assets and assumed liabilities to the fair value at the date of acquisition or, if applicable, goodwill, are treated as assets or liabilities of the acquired subsidiary and are, accordingly, subject to currency translation.

Exchange gains or losses on transactions undertaken by companies included in the consolidation in a currency other than the functional currency are recognised in profit or loss for the period. Monetary items not denominated in the functional currency held by companies included in the consolidation are translated at the mean rate ruling at the end of the reporting period. Exchange gains or losses resulting from this translation are also recognised in profit or loss.

Intangible assets are capitalised at acquisition cost and amortisation is recognised on a straight-line basis over the probable useful life.

in %	Rates of amortisation
Building rights	1.7 to 5.9
Rental rights	2.0 to 50.0
Licences	1.0 to 50.0
Concessions	5.0 to 50.0
Mining rights	Depends on assets

The amortisation apportionable to the fiscal year is shown in the income statement under the item "Depreciation, amortisation and impairment expense".

If impairment is established, the relevant intangible assets are recognised at the recoverable amount, which is the fair value less costs of sale or the value in use, if higher. If the impairment ceases to apply, a reversal of the impairment is performed equivalent to the carrying amount, which would have been determined had the impairment loss not been accrued.

Goodwill is recorded as an asset. In order to assess any impairment demand, goodwill of the cash-generating unit or groups of cash-generating units will be assigned, which benefit from the synergies of the Group amalgamation. This cash-generating unit or groups of cash-generating units are tested once a year for impairment, as well as at any other time where circumstances exist that indicate there may be possible impairment.

Property, plant and equipment, with the exception of real estate, is valued at cost, including incidental costs less reductions in the acquisition costs, or at manufacturing cost, and is subject to the previously accumulated and regularly applied straight-line depreciation during the year under review, whereby the following rates of depreciation are applied:

in %	Rates of depreciation
Technical equipment and machinery	10.0 to 50.0
Other plants, factory and business equipment	10.0 bis 50.0

The depreciation rates are based on the probable useful life of the facilities. If impairment is established, the relevant tangible assets are impaired to the recoverable amount, which is the fair value less costs of sale or the value in use, if higher. If the impairment ceases to apply, an impairment reversal is recognised equivalent to the carrying amount, which would have been determined had the impairment expense not been accrued. Fundamental rebuilding work is recognised in the statement of financial position, while ongoing maintenance work, repairs and minor rebuilding work are recognised in profit or loss at the time they arose.

Real estate used for operational purposes is valued according to the revaluation method pursuant to IAS 16.31. External opinions or assessments from internal experts are used as the basis for determining fair values. Revaluations are performed so regularly that the carrying amounts do not deviate significantly from the fair values attributable at the end of the reporting period. The date for the revaluation for the end of the reporting period generally falls in the fourth quarter of the reporting year. The carrying amount is adjusted to the respective fair value by using a revaluation reserve in other comprehensive income. The revaluation reserve is reduced by the applicable deferred tax liability. Regular depreciation of revalued buildings is carried out according to the straight-line method, where the depreciation rates lie essentially between 1.0% and 4.0%, and is recognised in the income statement. On a subsequent sale or decommissioning of revalued land or buildings, the amount recorded in the revaluation reserve in respect of the relevant plot of land or building is transferred to retained earnings.

Plants under construction, including buildings under construction which are to be used for operational purposes or whose type of use has not yet been established, are accounted for at acquisition cost or manufacturing cost less impairment. Depreciation or impairment of these assets commences upon their completion or attainment of operational status.

Investment property is real estate that is held for the purpose of obtaining rental income and/or for the purpose of its rise in value. This includes office and commercial premises, residential buildings and unimproved land. These are recognised at their fair values. Gains or losses from changes in value are reflected in profit or loss for the period in which the impairment occurred.

The basis for the measurement of investment property measured at fair value was derived from the market value opinions of independent experts. As an alternative, the fair values are determined by the present value of the estimated future cash flows expected to arise from the use of the real estate.

Leases are classified as finance leases when, according to the lease contract, essentially all the risks and rewards relating to the ownership are transferred to the lessee. All other leases are classified as operating leases.

The Group as lessor
Where the Group is the lessor, the only lease contracts applicable are operating leases. The rental income from these contracts is recognised in net income on a straight-line basis over the term of the corresponding lease.

The Group as lessee
Assets held under finance leases are recorded as Group assets at their fair values or at the present value of the minimum lease payments if this is lower, at the beginning of the lease. The minimum lease payments are those amounts payable during the non-terminable term of the lease, including a guaranteed residual value. The corresponding liability owed to the lessor is recorded in the statement of financial position as obligations under finance leases. The lease payments are apportioned between interest paid and the reduction of the lease obligation in such a way as to achieve a constant rate of interest on the remaining liability. Interest expense is recognised in the income statement.

Rental payments on operating leases are recognised in profit or loss for the period on a straight-line basis over the term of the corresponding lease.

Shareholdings in associates and in joint companies are accounted for at acquisition cost, which is apportioned between the pro rata net assets acquired at fair value and, if applicable, goodwill. The carrying amount is increased or decreased annually by the proportionate annual surplus or deficit, dividends received and other changes to equity capital. Goodwill is not subject to planned amortisation, rather it is assessed for impairment as a part of the relevant shareholding when circumstances exist that indicate there may be possible impairment.

Shareholdings in joint ventures: Group shares in profits from joint ventures as well as Group revenues from goods and services to joint ventures are shown in the consolidated income statement under revenue, while the shares of the Group from losses in joint ventures are shown under other operating expenses. Capital paid into a joint venture is entered under trade receivables (see note 24), together with profit shares and trade receivables for the relevant joint venture and after deductions for withdrawals and general losses. If there is on balance a passive entry, this is included under trade payables (see note 37).

Loans are measured at amortised cost according to the effective interest method, less general allowances (value adjustments) due to impairment.

Shares in non-consolidated companies and other shareholdings shown under **other financial assets** are valued at acquisition cost, as with regard to these stakes and shareholdings, in the absence of listings, there is no stock exchange rate available and reliable fair values cannot be determined for these. If impairment is established, they are written down to the recoverable amount.

Securities available for sale are measured at fair value. Gains or losses from changes to the fair value, with the exception of revaluations due to impairment and gains and losses arising from securities denominated in foreign currencies, are entered into other comprehensive income. In the case of derecognition of these kinds of securities, or if impairment is indicated, the cumulative gain or loss in equity capital will be entered into profit or loss for the period. Interest is calculated by the effective interest method and is recognised in profit or loss.

Impairment of financial assets: At each end of the reporting period an assessment is carried out as to whether there are any indicators that a financial asset has been impaired. An impairment loss is recognised if there is evidence that the expected future cash flows from the asset in question will be reduced because of an event occurring after the initial recognition of that asset. If the impairment loss has decreased in a subsequent period because of an event occurring following its recognition, the impairment loss is reversed by increasing the carrying amount of the asset. In the case of financial assets measured at amortised cost, the maximum amount of any reversal is the amount that would have been recognised as the amortised cost of the financial asset in question if no impairment loss had been recognised.

Raw materials and supplies are valued at the lower of acquisition cost and net realisable value.

Recorded under inventories, **land intended for sale** is valued at the lower of acquisition cost, manufacturing cost and net realisable value.

Construction contracts are recognised according to the percentage of completion of the contract (POC method). The anticipated revenues from the contracts are shown under revenue according to the respective percentage of completion. The percentage of completion, which is the basis for the amount of the contract revenues shown, is, as a rule, determined according to the ratio of the services supplied compared to the estimated total services at the end of the reporting period. Amendments are only recognised when it is likely that the customer will accept them and when they can be reliably measured. Where the result of a construction contract cannot be reliably estimated, the amount of the accumulated contract costs alone shall represent the amount recorded for contract revenues. If it is probable that the total contract costs will exceed the total contract revenues, the expected loss is recognised immediately and in full.

The revenues attributable to the services supplied so far according to the percentage of completion are, to the extent that they exceed the payments on account made by the customer, shown in the statement of financial position under trade receivables. Amounts by which the payments on account received exceed the revenues attributable to the services supplied so far are shown under other liabilities.

Where construction contracts are executed in joint ventures, profits are also recognised using the percentage of completion method.

Receivables are fundamentally recognised using the effective interest method, whereby the carrying amount generally corresponds to the nominal value. Should there be substantial evidence of risks regarding recovery, allowances are set up. Objective indicators suggesting the need for impairment include, for example, a decline in the creditworthiness of the debtor and related payment delays or impending insolvency. The necessary allowances are based on the actual risk of default.

Acquisitions and sales of financial assets common to the market (spot transactions) are shown in the statement of financial position on the settlement date.

The **provisions for severance payments, pensions and anniversary** bonuses are determined by the projected unit credit method in accordance with IAS 19, which involves an actuarial assessment being performed by a recognised actuary on each reference date. In the valuation of these provisions for Austria and Germany, an interest rate for accounting purposes of 3.75% p.a. (previous year: 4.8%) was applied with pay increases of 2.66% (previous year: 2.5%). When determining provisions for severance payments and anniversary bonuses for Austria, deductions are made for fluctuations based on statistical data within a range of 0.0% to 10.4% (previous year: 0.0% to 10.4%) and for anniversary bonuses in Germany a range of 0.0% to 25.0% (previous year: 0.0% to 25.0%) was applied. For Austrian companies the assumed retirement age is the earliest possible retirement age permitted by law following the 2004 pension reform (corridor pension), taking into account all transitional arrangements; for German companies the legal retirement age is used. The life table AVÖ 2008-P – Pagler & Pagler is used for calculating provisions in Austria, while for Germany the life table Richttafeln 2005 G by Klaus Heubeck is applied. Actuarial gains and losses for severance payments and pensions are recognised in full in other comprehensive income, while anniversary bonuses are under profit or loss for the period. They are shown and calculated together with the length of service costs under staff expense. Interest paid is recorded under finance costs.

Sensitivity analysis of pension provisions:
The following actuarial assumptions were deemed relevant and the following margins were applied: Discount rate +/-0.25%, Pension trend +/-0.25%, Life expectancy +/-1 year.

The sensitivity analysis of life expectancy was carried out on the basis of a shift in life expectancy for the total candidates of the respective plan.

The difference to the values disclosed in the statement of financial position are shown in the tables below as relative deviations:

	Interest +0.25%			Interest -0.25%		
	active	vested	liquid	active	vested	liquid
Pension DBO	-5.00%	-4.00%	-2.00%	4.00%	4.00%	2.00%

	Pension trend +0.25%			Pension trend -0.25%		
	active	vested	liquid	active	vested	liquid
Pension DBO	5.00%	2.00%	2.00%	-2.00%	-2.00%	-2.00%

	Life expectancy +1 year			Life expectancy -1 year		
	active	vested	liquid	active	vested	liquid
Pension DBO	4.00%	3.00%	5.00%	-3.00%	-3.00%	-4.00%

Sensitivity analysis of severance payments

The following actuarial assumptions were deemed relevant and the following margins were applied: Discount rate +/-0.25%, Salary trend +/-0.25%, Fluctuation +/-0.5% up to 25th year of work, Life expectancy +/-1 year.

The sensitivity analysis of life expectancy was carried out on the basis of a shift in average life expectancy for the total candidates of the respective plan.

The difference to the values disclosed in the statement of financial position are shown in the tables below as relative deviations:

	Interest +0.25%	Interest -0.25%	Salary trend +0.25%	Salary trend -0.25%
Severance DBO	-2.15%	2.23%	2.21%	-2.14%

	Fluctuation +0.5% up to 25th year of work	Fluctuation -0.5% up to 25th year of work	Life expectancy +1 year	Life expectancy -1 year
Severance DBO	-0.06%	0.06%	0.14%	-0.16%

The following table shows the average duration of the respective obligations:

	Maturity profile – DBO			DBO	Maturity profile – cash			Cash
	1–5 years	6–10 years	10+ years	Duration	1–5 years	6–10 years	10+ years	Duration
Pensions	15,669	12,012	20,163	9.81	16,820	15,495	40,177	19.61
Severance	17,826	14,349	19,570	8.59	21,016	24,826	73,160	13.06

Other provisions take account of all currently discernible risks and contingent liabilities from past events whereby an outflow of resources is judged to be probable. They are recognised at the level of those amounts which are probably required to meet the underlying obligation, in as far as a reliable estimate is feasible.

Financial liabilities are measured at fair value less direct transaction costs when they are initially recognised. If the amount of the repayment is lower or higher, this is written down or up in accordance with the effective interest method.

Derivative financial instruments are recognised at fair value. Gains and losses from changes in market value of forward contracts designated as hedging instruments which should hedge the risk in variability of the cash flow in the functional currency from planned transactions in the foreign currency (“cash flow hedges”), along with other derivative financial instruments which are designated as cash flow hedges, are entered into other comprehensive income, as long as they are allotted to the effective part of the hedge transaction. The amounts entered into reserves for cash flow hedges are transferred into net income for the period, in which the secured transaction or the resulting asset value from the secured transaction, or the liability resulting from the secured transaction has an effect on profit or loss. Gains and losses allotted to the ineffective share, as well as gains and losses from fair value changes of derivative financial instruments, for which the requirements for hedge accounting have not been met, are entered into profit or loss for the period in which they occur. Gains and losses from changes in fair value of forward contracts, which are basically in place with a view to hedging the risk of variability in cash flow of the functional currency from planned transactions in the foreign currency but are not hedging instruments as defined by IAS 39, are recognised as contract costs related to the planned transactions or the gains are offset with these costs.

Revenue is measured at the fair value of the consideration. Discounts and other subsequent reductions in revenue are deducted from this amount. Sales taxes and other taxes related to the sale are not part of the consideration or revenue. Revenue from the sale of assets is recognised on delivery and transfer of ownership. Revenue from construction contracts is recognised according to the percentage of completion allocated over the period of the contract.

Interest income is defined in accordance with the effective interest method. The effective interest rate is any interest rate where the present value of future cash flow from the financial asset value corresponds to the carrying amount of the asset. **Dividend income** from financial investments is recognised when legal title arises.

Borrowing costs resulting directly from acquisition or production of qualifying assets, even those whose acquisition or manufacture takes up a considerable time period until the intended use or sale, form part of the cost of the asset and are therefore capitalised. Other borrowing costs are recorded as an expense in the period in which they were incurred.

6. Key assumptions and key sources of estimation uncertainty

6.1. Key sources of estimation uncertainty

The following presents significant assumptions related to the future and other key sources of estimation uncertainty which could lead to significant adjustments in the following fiscal year of results reported in the consolidated financial statements:

Deferred tax income from tax loss carryforwards: the usability of tax loss carryforwards is mostly dependent on the development in earnings of individual companies. Deferred tax assets were recognised to the extent that it was probable that future taxable profit would be available against which the temporary difference would be utilised. The actual tax gains can deviate from these assumptions (see notes 29 and 40).

Valuation of gravel and stone deposits: The carrying amounts in the consolidated statement of financial position as of December 31st 2012 for gravel and stone deposits and mining rights at the disposal of the Group amount to TEUR 75,167 (previous year: TEUR 81,732). The Executive Board is convinced that the carrying amounts can be realised from selling the deposits, or from mining and selling the yielded material, or from mining and using the material for own construction activities. Nevertheless there is uncertainty regarding the development of the price of these raw materials which is dependent on trends in demand and also the assessment of own future demand for these raw materials. Impairment will be carried out if future developments necessitate this.

Determining fair values of real estate: The fair value is generally equal to the present value of realisable earnings from leasing. Even small adjustments caused by economic assumptions and sources of estimation uncertainty or those specifically related to real estate can have a significant impact on the profit or loss for the year and the fair value of real estate. In particular, an adjustment in the interest rate applied in the course of the real estate valuation can have a significant effect on the figures in the statement of financial position. Furthermore, there is a risk that property sales carried out at short notice only generate proceeds and related real estate valuations which are lower than those subject to an orderly sales process.

Furthermore, significant assumptions and estimates relate to the following areas:

Construction contracts: Evaluation of construction contracts until project completion, in particular with a view to the accounting of subsequent amounts, the contract revenue using the percentage of completion method, and the estimate of the probable operating profit from the contract, based on expectations of the future development of the relevant construction contracts. A change in these estimates, particularly as regards contract costs to be paid, percentage of completion, the estimated operating profit and the actual subsequent amounts accepted can have a significant effect on the Group's financial position and financial performance (see note 24).

Impairment: Impairment tests on goodwill, other intangible assets, property, plant and equipment are primarily based on estimated future net payment flows which are expected from the continuous use of an asset and its disposal at the end of its useful life. Factors such as lower revenues or rising expenditure and the resulting lower net payment flows as well as changes to the discount factors used can lead to impairment due to a reduction in value or, as far as allowed, to a reversal of impairment due to an increase in value. With regard to the carrying amounts of the assets concerned, see notes 17 to 19.

6.2. Changes to comparative information

In accordance with IAS 1.41, the following adjustments were adopted to facilitate better disclosure:

In finance costs, interest on revenue amounting to TEUR 1,167 was offset with other interest and similar expense. The provisions for indemnities amounting to TEUR 3,778 at January 1st 2011 and TEUR 3,533 at December 31st 2011 were reclassified from current to non-current provisions. As of the 2012 fiscal year the average staffing levels reported are from the fully consolidated companies and do not – as previously – proportionately include associates and companies of minor significance. The comparative figures have been appropriately adjusted.

7. Revenues

The gross revenues of TEUR 2,314,828 (previous year: TEUR 2,212,490) include the invoiced construction work of own construction sites, goods and services to joint ventures, shares of profit from joint ventures and other revenues from ordinary activities.

The following table shows total Group output by business area, in which the output from contracts carried out by joint ventures is also recognised together with the proportion attributable to a company included in the consolidated financial statements, and then transferred to revenue.

in EUR thousand	2012	2011
Business areas		
BU 1 – DACH	1,719,478	1,635,491
BU 2 – CEE/SEE	363,758	426,273
BU 4 – Infrastructure	462,226	514,235
BU 5 – Environmental Engineering	77,765	70,394
BU 6 – Real Estate	267,730	259,241
Total Group output	2,890,957	2,905,634
of which proportional output from joint ventures, associates, subsidiary companies and shareholdings	-576,129	-693,144
Revenue	2,314,828	2,212,490

Revenue can be subdivided as follows:

in EUR thousand	2012	2011
Revenues from construction contracts	2,082,399	2,009,309
Revenues from sales of raw materials and other services	232,429	203,181
Total	2,314,828	2,212,490

8. Other operating income

in EUR thousand	2012	2011
Income from the sale of property, plant and equipment	1,380	5,764
Revenue from the provision of staff	12,052	8,697
Insurance payments	3,791	3,333
Exchange gains	7,678	11,291
Revenue from charging materials	1,731	2,241
Rent from space and land	2,208	2,036
Other	41,472	33,796
Total	70,312	67,158

Other operating income largely comprises amounts invoiced to participations, other staff income and income from the sale of materials. Furthermore it includes a total of TEUR 4,577 from the disposal of two subsidiaries for which so many shares were sold that only significant influence remains. Of this total, TEUR 5,382 is attributed to the recognition at fair value of the retained shares.

9. Cost of materials and other related production services

in EUR thousand	2012	2011
Expenditure on raw materials and supplies and for purchased goods	-558,339	-532,316
Expenditure on purchased services	-897,145	-938,545
Total	-1,455,484	-1,470,861

10. Staff expense

in EUR thousand	2012	2011
Wages and salaries	-500,961	-465,860
Social welfare expenses	-115,108	-105,642
Expenditure on severance payments and pensions	-9,240	-9,302
Total	-625,309	-580,804

Expenditure on severance payments and pensions includes the prior service costs and contributions to the staff provision fund for employees who commenced employment with an Austrian group company after December 31st 2002 and voluntary severance payments. The interest expense arising from severance payments and pension obligations is shown under the item finance costs.

11. Depreciation, amortisation and impairment expense

Amortisation of TEUR 6,005 (previous year: TEUR 5,912) was applied to intangible assets and depreciation of TEUR 42,067 (previous year: TEUR 43,356) to property, plant and equipment. In addition, impairment of TEUR 1,947 (previous year: TEUR 1,333) was applied to reappraised real estate. For more detailed information please refer to notes 17 and 18.

