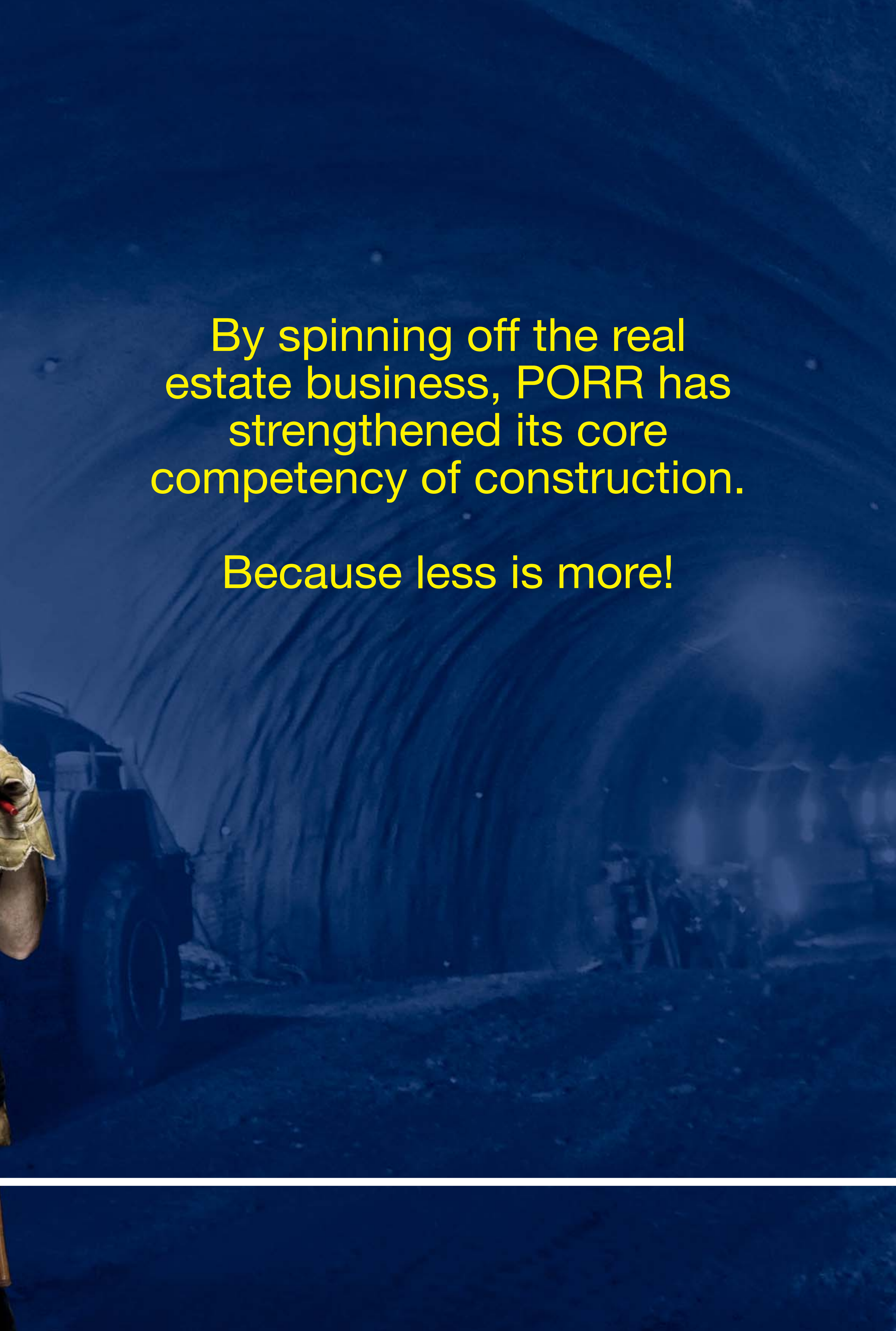
less = more

Annual Report 2014

powered by PORR



By spinning off the real estate business, PORR has strengthened its core competency of construction.

Because less is more!

Key Data

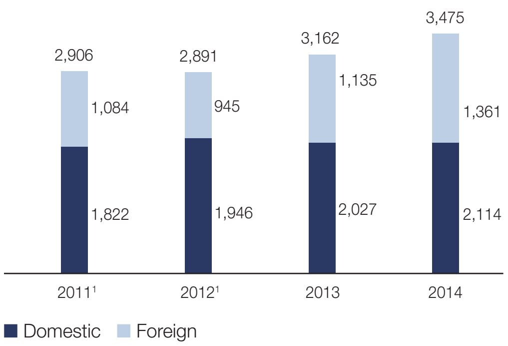
in EUR m	2014	Change	2013[1]	2012[2]	2011[2]
Operating data					
Production output	3,475	+9.9%	3,162	2.891	2.906
Foreign share	39.2%	+3.3PP	35.9%	32.7%	37.3%
Order backlog	4,058	-7.7%	4,398	3,373	2,764
Order bookings	3,135	-28.4%	4,377	3,500	3,221
Average staffing levels	12,834	+7.7%	11,920	11,770	11,597
Income statement					
Revenue	3,009	+14.4%	2,630	2,315	2,213
EBITDA	156.4	+6.7%	146.6	103,8	10,8
EBIT	81.7	+1.0%	80.9	53.8	-40.5
EBT	66.1	+10.9%	59.6	22.0	-83.1
Profit/loss	48.6	-7.4%	52.5	18.0	-70.2
Earnings per share in EUR[5]	3.22	-17.3%	3.87	1.08	-29.73
Statement of financial position					
Total assets	2,146	-6.5%	2,296	2,061	2,137
Equity (incl. non-controlling interests)	385.2	+10.8%	347.7	322.6	303.2
Equity ratio	18.0%	+2.9PP	15.1%	17.4%	15.5%
Non-current assets	728	-31.9%	1,069	1,101	1,178
Current assets	1,418	+15.5%	1,228	959	959
Non-current liabilities	409	-38.9%	669	596	812
Current liabilities	1,352	+5.6%	1,280	1,143	1,022
Net cash/net debt	65	-	-357	-587	-636
Cash flow and investments					
Operating cash flow	151	+23.8%	122	72	-48
Cash flow from operating activities	154	-15.4%	182	111	40
Cash flow from investing activities	91	+145.9%	37	-108	-126
Cash flow from financing activities	-112	-	5	-44	30
Investments	224	+202.7%	74	137	154
Depreciation/amortisation/impairment	75	+13.6%	66	61	56

Key data regarding shares	2014	2013	2012	2011	2010
Number of shares	14,547,500	11,902,500	2,045,927	2,045,927	1,960,537
Market capitalisation in EUR m (at year end)	648.4	297.2	152.4	245.5	245.1
Dividends per share in EUR	1.50[3]	1.00[4]	0.31[4]	-	0.55

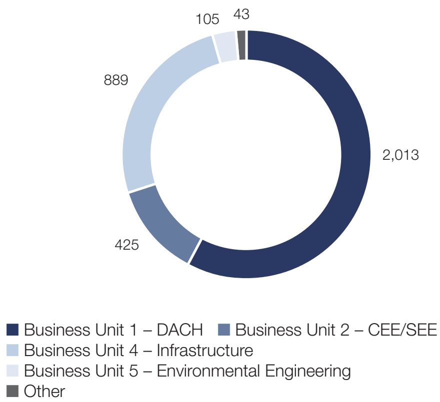
[1] Restated PORR without development
[2] Comparative figures for PORR prior to 2013 incl. development
[3] Proposal to AGM
[4] Adjusted to number of shares 2014 to allow better comparison
[5] For continued operations

The figures have been rounded off using the compensated summation method. Absolute changes are calculated from the rounded values, relative changes (in percent) are derived from the non-rounded values.

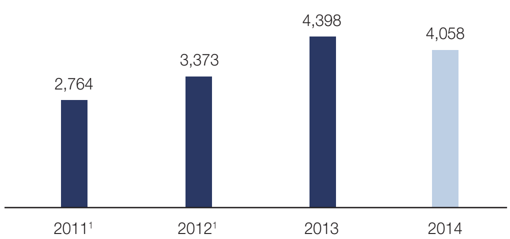
Production output, domestic and foreign
in EUR m



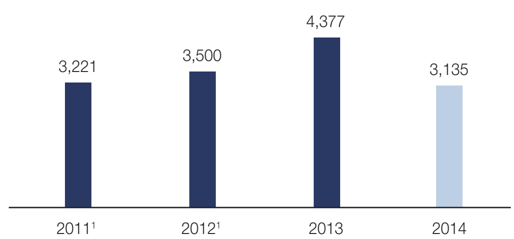
Production output by Business Unit 2014
in EUR m



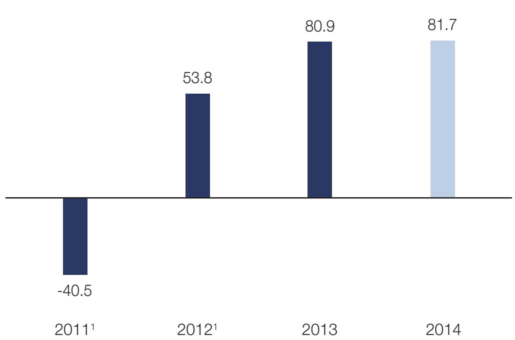
Order backlog
in EUR m



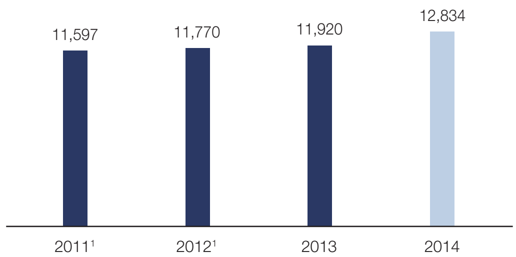
Order bookings
in EUR m



EBIT
in EUR m



Average staffing levels



[1] Comparative figures for PORR prior to 2013 incl. development

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With the purchase of a majority stake in UBM Realitätenentwicklung AG and the subsequent spin-off of the real estate business, PORR has created **two pure play companies:** PORR as a pure construction company and UBM Development as a property developer of European stature. In the future PORR will focus even more closely on its core competency – the construction business. By freeing up capital tied up in development projects and divesting non-operational real estate, PORR has completely eliminated net debt and achieved an overall improvement in assets and earnings.

With a **clear focus on the highest quality** throughout the entire value chain and the strategy of concentrating on the high-growth home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, PORR has achieved impressive growth in recent years. PORR is today's market leader in Austria with its entire portfolio and also aims to maintain its leading position on the other home markets.

"Our foundation is expertise. Our success comes from passion."

PORR has developed into one of Europe's most successful construction companies in recent years. Even in challenging times we have achieved solid growth in our production output. This was driven by consistency and dynamism: whatever we take on, we also follow through. This has been the case when restructuring our organisation, implementing our corporate strategy and also in our capital markets strategy.

Construction is not merely our job, but our greatest passion – and therefore a key recipe for success. After all, it is only when every single employee across the whole value chain is completely and absolutely dedicated to PORR that we will be able to maintain our success well into the future. First and foremost this involves the unwavering efforts to consistently achieve our corporate goals. We can't wait for the markets to undergo a sustainable, long-term recovery. Generating profits and securing margins will continue to be the greatest challenge for the coming years. The economic environment will not support us in this. This is why we ask ourselves: How can we get better day by day? We need to be better than our competitors and the best for our clients.

Following the takeover of UBM and the subsequent spin-off of the real estate business, our full concentration is now on the construction business. And here, in line with the motto of this year's Annual Report, we will create "More". The passion and team spirit of our staff will help us achieve this goal.

Yours,

Karl-Heinz Strauss
PORR CEO

Highlights 2014

Intelligent growth in Polish railway construction

PORR consolidated its position on the Polish railway construction market. Two major projects are under construction with the railway lines 18 (Bydgoszcz–Torun) and 132 (Wrocław–Opole–Upper Silesia). The tender for modernising the 60km-long line 272 (Kluczbork–Ostrzeszów) was signed in February.

Acclaim for PORR – PORR wins EUROPEAN CONCRETE AWARD 2014

As part of the CONSTRUCTION CONGRESS, a consortium in which PORR and TEERAG-ASDAG hold the majority stake was presented with the EUROPEAN CONCRETE AWARD 2014 in the "Civil Engineering" category for the Lehen Riverbed Sill Power Plant project.

Capital market focus – capital increase successfully concluded

In the course of the capital increase concluded in April, PORR placed 2,645,000 new shares with institutional and private investors. The total gross proceeds of around EUR 119m will primarily be used to strengthen the Group's equity and for the partial pay back of the profit participation rights of a subsidiary.

Competence in tunnelling and road rehabilitation – PORR refurbishes Bruck tunnels

In May TEERAG-ASDAG and a partner were awarded the tender for the general overhaul of the Bruck tunnels – an area which will become increasingly important in the coming years. The current tunnel construction sites in Styria and Carinthia (Koralm tunnel KAT 3), Germany (Stuttgart 21) and Qatar (Doha metro) underline PORR's expertise in tunnelling.

Expertise in Doha confirmed – two additional tenders from Qatar Rail

PORR and the consortium it leads managed to win two more attractive tenders from Qatar Rail in July. The "NDIA project – Early Works" (New Doha International Airport) – the preparatory works for a metro station in the recently opened new airport – and the "Metro Green Line Elevated" tender – the overground extension of the underground tunnel section which is already under construction – impressively underlines PORR's expertise on the international stage.

Smart Campus – PORR to realise Vienna's largest building construction project

The bidding consortium of Porr Bau GmbH and ELIN GmbH & Co KG are realising the Smart Campus, the new headquarters of Wiener Netze in Vienna's eleventh district, in the role of general contractor. The agreement for the campus, which measures around 100,000m^2 was signed on June 27th. The tender represents an important milestone in cooperation with the city of Vienna.

Sustainable innovation – PORR wins the Innovation Award at Tunnel Day 2014

The Austrian national committee of the International Tunnelling Association (ITA) recognised PORR's innovation with the presentation of this acclaimed innovation award. Together with MC-Bauchemie, PORR won over the independent panel of experts with a novel method for improving the production of earth pulp for earth pressure balance shields. This broadens the range of applications and can significantly reduce the strain on the environment by reducing the addition of conditioning agents.

Takeover of majority stake in UBM – transaction closes

In summer PORR acquired a 25% stake in UBM from CA Immo International – at a purchase price totalling EUR 36m, i.e. around EUR 24.00 per share. In light of the existing stake held and an additional purchase, by closing in October PORR held a total of 68.7% of shares and therefore a majority in UBM. A mandatory offer to all UBM shareholders pursuant to the Takeover Act was then made.

100% approval for PORR's pure play strategy

At PORR's extraordinary general meeting on October 29th, shareholders unanimously approved the proposed spin-off of the real estate sector from PORR AG into an independent company, PIAG Immobilien AG.

PORR's successful capital market strategy – entry to the prime market

Following on from numerous capital market measures – most recently the successful capital increase in summer – as well as measures to improve liquidity and intensify investor relations activities, the PORR shares moved to the prime market. This entry to the highest and most liquid trading segment of the Vienna Stock Exchange took place ahead of schedule on December 22nd.

Team players

J. Johannes Wenkenbach

Born 1957, he has been PORR's Chief Operations Officer (COO) since February 2012 and is responsible for Risk Management/Compliance, Business Unit 2 – CEE/SEE, Business Unit 4 – Infrastructure, Purchasing and Porr Equipment Services GmbH.

Karl-Heinz Strauss

Born 1960, he has been PORR's Chairman of the Executive Board and CEO since September 2010 and is responsible for Risk Management/Compliance, the Office of the Executive Board and Strategy/M&A, Business Unit 1 – DACH, Business Unit 5 – Environmental Engineering, as well as for Internal Audit, Corporate Communications, Legal Affairs, Human Resources and Quality Management.

Christian B. Maier

Born 1966, he has been PORR's Chief Financial Officer (CFO) since February 2012 and is responsible for: Risk Management/Compliance, Financial Management/Treasury/Insurance, Group Management, Accounting, Controlling/ICS, Taxes, IT and Organisation as well as for the financial management of the operating business.

“Realising our goals through bold and resolute decisions.”

PORR’s successful path continued in 2014. The turnaround achieved in 2012 has not just been a flash in the pan, but an ongoing trend – made possible by the intelligent growth strategy, the consistent pursuit of the stated goals and the hard work of every single staff member. Another unique opportunity was embraced in summer with the takeover of UBM. Here is an interview with the Executive Board.

Mr Strauss, there are renewed positive forecasts for the construction industry for the first time in a while: the trough seems to have passed in 2014.

Strauss: Yes, but this is a double-edged sword. While it’s true that the construction industry has entered a growth phase for the first time after seven years of losses, the market environment is more challenging than ever before, with more and more competitors battling it out for every tender. Prices are at rock bottom, but lots of companies need revenue and are acquiring projects which generate losses right from the outset.

How did PORR manage to succeed in the reporting period despite this market environment?

Strauss: We do not see our business success as being tied to market developments, instead we profit from our flexibility and the correct choice of strategy. Here PORR achieved a turnaround in 2012 despite the difficult market situation – we used this phase to implement a comprehensive new strategic direction – and with the immense dedication of all our staff we have been building on this success ever since. By concentrating on the stable home markets, we have managed to raise production output even in challenging times. In 2014 PORR generated output of EUR 3,475m, an increase of around 10%.

You have an extremely strong focus on the DACH region. Is this strategy still valid?

Strauss: We have focused on every market which also enjoys stable growth even in times of crisis and where financing is secure thanks to the high credit standing of the clients. At present 92.5% of production output is generated on our home markets – namely Germany, Austria, Switzerland, Poland and the Czech Republic. This strong focus is the only way we can live up to our guiding principle “know your market, know your customer”. We must never forget that building is a local business. This strategy has also paid off. The DACH region continues to grow and the Czech Republic and Poland have also returned to high growth rates and are currently among PORR’s most promising markets.

“We have built on the success of recent years through the immense dedication of every staff member.”

Doesn’t this strategy bring with it a danger of missing out on opportunities in other markets?

Maier: Not at all. We have always had a very selective, project-based approach to acquisitions in other sectors and other markets, but not at any price. We are only interested in projects outside our home markets if the financing is secure – preferably involving EU funds and our competency of infrastructure. Secure financing is also the precondition for our international business in the Middle East using Qatar as a hub.

Competition is intensifying on the Austrian market. How is PORR countering this increased pressure?

Strauss: Yes, the competition in Austria is becoming tougher. It helps that we increased efficiency three years ago and that we keep getting better. What’s more, we are trailblazers in the digital shift of the construction industry. By applying innovative technology – for example Building Information Modelling (BIM) – we have established a stronger competitive position. It is only large companies such as PORR who can afford to invest in this area. Size is essential, with regard to both investment and financing. That's why I'm sure that the future belongs to large construction companies.

Which major projects did PORR acquire in the reporting period?

Strauss: The largest order bookings were the Smart Campus office complex in Vienna, the rail construction project LK272 Kluczbork–Ostrzeszow in Poland and the Marbach viaduct in Germany, where we also acquired exciting new projects in building construction. There were also pleasing new tenders in Switzerland. In Qatar we won the tender for the elevated works, the overground extension of an underground railway line as part of the Green Line of Doha metro.

You mentioned Qatar, Mr Wenkenbach, how is the business doing in this region?

Wenkenbach: We will soon have completed the first order in Qatar and we are also on schedule with the construction of the Green Line underground railway line. This should be extended using an elevated line, which could also lead to us acquiring follow-up tenders. Over there our expertise in tunnelling and railway construction is highly acclaimed. Our relationship with the clients is very good, our reputation has benefited enormously in recent years. We expect this to also have an impact on acquisitions in 2015.

> "Our expertise in tunnelling and railway construction is highly acclaimed in Qatar."

Do you also have other markets under observation?

Wenkenbach: In Saudi Arabia we have qualified for the tender process for the construction of an underground railway line in Mecca and underground railways will also be built in Riyadh, Medina and Jeddah. Infrastructure projects in the UK and Northern Europe might be another possibility.

In 2013 you achieved the highest ever order bookings in the company's history. Did you manage to maintain this level?

Strauss: The large-scale order of the Doha metro the year before meant that order bookings in the reporting period slipped back to EUR 3,135m. However more than EUR 850m of this decrease was due to the one-off impact of the Green Line. Our home markets once again performed very well.

Your intelligent growth strategy seems to be paying off overall. You also managed to achieve another increase in EBT to EUR 66m. Mr Maier, what were the key factors here?

Maier: Our financial performance is impressive proof that PORR's restructuring did not have a one-off effect, but is instead sustainable. We achieved the turnaround in 2012 and have been building on this ever since. Our current order backlog means that this growth is secured. Our restructuring process, **fit**for**future**, has also made a significant contribution. What started out as a single project has grown in the meantime into an ongoing process, which is firmly embedded in every area of the company. Our organisation's goal is to have as few interfaces as possible in a very flat holding structure.

"We achieved the turnaround in 2012 through the consistent implementation of our restructuring plan and have been building on this ever since."

The high net debt and comparatively low equity ratio have long been considered PORR's weak points. Did you manage to make a significant improvement to the figures in the reporting period?

Maier: As at the reporting date, December 31st 2014, PORR is net-debt-free. This is an enormous achievement for the whole company, as three years ago we had over EUR 800m in net liabilities. The Group now has a net cash position and therefore naturally also has a different negotiating position than that of 2011 – particularly with regard to financing.

A relevant factor here is also PORR's strategic realignment, which was introduced with the takeover of UBM. PORR has become a pure-play construction company. What's your long-term goal?

Strauss: We want to create two independent companies, each of which is among the best in their industry. PORR as a pure construction company and UBM as a property developer. The purchase of UBM last summer allowed us the opportunity to spin off PORR's real estate business into PIAG Immobilien AG and merge it with UBM. In the long term, this will allow us to establish a profitable property developer of European stature. In future both companies will be able to apply their strengths in an even more targeted way, thanks to the significantly streamlined corporate profiles.

How is the new property company UBM Development positioned?

Strauss: The new UBM Development AG should apply its development expertise throughout the whole of Europe. The goal is to create a trade developer with a limited hold portfolio and fast project turnover. With property assets exceeding EUR 800m, the company is already one of the industry's top players. The Group will also be an attractive investment prospect, as there is no other liquid, listed, pure-play developer with a product and market mix as exciting as that of UBM Development.

And what are the actual advantages of this for the construction group? Should we expect more changes at PORR?

Maier: This spin-off has multiple advantages for PORR: we have strengthened PORR's role as a construction company and slashed our debt by eliminating capital tied up in development projects and divesting non-operational real estate – as we announced at the end of 2014, we are free of net debt for the first time in the company's history. Overall we have therefore improved our assets and earnings figures, which makes us even more attractive to investors and has significantly strengthened our position on the capital market. The improvement to our standing through the spin-off of the real estate business means that the "Investment Grade" goal is one step closer.

You are pursuing a clear capital markets strategy which is being implemented step by step.

Maier: Yes, we are committed to the capital market, as can be seen in the consistent, seamless implementation of our strategy. The capital market is very important to us. Size and transparency secure easier access to the requisite financing. We started our capital market offensive almost two years ago – at that time the change to the prime market was a decisive and initially very ambitious goal.

And you also achieved this goal shortly before Christmas?

Maier: We achieved entry to the prime market after numerous capital market measures – most recently our successful capital increase – as well as measures to improve liquidity and intensify our investor relations activities. The PORR share has been listed on the highest and most liquid segment of the Vienna Stock Exchange since December 22nd. For us, this was the crowning glory of all our efforts in the preceding year – a true "Christmas present", albeit one we worked very hard to achieve.

What should we expect from the PORR share in the coming year? Will there be an increase in dividends?

Strauss: Our dividend policy is extremely clear and involves a payout ratio of 30 to 50%. If annual profits are higher, this also facilitates a higher payout.

Let's have a look into the nearer future. How do you expect the backdrop to develop and what impact do you think it will have on PORR?

Strauss: PORR has managed to increase both production output and EBIT and moreover at year end was free of net debt for the first time in its history. Added to this is an order backlog which is significantly higher than annual production output. The project outlook for 2015 is also positive and PORR will participate in the upcoming growth on our home markets. When combined with the measures from **fit**for**future**, which will also make an important contribution to earnings in 2015, we have forecast a renewed increase in output and earnings for the 2015 business year.


PORR
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ATC
106726


fewer
business areas
=
more
efficiency
This is PORR

Business Model and Markets

Intelligent growth

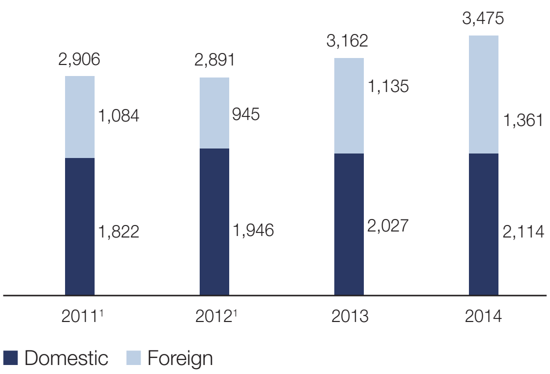
PORR is Austria's largest construction company and plays a leading role in Europe. As a flexible, full service construction group, PORR realises projects of every size and provides a seamless value chain from planning and financing through to construction and operations.

PORR pursues an intelligent growth strategy, by which it is committed to qualitative, profitable, secure growth. Speed and flexibility in adapting to changing market conditions form the pillars of this strategy – clear responsibilities, streamlined, flexible structures and transparent management are behind the Group's success.

The basis for PORR's superlative quality lies in solid expertise, a passion for innovation and a willingness to keep on improving. What's more, national and international partnerships help to secure the company's technological edge.

In 2014 PORR generated output of EUR 3,475m with its 12,834 staff; 92.5% of this was on the secure home markets – Austria, Germany, Switzerland, Poland and the Czech Republic. In addition to the clear focus on the home markets, PORR has also benefited from the balanced mix of permanent business and large-scale projects.

Production output
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Powerful Business Units

1 DACH

Permanent business in the home markets of Austria and Switzerland and in major general contractor and industrial construction in Germany, as well as large-scale building construction projects

Production output 2014: EUR 2,013m

2 CEE/SEE

Permanent business in the home markets of Poland and the Czech Republic; project-based activities in CEE/SEE region

Production output 2014: EUR 425m

4 Infrastructure

Regional responsibility for civil engineering in Germany, for the international markets from the Qatar hub (formerly BU 3), tunnelling, rail construction and foundation engineering, as well as large-scale projects in road and bridge construction, power plant construction and civil engineering

Production output 2014: EUR 889m

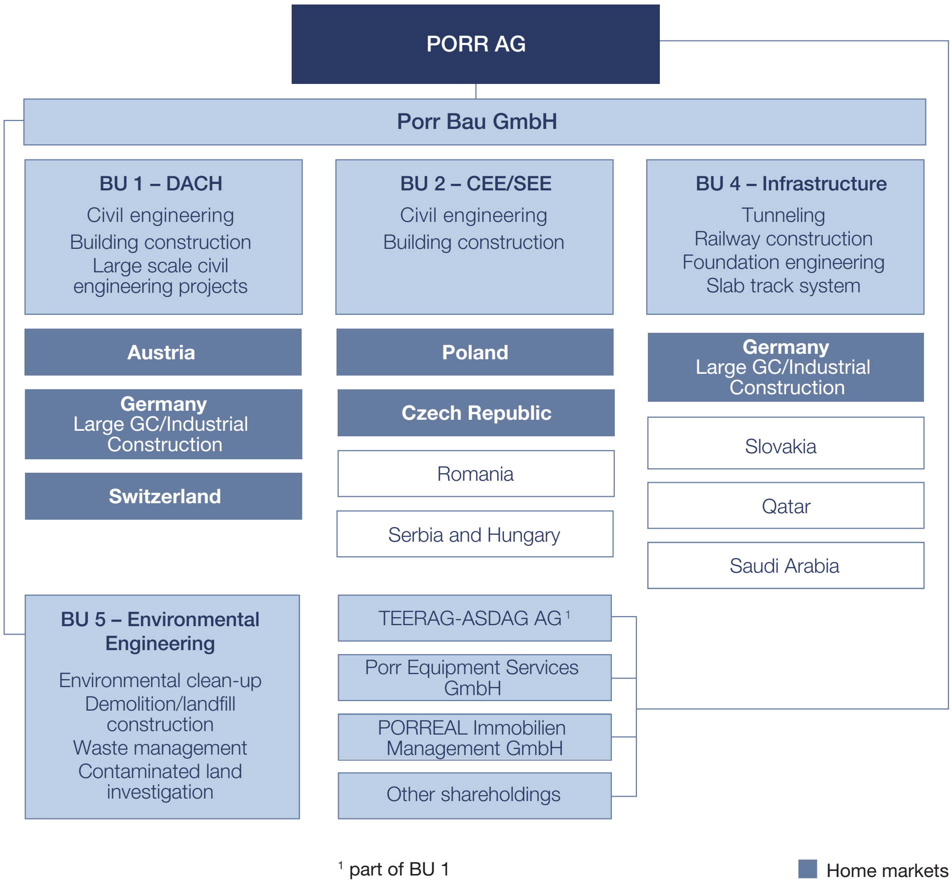
5 Environmental Engineering

Centre of excellence for environmental clean-up, demolition and landfills, as well as rehabilitating contaminated sites incl. the Prajo Group

Production output 2014: EUR 105m

Efficient organisational structure

PORR's operating business is divided into four Business Units. At the head of the Group is a strategic holding with a few divisions, under which the operational company Porr Bau GmbH is positioned.

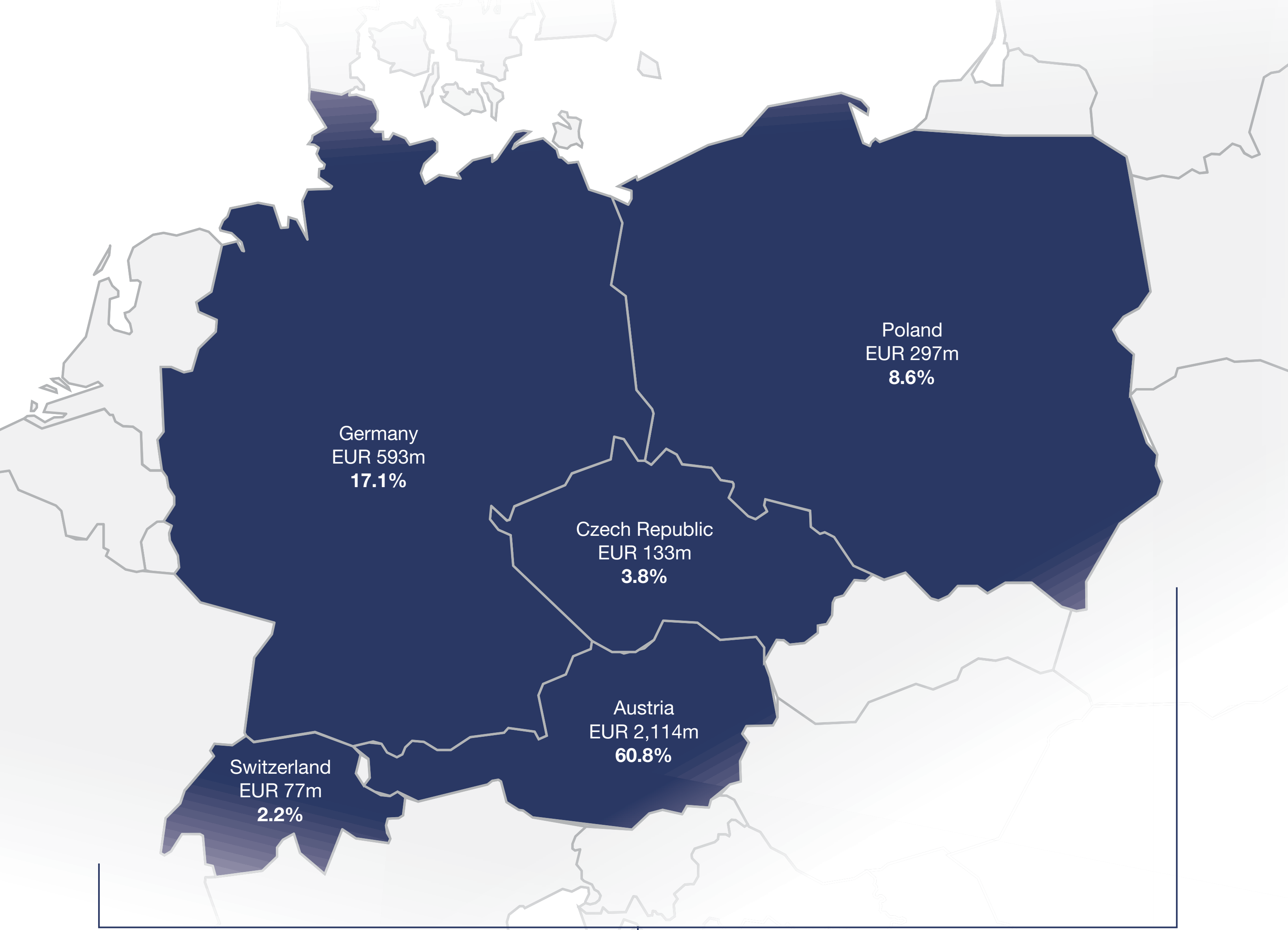


[1] part of BU 1

Focus on the home markets

The home markets of Austria, Germany, Switzerland, Poland and the Czech Republic offer secure margins and form the foundation for PORR's intelligent growth. The focus of the international business is on Qatar, which serves as a regional hub for a possible expansion to Saudi Arabia.

Production output and share of overall production in 2014



Home markets total: EUR 3,214m resp. 92.5%

Corporate Strategy

PORR is committed to a sustainable, long-term rise in production output and earnings through intelligent growth, whereby earnings always take priority over output. To achieve this, PORR employs a two-pillar strategy:

Home markets: The PORR Group intends to secure its leading market position in Austria and to grow in niche areas, while striving for further growth in Germany. A selective expansion policy is planned for Switzerland, Poland and the Czech Republic, where PORR offers its full portfolio.

Project-based and international markets: PORR operates selectively in the CEE/SEE region through its export products – primarily in tunnelling, rail construction and civil engineering (specialised and large-scale projects). Moreover, PORR is realising projects for longstanding industrial clients on a follow-your-customer principle. Internationally, PORR is expanding in the infrastructure sector in Qatar as well as striving to enter the Saudi-Arabian market – with a clear focus on technical competencies with attractive margins.

Focus on construction

The PORR Group remains committed to its core competency – construction. This is why PORR has steadily divested its development activities, which were formerly bundled in STRAUSS & PARTNER, and the stake in UBM. The focus on "Concessions" underlines PORR's priority on cooperation with the public and private sector for the mutual benefit of all parties.

Focus on the home markets

In 2014 PORR generated 92.5% of production output on its home markets. PORR will continue to concentrate on these markets in the future.

Capitalising on the leading market position in Austria

In the future PORR intends to capitalise on its leading market position in Austria for notable projects in infrastructure, building construction and civil engineering. The company draws on its competitive advantages in the fiercely competitive Austrian market; one advantage here is the company's high level of self-sufficiency with regard to raw materials. PORR is exceptionally well-positioned in numerous niches such as environmental engineering and these strengths should be sustainably consolidated in the future.

Expanding activities in Germany

Germany is PORR's most important foreign market. Here the company offers its full construction portfolio and intends to expand its activities accordingly. The expansion will be based on exploiting competitive advantages and benefiting from the withdrawal of competitors. Here PORR will concentrate on every area in which it believes it holds a clear competitive advantage. PORR has already established a strong presence in Germany for complex infrastructure and civil engineering projects. For example, it is a partner to the German Federal Railways on major infrastructure projects such as Stuttgart 21 and is also working on multiple lots as part of the Stuttgart–Ulm railway project. There are plans for a future focus on building construction activities involving medium-volume projects. PORR will consolidate its position as a reliable partner to German industry, known for its trustworthiness and adherence to deadlines and budgets.

Strengthening PORR's role on the other home markets

A selective expansion of activities is planned in Switzerland, Poland and the Czech Republic, where PORR offers its entire portfolio. The goal is to exploit and expand on regional strengths.

Realising projects in Eastern and South Eastern Europe

PORR has scaled down its presence on all of the markets in Eastern and South Eastern Europe which are not among its home markets. In future these markets should be developed using a project-driven, niche-product strategy: PORR will not offer its entire portfolio, instead only realising selected projects. Suitable projects will be selected on the basis of anticipated margins, risk management aspects and secure financing from clients. Projects will be chosen in particular if they offer co-financing by the European Union or other international and multinational organisations.

Consolidating activities in the Qatar infrastructure sector and expanding to Saudi Arabia, Northern Europe and the UK

Following market entry in Qatar in 2012, when PORR and its local partners were charged with enabling works and construction of the Green Line of the Doha metro, the company has been pursuing a strategy to build up its presence in the region. In Qatar and Saudi Arabia PORR is clearly focused on its core technical competencies in tunnelling, railway construction, civil engineering and specialist construction. The company realises projects together with local partners, as these partnerships give PORR the opportunity to combine its skills and technical expertise with local partners' specific market knowledge, capabilities and labour. PORR is pursuing the same approach in Northern Europe and the UK, which are currently under very close observation.

Strict discipline regarding costs, capital and risks

PORR is committed to continuously improving performance in order to secure profitable growth and increase profitability. The basis for this involves the risk-based approach to new tender processes – "profit over output"; active management of its cost base; comprehensive risk management extending from project calculation to realisation, with the goal of minimising the number and impact of loss-making construction projects; disciplined capital expenditure; a clear division of responsibilities within optimised, flexible structures; cutting-edge information management systems and the implementation of transparent leadership throughout the Group. On the basis of these improvements in risk management, PORR's medium-term goal is to increase profitability in combination with optimised processes and increased cost efficiency.

PORR will continue its **fit**for**future** programme to reduce costs and drive optimisation, particularly as regards cutting red tape and focusing on performance management. Since its introduction in 2012, **fit**for**future** has applied to all business units, regional units and the headquarters. The programme involves reducing operating expenses, optimising expenditure on investments, increasing utilisation of construction machinery, optimising the organisational structure and processes, as well as implementing a comprehensive system to manage operational risks.

Focus on innovation

In order to be one of the best, a key factor is developing existing technology and initiating new research projects. Employees who are encouraged to launch and realise new projects are the true innovation drivers. PORR pursues an integrated approach to research, whereby every unit has access to centrally managed research resources such as laboratories.

Corporate Social Responsibility

Acting sustainably and thinking about society and future generations is an important principle, especially for the construction industry. Particular attention is paid to incorporating sustainability aspects in the initial and design phases of a project.

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. Sustainable business activities which are fit for the future are secured by the structural, organisational and substantive incorporation of Corporate Social Responsibility throughout the company. PORR uses a uniform management system in all divisions and subsidiaries in order to realise its responsibilities to employees, shareholders and investors. The Code of Ethics underpins all activities and decisions within the company. Furthermore, the Group-wide compliance guidelines state the principles governing dissemination of information and specify measures to prevent insider trading. PORR is also committed to upholding the directives of the Austrian Code of Corporate Governance. Upon moving to the prime market, PORR is contractually obliged to uphold more stringent criteria regarding transparency, quality and disclosures.

Recognising value

PORR is committed to ongoing Human Resources development and therefore strives to promote diversity by nurturing the potential of every single staff member. Employees have the opportunity to improve their performance and skills through a wide range of training and development measures. As an international company, PORR sees its multicultural diversity as a major opportunity and an important part of its corporate culture. All activities are characterised by equality and appreciation – regardless of gender, age, ethnicity or nationality. The health and safety of every staff member is a crucial issue for PORR. One key task is therefore providing a safe working environment. Strict standards to this end have been laid out in the Group guidelines. The occupational health and safety management system in line with the international standard OHSAS 18001 controls all of the Group's processes.

Preserving value

A responsible approach to environmental resources forms the third key pillar in the sustainability strategy. Throughout the construction process, PORR makes a significant contribution to reducing energy consumption, noise, dust and exhaust emissions by applying farsighted planning and innovative energy and equipment management. One particular challenge in this area is establishing high environmental and welfare standards throughout the supply chain. The environmental management system regulates the approach to environmental risks and threats. Adherence to the stipulated environmental guidelines is regularly assessed by an independent body in the course of environmental audits. To achieve continuous improvement, every area of the company is obliged to systematically record and analyse environmental threats and to propose and implement improvements.

PORR gives detailed information on sustainability measures and targets in its "Sustainable Value Report", which is published regularly. The "2014 Sustainable Value Report" is available for download at www.porr-group.com/csr. The next Sustainable Value Report will be published in April 2016.

Sustainability projects in 2014

Occupational health and safety in Qatar

The Group's goal of "Zero accidents" has also been applied in Qatar. PORR construction workers in Doha have received comprehensive training on all safety measures and receive tips on how to avoid accidents and take care of their health. In total more than 180 safety experts are responsible for around 4,500 workers from 43 countries. Furthermore, the

PORR building certification

Project	Location	Completion	Certicicate
Steigenberger am Kanzleramt	Berlin	2014	DGNB Gold
EURO PLAZA 5	Vienna	2014	DGNB Gold
Hotel + Office Campus – Hotel	Berlin	2014	DGNB Silver
Hotel + Office Campus – Büro	Berlin	2014	DGNB Silver/LEED Gold certification underway
PREMIUM PLAZA	Karlsbad	2014	LEED certification underway

HSE headquarters conducts regular inspections in order to uphold safety regulations. The results can also be seen in the impressively low accident figures: there have been a total of 9 million accident-free hours across all projects in Doha in the reporting period. Accommodation for the workers also conforms to the highest standards: the Labor Camps offer modern sanitary facilities, a canteen which accommodates the dietary needs of the different religions, a mosque and sports facilities. The Green Line metro project was audited to international standards ISO 14001:2009 and BS OHSAS 18001:2007 in 2014 (HSE/Health, Safety and Environment Audit). Not for nothing was PORR voted the sixth-best employer in Qatar in 2014.[1]

New working **world** at PORR

The new design of the offices and branch offices, particularly the renovation of the PORR Tower in Vienna, has improved working conditions for staff – enhancing transparency, communication and teamwork in a practical setting. In the course of this project, the optimal frame conditions were set up for working in teams, concentrating on phone calls or projects, exchanging knowledge and ideas, or discussions with colleagues – all supported by state-of-the-art IT and communication tools. The work spaces have been divided into quiet, social, community and loud zones. Individual opportunities for privacy were also set up.

International rollout of the buddy system

The buddy system supports new employees with orientation and integration into the new working environment, thereby making a valuable contribution to long-term staff retention. Buddies are experienced staff who act as contact partners for new employees in their first three weeks, giving direct help and advice. They bear great social responsibility and ensure fast integration into the workplace. The Group-wide rollout of the buddy system to international branch offices and national and international projects began in 2014.

Continuation of Junior Managers programme and Group Leader training

Pro-active managers, who are ideally prepared for their responsibilities and given the requisite support, are essential for the successful realisation of the corporate goals and strategy. To this end, management training in line with the PORR Management Charter will continue for future managers and managers who are already established in the operating construction business. Managers from various Group divisions receive targeted training in management skills in order to challenge and enhance their capabilities.

[1] Source: TPG-Media.com, “Qatar Projects Magazine” (http://www.qatarprojectsmagazine.com/)

PORR on the Stock Exchange

PORR succeeded in moving to the prime market of the Vienna Stock Exchange following a successful capital increase, measures to improve liquidity and intensifying investor relations activities. The offensive capital market strategy is also reflected in the strong share performance.