12. Other operating expenses

in EUR thousand	2012	2011
Legal and consultancy services, insurance	-35,739	-40,456
Buildings and land	-28,658	-28,615
Exchange losses	-7,956	-20,597
Fleet	-17,764	-16,131
Advertising	-7,861	-10,600
Office operations	-13,254	-14,231
Commission on bank guarantees	-13,325	-9,891
Syndicate losses	-7,368	-7,102
Travel expenses	-9,947	-10,915
Valuation of real estate	-8,070	-1,493
Other	-74,979	-79,194
Total	-224,921	-239,225

Other operating expenses essentially comprise taxes and duties, third party services and general administrative costs. This item also includes rental payments from rental and leasing contracts of TEUR 8,827 (previous year: TEUR 7,811). In 2011 this item also included expenditure on large-scale projects in Hungary and Romania totalling TEUR 35,551.

13. Income from financial investments and other current financial assets

in EUR thousand	2012	2011
Income from shareholdings	2,057	2,219
of which from affiliated companies	444	624
Expenditure from shareholdings	-8,264	-13,294
of which from affiliated companies	-3,848	-8,330
Income/expenditure from current financial assets	3,559	1,103
Interest	8,624	11,710
of which from affiliated companies	555	1,158
Total	**5,976**	**1,738**

Interest does not relate to financial assets measured at fair value in profit or loss.

14. Finance costs

in EUR thousand	2012	2011
Interest and similar expenditure relating to bonds	-19,976	-18,193
Other interest and similar	-17,801	-26,149
of which from affiliated companies	-48	-44
of which interest expenditure from social overhead capital provisions	-4,270	-4,961
Total	**-37,777**	**-44,342**

In the year under review borrowing costs of TEUR 2,100 (previous year: TEUR 3,296) were recognised. The capitalisation rate was between 2.5% and 6.3% (previous year: 1.8% and 6.3%).

15. Income tax

Income tax is the taxes on income and earnings and deferred taxes paid or owed in the individual countries for the year under review.

The calculation is based on tax rates that will be applicable pursuant to the prevailing tax laws or according to tax laws whose entry into force is essentially finalised, at the probable date of realisation.

in EUR thousand	2012	2011
Actual tax expense	5,825	6,872
Deferred tax income (-)/expense (+)	-1,810	-19,752
Tax income (-)/expense (+)	**4,015**	**-12,880**

The tax expense resulting from the application of the Austrian Corporation Tax rate of 25% can be reconciled to the actual expense as follows:

in EUR thousand	2012	2011
Profit before income tax	22,008	-83,069
Theoretical tax expense (+)/income (-)	5,502	-20,767
Differences in rates of taxation	1,451	2,512
Tax effect of non-deductible expenditure and tax-exempt income	-3,211	-2,037
Income/expenditure from associates	-4,277	-2,089
Changes in deferred tax assets not applied in relation to loss carryforwards	4,904	7,423
Effect from taxation changes	-446	1,654
Tax gains (+)/losses (-) related to other periods	35	1,016
Other	57	-592
Taxes on income and earnings	4,015	-12,880

In addition to the tax expense recognised in the consolidated income statement, the tax effect of expenses and income set off to other income was also recognised in other comprehensive income. The income recognised in other comprehensive income amounted to TEUR 2,146 (previous year: TEUR 696). Payouts from capital from profit-participation rights and the costs of the capital increase classified as equity capital are tax deductible. The resulting tax of TEUR 1,400 (previous year: TEUR 1,400) was recognised directly in equity.

Summary of tax effects in other comprehensive income:

2012 in EUR thousand	Revaluation reserve	Remeasurement from benefit obligations	Total debt securities available for sale – fair value reserve	Reserve for cash flow hedges	Equity attributable to shareholders of parent	Equity attributable to non-controlling interest	Total
Income tax on items in other comprehensive income	-141	2,242	-74	119	2,146	-	2,146

2011 in EUR thousand	Revaluation reserve	Remeasurement from benefit obligations	Total debt securities available for sale – fair value reserve	Reserve for cash flow hedges	Equity attributable to shareholders of parent	Equity attributable to non-controlling interest	Total
Income tax on items in other comprehensive income	-	662	50	-16	696	-	696

A reduced tax rate of 10% was applied to certain Hungarian companies which have exceeded the top rate of HUF 500m in the reporting period 2012. This effect is shown under the item taxation changes.

16. Earnings per share

Earnings per share and per capital share certificate are calculated by dividing the proportion of the annual surplus relating to the shareholders of the parent company by the weighted average number of shares in issue including 7% in respect of preference shares and capital share certificates.

in EUR thousand	2012	2011
Proportion of annual deficit/surplus relating to shareholders of parent	11,651	-78,538
Weighted average number of issued shares and capital share certificates	2,737,727	2,708,952
Earnings per share in EUR (basic EPS = diluted EPS)	**4.26**	**-28.99**

Likewise the earnings per ordinary share amount to EUR 4.26 (previous year: EUR -28.99). As there were no potential diluted transactions for the fiscal years 2011 and 2012, the diluted earnings per share correspond to the basic earnings per share. See note 30 with regard to the distribution of profits for the various classes of shares.

17. Intangible assets

in EUR thousand	Concessions, licences and similar rights	Software	Goodwill	Advance payments	Total
Acquisition costs and manufacturing costs					
Balance at January 1st 2011	32,368	25,821	29,430	-	87,619
Additions/disposals due to changes in the consolidated group	-	557	10,132	12,334	23,023
Additions	381	2,823	-	-	3,204
Disposals	-3	-441	-	-	-444
Reclassifications	-	1	-	-	1
Currency adjustments	-207	-42	-	-	-249
Balance at December 31st 2011	32,539	28,719	39,562	12,334	113,154
Additions/disposals due to changes in the consolidated group	571	-203	9,812	263	10,443
Additions	1,382	2,102	-	-	3,484
Disposals	-	-255	-	-	-255
Reclassifications	-	2	-	-	2
Currency adjustments	134	11	-	-	145
Balance at December 31st 2012	34,626	30,376	49,374	12,597	126,973
Accumulated amortisation and impairment					
Balance at January 1st 2011	21,257	14,131	20,820	-	56,208
Additions/disposals due to changes in the consolidated group	-	490	-	-	490
Additions (planned amortisation)	682	2,584	-	544	3,810
Additions (impairment)	2,000	-	102	-	2,102
Disposals	-2	-430		-	-432
Reclassifications	-	1	-	-	1
Currency adjustments	-22	-25	-	-	-47
Appreciation	-	-	-	-	-
Balance at December 31st 2011	23,915	16,751	20,922	544	62,132
Additions/disposals due to changes in the consolidated group	307	-37	-	-	270
Additions (planned amortisation)	1,153	2,169	-	1,646	4,968
Additions (impairment)	1,000	-	37	-	1,037
Disposals	-	-187	-	-	-187
Reclassifications	-	-	-	-	-
Currency adjustments	7	12	1	-	20
Appreciation	-	-	-	-	-
Balance at December 31st 2012	26,382	18,708	20,960	2,190	68,240
Carrying amounts – balance at December 31st 2011	8,624	11,968	18,640	11,790	51,022
Carrying amounts – balance at December 31st 2012	8,244	11,668	28,414	10,407	58,733

The table predominantly shows purchased intangible assets with a limited useful life. Please refer to the comments shown under accounting and measurement methods with regard to useful lives and methods of amortisation, depreciation and impairment.

Impairment related to goodwill amounting to TEUR 37 (previous year: TEUR 102) is reported in the consolidated income statement under "Depreciation, amortisation and impairment expense", as are impairment losses amounting to TEUR 1,000 (previous year: TEUR 2,000) and planned amortisation of other intangible assets. The impairment relates to a mining right allocated to the segment Business Unit 1 – DACH and is the result of plan deviations.

Goodwill resulting from the acquisition of companies is tested for impairment at the level of the cash-generating unit or groups of cash-generating units to which it belongs in each particular case.

This applies to the segments as shown below:

in EUR thousand	Balance Jan 1st 2012	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance Dec 31st 2012
BU 1 – DACH	2012	-1	-	-	-37	8,827
BU 2 – CEE/SEE	-	-	-	-	-	-
BU 4 – Infrastructure	-	-	738	-	-	738
BU 5 – Environmental Engineering	458	-	9,074	-	-	9,532
BU 6 – Real Estate	9,317	-	-	-	-	9,317
Holding	-	-	-	-	-	-
Total	**18,640**	**-1**	**9,812**	**-**	**-37**	**28,414**

in EUR thousand	Balance Jan 1st 2011	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance Dec 31st 2011
BU 1 – DACH	2011	-	1,123	-	-101	8,865
BU 2 – CEE/SEE	-	-	-	-	-	-
BU 4 – Infrastructure	-	-	-	-	-	-
BU 5 – Environmental Engineering	458	-	-	-	-	458
BU 6 – Real Estate	309	-	9,008	-	-	9,317
Holding	-	-	-	-	-	-
Total	**8,610**	**-**	**10,131**	**-**	**-101**	**18,640**

In DACH goodwill of TEUR 8,827 is allocated to the cash-generating unit of road construction. In the segment Business Unit 6 – Real Estate goodwill of TEUR 9,008 is allocated to the cash-generating unit of property management. In the segment Business Unit 5 – Environmental Engineering goodwill of TEUR 9,047 is allocated to the cash-generating unit TKDZ.

The impairment test involves comparing the total of the carrying amounts of the assets of the cash-generating unit to which goodwill was allocated, in addition to the carrying amount of the goodwill allocated to this cash-generating unit, with the recoverable amount of the same assets. The recoverable amount of the cash-generating unit corresponds to the fair value less sale costs or the value in use, if this is higher. The fair value reflects the best possible estimate of the amount for which an independent third party would acquire the cash-generating unit at market conditions at the end of the reporting period. In cases where no fair value can be determined, the value in use, i.e. the present value of probable future cash flows generated by the segment, is laid down as the recoverable amount. As a fair value could not be established for any of the cash-generating units to which goodwill has been allocated, the value in use of these cash-generating units was determined in order to establish the recoverable amount. The cash flows were derived from budgets for three to five years approved by the Executive Board and current as at the time of the implementation of the impairment tests. These forecasts are based on past experience and expectations regarding future market developments. A growth rate of 1.0% (previous year: 1.0%) has been applied. The discounting was carried out on the basis of the segment-specific capital costs which lay within a range of 7.4% and 9.2% (previous year: 8.1% and 9.2%) before tax.

18. Property, plant and equipment

in EUR thousand	Land, land rights and buildings including buildings on land owned by others	Technical equipment and machinery	Other plant, factory and business equipment	Payments on account and assets under construction	Total
Acquisition costs, manufacturing costs and revaluations					
Balance at January 1st 2011	364,566	361,370	97,224	7,645	830,805
Additions/disposals due to changes in the consolidated group	-818	2,440	2,309	55	3,986
Additions	18,293	15,489	21,164	4,252	59,198
Disposals	-5,161	-45,285	-12,264	-887	-63,597
Reclassifications	-4,035	171	-148	-1,857	-5,869
Currency adjustments	-1,334	-2,634	-960	-512	-5,440
Decrease in value arising from revaluation	-371	-	-	-	-371
Balance at December 31st 2011	371,140	331,551	107,325	8,696	818,712
Additions/disposals due to changes in the consolidated group	-18,317	12,800	1,083	247	-4,187
Additions	4,078	27,007	16,776	6,099	53,960
Disposals	-3,662	-28,851	-36,262	-957	-69,732
Reclassifications	877	1,733	1,924	-5,859	-1,325
Currency adjustments	992	1,672	693	343	3,700
Revision arising from revaluation	138	-	-	-	138
Balance at December 31st 2012	355,246	345,912	91,539	8,569	801,266
Accumulated depreciation and impairment					
Balance at January 1st 2011	97,835	242,906	74,194	-	414,935
Additions/disposals due to changes in the consolidated group	-550	1,371	1,927	-	2,748
Additions (scheduled depreciation)	7,999	22,497	12,079	-	42,575
Additions (impairment)	781	-	-	-	781
Disposals	-1,169	-36,412	-11,309	-	-48,890
Reclassifications	-2,115	9	-10	-	-2,116
Currency adjustments	-342	-1,334	-730	-	-2,406
Appreciation	-	-	-	-	-
Revision arising from revaluation	1,333	-	-	-	1,333
Balance at December 31st 2011	103,772	229,037	76,151	-	408,960
Additions/disposals due to changes in the consolidated group	1,454	11,652	942	-	14,048
Additions (scheduled depreciation)	7,878	18,384	13,328	486	40,076
Additions (impairment)	2,000	-	-	-	2,000
Disposals	-1,579	-25,740	-33,759	-	-61,078
Reclassifications	-	1,629	-1,629	-	-
Currency adjustments	271	969	543	-5	1,778
Appreciation	-	-	-	-	-
Revision arising from revaluation	1,947	-	-	-	1,947
Balance at December 31st 2012	115,743	235,931	55,576	481	407,731
Carrying amounts – balance December 31st 2011	**267,368**	**102,514**	**31,174**	**8,696**	**409,752**
Carrying amounts – balance December 31st 2012	**239,503**	**109,981**	**35,963**	**8,088**	**393,535**

Land, land rights and buildings including buildings on land owned by others includes reserves for raw materials amounting to TEUR 69,276 (previous year: TEUR 74,635), which is written off based on performance. The fair value specified on the revaluation date in accordance with the revaluation method of the property used in operations, will be specified in accordance with recognised measurement methods, namely by derivation from a price which has been settled in a transaction with a similar property in the recent past, or, mainly in the absence of suitable market data, then by discounting estimated future cash flows which can be generated by leasing the property under normal market conditions. The carrying amount of property used in operations, which was assessed by an external expert, amounted to TEUR 116,076 (previous year: TEUR 125,147). The value adjustments were mostly applied during the past four years.

Scheduled depreciation is shown under "Depreciation, amortisation and impairment expense". Impairment was included at a rate of TEUR 2,000 (previous year: TEUR 781) and was also entered under "Depreciation, amortisation and impairment expense".

The carrying amount for property, plant and equipment pledged for security at the end of the reporting period is TEUR 78,381 (previous year: TEUR 125,695).

The carrying amount for land, land rights and buildings, including buildings on land owned by others would have amounted to TEUR 236,751 (previous year: TEUR 251,700) on application of the acquisition cost model as at December 31st 2012.

Finance Leasing Agreements

The carrying amounts of property, plant and equipment and investment property held under finance leasing agreements amounted to:

in EUR thousand	2012	2011
Real estate leasing	77,438	76,513
Equipment leasing	45,999	43,381
Total	**123,437**	**119,894**

These carrying amounts are balanced by corresponding liabilities represented by the present value of the minimum lease payments, i.e. of TEUR 84,137 (previous year: TEUR 84,918).

The terms of the finance leases for real estate are between 5 and 23 years, leasing fees are generally tied to the 6-month EURIBOR from the Austrian National Bank and adjusted every six months. The terms of the finance leases for equipment are between 3 and 12 years, leasing fees are generally tied to the 3-month EURIBOR from the Austrian National Bank and adjusted every quarter. The equipment leasing contracts include extension options, but they do not contain sales option or clauses for adjusting the price.

Operating leases

The Group essentially leases cars and individual items of real estate under operating leases, in most cases pre-agreed extension options are not exercised. The average term of car leasing agreements is 5 years and the term of real estate leasing agreements is 18 to 20 years.

The following summary shows the future minimum lease payments during the non-terminable period of the operating leases:

in EUR thousand	2012	2011
Due within 1 year	8,132	7,548
Due between 1 and 5 years	18,964	16,170
Due after 5 years	28,725	31,481

19. Investment property

in EUR thousand	
Fair value	
Balance at January 1st 2011	366,020
Additions/disposals due to changes in the consolidated group	-
Additions from acquisitions	8,787
Additions for manufacturing costs	57,288
Disposals	-9,620
Reclassifications	-13,047
Currency adjustments	-439
Adjustment to fair value	-1,493
Balance at December 31st 2011	**407,496**
Additions/disposals due to changes in the consolidated group	-102,966
Additions from acquisitions	35,193
Additions for manufacturing costs	41,766
Disposals	-19,887
Reclassifications	-15,063
Currency adjustments	118
Adjustment to fair value	-6,875
Balance at December 31st 2012	**339,782**

The fair value is determined according to recognised measurement methods, namely by being inferred from a current market price, by being inferred from a price attained in a transaction with similar items of real estate in the recent past, or mostly, however, for want of suitable market data, by discounting estimated future cash flows that are usually generated in the market by this type of real estate in the course of letting. The discounting rates applied were within a bandwidth of 5.5% to 7.0%. The value of investment property, which was assessed by an external expert within the last four years, amounted to TEUR 220,402 (previous year: TEUR 167,370).

The rental income from leased financial real estate amounted to TEUR 11,786 in the year under review (previous year: TEUR 10,016). Operating expenses related to investment property for which there was no rental income in the year under review amounted to TEUR 2,601 (previous year: TEUR 1,134).

Investment property with a carrying amount of TEUR 162,308 (previous year: TEUR 252,976) is pledged as collateral for liabilities, this includes investment property with a carrying amount of TEUR 23,981 recorded under assets held for sale.

There were no selling restrictions on investment property in 2012 (previous year: 77,353).

20. Shareholdings in associates

in EUR thousand	2012	2011
Acquisition costs	143,374	140,177
Share of profit generated since acquisition less dividends received and profit transfers	101,337	84,625
Earnings/expenses entered into other comprehensive income	-35,658	-29,279
Carrying amount	209,053	195,523

The following summaries show condensed financial information relating to associates:

in EUR thousand	2012	2011
Assets	2,384,776	2,272,388
Liabilities	1,963,657	1,839,529
Net assets	421,119	432,859
Group share of net assets	209,053	195,523

in EUR thousand	2012	2011
Revenue	641,074	518,046
Profit for the year	52,459	29,674
Group share of profit for the year	20,201	17,916

The accumulated amount of non-recognised shares of losses of associates as of December 31st 2012 is TEUR 1,524 (previous year: TEUR 2,185).

The market capitalisation of the 41.33% shareholding in UBM Realitätenentwicklung AG amounted to TEUR 33,478 (previous year: TEUR 30,998) at December 31st 2012.

21. Loans

in EUR thousand	2012	2011
Loans to companies in which there is a participating interest	9,417	6,204
Loans to associates	18,441	17,131
Other loans	1,522	11,788
Total	29,380	35,123

22. Other financial assets

in EUR thousand	2012	2011
Shareholdings in non-consolidated subsidiaries	2,994	4,619
Other shareholdings	5,826	9,540
Total debt securities available for sale	11,295	11,131
Payments on account on financial assets	-	150
Total	20,115	25,440

As regards the shareholdings, including shareholdings in non-consolidated subsidiaries, the fair value cannot be determined reliably, meaning that they are recognised at their acquisition costs less any impairment. Securities available for sale mainly comprise fixed-interest instruments. They are not subject to any restrictions on disposal.

23. Inventories

Inventories comprise the following:

in EUR thousand	2012	2011
Land intended for sale	31,708	8,575
Finished and unfinished products and merchandise	5,936	8,076
Raw materials and supplies	29,239	25,457
Payments on account	14,250	13,017
Total	81,133	55,125

Allowances of TEUR -130 (previous year: TEUR -318) were recognised on products and merchandise in the year under review. Inventories with a carrying amount of TEUR 21,773 were pledged as collateral for liabilities.

24. Trade receivables

Construction contracts

The construction contracts valued by the POC method at the end of the reporting period but not yet finally settled, are stated as follows:

in EUR thousand	2012	2011
Contract values defined according to POC method	1,384,866	1,278,245
Less attributable payments on account	-1,129,809	-1,031,787
Net	255,057	246,458

Proportional contract values capitalised according to the percentage of completion of the contract as at December 31st 2012 are balanced by contract costs valued at TEUR 1,350,783 (previous year: TEUR 1,235,908), so that the income from these activities amounts to TEUR 34,083 (previous year: TEUR 42,337). Shares of the profits from joint ventures are shown under receivables from joint ventures. Payments on account, including preliminary payments on invoices for partial delivery, are shown under liabilities, where these exceed proportional contract values capitalised according to the percentage of completion of the contract. Imminent losses and guarantees from orders are recorded in receivables.

Composition and maturity terms of **trade receivables:**

in EUR thousand	Dec 31st 2012	Remaining term > 1 year	Dec 31st 2011	Remaining term > 1 year
Trade receivables	543,089	21,068	531,021	15,420
Receivables from joint ventures	67,057	-	71,618	-
Total	610,146	21,068	602,639	15,420

Trade receivables are classified as current in accordance with IAS 1 as they are to be settled within the entity's normal operating cycle.

Trade receivables include contractual retentions of TEUR 56,446 (previous year: TEUR 41,083).

in EUR thousand	2012	2011
Trade receivables before allowances	585,822	594,883
Impairment allowances at January 1st	63,862	88,871
Additions	41,071	42,057
Appropriation/liquidation	-62,200	-67,066
At December 31st	42,733	63,862
Carrying amount of trade receivables	543,089	531,021

Ageing structure of receivables:

in EUR thousand	Carrying amount at Dec 31st 2012	Of which not overdue at closing date	Of which overdue at closing date in the following time periods				
			Less than 30 days	Between 30 and 60 days	Between 60 and 180 days	Between 180 and 360 days	More than 360 days
Trade receivables	543,089	430,748	40,427	9,885	19,905	7,682	34,442

in EUR thousand	Carrying amount at Dec 31st 2011	Of which not overdue at closing date	Of which overdue at closing date in the following time periods				
			Less than 30 days	Between 30 and 60 days	Between 60 and 180 days	Between 180 and 360 days	More than 360 days
Trade receivables	531,021	392,347	73,461	6,138	11,927	17,013	30,135

In the above-mentioned overdues, amounts of ongoing invoice checks are also included, which could take up to 120 days to settle. Allowances for impairment were included at reasonable amounts.

25. Other financial assets

in EUR thousand	Dec 31st 2012	Remaining term > 1 year	Dec 31st 2011	Remaining term > 1 year
Loans	334	-	2,105	-
Receivables from non-consolidated subsidiaries	11,950	3,392	14,469	3,384
Receivables from associates	35,483	13,337	47,861	11,240
Receivables from other shareholdings	23,938	1,793	21,299	3,008
Receivables from insurance	36	-	84	-
Other	89,853	21,920	71,455	26,619
Total	161,594	40,442	157,273	44,251

Forward contracts at fair value amounting to TEUR 0 (previous year: TEUR 969) are included under other financial assets (see note 44). In addition this item contains TEUR 10,521 (previous year: TEUR 9,936) of receivables from deposits and TEUR 9,913 (previous year: TEUR 10,816) of receivables from down payments relating to rent or leases. Other financial assets amounting to TEUR 12,835 (previous year: TEUR 10,747) are secured with shares or shareholdings in businesses.

Receivables from non-consolidated subsidiaries, associates and other shareholdings include contractual retentions amounting to TEUR 438 (previous year: TEUR 1,561).

26. Other receivables and assets

in EUR thousand	Dec 31st 2012	Remaining term > 1 year	Dec 31st 2011	Remaining term > 1 year
Tax assets	11,734	-	16,034	-
Other	377	-	1,560	-
Total	**12,111**	**-**	**17,594**	**-**

27. Cash and cash equivalents

The cash and cash equivalents include cash at banks amounting to TEUR 110,089 (previous year: TEUR 153,475) and cash in hand of TEUR 322 (previous year: TEUR 338).

28. Assets held for sale

The assets held for sale related to three properties in the segment Business Unit 6 – Real Estate and one property in the segment Business Unit 1 – DACH, for which the Group has received Supervisory Board approval to sell and is actively looking for a buyer. The Group assumes that the sale will be concluded in the 2013 business year.

29. Deferred tax assets

The following tax deferments stated on the statement of financial position arise from temporary differences between the valuations in the IFRS consolidated financial statements and the respective valuations for tax purposes as well as from realisable loss carryforwards.

in EUR thousand	2012		2011	
	Assets	Liabilities	Assets	Liabilities
Non-current assets, liabilities from finance leasing	39,316	55,701	31,870	55,197
POC method	-	34,148	-	36,910
Untaxed reserves	-	6,861	-	7,106
Provisions	14,836	1,912	8,925	2,177
Tax loss carryforwards	34,066	-	47,203	-
Other	-	-	5	-
Off-setting	-80,648	-80,648	-78,551	-78,551
Deferred taxes	**7,570**	**17,974**	**9,452**	**22,839**
Net deferred taxes	**-**	**10,404**	**-**	**13,387**

in EUR thousand	2012	2011
Net deferred taxes (liabilities)	10,404	13,387
Change	2,983	17,861
of which related to exchange differences	-81	-110
of which related to expense (-)/income (+) as per income statement	1,810	20,414
of which related to regrouping from current tax liabilities	836	462
of which related to changes to the consolidated group	-1,728	-2,939
of which related to expense (-)/income (+) entered into other comprehensive income	2,146	34

Deferred tax assets based on loss carryforwards are recognised to the extent that these can probably be offset against future taxable profits (see note 6.1.).

The loss carryforwards for which no deferred tax assets were recognised amount to TEUR 168,909 (previous year: TEUR 143,823). The loss carryforwards can be carried forward essentially without restriction, both those for which the deferred tax assets have been recognised and those for which no deferred tax assets were recognised

30. Share capital

Share capital	Number 2012	EUR 2012	Number 2011	EUR 2011
Ordinary bearer shares	2,045,927	14,868,331	2,045,927	14,868,331
7% bearer preference shares (without voting rights)	642,000	4,665,596	642,000	4,665,596
Total share capital	**2,687,927**	**19,533,927**	**2,687,927**	**19,533,927**
Capital share certificates (profit-participation rights pursuant to Art. 174 Stock Corporation Act)	49,800	361,911	49,800	361,911
Total share capital and capital from profit-participation rights	**2,737,727**	**19,895,838**	**2,737,727**	**19,895,838**

The shares are authorised and fully issued no-par-value shares which are fully paid in. The amount of share capital for each bearer share is approximately EUR 7.27. The amount of profit participation capital for each capital share certificate is also EUR 7.27. With effect from the entry into the Commercial Register on May 4th 2011 and with the approval of the Supervisory Board, the Executive Board increased the Group's share capital against contribution in kind by issuing 85,390 new no-par-value bearer shares with voting rights and the right to share in profits from the 2011 business year through the partial use of the capital authorised on November 27th 2008 in an extraordinary general meeting. Following the capital increase, the share capital was split into 2,045,927 ordinary shares and 642,000 7%-preference shares without voting rights. The issue price per share was EUR 135.00. Following the capital increase 287,698 ordinary shares were approved but not yet issued.

Each ordinary share participates in profits including profits on liquidation to the same extent and each share entitles the bearer to one vote at the Annual General Meeting. Bearers of preference shares and capital share certificates are not entitled to any votes at the Annual General Meeting.

On liquidation of the company, it is primarily the holders of capital share certificates who receive any remaining shares in the profit from the remaining liquidation proceeds and the pro rata amount of the capital apportioned to capital share certificates. If there are further liquidation proceeds remaining, then the bearers of preference shares receive these and the pro rata amount of the capital apportioned to preference shares. Then the holders of ordinary shares receive any remaining shares in the profit from the remaining liquidation proceeds and the pro rata amount of the capital apportioned to ordinary shares. Any remaining liquidation proceeds are then distributed among bearers of capital share certificates and shareholders in accordance with their share of total capital.

Distribution of profit is regulated as follows by the Articles of Association: in the first instance up to 7% of the share capital relating to the preference shares and of the capital relating to the capital share certificates is distributable as a share of the profit of PORR AG to the preference shareholders and holders of capital share certificates and any remainder of preference dividends or profit shares relating to the capital share certificates from previous years is payable subsequently, then the ordinary shareholders receive up to 7% of the share capital relating to the ordinary shares as a profit share; any unappropriated retained earnings exceeding that amount intended for distribution according to the Executive Board's proposed profit distribution shall be distributed equally between preference and ordinary shareholders and holders of capital share certificates, as long as the Annual General Meeting does not determine any other appropriation.

31. Reserves

The capital reserves result largely from the capital increases, adjustments and statute-barred dividend claims arising from previous years less the costs for the capital increase and fair-value adjustments. The capital reserves include an amount of TEUR 121,346 (previous year: TEUR 121,346) which is allocated. It may only be released to compensate for an accumulated loss which would otherwise be shown in the annual financial statements of PORR AG, to the extent that free reserves are not available to cover this.

The retained earnings comprise the revaluation reserves in accordance with IAS 16, the reserves from revaluation of the annual financial statements of subsidiaries in foreign currencies, the reserves for cash flow hedges, reserves for remeasurement from benefit obligations, other expenses or income to be recorded in comprehensive income, retained earnings of PORR AG including the statutory reserve and the untaxed reserves after deducting deferred tax items, retained profits from subsidiaries since their acquisition and the effects of adjusting the annual financial statements of companies included in the consolidated financial statements to the accounting and measurement methods used in the consolidated financial statements. Net earnings amounting to TEUR 3,784 are available for distribution to shareholders in PORR AG. The unallocated retained earnings of PORR AG, which come to TEUR 46,648 as of December 31st 2012 may be released and distributed to the shareholders of PORR AG. The statutory reserve of PORR AG of TEUR 458 (previous year: TEUR 458) may only be released to compensate for an accumulated loss which would otherwise be shown, whereby the release to cover the loss is not impeded by free reserves being available to compensate for the loss.

During the year under review, no dividends or profit shares were paid out to shareholders or holders of capital share certificates, in the previous year TEUR 1,486, therefore EUR 0.55 per share or capital share certificate, was paid to shareholders and holders of capital share certificates in PORR AG.

The Executive Board proposes to pay a dividend of EUR 1.25 per ordinary share, preference share and capital share certificate and to pay the arrears on preference dividends of EUR 0.51 per preference share and profit share for capital share certificates of EUR 0.51 per capital share certificate for the business year 2011. This amounts to EUR 3,774,976.75 in total. The proposed dividend does not yet appear in the statement of financial position as at December 31st 2012 as the payout requires a resolution by the Annual General Meeting. The dividend payout has no effect on the Group's taxation.

32. Equity from profit-participation rights

32.1. Equity from profit-participation rights (non-controlling interest)

In December 2007, ABAP Beteiligungs Holding GmbH, a subsidiary 100% of whose nominal capital is held by PORR AG, issued profit-participation rights with a total nominal value of TEUR 70,000. The profit-participation rights, whose issuance conditions are in accordance with debentures, are issued for an unspecified length of time, whereby the bearers of profit-participation rights have no rights to a contractual notice of dismissal, but where the issuer has the right to terminate the profit-participation rights at any time. The rights of the bearers of profit-participation rights regarding extraordinary notice of dismissal are tied to conditions, for which the implementation or not lies under the sphere of influence of PORR AG. The interest is set at 8.0% p.a. of the nominal capital of the profit-participation rights as of January 1st 2008, rising to 13.0% p.a. on the nominal capital as of January 1st 2013, whereby the issuer is only obliged to pay interest if they or PORR AG decide to pay holdings or shareholders a dividend from the annual surplus. If the issuer is not obliged to pay the due interest for one year in the absence of a profit payout, and utilises their right not to pay, then this unpaid interest is kept in arrears which must be paid as soon as the issuer or PORR AG decides that a dividend from the annual surplus is payable to their holdings or shareholders. In the case of dismissal by the issuer or the extraordinary notice of dismissal by the bearers of profit-participation rights, the capital from profit-participation rights becomes due to the bearers, in addition to the valid interest accrued by this date and outstanding interest. As payments on these profit-participation rights – interest as well as capital redemption – are only compulsory when the conditions are activated, where their activation can be authorised or prevented by PORR AG, and the Group therefore has the option of avoiding payment on these profit participation rights into the long-term, these profit-participation rights are therefore categorised as equity instruments. Interest to be paid on these profit-participation rights should be reported directly into equity, less tax burdens.

32.2. Subordinated loan

In December 2012 PORR AG took a subordinated loan with a total value of TEUR 11,000. The loan was taken out for an unspecified time period, whereby the lenders have no right to ordinary termination. As of December 21st 2012, the loan is subject to interest of 6.25% p.a. on the loan amount; from December 21st 2013 this rises to 10.0% p.a. of the nominal amount, whereby PORR AG is only liable to pay interest if it resolves to pay ordinary and preference shareholders a dividend from the year's profits. In the absence of a dividend payout of this kind, PORR AG is not obligated to pay the interest for the year; if it makes use of this right not to pay, this unpaid interest will be recorded as overdue interest which must be paid as soon as PORR AG resolves to pay its shareholders a dividend from the annual surplus. In the case of the complete or partial cancellation by PORR AG, or extraordinary termination by the lender, the capital provided plus all interest accrued up to this date and overdue interest must be repaid to the lender. As payments on this loan – interest and the repayment of capital – must only be settled under certain circumstances which PORR AG can influence and/or prevent, the Group has the option of avoiding payments on this loan for a long period and therefore this subordinated loan is classed as an equity instrument. Interest which is paid on this loan, less any tax, is to be recorded directly in equity as a deduction. The lender of this subordinated loan is a related party.

33. Non-controlling interest

The shares in equity capital of subsidiaries which are not owned by PORR AG or a shareholder of the Group are entered in the equity capital under non-controlling interest.

34. Provisions

in EUR thousand	Severance	Pensions	Anniversary bonuses	Indemnities	Buildings	Recultivation	Other	Total
Balance at Jan 1st 2012	46,811	34,704	10,069	3,533	63,930	6,560	9,786	175,393
Additions	4,367	2,252	2,459	480	80,902	7,411	7,573	105,444
OCI additions	4,922	3,660	-	-	-	-	-	8,582
Appropriation/ liquidation	-4,157	-3,478	-783	-90	-41,849	-3,139	-3,106	-56,602
Balance at Dec 31st 2012	**51,943**	**37,138**	**11,745**	**3,923**	**102,983**	**10,832**	**14,253**	**232,817**
of which non-current	51,943	37,138	11,745	3,923	-	10,832	-	115,581
of which current	-	-	-	-	102,983	-	14,253	117,236

PORR AG and its subsidiaries must pay their employees in Austria and Germany anniversary bonuses on certain anniversaries according to collective agreements. The provision for anniversary bonuses was determined in accordance with the provisions of IAS 19 on other long-term benefits. Please refer to the notes under the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

At TEUR 19,000 (previous year: TEUR 25,451), provisions for buildings represent provisions for impending losses arising from the order backlog and, at TEUR 40,330 (previous year: TEUR 13,840), provisions for guarantees. Provisions for impending losses are based on current contract calculations. Provisions for guarantees and other contract risks are determined on the basis of an individual assessment of the risks. Claims arising against the Group from these risks are deemed to be probable; the recognised amount corresponds to the best possible estimate of the amount of the claim. As building contracts can take several years to be carried out, and any claim possibly precedes a long ongoing legal dispute, the time of the claim is uncertain but will as a rule lie within the relevant operating cycle.

Pension plans

Defined benefit plans

Provisions for severance pay were created for employees (on wages and salaries) who have claims to severance payments pursuant to the Employee Act, the Wage Earners' Severance Pay Act or works agreements. Employees whose employment is subject to Austrian law, if the relevant employment began prior to January 1st 2003 and has been ongoing for at least ten years without interruption, have a claim to severance pay where the employment is terminated upon the employee's reaching the statutory age of retirement, even if the employment is terminated by the employee. The amount of the severance pay depends on the amount of the pay at the time of termination and of the length of employment. These employee claims should therefore be treated as claims under defined benefit pension plans, in which case plan assets do not exist to cover these claims. Similar considerations apply to employees to whom severance pay is due pursuant to the Wage Earners' Severance Pay Act and for severance pay payable pursuant to works agreements.

The Construction Workers' Leave and Severance Pay Act 1987 applies to the majority of waged workers, according to which their claims are directed towards the holiday pay and severance pay fund to be financed by employer's contributions. This is a state plan, for which a severance pay provision does not need to be created.

Pension commitments are as a rule defined individual benefit commitments for senior staff which are not covered by plan assets. The amount of the pension claim depends on the number of years' service in each case.

Changes within provisions for severance pay were as follows:

in EUR thousand	2012	2011
Present value of severance obligations (DBO) at Jan 1st	46,811	47,808
Changes to the consolidated group	18	604
Prior service cost	2,045	2,136
Interest paid	2,107	2,155
Severance payments	-4,157	-7,807
Actuarial profits (-)/losses (+)	5,119	1,915
Present value of severance obligations (DBO) at Dec 31st	**51,943**	**46,811**

in EUR thousand	2012	2011
Prior service cost (entitlement)	2,045	2,136
Net interest expense	2,107	2,155
Severance payments (recognised in profit/loss for the period)	4,152	4,291
Severance payments (recognised in comprehensive income for the period)	**4,152**	**4,291**

For the year 2013, an interest payment of TEUR 1,850 and a prior service cost of TEUR 2,244 are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

The experience-based adjustments on severance obligations are as follows for the year under review and the previous fiscal years:

in EUR thousand	2012	2011	2010	2009
Experience-based adjustments at Dec 31st	-236	-1,376	-1,466	-3,188

The present values of severance obligations are as follows for the year under review and the four previous fiscal years:

in EUR thousand	2012	2011	2010	2009	2008
Present value of severance obligations at Dec 31st	51,943	46,811	47,808	49,601	53,166

Pension provisions:

Pension obligations transferred to provisions:

in EUR thousand	2012
Present value of obligations covered by fund assets	14,184
Fair value of the plan assets	-7,755
Net value of the obligations covered by fund assets	6,429
Present value of the obligations not covered by fund assets	30,709
Carrying amount of provisions at Dec 31st	**37,138**

Pension costs:

in EUR thousand	2012	2011
Service cost (entitlement)	159	146
Net interest expense	1,912	1,965
Pension costs (recognised in profit/loss for the period)	2,071	2,111
Interest income	-368	0
Pension costs (recognised in comprehensive income for the period)	**1,703**	**2,111**

Development of pension obligations:

in EUR thousand	2012	2011
Present value of pension obligations (DBO) at Jan 1st	42,448	43,171
Changes to the consolidated group	482	430
Prior service cost	159	146
Interest paid	1,912	1,966
Pension payments	-3,478	-4,015
Actuarial profits (-)/losses (+)	3,370	750
Present value of pension obligations (DBO) at Dec 31st	**44,893**	**42,448**

The obligations from the direct pension benefits are partially covered by insurance contracts concluded with WIENER STÄDTISCHE VERSICHERUNGS AG Vienna Insurance Group and Nürnberger Lebensversicherung AG. In order to secure the pension rights of the employees insured from the corporate pension benefits, the rights from the insurance agreements are pledged in favour of the employees insured.

The insurance of the old-age pension is entitled to share in profits in line with Article 16 of the General Terms and Conditions Governing Endowment and Pension Insurance. The insurance for the disability pension and widows pension is also entitled to share in profits. To this end, a cash accounting statement is produced at the end of every insurance year. In the case of a profit, 50% of the balance of income and expenditure is refunded to the insurance policyholder. In the case of a loss, this is carried forward to the next insurance year. Profits can only be paid out again once the loss carryforward has been settled. The amount of the annual insurance premiums is determined by the insurance company's rates and is stated in the registry of members. The premiums must be paid annually in advance. The final annual premium must be paid in the year in which the policyholder reaches retirement age. The pension plan reinsurance is held in an independent department of the cover pool for life insurance as laid down in Article 20 Section 2 Line 1 in connection with Article 2 of the Insurance Supervision Law.

Endowment life insurance policies have been concluded, e.g. with Nürnberger Lebensversicherung AG, for the pension benefits of the German companies. The insurance involves individual endowment policies which are ring-fenced. The policyholder is the employer, while the insured party/beneficiary is the employee who can choose between a lump sum or an annuity of equal value. The amount of the annuity is determined by the rates valid at the time of choosing and the corresponding insurance conditions. The contributions must be paid until the end of the insurance year in which the claim becomes valid (death or retirement). At the end of every insurance year the current profit participation (risk and interest surplus) is credited and converted into a bonus.

Development of the plan assets:

in EUR thousand	2012	2011
Fair value of the plan assets at Jan 1st	7,744	8,505
Changes to the consolidated group	-104	-
Contribution payments	37	-
Interest income	368	-
Payouts (benefit payments)	-	-
Actuarial gains (-)/losses (+)	-290	-761
Fair value of the plan assets at Dec 31st	**7,755**	**7,744**

For the year 2013, an interest payment of TEUR 1,619 and a prior service cost of TEUR 205 are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

The experience-based adjustments on pension obligations are as follows for the year under review and the previous fiscal years:

in EUR thousand	2012	2011	2010	2009
Experience-based adjustments at Dec 31st	838	-1,033	558	1,364

The present values of pension obligations are as follows for the year under review and the four previous fiscal years:

in EUR thousand	2012	2011	2010	2009	2008
Present value of pension obligations at Dec 31st	44,893	42,448	43,171	43,834	44,116

The present value of the plan assets were as follows in the year under review and the two preceding business years:

in EUR thousand	2012	2011	2010
Present value of plan assets as at Dec 31st	7,755	7,744	8,505

Defined contribution plans

Employees whose employment is subject to Austrian law and who commenced employment after December 31st 2002, and workers to whose employment the Construction Workers' Leave and Severance Pay Act is applicable, do not acquire any severance pay claims in respect of their respective employer. For these employees, except for those to whose employment the Construction Workers' Leave and Severance Pay Act is applicable, contributions of 1.53% of the wage or salary must be paid to an employee welfare fund; this amounted to TEUR 1,193 (previous year: TEUR 1,164) in 2012.