Turbulent year on the international stock exchanges

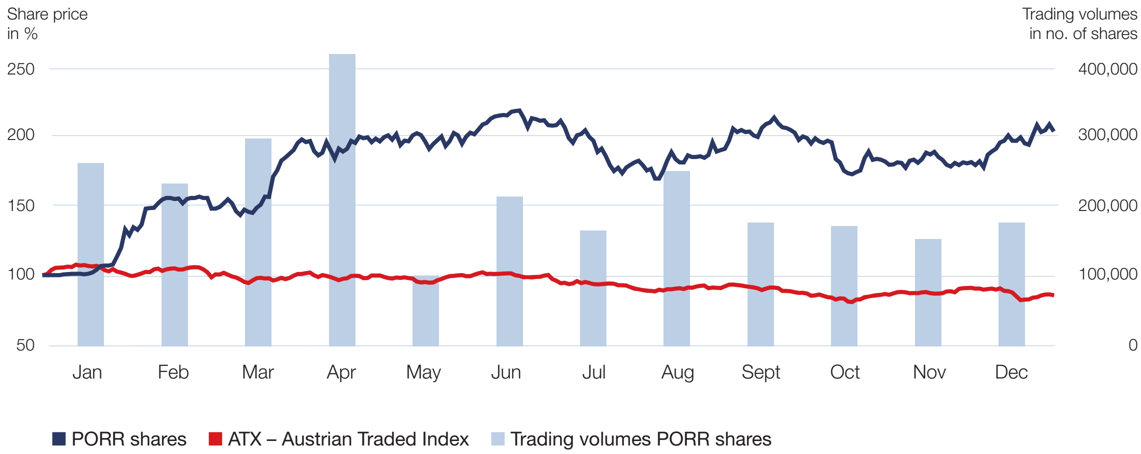
There was great fluctuation on the stock markets in 2014. Economic concerns in the eurozone and the Ukraine crisis negatively affected economic growth in Europe, which lagged behind expectations and once again slipped into a slight recession. Meanwhile the USA continued to gain momentum, buoyed by stable economic growth, and was one of the year's winners. After the first quarter led to uncertainty among market players and falls in share prices triggered by the Ukraine crisis and fears of the imminent Fed policy, the second quarter was briefly characterised by a slight rebound. The ECB announcement of additional fiscal support measures was an important factor which had a positive impact on the investment mood in this period. In autumn the international stock markets entered a correction phase prompted by new concerns about the global economy. Solid corporate figures and anticipation of further expansive monetary policy in Europe had a positive effect on stock markets around the end of the year. The fiscal policy of the major central banks also underwent contrasting developments. The US Federal Reserve curtailed its quantitative easing programme in order to buy bonds, although it generally proved to be market-friendly, which in turn provided a significant boost to the performance of shares. With a few interruptions, the Dow Jones Industrial (DJI) achieved an impressive performance and was up by 7.5%. In contrast, the ECB extended its expansive monetary policy and introduced further measures to supply liquidity and keep interest rates low. Despite the positive impact of these steps, the performance of the EURO STOXX 50, the eurozone's leading index, was somewhat muted and closed the year at 3,146.43 points, a plus of just 1.2%. This clearly reflected the weak European economy, the ongoing structural problems in major European economies such as Italy and France, and the uncertainty surrounding the stability of the currency union. Up by 2.7%, the DAX German share index achieved a better performance and closed at around 9,800 points at year end. The Eastern European CECE index, calculated in Euros, fell by 6.0% as a result of the Ukraine crisis; the MSCI Emerging Markets Index was down 4.6%.

Vienna stock exchange under pressure

2014 was a challenging year for the Austrian stock market. Five major capital market transactions represented particular highlights, including PORR's successful capital increase, as well as strong corporate bond activities. Nevertheless, after hitting its year-high of 2,729 points on January 15th, the Austrian Traded Index (ATX) lost this gain in March and then experienced a volatile development which trended slightly downwards. The interest rate cuts by the ECB in June and September gave a brief boost to the index, after which it reached its year-low of 2,032 points in mid-October. The Ukraine crisis was particularly noticeable here, along with the slump in oil prices and the weak national economic backdrop – factors which had a negative impact on two heavily-weighted sectors, namely banking and oil and gas. Overall, the ATX index had to accept significant slumps in 2014 and was down 15.2% at year end. The market capitalisation of the Vienna Stock Exchange was around EUR 80bn for 2014 (EUR 85bn at year end 2013). However, liquidity in equities as measured by average monthly trading volumes rose by around 22%.

Strategic stock potential is key driver of PORR share

A focused, long-term strategy, significant operating improvements and the consistent reduction of risks were the most important factors driving the price of PORR shares in 2014. Furthermore, Share price and trading volumes of PORR shares 2014 (index)



the successful capital increase in April 2014 and the strategic repositioning by spinning off the real estate business had a positive impact on the value of shares. The high trust and acceptance of these measures shown by national and international investors was reflected in the strong performance of the share price. At the end of 2014, PORR had significantly outperformed both the ATX and the EURO STOXX 50. PORR shares started 2014 at EUR 25.50 and had achieved a strong performance by year end. Following a continual rise, the year-high of EUR 56.99 was hit at the end of June. However, the geopolitical risks and market uncertainty not only impacted the indices, but also the PORR shares, especially in late summer and the start of autumn. At the end of the 2014 business year, the PORR share closed at EUR 44.57 – almost double the price at the start of the year. At December 30th 2014 the market capitalisation was up to EUR 648.4m (2013: EUR 297.2m). Average trading volumes were 21,288 shares at year end 2014.

Move to the prime market

On December 22nd 2014 PORR moved to the prime market of the Vienna Stock shares Exchange. The company therefore fulfils the most stringent transparency requirements and is clearly committed to the Austrian Code of Corporate Governance. The move to the prime market also represents an important milestone in two other respects: it increases the visibility of the shares on the capital market and simultaneously makes the shares more attractive to national and international investors.

Capital increase underlines support for strategy

PORR successfully concluded a capital increase at the beginning of May 2014. Investors subscribed to a total of 2,645,000 new shares in two tranches. The preplacement of 2,164,138 shares on April 9th and 10th 2014 was four times covered, whereby the subscription and offer price was set at EUR 45.00 per share. After subscription rights were exercised, the second tranche of 480,862 new shares was 22 times covered. Total gross proceeds of EUR 119m were raised in this capital increase. The proceeds were primarily used to strengthen the Group's equity and for the partial pay back of the ABAP profit participation rights (issued by a PORR subsidiary).

PORR acquires majority stake in UBM and spins off real estate business

On July 11th 2014 PORR announced that, subject to certain conditions precedent, it would acquire the 25% stake (plus 8 shares) of CA Immo Interna-

PORR shares – stock market indicators	Unit	2014	2013[2]
Price at December 30th	EUR	44.57[1]	24.97
Year high	EUR	56.99	27.50
Year low	EUR	25.49	13.75
Earnings per share[3]	EUR	3.20	3.87
Cash flow per share	EUR	10.57	15.26
Dividend per share	EUR	1.50[4]	1.00
Dividend yield	%	3.37	4.00
Payout ratio	%	46.88	25.77
Book value per share	EUR	26.48	29.21
Market value/book value		1.68	0.85
Market cap at December 30th	EUR m	648.4	297.2
P/E ratio at December 30th[3]		13.93	6.45
Number of shares outstanding at December 30th	No.	14,547,500	11,902,500

[1] after Carve-out [2] restated [3] for continued operations [4] proposal to AGM

tional Beteiligungsverwaltung GmbH in UBM. The purchase price was set at a total of EUR 36m and therefore EUR 24.00 per UBM share. The transaction closed on October 10th 2014. The extraordinary general meeting held on October 29th 2014 unanimously approved the proposed spin-off of the shares in UBM Realitätenentwicklung Aktiengesellschaft (UBM) and STRAUSS & PARTNER Development GmbH, in which PORR AG's real estate business was bundled, to PIAG Immobilien AG. The spin-off of the real estate business was executed with the existing ownership ratios maintained, so that every existing PORR shareholder received a PIAG share for each PORR share held. The PIAG shares (ISIN AT0000A1A5K1) were first listed in the Standard Market Auction of the Vienna Stock Exchange on December 10th 2014 and were entitled to dividends as of January 1st 2014. PIAG merged with UBM at the start of 2015. After the spin-off, PORR remains one of Europe's leading construction companies, unchanged in its scope and size.

Optimising the capital structure

In July 2014 PORR AG made a public buyback offer for its 49,800 capital share certificates in issue at a price of EUR 207.80 per capital share certificate. The offer ran from July 24th 2014 to August 5th 2014. In the acceptance period the offer was taken up for 47,889 capital share certificates; this corresponds to 96.16% of all capital share certificates. Together with 200 capital share certificates acquired separately, PORR currently holds 48,089 or around 96.6% of all capital share certificates. In accordance with a resolution by the extraordinary general meeting on October 29th 2014, the remaining capital share certificates in issue were settled and cancelled at a price of EUR 207.80 per capital share certificate upon the spin-off taking effect on December 10th 2014. The conversion of preference shares into ordinary shares in 2013 and the recent cancellation of the capital share certificates has significantly simplified PORR's capital structure. The market for corporate bonds was characterised by significant issue volumes and historically low interest coupons in 2014. Investor demand for corporate bonds remained at a consistently high level. PORR utilised this attractive environment for strategic refinancing and, on October 3rd 2014, published an offer to exchange the bonds issued in 2009 (EUR 100m) and 2010 (EUR 125m). Holders of these bonds could participate in newly issued senior and/or hybrid bonds in an exchange (ratio 1:1) up to a total issue volume of EUR 225m. After closing of the exchange offer, the outstanding volume of the 2009 bond was EUR 72,621,500 and EUR 83,312,000 for the 2010 bond. Bondholders who participated in the exchange were entitled to

PORR equity instruments as at December 31st 2014

	ISIN	Ticker	No. of shares quoted/ nominals	First quoted
PORR shares	AT0000609607	POS	14,547,500	8.4.1869

PORR bonds as at December 31st 2014

	ISIN	Ticker	Nominal	Coupon	Coupon date	Redemption
PORR bond 2010	AT0000A0KJK9	ABS5	EUR 79.062m	5.00%	13.4. and 13.10.	13.10.2015
PORR bond 2012	AT0000A0XJ15	ABS4	EUR 50m	6.25%	4.12.	4.12.2016
PORR bond 2013	DE000A1HSNV2	ABS6	EUR 50m	6.25%	26.11.	26.11.2018
PORR bond 2014	AT0000A19Y28	ABS8	EUR 56.262m	3.875%	28.10.	28.10.2019
PORR hybrid bond 2014	AT0000A19Y36	ABS9	EUR 17.1m	6.75%	28.10.	28.10.2021[1]

[1] perpetual, step up as at October 28th 2021

accrued interest as yet unpaid up to (but not including) the effective date of the exchange. Furthermore, the holders of the 2010 bond received an additional compensation payment of EUR 15.00 for each principal amount of EUR 500.00 exchanged. The senior bond has a maturity period of 5 years (due 2019) and a coupon of 3.875%. The hybrid bond is perpetual, i.e. it does not theoretically have an end date, and cannot be terminated by PORR before 2021 at the earliest. This bond has fixed interest of 6.75% until October 27th 2021.

International shareholder structure

An analysis of the shareholder structure gives an indication of the international distribution of the share capital. The largest percentage of shares in issue was held by the syndicate consisting of the Ortner Group and the Strauss Group, with almost 54%. The other shares have a broad international dispersion, the majority of free-float shares are held by national and international, institutional investors. The institutional investors primarily come from Anglo-Saxon countries, but also from Austria, Switzerland, France and Germany.

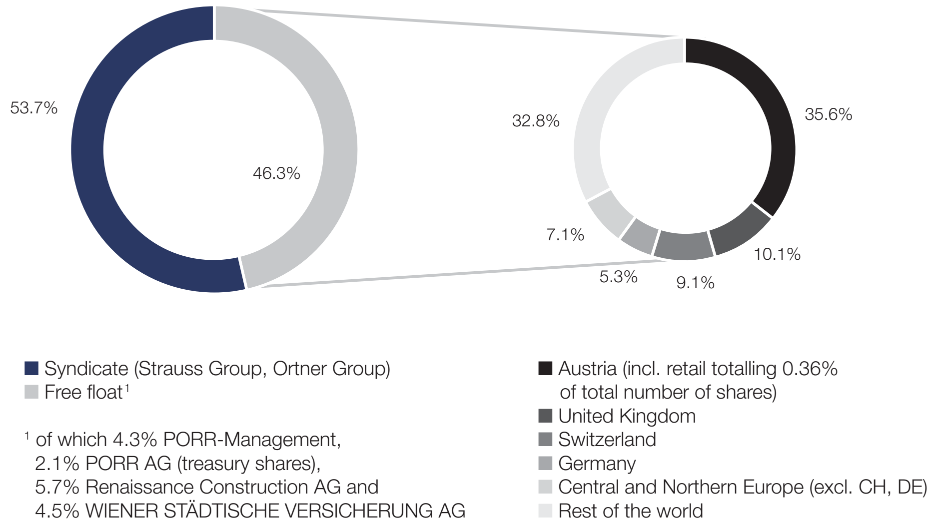
Sale of treasury shares

In order to increase the trading liquidity and free float of PORR shares, the Executive Board passed a resolution on December 11th 2013 to sell up to 101,622 ordinary shares on the Vienna Stock Exchange, which had been held by the subsidiary Unterstützungskasse von Porr-Betrieben Gesellschaft m.b.H. 15,461 of these shares had already been sold by the end of 2013. In 2014 the share sale continued on the stock exchange in the form of two further share sale programmes. In the course of share programme I, 54,031 treasury shares were sold. In the course of share programme II, a further 20,856 treasury shares were sold. Following the realisation of the 2013 and 2014 share programmes, a company which has now been renamed as EPS Absberggasse 47 Projektmanagement GmbH holds 11,274 shares in PORR.

Analyst coverage and enhanced investor relations

PORR is committed to transparent, timely information, which should allow every stakeholder to make a true and faithful evaluation of the company. The main investor relations focus is on regular, proactive dialogue with existing and potential investors, analysts and banks. In 2014 the management and investor relations team held numerous one-on-one talks with investors and analysts in Europe's largest financial centres and took part in international investment conferences. In addition to these activities and in the interests of transparency, PORR issued regular and comprehensive reports on its business performance for the first time in 2014 as part of the quarterly teleconferences for analysts, institutional investors and banks, as well as at the

PORR AG shareholder structure as at March 19th 2015
in %



[1] of which 4.3% PORR-Management, 2.1% PORR AG (treasury shares), 5.7% Renaissance Construction AG and 4.5% WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group

press conferences for journalists held twice a year. PORR is covered by multiple renowned mid-cap brokers. Financial analysts are important multipliers for the equity story. The potential value of PORR shares increases significantly through investment recommendations – in the past year more than 90% were buy recommendations. In addition to ERSTE Group, Berenberg, Baader and Raiffeisen, PORR AG is regularly analysed by other brokers.

Financial Calendar 2015	
23.4.2015	**Publication** of the 2014 Annual Report
23.4.2015	**Financial results press conference**
31.5.2015	**Publication** of the interim report on the first quarter 2015
3.6.2015	**135th Annual General Meeting,** 11:00 am
8.6.2015	**Ex-dividend trading on the Vienna Stock Exchange**
9.6.2015	**Dividend payout day for the 2014 business year**
28.8.2015	**Publication** of the interim report on the first half 2015
13.10.2015	**Interest payment and redemption** of PORR Corporate Bond 2010
28.10.2015	**Interest payment** on PORR Corporate Bond 2014/1 (senior bond)
28.10.2015	**Interest payment** on PORR Corporate Bond 2014/2 (hybrid bond)
26.11.2015	**Interest payment** on PORR Corporate Bond 2013
27.11.2015	**Publication** of the interim report on the third quarter 2015
4.12.2015	**Interest payment** on PORR Corporate Bond 2012

Corporate Governance

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 corporate growth in the future.

Previously the PORR Group had 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.

The PORR shares were listed on the prime market, the premium segment of the Vienna Stock Exchange, on December 22nd 2014. Prior to this, PORR was listed in the Standard Market Continuous segment and in the Standard Market Auction until March 6th 2014. With the move to the prime market, PORR contractually commits to uphold more stringent criteria for transparency, quality and publishing. A top priority for PORR AG is continuously advancing the standards of responsible and sustainable corporate management.

With the exception of the deviations listed below in the Comply or Explain catalogue, PORR is committed to upholding the rules of the Austrian Code of Corporate Governance and sees this as a key precondition for responsible corporate management.

Comply or Explain catalogue

Rule 21: The provisions of the Compliance Decree are upheld by PORR, a listed company, and by the management of its direct subsidiaries. Owing to the high number of subsidiaries, as is common to the industry, the application cannot, however, be implemented across every subsidiary, as this would result in an unmanageable administrative burden across more than 100 fully consolidated companies. Therefore, after seeking comprehensive advice and incorporating all internal PORR staff units, the PORR Executive Board has decided to refrain from the implementation of the rule in every subsidiary.

Rules 27/30: A core issue for PORR is to ensure that Executive Board remuneration is objectively as measurable and transparent as possible. The Executive Board remuneration contains fixed and variable components which conform to the directives of Rule 27 to the greatest possible extent. The variable component is based on parameters including personal performance, personal dedication, PORR's economic situation and the respective sphere of responsibility, as well as non-financial parameters. The non-financial parameters primarily relate to implementing steps for the further development of PORR's sustainable profitability, which are, however, difficult to subject to objective measurement. The existing remuneration system has proven its value in practice. For these reasons, PORR does not see a need for new regulations.

Publishing every detail related to Executive Board remuneration, in particular the individual performance criteria of the variable component, will not be undertaken as, in PORR's opinion, this information will not be of any particular relevance to the capital markets for PORR shareholders and other parties in addition to the information published in the Corporate Governance Report.

Rule 45: This rule currently relates to Supervisory Board member Nematollah Farrokhnia. He is the Global CEO of Renaissance Construction Holding in Ankara and Chairman of the Board of Renaissance Construction AG in Vienna, which has been a PORR AG competitor since acquiring companies from the Alpine liquidation in 2013. Prior to these acquisitions, Renaissance Construction AG was not a competitor. Mr Farrokhnia has declared that he will renounce his Supervisory Board mandate with effect from the 2015 Annual General Meeting.

Rule 49: The conclusion of contracts with members of the Supervisory Board in which such members are committed to the performance of a service outside of their activities on the Supervisory Board for the company or a subsidiary for a remuneration not of minor value is subject to approval by the Supervisory Board in line with the law. The company will, however, refrain from publishing these details due to related operational and business confidentiality issues. In any case, the notes to the consolidated financial statements show PORR disclosures on so called "related party transactions", which contain the remuneration for services of members of the Supervisory Board outside of their activities on the Supervisory Board.

The latest version of 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 website also includes an English translation of the Code and the interpretations developed by the working group. Furthermore, the latest Code of Corporate Governance is available on the PORR homepage at www.porr-group.com/CG-Kodex

The Group Executive Board

The Executive Board consists of between two and six people appointed by the Supervisory Board. The Supervisory Board also has the right to appoint deputies to the Executive Board. The Executive Board currently consists of three members. The Supervisory Board can name a member of the Executive Board as Chairman and name one member as the Deputy Chairman.

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 Executive Board must conduct its business in line with the specifications of the Austrian Stock Corporation Act, the statutes, other laws and the rules of procedure. The Executive Board must report regularly to the Supervisory Board on its activities. The Supervisory Board rules on the division of responsibilities in the Executive Board in line with maintaining the overall responsibility of the Executive Board as a whole. The Executive Board requires Supervisory Board approval in order to undertake any business dealings specified in the relevant version of Section 95 Paragraph 5 Stock Corporation Act. In as far as legally permitted by Article 95 Section 5 Stock Corporation Act, the Supervisory Board lays down limits on amounts, up to which its approval is not required. Furthermore, the Supervisory Board is entitled to determine types of business which require its approval in addition to the legally stipulated (Section 95 Paragraph 5 Stock Corporation Act) cases. The Supervisory Board has issued appropriate rules of procedure for the Executive Board.

The Executive Board passes resolutions by simple majority of the votes cast. If an Executive Board Member has been appointed as Chairman of the Executive Board, he has a casting vote in the case of a tie.

The Executive Board Members must fulfil their responsibilities as their main employment and manage the company's business with the care of a proper and conscientious manager. They must manage the business in a way which satisfies the interests of the shareholders, the staff members and of the public. The Executive Board members may not take on any other employment without the approval of the Supervisory Board and may not take on an executive function in any companies which are not within the consolidated Group.

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. Any Deputy Executive Board Members are considered equal to regular Executive Board Members with regard to rights of representation.

The following table 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 2014 the following people sat on the Executive Board:

Executive Board

Board member	Date of birth	Position	Member since	Appointed until
Karl-Heinz Strauss	27.11.1960	Chairman of the Executive Board, CEO	13.9.2010	31.12.2019
Christian B. Maier	9.1.1966	Executive Board Member, CFO	1.2.2012	31.1.2020
J. Johannes Wenkenbach	26.2.1957	Executive Board Member, COO	1.2.2012	31.1.2020

Karl-Heinz Strauss was born 1960 in Klagenfurt, Austria, on November 27th. After graduating from the technical college of civil engineering, he completed international study programmes in Harvard, St. Gallen and Fontainebleau. He received his MBA from IMADEC. 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 Risk Management/Compliance, the Office of the Executive Board and Strategy/M&A, for shareholdings, Business Unit 1 – DACH, Business Unit 5 – Environmental Engineering, along with Internal Audit, Corporate Communications, Legal Affairs, Human Resources and Quality Management.

Christian B. Maier was born in Judenburg, Austria, on January 9th 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, where he was part of the team responsible for incorporating Creditanstalt into Bank Austria in 1997/1998. From 1998 to 2003 Christian B. Maier was an Executive Board Member and CFO of the listed company Unternehmens Invest AG. In 2003 he moved to Constantia Industries as Executive Board Member and CFO, 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 Risk Management/Compliance, Financial Management/Treasury/Insurance, Group Management, Accounting, Controlling/ICS, Tax, IT and Organisation, as well as the financial management of the operating units.

J. Johannes Wenkenbach was born in The Hague, Netherlands, on February 26th 1957. He began his career at the Dutch construction company Ballast Nedam Groep after graduating from Delft University of Technology. During his career at various international construction companies, such as Strukton Groep NV and the Royal BAM Group subsidiary, Wayss & Freytag Ingenieurbau AG, he fulfilled various roles on Executive Boards and was able to extend his international expertise in the operating construction business. J. Johannes Wenkenbach has many years of experience in civil engineering, project planning, project management and in project financing. 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 Risk Management/Compliance, Business Unit 2 – CEE/SEE and Business Unit 4 – Infrastructure, as well as for 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:

Supervisory Board Mandates of Executive Board Members as at December 31st 2014

Executive Board Member	Company	Position
Karl-Heinz Strauss	DATAX HandelsgmbH	Supervisory Board Member
	KAPSCH-Group Beteiligungs GmbH	Supervisory Board Member
	Kapsch Aktiengesellschaft	Supervisory Board Member
	UBM Realitätenentwicklung Aktiengesellschaft[1 2]	Supervisory Board Chair
Christian B. Maier	Rath Aktiengesellschaft[2]	Supervisory Board Member
	Raiffeisenbank Aichfeld eGen	Supervisory Board Member
	UBM Realitätenentwicklung Aktiengesellschaft[1 2]	Supervisory Board Member

[1] No longer part of the Group since December 10th 2014.
[2] Listed on the stock exchange.

The Group's Supervisory Board

The Supervisory Board is composed of at least three and not more than twelve Members appointed by the Annual General Meeting (AGM). In line with Section 110 Paragraph 1 of the Labour Constitutional Act, certain Members are also appointed by the Works Council. The Group's Supervisory Board currently consists of ten members appointed by the AGM and five further members appointed by the Works Council. As long as the AGM has not specified a shorter term when appointing one or all Members, the Supervisory Board Members 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. The reappointment of a Supervisory Board Member – also an outgoing Member – is permitted.

The appointment of a Member of the Supervisory Board can be rescinded before the end of his/her time in office by AGM resolution. The resolution requires a simple majority of votes cast. Every Member of the Supervisory Board can resign from his/her post following a 21-day notice period upon a written declaration to the Chairman of the Supervisory Board, without stating an important reason. The Chairman of the Supervisory Board, or his/her Deputy in the case of his/her resignation, can decide to shorten the notice period.

Should certain Members leave the Board before the end of their term in office, a vote to replace them is not required until the next AGM. However, a replacement vote is required at an extraordinary general meeting, to be held within six weeks, if the number of Supervisory Board Members falls below three. Members appointed as a replacement only serve for the remainder of the term which the previous member would have served, unless otherwise determined by the AGM at the time of the appointment.

A replacement Member can be appointed at the same time as the appointment of a Supervisory Board Member, in which case the replacement Member would take up his/her seat on the Supervisory Board effective immediately if the Supervisory Board Member steps down before the end of his/her time in office. If multiple replacement Members are appointed, the order in which they are to replace a Supervisory Board Member who steps down must be determined. A replacement Member can also be appointed as a replacement for multiple Supervisory Board Members, so that he/she takes a seat on the Supervisory Board if any one of these Members steps down prematurely. The term of office of a replacement Member who joins the Supervisory Board is terminated as soon as a successor to the former Supervisory Board Member has been appointed, or at the latest when the remainder of the former Supervisory Board Member's time in office comes to an end. Should the term of office of a replacement Member who joins the Supervisory Board be terminated because a successor to the former Supervisory Board Member has been appointed, the replacement Member still serves as a replacement for the additional Supervisory Board Members he/she has been chosen to represent.

In a meeting held once a year following the AGM, which does not require any special invitation, the Supervisory Board elects a Chairman and one or more Deputies from among its members. If two Deputies are appointed, then the order in which they are to take up the post shall be determined. The term in office runs until the end of the next AGM. If the Chairman or one of the elected Deputies withdraws from his/her post, the Supervisory Board must appoint a replacement for the rest of the term in office, whereby re-election is permitted. Should no candidate win a simple majority vote, then a runoff election is held between the people who have received the most votes. Should the runoff election result in a tie, lots shall be drawn to decide the election. 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. The Chairman and the Deputies can resign their post at any time following a 14-day notice period upon a written declaration to the Supervisory Board; this does not require them to step down from the Supervisory Board at the same time.

Every Deputy Chairman has the same rights and responsibilities as the Chairman when he/she is standing in for him. This also applies to holding a casting vote in elections and passing resolutions. Should the Chairman and his deputies be prevented from realising their obligations, this obligation passes to the oldest Supervisory Board Member (in terms of age) for the duration of the incapacity. Declarations of intent by the Supervisory Board and its committees shall be submitted to the Chairman of the Supervisory Board, or to his Deputy should he be incapacitated.

In line with its legal responsibilities and those arising from the statutes, the Supervisory Board produces rules of procedure. Resolutions of the Supervisory Board on its rules of procedure require a simple majority of the Members appointed by the AGM in addition to the general requirements on resolutions.

The Supervisory Board can form committees made up of its members. Their responsibilities and powers as well as their general rules of procedure are specified by the Supervisory Board. The committees can also take on the authority to make decisions. The committees can be convened long-term or for individual tasks. The Employee Representatives on the Supervisory Board have the right to nominate Members with voting rights to the committees in the ratio specified by Section 110 Paragraph 1 of the Labour Constitutional Act. This does not apply to meetings and votes which relate to relationships between the company and the Executive Board members, except resolutions on the appointment or revocation of an Executive Board Member as well as resolutions granting options in company shares.

The Supervisory Board passes resolutions in its regular meetings. The Supervisory Board shall hold meetings as often as the interests of the company require, at least once per quarter. In 2014 the Supervisory Board held five regular and one extraordinary Supervisory Board meeting. The Chairman determines the form of the meeting, the way in which resolutions may be passed outside of meetings and the method of counting votes. The Executive Board

Members attend all meetings of the Supervisory Board and its committees, as long as the Chairman of the meeting does not determine otherwise.

A Supervisory Board Member can nominate another Member in writing to represent him/her at a meeting. A Member represented in this way shall not be included in the count determining if the meeting is quorate. The right to chair the meeting cannot be deputised. A Supervisory Board Member, who is unable to attend a meeting of the Supervisory Board or its committees, is entitled to submit his/her written vote on individual agenda items via another Member of the respective Board or committee.

The Supervisory Board is quorate when all Members of the Supervisory Board have been properly invited to attend and when at least three Supervisory Board Members, including one Chairman or Deputy, participates in the resolution. A topic of negotiation which is not on the agenda can only be ruled on by the Supervisory Board if all Supervisory Board Members are present or represented and no Member participating in the resolution objects.

Resolutions are passed by simple majority of votes cast. Abstentions are not counted as votes cast. In the case of a tie – also in elections – the Chairman has the casting vote. Every Deputy Chairman acting in the capacity of the Chairman's representative has a casting vote in resolutions and elections; this also applies to committee Chairmen.

The Chairman can also decide that the votes of individual Members not in attendance can be cast in written, oral or comparable form (especially fax, email) for resolutions of the Supervisory Board or its committees. Resolutions can also be passed by votes cast in written form (fax, email), without the Supervisory Board coming together for a meeting in cases where the Chairman (or his Deputy if he is incapacitated) so rules; this is conditional on no Supervisory Board Member explicitly objecting to this procedure in written form (fax, email) within a period of three working days. Representation by another Supervisory Board Member is not permitted when votes are cast in written form. A resolution is considered binding when all Supervisory Board Members have been asked for their vote in written form (fax, email) and at least three Members, including the Chairman or Deputy, have submitted their votes within a period of seven working days.

Resolutions can also be passed by votes cast in the form of a teleconference, internet conference or video conference, without the Supervisory Board coming together in a meeting in cases where the Chairman (or his Deputy if he is incapacitated) so rules; this is conditional on no Supervisory Board Member explicitly objecting to this procedure in written form (fax, email) addressed to the Chairman within a period of three working days. Representation by another Supervisory Board Member is not permitted. A resolution is considered binding when all Supervisory Board Members have been invited to the conference in written form (fax, email) and at least three Members, including the Chairman or Deputy, have submitted their votes at the conference. Under the conditions defined in the statutes, meetings of the Supervisory Board can also be held using electronic communication, without the physical attendance of Supervisory Board Members at a meeting in a single venue. The Chairman can make use of the option to hold a video conference instead of a physical meeting of all members at one location, in particular when the urgency of convening a meeting, the frequency of meetings or the absence of Supervisory Board Members from the location suggest this would be in the interests of the company.

Composition of the Supervisory Board

The following table shows the current members of the Supervisory Board in 2014, 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:

Composition of the Supervisory Board

Name (current members in bold)	Date of birth	Function	Member since	Appointed until
Karl Pistotnik[6]	12.8.1944	Chairman of the Supervisory Board[2]	6.12.2012	AGM 2019[1]
Klaus Ortner	26.6.1944	Deputy Chairman[2]	30.7.1998	AGM 2019[1]
Michael Diederich[6]	28.8.1965	Member	22.5.2014	AGM 2019[1]
Nematollah Farrokhnia[6]	8.8.1946	Member	27.5.2010	AGM 2019[1 3]
Robert Grüneis[6]	22.5.1968	Member	22.5.2014	AGM 2019
Walter Knirsch[6]	8.2.1945	Member	6.12.2012	AGM 2019
Iris Ortner	31.8.1974	Member	27.5.2010	AGM 2019
Bernhard Vanas[6]	10.7.1954	Member	6.12.2012	AGM 2019[1]
Susanne Weiss[6]	15.4.1961	Member	6.12.2012	AGM 2019[1]
Thomas Winischhofer	26.5.1970	Member	29.5.2008	AGM 2019[1]
Martin Krajcsir[7]	11.5.1963	Member	24.6.2004	22.5.2014
Karl Samstag	3.12.1944	Member	16.9.1992	22.5.2014
Peter Grandits	9.12.1959	Member	13.9.2001	n/a
Walter Huber	7.6.1955	Member	1.7.2010	n/a[4]
Walter Jenny	12.12.1954	Member	1.9.2005	n/a[5]
Michael Kaincz	31.1.1960	Member	9.6.2011	n/a
Michael Tomitz	4.1.1961	Member	9.6.2011	n/a

[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 2018.
[2] Since December 6th 2012 Karl Pistotnik has been the Chairman of the Supervisory Board and Klaus Ortner has been the Deputy Chairman.
[3] Nematollah Farrokhnia announced his resignation from the Supervisory Board on December 4th 2014, effective as of the next AGM, which is expected to be held on June 3rd 2015.
[4] Walter Huber was previously a member of the Supervisory Board from September 13th 2001 to May 20th 2009.
[5] Walter Jenny was not a member of the Supervisory Board from November 6th 2012 to December 6th 2012.
[6] Has declared him/herself independent in line with C Rule 53 of the Austrian Code of Corporate Governance.
[7] Has not participated in person in more than half of the meetings of the Supervisory Board in line with C Rule 58 of the Austrian Code of Corporate Governance.

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:

Supervisory Board Mandates of Supervisory Board Members as at December 31st 2014

Name	Company	Function
Karl Pistotnik	SDN Beteiligungs GmbH	Chairman of the Supervisory Board
	Stumpf AG	Supervisory Board member
	Treuhand- und Kontroll-Aktiengesellschaft (Societa Fiduciaria e di Controllo Societa per Azioni, Trust and Control Company Ltd., Societe Fiduciare et de Controle Societe Anonyme)	Deputy Chairman of the Supervisory Board
Klaus Ortner[1]	ELIN GmbH	Chairman of the Supervisory Board
Michael Diederich	AKA Export Finance Bank[3]	Supervisory Board
Robert Grüneis	Philips Austria GmbH	Supervisory Board member
	CISMO Clearing Integrated Services and Market Operations GmbH	Supervisory Board member
	ENERGIECOMFORT Energie- und Gebäudemanagement GmbH	Deputy Chairman of the Supervisory Board
	WIENER NETZE GmbH	Chairman of the Supervisory Board
	WIEN ENERGIE GmbH	Chairman of the Supervisory Board
Walter Knirsch	Finanzmarktaufsicht (FMA)	Supervisory Board member
	HYPO GROUP ALPE ADRIA AG	Chairman of the Supervisory Board
Iris Ortner[2]	TKT Engineering Sp. z o.o. (Poland)	Deputy Chair of the Supervisory Board
	ELIN GmbH	Deputy Chair of the Supervisory Board
	PIAG Immobilien AG[4]	Deputy Chair of the Supervisory Board
	UBM Realitätenentwicklung Aktiengesellschaft[4]	Deputy Chair of the Supervisory Board
Bernhard Vanas[1 2]	PIAG Immobilien AG[4]	Supervisory Board member
Susanne Weiss[1 2]	Wacker Chemie AG[4]	Supervisory Board member
	ROFA AG	Chair of the Supervisory Board
	Schattdecor AG	Supervisory Board member
	PIAG Immobilien AG[4]	Chair of the Supervisory Board
Thomas Winischhofer	TKT Engineering Sp. z o.o. (Poland)	Supervisory Board member

[1] Susanne Weiss, Klaus Ortner and Bernhard Vanas were appointed to the Supervisory Board of UBM Realitätenentwicklung Aktiengesellschaft effective January 15th 2015.
[2] The merger of PIAG Immobilien AG and UBM Realitätenentwicklung Aktiengesellschaft took effect on February 19th 2015. The Supervisory Board mandates of Susanne Weiss, Iris Ortner and Bernhard Vanas expired as of this date.
[3] No longer valid as of 2015.
[4] Listed on the stock exchange.

Criteria for independence

C Rule 53 of the Austrian Code of Corporate Governance specifies that the majority of the members of the Supervisory Board elected by the Annual General Meeting or appointed by shareholders in line with the statutes shall be independent of the company and its Executive Board. A Supervisory Board member shall be considered independent if he/she does not have any business or personal relationship with the company or its Executive Board which constitutes a material conflict of interests and could therefore influence the behaviour of the member. The following criteria serve to define the independence of a Supervisory Board member:

- In the past five years the Supervisory Board member shall not have served on the Executive Board or as a management-level employee of the company or one of its subsidiaries.
- In the past year the Supervisory Board member shall not maintain or have maintained any business relations with the company or one of its subsidiaries to an extent which is significant for the member of the Supervisory Board. This shall also apply to relationships with companies in which a member of the Supervisory Board has considerable economic interest, although this does not apply to exercising functions in bodies of the Group. The approval of individual transactions by the Supervisory Board pursuant to L Rule 48 does not automatically mean the person is classified as not independent.
- In the past three years the Supervisory Board member shall not have been an auditor of the company or been a shareholder or employee of the audit company which audited PORR AG.
- The Supervisory Board member shall not serve on the Executive Board of a different company in which an Executive Board member of the company serves on the Supervisory Board.
- The Supervisory Board member may not remain on the Supervisory Board for more than 15 years. This shall not apply to Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such a shareholder.
- The Supervisory Board member shall not be a close family member (direct offspring, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) of a member of the company's Executive Board, or of a person to whom any of the aforementioned items apply.

In accordance with these criteria, the Supervisory Board members Nematollah Farrokhnia, Michael Diederich, Robert Grüneis, Walter Knirsch, Karl Pistotnik, Bernhard Vanas and Susanne Weiss declared themselves to be independent in the course of a circular resolution by the Supervisory Board as of December 5th 2014, which passed the new rules of procedure, and the Supervisory Board meeting on February 20th 2015. The Supervisory Board members Iris Ortner, Klaus Ortner and Thomas Winischhofer have not submitted a declaration.

Supervisory Board committees

In 2014 the Supervisory Board formed the following committees made up of its members in order to support and deal efficiently with complex issues:

Audit committee

The audit committee was composed of the following Supervisory Board members in 2014:

- Karl Pistotnik (Chair)
- Klaus Ortner
- Michael Diederich (since May 22nd 2014)
- Karl Samstag (until May 22nd 2014)
  (financial expert as defined in Section 92 Paragraph 4a Stock Corporation Act)
- Thomas Winischhofer
- Peter Grandits
- Walter Huber
- Michael Tomitz

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 (also for the consolidated financial statements), 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 profits, 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 7th 2014 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 2013 consolidated financial statements. At the same meeting, the Supervisory Board selected the auditor for the individual and consolidated financial statements as at December 31st 2014 and addressed the internal audit and risk management. A further meeting of the audit committee was held on September 25th 2014; the purpose of this meeting was to monitor the financial reporting process, evaluate the effectiveness of the internal control system, the internal audit system and risk management within the Group.

Capital increase committee

A capital increase committee was established on April 7th 2014 and was composed of the following Supervisory Board members:

- Karl Pistotnik
- Klaus Ortner
- Bernhard Vanas
- Peter Grandits
- Walter Huber

The capital increase committee was established in the course of the capital increase from authorised capital. The capital increase committee should secure a flexible and fast approach by the Supervisory Board in the course of the capital increase from authorised capital. The purpose of the capital increase committee was therefore to rule on approval for the final capital increase volume determined by the Executive Board after the end of the subscription period and to implement the respective amendments to Section 4 of the statutes in the case of a capital increase being realised. The committee also had to decide on all other necessary determinations, pass resolutions and give and receive explanations on everything which was useful or required in relation to the capital increase.

With a resolution dated April 9th 2014, the capital increase committee authorised increasing the company's share capital to EUR 28,133,276.00 at a subscription and offer price of EUR 45.00 per new share and approved the respective amendment to the statutes. With a resolution dated April 29th 2014, the capital increase committee authorised increasing the company's share capital to EUR 29,095,000.00 along with the respective amendment to the statutes. The capital increase committee was disbanded as of May 5th 2014 as a result of the Supervisory Board resolution dated April 7th 2014.

Staff committee

The staff committee was composed of the following Supervisory Board members in 2014:

- Karl Pistotnik (Chair)
- Klaus Ortner
- Susanne Weiss

The staff committee deals with human resource issues related to the Group's Executive Board. The staff committee met on March 21st 2014 and March 31st 2014. The agenda of the meetings was to explore the contractual regulations related to extending Executive Board mandates.

A nomination committee was formed on December 5th 2014 by resolution of the Supervisory Board.

The nomination committee is composed of the following Supervisory Board members:

- Karl Pistotnik (Chair)
- Klaus Ortner
- Susanne Weiss

The nomination committee has the following responsibilities: (i) preparing Executive Board appointments including successor planning: before appointing Executive Board members, the nomination committee shall define the profile for the Executive Board member taking into account the corporate strategy and state of the company and prepare the decision by the full Supervisory Board on the basis of a specific appointment process and taking into account the successor planning; (ii) proposing possible candidates to the Supervisory Board: the nomination committee is involved with planning the allocation of Supervisory Board mandates. The nomination committee shall submit appointment proposals to the entire Supervisory Board, which shall be proposed on the basis of a resolution of the entire Supervisory Board to the General Meeting for their approval. When proposing appointments, attention must be paid to the qualifications and personal skills of the Supervisory Board members, as well as the balanced composition of the Supervisory Board in light of the structure and business area of PORR AG. Furthermore, the aspects of diversity in the Supervisory Board with regard to representation of gender, age and internationality shall be considered appropriately. Attention shall be paid to the fact that no-one shall be put forward as a member of the Supervisory Board who has been convicted of a crime which calls his/her professional reliability into question.

Remuneration committee

A remuneration committee was formed with the resolution of the new rules of procedure for the Supervisory Board as of December 5th 2014, with the following responsibilities: (i) handling matters related to remuneration of the Executive Board members and the content of the employment agreements with Executive Board members, particularly specifying the underlying principles of Executive Board member remuneration and determining the criteria for variable remuneration components in line with Rules 27, 27a and 28 of the Austrian Code of Corporate Governance; (ii) evaluating the remuneration policy for Executive Board members at regular intervals; (iii) approving additional duties of Executive Board members.

The members of the remuneration committee were elected in the Supervisory Board meeting on February 20th 2015. The remuneration committee consists of the following members:

- Karl Pistotnik (Chair)
- Klaus Ortner (Remuneration Expert)
- Susanne Weiss (Remuneration Expert)

Positive action for women

Female managers at various levels of the organisation, division heads, female authorised signatories and two female members of the Supervisory Board have been active in the PORR Group for many years.

Positive action for women at every level of the hierarchy poses a particular challenge for the PORR Group. The fact that very few women choose a technical career has led to a traditionally low ratio of women in the construction industry. It is also 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” and the “Apprenticeship Day” in order to encourage girls and women to take up 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. Another measure is the increased focus on female students at graduate jobs fairs in order to highlight the attractive opportunities in 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 upper management levels in the medium term.

Disclosure 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 450,000.00 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 with 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 a pro-rata share. Furthermore, the Chairman of the Executive Board is entitled to a superbonus if certain quantitative and qualitative criteria are met.

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 are determined 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.

Executive Board remuneration

Name	2014 salary	Variable gratuities	Pension fund
Karl-Heinz Strauss	700,000.00	450,000.00	-
Christian B. Maier	400,008.00	400,000.00	25,000.00
Johannes Wenkenbach	450,008.00[1]	400,000.00	25,000.00

[1] Incl. housing supplement

Disclosure on Supervisory Board remuneration

In addition to reimbursement of expenses and an attendance fee for every meeting, all Supervisory Board Members receive an annual payment for their services. The amount of the attendance fee and the annual payment are determined by a resolution by the Annual General Meeting (AGM). The AGM can also rule on a total amount of remuneration for the Supervisory Board and leave the Chairman of the Supervisory Board to decide how it is distributed. If the Supervisory Board mandate begins or ends during a business year, the respective Supervisory Board Member is paid pro-rata compensation for the duration of his/her time on the Supervisory Board.

If Members of the Supervisory Board take on special activities in this function and in the interests of the company, extra compensation for this can be approved by AGM resolution.

In the interests of the company, Supervisory Board Members are covered by an appropriate level of D&O liability insurance, the costs of which are borne by the company.

The resolution of the AGM on July 11th 2013 determined the following remuneration for Members of the Supervisory Board: the resolution states that the Chairman of the Supervisory Board shall receive fixed remuneration of EUR 25,000 per year, the Deputy Chairman of the Supervisory Board shall receive fixed remuneration of EUR 20,000 per year and the other Members shall receive fixed remuneration of EUR 15,000 per year. The attendance fee for meetings was set at EUR 1,000 per meeting of the Supervisory Board or one of its committees. Members of the Supervisory Board who do not reside in Austria receive an additional reimbursement of tax at source settled by the company. The fixed remuneration is due in arrears once a year, within four weeks of the AGM. The attendance fee for meetings is due within the four weeks following the respective Supervisory Board meeting.

Furthermore, the Supervisory Board Members appointed by the AGM have no claim whatsoever to pension or redundancy payments or any similar compensation upon conclusion of their mandates.

Remuneration of Supervisory Board Members in 2014

Name	Fixed remuneration[1]	Attendance fee for meetings[2]
Michael Diederich (from 22.5.2014)	9,205.48	3,000.00
Nematollah Farrokhnia	15,000.00	6,000.00
Robert Grüneis (from 22.5.2014)	9,205.48	4,000.00
Walter Knirsch	15,000.00	5,000.00
Martin Krajcsir (from 22.5.2014)	5,794.52	–
Iris Ortner	15,000.00	6,000.00
Klaus Ortner	20,000.00	10,000.00
Karl Pistotnik	25,000.00	10,000.00
Karl Samstag (from 22.5.2014)	5,794.52	1,000.00
Bernhard Vanas	15,000.00	8,000.00
Susanne Weiss	15,000.00	8,000.00
Thomas Winischhofer	15,000.00	6,000.00

[1] Pay out four weeks after the 2015 AGM
[2] The attendance fee for meetings is EUR 1,000 per session

In 2014 the following fixed remuneration was paid out for the second half of 2013: Nematollah Farrokhnia: EUR 7,500.00; Walter Knirsch EUR 7,500.00; Iris Ortner: EUR 7,500.00; Klaus Ortner: EUR 10,000.00; Karl Pistonik: EUR 12,500.00; Bernhard Vanas: EUR 7,500.00; Susanne Weiss: EUR 7,500.00; Thomas Winischhofer: EUR 7,500.00.

Supervisory Board Report

The Supervisory Board considers PORR to have taken further important steps towards securing its future in the business year 2014. The intelligent growth strategy determined by the Executive Board, i.e. focusing on the economically stable home markets and the core competencies in building construction and civil engineering, as well as expanding through international infrastructure projects with secure financing, has made a considerable contribution to PORR achieving renewed growth in the past business year, both in terms of output and earnings. Added to this is the complete elimination of net debt at year end, which has been particularly welcomed by the Supervisory Board.

In addition to the successful capital increase, other key factors in the past business year have been the takeover of UBM, the spin-off of PORR's real estate business into PIAG and the preparation for the merger of UBM and PIAG concluded at the start of 2015. The Supervisory Board has been kept constantly informed of the complex processes of the transactions and thanks the Executive Board Members, J. Johannes Wenkenbach (COO) and Christian B. Maier (CFO), under the leadership of CEO Karl-Heinz Strauss, for their successful and productive cooperation. The Supervisory Board also confirms that the ongoing high order backlog, the exceptional work of the staff in recent years and the proven management by the Executive Board leads to the expectation of positive growth in the 2015 business year.

The Supervisory Board has actively encouraged and supported the company's development in keeping with the responsibilities assigned to it. In line with Section 81 of the Stock Corporation Act, the Executive Board has kept the Supervisory Board 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, and the latter has discussed strategy, business development and risk management with the Supervisory Board. In a total of six meetings, the Supervisory Board passed the relevant resolutions that were required.

The necessary approval for the transactions for which consent is required under Section 95 Paragraph 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 91.7%.

Supervisory Board committees

In 2014 the Supervisory Board formed the following committees made up of its members in order to support and deal efficiently with complex issues:

Audit committee

The audit committee was composed of the following Supervisory Board members in 2014: Karl Pistotnik (Chair), Klaus Ortner, Michael Diederich (since May 22nd 2014), Karl Samstag (until May 22nd 2014, financial expert as defined in Section 92 Paragraph 4a Stock Corporation Act), Bernhard Vanas (financial expert as defined in Section 92 Paragraph 4a Stock Corporation Act since May 22nd 2014), Thomas Winischhofer, Peter Grandits, Walter Huber and Michael Tomitz. On April 7th 2014 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 2013 consolidated financial statements. At the same meeting, the Supervisory Board selected the auditor for the individual and consolidated financial statements as at December 31st 2014 and addressed the internal audit and risk management. A further meeting of the audit committee was held on September 25th 2014; the purpose of this meeting was to monitor the financial reporting process, evaluate the effectiveness of the internal control system, the internal audit system and risk management within the Group.

Capital increase committee

A capital increase committee was established on April 7th 2014 and was composed of the following Supervisory Board members: Karl Pistotnik, Klaus Ortner, Bernhard Vanas, Peter Grandits and Walter Huber. The capital increase committee was established in the course of the capital increase from authorised capital. The capital increase committee should secure a flexible and fast approach by the Supervisory Board in the course of the capital increase from authorised capital. The purpose of the capital increase committee was therefore to rule on approval for the final capital increase volume determined by the Executive Board after the end of the subscription period and to implement the respective amendments to Section 4 of the statutes in the case of a capital increase being realised. The committee also had to decide on all other necessary determinations, pass resolutions and give and receive explanations on everything which was useful or required in relation to the capital increase. With a resolution dated April 9th 2014, the capital increase committee authorised increasing the company's share capital to EUR 28,133,276.00 at a subscription and offer price of EUR 45.00 per new share and approved the respective amendment to the statutes. With a resolution dated April 29th 2014, the capital increase committee authorised increasing the company's share capital to EUR 29,095,000.00, along with the respective amendment to the statutes. The capital increase committee was disbanded as of May 5th 2014 as a result of the Supervisory Board resolution dated April 7th 2014.

Staff committee

The staff committee was composed of the following Supervisory Board members in 2014: Karl Pistotnik (Chair), Klaus Ortner and Susanne Weiss. The staff committee dealt with human resource issues related to the Group's Executive Board. The staff committee met on March 21st 2014 and March 31st 2014. The agenda of the meetings was to explore the contractual regulations related to extending Executive Board mandates.

A nomination committee was formed on December 5th 2014 by resolution of the Supervisory Board. The nomination committee is composed of the following Supervisory Board members: Karl Pistotnik (Chair), Klaus Ortner and Susanne Weiss. The nomination committee has the following responsibilities: (i) preparing Executive Board appointments including successor planning: before appointing Executive Board members, the nomination committee shall define the profile for the Executive Board member taking into account the corporate strategy and state of the company and prepare the decision by the full Supervisory Board on the basis of a specific appointment process and taking into account the successor planning; (ii) proposing possible candidates to the Supervisory Board: the nomination committee is involved with planning the allocation of Supervisory Board mandates. The nomination committee shall submit appointment proposals to the entire Supervisory Board, which shall be proposed on the basis of a resolution of the entire Supervisory Board to the General Meeting for their approval.

Remuneration committee

A remuneration committee was formed with the resolution of the new rules of procedure for the Supervisory Board as of December 5th 2014, with the following responsibilities: (i) handling matters related to remuneration of the Executive Board members and the content of the employment agreements with Executive Board members, particularly specifying the underlying principles of Executive Board member remuneration and determining the criteria for variable remuneration components in line with Rules 27, 27a and 28 of the Austrian Code of Corporate Governance; (ii) evaluating the remuneration policy for Executive Board members at regular intervals; (iii) approving additional duties of Executive Board members. The members of the remuneration committee were elected in the Supervisory Board meeting on February 20th 2015. The remuneration committee consists of the following members: Karl Pistotnik (Chair), Klaus Ortner (remuneration expert) and Susanne Weiss (remuneration expert).

The annual financial statements of PORR AG as per December 31st 2014, 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 2014 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 net profit were dealt with in detail with the auditors on April 22nd 2015 in the audit committee and submitted to the Supervisory Board. The Executive Board proposes to pay out a dividend of EUR 1.50 per share entitled to dividends from the net retained profits of EUR 21,842,327.31, with the rest of the balance carried forward to new account. The audit committee and the Supervisory Board have approved the annual financial statements as of December 31st 2014 and the Group management report, the Corporate Governance Report and the proposal of the Executive Board regarding the appropriation of net profits following intensive discussion and auditing. The annual financial statements as of December 31st 2014 have thus been adopted. The audit committee and the Supervisory Board also approved the consolidated accounts for 2014 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.

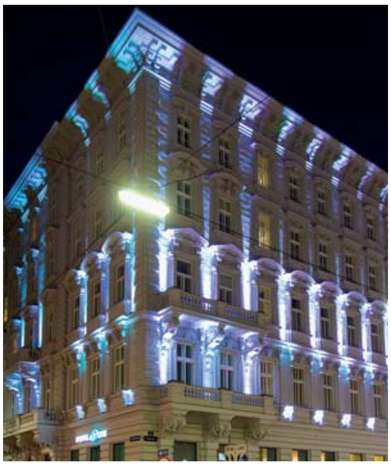
The Supervisory Board thanks customers and shareholders for the confidence they have placed in PORR and their commitment to the company, as well as the Executive Board and staff for the dedication they have demonstrated over the past year and the constructive collaboration it has enjoyed with them.

April 2015, Vienna

Karl Pistotnik m.p.
Chairman of the Supervisory Board

PORR in Pictures

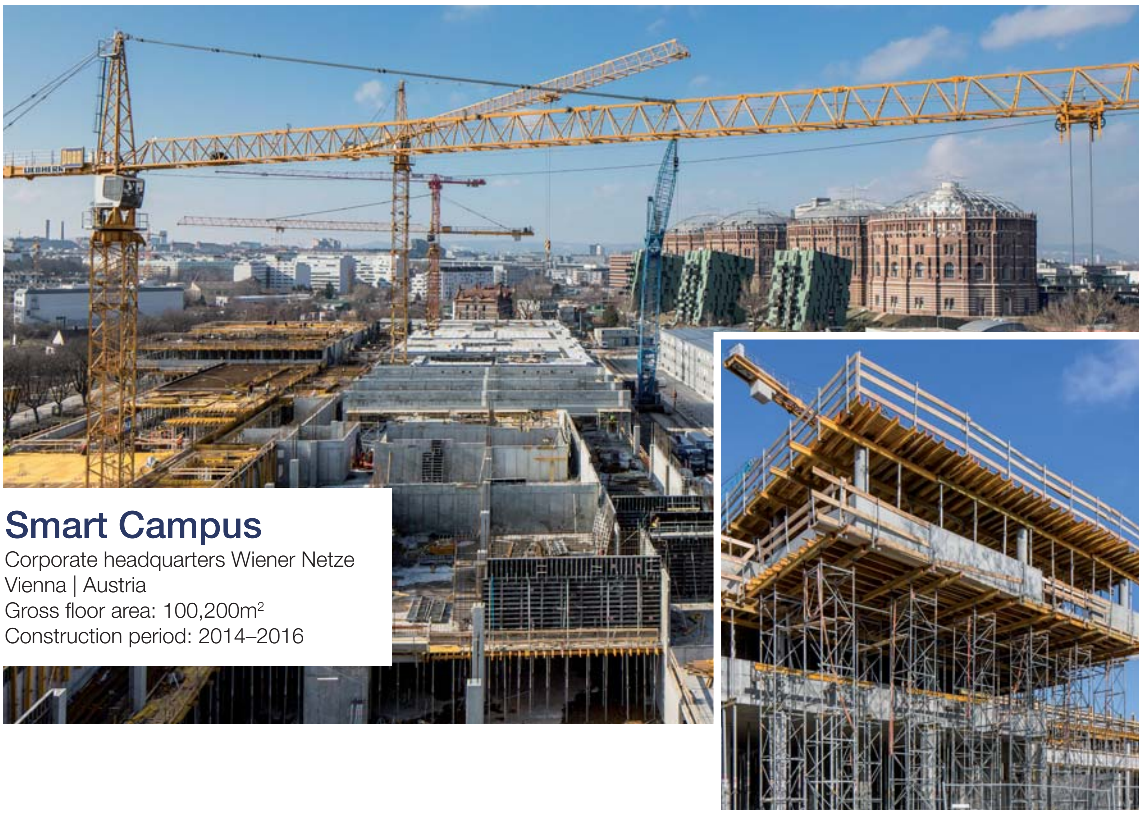
Sapphire residence
Residential and business building
Berlin | Germany
Gross floor area: 8,008m^2
Construction period: 2014–2016



Motel One
Hotel
Vienna | Austria
Gross floor area: 17,300m^2
Construction period: 2013–2014

Seestadt Aspern

Residential and business building
Vienna | Austria
Eight lots, usable space: 88,500m^2
Construction period: 2013–2015



Smart Campus

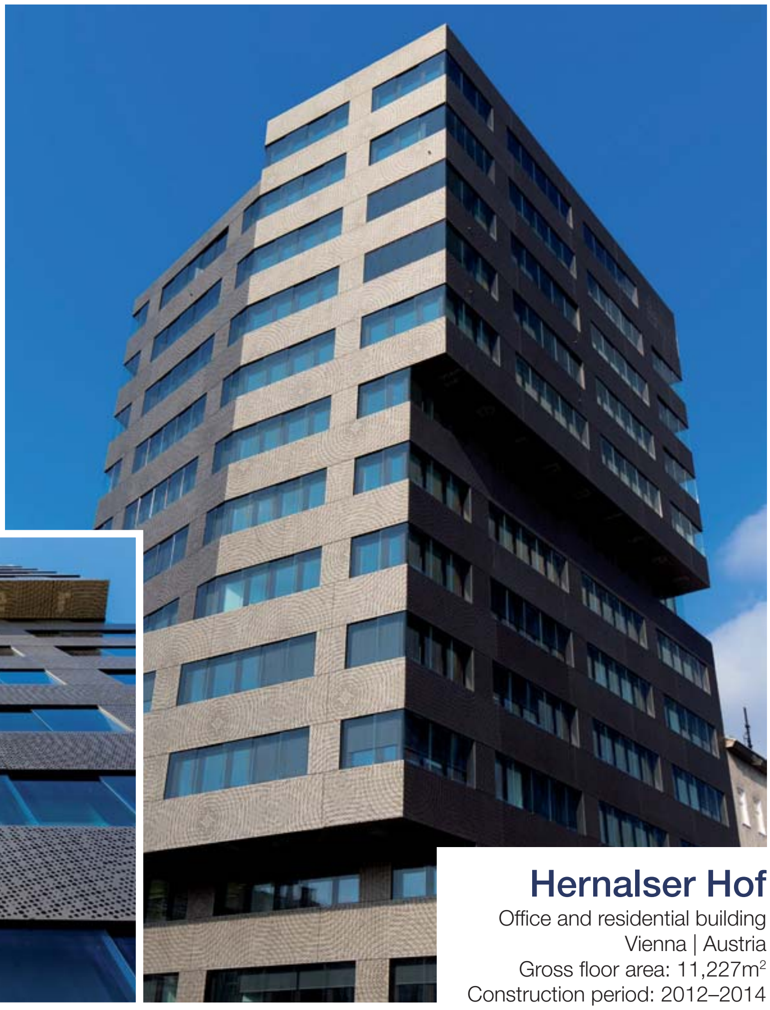
Corporate headquarters Wiener Netze
Vienna | Austria
Gross floor area: 100,200m^2
Construction period: 2014–2016

Styria Media Center Graz

Office building
Graz | Austria
Gross floor area: 35,800m^2
Construction period: 2013–2014

BAN building of the Santander Bank

Offices and corporate building
Mönchengladbach | Germany
Gross floor area: 24,486m^2
Construction period: 2014–2015



Hernalser Hof

Office and residential building
Vienna | Austria
Gross floor area: 11,227m²
Construction period: 2012–2014

Inselstraße 9–10

Residential complex
Berlin | Germany
Gross floor area: 15,445m²
Construction period: 2011–2013

Arena Boulevard

Office complex
Berlin | Germany
Gross floor area: 9,800m²
Construction period: 2014–2015

Hotel + Office Campus Berlin

Offices and commercial building
Berlin | Germany
Gross floor area: 34,010m²
Construction period: 2012–2014

Tencel works

Industrial construction
Lenzing | Austria
Gross floor area: 19,200m²
Construction period: 2012–2014

Promenaden-Galerien

Residential and office complex, shopping mall, hotel
Linz | Austria
Gross floor area: 54,000m²
Construction period: 2014–2016

Haus Liebhartstal

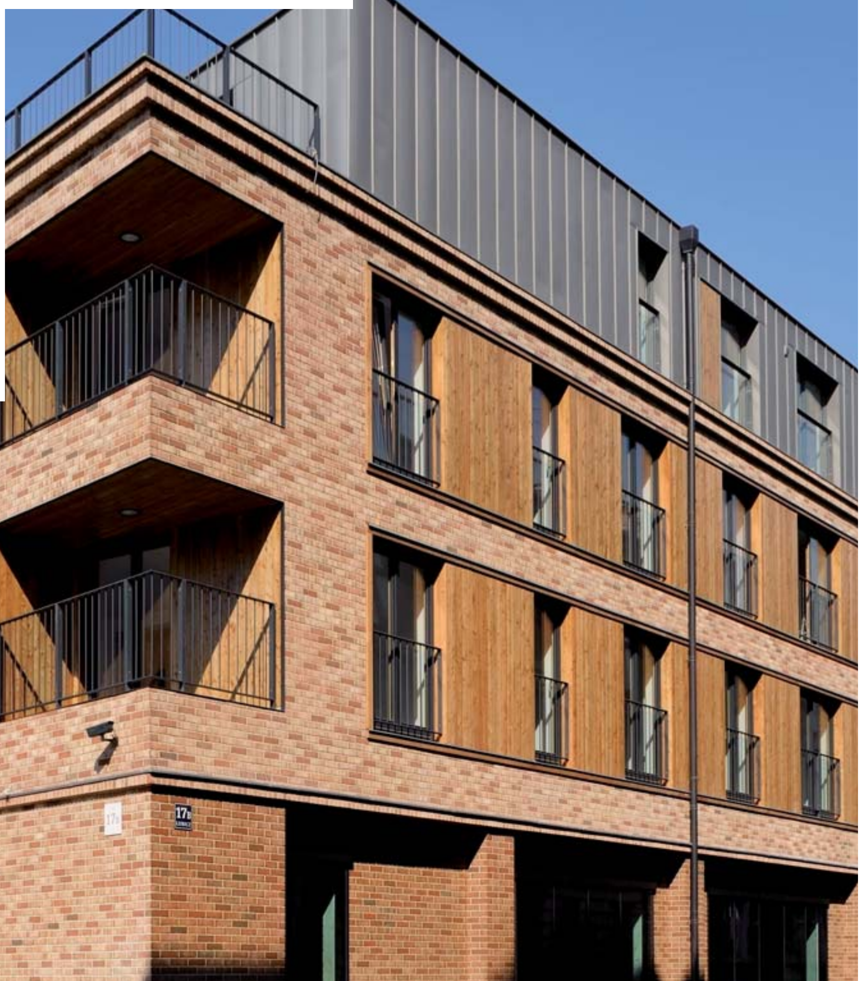
Residential and care home
Vienna | Austria
Gross floor area: 28,341m²
Construction period: 2011–2014

Health Service Center of the Vienna Private Clinic

Vienna | Austria
Gross floor area: 8,677m²
Construction period: 2012–2014

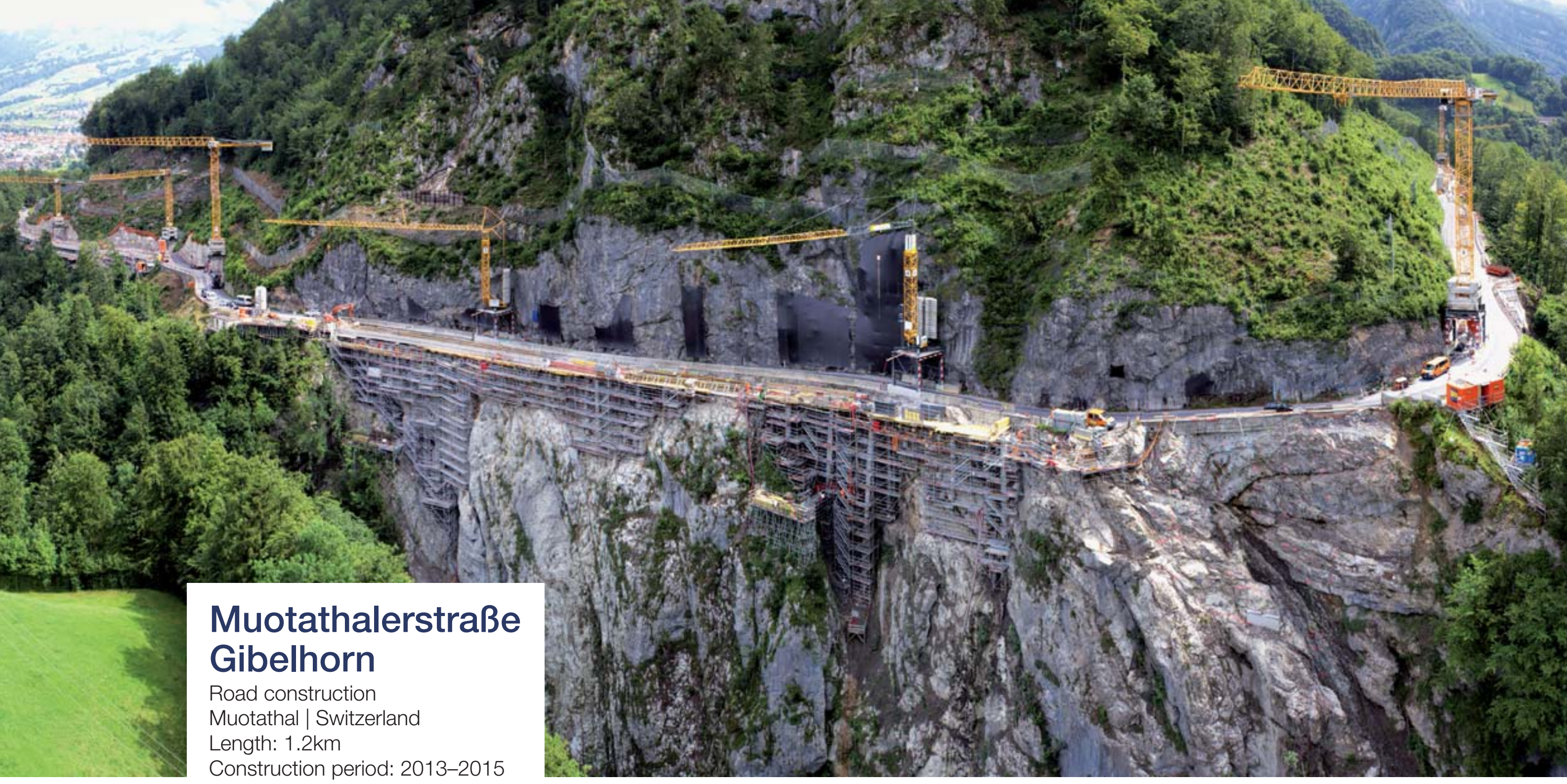
Browar Lubic

Office and residential complex
Krakow | Poland
Gross floor area: 31,115m²
Construction period: 2011–2013



Prague Marina
Five residential buildings
Prague | Czech Republic
Gross floor area: 23,844m²
Construction period: 2014–2017

Metroffice – Iride City
Office building
Bucharest | Romania
Gross floor area: 34,000m²
Construction period: 2014–2016



Muotathalerstraße Gibelhorn

Road construction
Muotathal | Switzerland
Length: 1.2km
Construction period: 2013–2015

Prater traffic hub

Infrastructure, road construction
Vienna | Austria
Bridge surface: 13,000m^2
Construction period: 2014–2016

Koralm tunnel KAT 3

Railway construction/tunnelling
Carinthia/Styria | Austria
Tunnelling: 23km
Construction period: 2013–2020

S6 Bruck tunnels

Tunnelling and roadworks
Styria | Austria
Tunnel length: 3.6km | Expressways: 5.5km
Construction period: 2014–2016

Simmering reservoir

Canalisation system, flood protection
Vienna | Austria
Capacity of reservoirs and
sewers: 34 million litres
Construction period: 2014–2016

Emscher canal, lot 40

Europe's largest wastewater project
Bottrop | Germany
Tunnel tubes: 20km, shafts: 14
Construction period: 2013–2018

ÖBB Ybbs–Amstetten lot 3

Railway and bridge construction, tunnelling
Four-track extension, 16 bridges, one tunnel, substructure for tracks
Lower Austria | Austria
Length: 13.3km
Construction period: 2009–2015

ÖBB Attnang-Pucheim Station

Station building with integrated passenger tunnel and three platforms
Attnang-Puchheim | Austria
Construction period: 2012–2014

ÖBB Hinterstoder bridges

Two bridges and an underpass
Hinterstoder | Austria
Lot length: 1.5km
Construction period: 2013–2015

S2 Expressway

Warsaw | Poland
Length S2: 3.9km, S79: 5.7km
Construction period: 2009–2013

Stuttgart 21/ Filder tunnel

Railway construction and tunnelling
Baden-Württemberg | Germany
Two tunnel tubes: 9.5km each
Construction period: 2011–2019

VDE 8.2 Erfurt–Halle/ Leipzig

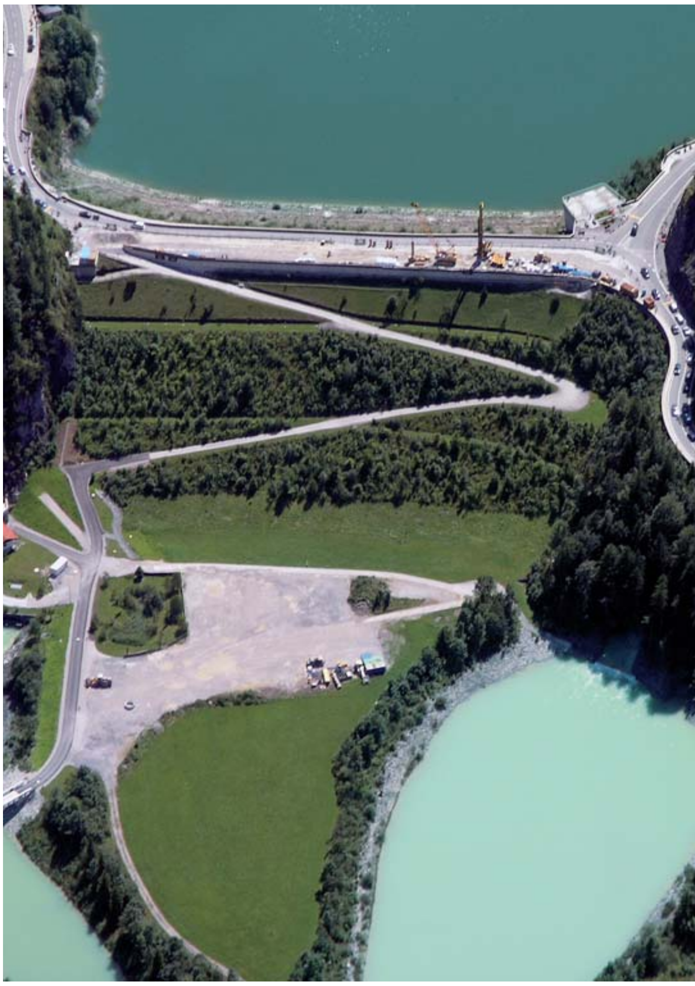
High-speed line
Saxony-Anhalt/Thuringia | Germany
Length: 180km slab track system
Construction period: 2011–2015

Albaufstieg

Steinbühl tunnel
Railway construction, high-speed route
Baden-Württemberg | Germany
Two tunnel tubes: 4.8km each
Construction period: 2012–2018

Carl-Ulrich bridge

Offenbach/Frankfurt am Main | Germany
Length: 234m
Construction period: 2012–2014

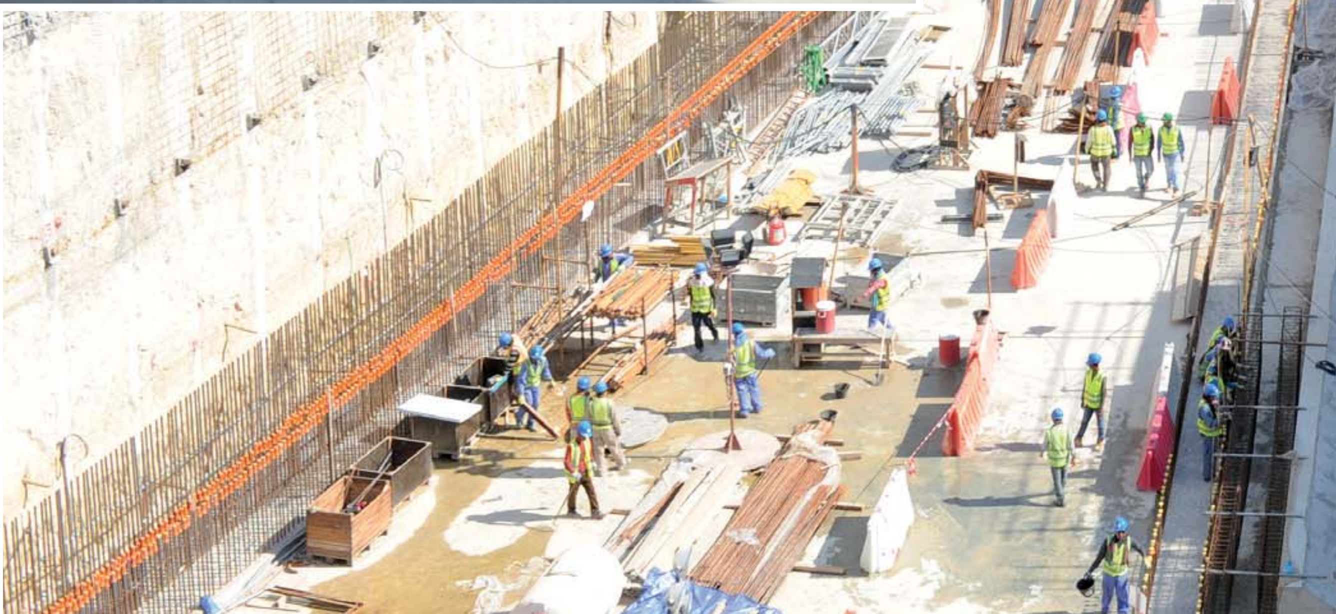


Sylvenstein reservoir

Modernisation, reinforcing dam
Lenggries | Germany
54 drainage piles with depths up to 42.5m
Construction period: 2014

Doha metro – Green Line

Underground rail construction
Doha | Qatar
Length of twin tunnel: 16.6km
Six underground railway stations
Construction period: 2013–2018

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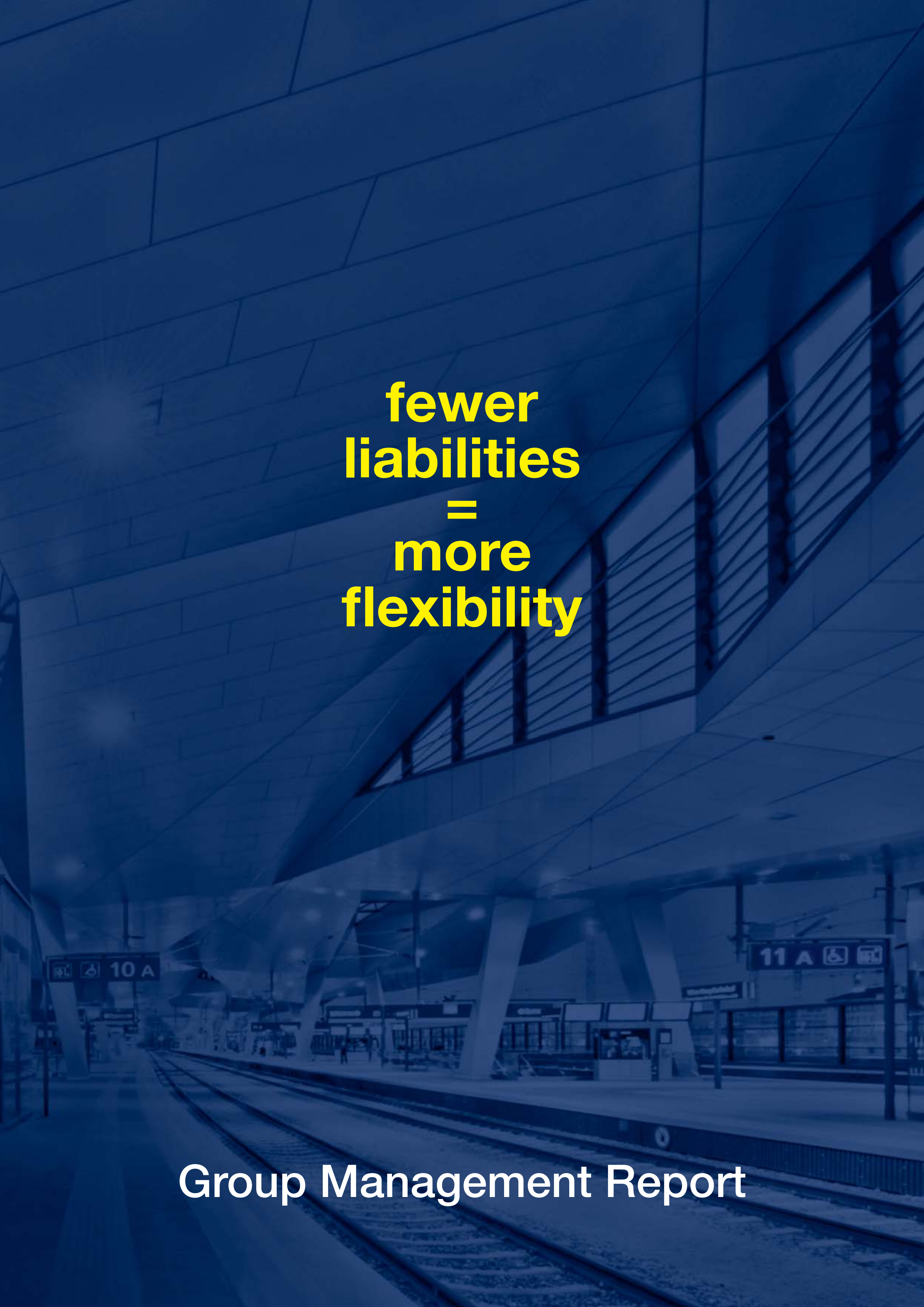


fewer
liabilities
=
more
flexibility

Group Management Report

Economic Environment

Muted recovery for global economy

The upward trend in the global economy which was clearly felt at the start of 2014 slowed over the course of the year and was significantly impacted by the increased political tensions in Europe and the Middle East. The conflicts related to the Ukraine and the terror group Islamic State (IS) led global growth forecasts for 2014 to fall to 2.7%, far below the average of many years.[1] The US economy in particular continued to recover as a result of robust domestic demand – it grew by an impressive 2.3% in 2014 – while China's economy underwent the slowest growth in 25 years of 7.4%.[2]

Economic weakness in Europe

The eurozone economy was weaker than expected in 2014 and the outlook for 2015 is subdued. Following on from negative growth of 0.4% in the previous year, moderate growth of 0.9% was achieved in 2014.[3] While the reforms implemented in Spain, Portugal and Ireland have already yielded higher GDP growth – albeit from a low absolute level – countries which are less eager to adopt reforms such as Italy and France are still stagnating. This development and the fact that eurozone growth is not fulfilling its potential have heightened deflationary pressures. As further falls are expected in commodities prices, which will exacerbate this trend, weak GDP growth of 1.2% has been forecast for 2015. The European Central Bank is also likely to stick to its expansionary policy. The greatest risk factors for the eurozone's economy and financial markets remain the tense geopolitical situation, policymakers and their reluctance to adopt reforms, followed by the failures on property and credit markets in some countries which have not yet been fully rectified.[4]

Stable growth on PORR's home markets

The core European countries Germany and Austria were also affected by an economic decline, primarily as a result of the conflict in the Ukraine. Nevertheless, Germany's year-on-year economic growth was 1.3% in the reporting period. Switzerland also achieved GDP growth of 1.7% in 2014, as it finds itself in a stable growth phase and is therefore performing far better than the eurozone. That said, the outlook for Switzerland has significantly worsened at the start of 2015 when it unpegged the franc from the euro.[5]

Developments varied in Eastern Europe in 2014, although many countries enjoyed greater stability than in 2013. Average GDP growth stood at 3.0%.[6] In addition to exports, domestic demand underwent a significant recovery here for the first time. Poland and Hungary stood out in particular. Polish GDP grew by 3.1% and a rise of 3.3% is expected for 2015. Hungary also achieved growth of 3.3% in the reporting period. The Czech Republic reversed the previous years' trend of stagnation and recession and generated a GDP increase of 2.7%, a level which should be matched in 2015.[7]

While the impact of the Ukraine conflict has been felt in Central Europe, albeit not so dramatically, the conflict has had a far harsher effect on South Eastern Europe. This led to growth of 0.9%, which was only slightly better than the eurozone despite

[1] Source: http://www.iv-net.at/b3464
[2] Source: http://www.zeit.de/politik/ausland/2015-03/china-senkt-wachstumsziel
[3] Source: Eurostat, http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=de&pcode=tec00115&plugin=1
[4] Source: Semper Constantia Privatbank, Markteinschätzung Q1/2015
[5] Source: Euroconstruct, Country report 2014
[6] Source: Raiffeisen Bank International, Raiffeisen Schauplatz Osteuropa
[7] Source: Euroconstruct, Country report 2014

Economic growth indicators 2014

in %	Growth rate	Inflation rate (HVPI basis)[1]	Unemployment rate
European Union	+1.4[1]	0.6	10.2[1]
Eurozone	+0.9[1]	0.4	11.6[1]
Austria	+0.8[2]	1.5	5.0[3]
Germany	+1.3[2]	0.8	5.0[1]
Switzerland	+1.7[2]	0.0	3.6[3]
Poland	+3.1[2]	0.1	9.0[1]
Czech Republic	+2.6[2]	0.4	6.1[1]

the huge need for the economies to catch up and certain favourable operating conditions.

Moderate growth in Austria

The Austrian economy stagnated in the second half of 2014. However, the more favourable economic backdrop in spring and the growth overhang from 2013 led GDP to increase by 0.8%.[4] The key factors here were relatively weak consumption and the reluctance of companies to invest, as well as a decrease in exports. In the reporting period there were also hardly any growth stimuli from the non-German-speaking European markets. The subsequent weak demand for goods and services from abroad had a significant impact on Austria, which is highly dependent on exports – around half of Austrian exports still go to the eurozone.

A gradual, low-level recovery is expected for the Austrian economy in 2015. Domestic demand – first and foremost consumer spending – should remain the key growth driver, while foreign trade is likely to continue to hamper GDP growth. This scenario suggests a 0.7% GDP rise in 2015.[5]

[1] Source: Eurostat
[2] Source: Euroconstruct
[3] Source: WKO (Austrian Federal Economic Chamber)
[4] Source: Euroconstruct, Country report 2014
[5] Source: Wirtschaftsforschungsinstitut (WIFO, Austrian Institute of Economic Research), Market Report of February 2015

Developments in the Construction Industry

Moderate growth on the construction market

European construction output overcame its crisis in 2014 and emerged from the recession in which it had been mired since 2009. However, the growth forecasts up to 2017 are not enough to drive significant improvements – growth of around 2.0% p.a. for the next three years means that construction output in Europe is far below the levels of the pre-crisis years.

Average construction output on the Euroconstruct markets rose by 1.0% last year, following on from negative growth of -2.7% in 2013. However, the growth was distributed extremely unevenly. While Finland, France, Italy, Portugal, Spain and Slovakia continued to battle declines in construction output, Hungary and Ireland achieved the highest growth in percentage terms – albeit starting out from an extremely low level.

The DACH region continues to be the most stable growth region with the highest output in absolute terms and growth is also expected to be driven by Poland, the Czech Republic and the Netherlands. There were also positive developments in Great Britain and parts of Scandinavia, even though the slump in oil prices could have a long-term negative impact on Norway.

Consistently positive performance on PORR markets

In 2014 PORR's five home markets managed to consolidate their stable growth from the previous years. Central Europe is increasingly establishing itself as the stable centre of the European construction industry, although this is also leading to a significant increase in competition. The three German-speaking countries managed to expand construction output from its already high levels: Austria grew by 1.7%, Germany by 2.4% and Switzerland by 0.8%. All three countries are expected to grow in the coming years, even though this may be at a somewhat slower pace.

A significant increase in growth has been forecast for Poland and the Czech Republic in the coming years. On the one hand this is due to the existing need to catch up; on the other hand both countries should gain above-average benefits from the new EU Financial Framework 2014–2020. The Czech Republic should grow by 3.3% p.a. on average by 2017, with Poland expected to grow by as much as 6.7%.

Ongoing stability on the Austrian construction market

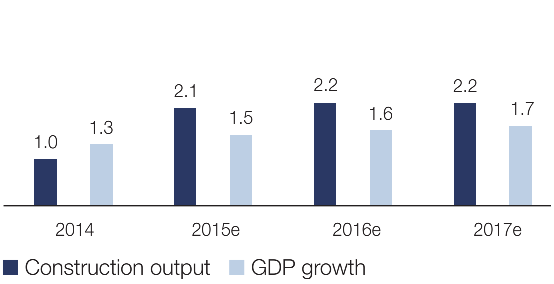
The Austrian market will continue to experience stable growth in the coming years, at a pace of around 1.7% p.a. by 2017. Sharper growth is not expected owing to the Austrian economy's dependency on exports and the fact that private investment has declined slightly after booming in the previous years. In civil engineering there are only moderate drivers through investment in roads and rail, although the situation overall is far better than in many neighbouring countries.

Sector growth reflects economic environment

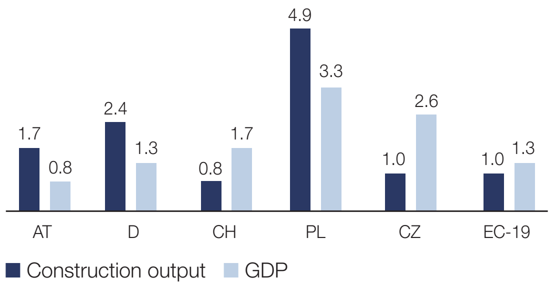
Since 2013 the division of the construction market by sector has started to shift and the three sectors of residential construction, building construction and civil engineering reflect the changing economic conditions. Restrictive state spending put civil engineering under pressure in 2013 and its share of the entire market decreased. In contrast, building construction grew, driven in particular by private investors.

The development of the construction sectors changed again in the reporting year 2014. High unemployment (which as usual had a delayed effect on the construction industry due to the later economic cycle) fully impacted on residential construction, which underwent a sharp decline. At the same time, civil engineering benefited in certain countries which abandoned their strict cost-cutting policies in favour of a counter-cyclical investment policy. Following on from the minimal positive impact seen by the savings policies of its predecessors, the new government in the Czech Republic initiated a new infrastructure programme, supported by the new

GDP growth and construction output in Euroconstruct countries
in %



GDP growth and construction output in 2014
in %



Source: Euroconstruct
Definition: Euroconstruct Countries (EC-19): DE, AT, CH, CZ, HU, PL, SK, BE, NL, DK, FI, FR, IT, IE, NO, PT, ES, SE, UK

EU Financial Framework 2014–2020. Nevertheless, civil engineering in Europe as a whole is at an all-time low, despite the pressing need to overhaul road and rail networks. However, this investment freeze not only applies to South Eastern and Eastern European countries, but also places such as Germany, where hundreds of road bridges are in urgent need of upgrades.

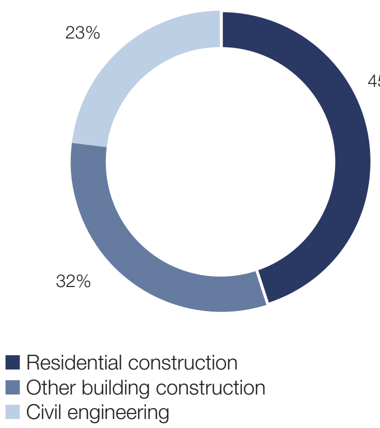
“New Reality” on the construction market

The European construction industry must brace itself for a “new reality”, although the latest forecasts for the next years predict only moderate growth. While this was previously referred to as merely a passing phenomenon, many Central European companies are now accepting that the times when growth exceeded 3.0% are gone for good. This is also, however, changing the structure of the competitive backdrop.

While particularly aggressive companies who based their economic success solely on expansion have already disappeared, listed companies are increasingly concentrating on higher-margin sectors separate from the classic construction business. Experts therefore expect a further market shakeout in 2015, which will not be driven by bankruptcies so much as the strategic decision to exit the construction sector.

A further development has also emerged in this regard: companies need to have a certain basic size in order to secure success. At present, increases in earnings are almost exclusively achieved through revenue growth, in addition to the fact that large companies with construction output over EUR 1.5bn are preferred for financing, even though interest rates are at an all-time low. The Euroconstruct experts have therefore forecast further market shakeouts in the coming years.

Structure of the European construction market 2014
in %



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 consortiums 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 consortiums 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, equity method, proportionate or those of minor significance) – are included proportionately in the calculation of production output.

Growth continues in 2014

PORR managed to increase production output yet again in 2014. It amounted to EUR 3,475m at year end, a rise of 9.9% or EUR 313m. PORR's growth was therefore significantly higher than the European or Austrian construction market (average 1.0%) and this marked a new all-time high following the record output in 2013. In addition to the intelligent growth strategy and the clear strategic decision to focus on the home markets, this increase was also triggered by the well-balanced mix of permanent business and large-scale projects. The concentration on the five home markets of Austria, Germany, Switzerland, Poland and the Czech Republic paid off once again and output increased on all five markets, albeit at different rates. Large-scale projects acquired in 2013 such as the Green Line of Doha metro had their first full impact on output figures in 2014. Despite the intense pressure to consolidate public budgets last year, states have once again started investing in infrastructure – particularly on the home markets. PORR's decision to expand the private building construction business through a clear customer focus and a follow-your-customer strategy has shown increasing success among private investors. Honesty, reliability, adherence to deadlines and costs, as well as the performance-driven and collaborative realisation of construction projects have allowed PORR to enhance its reputation significantly in recent quarters in the private building construction sector.