Contributions are payable by the employer to the holiday pay and severance pay fund in respect of those employees whose employment is covered by the Construction Workers' Leave and Severance Pay Act. At the present time, around 37% of the wage of relevant employees is payable to the holiday pay fund for 2012, amounting to TEUR 39,656 (previous year: TEUR 39,363) and 4.6% of the wage of relevant employees is payable to the severance pay fund, amounting to TEUR 5,569 in 2012 (previous year: TEUR 4,826). This contribution covers employee severance pay claims and other benefits, in particular the holiday pay and holiday allowance payable by the holiday pay and severance pay fund to the relevant employees. This state plan covers all the companies in the building sector. The benefits are financed on a pay-as-you-earn basis, i.e. the benefits falling due in a particular period are to be financed by the contributions of this same period, while the future benefits earned in the period under review will be funded by future contributions. The companies are not legally or actually obliged to pay these future benefits. The companies are only obliged to pay the prescribed contributions as long as they employ workers whose employment is covered by the Construction Workers' Leave and Severance Pay Act.

Payments to external employee provision funds are recognised under the item staff expense.

The employees of the PORR Group also belong to their country-specific, state pension plans, which are usually funded on a pay-as-you-earn basis. The Group is only obliged to pay the contributions when they become due. There is no legal or actual obligation to provide future benefits.

35. Bonds

As of the value date December 4th 2012, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 50,000,000.00
Tenor	2012–2016
Denomination	EUR 1,000.00
Nominal interest rate	6.25% p.a.
Coupon	December 4th annually
Redemption	December 4th 2016 at 100%
Closing rate Dec 31st 2012	98.625
ISIN	AT0000A0XJ15/A1HCJJ
Book value	EUR 49,012,834.25

The bond was issued for subscription on the Austrian and German capital markets.

As of the value date October 13th 2010, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 125,000,000.00
Tenor	2010–2015
Denomination	EUR 500.00
Nominal interest rate	5.0% p.a.
Coupon	April 13th/October 13th semi-annually
Redemption	October 13th 2015 at 100%
Closing rate Dec 31st 2012	95.993
ISIN	AT0000A0KJK9
Book value	EUR 124,559,394.92

The bond was issued for subscription on the Austrian capital market.

As of the value date November 6th 2009, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 100,000,000.00
Tenor	2009–2014
Denomination	EUR 500.00
Nominal interest rate	6.0% p.a.
Coupon	May 6th/November 6th semi-annually
Redemption	November 6th 2014 at 100%
Closing rate Dec 31st 2012	98.893
ISIN	AT0000A0F9G7
Book value	EUR 99,530,422.25

The bond was issued for subscription on the Austrian capital market.

As of the value date May 31st 2012 one bond worth TEUR 70,000 was 100% redeemed.

36. Financial liabilities

in EUR thousand	2012	2011
Deposits from banks		
subject to interest at variable rates	272,159	231,501
subject to interest at fixed rates	11,198	113,464
Lease obligations		
subject to interest at variable rates	84,137	84,918
Derivative financial instruments	1,012	279
Other financial liabilities		
subject to interest at variable rates	10,299	3,787
subject to interest at fixed rates	45,003	62,200
Total	423,808	496,149

Deposits from banks subject to variable rates of interest are mainly charged interest at the 3-month EURIBOR rate or the 6-month EURIBOR rate plus differing margins. During the year under review the 3-month EURIBOR rate averaged out at 0.571% and the 6-month EURIBOR rate at an average 0.825%. The margins for newly acquired funds with a maximum 3-month term averaged 2.27 PP in 2012.

Some items of real estate and equipment used by the Group itself are held under finance leases (see note 18). The interest rates for the lease obligations are between 1.04% and 6.62%. The interest component of the lease payments is usually continuously adjusted to the market interest rate. With the exception of these leasing rate adjustments to reference interest rates, no agreements on conditional rental payments are included.

Derivative financial instruments include forward contracts and interest rate hedges, which are measured at fair value at the end of the reporting period (see note 44).

in EUR thousand	Dec 31st 2012	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Deposits from banks	283,357	213,824	23,122	46,411	101,452
Lease obligations	84,137	15,796	42,357	25,984	84,137
Derivative financial instruments	1,012	258	754	-	-
Other financial liabilities	55,302	24,757	26,777	3,768	8,369
Total	423,808	254,635	93,010	76,163	193,958

in EUR thousand	Dec 31st 2011	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Deposits from banks	344,966	61,535	162,017	121,414	247,303
Lease obligations	84,918	16,697	33,286	34,935	84,918
Derivative financial instruments	279	-	279	-	-
Other financial liabilities	65,986	9,676	35,790	20,520	64,732
Total	496,149	87,908	231,372	176,869	396,953

Deposits from banks which are secured by collateral relate to real estate and provisions. Group obligations under finance leases are secured by the leased assets totalling a carrying amount of TEUR 123,437 (previous year: TEUR 119,894) which are the property of the lessor under civil law.

in EUR thousand	Minimum leasing payments		Principal repayment of leasing payments	
	Dec 31st 2012	Dec 31st 2011	Dec 31st 2012	Dec 31st 2011
With a remaining period up to 1 year	18,075	19,183	17,809	18,876
With a remaining period of more than 1 year and less than 5 years	48,395	39,944	44,031	36,314
With a remaining period of more than 5 years	29,169	39,340	22,297	29,728
Total	95,639	98,467	84,137	84,918
To be deducted: future financing costs	-11,502	-13,549	-	-
Present value of minimum leasing payments	84,137	84,918	84,137	84,918
Recognised in the consolidated financial statements as:				
Current liabilities			15,796	16,697
Non-current liabilities			68,341	68,221
Total			84,137	84,918

37. Trade payables

in EUR thousand	Dec 31st 2012	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Trade payables	467,416	440,149	27,267	-	-
Payables to joint ventures	47,742	47,742	-	-	-
Total	**515,158**	**487,891**	**27,267**	**-**	**-**

in EUR thousand	Dec 31st 2011	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Trade payables	460,591	428,878	31,713	-	-
Payables to joint ventures	41,585	41,585	-	-	-
Total	**502,176**	**470,463**	**31,713**	**-**	**-**

Trade payables are classified as current as they are to be settled within the entity's normal operating cycle.

38. Other financial liabilities

in EUR thousand	Dec 31st 2012	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Payables to non-consolidated subsidiaries	2,020	2,020	-	-	-
Payables to associates	16,532	4,758	11,734	40	-
Payables to other shareholdings	4,130	4,130	-	-	-
Payables to staff	66,144	66,144	-	-	-
Other	23,331	18,142	2,527	2,662	-
Total	**112,157**	**95,194**	**14,261**	**2,702**	**-**

in EUR thousand	Dec 31st 2011	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Payables to non-consolidated subsidiaries	4,065	4,065	-	-	-
Payables to associates	20,665	6,703	11,773	2,189	-
Payables to other shareholdings	9,900	9,868	21	11	-
Payables to staff	63,332	63,332	-	-	-
Other	45,677	38,790	2,981	3,906	-
Total	**143,639**	**122,758**	**14,775**	**6,106**	**-**

Other financial liabilities include a life annuity of TEUR 101, of which TEUR 11 was recorded in other operating income as remeasurement of benefit obligations in the year under review.

39. Other liabilities

in EUR thousand	Dec 31st 2012	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Tax liabilities	49,216	49,216	-	-	-
Social security liabilities	11,950	11,950	-	-	-
Advances received	86,556	86,556	-	-	-
Other	7,423	7,423	-		-
Total	**155,145**	**155,145**	**-**	**-**	**-**

in EUR thousand	Dec 31st 2011	Remaining term			of which secured by collateral
		< 1 year	> 1 year < 5 years	> 5 years	
Tax liabilities	50,058	50,058	-	-	-
Social security liabilities	11,780	11,780	-	-	-
Advances received	98,021	98,021	-	-	-
Other	35,693	1,712	-	33,981	-
Total	**195,552**	**161,571**	**-**	**33,981**	**-**

40. Tax payables

Current income tax payables are shown under tax liabilities. Pursuant to Art. 9 Austrian Corporation Tax Act (öKStG), losses of foreign Group members amounting to TEUR 40,344 (previous year: TEUR 39,141) were not capitalised as they were characterised as frozen losses or had a long-term horizon for utilisation.

41. Contingent liabilities and guarantees

in EUR thousand	2012	2011
Guarantees, guarantee bonds and other contingent liabilities	63,284	77,066
of which for associates	31,897	36,077

The guarantees primarily relate to securing bank loans of non-consolidated subsidiaries, associates and other companies in which the Group holds a stake, as well as other liabilities from the operational business whose availment is theoretically possible, but considered highly improbable.

Other financial liabilities

The operational construction business requires various types of guarantees in order to safeguard contractual obligations. This generally relates to guarantees for tenders, contract fulfilment, advance payment and warranty. Apart from that the Group is jointly and severally liable for all joint ventures in which it participates. Claims arising from these liabilities are not likely.

The Group has access to a syndicated, guaranteed credit line (Avalrahmen) amounting to TEUR 470,000 with a remaining term until June 30th 2013. Negotiations are underway to extend this credit line and so far indicate that it will be possible to extend the line to a considerable extent.

There are also bilateral credit lines for the European market of TEUR 516,480, in addition to credit lines in Qatar and Oman of TEUR 220,890 which generally run for a one-year term. As at December 31st 2012, around 69% of the European credit lines had been drawn on and around 12% of the lines in Qatar and Oman.

42. Notes on segment reporting

Segment reporting has been adjusted in line with the internal reporting structure of the PORR Group. IFRS are the accounting standards governing business transactions between segments which must be reported. The following segments are presented:

Segment Business Unit 1 – DACH: BU 1 – DACH covers the PORR Group's operating business on the home markets of Austria, Germany and Switzerland. A full range of products and services is offered.

Segment Business Unit 2 – CEE/SEE: BU 2 – CEE/SEE covers the PORR Group's operating business on the home market of Poland and the core markets in Central and Eastern Europe and South-Eastern Europe. Permanent business is being built up step-by-step on these markets.

Segment Business Unit 4 – Infrastructure: The BU 4 – Infrastructure segment bundles the core competencies in public infrastructure. It includes the departments on tunnelling, foundation engineering, railway construction, pipeline construction, structural engineering, power plant construction and large-scale civil engineering projects.

Segment Business Unit 5 – Environmental Engineering: The BU 5 – Environmental Engineering segment bundles expertise in the fields of water, wastewater, waste and environmental clean-up.

Segment Business Unit 6 – Real Estate: The BU 6 – Real Estate segment is largely comprised of the companies specialised in project development, namely Strauss & Partner Development GmbH, PORREAL Immobilien Management GmbH and the shareholding in UBM Realitätenentwicklung AG and its subsidiaries.

Other: This segment includes all of the activities on the MENA region markets, as well as Group services and shareholdings in non-operational companies.

Segment report

in EUR thousand 2012	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infra-structure	BU 5 – En-vironmental Engineering	BU 6 – Real Estate	Other	Group
Production output (Group)	1,719,478	363,758	462,226	77,765	267,730	-	2,890,957
Segment revenue (revenue, own work capitalised and other operating income)	1,534,900	348,455	384,384	37,563	84,048	-	2,389,350
Intersegment revenue	88,952	15,792	3,348	6,429	8,041	172,812	-
EBT (Earnings before tax = segment earnings)	35,134	-13,974	21,363	-600	-11,378	-8,537	22,008
Share of profit/loss of associates	4,482	1,012	2,291	350	14,198	-2,132	20,201
Depreciation, amortisation and impairment expense	-18,330	-6,133	-566	-1,583	-4,104	-19,312	-50,028
of which impairment	-3,037	-	-	-	-	-	-3,037
Interest income	2,669	1,810	11	454	846	2,834	8,624
Interest expense	-12,194	-1,881	-	-173	-2,229	-21,300	-37,777

in EUR thousand 2011	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infra-structure	BU 5 – En-vironmental Engineering	BU 6 – Real Estate	Other	Group
Production output (Group)	1,635,491	426,273	514,235	70,394	259,241	-	2,905,634
Segment revenue (revenue, own work capitalised and other operating income)	1,531,380	381,098	281,229	29,624	44,265	16,204	2,283,800
Intersegment revenue	147,313	30,887	14,720	8,445	2,372	110,422	-
EBT (Earnings before tax = segment earnings)	3,897	-27,651	-46,559	3,844	-16,382	-2,883	-85,734
Standards applied for the first time	2,665	-	-	-	-	-	2,665
Segment revenue (revenue, own work capitalised and other operating income) restated	6,562	-27,651	-46,559	3,844	-16,382	-2,883	-83,069
Share of profit/loss of associates	2,541	155	1,706	1,060	12,701	-247	17,916
Depreciation, amortisation and impairment expense	-33,747	-7,139	-1,485	-942	-2,621	-5,357	-51,291
of which impairment	-2,102	-	-	-	-781	-	-2,883
Interest income	2,787	2,813	45	721	1,823	3,521	11,710
Interest expense	-13,828	-1,930	-101	-114	-4,184	-24,185	-44,342

The following information relates to geographic business areas in which the Group is active.

in EUR thousand	Production output by customer base 2012	Non-current assets by company base 2012[1]	Production output by customer base 2011	Non-current assets by company base 2011[1]
Domestic	**1,946,239**	**816,932**	**1,822,230**	**968,331**
Germany	330,051	151,763	253,495	76,551
Poland	234,336	16,683	236,291	14,990
Czech Republic	129,861	22,585	141,444	19,686
Hungary	15,018	12,432	39,809	13,700
Romania	33,254	7,525	108,539	11,301
Switzerland	55,222	5,151	85,144	10,249
Serbia	63,514	5,204	89,144	1,217
Albania	16,369	-	30,404	-
Slovakia	30,804	1,654	20,430	1,118
Netherlands	7,896	-	40,085	-
Croatia	4,345	6,888	4,785	4,941
Other foreign	24,048	3,781	33,834	2,272
Total foreign	**944,718**	**233,666**	**1,083,404**	**156,025**
Segment total	**2,890,957**	**1,050,598**	**2,905,634**	**1,124,356**

[1] Corresponds to non-current assets in the consolidated statement of financial position without other financial assets and deferred tax assets.

43. Notes on the cash flow statement

The cash flow statement is broken down into separate cash flows from operating, investing and financing activities, in which the cash flow from operating activities is derived according to the indirect method. The financial fund exclusively comprises cash on hand/at bank and corresponds to the value shown in the statement of financial position for cash and cash equivalents.

44. Notes on financial instruments

44.1. Capital risk management

The fundamental aim of the Group's capital management is to substantially increase equity and to significantly decrease debt.

In the year under review there was a TEUR 19,310 increase in equity to TEUR 322,553. In the same period total assets fell by TEUR 79,108. Thereby the equity ratio rose from 14.2% to 15.7%. According to the statement of changes in equity, TEUR 35,279 was recorded as an equity decrease through the allocation of a reserve for cash flow hedges. This is related to the financing of the parts of the M6 motorway in Hungary which have been operational since 2006 and 2012 respectively. The PORR Group holds a minority interest in this project, which is financed on a PPP basis. The underlying loans are financed at variable rates in compliance with the tender; however the bank consortium agreed to an interest hedge on a fixed basis before the loan was taken out, whereby all variable interest payments are offset and only a fixed interest obligation remains. The loans are therefore, in substance, subject to fixed interest. As part of the interest hedge was concluded with a different credit institute than the one responsible for the loan, IFRS specifies that in cases such as this, positive or negative market value from the valuation at year end must be transferred into a reserve for cash flow hedges. Owing to the falling interest for years, at December 31st 2012 there was a negative market value of TEUR 35,279. If this value did not have to be recorded in equity, there would be equity of TEUR 357,832 and therefore an equity ratio of 17.4%.

In the year under review net debt fell from TEUR 636,054 by TEUR 49,554 to TEUR 586,500. The interest-bearing financial liabilities decreased from TEUR 789,867 by TEUR 92,956 to TEUR 696,911.

The Net Gearing Ratio, defined as net financial debt divided by equity, is applied for the control of capital management. The interest-bearing net debt is the balance between interest-bearing current assets and interest-bearing liabilities. In 2012 it was possible to improve net gearing in relation to equity from 2.1 to 1.8. There was an improvement in charges under the item provisions for hedge accounting to 1.6.

44.2. Categories of financial instruments

44.2.1. Carrying amounts, measurement rates and fair values

in EUR thousand			Measurement in acc. with IAS 39				
	Measurement category in accordance with IAS 39	Carrying amount at Dec 31st 2012	(continuing) Acquisition costs	Fair Value other comprehensive income	Fair Value affecting net income	Fair value hierarchy (IFRS 7.27A)	Fair value at Dec 31st 2012
Assets							
Loans	LaR	29,714	29,714				29,714
Other financial assets (1)	AfS (at cost)	8,820	8,820				n/a
Other financial assets	AfS	11,295		11,295		Level 1	11,295
Trade receivables	LaR	610,146	610,146				610,146
Other financial assets	LaR	161,260	161,260				161,260
Derivatives (without hedges)	FAHfT				-	Level 2	-
Cash and cash equivalents		110,411					110,411
Liabilities							
Bonds							
at fixed interest rates	FLAC	273,103	273,103				268,197
Deposits from banks							
at fixed interest rates	FLAC	11,198	11,198				6,071
at variable interest rates	FLAC	272,159	272,159				272,159
Lease obligations (2)		84,137	84,137				84,137
Other financial liabilities							
at fixed interest rates	FLAC	45,003	45,003				42,571
at variable interest rates	FLAC	10,299	10,299				10,299
Trade payables	FLAC	515,158	515,158				515,158
Other financial liabilities	FLAC	112,157	112,157				112,157
Derivatives (without hedges)	FLHfT	258			258	Level 2	258
Derivatives (with hedges)		754		754		Level 2	754
by category							
Loans and receivables	LaR	801,120	801,120				801,120
Cash and cash equivalents		110,411					110,411
Available-for-sale financial assets (1)	AfS (at cost)	8,820	8,820				n/a
Available-for-sale financial assets	AfS	11,295		11,295		Level 1	11,295
Financial liabilities held for trading	FLHfT	258			258	Level 2	258
Derivative liabilities (with hedges)		754		754		Level 2	754
Financial liabilities measured at amortised cost	FLAC	1,239,077	1,239,077				1,226,612

in EUR thousand			Measurement in acc. with IAS 39				
	Measu-rement category in accordance with IAS 39	Carrying amount at Dec 31st 2011	(continuing) Acquisition costs	Fair Value other com-prehensive income	Fair Value affecting net income	Fair value hierarchy (IFRS 7.27A)	Fair value at Dec 31st 2012
Assets							
Loans	LaR	37,228	37,228				37,228
Other financial assets (1)	AfS (at cost)	14,309	14,309				n/a
Other financial assets	AfS	11,131		11,131		Level 1	11,131
Trade receivables	LaR	602,639	602,639				602,639
Other financial assets	LaR	154,200	154,200				154,200
Derivatives (without hedges)	FAHfT	969			969	Level 2	969
Cash and cash equivalents		153,813					153,813
Liabilities							
Bonds							
at fixed interest rates	FLAC	293,718	293,718				299,636
Deposits from banks							
at fixed interest rates	FLAC	113,464	113,464				85,295
at variable interest rates	FLAC	231,501	231,501				231,501
Lease obligations (2)		84,918	84,918				84,918
Other financial liabilities							
at fixed interest rates	FLAC	62,200	62,200				62,200
at variable interest rates	FLAC	3,787	3,787				3,787
Trade payables	FLAC	502,176	502,176				502,176
Other financial liabilities	FLAC	143,639	143,639				143,639
Derivatives (with hedges)		279		279		Level 2	279
by category							
Loans and Receivables	LaR	794,067	794,067				794,067
Cash and cash equivalents		153,813					153,813
Available-for-sale financial assets (1)	AfS (at cost)	14,309	14,309				n/a
Available-for-sale financial assets	AfS	11,131		11,131		Level 1	11,131
Financial assets held for trading	FAHfT	969			969	Level 2	969
Derivative liabilities (with hedges)		279		279		Level 2	279
Financial liabilities measured at amortised cost	FLAC	1,350,485	1,350,485				1,328,234

(1) These are related to Group shareholdings, predominantly shares in GmbHs, whose fair value cannot be reliably measured and for which there is no active market so that it is measured at acquisition cost less possible impairment. There are currently no concrete plans to sell.

(2) Lease obligations fall under the application of IAS 17 and IFRS 7.

The fair value of trade receivables and trade payables corresponds to the carrying amount, as the majority of these are current. Every financial instrument is categorised as available for sale if it does not fall into any other valuation category under IAS 39. The fair value valuation for derivatives is determined in accordance with market data from information service provider Reuters. Liabilities from bank loans and overdrafts are valued under the discounted cash flow valuation method, whereby the zero coupon yield curve published by Reuters as of December 31st 2012 was used for the discounting of the cash flow.

44.2.2. Net income by measurement category

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2012
Loans and receivables	LaR	9,014	-	-	-	9,014
Available-for-sale financial assets	AfS (at cost)	2,057	-	-6,257	253	-3,947
Available-for-sale financial assets	AfS	351	298	-	-	649
Derivatives (without hedges)	FAHfT/ FLHfT	-	-1,161	-	-	-1,161
Financial liabilities measured at amortised cost	FLAC	-31,213	-	-	-	-31,213

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2011
Loans and receivables	LaR	12,344	-	-43,689	-	-31,345
Available-for-sale financial assets	AfS (at cost)	2,220	-	-11,665	13	-9,432
Available-for-sale financial assets	AfS	400	-201	-	-	199
Derivatives (without hedges)	FAHfT/ FLHfT	-	1,394	-	-	1,394
Financial liabilities measured at amortised cost	FLAC	-37,953	-	-	-	-37,953

Allowances for loans and receivables amounting to TEUR 43,689 in 2011 relate to large-scale projects in Hungary and Romania and were deducted from revenues.

44.3. Aims of financial risk management

Managing financial risks, in particular liquidity risks, interest rate/currency risks and risks from fluctuating raw material prices, is governed by standard Group guidelines. The management's aim is to minimise the risks as far as possible. Hence, derivative and non-derivative hedging instruments are used in line with evaluations. Nevertheless, in general the only risks which are anticipated are those which have consequences on the Group's cash flow. Derivative financial instruments are used exclusively as hedging instruments, i.e. they are not used for trade or other speculative purposes.

All hedge transactions are performed centrally by the Group treasury, unless in specific cases other Group companies are authorised to conclude transactions outside the Group treasury. An internal control system designed around current requirements has been implemented to monitor and control risks linked to money market and foreign exchange trading. All Group treasury activities are subject to strict risk/processing control, the cornerstone of which is the functional separation of commerce, processing and accounting.

44.4. Liquidity risks

The liquidity risk is defined as the risk that liabilities cannot be paid upon maturity.

At December 31st 2012 net debt, defined as the balance from cash and cash equivalents, bonds and current and non-current financial liabilities, amounted to TEUR 586,500 (previous year: TEUR 636,055).

Current liabilities exceed current assets by TEUR 183,263 (previous year: surplus of TEUR 63,110), whereby trade receivables exceeded trade payables by TEUR 94,988 (previous year: TEUR 100,463).

Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to TEUR 254,635 (previous year: 157,538) and are more than 50% covered by cash and cash equivalents and assets held for sale of TEUR 134,792 (previous year: 170,613). Current financial liabilities include a loan of TEUR 200,000, which was granted as part of the 2010 Austrian Corporate Liquidity Strengthening Act and whose term runs until November 30th 2013. Multiple options are under evaluation for replacement financing, including redemption through freed-up liquidity from the sale of real estate, a bond issue in 2013, a prolongation of the loan, or a combination of these measures. The Executive Board assumes that that all obligations will be honoured.

Bonds worth TEUR 273,102 were part of non-current financial liabilities of TEUR 442,276.

At December 31st 2012 there was TEUR 89,973 (previous year: TEUR 248,641) available in bank lines for cash loans, which could be drawn on for immediate refinancing of current financial liabilities. With regard to the syndicated credit line which was granted and used, see note 41.

44.4.1. Table of liquidity and interest rate risks

in EUR thousand	Average interest rate	Non-discounted payment flow			
		Until March 2013	April to Dec 2013	2014 to 2017	from 2018
Bonds					
at fixed interest rates	5.59%	-	15,375	302,875	-
Deposits from banks					
at fixed interest rates	3.31%	4,653	1,246	3,571	2,917
at variable interest rates	2.03%	4,554	243,860	24,418	50,993
Lease obligations	2.91%	6,526	11,549	48,395	29,170
Other financial liabilities					
at fixed interest rates	3.69%	7,526	10,331	28,790	2,386
at variable interest rates	1.23%	38	8,453	122	1,777
Trade payables	interest-free	429,060	11,089	27,267	-

in EUR thousand	Average interest rate	Non-discounted payment flow			
		Until March 2012	April to Dec 2012	2013 to 2016	from 2017
Bonds					
at fixed interest rates	5.55%	-	84,306	255,750	-
at variable interest rates	3.58%	-	8,121	-	-
Deposits from banks					
at fixed interest rates	3.67%	1,555	11,189	89,713	45,441
at variable interest rates	3.10%	19,599	36,459	84,183	144,631
Lease obligations	2.87%	7,710	11,473	39,944	39,341
Other financial liabilities					
at fixed interest rates	1.00%	-	11,483	39,463	19,807
at variable interest rates	4.50%	5	55	250	3,477
Trade payables	interest-free	419,568	9,310	31,713	-

Payables to joint ventures and other financial liabilities largely led to cash outflows at the carrying amounts upon maturity.

44.5. Interest rate risk management

The interest rate risk is defined as the risk from rising interest cost or falling interest income in connection with financial items. For the PORR Group this risk results almost exclusively from the scenario of rises in interest rates, especially in the short term. Any future hedge transactions that are required will be concluded by the Group's financial management. As of the closing date, the management of this risk was conducted with non-derivative instruments, with an interest rate swap amounting to TEUR 80,000, which was designated as a cash flow hedge.

The IRS involve the exchange of variable interest flows for fixed interest flows and is due in November 2013.

An analysis of the floating interest rate position, which amounted to around TEUR 339,341 at December 31st 2012, showed the following sensitivities which would occur under the scenarios of interest rate increases of 0.24 PP and 0.47 PP. The extent of the interest rate increases is based on the average volatility of the 3-month and 6-month EURIBOR in 2012. An interest rate bandwidth of 24 BPS therefore falls statistically within a probability band of 67% and the probability of an interest rate bandwidth of 47 BPS is respectively 99%. The simulated impact on interest rates is as follows:

in EUR thousand	Higher payable interest for the year 2013	Higher payable interest from 2014
At interest rate rise of 0.24 PP	444	628
At interest rate rise of 0.47 PP	870	1,230

44.6. Risks from changes to raw material prices

The risk of price changes in construction steel was only hedged by means of long-term price fixing in 2012.

Owing to the lack of functioning derivative markets in this area, the price risk of other significant materials purchases as viewed at December 31st 2012 were also assured through long-term frame contracts.

44.7. Foreign currency risks

The foreign currency risk is treated within the PORR Group as transaction-oriented and results either from construction contracts or from financing in connection with such contracts. Group policy is to hedge the operational foreign currency risks completely. In accordance with the respective functional currency of the Group unit which is processing the order, we aim to conduct local orders in the corresponding national currencies. This happens in every instance in which the services to be rendered are locally generated. If this does not succeed, or if services must be provided in other currencies, the resulting risk is secured by hedging. With regard to derivative financial instruments, the Group financial management exclusively use forward contracts and first generation currency options (see note 44.8.).

As of December 31st 2012, currency risks, which primarily result from intragroup financing transactions and/or from residual CHF financing, were subject to a simulation, in order to be able to estimate possible risks from changes to foreign exchange rates:

FX position in EUR thousand	Local currency	FX position in local currency (in thousand)	VAR[1] in EUR thousand
1,963	CHF	-2,370	-58
-18,782	HRK	141,937	-341
-4,668	PLN	19,017	-181
-2,806	RSD	315,427	-99
-2,276	RON	10,115	-80
-1,187	HUF	346,801	-55
-1,306	various	various currencies	-60

[1] VAR = Value At Risk at a one-sided 99% confidence interval, this corresponds to a standard deviation of 2.3 over a time period of 10 days. Correlations between currency pairs remain unconsidered.

The simulated maximum loss at a probability of 99% and over a time period of ten days is currently around TEUR 874.

44.8. Hedging currency risks

The PORR Group had concluded forward contracts of TEUR 132,685 (previous year: TEUR 103,259) at December 31st 2012. Of these, TEUR 61,360 were forward purchases and TEUR 71,325 were forward sales. Around TEUR 54,638 (previous year: TEUR 20,794) are designated as hedges for project cash flows and the remainder of TEUR 78,047 (previous year: TEUR 82,465) for hedging intragroup financing.

At December 31st 2012 the market valuation of open forwards contracts resulted in a fair value of TEUR -154. In the fiscal year 2012 total expense of TEUR 1,052 which resulted from changes in the fair value of forward contracts was recognised in profit or loss.

The following table shows the predicted contractual due dates for payments from forward contracts as estimated on December 31st 2012, i.e. when payments from the underlying transactions are expected:

Forward purchases Due date	Cash flows in EUR thousand							
	CZK	CHF	HUF	PLN	QAR	RON	TRY	Total
January 2013		317	6,855	7,337				14,509
February 2013		3,833				11,530		15,363
March 2013			67	6,937		3,575		10,579
April 2013		1,656					116	1,772
May 2013	3,435	832			2,307			6,574
June 2013		11,895			333			12,228
July 2013								-
August 2013								-
September 2013								-
October 2013								-
November 2013					337			337

Forward sales Due date	Cash flows in EUR thousand				
	CZK	CHF	PLN	RON	Total
January 2013	4,576		135	3,112	7,823
February 2013		830	5,300		6,130
March 2013			1,503		1,503
April 2013			400		400
May 2013			1,210		1,210
June 2013		8,169			8,169
July 2013			4,200		4,200
August 2013			2,610		2,610
September 2013			2,960		2,960
October 2013			3,030		3,030
November 2013					-
December 2013			5,730		5,730
January 2014			2,720		2,720
February 2014			3,100		3,100
March 2014			2,920		2,920
April 2014			2,150		2,150
May 2014			2,360		2,360
June 2014			2,130		2,130
July 2014			2,040		2,040
August 2014			2,100		2,100
September 2014			1,780		1,780
October 2014			1,200		1,200
November 2014			3,820		3,820
December 2014			830		830
January 2015			310		310
February 2015			100		100

44.9. Derivative financial instruments

The following table shows the fair values of the different derivative instruments. They are differentiated between whether they are connected or not to a cash flow hedge in accordance with IAS 39.

in EUR thousand	2012	2011
Assets		
Derivatives		
without hedges	-	969
with hedges	-	-
Liabilities		
Derivatives		
without hedges	754	-
with hedges	258	279

44.10. Credit risks

The risk related to receivables from customers can be classified as marginal, owing to the broad dispersion and ongoing creditworthiness checks. Specific to the industry, construction contracts require an advance payment by the general contractor which will not be covered by payments until a later date. To reduce the default risk an extensive creditworthiness check is carried out and adequate sureties are agreed as far as possible.

The risk of default in the case of other original financial instruments stated on the assets side of the statement of financial position is also regarded as low because all contracting parties are financial institutions and other debtors with prime credit standing. The carrying amount of the financial assets represents the maximum risk of default. Where risks of default are recognised in relation to financial assets, account is taken of these risks by performing allowances for impairment. Except for these, there are no occurrences of concentration of risk arising from significant outstanding amounts from individual debtors.

At December 31st 2012 the maximum credit risk amounted to TEUR 931,659 (previous year: TEUR 983,550) and relates mainly to loans, other financial assets, other assets, trade receivables and cash and cash equivalents.

45. Average staffing levels

	2012	2011
Salaried employees		
Domestic	2,535	2,512
Foreign	1,578	1,566
Waged workers		
Domestic	5,353	5,226
Foreign	1,230	1,314
Total staff	**10,696**	**10,618**

46. Related party disclosures

In addition to subsidiaries and associates, related parties include B & C Privatstiftung and the companies over which it has control, and the companies of the Ortner Group, as they or their controlling entity has a significant influence over PORR AG through the shares which they hold. The Strauss & Partner Group is also a related party as a member of the Executive Board of PORR AG has significant influence over it, as is the Kapsch Group as one of the members of the PORR AG Executive Board holds a key position there while at the same time exercising significant influence over PORR AG. In addition to people who have a significant influence over PORR AG, related parties also include the members of the Executive and Supervisory Boards of PORR AG as well as their close family members.

Transactions between Group companies included in the consolidated financial statements were eliminated on consolidation and are not examined any further. Receivables from non-consolidated companies totalled TEUR 11,950 (previous year: TEUR 14,469), of which TEUR 1,998 (previous year: TEUR 2,532) related to financing receivables.

Transactions between Group companies and their associated companies are disclosed in the following analysis.

in EUR thousand	Sales of goods and services		Purchases of goods and services		Receivables		Liabilities	
	2012	2011	2012	2011	2012	2011	2012	2011
Associates	52,610	73,789	55,685	57,311	35,613	47,860	16,533	20,664

Transactions with other related companies and persons were as follows:

in EUR thousand	Sales of goods and services		Purchases of goods and services		Receivables		Liabilities	
	2012	2011	2012	2011	2012	2011	2012	2011
Ortner Group	1,800	2,466	14,521	34,950	1,457	854	3,436	5,997
Strauss Group	13,410	32,367	76	1,002	555	3,995	9	634
B & C Group	3,322	2,658	455	53	271	4	138	5
Kapsch Group	940	-	664	-	110	-	443	-
Supervisory Boards	-	-	24	-	-	-	24	-

Outstanding accounts receivable are not secured and are settled in cash. With the exception of guarantees taken on for associates which totalled TEUR 31,897 (previous year: 36,077), and for which no fees are generally charged, no guarantees were given nor were any enforced. No allowances were made in respect of amounts owed by related companies or persons, nor were any bad debt losses booked during the year under review. See note 32.2. for transactions related to the subordinated loans granted.

47. Events after the end of the reporting period and other information

The Executive Board of PORR AG approved the consolidated financial statements and handed them over to the Supervisory Board on April 2nd 2013. No significant events – with the exception of those cited in note 2.2. – occurred between the closing date and the submission to the Supervisory Board.

48. Fees paid to the Group's auditors

The following table shows the fees paid to the Group's auditors in the year under review:

in EUR thousand	BDO Austria GmbH		Deloitte Österreich	
	2012	2011	2012	2011
Audit services	139	119	-	183
Other audit services	235	166	-	103
Tax advisory services	-	-	-	146
Other advisory services	254	-	-	15

49. Executive bodies

Members of the Executive Board:
Karl-Heinz Strauss, Chief Executive Officer
Christian B. Maier (from February 1st 2012)
J. Johannes Wenkenbach (from February 1st 2012)
Johannes Dotter (until February 4th 2011)
Rudolf Krumpeck (until February 1st 2012)
Peter Weber (until February 1st 2012)

Members of the Supervisory Board:
Karl Pistotnik, Chairman (member/Chairman since December 6th 2012)
Klaus Ortner, Deputy Chairman (Chairman until June 21st 2012, Deputy Chairman since June 21st 2012)
Nematollah Farrokhnia
Walter Knirsch (since December 6th 2012)
Martin Krajcsir
Iris Ortner
Karl Samstag (Chairman from October 12th 2012 to December 6th 2012)
Bernhard Vanas (since December 6th 2012)
Susanne Weiss (since December 6th 2012)
Thomas Winischhofer
Friedrich Kadrnoska (Deputy Chairman until June 21st 2012, Chairman from June 21st 2012 to October 12th 2012, member until December 6th 2012)
Michael Junghans (until October 25th 2012)
Walter Lederer (until June 21st 2012)
Patrick F. Prügger (from June 21st to October 25th 2012)
Wolfgang Reithofer (from December 6th 2012)

Members delegated by the Works Council:
Peter Grandits
Walter Huber
Walter Jenny (until November 6th, from December 6th 2012)
Michael Kaincz
Michael Tomitz

The table below shows the emoluments of the managers in key positions, i.e. the members of the Executive Board and of the Supervisory Board of PORR AG broken down according to payment categories:

In EUR thousand	2012	2011
Emoluments of the Executive Board		
Short-term benefits due	2,547	2,076
Emoluments due on or after completion of the management contract	1,908	91
Other long-term benefits due	-	-
Total	**4,455**	**2,167**
Emoluments of the Supervisory Board		
Short-term benefits due	84	79

The emoluments of the Executive Board include defined contribution plans amounting to TEUR 54 (previous year: TEUR 83).

April 2nd 2013, Vienna

The Executive Board
Karl-Heinz Strauss
Christian B. Maier
J. Johannes Wenkenbach

Shareholdings

Company		Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Affiliated companies								
Affiliated companies limited by shares								
„DIKE“ Liegenschaftsverwertung Gesellschaft m.b.H.		AUT	Vienna	0.00%	**100.00%**	F	EUR	**36,336.42**
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“	°	AUT	Vienna	37.50%	**100.00%**	F	EUR	**726,728.34**
„HELIOS“ Immobilien Verwaltungs- und Verwertungsgesellschaft m.b.H. in Liqu.		AUT	Vienna	50.00%	**100.00%**	N	EUR	**0.00**
„PET“ Deponieerrichtungs- und Betriebsgesellschaft m.b.H.		AUT	Vienna	50.00%	**100.00%**	N	EUR	**0.00**
„Zentrum am Stadtpark“ Errichtungs- und Betriebs-Aktiengesellschaft		AUT	Vienna	66.67%	**66.67%**	F	EUR	**87,207.40**
ABAP Beteiligungs Holding GmbH		AUT	Vienna	100.00%	**100.00%**	F	EUR	**35,000.00**
Allgemeine Straßenbau GmbH	*	AUT	Vienna	0.00%	**100.00%**	F	EUR	**3,633,641.71**
aqua plus Wasserversorgungs- und Abwasserentsorgungs-GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**2,700,000.00**
ARIWA Beteiligungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Asphalt-Unternehmung Carl Günther Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	**100.00%**	F	EUR	**218,018.50**
Bahnhofcenter Entwicklungs-, Errichtungs- und Betriebs GmbH	*	AUT	Unter-premstätten	0.00%	**100.00%**	F	EUR	**350,000.00**
Baugesellschaft m.b.H. Erhard Mörtl	*	AUT	Wolfsberg	0.00%	**99.00%**	F	EUR	**50,870.98**
Baumgasse 131 Bauträger- und Verwertungsgesellschaft m.b.H.		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Bautech Labor GmbH	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Bosch Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	**100.00%**	F	EUR	**51,000.00**
BZW Liegenschaftsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**36,336.42**
CCG Immobilien GmbH	°	AUT	Werndorf	0.00%	**50.00%**	F	EUR	**2,000,000.00**
Edos Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Eisenschutzgesellschaft m.b.H.	*	AUT	Vienna	0.00%	**100.00%**	F	EUR	**43,603.70**
Emiko Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Haagerfeldstraße - Business.Hof Leonding 2 Errichtungs- und Verwertungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
EPS LAA 43 GmbH	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
EPS MARIA LANZENDORFERSTRASSE 17 Errichtungs- und Beteili-gungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS MARIANNE-HAINISCH-GASSE - LITFASS-STRASSE Liegen-schaftsverwertungs- und Beteiligungsverwaltungs-GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Office Franzosengraben GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Rathausplatz Guntramsdorf Errichtungs- und Beteiligungsverwal-tungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS RINNBÖCKSTRASSE - LITFASS-STRASSE Liegenschaftsverwer-tungs- und Beteiligungsverwaltungs-GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Tamussinostrasse Errichtungs- und Beteiligungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Tivoli Hotelerrichtungs- und Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
EPS TRIESTER STRASSE Errichtungs- und Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
EPS Welser Straße 17 - Business.Hof Leonding 1 Errichtungs- und Beteiligungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Esikas Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	**100.00%**	N	EUR	**0.00**
Euphalt-Handelsgesellschaft m.b.H.	*	AUT	Linz	0.00%	**100.00%**	F	EUR	**36,336.42**
FPS Infrastruktur Holding GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Gepal Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Gesellschaft für Bauwesen GmbH	*	AUT	Vienna	0.00%	**100.00%**	F	EUR	**36,336.42**
Gesellschaft zur Schaffung von Wohnungseigentum Gesellschaft m.b.H.	*	AUT	Vienna	99.00%	**100.00%**	F	EUR	**290,691.34**
Gevas Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
Giral Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Golera Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**
GORPO Projektentwicklungs- und Errichtungs-GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Gospela Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Gostena Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	**100.00%**	F	EUR	**35,000.00**