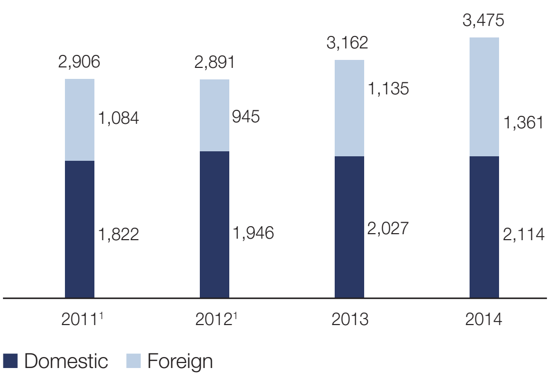
Secure market leadership in Austria

The high diversification with regard to its sectors enabled PORR to increase production output across every business unit in the past business year. The Austrian market enjoyed particularly pleasing growth once again, where PORR impressively consolidated its market leadership.

Production output growth by segment

In 2014 Business Unit 1 – DACH generated production output of EUR 2,013m, an increase of 4.3% or EUR 83m against the extremely high level of the previous year. BU 1 including TEERAG-ASDAG AG thereby surpassed the EUR 2bn output mark for the first time. The highest absolute growth came from Switzerland and the Austrian provinces of Styria, Tyrol and Burgenland. Declines were recorded, however, in Upper Austria, as a result of the conclusion of the major projects S10–bypass Freistadt and Götschka tunnel, as well as in Carinthia. Lower Austria and the Greater Vienna area, which is particularly important for PORR, remained at a high level. Growth in German building construction was robust, even though it was lower than in civil engineering, which is part of BU 4.

Production output
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

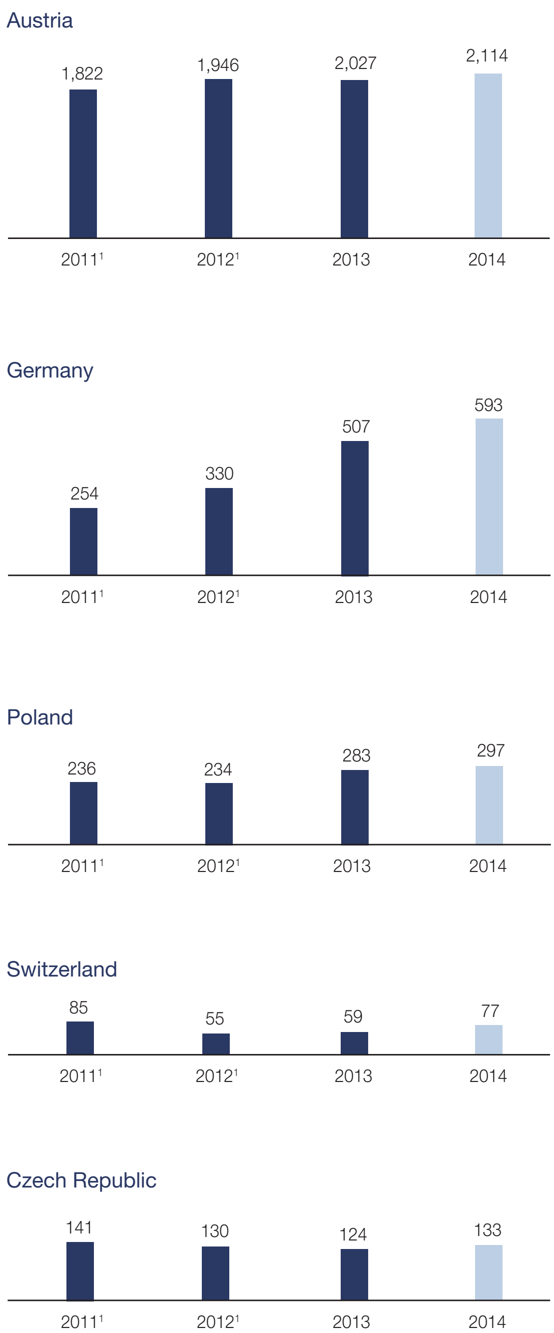
The production output of Business Unit 2 – CEE/SEE, responsible for PORR's activities on the home markets of Poland and the Czech Republic as well as South Eastern and Eastern European markets, amounted to EUR 425m in the past business year and was therefore up by 5.5% or EUR 22m against the comparable period. The sharpest growth came from Poland and the Czech Republic, as well as from Romania in particular, where PORR has intensified its activities with numerous acquisitions in the last year. Romania is being intensively cultivated at present, albeit with a clear focus on secure project financing. In contrast, Serbia reported a decline due to the planned reduction of activities in the country in light of the local economic backdrop.

Business Unit 4 – Infrastructure once again achieved the highest growth in percentage terms of any operating segment. The large-scale projects acquired in 2013 had a full impact in 2014 and made a significant contribution to output. Production output totalled EUR 889m, an increase of 29.8% or EUR 205m. This sharp growth is triggered by the fact that this segment is driven by large-scale projects, although the order pipeline promises extremely solid capacity utilisation for the coming years. The most important output drivers in 2014 were tunnelling and the large-scale project for the Green Line of Doha metro. The highest rises in absolute terms were recorded in German civil engineering.

Production output increased to EUR 105m in Business Unit 5 – Environmental Engineering, an increase of 6.8% or EUR 6m. The synergy effects of integrating the Prajo Group not only benefited BU 5, but also led to a significant increase in internal value creation across the Group.

The output of the remaining segment, Other, primarily consists of services by the holding group and is allocated to the other segments respectively. The segment consists of the Shared Service Center and Group administrative departments as well as interests in non-operating companies.

Production output on the home markets
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Order Balance

Order backlog declines but is still highly satisfactory

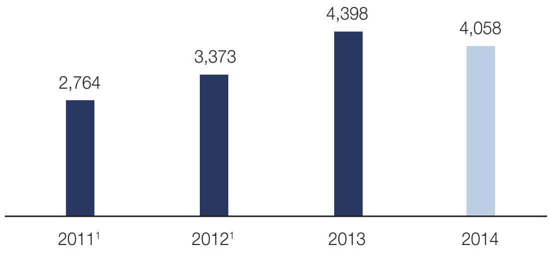
PORR continues to have a secure order backlog which significantly exceeds annual production output. Overall, the order backlog and order bookings declined against the previous year. On the one hand this resulted from one-off effects in earlier years, on the other from increased productivity and thereby faster tender processing by every unit. In addition, the highly divergent development of the markets had an impact on the order backlog.

Order backlog remains above EUR 4bn

At December 31st 2014 the PORR order backlog stood at EUR 4,058m, a decrease of 7.7% or EUR 340m against the all-time high achieved in 2013. The operating segments experienced highly divergent growth, for example Business Unit 2 – CEE/SEE managed to increase its order books.

In contrast, the order backlog of Business Unit 1 – DACH slipped back slightly. Business Unit 4 – Infrastructure was far below the comparable period of the previous year, although this is a common occurrence in a business driven by large-scale projects. The order backlog of Business Unit 5 – Environmental Engineering was also below that of 2013, although here order bookings increased sharply.

Order backlog
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Mixed developments on the home markets

The PORR home markets once again proved to be a stable foundation for business activities, even though the conditions continued to intensify and the competition and pressure on margins grew. It was possible to increase the order backlog in Switzerland, although it declined slightly in Germany and the Czech Republic. The decrease was more pronounced in Poland – this was due in no small measure to the postponement of numerous projects which were expected in 2014 but will only be put out to tender in 2015. The order backlog also declined in Austria, whereby every province except Vorarlberg was affected. The reasons for the decrease in Austria differ greatly from region to region. These include the awarding of multi-year frame agreements in the previous year, which are now being worked off, as well as the tight public budgets in Salzburg and Carinthia, which primarily affected civil engineering. In general, PORR's order backlog in Austria remains satisfactory, although below the record levels of 2013.

PORR wins new tenders in Eastern and South Eastern Europe

The order backlog in the CEE/SEE region rose in 2014 for the first time since the onset of the crisis. A range of orders were acquired in Romania and Slovakia, although the regional focus continues to be on solid financing, which is either secured through co-financing by the EU or through working with private clients on the follow-your-customer principle. The anticipated market rebound took hold on the home market of the Czech Republic – prompted by the new government's reinstatement of an investment policy. In the coming years many new (civil engineering) projects are expected to be put out to tender. The Polish market is currently presenting more of a challenge for PORR than in previous years, however, the order books are still well filled despite the decrease in the order backlog.

Decrease in order bookings resulting from one-off effects

Order bookings were satisfactory for PORR in 2014, although they were below 2013 as a result of the one-off impact of the acquisition of the Green Line of Doha metro in the comparable period. At December 31st 2014 total order bookings stood at EUR 3,135m, a decline of 28.4% or EUR 1,242m. However, more than EUR 850m of this decrease was because of the aforementioned one-off effect. Furthermore, the extremely selective acquisition of large-scale projects in the infrastructure sector had an impact on order bookings. This selective acquisition policy reflects the high capacity utilisation in every operating unit, which allows consistent attention to margins.

Broken down by segment, Business Unit 2 – CEE/SEE and Business Unit 5 – Environmental Engineering achieved a significant increase in order bookings, while Business Unit 1 – DACH slipped back slightly as a result of the existing very high level. The sharpest decrease by a significant margin was in Business Unit 4 – Infrastructure, mostly accounted for by the Green Line tender.

The largest new orders in 2014:
- Sebeş-Turda motorway in Romania
- Smart Campus in Vienna
- NOVE office building in Munich
- Ernst-Reuter-Allee railway bridge in Magdeburg
- Head office of Verwaltungs-Berufsgenossenschaft (VBG) in Hamburg
- Rail track LK 272 Kluczbork in Poland

In terms of countries, the highest growth in order bookings was reported by Germany, Romania, Slovakia and the Austrian province of Vorarlberg. In contrast, there were declines in Qatar and Poland, as well as Salzburg, Carinthia, Styria and Vienna, where the exceptionally high order bookings could not be maintained due to the aforementioned multi-year frame agreements.

The Group's overall order backlog is extremely satisfactory and many projects are also in an advanced negotiation phase. Against this backdrop, PORR expects further (large-scale) acquisitions as early as the first quarter 2015.

Order backlog on the home markets
in EUR m

[1] Comparative figures for PORR prior to 2013 incl. development

Financial Performance

Strong increase in revenues

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 consortiums in which a PORR Group company participates, reconciled pursuant to commercial criteria. As opposed to the gross revenues reported in the consolidated income statement, the output of consortiums 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, accounted for under the equity method, proportional or those of minor significance) – are included proportionately in the calculation of production output.

In the 2013 consolidated income statement the figures for the spun-off real estate business have been retrospectively presented in the annual profit (loss) from discontinued operations, to facilitate comparisons with the year under review.

As in the previous year, production output underwent a sharp rise in 2014. The growth was 9.9% or EUR 313m, leading to an increase in output to EUR 3,475m.

The PORR Group increased consolidated revenue in 2014 by EUR 379m to EUR 3,009m. The increase in revenue of 14.4% was therefore significantly sharper than the rise in production output as a result of the disproportionate increase in production output from companies accounted for under the equity method and those of minor significance.

The income from companies accounted for under the equity method include results from associates and joint ventures, as well as the income from interests in consortiums. This item almost doubled to EUR 66.2m (up by 91.2%), whereby the largest share was generated by the inclusion of income from consortiums (EUR 42.7m).

The PORR Group's other operating income rose by EUR 6.8m to EUR 119.5m. The increase resulted primarily from the higher contribution of services invoiced to shareholdings. This contrasted with the effect of a fall in releases of provisions.

Increase in services purchased, proportionate decrease in savings on materials costs

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 increased in 2014 in relation to revenue by a further 0.8PP to 67.3%. Here, as in the previous year, the individual components showed contrasting developments: expenditure on purchased services increased disproportionately sharply (up by 19.2% to EUR 1,345.8m), while expenditure on materials in relation to revenue decreased by 1.0PP to

Key data

in EUR m	2014	Change	2013	2012[1]	2011[1]
Production output	3,475	+9.9%	3,162	2,891	2,906
Revenue	3,009	+14.4%	2,630	2,315	2,213
EBITDA	156.4	+6.7%	146.4	103.8	10.8
EBIT	81.7	+1.0%	80.9	53.8	-40.5
EBT	66.1	+10.9%	59.6	22.0	-83.1
Profit/loss	48.6	-7.4%	52.5	18.0	-70.2

[1] Comparative figures for PORR prior to 2013 incl. development

22.6%. In 2014 it was therefore possible to achieve further savings in materials costs by strengthening central purchasing.

Disproportionately low increase in staff expense

The increase in revenue was also reflected in staffing levels. In 2014 staff expense rose by 12.4% to EUR 753.0m, but was therefore below the growth in revenue, as in the previous year.

Other operating expenses increased by 20.1%, surpassing the rise in revenue. Other operating expenses include legal and consultancy services, office running costs, travel expenses, buildings and land, taxes and duties, commission on syndicated guaranteed loans, advertising and shares of losses linked to orders processed through consortiums, as well as provisions for losses and penalties. Slight savings in syndicated guaranteed loan payments were more than offset by higher travel expenses for major foreign projects and the office running costs and costs for buildings and land of companies consolidated for the first time.

Improvements in EBITDA, EBIT and EBT

EBITDA increased by 6.7% or EUR 9.8m to EUR 156.4m.

Depreciation, amortisation impairment increased from EUR 65.7m to EUR 74.7m due to impairment on intangible assets and rights equivalent to land, as well as depreciation on equipment for companies consolidated for the first time.

EBIT totalled EUR 81.7m, similar to the level of the previous year. The financial result improved by EUR 5.7m, primarily due to a reduction in expenses for shareholdings.

EBT rose with EUR 66.1m against 2013 (EUR 59.6m) by EUR 6.5m. This results in a consolidated profit of EUR 48.6m after deducting tax expense of EUR 17.5m.

The earnings for the spun-off real estate development segment, including the revaluation gains/losses related to the spin-off, amounted to EUR -3.0m and are shown under the item profit (loss) for the period from discontinued operations.

Financial Position and Cash Flows

Spin-off results in reduction in total assets

A sustainable reduction in total assets was achieved through the spin-off of real estate assets. At the closing date December 31st 2014, the PORR Group's total assets amounted to EUR 2,146.0m and were therefore EUR 150.4m lower than the previous year's value. At the same time, cash and cash equivalents improved from EUR 332.9m to EUR 465,6m, or by 39.9%, whereby the reduction in total assets was partially compensated for by the disposal of properties.

Non-current assets fall by a third

The spin-off led to a significant reduction, primarily in investment property (EUR -187.6m) and in companies accounted for under the equity method (EUR -183.9m). The mezzanine loan granted to PIAG Immobilien AG of EUR 100.0m and the hybrid capital of EUR 25.3m made available to this group is shown under other financial assets.

The overall reduction in non-current assets by EUR 340.6m to EUR 728.0m is thereby almost a third.

Cash growth leads to rise in current assets

The high cash and cash equivalents of EUR 465.6m, i.e. EUR 132.7m more than in the comparable period, resulted from the consistent improvements in working capital management and the result of divesting investment property and shareholdings, along with the capital tied-up in these items.

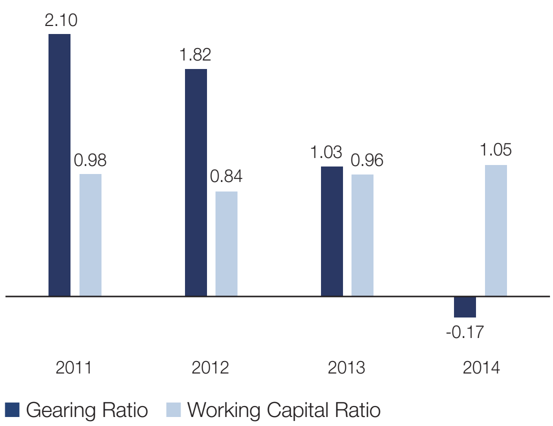
Trade receivables rose by EUR 74.1m to EUR 725.1m, although the increase of 11.4PP was lower than the revenue growth.

Adjustments to the capital and financing structures

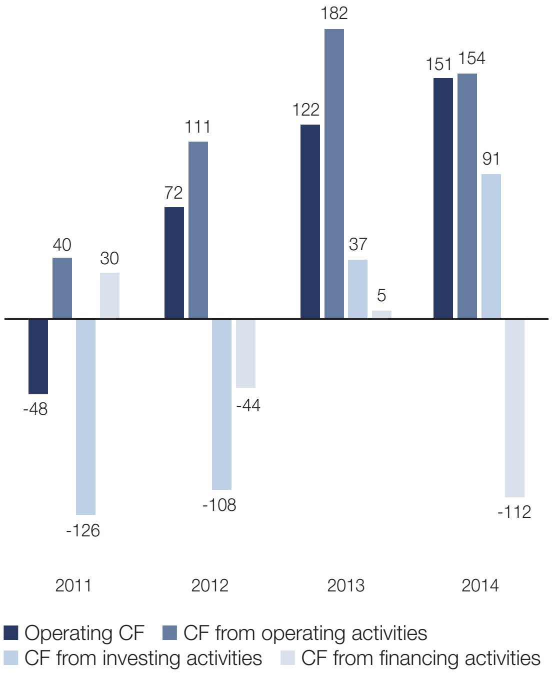
The PORR Group's equity amounted to EUR 385.2m at December 31st 2014. It was therefore possible to improve equity on the previous year (2013: EUR 347.7m) by 37.5m or 10.8%. In addition to the consolidated profit, this is also due to the capital increase carried out (EUR 114.3m) and the issue of hybrid capital (EUR 17m). The equity ratio increased from 15.1% to 18.0%. A share of the equity of the spun-off business unit was transferred in the course of the spin-off of the real estate business.

Non-current liabilities decreased partly because of the reclassification of a bond tranche due in 2015 into current liabilities (EUR -68.4m) and partly because of the spin-off of financial liabilities which are used to finance the spun-off property portfolio (EUR -177.2m).

Gearing Ratio and Working Capital Ratio



Development of cash flows
in EUR m



Current liabilities rose by EUR 71.9m to EUR 1,352.0m. The PORR Group's financing via trade payables increased by EUR 41.9m by the end of the reporting period; provisions for buildings (provisions for impending losses, guarantees, penalties and disputes) rose significantly (EUR up by 31.9m to EUR 125.0m). Current loans and borrowings fell due to the redemption of EUR 100m in the current business year but increased as a result of the aforementioned reclassification.

Strong rise in cash and cash equivalents

The cash flow statement shows the use and origin of the Group's cash and cash equivalents. The cash flow statement for 2013 has been adjusted retrospectively in line with IAS 8. In 2014 operating cash flow stood at EUR 150.5m, which was caused first and foremost by the good operating result for the year, adjusted for non-cash components. Despite the sharp rise in revenue, cash flow from operating activities underwent a slight increase to EUR 153.7m, owing to the relatively constant working capital.

Cash flow from investing activities made a positive contribution in 2014 with EUR 91m. This is mainly the result of higher repayments from financing contributions of the spun-off real estate sector (EUR 201.1m) as well as the purchase price payment for a 60% stake of the real estate segment (EUR 66m). This contrasted with the effect of paying out mezzanine and hybrid capital for the real estate business amounting to EUR 125.3m and investments in property, plant and equipment and investment property, of which EUR 22.2m related to the spun-off real estate sector.

Significant factors in cash flow from financing activities amounting to EUR -111.8m were the outflow of funds from the repayment of financing, bonds and dividends paid to shareholders and holders of profit-participation rights, as well as the buyback of capital share certificates. The inflow of funds had a positive financing effect, these funds were from issuing a bond of EUR 55.8m, the issue of hybrid capital of EUR 16.9m and from the capital increase of EUR 112.7m. At year end 2014 the PORR Group had cash and cash equivalents of EUR 465.6m (December 31st 2013: EUR 332.9m).

Staff

Ongoing HR development

PORR is committed to ongoing HR development and therefore strives to promote diversity by nurturing the potential of every single staff member. Employees have the opportunity to improve their performance and skills through a wide range of training and development measures. As an international company, PORR sees its multicultural diversity as a major opportunity and an important part of its corporate culture.

Slight increase in staffing levels

In 2014 the PORR Group (including pro rata allocation) employed 12,834 staff on average. This breaks down into 7,680 waged workers and 5,154 salaried employees, representing an increase of 914 people or 7.7% on the previous year. The growth was primarily triggered by the increase in production output. This increase of 7.7% in staffing levels was, however, much lower than this rise (+9.9%), resulting in an increase of revenue per staff member.

Success through training and development

PORR's HR strategy focuses on increasing productivity through targeted training and development. This led to an increase in the number of employees involved in training to 1,858 (2013: 1,534). In 2014 the average training time for employees in Austria and Germany was 1.31 and 1.26 days respectively, which was slightly down on the previous year (2013: 1.37 and 1.36 days). In total the PORR Group invested EUR 2.1m in education and training in 2014, which was therefore 19.5% more than in the previous year (2013: EUR 1.7m).

In the reporting period the investment focus was on measures to support the Group strategy. Examples of this include the Group-wide training in soft skills areas and training all employees in the new IT systems (SharePoint). These measures and the investment in management training will continue in 2015. Further focal points in the reporting period are described in detail below.

Education and training measures in 2014

The first goal of PORR's commercial trainee programme has been achieved: all five trainees (pupils/graduates of commercial college (HAK)) successfully completed the programme "AufBau Business Junior" and were taken on by the Business Units 1 – DACH and 4 – Infrastructure in September 2014.

The successful management training concept also continued: a class of future managers in two groups completed the programme for the first time and a course of Group leaders was successfully completed for the second time. Further training for Group leaders and future managers began in 2014. Furthermore, key players in purchasing had the opportunity to take part in comprehensive negotiation training. These trainings for staff and managers will continue in order to support the new purchasing strategy. 348 employees took part during the reporting period.

Another key training area was related to the introduction of the new IT system SharePoint. A total of 452 employees received training in the new system as part of the roll-out, which is being implemented as part of PORR's **new** working **world.**

Cooperation across borders

PORR's international growth means that ever more employees are taking up the opportunity to work abroad. This results in new challenges for HR management, who implemented a Group-wide standard for foreign deployment in 2014. The transparent, contemporary guidelines ensure the uniform treatment of staff and managers deployed abroad.

[1] Data based on employees in Germany and Austria (figures 2013 incl. STRAUSS & PARTNER, 2014 without PIAG)

Average staffing levels

	2014	Change	2013	2012[1]	2011[1]
Domestic	8,724	+3.5%	8,431	8,244	8,205
Waged workers	5,931	+2.7%	5,776	5,594	5,541
Salaried employees	2,793	+5.2%	2,655	2,650	2,664
Foreign	4,110	+17.8%	3,489	3,526	3,392
Waged workers	1,749	+14.0%	1,534	1,511	1,492
Salaried employees	2,361	+20.8%	1,955	2,015	1,900
Total pro rata allocation	12,834	+7.7%	11,920	11,770	11,597
Waged workers	7,680	+5.1%	7,310	7,105	7,033
Salaried employees	5,154	+11.8%	4,610	4,665	4,564
of which fully consolidated	12,231	+6.6%	11,594	10,696	10,618

[1] Comparative figures for PORR prior to 2013 incl. development

Furthermore, an international HR meeting was organised for the first time to promote cross-border cooperation and international networking, as well as optimising interfaces and HR tools.

Attractive apprenticeship training

In light of the imminent shortfall in skilled labour, PORR employs targeted measures to give the future generation of workers the skills they need. 211 apprentices were undergoing training at PORR in 15 different disciplines in 2014, of which 197 were technical apprentices and 14 were employees. One key factor in apprentice training – which is also unique when compared to other companies – is the PORR supplementary training, offered internally.

Recruiting measures in 2014

For recruiting, PORR's most important goal is identifying young talent – even while they are still studying – and establishing ties between them and the company. Measures to achieve this include interesting work experience placements, taking part in vocational education fairs, application training etc. Here the PORR@HAK programme was also successfully introduced. This initiative should raise the profile of PORR and the construction industry among commercial college (HAK) pupils, presenting PORR its job profiles and activities. The introduction is tied to application training for pupils in the fifth year.

Given the high percentage of girls in commercial colleges, this initiative is also a good platform for getting women interested in the construction industry and therefore supports PORR's goal of increasing the number of women in the company. Furthermore, PORR has been taking part in the Vienna Daughters' Day for many years, which gives young women an insight into the company, PORR's activities and its job profiles. As part of the event fair.versity Austria, PORR took part in Speed Dating, the only career and education fair in Austria to focus on diversity, with a female technician from the construction division. The event's goal was to highlight career and development opportunities for women in technical vocations.

Health and safety

The safety of staff members is a top priority for PORR. One key task is therefore providing a safe working environment for PORR staff. PORR is continuously striving to avoid accidents and ensure safe work practices at its construction sites. The health of every staff member is also a crucial issue for PORR. The main aim of health management is to promote good health through modern medical treatments, a comprehensive range of preventative health measures and psychological support. Here, PORR offers a wide range of measures, not only aimed at reducing accidents or illness, but which also actively promote good health among employees.

Research and Development

Driving innovation

PORR attaches great importance to research and development – particularly with regard to sustainability, environmental engineering, construction materials and construction processes. Projects spanning several years are undertaken with science and research partners; these explore developments in complex, technical, civil engineering processes and conserving resources. Furthermore, PORR draws on the high potential for innovation and expertise within the company, thereby securing a decisive competitive advantage on a highly competitive market.

Cooperation with scientists

In order to realise its research projects, PORR has established close, long-term cooperation with universities and other research institutes. In the reporting year a total of twelve comprehensive research projects were underway with universities or as in-company research. Furthermore, around 40 development projects were carried out in Group departments for the technological development of plants, construction methods and processes. One of these was the launch of the project "optimising fuel consumption for construction machinery" in cooperation with the Institute for Interdisciplinary Construction Process Management at Vienna University of Technology. The project "High-strength concrete coverings for bridge support structures" was initiated together with the Spital an der Drau University of Applied Sciences and Vienna University of Technology.

One key focal point of PORR's research and development activities is climate protection and conserving resources. In addition to the aforementioned project "optimising fuel consumption for construction machinery", these include the project for "recycling excavated tunnel material", which has been underway since 2013 in cooperation with Montanuniversität Leoben and other European partners. Other projects from PORR Design und Engineering are aimed at implementing "dynamic simulations for energy consumption, comfort and daylight" into its planning processes, as well as using photovoltaics and wind power.

Selected projects in the reporting period which reflect PORR's innovation and technological expertise are described below.

IAT is driving innovation

As a highly specialised company for innovative sealing technology, injection technology, reservoir and landfill construction, IAT GmbH has enjoyed an excellent position for decades and holds global patent rights. The ongoing improvements and new developments have won IAT numerous awards, including the Lower Austrian Award for Innovation. Together with PORR's tunnelling department, they developed tubbing with integrated fastening points for lining tunnels. On the Wienerwald Tunnel fleece-lined sealing sheets were applied using heat bonding with a fully automated spreader specially designed for this purpose. A new system using concrete HDPE protective slabs in sliding formwork was used for the first time on Emscher sewer.

IAT's thirst for innovation and expertise has not only garnered acclaim on PORR's home markets, but also internationally. In 2013 the company acquired a sealing tender for Crossrail, one of Europe's largest railway construction projects. This railway project includes the construction of five new underground stations in Greater London. The sealing works on Whitechapel and Liverpool Street stations are being carried out by IAT. The proven reliability and expert execution in the course of this project has already brought IAT to the attention of other British consortiums. Here there is another project for the upgrade and extension of the London underground station, Victoria Station. A branch office was established in London in January 2014 in order to gain a permanent foothold on the English market.

Geothermal energy – sustainable and renewable

The increasing scarcity and growing cost of fossil fuels is leading to a rise in demand for sustainable, renewable energy sources such as geothermal energy. Geothermal energy is heat from the earth which is stored in rocks and groundwater and which can be used for heating and cooling buildings, as well as in various production processes. When considering the life-cycle costs of properties such as hotels or office buildings, the higher initial costs are offset by lower running costs when geothermal energy is used.

As a result of many years of development in this area, PORR Umwelttechnik and Nägele Hoch- und Tiefbau have three Group-owned geothermal drilling systems for drilling deep geothermal probes. Planning services for constructing geothermal systems are also offered, ranging from initial plans to detailed projects right through to thermal-response tests and simulating geothermal probe fields. Deep geothermal probes are very often combined with other ground-related construction elements such as thermally activated floor slabs or energy piles, in which the foundations of industrial buildings and commercial buildings are laid with absorber lines. In addition, the geothermal energy can be used with relatively little effort by foundation constructions.

PORR fire-protection insulation: increased safety in road construction and tunnelling

Fire safety is a key issue in infrastructure constructions. As in recent years new tunnels are already designed to be fire-proof, the existing, but equally important tunnels have to be brought up to standard. This opens up opportunities for PORR to enter a new business field where there is still ample demand for innovation. PORR technology development/technology management has embraced this issue and is developing highly-effective, cost-efficient materials which meet the special demands of road and rail tunnels and can therefore significantly increase the safety of existing infrastructure facilities.

The fire-protection insulation which has been developed combines a strong heat-insulating effect with good durability, thereby giving it a huge advantage over common market products. At fires with a temperature of 1,000°C and a duration of two hours, a temperature of just 85°C was measured on the reinforcement. Furthermore, the newly developed concrete fire-protection insulation is easy to incorporate into any concrete structure, as concrete has good processing, spraying and flowing characteristics. The pressure resistance is greater than 10N/mm² and there is no decrease in strength even after being subjected to multiple fires.

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 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. 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 Center 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. Managing the liquidity risk is based on a financial plan updated once a quarter, which originates at operational level. For projects worth over EUR 2.0m, a designated commercial employee conducts individual and monthly planning for the current year and produces a summary plan for the subsequent years. A summary plan is produced by the commercial employee responsible for the division for projects worth less than EUR 2.0m. The operational component involves planning all cash-related financial issues such as due dates for financing, M&A and capital market transactions, interest and dividends; this is performed centrally at holding level with the person holding Group responsibility. Not least because of the deconsolidation of the real estate business in 2014 and further improvements in working capital management, the Group had a high liquidity level of EUR 465.6m at the start of the planning period 2015/2016; this liquidity is used on the one hand for the seasonal peak liquidity demand from April to November (typical to the construction industry), as well as for settling loans due and a bond. The sale of non-operational real estate will continue. Should additional liquidity demand arise, this could provisionally be covered by drawing on existing lines of credit, by issuing a corporate bond or through a promissory note. At December 31st 2014 the net cash position, defined as the balance from cash and cash equivalents, bonds and current and non-current financial liabilities, amounted to EUR 64.6m (previous year: net debt position EUR 357.5m). In contrast to the previous year, current assets exceed current liabilities by EUR 66.0m (previous year: EUR -52.3m). Trade receivables also exceeded trade payables by EUR 69.7m (previous year: EUR 37.6m). Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to EUR 149.2m (previous year: EUR 192.9m) and are covered by cash and cash equivalents and assets held for sale of EUR 471.7m (previous year: EUR 336.4m). Current financial liabilities include a bond of EUR 78.4m. Bonds worth EUR 155.3m were part of non-current financial liabilities of EUR 251.8m. The Group has access to European credit lines totalling EUR 1,211.6m (previous year: EUR 992.7m). Of these credit lines, EUR 555.9m was concluded with a three-year term. The remainder of EUR 655.8m generally runs for a one-year term. Furthermore, there are credit lines in Qatar, Abu Dhabi, Oman and Saudi Arabia of EUR 364.3m (previous year: EUR 299.9m). As at December 31st 2014, around 65% of the European credit lines had been drawn on and around 28% 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.

Foreign currency risks

The PORR Group had concluded forward exchange contracts of EUR 55.0m (previous year: EUR 193.5m) at December 31st 2014. Of these, EUR 14.9m were forward purchases and EUR 40.1m were forward sales. Around EUR 24.7m (previous year: EUR 110.0m) are used as hedges for project cash flows and the remainder of EUR 30.3m (previous year: EUR 83.5m) for hedging intragroup financing. At December 31st 2014 the market valuation of open forward exchange contracts resulted in a fair value of EUR 0.01m. In the fiscal year 2014 total expense of EUR 0.8m which resulted from changes in the fair value of forward contracts was recognised in profit or loss.

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, formwork and diesel are important commodities for the PORR Group. For these and other materials, there are lead buyers in place as product specialists, who are integrated in the tender process from the very beginning. Using an IT-supported purchasing platform allows the Group to monitor the amounts purchased and facilitates the purchase of larger volumes. 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.

Credit risks

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.

Capital risk management

The fundamental aim of the Group's capital management is to substantially increase equity and to keep debt low. In the year under review there was a EUR 22.9m increase in shares belonging to shareholders of the parent to EUR 321.6m. The capital structure of the Group was significantly and positively impacted by the spin-off of the real estate business. Despite the expansion of the business (revenue rise of around 14%), it was possible to reduce total assets by 7%. This was not least the result of a substantial decrease in both current and non-current financial liabilities, which fell by EUR 200.2m or 54%. The equity ratio rose from 15.1% to 17.9%, not least because of the exceptionally successful capital increase carried out in 2014. At December 31st 2014 the net cash position, defined as the balance of cash and cash equivalents, bonds and current and non-current financial liabilities, totalled EUR 64.6m (previous year: net debt position EUR 357.5m). The interest-bearing financial liabilities decreased from EUR 690.4m by EUR 280.3m to EUR 401.1m. 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. As the Group recorded a net cash position as at December 31st 2014, there is a negative net gearing ratio for the first time of –0.2 (previous year: 1.1); this therefore marked an improvement of 1.3 in 2014.

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 compliance management system and 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 most recently externally certified on November 26th 2013 by Taxand Austria according 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.

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 and new Group guidelines.

Forecast Report

Further expansion on the home markets

PORR's five home markets are set to continue their stable growth of the previous years in 2015. The two most important markets, Austria and Germany, will increase construction output, which is already at a very high level. These expectations are backed up by the positive state of the construction industry: Austria's construction market is forecast to grow by around EUR 320m in 2015, while German growth is predicted at around EUR 5,100m. Growth forecasts are also strong for Poland, the Czech Republic and Romania. PORR's strong position in these countries will allow the company to participate in this growth, particularly on high-margin projects for the public sector, as well as in building construction through the strong focus on private customers.[1]

High cushion of orders allows focused approach

PORR generates over 90% of its business in Austria, Germany, Switzerland, Poland and the Czech Republic, where the stability of the national economies and PORR's market position means that the risks are minimal. In line with the motto, "know your market, know your customers", PORR will continue to concentrate on the DACH region, Poland and the Czech Republic in 2015. The countries in Eastern and South Eastern Europe will be kept under close observation; there are currently good opportunities in Romania owing to the need to catch up and the high EU subsidies. Nevertheless, PORR will continue to be extremely selective in its activities and take into account the developments in specific countries. With Qatar as a hub, PORR is represented on the international market as an expert, premium provider and infrastructure specialist with its export products in tunnelling, rail construction and foundation engineering.

[1] Source: Euroconstruct, Summary report 2014

Strengthening core competencies as well as niches

PORR is the market leader in Austria. Further growth across all sectors doesn't make sense in terms of margins; instead, numerous niches offer an opportunity for a strong position. PORR is pursuing a similar strategy in Switzerland, where certain niches such as slope reinforcement are important contributors to earnings, alongside the successful civil engineering business and the revamped building construction segment.

PORR intends to grow in Germany. The disappearance of numerous major competitors has opened up many opportunities for PORR in building construction and civil engineering, particularly in general contractor and design-build services. The foundation for successful expansion will be consolidating customer relationships and further developing proprietary innovations, such as those using the slab track system.

The guiding principle "profit over output" applies to every area, but even more so for sectors in which PORR holds a clear technological edge over the competition. In addition to the innovative, slab track railway system and tunnelling expertise, this applies to PORR's leading role in (public) residential construction in the Greater Vienna area and its strong position in foundation engineering throughout Austria.

Focus on innovation, eliminating bureaucracy and fitforfuture

PORR has set three key focal points for 2015, which will have a positive impact on the company. The innovation division will be restructured and all patents and innovations will be managed centrally for the first time. New incentives are also being introduced for employees who work on finding and developing innovative solutions related to materials, site management and cost efficiency. PORR will secure the framework for modern knowledge management through modern infrastructure. The IT offensive aims to make PORR a construction industry leader in this area.

In recent years PORR has put in place the structural backdrop needed for doing business efficiently and on a basis of trust – this includes flat hierarchies and fast decision-making processes, as well as reducing internal paperwork through a more efficient reporting system. Nevertheless, there is still bureaucracy to cut. In 2015 PORR will work with employees to identify all of the areas where there is still potential for improvement. This will allow the "construction site of the future" to run far more efficiently.

In order to improve the PORR Group's profitability, the third focal point is on the successful **fit**for**future** programme. PORR will concentrate on two issues here in 2015: one is achieving savings through increased cost control, particularly in the area of administrative costs. The other is a uniform tax system, as part of ongoing project management and monitoring, which will apply throughout the entire project cycle, from calculation to construction. The Executive Board expects these measures to make a further important contribution to earnings.

PORR set to grow again in 2015

At December 31st 2014 PORR managed to increase production output by 9.9% and EBT by 10.9% as well as being net-debt-free for the first time in its history. Another factor is the order backlog, which – although lower than in the record year 2013 – is still significantly higher than annual production output. The outlook for projects in 2015 is also positive – PORR will participate in the further growth on its home and project markets. In combination with the **fit**for**future** measures, which will again make an important contribution to earnings in 2015, the Executive Board predicts that the 2015 business year will see a increase in output and earnings. The sharp variation on the construction markets does, however, mean that this forecast is subject to a significant fluctuation range.

Events after the end of the reporting period

The Executive Board of PORR AG approved the consolidated financial statements and handed them over to the Supervisory Board on April 17th 2015. On January 21st 2015, 286,432 no par value bearer shares in PORR AG were purchased, corresponding to around 1.97% of share capital. In March 2015 a hybrid bond was increased by TEUR 5,000 in the course of a private placement.

Disclosure acc. to Section 243a, Paragraph 1, Austrian Commercial Code

1. The share capital as at December 31st 2014 comprises 14,547,500 shares. All shares are no-par value bearer shares, each of which participates equally in the share capital of EUR 29,095,000. At the end of the reporting period, all 14,547,500 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. The share capital of the company is fully paid in.

In line with Section 5 Paragraph 2 of the company statues, shares from future capital increases can be bearer shares or registered shares. If the resolution authorising the capital increase does not specify whether the shares are to be bearer shares or registered shares, they will be bearer shares. In accordance with Section 5 Paragraph 3 of the company statues and Section 10 Paragraph 2 of the Stock Corporation Act, shares are to be issued in one, or where necessary multiple, global certificate(s) and deposited at a securities clearing or deposit bank in accordance with Section 1 Paragraph 3 of the Austrian Act on Securities Deposits, or at an equivalent facility abroad. The company has met this obligation. All of the share certificates previously in circulation were declared invalid, in line with the respective legal regulations.

2. A syndicate agreement is in place between the Ortner Group and SuP Beteiligungs GmbH, owned by the Strauss Group. 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.

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 2014:

	% of share capital
Ortner Group	39.51%
Strauss Group	16.02%

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 Section 6 Paragraph 1 of the company statues, the Executive Board consists of between two and six people. In line with Section 6 Paragraph 2 of the company statutes, the Supervisory Board can appoint deputies to the Executive Board. In line with Section 6 Paragraph 3 of the company statutes, the Supervisory Board can name one Member as the Chairman and one Member as the Deputy Chairman. Any deputy Executive Board Members have the same powers of representation as the regular Executive Board Members.

In line with Section 9 Paragraph 1 of the company statutes, the Supervisory Board is composed of at least three and not more than twelve Members appointed by the Annual General Meeting (AGM). In line with Section 9 Paragraph 8 of the statutes, a replacement Member can be appointed at the same time as the appointment of a Supervisory Board Member, in which case the replacement Member would take up his seat on the Supervisory

Board effective immediately if the Supervisory Board Member steps down before the end of his time in office. If multiple replacement Members are appointed, the order in which they are to replace a Supervisory Board Member who steps down must be determined. A replacement Member can also be appointed as a replacement for multiple Supervisory Board Members, so that he takes a seat on the Supervisory Board if any one of these Members steps down prematurely. The term of office of a replacement Member who joins the Supervisory Board is terminated as soon as a successor to the former Supervisory Board Member has been appointed, or at the latest when the remainder of the former Supervisory Board Member's time in office comes to an end. Should the term of office of a replacement Member who joins the Supervisory Board be terminated because a successor to the former Supervisory Board Member has been appointed, the replacement Member still serves as a replacement for the additional Supervisory Board Members he has been chosen to represent. In line with Section 9 Paragraph 2 of the statutes, the AGM can determine a shorter period in office than legally stipulated for individual Supervisory Board Members or all of the Members it appoints. Should certain Members leave the Board before the end of their term in office, in line with Section 9 Paragraph 6 of the statutes, a vote to replace them is not required until the next AGM. However, a replacement vote is required at an extraordinary general meeting, to be held within six weeks, if the number of Supervisory Board Members falls below three. In line with Section 9 Paragraph 4 of the statutes, the appointment of a Member of the Supervisory Board can be rescinded before the end of his time in office by AGM resolution requiring a simple majority of votes cast. In accordance with Section 19 Paragraph 1 of the company statues, resolutions of the Annual General Meeting are passed by simple majority of the votes present, unless another type of majority is proscribed by law; in cases where a capital majority is required, a simple majority of the share capital representatives is required for resolutions. 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 (except in the case of changes to the business purpose).

7. As at December 31st 2014, the Executive Board is authorised in accordance with Section 4 Paragraph 5 of the statutes, to increase the share capital of the company with the approval of the Supervisory Board, in multiple tranches if so wished, to EUR 6,612,500 by issuing up to 3,306,250 no-par value shares, as follows (authorised capital), whereby the issue price, the conditions of issue, the subscription ratio, and other details are to be determined by the Executive Board with the approval of the Supervisory Board. The pre-emptive rights of shareholders to these new shares issued from the authorised capital are excluded when and if this authorisation (authorised capital) is exercised by issuing new shares in exchange for cash or contribution in kind, up to a total of 10% of share capital, with over-allotment options in the course of issuing new shares in the company. Furthermore, the Executive Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' pre-emptive rights, when and if this authorisation (authorised capital) is exercised:

i) through issuing shares in exchange for contribution in kind, or
ii) through issuing shares to staff members, leading employees and Members of the Executive Board of the Group or an associate up to a total level of 10% of share capital.

The Supervisory Board is authorised to rule on changes to the statutes which result from the Executive Board exercising this entitlement.

Effective as of December 31st 2014, a resolution was passed at the extraordinary general meeting of July 11th 2013 authorising the Executive Board to acquire treasury shares over a 30-month period from July 11th 2013, in line with Section 65 Paragraph 1 Line 8 Stock Corporation Act, up to the legally permitted amount of 10% of share capital including treasury shares already purchased. The equivalent amount to be paid in the buyback may not be less than EUR 2.00 or higher than a maximum of 10% over the average, unweighted share price at closing on the stock exchange on the ten stock exchange days preceding the buyback. The purchase can be conducted on the stock exchange or through a public offering or in another legally permitted way, particularly over-the-counter, especially also from individual shareholders who are willing to sell (negotiated purchase). Furthermore, the Executive Board is authorised to determine the buyback conditions, whereby the Executive Board is obliged to publish the Executive Board resolution and the related buyback plan including its term, in line with legal stipulations. The authorisation can be exercised in full or in stages and also in multiple tranches for one or more purposes, by the Group, by a subsidiary (Section 228 Paragraph 3 Austrian Commercial Code) or by third parties acting for the company. Trading treasury shares is not permitted as a purpose for the buyback.

The Executive Board is authorised, with the approval of the Supervisory Board, to sell treasury shares for a five-year period starting from the resolution of the extraordinary general meeting on July 11th 2013, using a method different from sale on the stock exchange or public offering, also excluding general purchase (exclusion of pre-emptive rights), if the sale of treasury shares is conducted for purposes including

a) granting shares to employees, managers and Members of the Executive Board or an associate, in return for payment or free of charge; or
b) as contribution in kind for assets transferred to the consolidated group or subsidiaries, including property, companies, operations or shares in one or more companies at home and abroad.

8. In 2010 and 2012 the company issued bonds (debentures) of 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 agreements: 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. In 2013 the company issued another bond (debenture) of EUR 50,000,000 (for the period 2013 to 2018). In 2014 the company resolved to implement an offer programme worth EUR 250,000,000 to issue partial debentures: it offered the opportunity to exchange bonds from 2009 and 2010 for a newly issued senior bond and a hybrid bond. The exchange offer was accepted for the senior bond in respect of a nominal amount of EUR 56.3m and for the hybrid bond in respect of a nominal amount of EUR 17.1m. Both the 2013 debentures and the senior bond incorporate the following agreement: if a change of control (as defined in the bond conditions) takes place, 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 two framework guarantee credit contracts for EUR 244,000,000 (valid until 31st July 2016) and EUR 143,370,000 (valid until 29th June 2016), which contain the following agreements: should one or more people, who at the time of signing the relevant contract do not hold a share or a controlling share, attain a controlling share, as defined in Section 22 of the Austrian Takeover Act, in the beneficiary or a major Group company (as defined in the contract), then the agent and the individual lenders are entitled to immediately rescind the respective shares (with regard to their respective shares in the guarantee credit contract) of the framework tranches.

There were no other significant agreements under the terms of Section 243a Paragraph 1 Line 8 of the Commercial Code.

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

Segment Report

Segment Business Unit 1 – DACH

Key data in EUR m	2014	Change	2013	2012[1]	2011[1]
Production output	2,013	+4.3%	1,930	1,719	1,636
Foreign share	13.7%	+1.2PP	12.5%	13.8%	13.1%
EBT	56.1	+13.7%	49.4	35.1	3.9
Order backlog at year end	1,404	-4.5%	1,471	1,492	1,251
Order bookings	1,947	-6.5%	2,082	1,960	1,644
Average staff	7,231	+3.5%	6,989	6,629	6,821

[1] Comparative figures for PORR prior to 2013 incl. development

Managing Directors of Business Unit 1

Christian Motz

Josef Pein

Josef Stekovics

Deeply rooted in the region

The segment Business Unit 1 – DACH (BU 1) is responsible for the home markets of Austria (including structural engineering) and Switzerland, building construction in Germany, 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, particularly through TEERAG-ASDAG. Numerous large-scale infrastructure projects are developed in cooperation with Business Unit 4 – Infrastructure.

In Austria BU 1 has complete coverage across every federal province and has established itself as a market leader in recent years. In Germany this unit has also consolidated its position and is expanding beyond the established presence in major cities such as Munich, Berlin, Düsseldorf and Frankfurt. In Switzerland PORR has enjoyed success in civil engineering for years and has recently increased its activities in building construction projects.

DACH region is Europe's growth driver

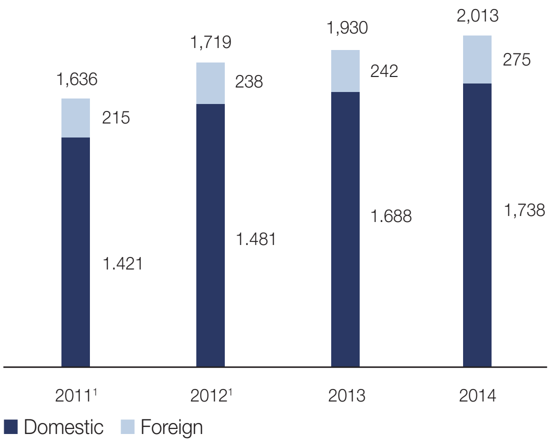
Europe's economy has lived through challenging times. However, the DACH region has increasingly emerged as a strong growth driver in recent years and continued this performance in 2014. Growth on the three construction markets was 2.4% in Germany, 1.7% in Austria and 0.8% in Switzerland, once again exceeding or exactly the same as the average in Western Europe of 0.8%. This growth is starting out from a very high level and Switzerland in particular significantly outperformed most other markets. Stable growth has also been forecast for 2015 in Germany (1.8%) and Austria (1.0%); in Switzerland the end of several large-scale infrastructure projects has led to a slightly negative growth forecast (-0.7%) following years of steady growth. However, growth is expected to surpass both of its German-speaking neighbours in the following years.

Production output exceeds EUR 2 bn for the first time, earnings up by 13.7%

As of December 31st 2014 BU 1 had generated production output of EUR 2,013m and was thereby EUR 83m or 4.3% above the record level of the comparable period 2013. The increase in production output was surpassed by the growth in EBT. In 2014 BU 1 generated earnings before tax of EUR 56.1m, an increase of around EUR 6.7m or 13.7% against the previous year.

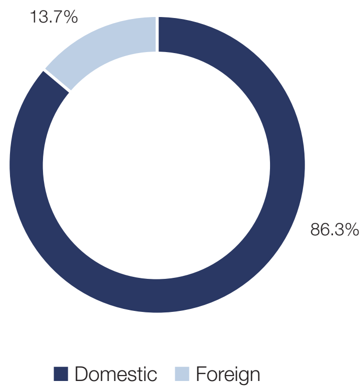
The growth in output was equally divided across the three countries in the segment, whereby Austria saw slightly varied developments in the different provinces. A decline was observed in two fed-

Production output BU 1 – DACH
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Production output 2014
in %



eral provinces: one factor in Upper Austria was the completion of the large-scale tenders S10 Freistadt bypass and the Götschka Tunnel, which BU 1 was executing together with BU 4, while the decline in Carinthia was due to the problematic overall budget situation. Vienna and Lower Austria remained at the same high level as the previous year, while the other provinces recorded growth. German building construction continued to grow, while Switzerland benefited from the new start in building construction and the new team. Further increases in output are also expected here in the coming quarters.

Order backlog remains extremely high

BU 1's cushion of orders is only slightly below the record figure from 2013 and offers a solid basis for the coming years. Amounting to EUR 1,404m, the order backlog slipped back by EUR 67m or 4.5%. The Austrian provinces were primarily affected by the decline, with the exception of Vorarlberg, while the order backlog in Germany and Switzerland underwent significant growth. Numerous framework agreements were awarded in the fourth quarter 2013 which were then developed in 2014, although these were not recognised as new acquisitions last year owing to the multi-year term of the tenders. Order bookings also fell in 2014 and amounted to EUR 1,947m, a decrease of 135m or 6.5%. The picture here was similar to that of the order backlog. While Switzerland and Germany in particular recorded high increases, the Austrian provinces – again except Vorarlberg – were below the comparative period 2013. Important new orders included the large-scale building construction project Smart Campus for Wiener Netze, the NOVE office building in Munich, the administrative headquarters for Verwaltungs-Berufsgenossenschaft in Hamburg and the S6 Bruck Tunnel. Numerous major new projects were also acquired in residential construction, a traditionally important sector; these included Monte Laa residential complex, lot 3, Messecarree student halls in Vienna, the Berlin Living project and the Winzerhalde apartment complex in Switzerland.

Stable outlook for 2015

Stable economic growth has led to more intense competition and increasing pressure on margins in BU 1's three home markets. Public budgets are also allowing far less leeway for major and necessary investment at present, which is having a particular impact on civil engineering. PORR has managed to achieve a very high level in Austria and, as the market leader, nearly all capacity is fully utilised. A sensible approach for the coming years is to concentrate on niches in order to avoid acquiring more output at the expense of margins. The situation differs in Switzerland and particularly in German building construction. Germany is becoming an increasingly important market for PORR. Here PORR intends to grow and will take on any position which becomes available due to large, renowned construction companies pursuing new strategic directions. In addition to the public sector, more and more private clients, such as German industrial companies, retail chains and hotel operators, are relying on PORR's expertise and adherence to deadlines, thanks to an increased focus on these customers. PORR will live up to its reputation in the coming years and continue to build on it.

In addition to increased competition and the uncertainty surrounding the budget situation at federal, provincial and municipal level, BU 1 pays particular attention to avoiding flops and dedicating greater efforts to possible payment defaults or insolvency of clients, consortium partners and subcontractors. In order to mitigate the aforementioned risk, strict attention is being paid to credit checks and bank guarantees to secure client payments.

Segment Business Unit 2 – CEE/SEE

Key data in EUR m	2014	Change	2013	2012[1]	2011[1]
Production output	425	+5.5%	403	364	425
EBT	-14.2	-14.1%	-12.5	-14.0	-27.7
Order backlog at year end	342	+1.2%	338	379	342
Order bookings	429	+18.6%	362	401	350
Average staff	1,476	-5.7%	1,566	1,662	1,811

[1] Comparative figures for PORR prior to 2013 incl. development

Strong presence in Poland and the Czech Republic

The segment Business Unit 2 – CEE/SEE (BU 2) covers PORR's permanent business on the home markets of Poland and the Czech Republic, where PORR offers a complete range of construction services in general building construction and civil engineering. It also deals with project-based activities in other CEE/SEE countries – at present these mostly relate to Romania.

Poland and the Czech Republic are well-established PORR home markets, as the company has been represented here for many years and has strong regional networks. Both countries have emerged positively from the economic crisis. The Polish construction market did not undergo a slump, while the market has been recovering in the Czech Republic over the past few quarters and has experienced significant growth in the increasingly important Romanian market. In contrast, many other countries in the region have been much harder hit. PORR is monitoring these markets very closely and is mainly involved in individual large-scale projects in the infrastructure sector at present; these are realised in cooperation with Business Unit 4 – Infrastructure.

Recovery continues in CEE/SEE

In 2014 the rebound continued in most of Eastern and South Eastern Europe, only a few markets such as Slovakia and Slovenia continued to report declines. Some very high growth rates have been observed, for example in Hungary, where the construction market rose by 14.3% in 2014 – albeit from a very low level. Many of the region's construction markets are now at 50% of the pre-crisis levels of 2008 or even below them. In contrast, Poland (4.9%) and the Czech Republic (1.0%) experienced weaker growth in 2014, although they have hardly had to overcome declines from the peak of the crisis. Developments were more varied in Romania, where the construction market had hardly lost any volume and nevertheless generated high growth. One reason for this is the country's enormous need to catch up in terms of infrastructure, the other is that more and more European investors see Romania as a growth market and are investing in production sites, hotels and retail space. Strong growth is expected once again for the coming year in Poland (7.1%) and the Czech Republic (2.5%).

Production output increases in 2014
EBT still negative

In 2014 the production output of BU 2 rose to EUR 425m, an increase of EUR 22m or 5.5%. Romania recorded the strongest growth, followed by the Czech Republic and Poland. In the past year output in Romania has therefore almost quadrupled and is also in a good position for the 2015 business year. The focus in Romania continues to be on secure financing – through EU co-financing on infrastructure projects, while for private clients this only relates to existing customers from the German-speaking world. Production output continued to decline in Serbia as planned. The country is under

Managing Directors of Business Unit 2

Marcus Hermes

Michael Salzmann

Franz Scheibenecker

close observation due to the economic situation; PORR involvement is only feasible under very specific preconditions at present.

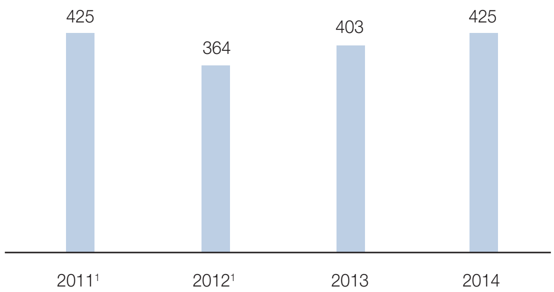
Owing to effects from the past, it was not yet possible to achieve positive EBT. Earnings before tax thereby stood at EUR -14.2m, equivalent to a reduction of EUR 1.7m or 14.1%. The greatest difficulties in 2014 were still the fierce competition, which did lead to a market shakeout, nevertheless South European competitors in particular are exerting pressure on the market in Poland as well in the Czech Republic and Romania. In light of this situation, BU 2 has further enhanced its strict cost management policy across every area. PORR's presence outside of Poland and the Czech Republic has been significantly reduced. Serbia is under close observation. Furthermore, the only projects pursued beyond the home markets and limited activities in Romania are highly selective infrastructure projects, which meet predetermined criteria in terms of risks and earnings and have secure financing in place. The focus is on a structured tender selection process, professional tender processing and in-depth contract and risk management.

Rise in order backlog in 2014

In contrast to the other business units, it was possible to achieve an increase in the order backlog of BU 2. At year-end 2014 the order backlog was EUR 342m, a rise of EUR 4m or 1.2%. Successful acquisition activities in Romania were behind this growth, while the order backlog fell in Poland and the Czech Republic, partly as a result of the increased production output.

In 2014 order bookings amounted to EUR 429m and were therefore EUR 67m or 18.6% higher than in 2013. Increases were recorded in Romania and in the Czech Republic; the rebound in public-sector investment was particularly noticeable in the Czech Republic. The postponement of planned projects to 2015 led to a decrease in order bookings in Poland. Capacity in Poland is still well-utilised at present and several of the numerous projects which are currently

Production output BU 2 – CEE/SEE
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

on the market should be acquired in the current business year. PORR is in a promising position, particularly for certain building construction projects. The most important new tender in 2014 was the Sebeş–Turda motorway in Romania, which will be realised together with Business Unit 4 – Infrastructure and was PORR's largest order booking in 2014. Other acquisitions included rehabilitating the LK272 Kluczbork rail track in Poland, the prestigious building construction project Prague Marina – Phase II in the Czech Republic and, in Romania, the Metroffice – Iride City and a tender for Oradea Airport.

Gradual rebound from 2015

With the exception of Poland, the Czech Republic and the growth market of Romania, PORR is practically not active in the region at present. At the same time, the company is keeping the region under very close observation so that it can react quickly to any opportunities which may emerge.

PORR has reacted to the economic situation in many Eastern and South Eastern European countries by focusing on the stable home markets of Poland and the Czech Republic as well as increased risk management, even for projects financed by the public sector. The whole region is dominated by payment difficulties and longer payment terms from public authorities. In addition to the usual construction-related risks, currency risks also play a key role in Business Unit 2.

Segment Business Unit 4 – Infrastructure

Key data

in EUR m	2014	Change	2013	2012[1]	2011[1]
Production output	889	+29.8%	684	462	515
Foreign share	70.9%	+3.5PP	67.4%	38.9%	53.0%
EBT	20.1	-33.7%	30.3	21.4	-46.6
Order backlog at year end	2.241	-11.2%	2.524	1,205	1,024
Order bookings	605	-66.7%	1,816	642	899
Average staff	2,385	+36.1%	1,752	1,285	1,125

[1] Comparative figures for PORR prior to 2013 incl. development

Technical market leader in many areas

PORR is a leader in infrastructure projects on its home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, as well as several other countries in CEE/SEE. The segment Business Unit 4 – Infrastructure (BU 4) includes activities in tunnelling, rail construction and foundation engineering, as well as large-scale projects in road and bridge construction and civil engineering. Furthermore, BU 4 is responsible for German civil engineering, the international markets which are managed from hub in Qatar, and certain markets such as Slovakia, which is currently only being developed selectively for large-scale infrastructure projects. BU 4 realises the entire range of traffic construction, from smaller construction tasks through to complex large-scale projects and traffic infrastructure initiatives.

BU 4 is one of Europe's leading companies in many areas such as underground construction, from conventional tunnelling with shotcrete right through to high-tech mechanical boring. In railway construction PORR developed the Austria Slab Track system in cooperation with ÖBB, the Austrian Federal Railways. More and more clients rely on this system and it has led to numerous acquisitions in Austria and Germany in recent years.

Reticent investment activity continues in Europe

The cost-cutting measures by Europe's governments continued in the reporting period, which had a not insignificant impact on infrastructure investment policy. Positive effects have not yet been observed, which is why certain countries like the Czech Republic have been diverted from their investment course. The declines have been noticeable in Austria, Germany and Switzerland, although PORR's strong reputation and technical expertise has kept the impact in check. While there are many projects on the market in Poland – here EU funds are still providing ongoing stimulus – the achievable margins have shrunk to a minimum because of the increased competition. With the exception of Romania, most of the Eastern and South Eastern European markets do not offer any promising prospects at present. Here PORR is only involved in individual projects which meet specific risk and earnings criteria and where the client has a strong credit rating, particularly those co-financed by the EU.

Production output undergoes further rise

As Business Unit 4 focuses on large-scale projects, it is traditionally subject to high fluctuations in production output and EBT. Production output of EUR 889m was generated in 2014, an increase of EUR 205m or 29.8%. Progress on the major project of the Green Line of Doha metro in Qatar was responsible for almost half of this growth. In addition, the other large-scale projects in tunnelling and rail construction are progressing well, such as the slab

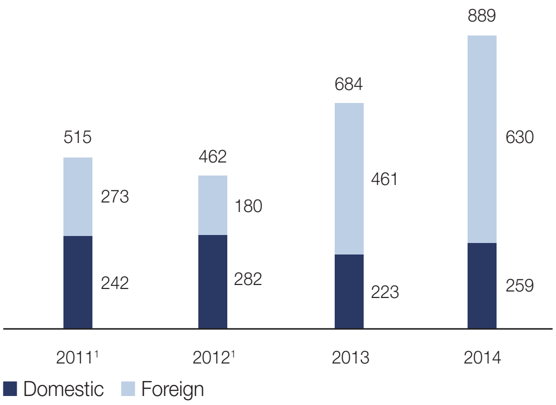
Managing Directors of Business Unit 4

Stephan Hebgen

Alfred Sebl-Litzlbauer

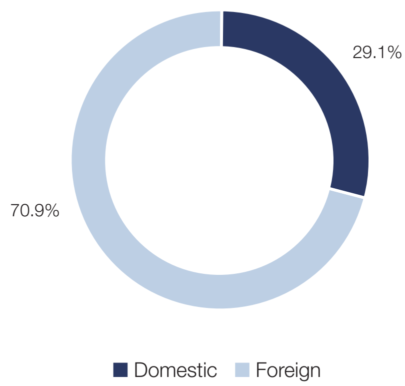
Hubert Wetschnig

Production output BU 4 – Infrastructure
in EUR m



¹ Comparative figures for PORR prior to 2013 incl. development

Production output 2014
in %



track system (Erfurt–Halle), Koralm tunnel KAT 3 and the projects related to Stuttgart 21. EBT amounted to EUR 20.1m in 2014 and was thereby EUR 10.2m or 33.7% below the level of the previous year.

Order backlog slips back on previous year

The numerous, ongoing, large-scale projects mean that BU 4's capacity is almost fully utilised. The pure focus that this allows on high-margin acquisitions is reflected in the decline in the order backlog. At December 31st 2014 it amounted to EUR 2,241m and was therefore EUR 283m or 11.2% below the comparative value from 2013. As was previously the case, the order backlog is more than double the annual production output.

Order bookings fell more sharply than the order backlog, which primarily resulted from the non-inclusion of the one-off impact of the Green Line of Doha metro. Order bookings totalled EUR 605m, a fall of EUR 1,211m or 66.7%. In addition to more than EUR 850m from the one-off effect of Doha, the acquisition of Koralm tunnel KAT 3 in the previous year also had an impact. However, the decrease has been deliberately controlled by PORR, as the numerous, multi-year construction projects leave no capacity for additional large-scale projects. Major acquisitions in 2014 included the Sebeş–Turda motorway in Romania – together with BU 2 –, the Ernst-Reuter-Allee rail overpass in Magdeburg, rehabilitating the LK272 Kluczbork rail track in Poland and the follow-up tender for the elevated works in Doha, an extension of the Green Line.

Strategic focus on technological leadership

PORR has strong technological expertise in sectors such as tunnelling and foundation engineering, which should also open up excellent opportunities in the market in the coming years and strengthen the Group's position as a technology company of international stature. Expanding business activities to Qatar and Saudi Arabia promises future growth in output and earnings, although this will be achieved in an extremely cautious and risk-averse manner in light of the situation described. The goal is to make the most of every market opportunity in this region which would promote long-term profitable growth. In light of the current economic and political situation on the international markets, risk management takes on an especially important role. In addition to economic parameters, political stability is a key factor in tender processes due to the dominance of the public sector. At present PORR only offers selected large-scale projects in the region.

The high order backlog makes it possible for BU 4 to be selective in its choice of projects, as well as facilitating a risk-averse approach. Nevertheless, 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 important for projects in countries outside the home markets.

Segment Business Unit 5 – Environmental Engineering

Key data in EUR m	2014	Change	2013	2012[1]	2011[1]
Production output	105	+6.8%	99	78	70
Foreign share	16.4%	+1.3PP	15.1%	18.2%	14.3%
EBT	-0.6	+87.0%	-4.8	-0.6	3.8
Order backlog at year end	38	-17.2%	46	66	43
Order bookings	97	+23.1%	79	101	98
Average staff	813	+2.9%	790	229	195

[1] Comparative figures for PORR prior to 2013 incl. development

Managing Directors of Business Unit 5

Kurt Lackner

Zeljko Vocinkic

Bundled expertise in environmental engineering

The segment Business Unit 5 – Environmental Engineering (BU 5) is home to the Group's expertise in environmental clean-up, waste management and renewable energy. PORR Umwelttechnik develops, builds and operates landfills, waste treatment and sorting facilities in Austria, Germany and Serbia. The activities have a clear focus on Austria. The company was founded in 1990 as a PORR AG subsidiary in order to bundle existing expertise and satisfy the growing trend towards "Green Solutions". PORR increased its range of services in 2013 with the purchase of Vienna-based Prajo & Co. GmbH, a firm specialised in recycling demolition and construction waste. Since it was founded in 1995, the Prajo Group has expertly demolished, gutted and deconstructed around 2,500 buildings. The main focus is on sorting the construction materials as soon as demolition work begins, as the vast majority of the waste is then recycled. This sorting is partly done at the construction site itself and partly at Prajo's own recycling plant in Himberg. These competencies allow PORR to expand its internal value chain still further.

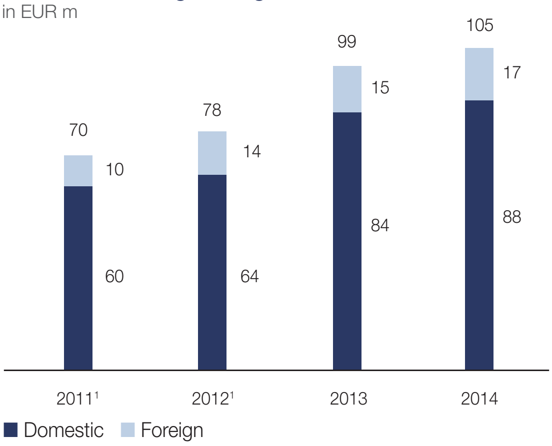
Changing market environment

The market for environmental engineering has undergone major changes in the past years, many competitors have disappeared, while new companies are pushing onto the Austrian market. Austria continues to offer opportunities for PORR, particularly in recycling, waste management and rehabilitating contaminated sites, even though budgets are getting tighter. The situation in South Eastern Europe is significantly more challenging. Although demand for waste infrastructure remains extremely high, the available funds and public-sector payment ethics have suffered as a result of the crisis.

Output increase in 2014

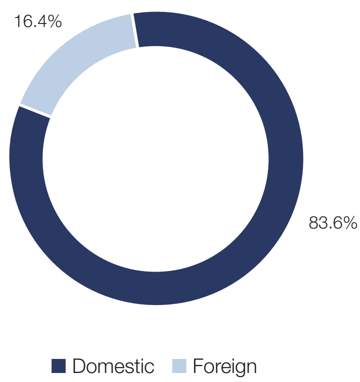
BU 5 managed to use its strong position as market leader in Austria and consolidate this position. Production output amounted to EUR 105m, a rise of EUR 6m or 6.8%. Output not only grew in Austria, primarily in Vienna and Styria, but environmental engineering also increased in Germany. The restructuring of TKDZ Wellen (Trier lime, dolomite and cement works) has started to have an impact and is reflected in increased output. The canalisation subsidiary Thorn in Bavaria also achieved growth. The landfills in Jagodina and Leskovac in Serbia remained steady in terms of output; the clear focus here is on recovering receivables.

Production output BU 5 – Environmental Engineering
in EUR m



[1] Comparative figures for PORR prior to 2013 incl. development

Production output 2014
in %



BU 5's EBT totalled EUR -0.06m as of December 31st 2014, an increase of EUR 4.2m or 87.0%. The negative EBT is primarily due to the one-off impairment of goodwill.

Order backlog remains strong

In 2014 the order situation was varied for BU 5. On the one hand the order backlog fell to EUR 38m as of December 31st 2014, a decrease of EUR 8m or 17.2%, However, at the same time order bookings rose to EUR 97m, an increase of EUR 18m or 23.1%. The highlight in 2014 was the demolition of the Hanappi Stadium in Vienna by Prajo & Co. GmbH. With regard to the strategic focus, BU 5 has withdrawn from the earthworks business and now only offers the in-house "A-GB-A" product (offering demolition, foundation engineering and excavation from a single source). The strong interest from clients has validated this decision.

Environmental engineering will continue to focus on Austria

Despite the declining order backlog in 2014, BU 5 is optimistic about the current year. PORR predicts a challenging but stable market environment in the two home markets of Austria and Germany, with opportunities expected in the environmental clean-up, demolition and recycling sectors in particular. Here PORR will profit from the expertise of the Prajo Group. BU 5 will continue to optimise the Serbian business and new projects will only be acquired if there is clear added value.

In addition to the dependency on municipal tenders, the main risk management focus for BU 5 lies in the collectability of receivables, particularly outside the two home markets of Austria and Germany. While private clients in South Eastern Europe have a good payment ethic, the public sector has been known to delay payments.


Doris Steiner

fewer
capital costs
=
more
earnings

Consolidated Financial Statements 2014

Consolidated Income Statement

in EUR thousand	Notes	2014	2013[1]
Revenue	(7)	3,009,118	2,630,025
Own work capitalised in non-current assets		890	4,453
Share of profit/loss of companies accounted for under the equity method	(20)	66,156	34,604
Other operating income	(8)	119,475	112,700
Cost of materials and other related production services	(9)	-2,026,001	-1,748,711
Staff expense	(10)	-752,960	-669,814
Other operating expenses	(12)	-260,254	-216,643
EBITDA		156,424	146,614
Depreciation, amortisation and impairment expense	(11)	-74,716	-65,736
EBIT		81,708	80,878
Income from financial investments and other current financial assets	(13)	24,762	12,354
Finance costs	(14)	-40,370	-33,641
EBT		66,100	59,591
Income tax expense	(15)	-17,542	-7,059
Profit (loss) for the period from continued operations		48,558	52,532
of which: attributable to non-controlling interests		-68	-225
of which: attributable to holders of profit-participation rights		4,200	6,433
of which: attributable to shareholders of the parent		44,426	46,324
Profit (loss) for the period from discontinued operations		-3,043	53
of which: attributable to non-controlling interests		2	-22
of which: attributable to shareholders of the parent		-3,045	75
Total profit (loss) for the period		45,515	52,585
of which: attributable to non-controlling interests		-66	-247
of which: attributable to holders of profit-participation rights		4,200	6,433
of which: attributable to shareholders of the parent		41,381	46,399
Basic (diluted) earnings per share, continued operations (in EUR)	(16)	3,22	3,87
Basic (diluted) earnings per share, discontinued operations (in EUR)	(16)	-0,22	0,01
Basic (diluted) earnings per share (in EUR)	(16)	3,00	3,88

[1] The comparative figures have been adjusted retrospectively in accordance with IFRS 5 and IFRS 11.

Statement of Comprehensive Income

in EUR thousand	Notes	2014	2013[1]
Profit/loss for the period		45,515	52,585
Other comprehensive income			
Gains/losses from revaluation of property, plant and equipment	(18)	-	17,127
Remeasurement from benefit obligations	(34)	-14,727	-6,782
Income tax expense/income on other comprehensive income		3,776	-2,638
Other comprehensive income which cannot be reclassified to profit or loss (non-recyclable)		-10,951	7,707
Exchange differences		-682	-2,221
Gains/losses from fair value measurement of securities		241	156
Gains/losses from cash flow hedges			
recognised in profit and loss	(43)	-	754
Gains/losses from cash flow hedges of associates		-3,070	3,142
Income tax expense/income on other comprehensive income		-60	-227
Other comprehensive income which can subsequently be reclassified to profit or loss (recyclable)		-3,571	1,604
Other comprehensive income		-14,522	9,311
Total comprehensive income		30,993	61,896
of which: attributable to non-controlling interests		-73	-136
Share attributable to shareholders of the parent and holders of profit-participation rights		31,066	62,032
of which: attributable to holders of profit-participation rights		4,200	6,433
Share attributable to shareholders of the parent		26,866	55,599

[1] The comparative figures have been adjusted retrospectively in accordance with IFRS 5 and IFRS 11.

Consolidated Cash Flow Statement

in EUR thousand	Notes (43)	2014	2013[1]
Profit (loss) for the period		45,515	52,585
Depreciation, impairment and reversals of impairment on fixed assets		76,760	62,127
Interest income/expense		32,648	23,195
Income from companies accounted for under the equity method		10,773	-8,578
Profits from the disposal of fixed assets		-18,533	-10,440
Decrease in long-term provisions		-2,100	-529
Deferred income tax		5,440	3,187
Operating cash flow		150,503	121,547
Increase/decrease in short-term provisions		37,200	-24,169
Increase in inventories		-7,474	-11,429
Increase in receivables		-71,521	-8,954
Increase in payables (excluding banks)		70,457	129,248
Interest received		20,326	10,781
Interest paid		-47,227	-33,976
Other non-cash transactions		1,471	-1,394
Cash flow from operating activities		153,735	181,654
Proceeds from sale of property, plant and equipment and investment property		43,037	42,719
Proceeds from sale of financial assets		201,113	17,240
Proceeds from the disposal of assets held for sale		1,911	20,853
Investments in intangible assets		-4,796	-3,872
Investments in property, plant and equipment and investment property		-82,356	-55,863
Investments in financial assets		-136,410	-14,237
Proceeds from the sale of consolidated companies		67,689	34,821
Payments for the acquisition of subsidiaries less cash and cash equivalents		789	-4,871
Cash flow from investing activities		90,977	36,790
Dividends		-12,090	-3,775
Dividends paid out to non-controlling interests		-6,160	-11,200
Capital increase		112,690	9,114
Proceeds from the sale of treasury shares		2,487	377
Proceeds from bonds		55,820	48,781
Repayment of bonds		-145,938	-
Obtaining loans and other financing		28,527	147,052
Redeeming loans and other financing		-153,708	-184,905
Hybrid capital		16,909	-
Buyback of capital share certificates		-10,331	-
Cash flow from financing activities		-111,794	5,444
Cash flow from operating activities		153,735	181,654
of which from discontinued operations		1,066	-8,041
Cash flow from investing activities		90,977	36,790
of which from discontinued operations		49,355	-1,836
Cash flow from financing activities		-111,794	5,444
of which from discontinued operations		52	23,799
Change to cash and cash equivalents		132,918	223,888
Cash and cash equivalents at Jan 1st		332,907	110,411
Currency differences		-578	-1,507
Changes to cash and cash equivalents resulting from changes to the consolidated group		370	115
Cash and cash equivalents at Dec 31st		465,617	332,907
Tax paid		10,408	1,764

[1] The comparative figures have been adjusted retrospectively in accordance with IAS 8.

Consolidated Statement of Financial Position

in EUR thousand	Notes	31.12.2014	31.12.2013
Assets			
Non-current assets			
Intangible assets	(17)	56,310	65,829
Property, plant and equipment	(18)	412,855	449,202
Investment property	(19)	46,767	234,386
Shareholdings in companies accounted for under the equity method	(20)	50,180	234,108
Loans	(21)	797	27,583
Other financial assets	(22)	139,663	19,019
Other non-current assets	(25)	16,292	31,431
Deferred tax assets	(29)	5,149	7,101
		728,013	1,068,659
Current assets			
Inventories	(23)	72,647	96,105
Trade receivables	(24)	725,101	650,987
Other financial assets	(25)	129,943	133,097
Other receivables and current assets	(26)	18,593	11,187
Cash and cash equivalents	(27)	465,617	332,907
Assets held for sale	(28)	6,116	3,528
		1,418,017	1,227,811
Total assets		**2,146,030**	**2,296,470**

Equity and liabilities			
Equity			
Share capital	(30)	29,095	24,203
Capital reserves	(31)	249,014	139,632
Hybrid capital	(31)	17,150	-
Other reserves	(31)	44,881	134,898
Equity attributable to shareholders of parent		340,140	298,733
Equity from profit-participation rights	(32)	44,160	46,120
Non-controlling interests	(33)	871	2,809
		385,171	347,662
Non-current liabilities			
Bonds	(35)	155,294	223,659
Provisions	(34)	132,253	123,124
Non-current financial liabilities	(36)	96,528	273,776
Other non-current financial liabilities	(38)	2,319	21,137
Deferred tax liabilities	(29)	22,436	26,996
		408,830	668,692
Current liabilities			
Bonds	(35)	78,393	99,134
Provisions	(34)	125,007	93,147
Current financial liabilities	(36)	70,851	93,796
Trade payables	(37)	655,360	613,414
Other current financial liabilities	(38)	39,308	42,173
Other current liabilities	(39)	370,774	328,726
Tax payables		12,336	9,726
		1,352,029	1,280,116
Total equity and liabilities		**2,146,030**	**2,296,470**

Statement of Changes in Group Equity

in EUR thousand	Notes (30–33)	Share capital	Capital reserves	Revaluation reserve	Remeasurement from benefit obligations	Foreign currency translation reserves
Balance at Jan 1st 2013		19,896	121,353	13,897	-8,845	4,497
Total profit/loss for the year		-	-	10,306	-5,081	-1,851
Dividend payout		-	-	-	-	-
Income tax on interest for holders of profit-participation rights		-	-	-	-	-
Capital increase		4,307	18,279	-	-	-
Reclassification of profit-participation rights		-	-	-	-	-
Treasury shares		-	-	-	-	-
Changes to the consolidated group/acquisition of non-controlling interests		-	-	-	-	-
Balance at Dec 31st 2013		24,203	139,632	24,203	-13,926	2,646
Total profit/loss for the year		-	-	-369	-10,953	1,266
Dividend payout		-	-	-	-	-
Hybrid capital		-	-	-	-	-
Income tax on interest for holders of profit-participation rights		-	-	-	-	-
Treasury shares		-	-	-	-	-
Capital increase		5,290	108,984	-	-	-
Buyback of capital share certificates		-398	398	-	-	-
For payout to owners of continued operations		-	-	-9,409	402	-395
Changes to the consolidated group/acquisition of non-controlling interests		-	-	-	-	-
Balance at Dec 31st 2014		29,095	249,014	14,425	-24,477	3,517

Total debt securities available for sale – fair value reserve	Reserve for cash flow hedges	Hybrid capital	Retained earnings and non-retained profit	Equity attributable to equity holders of the parent	Profit-participation rights	Non-controlling interests	Total
52	-35,279	-	110,981	226,552	92,119	3,882	322,553
117	3,708	-	48,400	55,599	6,433	-136	61,896
-	-	-	-3,775	-3,775	-11,200	-	-14,975
-	-	-	1,540	1,540	-	-	1,540
-	-	-	-2,210	20,376	-11,262	-	9,114
-	-	-	-	-	-29,970	-	-29,970
-	-	-	-1,908	-1,908	-	-	-1,908
-	-	-	349	349	-	-937	-588
169	-31,571	-	153,377	298,733	46,120	2,809	347,662
181	-3,070	205	39,606	26,866	4,200	-73	30,993
-	-	-	-12,090	-12,090	-6,160	-	-18,250
-	-	16,945	-	16,945	-	-	16,945
-	-	-	1,101	1,101	-	-	1,101
-	-	-	2,487	2,487	-	-	2,487
-	-	-	-	114,274	-	-	114,274
-	-	-	-10,331	-10,331	-	-	-10,331
-26	34,641	-	-123,023	-97,810	-	-1,801	-99,611
-	-	-	-35	-35	-	-64	-99
324	-	17,150	51,092	340,140	44,160	871	385,171

Notes to the Consolidated Financial Statements 2013

1. General Information

The PORR Group consists of 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 Austrian Commercial Code in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed 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, 53 (previous year: 98) domestic subsidiaries and 52 (previous year: 61) foreign subsidiaries are included in the consolidated financial statements. 70 companies are no longer included in the consolidated group, whereby 13 of these were excluded through intragroup mergers. The following companies merged:

Company	Absorbing company	Due date
Pichlingerhof Liegenschaftsverwertungs GmbH & Co KG	TEERAG-ASDAG Aktiengesellschaft	8.8.2014
BZW Liegenschaftsverwaltungs GmbH	TEERAG-ASDAG Aktiengesellschaft	1.7.2014
aqua plus Wasserversorgungs- und Abwasser-entsorgungs- GmbH	Porr Bau GmbH	9.9.2014
Mast Bau GmbH	Porr Deutschland GmbH	12.12.2014
PORR-WERNER WEBER ENVIRONMENTAL TECHNOLOGIES DOO NIS	PWW d.o.o. Nis	1.4.2014
Stump - Geospol s.r.o.	Porr a.s.	17.4.2014
EPS TRIESTERSTRASSE Errichtungs- und Beteiligungsverwaltungs GmbH & Co KG	STRAUSS & PARTNER Development GmbH	21.8.2014
FPS Infrastruktur Inv. AG	STRAUSS & PARTNER Development GmbH	27.6.2014
EPS Tamussinostrasse Errichtungs- und Beteiligungs GmbH & Co KG	STRAUSS & PARTNER Development GmbH	10.9.2014
EPS Maria Lanzendorferstrasse 17 Errichtungs- und Beteiligungs GmbH & Co KG	STRAUSS & PARTNER Development GmbH	21.8.2014
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH	STRAUSS & PARTNER Development GmbH	11.9.2014
MLSP Dinadan GmbH & Co KG	REHA Tirol Errichtungs GmbH	1.12.2014
MLSP GKB Immobilien GmbH & Co KG	MLSP Dinadan GmbH & Co KG	1.12.2014

Two companies were liquidated. For SONUS City GmbH & Co. KG and Arena Boulevard GmbH & Co. KG all shares were sold with the exception of 6% each. The purchase price of TEUR 2,734 was settled in cash.

The assets and liabilities where control was lost break down as follows:

in EUR thousand	2014
Non-current assets	
Investment property	8,830
Deferred tax assets	71
Current assets	
Inventories	23,551
Trade receivables	11,190
Other current financial assets	682
Other current receivables and assets	1,791
Cash and cash equivalents	2,336
Non-current liabilities	
Non-current financial liabilities	-4,383
Current liabilities	
Current financial liabilities	-22,725
Trade payables	-11,186
Other current financial liabilities	-8,219
Tax payables	-25

Gains on sale amounting to TEUR 937 were recognised in income/expenses from financial assets.

2.1. Spin-off

On August 31st 2014 PORR AG announced its intention to spin off the real estate business of the PORR Group into an independent, listed company admitted to trading on the Vienna Stock Exchange, in which the existing shareholders of PORR AG would hold the same proportionate stake as they had previously held in PORR AG.

The real estate business of the PORR Group affected by the spin-off involves the property development business of the STRAUSS & PARTNER Group, other non-operational PORR Group real estate and the PORR AG stake in UBM Realitätenentwicklung Aktiengesellschaft. The goals of the spin-off were to achieve an even clearer focus and concentration on the PORR Group's core business of construction, as well as to establish an independent, listed company with a clear focus on real estate and development.

In the course of a range of preparatory measures, any non-operational real estate and project developments related to property held by PORR AG and its direct and indirect subsidiaries which were not yet held by STRAUSS & PARTNER Development GmbH and its subsidiaries were transferred to STRAUSS & PARTNER Development GmbH.

In the course of the spin off, PORR AG as the transferring company transferred its shareholding in UBM Realitätenentwicklung Aktiengesellschaft amounting to around 41.33% and part of its shareholding in STRAUSS & PARTNER Development GmbH amounting to 39.96%, with the effective date June 30th 2014, by way of universal succession pursuant to the provisions of the Spin-off Act and Article VI Reorganisation Tax Act (UmgrStG) with effect from the end of June 30th 2014 in the course of the spin-off for transfer (Articles 17 in conjunction with 2 et seq. Spin-off Act) to PIAG Immobilien AG as the absorbing company.

The remaining PORR Group shareholdings in STRAUSS & PARTNER Development GmbH of 60% were sold to PIAG Immobilien AG for TEUR 66,000 (cash purchase price) conditional upon the spin-off taking effect.

At the extraordinary general meeting on October 29th 2014, a resolution was passed with 100% of valid votes in favour to spin off part of the shareholding in STRAUSS & PARTNER Development GmbH and the shareholding in UBM Realitätenentwicklung Aktiengesellschaft and to sell the remaining stake in STRAUSS & PARTNER Development GmbH.

Upon entry into the Corporate Register and the spin-off taking effect on December 10th 2014 and the award of new shares in PIAG Immobilien AG to the shareholders of PORR AG as compensation, the PORR Group and the PIAG Group became two independent, listed companies.

In accordance with the Spin-off and Takeover Agreement, the PORR AG shareholders were granted one share in PIAG Immobilien AG for each share held in PORR AG. The allocation of the full 14,547,500 shares in PIAG Immobilien AG came into effect upon the entry of the spin-off into the Commercial Register. At the time the spin-off was entered, 70,000 shares held by PORR AG in PIAG Immobilien AG were not transferred as a result of the spin-off and were therefore not issued to shareholders of PORR AG. PORR transferred these shares to PIAG Immobilien AG in parallel, but outside the spin-off and without payment.

As the companies involved in the transaction were and are controlled by the Ortner-Strauss syndicate both before and after the spin-off, the exemption pursuant to IFRIC 17.5 in conjunction with 17.6 applies, eliminating the application of IFRIC 17 "Distributions of Non-cash Assets to Owners". This involves a transaction under common control, to which the IFRS regulations do not apply. As per presentation of acquisitions under common control, the pooling of interest method was used for the presentation of the spin-off as of the end of November 2014 at the carrying amounts, which were transferred to PIAG Immobilien AG as the legal successor.

Upon the spin-off taking effect, all of the activities of Business Unit 6 – Real Estate were spun off, with the exception of PORREAL Immobilien Management GmbH. The results of the operating segment Business Unit 6 – Real Estate were therefore shown in the income statement of PORR AG for all periods under review (1–11/2014 and 2013) as discontinued operations, with the exception of the cash-generating unit building management (PORREAL Immobilien Management GmbH):

in EUR thousand	2014			2013
	S&P Group	Other comprehensive income	Income/expenses from discontinued operations	
Revenues	37,433		37,433	21,891
Own work capitalised in non-current assets			-	300
Share of profit/loss of companies accounted for under the equity method	14,601	-10,638	3,963	17,947
Other operating income	-1,637		-1,637	6,382
Cost of materials and other related production services	-20,494		-20,494	-12,319
Staff expense	-11,391		-11,391	-12,832
Other operating expenses	-8,695	-2,239	-10,934	-13,252
EBITDA	9,817	-12,877	-3,060	8,117
Depreciation, amortisation and impairment expense	-1,283		-1,283	-969
EBIT	8,534	-12,877	-4,343	7,148
Income from other financial assets	4,653	7,977	12,630	-2,262
Finance costs	-12,604		-12,604	-3,984
EBT	583	-4,900	-4,317	902
Income tax expense	1,274		1,274	-849
Profit/loss for the year	1,857	-4,900	-3,043	53

The column “other comprehensive income” shows the gains/losses from fair value measurement and the proceeds from the disposal of the discontinued interests, as well as the transaction costs which arose from the spin-off. The results of the final consolidation did not have an impact on income tax, as the spin-off was a tax-neutral transaction.

Should service and financing relations remain between the spun-off real estate sector and PORR’s remaining, ongoing business after the spin-off, these have not been consolidated and have been presented under application of the stand-alone approach.

The assets and liabilities of the spun-off business segment Business Unit 6 – Real Estate – with the exception of the remaining building management business – were recognised in PORR AG's statement of financial position until the spin-off. The final consolidation as at November 30th 2014 breaks down as follows:

in EUR thousand	2014
Non-current assets	
Intangible assets	112
Property, plant and equipment	53,223
Investment property	182,696
Shareholdings in companies accounted for under the equity method	89,662
Loans	23,005
Other financial investments and securities	539
Other non-current financial assets	11,629
Deferred tax assets	11,249
Total	372,115
Current assets	
Inventories	32,320
Trade receivables	4,356
Other current financial assets	43,266
Other receivables and current assets	850
Cash and cash equivalents	1,046
Total	81,838
Non-current liabilities	
Provisions	-4,113
Non-current financial liabilities	-76,579
Other financial liabilities	-31,689
Other non-current liabilities	-4
Deferred tax liabilities	-14,999
Total	-127,384
Current liabilities	
Provisions	-439
Current financial liabilities	-32,702
Trade payables	-7,505
Other current financial liabilities	-186,542
Other current liabilities	-1,566
Tax payables	-454
Total	-229,208
Net assets	97,361
of which 39.96% spun off	38,905
Carrying amount of the spun-off interest in UBM Realitätenentwicklung Aktiengesellschaft	60,706
Total assets spun off	99,611

The disposal of the spun-off equity is shown in the statement of changes in Group equity under the item "payout to owners of continued operations".