Company		Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Grazer Transportbeton GmbH		AUT	Gratkorn	0.00%	60.00%	N	EUR	0.00
GREENPOWER Anlagenerrichtungs- und Betriebs-GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
GTB Immobilien GmbH		AUT	Unter-premstätten	0.00%	100.00%	F	EUR	37,000.00
Hernalser Hof Beteiligungsverwaltungs GmbH in Liqu.		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
IAT GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	290,691.34
IBC Business Center Entwicklungs- und Errichtungs-GmbH		AUT	Unter-premstätten	75.00%	100.00%	F	EUR	364,000.00
Ing. Otto Richter & Co Straßenmarkierungen GmbH	*	AUT	Wienersdorf, pol. Traiskirchen	0.00%	100.00%	F	EUR	37,000.00
Ing. RADL-BAU GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Jandl Baugesellschaft m.b.H.	*	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	36,336.42
Joiser Hoch- und Tiefbau GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Juvavum Liegenschaftsverwertung GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
Kraft & Wärme Rohr- und Anlagentechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	40,000.00
Kratochwill Schotter & Beton GmbH	*	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	1,199,101.76
LD Recycling GmbH	*	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	875,000.00
M.E.G. Mikrobiologische Erddekontamination GmbH		AUT	Linz	0.00%	100.00%	F	EUR	35,000.00
Monte Laa DUO Immobilieninvest AG	°	AUT	Vienna	0.00%	100.00%	F	EUR	70,000.00
Monte Laa Immobilieninvest GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
MultiStorage GmbH		AUT	Salzburg	0.00%	75.00%	N	EUR	0.00
MultiStorage Graz GmbH		AUT	Unter-premstätten	0.00%	100.00%	N	EUR	0.00
Nägele Tiefbau GmbH		AUT	Röthis	0.00%	100.00%	F	EUR	35,000.00
O.M. Meissl & Co. Bau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	85,000.00
Panitzky Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Pichlingerhof Liegenschaftsverwertungs GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
Porr - living Solutions GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Porr Bau GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	11,500,000.00
Porr Beteiligungsverwaltungs GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Design & Engineering GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Porr Energy GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	100,000.00
Porr Equipment Services GmbH		AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Financial Services GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	500,000.00
Porr Infrastruktur Investment AG		AUT	Vienna	50.00%	100.00%	F	EUR	70,000.00
Porr Umwelttechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	1,000,000.00
PORREAL Facility Management GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	500,000.00
PORREAL Immobilien Management GmbH		AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
PR - Projekte Realisierungs- und Deponiebetriebsges.m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	218,018.50
PRONAT Steinbruch Preg GmbH		AUT	Unter-premstätten	0.00%	99.02%	F	EUR	872,000.00
Sabelo Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Sakela Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
Schatzl & Jungmayr Garten- und Landschaftsbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Schotter- und Betonwerk Karl Schwarzl Betriebsgesellschaft m.b.H.	*	AUT	Unter-premstätten	100.00%	100.00%	F	EUR	3,633,641.71
Schotterwerk GRADENBERG Gesellschaft m.b.H.	*	AUT	Köflach	0.00%	100.00%	F	EUR	36,336.42
Schwarzl Transport GmbH		AUT	Unter-premstätten	0.00%	100.00%	F	EUR	110,000.00
SFZ Immobilien GmbH		AUT	Unter-premstätten	0.00%	100.00%	N	EUR	0.00

Company		Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Somax Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Sovelis Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
STRAUSS & PARTNER Development GmbH		AUT	Vienna	99.96%	100.00%	F	EUR	535,000.00
Tancsos und Binder Gesellschaft m.b.H.	*	AUT	Wolfsberg	0.00%	100.00%	F	EUR	37,000.00
TEERAG-ASDAG Aktiengesellschaft		AUT	Vienna	47.51%	100.00%	F	EUR	12,478,560.00
Unterstützungskasse von Porr-Betrieben Gesellschaft m.b.H.		AUT	Vienna	97.50%	100.00%	N	EUR	0.00
Wibeba Holding GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	2,100,000.00
Wiener Betriebs- und Baugesellschaft m.b.H.		AUT	Vienna	0.00%	100.00%	F	EUR	100,000.00
WIPEG - Bauträger- und Projektentwicklungsgesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	1,000,000.00
WLB Projekt Laaer Berg Liegenschaftsverwertungs- und Beteiligungs-GmbH		AUT	Vienna	0.00%	75.00%	F	EUR	36,336.42
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH		AUT	Vienna	75.00%	75.00%	F	EUR	218,018.50
ALBA BauProjektManagement Bulgaria EOOD		BGR	Sofia	0.00%	100.00%	F	BGN	100,000.00
PORR Bulgaria EOOD		BGR	Sofia	0.00%	100.00%	F	BGN	5,000.00
PORR Solutions Bulgaria EOOD v likvidacia		BGR	Sofia	0.00%	100.00%	N	BGN	0.00
Porr visokogradnja i niskogradnja d.o.o. Banjaluka		BIH	Banja Luka	0.00%	100.00%	N	BAM	0.00
Privredno drustvo za gradenje i usluge PORR d.o.o. Sarajevo		BIH	Sarajevo	0.00%	100.00%	N	BAM	0.00
Gunimperm-Bauveg SA		CHE	Bellinzona	0.00%	100.00%	F	CHF	150,000.00
PORR Financial Services AG		CHE	Altdorf	0.00%	100.00%	F	CHF	7,800,000.00
PORR SUISSE AG		CHE	Altdorf	0.00%	100.00%	F	CHF	10,001,000,00
PORR SUISSE S.A. Romandie en liquidation		CHE	Fribourg	0.00%	100.00%	N	CHF	0.00
Porr Solutions Cyprus Limited		CYP	Limassol	0.00%	100.00%	N	EUR	0.00
BAUVEG, hydroizolacní systémy, s.r.o.		CZE	Prague	0.00%	100.00%	N	CZK	0.00
OBALOVNA PRÍBRAM, s.r.o.		CZE	Prague	0.00%	75.00%	F	CZK	100,000.00
Porr a.s.		CZE	Prague	0.00%	100.00%	F	CZK	120,000,000.00
RE Moskevská spol.s.r.o.		CZE	Prague	0.00%	100.00%	F	CZK	300,000.00
ALBA BauProjektManagement GmbH		DEU	Oberhaching	0.00%	100.00%	F	EUR	300,000.00
Alexander Parkside Verwaltungs GmbH		DEU	Berlin	0.00%	47.32%	N	EUR	0.00
City Tower Vienna Grundstücksentwicklungs- und Beteiligungs-GmbH		DEU	Munich	0.00%	100.00%	N	EUR	0.00
Emil Mayr Hoch- und Tiefbau GmbH		DEU	Ettringen/ Wertach	0.00%	94.30%	F	EUR	250,000.00
FAB Beteiligungsgesellschaft mbH		DEU	Hamburg	0.00%	94.64%	N	EUR	0.00
GeMoBau Gesellschaft für modernes Bauen mbH		DEU	Berlin	0.00%	88.64%	N	EUR	0.00
Hotel am Kanzleramt Verwaltungs GmbH		DEU	Berlin	0.00%	94.64%	N	EUR	0.00
IAT Deutschland GmbH		DEU	München	0.00%	100.00%	N	EUR	0.00
Mast Bau GmbH		DEU	Hamburg	0.00%	94.30%	F	EUR	1,022,550.00
Mühlenstraße 11 - 12 Verwaltungs GmbH		DEU	Berlin	0.00%	94.64%	N	EUR	0.00
Porr Beteiligungs-Aktiengesellschaft in Liqu.		DEU	Munich	100.00%	100.00%	N	EUR	0.00
Porr Deutschland GmbH		DEU	Munich	0.00%	94.30%	F	EUR	21,522,800.00
Porr Equipment Services Deutschland GmbH	°	DEU	Munich	0.00%	94.30%	F	EUR	204,519.89
PORR Vermögensverwaltung MURNAU GmbH		DEU	Murnau	0.00%	94.30%	N	EUR	0.00
PORREAL Deutschland GmbH		DEU	Berlin	0.00%	100.00%	N	EUR	25,000.00
Radmer Kiesvertrieb Verwaltungs GmbH		DEU	Aschheim, Lk Munich	0.00%	94.30%	N	EUR	0.00
S & P Immobilien Deutschland GmbH		DEU	Magdeburg	0.00%	94.30%	F	EUR	537,000.00
Seydelstraße Beteiligungs GmbH		DEU	Berlin	0.00%	94.64%	N	EUR	0.00
STRAUSS & CO. Development GmbH		DEU	Berlin	0.00%	94.64%	F	EUR	25,564.59
Thorn Abwassertechnik GmbH		DEU	Munich	0.00%	94.30%	F	EUR	511,291.88
TKDZ GmbH	°	DEU	Wellen	0.00%	94.30%	F	EUR	2,045,170.00
Wellener Immobiliengesellschaft mbH	°	DEU	Wellen	0.00%	94.30%	F	EUR	511,291.88
BAUVEG-WINKLER drustvo s ogranicenom odgovornoscu za projektiranje, izgradnju i nadzor		HRV	Zagreb	0.00%	100.00%	N	HRK	0.00

Company		Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
FMA Gebäudemanagement drustvo s ogranicenom odgovornoscu za upravljanje zgradama		HRV	Samobor	0.00%	**100.00%**	N	HRK	**0.00**
Porr Habito drustvo s ogranicenom odgovornoscu za izgradnju stanova		HRV	Samobor	0.00%	**100.00%**	F	HRK	**22,000.00**
Porr Hrvatska d.o.o. za graditeljstvo		HRV	Samobor	0.00%	**100.00%**	F	HRK	**4,000,000.00**
Schwarzl drustvo s ogranicenom odgovornoscu za obradu betona i sljunka		HRV	Glina	0.00%	**100.00%**	F	HRK	**9,842,000.00**
Sitnica drustvo s ogranicenom odgovornoscu za usluge	°	HRV	Zagreb	0.00%	**100.00%**	F	HRK	**21,777,200.00**
STANOGRAD ULAGANJA d.o.o. za promet nekretninama, usluge i graditeljstvo		HRV	Samobor	0.00%	**100.00%**	F	HRK	**150,000.00**
STANOGRAD ULAGANJA BIBINJE d.o.o. za promet nekretninama, usluge i graditeljstvo		HRV	Samobor	0.00%	**100.00%**	F	HRK	**20,000.00**
STRAUSS & PARTNER Development d.o.o. za usluge i graditeljstvo		HRV	Samobor	0.00%	**100.00%**	N	HRK	**0.00**
DBK-Földgép Építési Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	**100.00%**	F	HUF	**6,000,000.00**
ÉVM Labor Építöipari Vizsgáló és Minöségellenörzö Korlátolt Felelös-ségü Társaság		HUN	Budapest	0.00%	**100.00%**	F	HUF	**7,080,000.00**
Gamma Real Estate Ingtalanfejlesztö és - hasznositó Korlátolt Felelös-ségü Társaság		HUN	Budapest	0.00%	**100.00%**	F	HUF	**3,000,000.00**
Porr Építési Kft.		HUN	Budapest	0.00%	**100.00%**	F	HUF	**30,000,000.00**
Porr Solutions Hungária Kft. végelszámolás alatt		HUN	Budapest	0.00%	**100.00%**	N	HUF	**0.00**
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság	°	HUN	Budapest	0.00%	**100.00%**	F	HUF	**500,000.00**
Teerag-Asdag Építöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	**100.00%**	F	HUF	**3,000,000.00**
Teerag-Aszfalt Építöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	**100.00%**	F	HUF	**500,000.00**
Porr Iran Construction Company Ltd.		IRN	Tehran	95.00%	**95.00%**	N	IRR	**0.00**
IAT Impermeabilizzazioni Srl		ITA	Pfitsch	0.00%	**100.00%**	N	EUR	**0.00**
PORR GRADEZNISTVO DOOEL Skopje		MKD	Skopje	0.00%	**100.00%**	F	EUR	**5,400.00**
Porr (Montenegro) DOO, Podgorica		MNE	Podgorica	0.00%	**100.00%**	N	EUR	**0.00**
Porr Nederland B.V.		NLD	Wormer	0.00%	**100.00%**	F	EUR	**18,000.00**
Porr Construction LLC		OMN	Muscat	0.00%	**100.00%**	F	OMR	**250,000.00**
„Stal-Service“ Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	**80.00%**	F	PLN	**3,000,000.00**
Bartycka Real Estate Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	**100.00%**	F	PLN	**50,000.00**
DSC Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	**100.00%**	N	PLN	**0.00**
PORR (POLSKA) Spólka Akcyjna		POL	Warsaw	0.00%	**100.00%**	F	PLN	**21,350,000.00**
Porr Solutions Polska Spólka z ograniczona odpowiedzialnoscia		POL	Warsaw	0.00%	**100.00%**	F	PLN	**8,250,000.00**
RADMER BAU PORTUGAL - CONSTRUCOES, LIMITADA		PRT	Lisbon	0.00%	**93.36%**	N	EUR	**0.00**
PORR Katar Construction WLL		QAT	Doha, Qatar	0.00%	**49.00%**	F	QAR	**200,000.00**
ALBA ProjectManagement Romania S.R.L.		ROM	Bucharest	0.00%	**99.00%**	F	RON	**121,560.00**
Lamda Imobiliare SRL		ROM	Bucharest	0.00%	**100.00%**	F	RON	**200.00**
Porr Construct S.R.L.		ROM	Bucharest	0.00%	**100.00%**	F	RON	**94,500,000.00**
PORREAL Imobile S.R.L.		ROM	Bucharest	0.00%	**100.00%**	F	RON	**3,602,808.44**
SC Schwarzl Beton SRL		ROM	Bucharest	0.00%	**75.00%**	N	RON	**0.00**
Yipsilon Imobiliare SRL		ROM	Bucharest	0.00%	**100.00%**	F	RON	**200.00**
Gradevinsko preduzece Porr d.o.o.		SRB	Belgrade	0.00%	**100.00%**	F	EUR	**1,620,000.00**
TRACK EXPERTS D.O.O. BEOGRAD		SRB	Belgrade	0.00%	**74.00%**	F	EUR	**1,673,770.10**
FMS Facility Management Slovakia s.r.o.		SVK	Bratislava	0.00%	**100.00%**	N	EUR	**0.00**
PORR s.r.o.		SVK	Bratislava	0.00%	**99.41%**	F	EUR	**126,137.00**
PORR gradbenistvo, trgovina in druge storitvc d.o.o.		SVN	Ljubljana	100.00%	**100.00%**	N	EUR	**0,00**
PORR INSAAT SANAYI VE TICARET LIMITED SIRKETI	°	TUR	Ankara	0.00%	**99.75%**	F	TRY	**10,000.00**
Tovarystvo z obmezhenoyu vidpovidalnistyu „Porr Ukraina“		UKR	Kiev	0.00%	**99.98%**	F	UAH	**4,500,000.00**
Affiliated partnerships								
AG für Bauwesen Nfg. KG		AUT	Vienna	50.00%	**100.00%**	F	EUR	**7,267.28**
Emiko Beteiligungsverwaltungs GmbH & Co. KG		AUT	Kematen in Tyrol	0.00%	**100.00%**	F	EUR	**1,000.00**