Other financial liabilities of TEUR 197,829 relate to liabilities owed by the spun-off business unit to Porr Financial Services GmbH, a PORR Group financing company, which have been recognised as financial receivables from PIAG Immobilien AG since the spin-off came into effect.

TEUR 165,000 of this receivable was subsequently redeemed before the end of the reporting period, therefore at December 31st 2014 the remaining receivable was only TEUR 32,829 (see note 25). The redemption is shown in the cash flow statement under proceeds from financial investments.

Cash flow from the sale of companies totalling TEUR 64,955 resulted from the purchase price for the remaining interest in STRAUSS & PARTNER Development GmbH (60%), less outflow of cash and cash equivalents.

The following 53 companies were spun off:

Bahnhofcenter Entwicklungs-, Errichtungs- und Betriebs GmbH
Baumgasse 131 Bauträger- und Verwertungsgesellschaft m.b.H.
Emiko Beteiligungsverwaltungs GmbH & Co. KG
EPS Haagerfeldstraße - Business Hof Leonding 2 Errichtungs- und Verwertungs GmbH
EPS MARIANNE-HAINISCH-GASSE - LITFASS-STRASSE Liegenschaftsverwertungs- und Beteiligungsverwaltungs GmbH & Co KG
EPS Office Franzosengraben GmbH & Co KG
EPS Rathausplatz Guntramsdorf Errichtungs- und Beteiligungsverwaltungs GmbH & Co KG
EPS RINNBÖCKSTRASSE - LITFASS-STRASSE Liegenschaftsverwertungs- und Beteiligungsverwaltungs GmbH & Co KG
EPS Tivoli Hotelerrichtungs- und Beteiligungsverwaltungs GmbH
EPS Welser Straße 17 Business Hof Leonding Errichtungs- und Beteiligungs GmbH & Co KG
Gepal Beteiligungsverwaltungs GmbH
Gevas Beteiligungsverwaltungs GmbH
Glamas Beteiligungsverwaltungs GmbH & Co „Delta“ KG
Golera Beteiligungsverwaltungs GmbH
GORPO Projektentwicklungs- und Errichtungs-GmbH & Co KG
Gospela Beteiligungsverwaltungs GmbH & Co KG
Hotelbetrieb SFZ Immobilien GmbH & Co KG
IBC Business Center Entwicklungs- und Errichtungs-GmbH
Jandl Baugesellschaft m.b.H.
MLSP Absberggasse Immobilien GmbH & Co KG
MLSP Brunor GmbH & Co KG
MLSP IBC OST Immobilien GmbH & Co KG
MLSP IBC WEST Immobilien GmbH & Co KG
MultiStorage GmbH & Co KG
PIAG Immobilien AG
Porr - living Solutions GmbH
Porr Infrastruktur Investment AG
Projekt Ost - IBC Business Center Entwicklungs- und Errichtungs-GmbH & Co KG
Projekt West - IBC Business Center Entwicklungs- und Errichtungs-GmbH & Co KG
Sabimo Gerhard-Ellert-Platz GmbH
Sabimo Immobilien GmbH
Sabimo Liebenauer Hauptstraße GmbH
Sabimo Monte Laa Bauplatz 2 GmbH
Sabimo Söllheimer Straße GmbH
SFZ Freizeitbetriebs-GmbH & Co KG

SFZ Immobilien GmbH & Co KG
Somax Beteiligungsverwaltungs GmbH
STRAUSS & PARTNER Development GmbH
Wibeba Holding GmbH
WIPEG - Bauträger- und Projektentwicklungsgesellschaft m.b.H.
WLB Projekt Laaer Berg Liegenschaftsverwertungs- und Beteiligungs-GmbH
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH & Co. Bauplatz 3 „türkis“ Projekt-OG
Wohnpark Laaer Berg Verwertungs- und Beteiligungs-GmbH & Co. Bauplatz 5 „rosa“ Projekt-OG

ALBA BauProjektManagement Bulgaria EOOD
ALBA BauProjektManagement GmbH
Bartycka Real Estate Spólka z ograniczona odpowiedzialnoscia
Gamma Real Estate Ingtalanfejlesztö és - hasznositó Korlátolt Felelösségü Társaság
Lamda Imobiliare SRL
Porr Solutions Polska Spólka z ograniczona odpowiedzialnoscia
RE Moskevská spol.s.r.o.
Sitnica drustvo s ogranicenom odgovornoscu za usluge
STRAUSS & CO. Projektentwicklungs GmbH
Yipsilon Imobiliare SRL

2.2. Business combinations and first consolidations

In these consolidated financial statements the following 16 companies were consolidated for the first time:

Because of new foundations and first-time consolidation	Date of initial consolidation
IAT Deutschland GmbH	1.1.2014
IAT Impermeabilizzazioni Srl.	1.1.2014
IAT UK Waterproofing Systems limited	21.1.2014
Porr Norge AS	12.2.2014
TEERAG-ASDAG Deutschland GmbH	13.2.2014
Porr Industriebau GmbH	17.9.2014
TEERAG-ASDAG Hochbau Burgenland GmbH	20.10.2014
PIAG Immobilien AG	7.8.2014
STRAUSS & CO. Projektentwicklungs GmbH	25.9.2014
Sabimo Gerhard-Ellert-Platz GmbH	19.8.2014
Sabimo Immobilien GmbH	19.8.2014
Sabimo Liebenauer Hauptstraße GmbH	19.8.2014
Sabimo Monte Laa Bauplatz 2 GmbH	19.8.2014
Sabimo Söllheimer Straße GmbH	19.8.2014

Here assets and liabilities totalling around EUR 6.7m were included in the consolidation for the first time.

Because of acquisitions and increases in shares held/change in control	Date of initial consolidation
SONUS City GmbH & Co. KG (real estate purchase not subject to IFRS 3)	2.1.2014
PORR AUSTRIARAIL GmbH	16.1.2014

A total of TEUR 150 was used to purchase another 50% stake in PORR AUSTRIARAIL GmbH. The purchase price was already paid in the 2013 business year; the transfer agreement was subject to conditions precedent and will first take effect on January 16th 2014. The purchase price was allocated in line with IFRS 3.45 and to the Group's liabilities and assets as follows:

in EUR thousand	2014
Non-current assets	
Property, plant and equipment	16,834
Deferred tax assets	3,528
Current assets	
Inventories	579
Trade receivables	2,421
Other current financial assets	327
Other receivables and current assets	336
Cash and cash equivalents	790
Non-current liabilities	
Provisions	-13
Non-current financial liabilities	-14,751
Current liabilities	
Provisions	-2,017
Trade payables	-1,198
Other current financial liabilities	-2,493
Other current liabilities	-119
Tax payables	-3,229
Fair value of the previously held equity interest	-595
Liability side balance	-250
Purchase price	150

The acquisition led to the realisation of a gain of TEUR 730, which has been recognised in other operating income. TEUR 480 of this gain resulted from the valuation of the previously held shares at their fair value and TEUR 250 of this gain was from the bargain purchase. A reassessment of the bargain purchase was carried out prior to recognition. The company included in the consolidated group for the first time contributed TEUR 601 to EBT and TEUR 9,066 to revenue in the reporting period.

Furthermore, 37 (previous year: 61) domestic and 13 (previous year: 21) foreign associates and joint ventures were valued using the equity method. The consolidated subsidiaries and companies accounted for under the equity method are shown in the list of shareholdings (see page 179ff). Companies which are of minor significance for the consolidated financial statements are not included. 19 (previous year: 52) subsidiaries and 46 (previous year: 71) shareholdings in associates and joint ventures were therefore not included in the consolidation or accounted for under the equity method; this primarily relates to general partner companies.

3. New accounting standards

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

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 2014. The application of the standard has not had a significant impact on the Group's 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 2014. The first-time application had had an impact on the German and Austrian consortiums. Based on the draft statement of AFRAC from January 15th 2015 "The form of inclusion of Austrian construction consortiums in IFRS financial statements", consortiums which are subject to the directives applying to construction agreements shall generally be classified as joint ventures. In accordance with the statement by the German IDW, the typical construction consortium with a standard German contract fulfils the criteria for classification as a joint venture. Therefore the first-time application has led to changes in disclosures in the income statement. While the proportionate results continue to form part of EBIT, they are no longer recognised in revenue and other operating expenses, but are instead shown under profit/loss from companies accounted for under the equity method. The presentation of joint operations from activities in other countries did not lead to any change in disclosures.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 brings together the disclosures for interests in subsidiaries, joint arrangements, companies accounted for under the equity method 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 2014. The application of the standard has led to additional disclosures in the Group's consolidated financial statements.

Amendments to standards and interpretations

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 amendment has not had any impact 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. The amendment has not had any impact on the consolidated financial statements.

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 2014. The amendment has not had any impact on the consolidated financial statements.

Amendment to IAS 28 Investments in Companies accounted for under the equity method and Joint Ventures
IAS 28 has been amended as a result of the publication of IFRS 10 and IFRS 11. This amendment is applicable to fiscal years beginning on or after January 1st 2014. The amendment has not had any impact on the consolidated financial statements.

Amendment to IAS 36 Impairment of Assets
The amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment applies to fiscal years beginning on or after January 1st 2014. The amendment has not had any significant impact on the consolidated financial statements.

Amendment to IAS 39 Financial Instruments: Recognition and Measurement
The amendment allows derivatives to continue to be designated as hedges despite a novation. The precondition for this is that the derivative is novated to effect clearing with a central counterparty as a result of laws or regulation. The amendment applies to fiscal years beginning on or after January 1st 2014. The amendment has not had any significant impact on the consolidated financial statements.

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. The amendment has not had any impact on the consolidated financial statements.

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 2013, and the voluntary option to apply them early was also not exercised.

Standards and interpretations already adopted by the European Union

Amendments to standards and interpretations

Amendment to IAS 19 Employee Benefits
The amendment clarifies how contributions from employees or third parties which are linked to service should be attributed to periods of service and also permits a practical expedient if the amount of the contributions is independent of the number of years of service. The amendment applies to fiscal years beginning on or after January 1st 2014. The Group does not expect the amendment to have any impact on the consolidated financial statements.

Annual Improvements to IFRSs (2010–2012 Cycle)
The Annual Improvements to IFRSs 2010–2012 Cycle contains a number of minor amendments to different standards. The amendments apply to fiscal years beginning on or after July 1st 2014. The standards affected by these amendments include: IFRS 2 Share-based Payment; IFRS 3 Business Combinations; IFRS 8 Operating Segments; IFRS 13 Fair Value Measurement; IAS 16 Property, Plant and Equipment; IAS 24 Related Party Disclosures; and IAS 38 Intangible Assets.

Annual Improvements to IFRSs (2011–2013 Cycle)
The Annual Improvements to IFRSs 2011–2013 Cycle contains a number of minor amendments to different standards. The amendments apply to fiscal years beginning on or after July 1st 2014. The standards affected by these amendments include: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 3 Business Combinations; IFRS 13 Fair Value Measurement; and IAS 40 Investment Property.

As the main purpose of the Annual Improvements project is to clarify the formulation of existing IFRSs and make small amendments to eliminate unforeseen consequences and conflicts, the Group does not expect any of the amendments arising from Improvements to IFRSs to have a significant impact on the consolidated financial statements.

New interpretations

IFRIC 21 – Levies
The interpretation provides guidance on when to recognise a liability for a levy imposed by a government. The interpretations apply to fiscal years beginning on or after July 1st 2014. The interpretation is not expected to have a significant impact on the consolidated financial statements.

Standards and interpretations not yet adopted by the European Union

New standards

IFRS 9 Financial Instruments

The IASB published the final version of the standard on July 24th 2014 in the course of completing the various phases of its comprehensive financial instruments project. This means that IAS 39 Financial Instruments and Recognition can now be fully replaced with the application of IFRS 9. The most recently published version of IFRS 9 replaces all earlier versions of the standard. The amendment applies to reporting periods beginning on or after January 1st 2018. The Group is currently evaluating the impact of the amendment on the consolidated financial statements.

IFRS 14 – Regulatory Deferral Accounts

IFRS 14 “Regulatory Deferral Accounts” permits an entity which is a first-time adopter of IFRSs to continue to account, with some limited changes, for ‘regulatory deferral account balances’ in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and statement of profit or loss and other comprehensive income, and specific disclosures are required. IFRS 14 was issued in January 2014 and applies to reporting periods beginning on or after January 1st 2016. The standard will not have any impact on the consolidated financial statements.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles-based, five-step model to be applied to all contracts with customer. IFRS 15 was issued in May 2014 and applies to reporting periods beginning on or after January 1st 2017. The Group is currently evaluating the impact of the standard on the consolidated financial statements.

Amendments to standards and interpretations

Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception

The IASB issued amendments to IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosure of Interests in Other Entities” and IAS 28 “Investments in Companies accounted for under the equity method and Joint Ventures” with regard to applying the consolidation exception for investment entities. The amendments serve to clarify three issues related to the consolidation exception for investment entities whose subsidiaries are measured at fair value. Subject to adoption by the EU, the amendments will apply to reporting periods beginning on or after January 1st 2016. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IAS 1: Disclosure Initiative

In December 2014 the IASB issued amendments to IAS 1 “Presentation of Financial Statements”. The amendments primarily relate to the following points:

– Clarifying that disclosures in the financial statements are only necessary if their content is not immaterial.
– Guidance on aggregating and disaggregating items in the statement of financial position and statement of profit or loss and other comprehensive income.
– Clarifying how to account for an entity’s share of other comprehensive income of equity-accounted companies accounted for under the equity method in the statement of comprehensive income.
– Eliminating the model structure of the financial statements in order to take account of relevance to the specific company.

Subject to adoption by the EU, the amendments will apply to reporting periods beginning on or after January 1st 2016. Earlier adoption is permitted. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Annual Improvements to IFRSs 2012–2014 Cycle

The IASB has issued IASB ED/2013/11 “Annual Improvements to IFRSs 2012-2014 Cycle”. The draft proposes the following amendments:

– IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” - adds specific guidance for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.
– IFRS 7 “Financial Instruments: Disclosures” – clarifies whether a servicing contract is continuing involvement in a transferred asset and clarifies offsetting disclosures to the condensed interim financial statements.
– IAS 19 “Employee Benefits” – the amendments clarify that the corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.
– IAS 34 “Interim Financial Reporting” – proposes the inclusion of a cross-reference to information disclosed in interim financial reports.

Subject to adoption by the EU, all of the amendments will apply to fiscal years beginning on or after January 1st 2016. Earlier adoption is permitted. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Amendments to IFRS 10 and IAS 28: Investments in Companies accounted for under the equity method and Joint Ventures

The amendments address an inconsistency between the requirements of IFRS 10 and IAS 28. They clarify how to deal with gains and losses resulting from a transaction between an investor and its associate or joint venture. Gains or losses from downstream transactions involving assets that constitute a business must be recognised in full by the investor. Transactions involving assets which do not constitute a business require only partial recognition of the gain or loss. The amendments apply to fiscal years beginning on or after January 1st 2016. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The minor amendments to IAS 27 "Separate Financial Statements" allow entities to use the equity method as an accounting option for investments in subsidiaries, joint ventures and companies accounted for under the equity method in an entity's separate financial statements. The amendments apply to fiscal years beginning on or after January 1st 2016. The amendment will not have any impact on the consolidated financial statements.

Amendments to IAS 16 and IAS 41: Bearer Plants

The amendments to IAS 16 "Property, Plant and Equipment" and IAS 41 "Agriculture" relate to the financial reporting for bearer plants. Bearer plants, which are used solely to grow produce, have been brought into the scope of IAS 16. This means that they can be accounted for in the same way as property, plant and equipment. The amendments apply to fiscal years beginning on or after January 1st 2016, whereby earlier adoption is permitted. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate because such methods reflect factors other than the pattern of consumption of an asset's expected future economic benefits. The amendments also specify that a revenue-based amortisation method for determining the future economic benefits of intangible assets is generally inappropriate, whereby this presumption can be overcome under specific limited circumstances. The amendments apply to fiscal years beginning on or after January 1st 2016. The amendments are not likely to have any impact on the consolidated financial statements.

Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations

The amendments relate to accounting for interests in joint ventures and joint operations. This amendment will involve the inclusion of new guidance in IFRS 11 on accounting for acquisitions on interests in joint operations which constitute a business. The amendments apply to fiscal years beginning on or after January 1st 2016. The Group is currently evaluating the impact of the amendments on the consolidated financial statements.

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 shows an excess, 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 bargain purchase, 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 interests".

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 which have not been completed, 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 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
Rental rights	2.0 to 50.0
Licences, software	1.0 to 50.0
Concessions	5.0 to 50.0
Mining rights	depends on assets
Customer relations	14.3

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 plants and machinery	10.0 to 50.0
Other plants, factory and business equipment	10.0 to 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. The external assessments are held at periodic intervals of maximum five years; in the interim period assessments from internal experts are used to update the expert opinions. 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 change in value occurred.

Fair value is determined using recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – usually in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement.

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.

Shares 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 profit or loss, 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.

Shares in consortium (joint ventures): Group shares in profits and losses from consortiums classified as joint ventures are shown in the consolidated income statement under as profit/loss from companies accounted for under the equity method. Group revenues from goods and services to consortiums are shown in the consolidated income statement under revenue. Capital paid into a consortium is entered under trade receivables (see note 24), together with profit shares and trade receivables for the relevant consortium 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).

Shares in joint operations: The consolidated financial statements recognise the proportionate assets and liabilities and the proportionate expenses and income attributable to the PORR Group.

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 consolidated profit or loss.

Impairment of financial assets: At the end of each 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. Claims 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 method 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 consortiums, 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.

Deferred tax items are recognised where there are temporary differences between the values of assets and liabilities in the consolidated financial statements on the one hand and the values for tax purposes on the other hand in the amount of the anticipated future tax expense or tax relief. In addition, a deferred tax asset for future asset advantage resulting from tax loss carryforwards is recognised if there is sufficient certainty of realisation. Temporary differences arising from the first recognition of goodwill constitute exceptions to this comprehensive tax deferral.

The calculation of the deferred tax amount is based on the rate of income tax valid in the country concerned; for Austrian companies this is a tax rate of 25%.

If a Group company purchases **treasury shares** in PORR AG, the value of the consideration paid, including directly attributable additional costs (net of income tax), will be deducted from the equity of PORR AG until the shares are retired or re-issued. If these shares are subsequently reissued, the consideration paid (net of deductions for directly attributable additional costs and related income taxes) will be recognised in the equity of PORR AG.

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 2.25% p.a. (previous year: 3.75%) was applied with salary increases of 2.6% (previous year: 2.76%). When determining provisions for severance payments and anniversary bonuses for Austria, deductions are made for fluctuations based on statistical data within a range of 0.5% 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 When determining provisions for pensions, a pension increase of 2.0% p.a. (previous year: 2.0% p.a.) was applied in Austria and Germany. 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. Service costs are under staff expense. Interest paid is recorded under finance costs.

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 with the best estimate of the expenditure required to settle the present obligation if a reliable estimate exists. Provisions related to onerous contracts and damages and penalties from contracts are recorded in other provisions, in as far as the respective proportional contract values according to the percentage of completion are exceeded.

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.

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 consolidated financial statements for the following fiscal year of results reported:

Provisions for severance and pensions: the valuation of existing pension and severance obligations relies on assumptions and estimates which could have a significant impact on the amounts recognised.

For 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 differences 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	-4.00%	-4.00%	-2.00%	5.00%	4.00%	2.00%

	Pension trend +0.25%			Pension trend -0.25%		
	active	vested	liquid	active	vested	liquid
Pension DBO	5.00%	3.00%	2.00%	-4.00%	-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%	-5.00%

For provisions for 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 is shown in the tables below as relative deviations:

	Interest +0.25%	Interest -0.25%	Salary trend +0.25%	Salary trend -0.25%
Severance DBO	-2.23%	2.32%	2.27%	-2.19%

	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	-0.31%	0.32%	0.12%	-0.14%

Construction contracts: Evaluation of construction contracts until project completion, in particular with a view to the accounting of claims, 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 complete the contract, percentage of completion, the estimated operating profit and the finally accepted claims accepted can have a significant effect on the Group's financial position and financial performance (see note 24). The following sensitivity analysis shows the impact of changes to the key parameters on the carrying amounts:

in EUR thousand	Carrying amount 31.12.2014	Significant valuation assumptions	Change	Effect on carrying amounts
Contract values as per POC method	1,976,939	EBT margin	+/-0.5%	+/-13,999
Provision for onerous contracts	19,892	Provision/order value	+/-0.5%	+/-1,203
Provision for damages and penalties	45,101	Provision/order value	+/-0.5%	+/-8,345
Provision for guarantees	52,358	Provision/order value	+/-0.5%	+/-16,949

in EUR thousand	Carrying amount 31.12.2013	Significant valuation assumptions	Change	Effect on carrying amounts
Contract values as per POC method	1,539,596	EBT margin	+/-0.5%	+/-13,470
Provision for onerous contracts	27,320	Provision/order value	+/-0.5%	+/-2,147
Provision for damages and penalties	16,684	Provision/order value	+/-0.5%	+/-5,711
Provision for guarantees	38,072	Provision/order value	+/-0.5%	+/-11,808

Impairment: Impairment tests on goodwill, other intangible assets, property, plant and equipment are primarily based on estimated future cash 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 cash 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. The carrying amounts and the valuation assumptions applied to key impairment tests on goodwill are as follows:

2014	Goodwill in EUR thousand	Fair value hierarchy	Method used	Business plan assumptions	Growth rate in %	Discount rate after taxes in %	Effective date
Road construction	7,704	-	Value in use	Revenue p. a. +2.2–2.8%	1	8.71	30.6.
Building management	6,274	Level 3	Fair value less cost to sell	Revenue p. a. +4.7–6.7%	1	6.66	31.12.
PWW Group	-	Level 3	Fair value less cost to sell	Revenue p. a. +1.7–3.3%	-	10.93	31.12.

2013	Goodwill in EUR thousand	Fair value hierarchy	Method used	Business plan assumptions	Growth rate in %	Discount rate after taxes in %	Effective date
Road construction	7,704	-	Value in use	Revenue p.a. +1.1–2.0%	1	7.41	30.6.
Building management	9,008	Level 3	Fair Value less cost to sell	Revenue p.a. +9.0–20.0%	1	9.55	31.12.
PWW Group	3,854	Level 3	Fair Value less cost to sell	Long-term revenue p.a. +4.0%	-	12.81	31.12.

The following shows the changes to the key parameters which can lead to impairment in the cash-generating unit of building management:

in EUR thousand 2014	Discount rate +0.5%	EBITDA margin -10%
Building management	-1,599	-3,436

Management assumes that there will not be any significant changes which could lead to impairment for the cash-generating unit of road construction.

Impairment was determined for the PWW Group. The goodwill was written off in full in the 2014 business year.

Sensitivity analysis 2013:

2013	Growth rate in %	Discount rate in %	Business plan assumptions	Cover of the recoverable amount in EUR thousand
Road construction	-2.3	+2.2	EBITDA margin -25.0%; no impairment without revenue increase	82,494
Building management	-0.85	+0.8	Revenue -35.0%	1,971

in EUR thousand	2013	Discount rate +0.5%	Business plan assumptions Revenue -10%
PWW Group		-882	-1,013

6.2. Changes to comparative information

The first-time application of IFRS 11 led to profit shares from consortiums being reclassified from revenue into profit/loss from companies accounted for under the equity method and losses in consortiums being reclassified out of other operating expenses into profit/loss from companies accounted for under the equity method. Liabilities to staff have been reclassified out of other financial liabilities into other liabilities.

in EUR thousand	31.12.2014	31.12.2013 after adjustments	31.12.2013 before adjustments
Liabilities to staff:			
Other financial liabilities	39,308	42,173	119,802
Other liabilities	370,774	328,726	251,097
Results from consortiums:			
Revenue	3,009,118	2,630,025	2,672,262
Income/expenditure from companies accounted for under the equity method	66,156	34,604	17,026
Other operating expenses	-260,254	-216,643	-241,302

Error correction of the consolidated statement of cash flows:
A spot check by the Austrian Financial Reporting Enforcement Panel (OePR) led to a review of the PORR AG 2013 consolidated financial statements and the half year report as of June 30th 2013 and as of June 30th 2014. The Enforcement Panel had determined cash flows related to investment property held for sale and company acquisitions had not been accurately recognised in the consolidated statement of cash flows and that the presentation of the total cash flow from operating activities was EUR 25m too high and the total cash flow from investing activities was EUR 25m too low in the business year 2013.

After reclassification out of under current assets as “assets held for sale”, proceeds from the disposal of investment property amounting to EUR 20.8m were shown as operating activities in the consolidated statement of cash flows 2013 and recorded as “decrease in inventories”. OePR determined that this presentation is in contravention of IAS 7.16(b) and that proceeds from the sale of investment property must be recognised as cash flow from investing activities. Furthermore, the purchase price components of company acquisitions carried out in 2013 totalling EUR 4.2m, which had not yet been paid in 2013, were shown as payments for the acquisition of subsidiaries in contravention of IAS 7.42.

For the same reasons, the consolidated statement of cash flows in the interim consolidated financial statements as at June 30th 2013 showed cash flow from operating activities as EUR 13.8m too high and EUR 2.8m too high as at June 30th 2014; cash flow from investing activities was recognised as too low in the corresponding amounts.

The consolidated cash flow statement 2014 has therefore been corrected in accordance with IAS 8.42 as follows:

in EUR thousand	before adjustments	adjustments	after adjustments
Decrease/increase in inventories	9,424	-20,853	-11,429
Increase in liabilities (excluding banks)	133,448	-4,200	129,248
Cash flow from operating activities	206,707	-25,053	181,654
Proceeds from the disposal of assets held for sale	-	20,853	20,853
Payments for the qcquisition of subsidiaries less cash and cash equivalents	-9,071	4,200	-4,871
Cash flow from investing activities	11,737	25,053	36,790

7. Revenues

The gross revenues of TEUR 3,009,118 (previous year: TEUR 2,630,025) include the invoiced construction work of own construction sites, goods and services to consortiums, 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 consortiums 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	2014	2013
Business areas		
BU 1 – DACH	2,012,784	1,930,160
BU 2 – CEE/SEE	424,981	402,685
BU 4 – Infrastructure	888,530	684,328
BU 5 – Environmental Engineering	105,330	98,601
Holding	43,260	46,305
Total Group output	3,474,885	3,162,079
of which proportional output from companies accounted for under the equity method and subsidiaries and shareholdings of minor significance	-465,767	-532,054
Revenue	3,009,118	2,630,025

Revenue can be subdivided as follows:

in EUR thousand	2014	2013
Revenues from construction contracts	2,798,470	2,439,441
Revenues from sales of raw materials and other services	210,648	190,584
Total	3,009,118	2,630,025

8. Other operating income

in EUR thousand	2014	2013
Income from the release of provisions	20,959	41,231
Income from the sale of property, plant and equipment	12,882	7,026
Revenue from the provision of staff	9,488	9,254
Insurance payments	3,394	2,685
Exchange gains	4,241	4,099
Revenue from charging materials	4,339	3,551
Rent from space and land	8,491	3,480
Valuation of real estate	305	10,155
Other	55,376	31,219
Total	119,475	112,700

Other operating income largely comprises amounts invoiced to shareholdings, other staff income and income from the sale of materials.

9. Cost of materials and other related production services

in EUR thousand	2014	2013
Expenditure on raw materials and supplies and for purchased goods	-680,195	-619,721
Expenditure on purchased services	-1,345,806	-1,128,990
Total	-2,026,001	-1,748,711

10. Staff expense

in EUR thousand	2014	2013
Wages and salaries	-602,680	-537,589
Social welfare expenses	-138,774	-124,688
Expenditure on severance payments and pensions	-11,506	-7,537
Total	-752,960	-669,814

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 14,225 (previous year: TEUR 15,599) was applied to intangible assets and depreciation of TEUR 61,773 (previous year: TEUR 51,106) to property, plant and equipment, of which TEUR 11,023 (previous year: TEUR 13,920) relates to impairment. For more detailed information please refer to notes 17 and 18. Part of the depreciation, amortisation and impairment expense amounting to TEUR 1,283 (previous year: TEUR 969) is shown under profit for the period from discontinued operations.

12. Other operating expenses

in EUR thousand	2014	2013
Legal and consultancy services, insurance	-42,442	-40,066
Buildings and land	-38,117	-26,388
Exchange losses	-7,890	-3,947
Fleet	-20,252	-19,587
Advertising	-11,878	-7,785
Office operations	-22,034	-14,633
Commission on bank guarantees	-15,303	-15,442
Travel expenses	-20,267	-12,415
Other	-82,071	-76,380
Total	-260,254	-216,643

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 9,766 (previous year: TEUR 9,117).

13. Income from financial investments and current financial assets

in EUR thousand	2014	2013
Income from shareholdings	2,849	1,438
(of which from affiliated companies)	(-)	(394)
Expenditure from shareholdings	-685	-6,640
(of which from affiliated companies)	(-377)	(-3,743)
Income/expenditure from current financial assets	4,545	-2,042
Interest	18,053	19,598
(of which from affiliated companies)	(1,107)	(1,224)
Total	24,762	12,354

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

14. Finance costs

in EUR thousand	2014	2013
Interest and similar expenditure relating to bonds	-20,104	-17,256
Other interest and similar expenses	-20,266	-16,385
(of which from affiliated companies)	(-447)	(-218)
(of which interest expenditure from social overhead capital provisions)	(-3,826)	(-3,503)
Total	-40,370	-33,641

In the year under review borrowing costs of TEUR 0 (previous year: TEUR 578) were capitalised. The capitalisation rate was between 1.6% and 6.8% (previous year: 1.8% and 6.25%).

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	2014	2013
Actual tax expense	10,011	3,193
Deferred tax income (-)/expense (+)	7,531	3,866
Tax income (-)/expense (+)	17,542	7,059

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	2014	2013
Profit before income tax	66,100	59,591
Theoretical tax expense (+)/income (-)	16,525	14,898
Differences in rates of taxation	3,924	2,072
Tax effect of non-deductible expenditure and tax-exempt income	-4,376	-2,353
Income/expenditure from interests in companies accounted for under the equity method	1,379	-6,103
Changes in deferred tax assets not applied in relation to loss carryforwards	-376	-351
Effect from taxation changes	-89	-422
Tax gains (+)/losses (-) related to other periods	-776	-150
Other	1,331	-532
Taxes on income and earnings	17,542	7,059

In addition to the tax expense recognised in the consolidated income statement, the tax effect of expenses and income set off to other comprehensive income was also recognised in other comprehensive income. The income recognised in other comprehensive income amounted to TEUR 3,716 (previous year: TEUR -2,865). Payouts from capital from hybrid capital, profit-participation rights and the costs of the capital increase classified as equity capital are tax deductible. The resulting tax of TEUR 1,101 (previous year: TEUR 1,540) was recognised directly in equity.

Summary of tax effects in other comprehensive income:

Income tax on items in other comprehensive income in EUR thousand	2014	2013
Revaluation reserve	-	-4,317
Remeasurement from benefit obligations	3,776	1,701
Total debt securities available for sale – fair value reserve	-60	-39
Reserve for cash flow hedges	-	-188
Equity attributable to shareholders of the parent	3,716	-2,843
Equity attributable to non-controlling interests	-	-22
Total	3,716	-2,865

16. Earnings per share

Earnings per share and per capital share certificate are calculated by dividing the proportion of the annual profit relating to the shareholders of the parent company by the weighted average number of shares in issue including capital share certificates bought back in the 2014 business year.

in EUR thousand	2014	2013
Proportion of annual deficit/surplus relating to shareholders of parent, continued operations	44,426	46,324
Proportion of annual deficit/surplus relating to shareholders of parent, discontinued operations	-3,045	-75
Weighted average number of issued shares and capital share certificates	13,803,068	11,946,749
Basic earnings per share = diluted earnings per share, continued operation in EUR	3.22	3.87
Basic earnings per share = diluted earnings per share, discontinued operation in EUR	-0.22	0.01
Basic earnings per share = diluted earnings per share, total in EUR	3.00	3.88

As there were no potential diluted transactions for the fiscal years 2013 and 2014, the diluted earnings per share correspond to the basic earnings per share.

17. Intangible assets

in EUR thousand	Concessions, licences and similar rights	Software	Goodwill	Other intangible assets	Total
Acquisition costs and manufacturing costs					
Balance at January 1st 2013	46,497	30,376	40,300	12,597	129,770
Additions/disposals due to changes in the consolidated group	4,763	267	11,268	-	16,298
Additions	830	2,242	801	-	3,873
Disposals	-64	-73	-5,228	-	-5,365
Reclassifications	957	-1,288	-	331	-
Currency adjustments	-55	-24	-1	-	-80
Balance at December 31st 2013	52,928	31,500	47,140	12,928	144,496
Additions/disposals due to changes in the consolidated group	-53	-403	-	-	-456
Additions	1,613	3,183	-	-	4,796
Disposals	-56	-225	-7,528	-	-7,809
Reclassifications	141	-141	-	-	-
Currency adjustments	14	-8	-	-	6
Balance at December 31st 2014	54,587	33,906	39,612	12,928	141,033
Accumulated amortisation and impairment					
Balance at January 1st 2013	26,382	18,708	20,960	2,190	68,240
Additions/disposals due to changes in the consolidated group	-50	237	-	-	187
Additions (planned amortisation)	1,610	2,293	-	1,776	5,679
Additions (impairment)	3,694	-	6,226	-	9,920
Disposals	-24	-73	-5,227	-	-5,324
Reclassifications	282	-613	-	331	-
Currency adjustments	-15	-19	-1	-	-35
Appreciation	-	-	-	-	-
Balance at December 31st 2013	31,879	20,533	21,958	4,297	78,667
Additions/disposals due to changes in the consolidated group	-19	-325	-	-	-344
Additions (planned amortisation)	2,168	2,697	-	1,777	6,642
Additions (impairment)	995	-	6,588	-	7,583
Disposals	-53	-225	-7,528	-	-7,806
Reclassifications	-4	4	-	-	-
Currency adjustments	-11	-8	-	-	-19
Appreciation	-	-	-	-	-
Balance at December 31st 2014	34,955	22,676	21,018	6,074	84,723
Carrying amounts – balance at December 31st 2013	21,049	10,967	25,182	8,631	65,829
Carrying amounts – balance at December 31st 2014	19,632	11,230	18,594	6,854	56,310

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 2014	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance Dec 31st 2014
BU 1 – DACH		-	-	-	-	10,515
BU 2 – CEE/SEE	-	-	-	-	-	-
BU 4 – Infrastructure	738	-	-	-	-	738
BU 5 – Environmental Engineering	4,612	-	-	-	-3,854	758
Holding	9,317	-	-	-	-2,734	6,583
Total	25,182	-	-	-	-6,588	18,594

in EUR thousand	Balance Jan 1st 2013	Currency adjustments	Newly acquired goodwill	Disposal of goodwill	Impairment	Balance Dec 31st 2013
BU 1 – DACH		-	1,688	-	-	10,515
BU 2 – CEE/SEE	-	-	-	-	-	-
BU 4 – Infrastructure	738	-	-	-	-	738
BU 5 – Environmental Engineering	458	-	10,380	-	-6,226	4,612
BU 6 – Real Estate	9,317	-	-	-	-	9,317
Holding	-	-	-	-	-	-
Total	19,340	-	12,068	-	-6,226	25,182

In Segment Business Unit 1 – DACH, goodwill of TEUR 7,704 is allocated to the cash-generating unit of road construction. In the Holding segment (2013: BU 6 – Real Estate) goodwill of TEUR 9,008 is allocated to the cash-generating unit of building management. Impairment totalling TEUR 2,734 was applied to this goodwill. In the segment Business Unit 5 – Environmental Engineering goodwill of TEUR 3,854 is allocated to the cash-generating unit PWW Group. In the segment Business Unit 5 – Environmental Engineering goodwill of TEUR 10,080 is allocated to the cash-generating unit PWW Group; this goodwill was impaired in full.

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 is determined on the basis of a DCF calculation. 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. 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. The impairment test of the PWW Group involves cash flows for the next 21 years, as this is the assumed period of use for the landfills. More details on the parameters and sensitivity analyses used in impairment tests are given in note 6.1.

The comments shown under accounting and measurement methods explain the useful lives and methods of amortisation, depreciation and impairment.

The consolidated income statement contains impairment related to goodwill of TEUR 6,588 (previous year: TEUR 6,226), shown under the item “Depreciation, amortisation and impairment expense”, as well as impairment losses of TEUR 995 (previous year: TEUR 3,694) and amortisation on other intangible assets.

TEUR 3,854 of the impairment on goodwill relates to Business Unit 5 – Environmental Engineering and TEUR 2,734 relates to the holding; impairment on other intangible assets relates to Business Unit 1 – DACH which was applied as the expectations of the business plans had not been fulfilled.

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 2013	355,246	345,912	91,539	8,569	801,266
Additions/disposals due to changes in the consolidated group	29,484	76,510	6,366	15	112,375
Additions	3,932	29,873	20,698	3,082	57,585
Disposals	-10,309	-86,007	-17,955	-135	-114,406
Reclassifications	1,950	795	-358	-2,201	186
Currency adjustments	-2,485	-2,744	-1,528	-137	-6,894
Revision arising from revaluation	17,461	-	-	-	17,461
Balance at December 31st 2013	395,279	364,339	98,762	9,193	867,573
Additions/disposals due to changes in the consolidated group	-62,700	27,432	-2,517	20	-37,765
Additions	15,522	45,787	22,003	9,475	92,787
Disposals	-19,532	-73,984	-16,122	-895	-110,533
Reclassifications	8,382	1,707	87	-10,176	-
Currency adjustments	-1,205	-789	-518	-108	-2,620
Balance at December 31st 2014	335,746	364,492	101,695	7,509	809,442
Accumulated depreciation and impairment					
Balance at January 1st 2013	115,743	235,931	55,576	481	407,731
Additions/disposals due to changes in the consolidated group	4,733	51,780	5,430	-	61,943
Additions (planned depreciation)	8,469	23,861	14,775	1	47,106
Additions (impairment)	4,000	-	-	-	4,000
Disposals	-4,304	-79,215	-14,316	-1	-97,836
Reclassifications	43	357	-358	-	42
Currency adjustments	-950	-2,399	-1,261	-5	-4,615
Appreciation	-	-	-	-	-
Balance at December 31st 2013	127,734	230,315	59,846	476	418,371
Additions/disposals due to changes in the consolidated group	-9,926	10,624	-2,169	4	-1,467
Additions (planned depreciation)	9,953	31,475	16,905	-	58,333
Additions (impairment)	3,440	-	-	-	3,440
Disposals	-12,928	-54,435	-13,751	-	-81,114
Reclassifications	291	602	-602	-291	-
Currency adjustments	-220	-499	-245	-12	-976
Appreciation	-	-	-	-	-
Balance at December 31st 2014	118,344	218,082	59,984	177	396,587
Carrying amounts – balance December 31st 2013	267,545	134,024	38,916	8,717	449,202
Carrying amounts – balance December 31st 2014	217,402	146,410	41,711	7,332	412,855

Land, land rights and buildings, including buildings on land owned by others includes reserves for raw materials amounting to TEUR 57,893 (previous year: TEUR 63,808), which is written off based on performance.

Scheduled depreciation is shown under "Depreciation, amortisation and impairment expense". Impairment was included at a rate of TEUR 3,440 (previous year: TEUR 4,000) and was also entered under "Depreciation, amortisation and impairment expense". As in the previous year, the impairment relates to rights equivalent to land in segment Business Unit 1 – DACH.

The carrying amount for property, plant and equipment pledged for security at the end of the reporting period is TEUR 50,448 (previous year: TEUR 86,884).

The carrying amount for land, land rights and buildings, including buildings on land owned by others would have amounted to TEUR 204,799 (previous year: TEUR 245,850) on application of the cost model as at December 31st 2014.

Fair value of land and buildings

Determining the fair value of properties is carried out by way of a revolving cycle. Fair value is determined using recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – usually in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement. An internal valuation team determines the market value of any property which has not undergone an external valuation. Discussions related to the parameters which need to be applied to determine fair value (Level 3) are led by operational project developers, the Executive Board and the valuation team.

The various levels are defined as follows:
- Quoted (non-adjusted prices) in active markets for identical assets or liabilities (Level 1)
- Inputs which differ from the quoted market prices in Level 1, which are either indirectly observable (i.e. as a price) or directly observable (i.e. derived from the price) (Level 2)
- Inputs which are based on unobservable market data for the assets or liabilities (Level 3)

in EUR thousand	Fair value as at Dec 31st 2014		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Operating premises/storage	-	-	123,844
Gravel pit/stone quarry	-	-	67,082
Mix plant	-	-	11,027
Landfill	-	-	15,449

in EUR thousand	Fair value as at Dec 31st 2013		
Property type	Prices quoted in active markets for identical assets Level 1	Other key observable inputs Level 2	Other key unobservable inputs Level 3
Operating premises/storage	-	-	167,549
Gravel pit/stone quarry	-	-	72,480
Mix plant	-	-	11,320
Landfill	-	-	15,507
Hotel/healthcare properties	-	-	8,000

The mix plants were reclassified from Level 2 to Level 3.

Range of observable inputs

Property type	Operating premises/storage	Gravel pit/ stone quarry	Landfill	Mix plants
Valuation method	CE, CV, DCF	CE, CV	CE	CW
Capitalisation rate in %	5.50–7.00	4.00–7.00	10.93	
Rent in EUR/m²	5.00–8.00	4.50		
Maintenance in %	6.00–7.00	25.00		
Vacancy in %	6.00–10.00	5.00		
Income in EUR/t		8.02–10.12	17.98–40.44	
Expenses in EUR/t		6.07–6.58		
Basic value in EUR/m²				25.00–35.00
Construction value in EUR/m²				1,400.00–1,600.00

Range of non observable inputs 2013

Property type	Operating premises/storage	Gravel pit/ stone quarry	Landfill	Hotel/healthcare properties	Mix plants
Valuation method	CE, CV, DCF	CE, CV	CE	DCF	CV
Capitalisation rate in %	5.50–7.50	4.00–7.00	12.81	9.00	
Rent in EUR/m²	5.00–8.00	4.50			
Maintenance in %	6.00–7.00	25.00			
Vacancy in %	6.00–10.00	5.00			
Income in EUR/t		8.02–10.12	17.98–40.44		
Expenses in EUR/t		6.07–6.58			
Occupancy rate in %				55.30–68.70	
Basic value in EUR/m²					25.00–35.00
Construction value in EUR/m²					1,400.00–1,600.00

DCF = discounted cash flow, CE = capitalised earnings, CV = comparative value

The impact of unobservable inputs on fair value

– Capitalisation rate: the lower the capitalisation rate, the higher the fair value
– Rent: the higher the price per m², the higher the fair value
– Maintenance: the higher the anticipated cost of maintenance, the lower the fair value
– Vacancy rates: the higher the anticipated vacancy rates, the lower the fair value

Fair value is determined using internationally recognised valuation methods, namely as derived from the current market price, as derived from a price recently paid in a transaction with similar property, or – in cases where there is a lack of suitable market data – as derived from discounting estimated future cash flows, which are commonly generated on the market by this type of property under a rental agreement.

Reconciliation of Level 3 valuations:

Type of property	Operating premises/storage	Gravel pit/ stone quarry	Mix plants	Landfill	Hotel/healthcare properties
Balance at Jan 1st 2014	167,549	72,480	11,320	15,507	8,000
Disposals due to changes in the consolidated group	-45,510	-	-	-	-7,263
Additions	12,766	1,635	25	1,096	-
Disposals	-4,734	-1,612	-2	-	-257
Reclassifications	1,262	-	-	-	-480
Currency adjustments	-358	-21	-49	-559	-
Planned amortisation	-7,131	-1,960	-267	-595	-
Impairment	-	-3,440	-	-	-
Balance at Dec 31st 2014	123,844	67,082	11,027	15,449	-

Finance leases

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

in EUR thousand	2014	2013
Real estate leasing	22,647	85,491
Equipment leasing	64,007	48,464
Total	86,654	133,955

These carrying amounts are balanced by corresponding liabilities represented by the present value of the minimum lease payments, i.e. of TEUR 70,592 (previous year: TEUR 80,090).