Company		Country code	Domicile	PORR AG share	PORR Group share	Type of consolidation	Currency	Nominal capital
EPS MARIA LANZENDORFERSTRASSE 17 Errichtungs- und Beteiligungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
EPS MARIANNE-HAINISCH-GASSE - LITFASS-STRASSE Liegenschaftsverwertungs- und Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
EPS Office Franzosengraben GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
EPS Rathausplatz Guntramsdorf Errichtungs- und Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**5,000.00**
EPS RINNBÖCKSTRASSE - LITFASS-STRASSE Liegenschaftsverwertungs- und Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
EPS Tamussinostrasse Errichtungs- und Beteiligungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**5,000.00**
EPS TRIESTERSTRASSE Errichtungs- und Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**5,000.00**
EPS Welser Straße 17 - Business.Hof Leonding 1 Errichtungs- und Beteiligungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
Esoro Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Floridsdorf Am Spitz Wohnungseigentumsgesellschaft m.b.H. & Co. KG.		AUT	Vienna	0.00%	**100.00%**	F	EUR	**7,267.28**
Franz Böck´s Nachf. Ing. Eva & Karl Schindler Gesellschaft m.b.H. &Co.Nfg.KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**100,000.00**
Giral Beteiligungsverwaltungs GmbH & Co. KG		AUT	Vienna	0.00%	**100.00%**	N	EUR	**0.00**
Glamas Beteiligungsverwaltungs GmbH & Co „Delta“ KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
Glamas Beteiligungsverwaltungs GmbH & Co „Gamma“ KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
GORPO Projektentwicklungs- und Errichtungs-GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
Gospela Beteiligungsverwaltungs GmbH & Co KG		AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000,000.00**
Hotelbetrieb SFZ Immobilien GmbH & Co KG		AUT	Unterpremstätten	0.00%	**100.00%**	F	EUR	**100,000.00**
MLSP Absberggasse Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Brunor GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Cador GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Dagonet GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Dinadan GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Gewerbepark Acht Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Gewerbepark Fünf Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Gewerbepark Sechs Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Gewerbepark Sieben Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP GKB Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP IBC OST Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP IBC WEST Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP IZT Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Lamorak GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Murgalerien Immobilien GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Palamedes GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MLSP Peredur GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
MultiStorage GmbH & Co KG	°	AUT	Salzburg	0.00%	**75.00%**	F	EUR	**10,000.00**
Pichlingerhof Liegenschaftsverwertungs GmbH & Co KG	°	AUT	Vienna	0.00%	**100.00%**	F	EUR	**1,000.00**
Projekt Ost - IBC Business Center Entwicklungs- und Errichtungs-GmbH & Co KG		AUT	Unterpremstätten	75.00%	**100.00%**	F	EUR	**290,691.34**
Projekt West - IBC Business Center Entwicklungs- und Errichtungs-GmbH & Co KG		AUT	Unterpremstätten	75.00%	**100.00%**	F	EUR	**290,691.34**
SFZ Freizeitbetriebs-GmbH & Co KG		AUT	Unterpremstätten	0.00%	**100.00%**	F	EUR	**100,000.00**
SFZ Immobilien GmbH & Co KG		AUT	Unterpremstätten	0.00%	**100.00%**	F	EUR	**363,364.17**
Wibeba Hochbau GmbH & Co. Nfg. KG		AUT	Vienna	100.00%	**100.00%**	F	EUR	**35,000.00**
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH & Co. Bauplatz 3 „türkis“ Projekt-OG		AUT	Vienna	0.00%	**75.00%**	F	EUR	**1,162.76**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH & Co. Bauplatz 4 „blau“ Projekt-OG	AUT	Vienna	0.00%	**75.00%**	N	EUR	**0.00**
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH & Co. Bauplatz 5 „rosa“ Projekt-OG	AUT	Vienna	0.00%	**75.00%**	F	EUR	**1,162.76**
Forum am Bahnhof Quickborn GmbH & Co. KG	DEU	Hamburg	0.00%	**94.64%**	F	EUR	**100,000.00**
Hotel am Kanzleramt GmbH & Co. KG	DEU	Berlin	0.00%	**94.64%**	F	EUR	**1,000.00**
Mühlenstraße 11 - 12 GmbH & Co. KG	DEU	Berlin	0.00%	**94.64%**	F	EUR	**1,000.00**
PORR MURNAU GmbH & Co. KG	DEU	Murnau	0.00%	**94.30%**	F	EUR	**500.00**
Radmer Kies GmbH & Co. KG	DEU	Aschheim, Lk Munich	0.00%	**94.30%**	F	EUR	**5,500,000.00**
W.E.I.V. Immobilienverwaltung GmbH & Co. Seydelstraße KG	DEU	Berlin	0.00%	**88.96%**	F	EUR	**250,000.00**
Associated companies							
Associated companies limited by shares							
„Athos“ Bauplanungs- und Errichtungsgesellschaft m.b.H.	AUT	Vienna	10.00%	**10.00%**	E	EUR	**36,336.42**
„hospitals“ Projektentwicklungsges.m.b.H.	AUT	Vienna	0.00%	**43.56%**	E	EUR	**500,000.00**
„Internationale Projektfinanz“ Warenverkehrs- & Creditvermittlungs-Aktiengesellschaft	AUT	Vienna	40.00%	**40.00%**	E	EUR	**726,728.34**
ABO Asphalt-Bau Oeynhausen GmbH.	AUT	Oeynhau-sen, Gem. Traiskirchen	0.00%	**30.00%**	E	EUR	**72,800.00**
ABW Abbruch, Boden- und Wasserreinigungs-Gesellschaft m.b.H.	AUT	Vienna	0.00%	**36.22%**	E	EUR	**218,018.50**
Altlastensanierung und Abraumdeponie Langes Feld Gesellschaft m.b.H.	AUT	Vienna	0.00%	**41.50%**	E	EUR	**363,364.17**
ALU-SOMMER GmbH	AUT	Stoob	49.50%	**49.50%**	E	EUR	**70,000.00**
ARIWA Abwasserreinigung im Waldviertel GmbH	AUT	Vienna	0.00%	**50.00%**	E	EUR	**40,000.00**
Ehrenhausen Bauträger GmbH	AUT	Bad Gleichenberg	0.00%	**30.00%**	E	EUR	**35,000.00**
Errichtungsgesellschaft Marchfeldkogel mbH	AUT	Groß-Enzersdorf	0.00%	**42.52%**	E	EUR	**35,000.00**
European Trans Energy Beteiligungs GmbH	AUT	Vienna	0.00%	**49.00%**	E	EUR	**35,000.00**
Impulszentrum Telekom Betriebs GmbH	AUT	Unter-premstätten	0.00%	**46.00%**	E	EUR	**727,000.00**
hospitals Projektentwicklungsges.m.b.H.	AUT	Graz	0.00%	**49.00%**	E	EUR	**535,000.00**
Jochberg Kitzbüheler Straße Hotelbetriebs GmbH	AUT	Jochberg	0.00%	**50.00%**	E	EUR	**35,000.00**
Lavanttaler Bauschutt - Recycling GmbH	AUT	Wolfsberg	0.00%	**50.00%**	E	EUR	**36,336.43**
Lieferasphaltgesellschaft JAUNTAL GmbH	AUT	Klagenfurt	0.00%	**48.00%**	E	EUR	**36,460.00**
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	Linz	0.00%	**33.33%**	E	EUR	**45,000.00**
MBU Liegenschaftsverwertung Gesellschaft m.b.H.	AUT	Vienna	0.00%	**10.00%**	E	EUR	**36,336.42**
Murgalerien Errichtungs- und Verwertungs-GmbH	AUT	Unter-premstätten	0.00%	**50.00%**	E	EUR	**35,000.00**
Muthgasse Alpha Holding GmbH	AUT	Vienna	0.00%	**47.06%**	E	EUR	**35,000.00**
Palais Hansen Immobilienentwicklung GmbH	AUT	Vienna	0.00%	**26.86%**	E	EUR	**35,000.00**
Porr Construction Holding GmbH	AUT	Vienna	50.00%	**50.00%**	E	EUR	**2,000,000.00**
PWW Holding GmbH	AUT	Vienna	0.00%	**50.00%**	E	EUR	**35,000.00**
QBC Immobilien GmbH	AUT	Vienna	0.00%	**35.00%**	E	EUR	**60,000.00**
QBC Management und Beteiligungen GmbH	AUT	Vienna	0.00%	**35.00%**	E	EUR	**35,000.00**
Ropa Liegenschaftsverwertung Gesellschaft m.b.H.	AUT	Vienna	50.00%	**50.00%**	E	EUR	**36,336.42**
Rudolf u. Walter Schweder Gesellschaft m.b.H.	AUT	Vienna	10.00%	**10.00%**	E	EUR	**36,336.42**
Salzburger Reststoffverwertung GmbH	AUT	Salzburg	0.00%	**50.00%**	E	EUR	**100,000.00**
Seeresidenz am Wolfgangsee Bauträger GmbH	AUT	Vienna	0.00%	**45.00%**	E	EUR	**35,000.00**
Seeresidenz am Wolfgangsee Beteiligungsverwaltung GmbH	AUT	Vienna	0.00%	**45.00%**	E	EUR	**35,000.00**
SOWI - Investor - Bauträger GmbH	AUT	Innsbruck	33.33%	**33.33%**	E	EUR	**36,336.42**
Stöckl Schotter- und Splitterzeugung GmbH	AUT	Weißbach bei Lofer	0.00%	**40.00%**	E	EUR	**36,336.42**
TAL Betonchemie Handel GmbH	AUT	Vienna	0.00%	**50.00%**	E	EUR	**145,345.67**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Tauernkies GmbH	AUT	Salzburg	0.00 %	**50.00 %**	E	EUR	**35,000.00**
W 3 Errichtungs- und Betriebs-Aktiengesellschaft	AUT	Vienna	53.33 %	**53.33 %**	E	EUR	**74,126.29**
UBM Realitätenentwicklung Aktiengesellschaft	AUT	Vienna	41.33 %	**41.33 %**	E	EUR	**18,000,000.00**
WPS Rohstoff GmbH	AUT	Klagenfurt am Wörthersee	0.00%	**49.00%**	E	EUR	**200,000.00**
Obalovna Boskovice, s.r.o.	CZE	Boskovice	0.00%	**23.65%**	E	CZK	**38,091,000.00**
Porr & Swietelsky stavebni, v. o. s.	CZE	Prague	0.00%	**50.00%**	E	CZK	**200,000.00**
Spolecne obalovny, s.r.o.	CZE	Prague	0.00%	**50.00%**	E	CZK	**5,000,000.00**
ASTO Besitz- und Immobilienverwaltungsgesellschaft mbH	DEU	Weßling, Lk Starnberg	0.00%	**47.32%**	E	EUR	**25,000.00**
Münchner Grund Immobilien Bauträger Aktiengesellschaft	DEU	Munich	0.00%	**5.66%**	E	EUR	**3,000,000.00**
Olympia Gate Munich GmbH	DEU	Grünwald	0.00%	**47.32%**	E	EUR	**25,000.00**
Vile Jordanovac drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo	HRV	Zagreb	0.00%	**50.00%**	E	HRK	**15,890,000.00**
ASDAG Kavicsbánya és Épitö Korlátolt Felelösségü Társaság	HUN	Janossomorja	0.00%	**34.88%**	E	HUF	**300,000,000.00**
M 6 Duna Autópálya Koncessziós Zártkörüen Müködö Részvénytár-saság	HUN	Budapest	0.00%	**40.00%**	E	EUR	**28,932,310.00**
M6 Tolna Autópálya Koncessziós Zártkörüen Müködö Részvénytár-saság	HUN	Budapest	0.00%	**45.00%**	E	EUR	**32,924,400.00**
„Modzelewski & Rodek“ Spólka z ograniczona odpowiedzialnoscia	POL	Warschau	0.00%	**50.00%**	E	PLN	**2,000,000.00**
EQCC PORR W.L.L.	QAT	Doha	0.00%	**49.00%**	E	QAR	**200,000.00**
PPE Malzenice s.r.o.	SVK	Braitslava	0.00%	**50.00%**	E	EUR	**20,000.00**
Associated partnerships							
„IQ“ Immobilien GmbH & Co KG	AUT	Pasching	0.00%	**50.00%**	E	EUR	**35,000.00**
AMF - Asphaltmischanlage Feistritz GmbH & Co KG	AUT	Graz	0.00%	**50.00%**	E	EUR	**3,000.00**
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AUT	Linz	0.00%	**33.33%**	E	EUR	**654,057.00**
AMO Asphaltmischwerk Oberland GmbH & Co KG	AUT	Linz	0.00%	**45.00%**	E	EUR	**5,000.00**
AMW Asphalt-Mischwerk GmbH & Co KG	AUT	Sulz	0.00%	**50.00%**	E	EUR	**490,550.00**
AMW Leopoldau TEERAG-ASDAG AG & ALPINE Bau GmbH OG	AUT	Vienna	0.00%	**50.00%**	E	EUR	**70,000.00**
ASF Frästechnik GmbH & Co KG	AUT	Kematen	0.00%	**40.00%**	E	EUR	**72,674.00**
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	AUT	Rauchenwarth	0.00%	**40.00%**	E	EUR	**726,728.35**
Asphaltmischwerk Greinsfurth GmbH & Co OG	AUT	Amstetten	0.00%	**50.00%**	E	EUR	**600,000.00**
Asphaltmischwerk Weißbach GmbH & Co. Nfg.KG	AUT	Weißbach bei Lofer	0.00%	**45.00%**	E	EUR	**72,672.83**
ASTRA - BAU Gesellschaft m.b.H. Nfg. OG	AUT	Bergheim	0.00%	**50.00%**	E	EUR	**1,451,570.76**
CCG Nord Projektentwicklung GmbH & Co KG	AUT	Werndorf	0.00%	**50.00%**	E	EUR	**1,000,000.00**
FMA Asphaltwerk GmbH & Co KG	AUT	Feldbach	0.00%	**30.00%**	E	EUR	**44,000.00**
Glamas Beteiligungsverwaltungs GmbH & Co „Beta“ KG	AUT	Vienna	0.00%	**26.67%**	E	EUR	**10,000.00**
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH & Co KG	AUT	Bad Mitterndorf	0.00%	**24.00%**	E	EUR	**100,000.00**
Jochberg Hotelprojektentwicklungs- und Beteiligungsverwaltungs GmbH & Co KG	AUT	Jochberg	0.00%	**50.00%**	E	EUR	**2,000.00**
Jochberg Kitzbüheler Straße Errichtungs und Beteiligungsverwaltungs GmbH & Co KG	AUT	Vienna	0.00%	**50.00%**	E	EUR	**3,769.00**
Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht	AUT	Viecht, pol. Desselbrunn	0.00%	**33.50%**	E	EUR	**29,069.13**
Lieferasphalt Gesellschaft m.b.H. & Co. OG	AUT	Maria Gail, pol. Villach	0.00%	**40.00%**	E	EUR	**36,336.42**
Lieferasphalt Gesellschaft m.b.H. & Co. OG, Zirl	AUT	Vienna	0.00%	**50.00%**	E	EUR	**14,243.88**
LISAG Linzer Splitt- und Asphaltwerk GmbH. & Co KG	AUT	Linz	0.00%	**50.00%**	E	EUR	**861,900.00**
MARPO Errichtungs- und Verwertungs GmbH & Co KG	AUT	Bad Gleichenberg	0.00%	**50.00%**	E	EUR	**82,000.00**
MSO Mischanlagen GmbH Ilz & Co KG	AUT	Ilz	0.00%	**42.00%**	E	EUR	**3,270,277.53**
MSO Mischanlagen GmbH Pinkafeld & Co KG	AUT	Pinkafeld	0.00%	**47.33%**	E	EUR	**87,207.39**
Oberkärntner Asphalt GmbH & Co KG	AUT	Vienna	0.00%	**50.00%**	E	EUR	**5,000.00**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
QBC Management und Beteiligungen GmbH & Co KG	AUT	Vienna	0.00%	**35.00%**	E	EUR	**35,000.00**
RBA - Recycling- und Betonanlagen Ges.m.b.H. & Co. Nfg. KG	AUT	Zirl	24.00%	**24.00%**	E	EUR	**581,382.67**
RFM Asphaltmischwerk GmbH & Co KG	AUT	Traiskirchen	0.00%	**33.33%**	E	EUR	**1,271,775.00**
Storchengrund GmbH & Co KG	AUT	Vienna	0.00%	**50.00%**	E	EUR	**155,113.00**
TAM Traisental Asphaltmischwerk Ges.m.b.H. & Co KG	AUT	Nußdorf ob der Traisen	0.00%	**33.33%**	E	EUR	**72,672.83**
TBT Transportbeton Tillmitsch GmbH & Co KG	AUT	Tillmitsch	0.00%	**50.00%**	E	EUR	**127,500.00**
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	AUT	Spittal/Drau	0.00%	**50.00%**	E	EUR	**263,298.00**
Alexander Parkside GmbH & Co. KG	DEU	Berlin	0.00%	**47.32%**	E	EUR	**25,000.00**
Frankenstraße 18-20 GmbH & Co. KG	DEU	Hamburg	0.00%	**47.32%**	E	EUR	**2,000.00**
Neustädter Baustoff - GmbH & Co. KG, Kieswerk Schwaig	DEU	Neustadt/ Donau	0.00%	**47.15%**	E	EUR	**76,693.79**
Radmer Bau Kieswerke GmbH & Co. Sand und Kies KG	DEU	Leipzig	0.00%	**47.15%**	E	EUR	**1,022,583.76**
M6 D-S MME Közkereseti Társaság	HUN	Budapest	0.00%	**50.00%**	E	HUF	**1,000,000.00**
M6 Dunaújváros-Szekszárd Építési Közkereseti Társaság	HUN	Budapest	0.00%	**50.00%**	E	HUF	**1,000,000.00**
Other companies							
Other companies limited by shares							
„IQ“ Immobilien GmbH	AUT	Pasching	0.00%	**50.00%**	N	EUR	**0.00**
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	AUT	Zistersdorf-Maustrenk, pol. Zistersdorf	0.00%	**20.00%**	N	EUR	**0.00**
AMF - Asphaltmischanlage Feistritz GmbH	AUT	Graz	0.00%	**50.00%**	N	EUR	**0.00**
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AUT	Linz	0.00%	**33.33%**	N	EUR	**0.00**
AMO Asphaltmischwerk Oberland GmbH	AUT	Linz	0.00%	**45.00%**	N	EUR	**0.00**
AMW Asphalt-Mischwerk GmbH	AUT	Sulz	0.00%	**50.00%**	N	EUR	**0.00**
ASF Frästechnik GmbH	AUT	Kematen	0.00%	**40.00%**	N	EUR	**0.00**
Asphaltlieferwerk Leibnitz Baugesellschaft m.b.H.	AUT	Leibnitz	0.00%	**30.00%**	N	EUR	**0.00**
Asphaltmischwerk Betriebsgesellschaft m.b.H.	AUT	Rauchenwarth	0.00%	**40.00%**	N	EUR	**0.00**
Asphaltmischwerk Greinsfurth GmbH	AUT	Amstetten	0.00%	**50.00%**	N	EUR	**0.00**
Asphaltmischwerk Steyregg GmbH in Liqu.	AUT	Steyregg	0.00%	**20.00%**	N	EUR	**0.00**
AWB Asphaltmischwerk Weißbach Betriebs-GmbH	AUT	Vienna	0.00%	**45.00%**	N	EUR	**0.00**
Betonexpress FH Vertriebs-GMBH	AUT	Bad Gleichen-berg	0.00%	**20.00%**	N	EUR	**0.00**
BMU Beta Liegenschaftsverwertung GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
BRG Baustoffrecycling GmbH	AUT	Linz	0.00%	**20.00%**	N	EUR	**0.00**
CCG Nord Projektentwicklung GmbH	AUT	Werndorf	0.00%	**50.00%**	N	EUR	**0.00**
Clubhaus & Golfhotel Eichenheim Errichtungs-GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
ECRA Emission Certificate Registry Austria GmbH	AUT	Vienna	0.00%	**5.00%**	N	EUR	**0.00**
Ehrenhausen Hotel Betriebs GmbH	AUT	Ehrenhausen	0.00%	**15.00%**	N	EUR	**0.00**
Ehrenhausen Hotel Entwicklungs- und Errichtungs GmbH	AUT	Ehrenhausen	0.00%	**15.00%**	N	EUR	**0.00**
Esoro Beteiligungsverwaltungs GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
European Trans Energy GmbH	AUT	Vienna	0.00%	**49.00%**	N	EUR	**0.00**
FBG Fertigbetonwerk Großpetersdorf Ges.m.b.H.	AUT	Großpetersdorf	0.00%	**33.33%**	N	EUR	**0.00**
FMA Asphaltwerk GmbH	AUT	Feldbach	0.00%	**30.00%**	N	EUR	**0.00**
Gaspix Beteiligungsverwaltungs GmbH	AUT	Zirl	24.00%	**24.00%**	N	EUR	**0.00**
GETINA Versicherungsvermittlung GmbH	AUT	Vienna	0.00%	**32.60%**	N	EUR	**0.00**
Glamas Beteiligungsverwaltungs GmbH	AUT	Vienna	0.00%	**26.67%**	N	EUR	**0.00**
Grimming Therme GmbH	AUT	Bad Mitterndorf	0.00%	**17.00%**	N	EUR	**0.00**
Handwerkerzentrum Hitzendorf GmbH	AUT	Hitzendorf	0.00%	**12.86%**	N	EUR	**0.00**
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH	AUT	Bad Mitterndorf	0.00%	**24.00%**	N	EUR	**0.00**
Immobilien AS GmbH	AUT	Stoob	0.00%	**49.50%**	N	EUR	**0.00**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
Jochberg Hotelprojektentwicklungs- und Beteiligungsverwaltungs GmbH	AUT	Jochberg	0.00%	**50.00%**	N	EUR	**0.00**
Jochberg Kitzbüheler Straße Errichtungs- und Beteiligungsverwaltungs GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
Johann Koller Deponiebetriebsges.m.b.H.	AUT	Vienna	0.00%	**36.22%**	N	EUR	**0.00**
KAB Straßensanierung GmbH	AUT	Spittal/Drau	0.00%	**19.99%**	N	EUR	**0.00**
Kärntner Restmüllverwertungs GmbH	AUT	Klagenfurt	0.00%	**14.26%**	N	EUR	**0.00**
KBB - Klinikum Besitz- und Betriebs Gesellschaft m.b.H.	AUT	Vienna	0.00%	**15.96%**	N	EUR	**0.00**
KMG - Klinikum Management Gesellschaft mbH	AUT	Graz	0.00%	**21.56%**	N	EUR	**0.00**
KOLLER TRANSPORTE - KIES - ERDBAU GMBH	AUT	Vienna	0.00%	**36.22%**	N	EUR	**0.00**
Lieferasphalt Gesellschaft m.b.H.	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
LISAG Linzer Splitt- und Asphaltwerk GmbH	AUT	Linz	0.00%	**50.00%**	N	EUR	**0.00**
MARPO Errichtungs- und Verwertungs GmbH	AUT	Bad Gleichenberg	0.00%	**50.00%**	N	EUR	**0.00**
MSO Mischanlagen GmbH	AUT	Ilz	0.00%	**66.67%**	N	EUR	**0.00**
Oberkärntner Asphalt GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
PEM Projektentwicklung Murgalerien GmbH	AUT	Unter-premstätten	0.00%	**50.00%**	N	EUR	**0.00**
PKM - Muldenzentrale GmbH	AUT	Vienna	0.00%	**34.93%**	N	EUR	**0.00**
PM2 Bauträger GesmbH	AUT	Klagenfurt	0.00%	**24.75%**	N	EUR	**0.00**
PORR ALPINE Austriarail GmbH	AUT	Wals-Siezenheim	50.00%	**50.00%**	N	EUR	**0.00**
Pumpspeicherkraftwerk Koralm GmbH	AUT	Graz	0.00%	**1.00%**	N	EUR	**0.00**
REHA Tirol Errichtungs GmbH	AUT	Münster	0.00%	**49.00%**	N	EUR	**0.00**
Reha Zentrum Münster Betriebs GmbH	AUT	Münster	0.00%	**49.00%**	N	EUR	**0.00**
REHAMED Beteiligungsges.m.b.H.	AUT	Graz	0.00%	**21.78%**	N	EUR	**0.00**
REHAMED-Rehabilitationszentrum für Lungen- und Stoffwechsel-erkrankungen Bad Gleichenberg Gesellschaft m.b.H.	AUT	Bad Gleichenberg	0.00%	**16.12%**	N	EUR	**0.00**
RFM Asphaltmischwerk GmbH	AUT	Wienersdorf-Oeyenhausen, pol. Traiskirchen	0.00%	**33.33%**	N	EUR	**0.00**
RFPB Kieswerk GmbH	AUT	Wienersdorf-Oyenhausen, pol. Traiskirchen	0.00%	**16.67%**	N	EUR	**0.00**
Schotter- und Betonwerk Donnersdorf GmbH	AUT	Bad Gleichenberg	0.00%	**20.00%**	N	EUR	**0.00**
Seeresidenz am Wolfgangsee Projektentwicklungs- und Errichtungs GmbH	AUT	Vienna	0.00%	**45.00%**	N	EUR	**0.00**
Seprocon GmbH	AUT	Vienna	0.00%	**49.00%**	N	EUR	**0.00**
Soleta Beteiligungsverwaltungs GmbH	AUT	Vienna	0.00%	**26.67%**	N	EUR	**0.00**
St. Peter-Straße 14-16 Liegenschaftsverwertung Ges.m.b.H.	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
Storchengrund GmbH	AUT	Vienna	0.00%	**50.00%**	N	EUR	**0.00**
TAM Traisental Asphaltmischwerk Ges.m.b.H.	AUT	Nußdorf ob der Traisen	0.00%	**33.33%**	N	EUR	**0.00**
TBT Transportbeton Tillmitsch GmbH	AUT	Tillmitsch	0.00%	**50.00%**	N	EUR	**0.00**
UWT Umwelttechnik GmbH	AUT	Linz	0.00%	**13.33%**	N	EUR	**0.00**
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	AUT	Spittal/Drau	0.00%	**50.00%**	N	EUR	**0.00**
WIG - Transportbeton Ges.m.b.H.	AUT	Weitendorf	0.00%	**20.00%**	N	EUR	**0.00**
WM Hotel Schladming GmbH in Liqu.	AUT	Bad Gleichenberg	0.00%	**45.00%**	N	EUR	**0.00**
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	AUT	Zistersdorf	0.00%	**16.67%**	N	EUR	**0.00**
EKO-SBER BRNO, spol. s.r.o. - v likvidaci	CZE	Brno	0.00%	**20.00%**	N	CZK	**0.00**
Vystavba hotelu PRAHA - ZVONARKA, spol. s.r.o.	CZE	Prague	0.00%	**11.11%**	N	CZK	**0.00**
ALTRASS Freileitungstechnik GmbH	DEU	Essen	0.00%	**49.00%**	N	EUR	**0.00**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli- dation	Cur- rency	Nominal capital
BF Services GmbH	DEU	Munich	0.00%	**2.80%**	N	EUR	**0.00**
BLV Objekt Pasing GmbH	DEU	Grünwald, Lk Munich	0.00%	**2.83%**	N	EUR	**0.00**
Bürohaus Leuchtenbergring Verwaltungs GmbH	DEU	Munich	0.00%	**1.50%**	N	EUR	**0.00**
City Objekte München GmbH	DEU	Munich	0.00%	**5.09%**	N	EUR	**0.00**
CSMG Riedberg GmbH	DEU	Munich	0.00%	**5.66%**	N	EUR	**0.00**
Europten Deutschland GmbH	DEU	Berlin	0.00%	**49.00%**	N	EUR	**0.00**
Frankenstraße 18-20 Verwaltungs GmbH	DEU	Hamburg	0.00%	**47.32%**	N	EUR	**0.00**
Friendsfactory Projekte GmbH	DEU	Munich	0.00%	**3.11%**	N	EUR	**0.00**
Leuchtenbergring Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	**2.83%**	N	EUR	**0.00**
Lilienthalstraße Wohnen GmbH Münchner Grund und Baywobau	DEU	Grünwald, Lk Munich	0.00%	**2.83%**	N	EUR	**0.00**
MG Projekt-Sendling GmbH	DEU	Munich	0.00%	**5.66%**	N	EUR	**0.00**
MG Sendling Komplementär GmbH	DEU	Munich	0.00%	**5.66%**	N	EUR	**0.00**
MG-Projekt Königstraße GmbH	DEU	Munich	0.00%	**5.66%**	N	EUR	**0.00**
Münchner Grund Projektmanagement, -Beratung, -Planung GmbH	DEU	Munich	0.00%	**3.96%**	N	EUR	**0.00**
Münchner Grund Riem GmbH	DEU	Munich	0.00%	**3.62%**	N	EUR	**0.00**
Neustädter Baustoff - Gesellschaft mit beschränkter Haftung	DEU	Neustadt/ Donau	0.00%	**47.15%**	N	EUR	**0.00**
Radmer Bau Kieswerke GmbH	DEU	Leipzig	0.00%	**47.15%**	N	EUR	**0.00**
REAL I.S. Project GmbH in Liqu.	DEU	Munich	0.00%	**2.80%**	N	EUR	**0.00**
Schloßhotel Tutzing GmbH	DEU	Starnberg	0.00%	**4.98%**	N	EUR	**0.00**
TMG Tiefbaumaterial GmbH	DEU	Emmering, Lk Fürstenfeld-bruck	0.00%	**31.43%**	N	EUR	**0.00**
MIPO NEKRETNINE drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo	HRV	Samobor	0.00%	**50.00%**	N	HRK	**0.00**
AS Montage Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	**37.12%**	N	HUF	**0.00**
ASDEKA Epitöanyagipari Kereskedelmi Kft.	HUN	Hegyeshalom	0.00%	**17.44%**	N	HUF	**0.00**
M6 Tolna Üzemeltetö Korlátolt Felelösségü Társaság	HUN	Budapest	0.00%	**16.00%**	N	HUF	**0.00**
PORR Libya J.S.C. for General Construction	LBY	Tripolis	0.00%	**32.50%**	N	LYD	**0.00**
Mlynska Development Spólka z ograniczona odpowiedzialnoscia	POL	Danzig	0.00%	**40.00%**	N	PLN	**0.00**
SNH spólka z ograniczona odpowiedzialnoscia	POL	Warsaw	0.00%	**49.00%**	N	PLN	**0.00**
OOO Porr Construction	RUS	St. Petersburg	0.00%	**50.00%**	N	RUB	**0.00**
„PORR - WERNER & WEBER - PROKUPLJE“ doo, Prokuplje	SRB	Prokuplje	0.00%	**40.00%**	N	EUR	**0.00**
DRUSTVO SA OGRANICENOM ODGOVORNOSCU „PORR-WERNER & WEBER-LESKOVAC“, Leskovac	SRB	Leskovac	0.00%	**35.00%**	N	EUR	**0.00**
Drustvo sa ogranicenom odgovornoscu PORR WERNER&WEBER-JAGODINA, Jagodina	SRB	Jagodina	0.00%	**40.00%**	N	EUR	**0.00**
PORR-WERNER & WEBER DOO ZA PROIZVODNJU I PROMET METALNIH PROIZVODA NIS	SRB	Nis	0.00%	**50.00%**	N	EUR	**0.00**
PORR-WERNER WEBER ENVIRONMENTAL TECHNOLOGIES DOO NIS	SRB	Nis	0.00%	**50.00%**	N	EUR	**0.00**
PWW Deponija d.o.o. Jagodina	SRB	Jagodina	0.00%	**50.00%**	N	EUR	**0.00**
PWW Deponija Dva d.o.o. Leskovac	SRB	Leskovac	0.00%	**50.00%**	N	EUR	**0.00**
SEVER-JUG AUTOPUT DRUSTVO SA OGRANICENOM ODGOVOR-NOSCU ZA IZGRADNJU, KORISCENJE I ODRZAVANJE AUTOPUTA	SRB	Belgrade	0.00%	**50.00%**	N	EUR	**0.00**
KONTA plus, s.r.o. „v likvidácii“	SVK	Bratislava	0.00%	**34.93%**	N	EUR	**0.00**
AQUASYSTEMS gospodarjenje z vodami d.o.o.	SVN	Maribor	0.00%	**10.00%**	N	EUR	**0.00**
SCT-Porr, gradnja zlezniske infrastrukture, d.o.o.	SVN	Ljubljana	0.00%	**49.00%**	N	EUR	**0.00**
Other partnerships							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H & Co KG	AUT	Zistersdorf	0.00%	**20.00%**	N	EUR	**0.00**
KAB Straßensanierung GmbH & Co KG	AUT	Spittal/Drau	0.00%	**19.99%**	N	EUR	**0.00**
Kulturmanagement Regionalverein Steirisches Salzkammergut KG	AUT	Bad Aussee	0.00%	**1.97%**	N	EUR	**0.00**
LiSciV Muthgasse GmbH & Co KG	AUT	Vienna	0.00%	**26.67%**	N	EUR	**0.00**