The terms of the finance leases for real estate are between 8 and 25 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 15 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 five 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	2014	2013
Due within 1 year	10,474	7,497
Due between 1 and 5 years	28,998	17,498
Due after 5 years	23,921	25,807

19. Investment property

in EUR thousand	Total
Fair value	
Balance at January 1st 2013	339,782
Additions/disposals due to changes in the consolidated group	-112,440
Additions from acquisitions	24,030
Additions for manufacturing costs	5,255
Disposals	-21,851
Reclassifications	-2,942
Currency adjustments	-881
Adjustments to fair value	3,433
Balance at December 31st 2013	234,386
Disposals due to changes in the consolidated group	-189,178
Additions from acquisitions	6,642
Additions for manufacturing costs	11,876
Disposals	-11,607
Reclassifications	-5,376
Currency adjustments	-158
Adjustment to fair value	182
Balance at December 31st 2014	46,767

The value of investment property, which was assessed by an external expert as of the reporting date, amounted to TEUR 16,174 (previous year: TEUR 110,771).

The rental income from investment property amounted to TEUR 1,753 in the year under review (previous year: TEUR 7,446). Operating expenses related to investment property for which there was no rental income in the year under review amounted to TEUR 46 (previous year: TEUR 967).

Investment property with a carrying amount of TEUR 14,843 (previous year: TEUR 85,586) is pledged as collateral for liabilities.

Reclassifications of TEUR 5,376 (previous year: TEUR 2,800) relate to the reclassification of one property to assets held for sale.

Fair value of land and buildings

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 – in the absence 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.

in EUR thousand	Fair value as at Dec 31st 2014		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Office/commercial	-	-	22,579
Undeveloped properties	-	22,612	-
Other	-	-	1,576

in EUR thousand	Fair value as at Dec 31st 2013		
	Prices quoted in active markets for identical assets	Other key observable inputs	Other key unobservable inputs
Property type	Level 1	Level 2	Level 3
Office/commercial	-	-	114,555
Undeveloped properties	-	103,704	-
Residental construction projects	-	-	3,934
Hotel/healthcare properties	-	-	12,193

Range of observable inputs 2014		
Property type	Valuation method	Basic value[1] in EUR/m²
Undeveloped properties	CV	10.00–120.00

Range of observable inputs 2013		
Property type	Valuation method	Basic value[1] in EUR/m²
Undeveloped properties	CV	10.00–530.00

Range of non-observable inputs 2014

Property type	Valuation method	Capitalisation rate in %	Rent in EUR/m²	Maintenance in %	Vacancy rate in %
Office/commercial	DCF, RV, CV	6.00–8.00	2.50–10.54	0.50–5.00	2.00–20.00

Range of non-observable inputs 2013

Property type	Valuation method	Capitalisation rate in %	Rent in EUR/m²	Maintenance in %	Vacancy rate in %
Office/commercial	DCF, RV, CV	5.25–7.00	5.80–17.00	3.00–10.50	2.00–10.00
Residental construction projects	CV	6.50	11.00	3.00	3.00
Hotel/healthcare properties	CV	6.50	5.00–11.00	3.00–10.00	3.00–10.00

DCF = discounted cash flow, RV = residual value, CV = comparative value

[1] without construction preparation

The impact of non-observable inputs on fair value

- Rent: the higher the price per m², the higher the fair value
- Maintenance: the higher the anticipated cost of maintenance, the lower the fair value
- Vacancy rates: the higher the anticipated vacancy rates, the lower the fair value

Reconciliation of Level 3 valuations:

Property type	Office/ commercial	Residential construction projects	Hotel/healthcare projects	Other
Balance at Jan 1st 2014	114,555	3,934	12,193	-
Disposals due to changes in the consolidated group	-84,558	-2,895	-11,252	-
Additions	-	-	-	-
Disposals	-5,606	-184	-	-
Reclassifications	-1,510	-855	-941	1,796
Adjustment to fair value	-302	-	-	-220
Balance at December 31st 2014	22,579	-	-	1,576

TEUR 1,510 of reclassifications relates to the reclassification to assets held for sale.

20. Shares in companies accounted for under the equity method

The requisite disclosures pursuant to IFRS 12 have been made for associates and joint ventures which are classed as significant by the PORR Group for reasons of quality or quantity.

Associates

The following associate is Altlastensanierung und Abraumdeponie Langes Feld Gesellschaft m.b.H., in which the PORR Group holds 41.5% (previous year: 41.5%). The company's business purpose is planning, building, rehabilitating, operating and recultivating the Langes Feld landfill, as well as identifying and managing landfill space and waste management in Austria.

in EUR thousand	2014	2013
Revenue	10,501	13,745
Profit for the year	-1,109	1,927
Other comprehensive income	-	-
Total comprehensive income	-1,109	1,927
Non-current assets	22,110	20,697
Current assets	4,833	4,962
Non-current liabilities	-98	-102
Current liabilities	-7,201	-4,792
Net assets	19,644	20,765
Group share of net assets at Jan 1st	8,612	8,643
Group share of total comprehensive income	-460	799
Dividends received	-207	-830
Group share of net assets at Dec 31st	7,945	8,612
Non-transferred losses	-	-
Carrying amount of companies accounted for under the equity method at 31st Dec	7,945	8,612

Disclosures on companies of minor significance:

in EUR thousand	2014	2013
Carrying amount of companies accounted for under the equity method at Dec 31st	19,850	151,710
Group share of		
profit for the year	3,885	25,103
other comprehensive income	-1	4,034
Total comprehensive income	3,884	29,137

The accumulated amount of non-recognised shares of losses of associates as of December 31st 2014 is TEUR 1,240 (previous year: TEUR 56).

The share of the Group in the annual profit from the previous year includes the results of the real estate business which was spun off (see note 2.1).

Joint ventures

The following joint venture is European Trans Energy Beteiligungs GmbH, in which the PORR Group holds 49% (previous year: 49%). The company is a leading provider of power transmission and distribution systems in the business field of energy transmission and distribution, primarily in Germany and Austria.

in EUR thousand	2014	2013
Revenue		69,425
Depreciation, amortisation and impairment expense	-2,697	-2,248
Interest expense	-495	-650
Tax payables	-544	-656
Profit for the year	4,587	2,466
Other comprehensive income	-	-
Total comprehensive income	4,587	2,466
Non-current assets	21,336	20,431
Current assets	27,305	25,724
of which cash and cash equivalents	(9,774)	(4,518)
Non-current liabilities	-5,239	-5,044
of which non-current financial liabilities	(-385)	(-582)
Current liabilities	-22,986	-25,282
of which current financial liabilities	(-820)	(-1,643)
Net assets	20,416	15,829
Group share of net assets at Jan 1st	7,756	6,548
Group share of total comprehensive income	2,248	1,208
Dividends received	-	-
Group share of net assets at Dec 31st	10,004	7,756
Non-transferred losses	-	-
Carrying amount of companies accounted for under the equity method at Dec 31st	10,004	7,756

Disclosures on joint ventures of minor significance:

in EUR thousand	2014	2013
Carrying amount of companies accounted for under the equity method at Dec 31st	12,381	66,029
Group share of		
profit for the year	60,277	25,072
other comprehensive income	-29	-66
Total comprehensive income	60,248	25,006

The share of the Group in the annual profit from the previous year also includes the pro-rata profit from consortiums amounting to TEUR 42,690 (previous year: TEUR 17,577), which is recognised under trade receivables.

The accumulated amount of non-recognised shares of losses of joint ventures as of December 31st 2014 is TEUR 168 (previous year: 0).

The joint ventures listed below represent the ten largest consortiums:

Consortium	Consortium share in % 2014	2013	Operations	Location
Umbau Knoten Prater	50	-	Overhauling Prater traffic hub	Austria
Tunnel Albaufstieg	37	37	Constructing tunnel, lots 1, 2 and 3	Germany
ATCOST21	37	37	Constructing Filder tunnel, Ober- and Untertürkheim tunnel	Germany
Emscher BA 40	70	-	New construction Emscher sewer	Germany
HBF Wien - BL 01	37.3	37.3	Construction of Vienna Central Station, lot 1	Austria
Am Westpark	66.7	66.7	Building residential complex and underground garage	Germany
BAU OVW II	30	-	Construction of pumped storage power plant Obervermuntwerk II	Austria
NEG - James-Simon-Galerie	50	-	Building a construction pit for the entrance building to James-Simon Gallery in Berlin	Germany
Lidl Wundschuh	50	-	New construction of Wundschuh logistics centre	Austria
Peterhof	50	-	General overhaul of Baden facility for rheumatic diseases	Austria

in EUR thousand 2014	Umbau Knoten Prater	Tunnel Albauf-stieg	AT-COST21	Emscher BA 40	HBF Wien – BL 01	Am Westpark	BAU OVW II	NEG – James-Simon-Galerie	Lidl Wund-schuh	Peterhof
Revenue	16,487	81,740	61,951	15,753	49,760	23,026	39,472	19,927	19,198	17,250
Depreciation, amortisation and impairment	-52	-2,954	-2,263	-307	-88		-1,297		-5	
Interest expense	-5	-175	-7	-116	-30		-17		-58	
Non-current assets	88	7,169	6,766	1,539	292	63	1,853		5	
Current assets	9,218	41,899	3,417	7,775	45,052	6,087	5,789	7,305	9,205	5,514
of which cash and cash equivalents	(1,584)	(9,596)	(3,417)	(404)	(2,172)	(444)	(1,916)	(3,244)	(9,205)	(2,627)
Non-current liabilities										
of which non-current financial liabilities										
Current liabilities	-9,306	-49,068	-10,183	-9,314	-45,344	-6,150	-7,642	-7,305	-9,210	-5,514
of which current financial liabilities										
Net assets	-	-	-	-	-	-	-	-	-	-

in EUR thousand 2013	Umbau Knoten Prater	Tunnel Albauf-stieg	AT-COST21	Emscher BA 40	HBF Wien – BL 01	Am Westpark	BAU OVW II	NEG – James-Simon-Galerie	Lidl Wund-schuh	Peterhof
Revenue		49,800	27,406		51,813	26,626				
Depreciation, amortisation and impairment		-941	-303		-158					
Interest expense		-30			-33					
Non-current assets		6,965	2,230		401	63				
Current assets		1,933	1,461		34,168	6,952				
of which cash and cash equivalents		(1,933)	(1,461)		(10,381)	(1,495)				
Non-current liabilities										
of which non-current financial liabilities										
Current liabilities		-8,898	-3,691		-34,569	-7,015				
of which current financial liabilities										
Net assets		-	-	-	-	-				

The share of the Group in the profit for the period of the most important consortiums amounts to TEUR 26,335 (previous year: TEUR 11,966) and is shown under trade receivables.

21. Loans

in EUR thousand	2014	2013
Loans to companies in which there is a participating interest	-	7,477
Loans to companies accounted for under the equity method	-	19,220
Other loans	797	886
Total	797	27,583

22. Other financial assets

in EUR thousand	2014	2013
Shareholdings in non-consolidated subsidiaries	421	2,834
Other shareholdings	3,029	2,571
Total financial assets available for sale	136,213	11,496
Payments on account on financial assets	-	2,118
Total	139,663	19,019

As regards the other shareholdings and shareholdings in non-consolidated subsidiaries, the fair value cannot be determined reliably, meaning that they are recognised at their acquisition costs less any impairment.

The total debt securities available for sale relate on the one hand to granting a perpetual mezzanine loan of TEUR 100,000 with an interest rate of 6.5% and perpetual hybrid capital of TEUR 25,330 with an interest rate of 6% to PIAG Immobilien AG. These debt securities available for sale were granted in the course of the spin-off of the real estate business to PIAG Immobilien AG. Ordinary termination by PORR AG is excluded for both instruments. Interest payments are dependent on whether PIAG Immobilien AG resolves to pay out a dividend from the annual surplus. If there is a year in which no payout of dividends from the annual surplus is resolved by PIAG Immobilien AG, then PIAG Immobilien AG is not obliged to pay any interest in the same year, whereby in this instance the interest is not cancelled but remains due.

The remaining financial assets available for sale of TEUR 10,883 (previous year: TEUR 11,496) mainly comprise fixed-interest instruments. They are not subject to any restrictions on disposal.

23. Inventories

Inventories comprise the following:

in EUR thousand	2014	2013
Land intended for sale	1,344	27,457
Finished and unfinished products and merchandise	4,467	6,163
Raw materials and supplies	36,639	32,185
Payments on account	30,197	30,300
Total	72,647	96,105

Allowances of TEUR -226 (previous year: TEUR -250) were recognised on products and merchandise in the year under review. Inventories with a carrying amount of TEUR 546 (previous year: TEUR 17,874) 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	2014	recorded as a receivable	recorded as a liability
Contract values defined according to POC method	1,976,939	1,183,964	792,976
of which unrealised partial gains	72,523	42,463	30,060
Less attributable payments on account	-1,917,996	-910,979	-1,007,019
Net	58,943	272,985	-214,043

in EUR thousand	2013	recorded as a receivable	recorded as a liability
Contract values defined according to POC method	1,539,596	1,032,220	507,376
of which unrealised partial gains	38,634	31,143	7,491
Less attributable payments on account	-1,450,855	-781,846	-669,009
Net	88,741	250,374	-161,633

Proportional contract values capitalised according to the percentage of completion of the contract as at December 31st 2014 are balanced by contract costs valued at TEUR 1,904,416 (previous year: TEUR 1,500,962), so that the recognised profit for these contracts amounts to TEUR 72,523 (previous year: TEUR 38,634).

Shares of the profits from consortiums are shown under receivables from consortiums. Advances received, 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. Onerous contracts and damages and penalties from contracts are recorded in provisions, in as far as the respective proportional contract values according to the percentage of completion are exceeded.

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

in EUR thousand	Dec 31st 2014	Remaining term > 1 year	Dec 31st 2013	Remaining term > 1 year
Trade receivables	343,245	30,027	332,536	24,541
Receivables from construction contracts	272,985	-	250,901	-
Receivables from consortiums	108,871	8,310	67,550	8,388
Total	725,101	38,337	650,987	32,929

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 46,280 (previous year: TEUR 56,381).

in EUR thousand	2014	2013
Trade receivables before allowances	357,911	363,941
Impairment allowances at January 1st	31,405	42,733
Additions	12,681	32,793
Appropriation	-25,707	-38,341
Liquidation	-3,713	-5,780
Balance at December 31st	14,666	31,405
Carrying amount of trade receivables	343,245	332,536

Ageing structure of receivables:

Trade receivables in EUR thousand	2014	2013
Carrying amount at Dec 31st	343,245	332,536
of which not overdue at closing date	219,471	214,554
of which overdue at closing date in the following time periods		
less than 30 days	27,720	39,077
between 30 and 60 days	10,697	11,272
between 60 and 180 days	21,895	17,002
between 180 and 360 days	11,806	14,682
more than 360 days	51,656	35,949

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 non-current financial assets

in EUR thousand	Dec 31st 2014	Remaining term > 1 year	Dec 31st 2013	Remaining term > 1 year
Loans	94	-	100	-
Receivables from non-consolidated subsidiaries	3,252	-	8,974	-
Receivables from companies accounted for under the equity method	18,979	28	37,049	4,368
Receivables from other shareholdings	9,006	-	19,028	3,187
Receivables from insurance	521	-	687	-
Other	114,383	16,264	98,690	23,876
Total	146,235	16,292	164,528	31,431

Forward contracts at fair value amounting to TEUR 177 (previous year: TEUR 1,601) are included under other financial assets (see note 44). In addition this item contains TEUR 5,437 (previous year: TEUR 8,284) of receivables from deposits and TEUR 3,980 (previous year: TEUR 8,976) of receivables from down payments relating to rent and leases, as well as receivables to the PIAG Group totalling TEUR 32,829 (previous year: TEUR 0) (see note 45). Other financial assets amounting to TEUR 5,880 (previous year: TEUR 13,067) are secured with shares or shareholdings in businesses.

Receivables from non-consolidated subsidiaries, companies accounted for under the equity method and other shareholdings include contractual retentions amounting to TEUR 1,484 (previous year: TEUR 754).

26. Other receivables and assets

in EUR thousand	Dec 31st 2014	Remaining term > 1 year	Dec 31st 2013	Remaining term > 1 year
Tax assets	17,699	-	9,999	-
Other	894	-	1,188	-
Total	18,593	-	11,187	-

27. Cash and cash equivalents

The cash and cash equivalents include cash at banks amounting to TEUR 464,952 (previous year: TEUR 332,143) and cash in hand of TEUR 664 (previous year: TEUR 764).

28. Assets held for sale

The assets held for sale related to two properties in the segment Business Unit 1 – DACH and a property in the segment Business Unit 5 – Environmental Engineering, 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 2015 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	2014		2013	
	Assets	Liabilities	Assets	Liabilities
Non-current assets, liabilities from finance leasing	43,593	49,224	44,478	64,455
POC method	-	45,664	-	35,854
Untaxed reserves	-	2,699	-	6,610
Provisions	19,126	1,745	16,456	1,232
Tax loss carryforwards	19,326	-	27,322	-
Off-setting	-76,896	-76,896	-81,155	-81,155
Deferred taxes	5,149	22,436	7,101	26,996
Net deferred taxes		17,287		19,895

in EUR thousand	2014	2013
Net deferred taxes (liabilities)	17,287	19,895
Change	2,608	-6,694
of which related to exchange differences	-98	163
of which related to expense (-)/income (+) as per income statement	-7,531	-3,187
of which related to regrouping from current tax liabilities	4,255	-360
of which related to changes to the consolidated group	2,265	1,004
of which related to expense (-)/income (+) entered into other comprehensive income	3,717	-4,314

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 198,435 (previous year: TEUR 197,601). 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	No. 2014	EUR 2014	No. 2013	EUR 2013
Ordinary bearer shares	14,547,500	29,095,000	11,902,500	23,805,000
Total share capital	14,547,500	29,095,000	11,902,500	23,805,000
Capital share certificates (profit-participation rights pursuant to Art. 174 Stock Corporation Act)	-	-	49,800	398,400
Total share capital and capital from profit-participation rights	14,547,500	29,095,000	11,952,300	24,203,400

The shares are ordinary bearer shares. Each ordinary share participates in profits to the same extent and each share entitles the bearer to one vote at the Annual General Meeting. The shares are no-par value bearer shares.

With resolutions by the Executive and Supervisory Boards dated April 7th 2014, April 9th 2014 and April 29th 2014, partial use was made of the authorisation granted by the extraordinary general meeting to increase the company's share capital from EUR 23,805,000 by EUR 5,290,000 to EUR 29,095,000 by issuing a total of 2,645,000 new no-par bearer shares with voting rights with a pro rata share in the share capital of EUR 2.00 and with profit-sharing rights as of the 2014 business year, as part of a capital increase. The premium less transaction costs and related taxes of TEUR 108,894 was recognised in capital reserves.

Consequently, the authorisation of the Executive Board as a result of the resolution by the extraordinary general meeting on July 11th 2013 been reduced as follows:

Authorised capital

Within five years following the entry into the Commercial Register of the resolution by the extraordinary general meeting on July 11th 2013, the Executive Board is authorised to increase the share capital of the company with the approval of the Supervisory Board, in multiple tranches if so wished, to EUR 6,612,500 by issuing up to 3,306,250 no-par value shares in exchange for cash or contribution in kind (authorised capital), whereby the issue price, the conditions of issue, the subscription ratio, and other details are to be determined by the Executive Board with the approval of the Supervisory Board. The pre-emptive rights of shareholders to these new shares issued from the authorised capital are excluded when and if this authorisation (authorised capital) is exercised by issuing new shares in exchange for contribution in kind, up to a total of 10% of share capital, with overallotment options in the course of issuing new shares in the company. Furthermore, the Executive Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' pre-emptive rights, when and if this authorisation (authorised capital) is exercised:

i) through issuing shares in exchange for contribution in kind, or
(ii) through issuing shares to staff members, leading employees and members of the Executive Board of the Group or an associate up to a total level of 10% of share capital.

The Supervisory Board is authorised to rule on changes to the statutes which result from the Executive Board exercising this entitlement.

In July 2014 PORR AG made a public buyback offer for its 49,800 capital share certificates in issue at a price of EUR 207.80 per capital share certificate. The offer ran from July 24th 2014 to August 5th 2014. In the acceptance period the offer was taken up for 47,889 capital share certificates; this corresponds to 96.16% of all capital share certificates. Together with 200 capital share certificates acquired separately, PORR currently holds 48,089 or around 96.6% of all capital share certificates. In accordance with a resolution by the extraordinary general meeting on October 29th 2014, the remaining capital share certificates in issue were settled and cancelled at a price of EUR 207.80 per capital share certificate upon the spin-off taking effect on December 10th 2014. A total of TEUR 10,331 was used for the buyback and settlement of all capital share certificates.

31. Reserves

The capital reserves result largely from the capital increases, adjustments and statute-barred dividend claims arising from previous years and the current year, less the costs for the capital increase and fair-value adjustments. The capital reserves include an amount of TEUR 249,014 (previous year: TEUR 139,632) which is restricted. 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 other reserves 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 and debt securities held for sale, 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. Treasury shares as at December 31st 2014 were deducted from reserves and had fallen by 74,887 shares (TEUR 2,487) to 11,274 shares as of the reporting date due to purchases in the 2014 business year.

Net earnings amounting to TEUR 21,821 are available for distribution to shareholders in PORR AG. The unrestricted retained earnings of PORR AG, which come to TEUR 58,907 as of December 31st 2014 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.

In the year under review the shareholders of PORR AG were paid dividends of EUR 1.00 per share and profit share for capital share certificates of EUR 4.00 per capital share certificate, thereby totalling EUR 12,101,220.00 for the 2013 business year. The Executive Board proposes to pay a dividend of EUR 1.50 per share entitled to dividends for the business year 2014. The proposed dividend does not yet appear in the statement of financial position as at December 31st 2014, as the payout requires a resolution by the Annual General Meeting. The dividend payout has no effect on the Group's taxation.

Hybrid capital

As part of a PORR AG bond emission programme, a bond exchange was carried out in October 2014, in which holders of bonds issued by PORR AG in the years 2009 and 2010 were publicly invited to exchange these bonds in bonds about to be newly issued. Included here was the issue of a subordinated hybrid bond with a total nominal value of EUR 17,054,500.00. The partial debentures of this hybrid bond were issued with a denomination of EUR 500.00 and are fixed at 6.75% p.a. until October 27th 2021 during an unlimited term, after which they are subject to variable interest as of October 28th 2021 (3-month EURIBOR plus a premium of 8.5% p.a.). As payments of interest and 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 the mezzanine and hybrid capital permanently, this mezzanine and hybrid capital is categorised as equity instruments. Interest which is paid, less any tax effect such as profit payouts, is to be recorded directly in equity as a deduction.

32. Equity from profit-participation rights from subsidiaries

The profit-participation rights were issued by ABAP Beteiligungs Holding GmbH, a subsidiary 100% of whose nominal capital is held by PORR AG. The outstanding profit-participation rights with a total nominal value of TEUR 40,000, whose issuance conditions are in accordance with debentures, are issued for an unspecified length of time.

The interest amounts to 8.0% p.a. of the nominal capital of the profit-participation rights, and rose temporarily (from January 1st 2013 to June 30th 2014) to 13.0% p.a. on the nominal capital.

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. The issuer is not obliged to pay the due interest for one year in the absence of a profit payout, and if the issuer 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 the 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 this part of the profit participation rights permanently, these profit-participation rights are categorised as equity instruments. Interest which is paid on these profit-participation rights, less any tax, is to be recorded directly in equity as a deduction.

33. Non-controlling interests

The shares in equity of subsidiaries which are not owned by PORR AG or a shareholder of the Group are entered in equity under non-controlling interests. The share of non-controlling interests in subsidiaries is of minor significance.

34. Provisions

in EUR thousand	Severance	Pensions	Anniversary bonuses	Indemni-ties	Construc-tions	Recultiva-tion	Other	Total
Balance at Jan 1st 2014	56,412	40,042	12,319	3,705	82,076	10,646	11,071	216,271
Additions/disposals from changes to the consolidated group	-483	-3,002	-56	-2	-400	-15	-1,084	-5,042
Transfer	5,236	1,625	1,957	604	66,940	2,534	1,998	80,894
OCI additions								
from discontinued operations	482	3,036	-	-	-	-	-	3,518
from changes to demo-graphic assumptions	-1,013	-	-	-	-	-	-	-1,013
from changes to financial assumptions	6,986	7,372	-	-	-	-	-	14,358
from changes to experi-ence-based adjustments	1,193	-3,329	-	-	-	-	-	-2,136
Appropriation	-5,643	-4,358	-374	-256	-12,542	-2,709	-2,096	-27,978
Liquidation	-	-653	-	-	-18,763	-3	-2,193	-21,612
Balance at Dec 31st 2014	63,170	40,733	13,846	4,051	117,311	10,453	7,696	257,260
of which non-current	63,170	40,733	13,846	4,051	-	10,453	-	132,253
of which current	-	-	-	-	117,311	-	7,696	125,007

PORR AG and its subsidiaries must pay their employees in Austria and Germany anniversary bonuses on certain anniversaries in accordance with 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 19,892 (previous year: TEUR 27,320), provisions for constructions represent provisions for onerous contracts arising from the order backlog and, at TEUR 52,358 (previous year: TEUR 38,072), provisions for guarantees and TEUR 45,101 (previous year: TEUR 16,684) for provisions for damages and penalties. Provisions for onerous contracts 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 construction 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	2014	2013
Present value of severance obligations (DBO) at Jan 1st	56,412	51,943
Changes to the consolidated group	-	1,920
Discontinued operations	-483	-
Prior service cost	3,237	2,503
Interest paid	1,999	1,855
Severance payments	-5,643	-5,144
Actuarial profits (-)/losses (+)	7,166	3,335
Actuarial profits (-)/losses (+) from discontinued operations	482	-
Present value of severance obligations (DBO) at Dec 31st	63,170	56,412

in EUR thousand	2014	2013
Prior service cost (entitlements)	3,237	2,503
Net interest expense	1,999	1,855
Severance costs (recognised in profit and loss for the period)	5,236	4,358

For the year 2015, an interest expense of TEUR 1,327 and a current service cost of TEUR 2,531are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

Pension provisions:

Pension obligations transferred to provisions in EUR thousand	2014	2013
Present value of obligations covered by plan assets	16,960	15,021
Fair value of the plan assets	-6,762	-6,858
Net value of the obligations covered by plan assets	10,198	8,163
Present value of the obligations not covered by plan assets	30,535	31,879
Carrying amount of provisions at Dec 31st	40,733	40,042

Pension costs in EUR thousand	2014	2013
Service cost (entitlement)	203	229
Settlement	-653	-
Net interest expense	1,679	1,630
Interest income	-257	-291
Pension costs (recognised in profit/loss for the period)	972	1,568

Description of pension plans:

Claims – Austria: as part of the defined benefit plans relating to pensions, the company is obliged to grant the promised benefits both to current and former employees.

The employee claims to defined benefit pension plans are defined as follows:

Group A (service contract, version dated July 1st 1991):
The pension allowance involves an agreed percentage of the basis of assessment (salary and overtime rate) for cases of retirement after reaching the age of 63 and is reduced by a defined percentage for every full year of retirement before reaching the age of 63.

Group B (service contract dated August 5th 1991) and Group C/D (service contract dated August 6th 1991):
The pension allowance is determined as an agreed amount due upon retirement after reaching the age of 63 and is reduced by a defined amount for every full year of retirement before reaching the age of 63.

Group E/F (service contract dated August 29th 1991):
The pension allowance involves an agreed amount for retirement upon reaching the age of 60; this amount increases by a fixed annual amount for every year up to 63, whereby the maximum contribution is reached after reaching the age of 63.

Claims – Germany: there are multiple pension plans with defined benefits for current and former employees.

Employee claims to these defined benefit pension plans are tied to the number of eligible calendar years and the class of pension which were determined for the pension candidate when the claim was agreed.

In addition, there are individual commitments involving defined benefit obligations.

Pension obligations in EUR thousand	2014	2013
Present value of pension obligations (DBO) at Jan 1st	46,900	44,893
Changes to the consolidated group	-	1,330
Discontinued operations	-3,002	-
Prior service cost	203	229
Interest paid	1,679	1,630
Pension payments	-4,307	-3,329
Settlement	-653	-
Actuarial profits (-)/losses (+)	3,640	2,147
Actuarial profits (-)/losses (+) from discontinued operations	3,036	-
Present value of pension obligations (DBO) at Dec 31st	47,496	46,900

The obligations from the direct pension benefits in Austria are covered by insurance contracts concluded with WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group. In Germany the obligations from direct pension benefits are covered by insurance contracts concluded with Nürnberger Lebensversicherung AG, Condor Lebensversicherung AG, Generali Lebensversicherung AG and Essener Verband. 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.

Plan assets in EUR thousand	2014	2013
Fair value of the plan assets at Jan 1st	6,858	7,755
Contribution payments	80	40
Interest income	257	291
Payouts (benefit payments)	-30	-44
Actuarial gains (-)/losses (+)	-403	-1,184
Fair value of the plan assets at Dec 31st	6,762	6,858

For the year 2015, an interest payment of TEUR 1,029 and a current service cost of TEUR 94 are planned. Please refer to the notes on the accounting and measurement methods with regard to the actuarial assumptions underlying the calculation.

A part of the plan assets amounting to TEUR 5,746 has been assessed as follows by WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group according to information from WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group:

Structure of investments in classic cover pool in %	
Fixed-income securities	40.36
Shares, supplementary capital, profit-participation rights, non-ownership capital	4.63
Investment funds	32.05
Affiliates and shareholdings	5.90
Loans	13.18
Property	3.21
Cash in bank	0.67
Total	100.00

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	15,079	11,569	20,698	10,67	15,852	13,624	32,558	12.83
Severance	20,016	17,303	24,545	9,29	22,662	26,287	67,562	12.56

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 1,655 (previous year: TEUR 1,404) in 2014, of which TEUR 44 (previous year: TEUR 40) related to managers in key positions.

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 2014, amounting to TEUR 44,951 (previous year: TEUR 43,511) and 4.6% of the wage of relevant employees is payable to the severance pay fund, amounting to TEUR 6,411 in 2014 (previous year: TEUR 6,044). 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 October 28th 2014, PORR AG made an exchange offer to the bondholders of the bonds issued in 2009 and 2010. The bondholders could choose between the instrument recognised as equity (hybrid bond 6.75% 2014–2021, (see note 32)) and a senior bond. The senior bond was issued under the following conditions:

Nominal amount	EUR 56,262,000.00
Tenor	2014–2019
Denomination	EUR 500.00
Nominal interest rate	3.875% p.a.
Coupon	October 28th annually
Redemption	October 28th 2019 at 100%
Closing rate Dec 31st 2014	101.688
ISIN	AT0000A19Y28
Book value	EUR 55,941,474.75

As of the value date November 26th 2013, one bond with the following conditions was issued by PORR AG:

Nominal amount	EUR 50,000,000.00
Tenor	2013–2018
Denomination	EUR 1,000.00
Nominal interest rate	6.25% p.a.
Coupon	November 26th annually
Redemption	November 26th 2018 at 100%
Closing rate Dec 31st 2014	109.063
ISIN	DE000A1HSNV2/A1HSNV
Book value	EUR 49,286,325.85

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

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 2014	105.691
ISIN	AT0000A0XJ15/A1HCJJ
Book value	EUR 49,519,607.75

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

The bond issued on October 13th 2010 totalling EUR 125,000,000 was reduced by the exchange offer issued in 2014 to a nominal amount EUR 79,062,000:

Nominal amount	EUR 79,062,000
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 2014	101.702
ISIN	AT0000A0KJK9
Book value	EUR 78,940,338.42

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

36. Financial liabilities

in TEUR	2014	2013
Deposits from banks		
subject to interest at variable rates	43,483	217,811
subject to interest at fixed rates	15,407	9,450
Lease obligations		
subject to interest at variable rates	70,592	80,090
Derivative financial instruments	5	794
Other financial liabilities		
subject to interest at variable rates	20,122	-
subject to interest at fixed rates	17,770	59,427
Total	167,379	367,572

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 0.209% and the 6-month EURIBOR rate at an average 0.308%. The margins for newly acquired funds with a maximum 3-month term averaged 2.14PP in 2014.

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 0.21% and 6.76%. 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 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Deposits from banks	58,890	24,972	20,693	13,225	31,451
Lease obligations	70,592	16,867	42,908	10,817	70,592
Derivative financial instruments	5	5	-	-	-
Other financial liabilities	37,892	29,007	8,885	-	17,770
Total	167,379	70,851	72,486	24,042	119,813

in EUR thousand	Dec 31st 2013	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Deposits from banks	227,261	36,914	133,920	56,427	112,233
Lease obligations	80,090	15,424	45,260	19,406	80,090
Derivative financial instruments	794	610	184	-	-
Other financial liabilities	59,427	40,848	17,770	809	26,655
Total	367,572	93,796	197,134	76,642	218,978

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 88,164 (previous year: TEUR 133,955) which are the property of the lessor under civil law.

in EUR thousand	Minimum leasing payments	
	Dec 31st 2014	Dec 31st 2013
With a remaining period up to one year	18,763	17,466
With a remaining period of more than one year and less than five years	45,485	50,109
With a remaining period of more than five years	12,079	21,849
Total	76,327	89,424
To be deducted: future financing costs	-5,735	-9,334
Present value of minimum leasing payments	70,592	80,090

37. Trade payables

in EUR thousand	Dec 31st 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Trade payables	596,209	565,604	20,951	9,654	-
Payables to consortiums	59,151	58,797	354	-	-
Total	655,360	624,401	21,305	9,654	-

in EUR thousand	Dec 31st 2013	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Trade payables	556,295	522,203	34,092	-	-
Payables to consortiums	57,119	56,790	329	-	-
Total	613,414	578,993	34,421	-	-

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 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Payables to non-consolidated subsidiaries	379	379	-	-	-
Payables to companies accounted for under the equity method	4,423	4,168	136	119	-
Payables to other shareholdings	5,150	5,150	-	-	-
Other	31,675	29,611	1,152	912	-
Total	41,627	39,308	1,288	1,031	-

in EUR thousand	Dec 31st 2013	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Payables to non-consolidated subsidiaries	2,692	2,692	-	-	-
Payables to companies accounted for under the equity method	26,540	13,250	13,286	4	-
Payables to other shareholdings	2,520	2,520	-	-	-
Other	31,558	23,711	1,852	5,995	-
Total	63,310	42,173	15,138	5,999	-

39. Other liabilities

in EUR thousand	Dec 31st 2014	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Tax liabilities	60,933	60,933	-	-	-
Social security liabilities	14,502	14,502	-	-	-
Advances received POC	214,043	214,043	-	-	-
Payables to staff	80,116	80,116	-	-	-
Other	1,180	1,180	-	-	-
Total	370,774	370,774	-	-	-

in EUR thousand	Dec 31st 2013	Remaining term < 1 year	Remaining term 1–5 years	Remaining term > 5 years	of which secured by collateral
Tax liabilities	71,792	71,792	-	-	-
Social security liabilities	14,065	14,065	-	-	-
Advances received POC	161,633	161,633	-	-	-
Payables to staff	77,629	77,629	-	-	-
Other	3,607	3,607	-	-	-
Total	328,726	328,726	-	-	-

40. Contingent liabilities and guarantees

in EUR thousand	2014	2013
Guarantees, guarantee bonds and other contingent liabilities	11,793	65,436
of which for companies accounted for under the equity method	3,179	39,917

The guarantees primarily relate to securing bank loans of non-consolidated subsidiaries, companies accounted for under the equity method 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 consortiums in which it participates. Claims arising from these liabilities are not likely.

The Group has access to European credit lines totalling TEUR 1,211,630 (previous year: TEUR 992,700). Of these credit lines, TEUR 555,870 (previous year TEUR 440,000) was concluded with a three-year term. The remainder of TEUR 655,760 (previous year: TEUR 552,700) generally runs for a one-year term. Furthermore, there are credit lines in Qatar, Abu Dhabi, Oman and Saudi Arabia of TEUR 364,320 (previous year: TEUR 299,880). As at December 31st 2014, around 65% (previous year: 79.1%) of the European credit lines had been drawn on and around 28% (previous year: 36%) of the lines in Qatar and Oman.

The three-year credit lines include harmonised financial covenants. These relate to the debt ratio, the equity ratio in a modified form, in which reserves for cash flow hedges are considered positive and goodwill is considered negative, as well as the term for interest coverage, defined as EBITDA in relation to net financial income, whereby this is adjusted for interest expense on social capital.

All triggers had been met as of December 31st 2014. On the basis of the planned development, it is assumed that they will be met again on the next effective date, December 31st 2015.

41. Notes on segment reporting

Segment reporting is prepared in line with the internal reporting and controlling structure of the PORR Group.

In the current business year the majority of the segment Business Unit 6 – Real Estate was spun off (see note 2.1). The remaining part, which is not an obligatory reporting segment, was merged with the activities of the business segment Holding. The comparable figures for 2013 have been adjusted retrospectively. IFRS are standards for accounting governing business transactions between segments. The following segments are presented:

Segment Business Unit 1 – DACH: Business Unit 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: Business Unit 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 Business Unit 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 Business Unit 5 – Environmental Engineering segment bundles expertise in the fields of water, wastewater, waste and environmental clean-up.

Holding: This segment consists of Group services, PORREAL Immobilien Management GmbH and its subsidiaries.

Segment report 2014

in EUR thousand	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infrastructure	BU 5 – Environmental Engineering	Holding	Group
Production output (Group)	2,012,784	424,981	888,530	105,330	43,260	3,474,885
Segment revenue (revenue, own work capitalised and other operating income)	1,889,205	462,940	636,320	75,818	65,200	3,129,483
Intersegment revenue	113,216	10,269	27,657	7,003	201,269	
EBT (Earnings before tax = segment earnings)	56,140	-14,239	20,097	-624	4,726	66,100
Share of profit/loss of companies accounted for under the equity method	24,815	1,097	17,381	5,818	17,045	66,156
Depreciation, amortisation and impairment expense	-23,188	-4,986	-5,659	-7,957	-32,926	-74,716
of which impairment	-4,435	-	-	-3,854	-2,734	-11,023
Interest income	2,633	692	272	466	13,990	18,053
Interest expense	-10,950	-718	-1,104	-745	-26,853	-40,370

Segment report 2013 in EUR thousand	BU 1 – DACH	BU 2 – CEE/SEE	BU 4 – Infrastructure	BU 5 – Environmental engineering	Holding	Group
Production output (Group)	1,930,160	402,685	684,328	98,601	46,305	3,162,079
Segment revenue (revenue, own work capitalised and other operating income)	1,752,106	382,166	459,687	48,647	104,572	2,747,178
Intersegment revenue	88,567	12,452	19,511	10,026	184,603	
EBT (Earnings before tax = segment earnings)	49,392	-12,477	30,332	-4,807	-2,849	59,591
Share of profit/loss of companies accounted for under the equity method	19,056	615	3,172	4,322	7,439	34,604
Depreciation, amortisation and impairment expense	-21,832	-4,747	-1,587	-11,367	-26,203	-65,736
of which impairment	-4,692	-	-	-9,228	-	-13,920
Interest income	2,417	2,668	96	543	13,874	19,598
Interest expense	-11,516	-1,493	-275	-522	-19,835	-33,641

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

in EUR thousand	Production output by customer base 2014	Non-current assets by company base 2014	Production output by customer base 2013	Non-current assets by company base 2013
Domestic	2,114,389	367,901	2,027,537	569,844
Germany	592,641	84,589	507,096	89,750
Poland	297,177	15,215	282,485	14,506
Czech Republic	133,065	14,063	123,749	24,087
Qatar	141,835	128	40,362	161
Hungary	1,439	1,783	1,404	8,613
Romania	38,821	1,845	13,921	6,617
Bulgaria	33,484	1,801	12,231	1,813
Switzerland	76,338	5,658	59,295	5,090
Serbia	11,891	17,054	53,557	14,209
Albania	2,035	-	3,223	-
Slovakia	8,506	1,648	20,329	1,616
Netherlands	226	-	1,200	-
Croatia	4,504	3,010	5,328	5,288
Other foreign	18,534	1,237	10,362	7,823
Total foreign	1,360,496	148,031	1,134,542	179,573
Segment total	3,474,885	515,932	3,162,079	749,417

42. 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.

43. Notes on financial instruments

43.1. Capital risk management

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

In the year under review there was a TEUR 41,407 increase in shares belonging to shareholders of the parent to TEUR 340,140. The capital structure of the Group was significantly and positively impacted by the spin-off of the real estate business. Despite the expansion of the business (revenue rise of around 14%), it was possible to reduce total assets by 7%. This was not least the result of a substantial decrease in both current and non-current financial liabilities, which fell by TEUR 200,193 or 54%. The equity ratio rose from 15.1% to 17.9%, not least because of the exceptionally successful capital increase carried out in 2014.

At December 31st 2014 the net cash position, defined as the balance of cash and cash equivalents, bonds and current and non-current financial liabilities, totalled TEUR 64,551 (previous year: net debt position TEUR 357,458).

The interest-bearing financial liabilities decreased from TEUR 690,365 by TEUR 289,299 to TEUR 401,066.

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. As the Group recorded a net cash position as at December 31st 2014, there is a negative net gearing ratio for the first time of -0.2 (previous year: 1.1); this therefore marked an improvement of 1.3 in 2014.

43.2. Categories of financial instruments

43.2.1 Carrying amounts, measurement rates and fair values

in EUR thousand	Measurement category	Carrying amount at Dec 31st 2014	(continuing) Acquisition costs	Fair Value other comprehensive income	Fair Value affecting net income	Fair value hierarchy	Fair value at Dec 31st 2014
Assets							
Loans	LaR	891	891				
Other financial assets[1]	AfS (at cost)	3,449	3,449				
Other financial assets	AfS	10,883		10,883		Level 1	10,883
Other financial assets	AfS	125,330		125,330		Level 3	125,330
Trade receivables	LaR	725,101	725,101				
Other financial assets	LaR	145,964	145,964				
Derivatives (without hedges)	FAHfT	177			177	Level 2	177
Cash and cash equivalents		465,616	465,616				
Liabilities							
Bonds							
at fixed interest rates	FLAC	233,688	233,688			Level 1	244,996
Deposits from banks							
at fixed interest rates	FLAC	15,407	15,407			Level 3	15,165
at variable interest rates	FLAC	43,483	43,483				
Lease obligations[2]		70,592	70,592				
Other financial liabilities							
at fixed interest rates	FLAC	17,770	17,770			Level 3	17,842
at variable interest rates	FLAC	20,122	20,122				
Trade payables	FLAC	655,360	655,360				
Other financial liabilities	FLAC	41,627	41,627				
Derivatives (without hedges)	FLHfT	5			5	Level 2	5
by category							
Loans and receivables	LaR	871,956	871,956				
Cash and cash equivalents		465,616					
Available-for-sale financial assets[1]	AfS (at cost)	3,449	3,449				
Available-for-sale financial assets	AfS	136,213		136,213			
Financial assets held for trading	FAHfT	177			177		
Financial liabilities held for trading	FLHfT	5			5		
Financial liabilities measured at amortised cost	FLAC	1,027,457	1,027,457				

The carrying amount of the financial instruments not measured at fair value corresponds to an appropriate approximation of the fair value in accordance with IFRS 7.29. The exception is bonds subject to fixed interest rates (fair value hierarchy level 1), deposits from banks subject to fixed interest rates (fair value hierarchy level 3), and other financial liabilities subject to fixed interest rates (fair value hierarchy level 3).

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 2014 was used for the discounting of the cash flow.

in EUR thousand	Measurement category	Carrying amount at Dec 31st 2013	(continuing) Acquisition costs	Fair Value other comprehensive income	Fair Value affecting net income	Fair value hierarchy	Fair value at Dec 31st 2013
Assets							
Loans	LaR	27,683	27,683				
Other financial assets[1]	AfS (at cost)	5,405	5,405				
Other financial assets	AfS	11,496		11,496		Level 1	11,496
Trade receivables	LaR	650,987	650,987				
Other financial assets	LaR	162,828	162,828				
Derivatives (without hedges)	FAHfT	1,601			1,601	Level 2	1,601
Cash and cash equivalents		332,907					
Liabilities							
Bonds							
at fixed interest rates	FLAC	322,793	322,793			Level 1	330,119
Deposits from banks							
at fixed interest rates	FLAC	9,450	9,450			Level 3	9,183
at variable interest rates	FLAC	217,811	217,811				
Lease obligations[2]		80,090	80,090				
Other financial liabilities							
at fixed interest rates	FLAC	59,427	59,427			Level 3	59,460
Trade payables	FLAC	613,414	613,414				
Other financial liabilities	FLAC	63,310	63,310				
Derivatives (without hedges)	FLHfT	794			794	Level 2	794
by category							
Loans and receivables	LaR	841,498	841,498				
Cash and cash equivalents		332,907					
Available-for-sale financial assets[1]	AfS (at cost)	5,405	5,405				
Available-for-sale financial assets	AfS	11,496		11,496			
Financial assets held for trading	FAHfT	1,601			1,601		
Financial liabilities held for trading	FLHfT	794			794		
Financial liabilities measured at amortised cost	FLAC	1,286,205	1,286,205				

[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.