Company	Country code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal capital
PEM Projektentwicklung Murgalerien GmbH & Co KG	AUT	Unter-premstätten	0.00%	**50.00%**	N	EUR	**0.00**
QBC Immobilien GmbH & Co Alpha KG	AUT	Vienna	0.00%	**35.00%**	N	EUR	**0.00**
QBC Immobilien GmbH & Co Beta KG	AUT	Vienna	0.00%	**35.00%**	N	EUR	**0.00**
QBC Immobilien GmbH & Co Delta KG	AUT	Vienna	0.00%	**35.00%**	N	EUR	**0.00**
QBC Immobilien GmbH & Co Epsilon KG	AUT	Vienna	0.00%	**35.00%**	N	EUR	**0.00**
QBC Immobilien GmbH & Co Gamma KG	AUT	Vienna	0.00%	**35.00%**	N	EUR	**0.00**
RegioZ Regionale Zukunftsmanagement und Projektentwicklung Ausseerland Salzkammergut GmbH & Co KG	AUT	Bad Aussee	0.00%	**3.94%**	N	EUR	**0.00**
RFPB Kieswerk GmbH & Co KG	AUT	Wienersdorf-Oyenhausen, pol. Traiskirchen	0.00%	**16.67%**	N	EUR	**0.00**
Salzburger Lieferasphalt GmbH & Co OG	AUT	Sulzau, pol. Werfen	0.00%	**20.00%**	N	EUR	**0.00**
Sava Most Gradevinsko Preduzece OG	AUT	Vienna	0.00%	**27.93%**	N	EUR	**0.00**
Seeresidenz am Wolfgangsee Projektentwicklungs- und Errichtungs GmbH & Co KG	AUT	Vienna	0.00%	**45.00%**	N	EUR	**0.00**
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	AUT	Zistersdorf	0.00%	**16.67%**	N	EUR	**0.00**
Bürohaus Leuchtenbergring GmbH & Co. Besitz KG	DEU	Munich	0.00%	**1.50%**	N	EUR	**0.00**
Bürohaus Leuchtenbergring GmbH & Co. KG	DEU	Munich	0.00%	**1.48%**	N	EUR	**0.00**
Immobilien- und Baumanagement Stark GmbH & Co. Stockholmstraße KG	DEU	Munich	0.00%	**3.62%**	N	EUR	**0.00**
MG Projekt-Sendling Gewerbegrundstücks GmbH & Co. KG	DEU	Munich	0.00%	**5.66%**	N	EUR	**0.00**
BPV-Metro 4 Építési Közkereseti Társaság	HUN	Budapest	33.33%	**33.33%**	N	HUF	**0.00**
BPV-METRO 4 NeKe Építési Közkereseti Társaság	HUN	Budapest	33.33%	**33.33%**	N	HUF	**0.00**
M6-Autópálya Építési Kkt.	HUN	Budapest	0.00%	**33.33%**	N	HUF	**0.00**
NeKe METRO 4 Építési Közkereseti Társaság	HUN	Budapest	0.00%	**50.00%**	N	HUF	**0.00**

Key:
E= At equity consolidated company
F= Fully consolidated company
N= Non-consolidated company
° = Company consolidated for the first time
* = Profit and loss transfer agreement

Auditors’ Report

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft, Vienna, for the financial year from January 1st 2012 to December 31st 2012. These consolidated financial statements comprise the consolidated statement of financial position as at December 31st 2012, the consolidated income statement, statement of comprehensive income, consolidated cash flow statement and statement of changes in group equity for the year ended December 31st 2012, as well as the notes to the consolidated financial statements.

Management’s responsibility for the consolidated financial statements and accounting practices

Management is responsible for the accounting practices and the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, as well as any applicable Austrian regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements and presenting a true picture of the financial performance, financial position and cash flows of the Group that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors’ Responsibility and description of the type and scope of the legal audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. Based on the results of our audit, the consolidated financial statements, do, in our opinion, comply with legal stipulations and give a true and fair view, in all material respects, of the financial position as of December 31st 2012, and of the financial performance and cash flows for the financial year from January 1st 2012 to December 31st 2012 in accordance with International Financial Reporting Standards (IFRSs) applicable within the EU, as well as any applicable Austrian regulations.

Statement on the management report

Laws and regulations require us to perform audit procedures to ascertain whether the Group management report is consistent with the consolidated financial statements and whether the other disclosures made in the Group management report do not give rise to misconception of the position of the Group. The auditors' report must also contain a statement on whether the consolidated financial statements are consistent with the management report and whether they fulfil the requirements of the disclosure according to Art. 243a, Austrian Commercial Code.

In our opinion, the Group management report is consistent with the consolidated financial statements. The requirements of the disclosure according to Art. 243a, Austrian Commercial Code apply.

April 2nd 2013, Vienna

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Klemens Eiter Certified Public Accountant	Helmut Kern Certified Public Accountant

Our audit opinion may only be used in a publication or reproduction of the consolidated financial statements that we have audited. This audit opinion solely applies to the German-language version of the full consolidated financial statements and management report. Versions which diverge from this are subject to the stipulations of Art. 281, Section 2 of the Austrian Commercial Code.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the company and management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

April 2nd 2013, Vienna

Karl Heinz Strauss
Chief Executive Officer

Christian B. Maier
Executive Board Member

Johannes Wenkenbach
Executive Board Member

Appropriation of Earnings

	EUR
The financial year 2012 ended with a net profit for Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft of	3,784,461.01

The Executive Board proposes the following appropriation of profits:

Payment of the arrears on preference dividends of EUR 0.51 (fifty one cents) per preference share and profit share for capital share certificates of EUR 0.51 (fifty one cents) per capital share certificate for the business year 2011 and payment of a dividend of EUR 1.25 (one euro and twenty five cents) per share on the dividend-bearing shares as well as a dividend of EUR 1.25 (one euro and twenty five cents) per capital share certificate for the 2012 business year.

	Number	EUR
Preference shares (arrears on 2011 dividends)	642,000	327,420.00
Capital share certificates (arrears on 2011 dividends)	49,800	25,398.00
Shares in share capital (2012 dividends)	2,687,927	3,359,908.75
Capital share certificates (2012 dividends)	49,800	62,250.00
Balance carried forward		9,484.26

Upon acceptance of this proposal, dividends for 2012 of EUR 1.25 (one euro and twenty five cents) per share and arrears on preference dividends for the 2011 financial year of EUR 0.51 (fifty one cents) per preference share will be credited by the custodial bank from May 29th 2013 in accordance with legal stipulations. The payout of dividends for 2012 on capital share certificates of EUR 1.25 (one euro and twenty five cents) per capital share certificate as well as the payout of arrears on dividends for the 2011 business year of EUR 0.51 (fifty one cents) per capital share certificate will also be credited by the respective custodial bank from May 29th 2013 in accordance with legal stipulations. The paying agent is UniCredit Bank Austria AG, Vienna 1, Schottengasse 6–8.

April 2nd 2013, Vienna

The Executive Board
Karl-Heinz Strauss
Christian B. Maier
J. Johannes Wenkenbach

Glossary

The Construction Industry

Building construction is the field of construction engineering that is concerned with the planning and building of structures that are located above the earth's surface. However, buildings constructed in this way also include structures that are below ground, provided that they are accessible to people or that they are intended to accommodate people, animals or items of property such as, for example, civil defence installations.

Building production (building production value) is the production value of construction sites emanating purely from construction activity (own work, raw materials and third party services chargeable to clients).

Business Unit (BU) denotes a PORR operating segment.

CEE/SEE is used to denote all the countries in Central and Eastern Europe and those in South Eastern Europe.

Civil engineering is the field of construction engineering that is concerned with the planning and building of structures that are located on or below the earth's surface.

DACH region is used to denote Germany, Austria and Switzerland.

DBFO model (design, build, finance, operate) includes the planning, construction, operation and financing of the project by private companies for a specific time period, after the end of which the project building becomes public property.

Facility management is the sum total of all the services provided with a view to the management of buildings and land on the basis of a unified strategy.

Full service provider is a company that covers the entire value creation chain by offering all services from one source.

General contractor (GC) provides all construction services needed to erect a building and is allowed to subcontract out complete or partial services to other companies.

Logistics is the integrated planning, organisation, management, completion and monitoring of the whole of the flow of materials and goods as well as the related flows of information.

MENA is a common acronym among financial experts and economists for Middle East and North Africa.

Miscellaneous building construction covers the areas of education, hotel, healthcare and other building construction.

PORR Group refers to Allgemeine Baugesellschaft – A. Porr Aktiengesellschaft (PORR AG) and all its subsidiaries.

Project development is the designing and completion of projects that are normally on a relatively large scale.

The Financial World

Associated company is a company that is not majority-owned and over which significant but not controlling influence is exerted.

ATX (Austrian Traded Index) is the key index of the Vienna Stock Exchange.

Cash flow is a financial measure that shows the unaltered surplus payments received within a given period of time and which thus constitutes an indicator of the company's solvency.

Cash flow from operating activities is the cash flow that results from the company's principal activities that have an effect on revenue, and from other activities that are not classed as investing or financing activities.

Corporate Bond is a bond that is issued by a given company.

DAX (German Share Index) is the key index of the Frankfurt Stock Exchange.

EBIT (Earnings Before Interest and Taxes) corresponds to the operating performance.

EBIT margin is the EBIT in relation to sales revenue.

EBITDA is Earnings Before Interest and Taxes and Depreciation and Amortisation.

EBT (Earnings Before Taxes) designates the pre-tax profit or loss.

Equity method is a method for valuing shares in companies and it is applied to companies over which significant influence can be exerted, but which, fundamentally, do not have to be included within the group of companies that must be fully consolidated.

Equity ratio is the share of equity in the total capital employed.

ICR (Issuer Compliance Regulations) is a set of regulations designed to prevent abuse of insider information.

IFRS (International Financial Reporting Standards) are international accounting standards.

Market capitalisation is the total market value of a company, resulting from the share price times the number of shares issued.

Order backlog is the total of all orders or contracts which have not been executed by the key date in question.

Risk management is the systematic identification, measuring and controlling of risks. These risks can be general business risks or specific financial risks.

Swap is a derivative in which two counterparties agree to exchange one stream of cash flow against another stream. The agreement defines how the payments will be calculated and when they will be paid.

Imprint

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The consolidated financial statements for 2012, including the notes to the financial statements and management report (individual financial statements), that have been audited by the company's auditors can be obtained free of charge from the company at 1100 Vienna, Absberggasse 47, and will be available at the AGM. In addition, the annual financial statements for 2012 may be downloaded from the website, www.porr-group.com/group-reports.

The contents of this report together with the individual financial statements constitute the annual financial report.

Disclaimer
Statements relating to the future in this report are based on estimates and assumptions which are made, to the best of their current knowledge, by managerial staff. Future-related statements may be identified as such by expressions such as “anticipated”, “target” or similar constructions. Forecasts concerning the future development of the company take the form of estimates based on information available at the time of going to press. Actual results may differ from forecast values where the assumptions on which these are based should prove incorrect or risks should develop in unforeseeable ways.

Every care has been taken in the compilation of this annual report to ensure the accuracy and completeness of information in all sections. However, round-off, typesetting and printing errors cannot be completely ruled out. All dates expressed in digits conform to European conventions of dd.mm.yyyy. Results preceded by the abbreviation TEUR are in euro thousand.

This report is a translation into English of the Annual Report 2012 published in the German language and is provided solely for the convenience of English-speaking users. In the event of a discrepancy or translation error, the German-language version prevails.

Financial Calendar

Publication of the 2012 Annual Report	12.4.2013
Financial Results Press Conference	12.4.2013
Interest payment on PORR bond 2010	15.4.2013
Publication of the Interim Report on the 1st Quarter 2013	29.4.2013
Interest payment on PORR bond 2009	6.5.2013
133rd Annual General Meeting, 11:00am, 1100 Vienna, Absberggasse 47	24.5.2013
Ex-dividend trading on the Vienna Stock Exchange	28.5.2013
Dividend payout day for the 2012 business year	29.5.2013
Publication of the Interim Report on the 1st Half 2013	30.8.2013
Interest payment on PORR bond 2010	14.10.2013
Interest payment on PORR bond 2009	6.11.2013
Publication of the Interim Report on the 3rd Quarter 2013	11.11.2013
Interest payment on PORR bond 2012	4.12.2013

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