43.2.2 Net income by measurement category

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2014
Loans and receivables	LaR	18,406	-	-	-	18,406
Available-for-sale financial assets	AfS (at cost)	2,849	-	841	1,816	5,506
Available-for-sale financial assets	AfS	784	241	-	-	1,025
Derivatives (without hedges)	FAHfT/ FLHfT	-	801	-	-	801
Financial liabilities measured at amortised cost	FLAC	-34,098	-	-	-	-34,098

in EUR thousand		From interest/ income	From subsequent measurement at fair value	Allowances	From disposal	Net income 2013
Loans and receivables	LaR	11,157	-	-425	-	10,732
Available-for-sale financial assets	AfS (at cost)	2,310	-	-6,838	1,796	-2,732
Available-for-sale financial assets	AfS	489	382	-	-19	852
Derivatives (without hedges)	FAHfT/ FLHfT	-	961	-	-	961
Financial liabilities measured at amortised cost	FLAC	-30,974	-	-	-	-30,974

43.3. Aims of financial risk management

Managing financial risks, in particular liquidity risks and interest rate/currency risks are 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.

43.4. Liquidity risks

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

Managing the liquidity risk is based on a financial plan updated once a quarter, which originates at operational level. For projects worth over TEUR 2,000, a finance expert conducts individual and monthly planning for the current year and produces a summary plan for the subsequent years. A summary plan is produced by the commercial employee responsible for the division for projects worth less than TEUR 2,000. The operational component involves planning all cash-related financial issues such as due dates for financing, M&A and capital market transactions, interest and dividends; this is performed centrally at holding level with the person holding Group responsibility.

Not least because of the spin-off of the real estate business in 2014 and further improvements in working capital management, the Group had a high liquidity level of TEUR 465,617 at the start of the planning period 2015/2016; this liquidity is used on the one hand for the seasonal peak liquidity demand from April to November (typical to the construction industry), as well as for settling loans due and a bond. The sale of non-operational real estate will continue. Should additional liquidity demand arise, this could provisionally be covered by drawing on existing lines of credit, by issuing a corporate bond or through a promissory note.

At December 31st 2014 the net cash position, defined as the balance from cash and cash equivalents, bonds and current and non-current financial liabilities, amounted to TEUR 64,551 (previous year: net debt position TEUR 357,458).

Current financial liabilities, defined as the current portion of bonds and de facto current financial liabilities, amount to TEUR 149,244 (previous year: TEUR 192,930) and are covered by cash and cash equivalents and assets held for sale of TEUR 471,733 (previous year: TEUR 336,435). Current financial liabilities include a bond of TEUR 78,393.

Bonds worth TEUR 155,294 were part of non-current financial liabilities of TEUR 251,822.

At December 31st 2014 there was TEUR 89,110 (previous year: TEUR 74,314) available in bank lines for cash loans, which could be drawn on for immediate refinancing of current financial liabilities. With regard to the syndicated guaranteed credit line which was granted and used, see note 40.

43.4.1 Table of liquidity and interest rate risks

in EUR thousand		Non-discounted payment flow			
	Average interest rate	Until March 2015	April to Dec 2015	2016 to 2019	from 2020
Bonds					
at fixed interest rates	5.26%	-	91,445	177,483	-
Deposits from banks					
at fixed interest rates	2.64%	605	12,993	598	2,190
at variable interest rates	1.83%	2,564	9,845	21,811	12,525
Lease obligations	2.95%	5,190	13,572	45,486	12,079
Other financial liabilities					
at fixed interest rates	3.95%	-	9,597	9,241	-
at variable interest rates	3.25%	20,122	-	-	-
Trade payables	interest-free	546,162	19,442	30,605	-

in EUR thousand		Non-discounted payment flow			
	Average interest rate	Until March 2014	April to Dec 2014	2015 to 2018	from 2019
Bonds					
at fixed interest rates	5.69%	-	115,375	250,000	-
Deposits from banks					
at fixed interest rates	2.60%	103	6,188	2,181	2,389
at variable interest rates	2.37%	4,055	29,602	138,181	57,802
Lease obligations	2.88%	5,729	11,737	50,109	21,849
Other financial liabilities					
at fixed interest rates	6.02%	-	41,916	18,837	809
Trade payables	interest-free	507,986	14,217	34,092	-

Payables to consortiums and other financial liabilities largely lead to cash outflows at the carrying amounts upon maturity.

43.5. 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.

An analysis of the floating interest rate position, which amounted to around TEUR 136,872 at December 31st 2014, showed the following sensitivities which would occur under the scenarios of interest rate increases of 0.01 PP and 0.05 PP. The extent of the interest rate increases is based on the average volatility of the 3-month and 6-month EURIBOR in 2014. An interest rate bandwidth of 1BPS therefore falls statistically within a probability band of 67% and the probability of an interest rate bandwidth of 5BPS is respectively 99%. The simulated impact on interest rates is as follows:

in EUR thousand	Higher payable interest for the year 2015	Higher payable interest (p.a.) with straight-line extrapolation from 2016
At interest rate rise of 0.01PP	6	14
At interest rate rise of 0.05PP	29	69

43.6. Foreign currency risk

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 43.8).

As of December 31st 2014, currency risks, which primarily result from intragroup financing transactions, 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 TEUR
2,013	HRK	-15,414	31
-8,420	HUF	2,656,762	394
-5,160	RSD	626,661	147
19,070	QAR	-84,405	655
-7,290	PLN	31,151	336
10,799	RON	-48,409	240
-232	various	various currencies	104

[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 1,907.

43.7. Hedging currency risks

The PORR Group had concluded forward exchange contracts of TEUR 55,008 (previous year: TEUR 193,479) at December 31st 2014. Of these, TEUR 14,923 were forward purchases and TEUR 40,086 were forward sales. Around TEUR 24,688 (previous year: TEUR 110,018) are used as hedges for project cash flows and the remainder of TEUR 30,320 (previous year: TEUR 83,460) for hedging intragroup financing.

At December 31st 2014 the market valuation of open forward exchange contracts resulted in a fair value of TEUR 6. In the fiscal year 2014 total expense of TEUR 801 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 2014, i.e. when payments from the underlying transactions are expected:

EUR forward purchases Due date	Cash flows in EUR thousand CZK	CHF	HUF	PLN	NOK	RON	Total
January 2015						3,416	3,416
February 2015							
March 2015			64	27			91
April 2015				27			27
May 2015	3,161	6,326	629	53			10,169
June 2015				53			53
July 2015				53			53
August 2015				80			80
September 2015				89			89
October 2015				53			53
November 2015				53			53
December 2015				682	159		841

EUR forward purchases Due date	Cash flows in EUR thousand CZK	PLN	QAR	RON	Total
January 2015	1,435	6,222		14,539	22,196
February 2015	950	5,592	2,026		8,568
March 2015	675	3,060			3,735
April 2015		952			952
May 2015		349			349
June 2015		4,285			4,285

43.8. Derivative financial instruments

The following table shows the fair values of the different derivative instruments.

in EUR thousand	2014	2013
Assets		
Derivatives		
without hedges	177	1,601
Liabilities		
Derivatives		
without hedges	5	794

43.9. 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 under assets in 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. There are high levels of outstanding receivables which relate to infrastructure projects for state-affiliated companies in Austria and Germany. Except for these, there are no occurrences of concentration of risk arising from significant outstanding amounts from individual debtors.

At December 31st 2014 the maximum credit risk amounted to TEUR 476,842 (previous year: TEUR 1,194,360) and relates mainly to loans, other financial investments and securities, other financial assets, trade receivables and cash and cash equivalents.

44. Average staffing levels

	2014	2013
Salaried employees		
Domestic	2,793	2,655
Foreign	2,361	1,955
Waged workers		
Domestic	5,931	5,776
Foreign	1,749	1,534
Total staff	12,834	11,920
of which fully consolidated		
Salaried employees	4,927	4,591
Waged workers	7,304	7,003
Total full consolidation	12,231	11,594

45. Related party disclosures

In addition to subsidiaries and companies accounted for under the equity method, related parties include the PIAG Group, the companies of the Ortner Group, as they or their controlling entity have control over PORR AG through the shares they hold together with the Strauss Group, over which one member of the PORR AG Executive Board has significant control, as well as 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 and related companies who have control 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 3,252 (previous year: TEUR 8,974), of which TEUR 0 (previous year: TEUR 281) related to financing receivables.

Receivables and liabilities to consortiums only show direct services charged.

Transactions between Group companies and companies accounted for under the equity method are disclosed in the following analysis.

in EUR thousand	Sales of goods and services		Purchases of goods and services		Receivables		Liabilities	
	2014	2013	2014	2013	2014	2013	2014	2013
Associates	14,210	107,166	26,396	33,580	7,099	9,910	3,678	23,659
Joint ventures	38,272	60,713	31,174	27,307	11,880	27,139	745	2,881
Consortiums	234,531	250,556	9,551	7,919	69,733	55,482	13,805	7,717

Transactions with members of the management in key positions and companies over which they have control were as follows:

in EUR thousand	Sales of goods and services		Purchases of goods and services		Receivables		Liabilities	
	2014	2013	2014	2013	2014	2013	2014	2013
PIAG Group	49,606	-	-	-	175,082	-	19,914	-
Ortner Group	1,872	4,574	48,608	29,853	484	1,346	7,635	8,365
Strauss Group	373	4,459	64	123	4	1,932	6	51
Kapsch Group	335	1,477	462	180	39	116	142	83
Other	-	3,853	316	817	1,600	3,480	87	127

Outstanding accounts receivable are not secured and are settled in cash. With the exception of guarantees taken on for companies accounted for under the equity method which totalled TEUR 3,179 (previous year: TEUR 39,917), 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. In the course of the merger of PIAG Immobilien Aktiengesellschaft into UBM Realitätenentwicklung Aktiengesellschaft, the UBM Group was granted a credit line up to a maximum of EUR 150m.

46. 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 17th 2015. On January 21st 2015, 286,432 no par value bearer shares in PORR AG were purchased for TEUR 12,030, corresponding to around 1.97% of share capital. The treasury shares were deducted from equity. In March 2015 a hybrid bond was increased by TEUR 5,000 in the course of a private placement and is recognised in equity

47. 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	
	2014	2013
Audit services	250	250
Other audit services	242	340
Other advisory services	693	173

48. Executive bodies

Members of the Executive Board:

Karl-Heinz Strauss, CEO
Christian B. Maier
J. Johannes Wenkenbach

Members of the Supervisory Board:

Karl Pistotnik, Chairman
Klaus Ortner, Deputy Chairman
Michael Diederich (from May 22nd 2014)
Nematollah Farrokhnia
Robert Grüneis (from May 22nd 2014)
Walter Knirsch
Martin Krajcsir (until May 22nd 2014)
Iris Ortner
Karl Samstag (until May 22nd 2014)
Bernhard Vanas
Susanne Weiss
Thomas Winischhofer

Members delegated by the Works Council:
Peter Grandits
Walter Huber
Walter Jenny
Michael Kaincz
Michael Tomitz

The table below shows the remuneration paid to 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	2014	2013
Executive Board remuneration		
Karl-Heinz Strauss	1,150	1,200
Christian B. Maier	825	825
J. Johannes Wenkenbach	875	875
Total	2,850	2,900
of which short-term benefits due	2,800	2,850
of which remuneration due on or after completion of the management contract	50	50
Supervisory Board remuneration		
Short-term benefits due	240	142

The remuneration of the Executive Board includes defined contribution plans amounting to TEUR 50 (previous year: TEUR 50).

April 17th 2015, Vienna

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

Shareholdings 2014

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								
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“		AUT	Vienna	37.50%	100.00%	F	EUR	726,728.34
„PET“ Deponieerrichtungs- und Betriebsgesellschaft m.b.H.		AUT	Vienna	50.00%	100.00%	N	EUR	0.00
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
AMF - Asphaltmischanlage Feistritz GmbH		AUT	Unter-premstätten	0.00%	100.00%	N	EUR	0.00
AMO Asphaltmischwerk Oberland GmbH		AUT	Linz	0.00%	90.00%	N	EUR	0.00
Asphaltmischwerk Greinsfurth GmbH		AUT	Amstetten	0.00%	66.67%	N	EUR	0.00
Asphalt-Unternehmung Carl Günther Gesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	218,018.50
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
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
EPS Absberggasse 47 Projektmanagement GmbH		AUT	Vienna	97.50%	100.00%	F	EUR	36,336.42
EPS LAA 43 GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
Esikas Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	100.00%	N	EUR	0.00
Geotechnik Systems GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Gesellschaft für Bauwesen GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
Goidinger Bau GmbH	*	AUT	Zams	0.00%	100.00%	F	EUR	37,000.00
Grund- Pfahl- und Sonderbau GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	365,000.00
Hans Böchheimer Hoch- und Tiefbau Gesellschaft m.b.H.	° *	AUT	Stegersbach	0.00%	100.00%	F	EUR	35,000.00
IAT GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	290,691.34
Ing. Otto Richter & Co Straßenmarkierungen GmbH	*	AUT	Wienersdorf, pol. Gem. 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
Joiser Hoch- und Tiefbau GmbH		AUT	Vienna	100.00%	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
Lieferasphaltgesellschaft JAUNTAL GmbH		AUT	Klagenfurt	0.00%	72.00%	F	EUR	36,460.00
M.E.G. Mikrobiologische Erddekontamination GmbH		AUT	Linz	0.00%	100.00%	F	EUR	35,000.00
Nägele Hoch- und 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
PORR AUSTRIARAIL GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	37,100.00
Porr Bau GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	11,500,000.00
Porr Design & Engineering GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Porr Equipment Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Financial Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	500,000.00
Porr Umwelttechnik GmbH	*	AUT	Vienna	0.00%	100.00%	F	EUR	1,000,000.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
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
Prajo & Co GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO HOLDING Beteiligungs- & Verwaltungsgesellschaft mbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO Transportunternehmer GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO-BÖHM Recycling GmbH		AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
PRONAT Steinbruch Preg GmbH		AUT	Unter-premstätten	0.00%	99.99%	F	EUR	872,000.00
PWW Holding GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Sabelo Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	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
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
Wiener Betriebs- und Baugesellschaft m.b.H.	*	AUT	Vienna	0.00%	100.00%	F	EUR	100,000,00
PORR Bulgaria EOOD		BGR	Sofia	0.00%	100.00%	F	BGN	1,961,000.00
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	10,002,000,00
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
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%	88.64%	N	EUR	0.00
IAT Deutschland GmbH	°	DEU	Munich	0.00%	100.00%	F	EUR	52,000.00
Porr Beteiligungs-Aktiengesellschaft in Liqu.		DEU	Munich	100.00%	100.00%	N	EUR	0.00
Porr Design & Engineering Deutschland GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	25,000.00
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	204,517.00
Porr Industriebau GmbH	°	DEU	Kolbermoor	0.00%	100.00%	F	EUR	25,000.00
PORR Vermögensverwaltung MURNAU GmbH		DEU	Murnau	0.00%	94.30%	N	EUR	0.00
PORREAL Deutschland GmbH		DEU	Berlin	0.00%	100.00%	F	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	Munich	0.00%	94.30%	F	EUR	537,000.00
STRAUSS & CO. Development GmbH		DEU	Berlin	0.00%	88.64%	F	EUR	25,564.60
Stump Spezialtiefbau GmbH		DEU	Berlin	0.00%	94.30%	F	EUR	4,000,000.00
TEERAG-ASDAG Deutschland GmbH	°	DEU	Saaldorf-Surheim	0.00%	94.30%	F	EUR	100,000.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli- dation	Cur- rency	Nominal Capital
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
IAT UK Waterproofing Systems limited	°	GBR	London	0.00%	100.00%	F	GBP	10,000.00
BAUVEG-WINKLER drustvo s ogranicenom odgovornoscu za projektiranje, izgradnju i nadzor		HRV	Zagreb	0.00%	100.00%	N	HRK	0.00
FMA Gebäudemanagement drustvo s ogranicenom odgovornoscu za upravljanje zgradama u likvidaciji		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
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
Vile Jordanovac drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo		HRV	Zagreb	0.00%	100.00%	F	HRK	6,778,100.00
DBK-Földgép Építési Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	6,000,000.00
Porr Építési Kft.		HUN	Budapest	0.00%	100.00%	F	HUF	30,000,000.00
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
Teerag-Aszfalt Épitöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
IAT Impermeabilizzazioni Srl	°	ITA	Bozen	0.00%	100.00%	F	EUR	100,000.00
PORR GRADEZNISTVO DOOEL Skopje		MKD	Skopje	0.00%	100.00%	F	EUR	5,400.00
Porr Norge AS	°	NOR	Oslo	0.00%	100.00%	F	NOK	35,000.00
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
PORR (POLSKA) Spólka Akcyjna		POL	Warsaw	0.00%	100.00%	F	PLN	21,350,000.00
Stump-Hydrobudowa Spólka z ograniczona odpowiedzialnoscia		POL	Nowy Dwór Mazowiecki	0.00%	100.00%	F	PLN	330,000.00
RADMER BAU PORTUGAL - CONSTRUCOES, LIMITADA		PRT	Lisbon	0.00%	93.36%	N	PTE	0.00
PORR Qatar Construction WLL		QAT	Doha	0.00%	49.00%	F	QAR	200,000.00
Porr Construct S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	16,000,000.00
PORREAL Imobile S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	200.00
SC Schwarzl Beton SRL		ROM	Bucharest	0.00%	75.00%	N	RON	0.00
„PORR - WERNER & WEBER-PROKUPLJE“ doo, Prokuplje		SRB	Prokuplje	0.00%	80.00%	F	EUR	500.00
DRUSTVO SA OGRANICENOM ODGOVORNOSCU „PORR-WERNER & WEBER-LESKOVAC“, Leskovac		SRB	Leskovac	0.00%	70.00%	F	EUR	500.00
Drustvo sa ogranicenom odgovornoscu PORR WERNER&WEBER-JAGODINA, Jagodina		SRB	Jagodina	0.00%	80.00%	F	EUR	500.00
Gradevinsko preduzece Porr d.o.o.		SRB	Belgrade	0.00%	100.00%	F	EUR	1,620,000.00
PWW d.o.o. Nis		SRB	Nis	0.00%	100.00%	F	EUR	3,050,500.00
PWW Deponija d.o.o. Jagodina		SRB	Jagodina	0.00%	100.00%	F	EUR	850,000.00
PWW Deponija Dva d.o.o. Leskovac		SRB	Leskovac	0.00%	100.00%	F	EUR	945,000.00
TRACK EXPERTS D.O.O. BEOGRAD, MILUTINA MILANKOVICA 11A		SRB	Belgrade	0.00%	74.00%	F	EUR	1,673,770.10
PORR s.r.o.		SVK	Bratislava	0.00%	100.00%	F	EUR	126,137.00
PORREAL Slovakia s.r.o.		SVK	Bratislava	0.00%	100.00%	N	EUR	0.00
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%	100.00%	F	TRY	110,000.00
Tovarystvo z obmezhenoyu vidpovidalnistyu „Porr Ukraina“		UKR	Kiev	0.00%	99.98%	F	UAH	4,500,000.00
Affiliated partnerships								

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
AG für Bauwesen Nfg. KG	AUT	Vienna	50.00%	100.00%	F	EUR	7,267.28
AMF - Asphaltmischanlage Feistritz GmbH & Co KG	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	3,000.00
AMO Asphaltmischwerk Oberland GmbH & Co KG	AUT	Linz	0.00%	90.00%	F	EUR	5,000.00
Asphaltmischwerk Greinsfurth GmbH & Co OG	AUT	Amstetten	0.00%	66.67%	F	EUR	600,000.00
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
Wibeba Hochbau GmbH & Co. Nfg. KG	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Forum am Bahnhof Quickborn GmbH & Co. KG	DEU	Hamburg	0.00%	88.64%	F	EUR	100,000.00
PORR MURNAU GmbH & Co. KG	DEU	Munich	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
Associated companies							
Associated companies limited by shares							
ABO Asphalt-Bau Oeynhausen GmbH.	AUT	Oeynhausen, pol. Gem. Traiskirchen	0.00%	32.85%	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
CCG Immobilien GmbH	AUT	Werndorf	0.00%	25.00%	E	EUR	2,000,000.00
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
Grazer Transportbeton GmbH	AUT	Gratkorn	0.00%	50.00%	E	EUR	40,000.00
INTERGEO Umweltmanagement GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
Lavanttaler Bauschutt - Recycling GmbH	AUT	Wolfsberg	0.00%	50.00%	E	EUR	36,336.43
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	E	EUR	45,000.00
Salzburger Reststoffverwertung GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	100,000.00
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
Tauernkies GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
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%	45.00%	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
Olympia Gate Munich Verwaltungs GmbH	DEU	Grünwald	0.00%	44.32%	E	EUR	25,000.00
ASDAG Kavicsbánya és Épitö Korlátolt Felelösségü Társaság	HUN	Janossomorja	0.00%	34.88%	E	HUF	300,000,000.00
„Modzelewski & Rodek“ Spólka z ograniczona odpowiedzialnoscia	POL	Warsaw	0.00%	50.00%	E	PLN	2,000,000.00
EQCC PORR W.L.L.	QAT	Doha	0.00%	24.01%	E	QAR	200,000.00
Associated partnerships							
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AUT	Linz	0.00%	33.33%	E	EUR	654,057.00
AMW Asphalt-Mischwerk GmbH & Co KG	AUT	Sulz	0.00%	50.00%	E	EUR	490,550.00
AMW Leopoldau TEERAG-ASDAG AG & Held & Francke Bau GmbH OG	AUT	Vienna	0.00%	50.00%	E	EUR	70,000.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
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 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
FMA Asphaltwerk GmbH & Co KG	AUT	Feldbach	0.00%	30.00%	E	EUR	44,000.00
Hotel Bad Mitterndorf Errichtungs- und Verwertungs GmbH & Co KG	AUT	Bad Mitterndorf	0.00%	24.00%	E	EUR	100,000.00
Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht	AUT	Viecht, pol. Gem. Desselbrunn	0.00%	33.50%	E	EUR	29,069.13
Lieferasphalt Gesellschaft m.b.H. & Co. OG	AUT	Maria Gail, pol. Gem. Villach	0.00%	40.00%	E	EUR	387,366.41
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
MSO Mischanlagen GmbH Ilz & Co KG	AUT	Ilz	0.00%	47.19%	E	EUR	3,270,277.53
MSO Mischanlagen GmbH Pinkafeld & Co KG	AUT	Pinkafeld	0.00%	47.33%	E	EUR	87,207.39
RBA - Recycling- und Betonanlagen Ges.m.b.H. & Co. Nfg. KG	AUT	Zirl	31.58%	31.58%	E	EUR	581,382.67
RFM Asphaltmischwerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	E	EUR	1,271,775.00
Salzburger Lieferasphalt GmbH & Co OG	AUT	Sulzau, pol. Gem. Werfen	0.00%	40.00%	E	EUR	36,336.42
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 an der Drau	0.00%	50.00%	E	EUR	263,298.00
Alexander Parkside GmbH & Co. KG	DEU	Berlin	0.00%	44.32%	E	EUR	25,000.00
Frankenstraße 18-20 GmbH & Co. KG	DEU	Hamburg	0.00%	44.32%	E	EUR	2,000.00
Radmer Bau Kieswerke GmbH & Co. Sand und Kies KG	DEU	Leipzig	0.00%	47.15%	E	EUR	1,022,580.00
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							
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	AUT	Zistersdorf-Maustrenk, pol. Gem. Zistersdorf	0.00%	20.00%	N	EUR	0.00
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	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%	32.85%	N	EUR	0.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	AUT	Rauchenwarth	0.00%	40.00%	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 Gleichenberg	0.00%	20.00%	N	EUR	0.00
BRG Baustoffrecycling GmbH	AUT	Linz	0.00%	20.00%	N	EUR	0.00
European Trans Energy GmbH	AUT	Vienna	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
FMA Asphaltwerk GmbH	AUT	Feldbach	0.00%	30.00%	N	EUR	0.00
Gaspix Beteiligungsverwaltungs GmbH	AUT	Zirl	31.58%	31.58%	N	EUR	0.00
GETINA Versicherungsvermittlung GmbH	AUT	Vienna	0.00%	32.60%	N	EUR	0.00
Grimming Therme GmbH	AUT	Bad Mitterndorf	0.00%	17.00%	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
Jandl Baugesellschaft m.b.H.	AUT	Unter-premstätten	0.00%	0.93%	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 an der Drau	0.00%	19.99%	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
MSO Mischanlagen GmbH	AUT	Ilz	0.00%	66.67%	N	EUR	0.00
PKM - Muldenzentrale GmbH	AUT	Vienna	0.00%	34.93%	N	EUR	0.00
PM2 Bauträger GesmbH in Liqu.	AUT	Klagenfurt	0.00%	24.75%	N	EUR	0.00
Pumpspeicherkraftwerk Koralm GmbH	AUT	Graz	0.00%	1.00%	N	EUR	0.00
RFM Asphaltmischwerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	46.00%	N	EUR	0.00
RFPB Kieswerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Schotter- und Betonwerk Donnersdorf GmbH	AUT	Bad Gleichen-berg	0.00%	20.00%	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 an der Drau	0.00%	50.00%	N	EUR	0.00
Weyerhof Steinbruch GmbH	AUT	Murau	0.00%	50.00%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
Vystavba hotelu PRAHA - ZVONARKA, spol. s.r.o.	CZE	Prague	0.00%	11.11%	N	CZK	0.00
Alexander Parkside Verwaltungs GmbH	DEU	Berlin	0.00%	44.32%	N	EUR	0.00
ALTRASS Freileitungstechnik GmbH	DEU	Essen	0.00%	49.00%	N	EUR	0.00
ALU-SOMMER Deutschland GmbH	DEU	Kolbermoor	0.00%	49.50%	N	EUR	0.00
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%	3.73%	N	EUR	0.00
City Objekte München GmbH	DEU	Munich	0.00%	5.09%	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%	44.32%	N	EUR	0.00
Friendsfactory Projekte GmbH	DEU	Munich	0.00%	3.11%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consolidation	Currency	Nominal Capital
German Hotel Verwaltungs GmbH	DEU	Grünwald	0.00%	2.66%	N	EUR	0.00
Kühnehöfe Hamburg Komplementär GmbH	DEU	Munich	0.00%	4.53%	N	EUR	0.00
Leuchtenbergring Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Lilienthalstraße Wohnen GmbH Münchner Grund und Baywobau	DEU	Grünwald, Landkreis 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 Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Immobilien Bauträger Aktiengesellschaft	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Münchner Grund Riem GmbH	DEU	Munich	0.00%	5.66%	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%	5.32%	N	EUR	0.00
TMG Tiefbaumaterial GmbH	DEU	Emmering, Lk Fürstenfeld-bruck	0.00%	31.43%	N	EUR	0.00
AS Montage Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	37.12%	N	HUF	0.00
AS Produktion Korlátolt Felelösségü Társaság	HUN	Sopron	0.00%	49.50%	N	EUR	0.00
ASDEKA Epitöanyagipari Kereskedelmi Kft.	HUN	Hegyeshalom	0.00%	17.44%	N	HUF	0.00
SEVER-JUG AUTOPUT DRUSTVO SA OGRANICENOM ODGOVORNOSCU ZA IZGRADNJU, KORISCENJE I ODRZAVANJE AUTOPUTA	SRB	Belgrade	0.00%	50.00%	N	RSD	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 an der Drau	0.00%	19.99%	N	EUR	0.00
RFPB Kieswerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	23.00%	N	EUR	0.00
Sava Most Gradevinsko Preduzece OG	AUT	Vienna	0.00%	27.93%	N	EUR	0.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	AUT	Zistersdorf	0.00%	16.67%	N	EUR	0.00
Arena Boulevard GmbH & Co. KG	DEU	Berlin	0.00%	5.32%	N	EUR	0.00
Bürohaus Leuchtenbergring GmbH & Co. Besitz KG	DEU	Munich	0.00%	3.73%	N	EUR	0.00
German Hotel Invest I GmbH & Co. KG	DEU	Grünwald, Lk Munich	0.00%	2.66%	N	EUR	0.00
Immobilien- und Baumanagement Stark GmbH & Co. Stockholmstraße KG	DEU	Munich	0.00%	5.66%	N	EUR	0.00
Kühnehöfe Hamburg GmbH & Co. KG	DEU	Munich	0.00%	4.53%	N	EUR	0.00
SONUS City GmbH & Co. KG	DEU	Berlin	0.00%	5.32%	N	EUR	0.00
BPV-Metro 4 Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	N	HUF	0.00
BPV-METRO 4 NeKe Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	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= Company consolidated under the equity method
F= Fully consolidated company
N= Non-consolidated company
° = Company consolidated for the first time
* = Profit and loss transfer agreement

Shareholdings 2013

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								
„EAVG Enzersdorfer Abfallverwertungsgesellschaft m.b.H.“		AUT	Vienna	37.50%	100.00%	F	EUR	726,728.34
„PET“ Deponieerrichtungs- und Betriebsgesellschaft m.b.H.		AUT	Vienna	50.00%	100.00%	N	EUR	0.00
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
AMF - Asphaltmischanlage Feistritz GmbH		AUT	Unter-premstätten	0.00%	100.00%	N	EUR	0.00
AMO Asphaltmischwerk Oberland GmbH		AUT	Linz	0.00%	90.00%	N	EUR	0.00
aqua plus Wasserversorgungs- und Abwasserentsorgungs-GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	2,700,000.00
Asphaltmischwerk Greinsfurth GmbH		AUT	Amstetten	0.00%	66.67%	N	EUR	0.00
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
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
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 Beteiligungs GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
EPS MARIANNE-HAINISCH-GASSE - LITFASS-STRASSE Liegenschaftsverwertungs- 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 Beteiligungsverwaltungs GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
EPS RINNBÖCKSTRASSE - LITFASS-STRASSE Liegenschaftsverwertungs- 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
FPS Infrastruktur Holding GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Geotechnik Systems GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	36,336.42
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
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
Goidinger Bau GmbH		AUT	Zams	0.00%	100.00%	F	EUR	37,000.00
Golera 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
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
Grazer Transportbeton GmbH		AUT	Gratkorn	0.00%	100.00%	N	EUR	0.00
GREENPOWER Anlagenerrichtungs- und Betriebs-GmbH		AUT	Vienna	0.00%	100.00%	N	EUR	0.00
Grund- Pfahl- und Sonderbau GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	365,000.00
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. Gem. 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
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
Lieferasphaltgesellschaft JAUNTAL GmbH	°	AUT	Klagenfurt	0.00%	72.00%	F	EUR	36,460.00
M.E.G. Mikrobiologische Erddekontamination GmbH		AUT	Linz	0.00%	100.00%	F	EUR	35,000.00
MultiStorage GmbH		AUT	Salzburg	0.00%	75.00%	N	EUR	0.00
Nägele Hoch- und 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 Design & Engineering GmbH		AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Porr Equipment Services GmbH	*	AUT	Vienna	100.00%	100.00%	F	EUR	35,000.00
Porr Financial Services GmbH	*	AUT	Vienna	100.00%	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
Prajo & Co GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO HOLDING Beteiligungs- & Verwaltungsgesellschaft mbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO Transportunternehmer GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
PRAJO-BÖHM Recycling GmbH	°	AUT	Vienna	0.00%	99.00%	F	EUR	35,000.00
PRONAT Steinbruch Preg GmbH		AUT	Unter-premstätten	0.00%	99.02%	F	EUR	872,000.00
PWW Holding GmbH	°	AUT	Vienna	0.00%	100.00%	F	EUR	35,000.00
Sabelo Beteiligungsverwaltungs GmbH		AUT	Vienna	100.00%	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

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
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
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%	F	EUR	36,336.42
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	1,961,000.00
PORR Solutions Bulgaria EOOD v likvidacia		BGR	Sofia	0.00%	100.00%	N	BGN	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	10,002,000.00
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
Stump - Geospol s.r.o.	°	CZE	Brno	0.00%	100.00%	F	CZK	3,500,000.00
ALBA BauProjektManagement GmbH		DEU	Oberhaching	0.00%	100.00%	F	EUR	300,000,00
Arena Boulevard Verwaltungs GmbH		DEU	Berlin	0.00%	94.64%	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	Munich	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 Design & Engineering Deutschland GmbH	°	DEU	Berlin	0.00%	94.30%	F	EUR	25,000.00
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	204,517.00
PORR Vermögensverwaltung MURNAU GmbH		DEU	Murnau	0.00%	94.30%	N	EUR	0.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
PORREAL Deutschland GmbH	°	DEU	Berlin	0.00%	100.00%	F	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	Munich	0.00%	94.30%	F	EUR	537,000.00
STRAUSS & CO. Development GmbH		DEU	Berlin	0.00%	94.64%	F	EUR	25,564.60
Stump Spezialtiefbau GmbH	°	DEU	Berlin	0.00%	94.30%	F	EUR	4,000,000.00
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
FMA Gebäudemanagement drustvo s ogranicenom odgovornoscu za upravljanje zgradama		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
MIPO NEKRETNINE drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
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	Samobor	0.00%	100.00%	F	HRK	21,777,200.00
STRAUSS & PARTNER Development d.o.o. za usluge i graditeljstvo		HRV	Samobor	0.00%	100.00%	N	HRK	0.00
Vile Jordanovac drustvo s ogranicenom odgovornoscu za usluge i graditeljstvo	°	HRV	Zagreb	0.00%	100.00%	F	HRK	6,778,100.00
DBK-Földgép Építési Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	6,000,000.00
Gamma Real Estate Ingtalanfejlesztö és - hasznositó Korlátolt Felelösségü 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
PORREAL Ingatlankezelési Korlátolt Felelösségu Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
Teerag-Aszfalt Építöipari és Kereskedelmi Korlátolt Felelösségü Társaság		HUN	Budapest	0.00%	100.00%	F	HUF	500,000.00
IAT Impermeabilizzazioni Srl		ITA	Bozen	0.00%	100.00%	N	EUR	0.00
PORR GRADEZNISTVO DOOEL Skopje		MKD	Skopje	0.00%	100.00%	F	EUR	5,400.00
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
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
Stump-Hydrobudowa Spólka z ograniczona odpowiedzialnoscia	°	POL	Warsaw	0.00%	100.00%	F	PLN	330,000.00
RADMER BAU PORTUGAL - CONSTRUCOES, LIMITADA		PRT	Lisbon	0.00%	93.36%	N	PTE	0.00
PORR Qatar Construction WLL		QAT	Doha	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	19,146,810.00
Porr Construct S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	16,000,000.00
PORREAL Imobile S.R.L.		ROM	Bucharest	0.00%	100.00%	F	RON	200.00
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	4,452,900.00
„PORR - WERNER & WEBER - PROKUPLJE“ doo, Prokuplje	°	SRB	Prokuplje	0.00%	80.00%	F	EUR	500.00
DRUSTVO SA OGRANICENOM ODGOVORNOSCU „PORR-WERNER & WEBER-LESKOVAC“, Leskovac	°	SRB	Leskovac	0.00%	70.00%	F	EUR	500.00

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Drustvo sa ogranicenom odgovornoscu PORR WERNER&WEBER-JAGODINA, Jagodina	°	SRB	Jagodina	0.00%	80.00%	F	EUR	500.00
Gradevinsko preduzece Porr d.o.o.		SRB	Belgrade	0.00%	100.00%	F	EUR	1,620,000.00
PORR-WERNER WEBER ENVIRONMENTAL TECHNOLOGIES DOO NIS	°	SRB	Nis	0.00%	100.00%	F	EUR	1,050,000.00
PWW d.o.o. Nis	°	SRB	Nis	0.00%	100.00%	F	EUR	2,000,500.00
PWW Deponija d.o.o. Jagodina	°	SRB	Jagodina	0.00%	100.00%	F	EUR	850,000.00
PWW Deponija Dva d.o.o. Leskovac	°	SRB	Leskovac	0.00%	100.00%	F	EUR	945,000.00
TRACK EXPERTS D.O.O. BEOGRAD, MILUTINA MILANKOVICA 11A		SRB	Belgrade	0.00%	74.00%	F	EUR	1,673,770.10
PORR s.r.o.		SVK	Bratislava	0.00%	99.41%	F	EUR	126,137.00
PORREAL Slovakia s.r.o.		SVK	Bratislava	0.00%	100.00%	N	EUR	0.00
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%	100.00%	F	TRY	110,000.00
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
AMF - Asphaltmischanlage Feistritz GmbH & Co KG	°	AUT	Unter-premstätten	0.00%	100.00%	F	EUR	3,000.00
AMO Asphaltmischwerk Oberland GmbH & Co KG	°	AUT	Linz	0.00%	90.00%	F	EUR	5,000.00
Asphaltmischwerk Greinsfurth GmbH & Co OG	°	AUT	Amstetten	0.00%	66.67%	F	EUR	600,000.00
Emiko Beteiligungsverwaltungs GmbH & Co. KG		AUT	Kematen in Tirol	0.00%	100.00%	F	EUR	1,000.00
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 Liegenschaftsver-wertungs- 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
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
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	Unter-premstätten	0.00%	100.00%	F	EUR	100,000.00
MLSP Absberggasse Immobilien GmbH & Co KG		AUT	Vienna	0.00%	100.00%	F	EUR	999.00
MLSP Brunor 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 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

Company		Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
MLSP IBC WEST Immobilien GmbH & Co KG		AUT	Vienna	0.00%	100.00%	F	EUR	999.00
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	Unter-premstätten	75.00%	100.00%	F	EUR	290,691.34
Projekt West - IBC Business Center Entwicklungs- und Errichtungs-GmbH & Co KG		AUT	Unter-premstätten	75.00%	100.00%	F	EUR	290,691.34
SFZ Freizeitbetriebs-GmbH & Co KG		AUT	Unter-premstätten	0.00%	100.00%	F	EUR	100,000.00
SFZ Immobilien GmbH & Co KG		AUT	Unter-premstätten	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
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
Arena Boulevard GmbH & Co. KG	°	DEU	Berlin	0.00%	94.64%	F	EUR	1,000.00
Forum am Bahnhof Quickborn GmbH & Co. KG		DEU	Hamburg	0.00%	94.64%	F	EUR	100,000.00
PORR MURNAU GmbH & Co. KG		DEU	Munich	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
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
ABO Asphalt-Bau Oeynhausen GmbH.		AUT	Oeynhausen, pol. 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
BRM-Recycling GmbH		AUT	Röthelstein	0.00%	51.00%	E	EUR	35,000.00
CCG Immobilien GmbH		AUT	Werndorf	0.00%	49.90%	E	EUR	2,000,000.00
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
hospitals Projektentwicklungsges.m.b.H.		AUT	Graz	0.00%	49.00%	E	EUR	535,000.00
Impulszentrum Telekom Betriebs GmbH		AUT	Unter-premstätten	0.00%	46.00%	E	EUR	727,000.00
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
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

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli- dation	Cur- rency	Nominal Capital
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%	33.57%	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
Tauernkies GmbH	AUT	Salzburg	0.00%	50.00%	E	EUR	35,000.00
UBM Realitätenentwicklung Aktiengesellschaft	AUT	Vienna	41.33%	41.80%	E	EUR	18,000,000.00
umfeld.strauss immobilien GmbH	AUT	Innsbruck	0.00%	30.00%	E	EUR	35,000.00
W 3 Errichtungs- und Betriebs-Aktiengesellschaft	AUT	Vienna	53.33%	53.33%	E	EUR	800,000.00
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%	45.00%	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
Hotel am Kanzleramt GmbH	DEU	Berlin	0.00%	70.98%	E	EUR	25,000.00
Mühlenstraße 11 - 12 GmbH	DEU	Berlin	0.00%	70.98%	E	EUR	25,000.00
Münchner Grund Immobilien Bauträger Aktiengesellschaft	DEU	Munich	0.00%	5.66%	E	EUR	3,000,000.00
Top Office Munich GmbH	DEU	Grünwald, Lk Munich	0.00%	47.32%	E	EUR	25,000.00
ASDAG Kavicsbánya és Építö Korlátolt Felelösségü Társaság	HUN	Janossomorja	0.00%	34.88%	E	HUF	300,000,000.00
M 6 Duna Autópálya Koncessziós Zártkörüen Müködö Részvénytársaság	HUN	Budapest	0.00%	40.00%	E	EUR	28,932,310.00
M6 Tolna Autópálya Koncessziós Zártkörüen Müködö Részvénytársaság	HUN	Budapest	0.00%	45.00%	E	EUR	32,924,400.00
„Modzelewski & Rodek“ Spólka z ograniczona odpowiedzialnoscia	POL	Warsaw	0.00%	50.00%	E	PLN	2,000,000.00
EQCC PORR W.L.L.	QAT	Doha	0.00%	24.01%	E	QAR	200,000.00
PPE Malzenice s.r.o.	SVK	Bratislava	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
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co. KG	AUT	Linz	0.00%	33.33%	E	EUR	654,057.00
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 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

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
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. Gem. Desselbrunn	0.00%	33.50%	E	EUR	29,069.13
Lieferasphalt Gesellschaft m.b.H. & Co. OG	AUT	Maria Gail, pol. Gem. 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%	47.19%	E	EUR	3,270,277.53
MSO Mischanlagen GmbH Pinkafeld & Co KG	AUT	Pinkafeld	0.00%	47.33%	E	EUR	87,207.39
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	Wienersdorf - Oeynhausen, pol. Gem. Traiskirchen	0.00%	33.33%	E	EUR	1,271,775.00
Rosenhügel Entwicklungs-, Errichtungs- und Verwertungsgesellschaft mbH & Co KG	AUT	Vienna	0.00%	50.00%	E	EUR	999.00
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 an der 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
Olympia Gate Munich GmbH & Co. KG	DEU	Grünwald	0.00%	47.32%	E	EUR	25,000.00
Radmer Bau Kieswerke GmbH & Co. Sand und Kies KG	DEU	Leipzig	0.00%	47.15%	E	EUR	1,022,599.45
SONUS City GmbH & Co. KG	DEU	Berlin	0.00%	85.18%	E	EUR	500,000.00
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. Gem. Zistersdorf	0.00%	20.00%	N	EUR	0.00
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	AUT	Linz	0.00%	33.33%	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
AWB Asphaltmischwerk Weißbach Betriebs-GmbH	AUT	Vienna	0.00%	45.00%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
Betonexpress FH Vertriebs-GMBH	AUT	Bad Gleichenberg	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
European Trans Energy GmbH	AUT	Vienna	0.00%	49.00%	N	EUR	0.00
FBG Fertigbetonwerk Großpetersdorf Ges.m.b.H. in Liqu.	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
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 an der Drau	0.00%	19.99%	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
PEM Projektentwicklung Murgalerien GmbH	AUT	Unterprem-stätten	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-Siezen-heim	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 Stoffwechselerkrankungen Bad Gleichenberg Gesellschaft m.b.H.	AUT	Bad Gleichenberg	0.00%	16.12%	N	EUR	0.00
RFM Asphaltmischwerk GmbH.	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	33.33%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
RFPB Kieswerk GmbH	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	16.67%	N	EUR	0.00
Rosenhügel Entwicklungs-, Errichtungs- und Verwertungsgesellschaft mbH	AUT	Vienna	0.00%	50.00%	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 an der Drau	0.00%	50.00%	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
Alexander Parkside Verwaltungs GmbH	DEU	Berlin	0.00%	47.32%	N	EUR	0.00
ALTRASS Freileitungstechnik GmbH	DEU	Essen	0.00%	49.00%	N	EUR	0.00
ALU-SOMMER Deutschland GmbH	DEU	Kolbermoor	0.00%	49.50%	N	EUR	0.00
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%	3.73%	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%	5.66%	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 Hotelbetriebsgesellschaft mbH	DEU	Munich	0.00%	5.66%	N	EUR	0.00
MG Sendling Komplementär 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
Olympia Gate Munich Verwaltungs GmbH	DEU	Grünwald	0.00%	47.32%	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
SONUS City Verwaltungs GmbH	DEU	Berlin	0.00%	94.64%	N	EUR	0.00

Company	Country Code	Domicile	PORR AG share	PORR Group share	Type of consoli-dation	Cur-rency	Nominal Capital
TMG Tiefbaumaterial GmbH	DEU	Emmering, Lk Fürsten-feldbruck	0.00%	31.43%	N	EUR	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
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
SEVER-JUG AUTOPUT DRUSTVO SA OGRANICENOM ODGOVORNOSCU ZA IZGRADNJU, KORISCENJE I ODRZAVANJE AUTOPUTA	SRB	Belgrade	0.00%	50.00%	N	EUR	0.00
AQUASYSTEMS gospodarjenje z vodami d.o.o.	SVN	Marburg	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 an der Drau	0.00%	19.99%	N	EUR	0.00
LiSciV Muthgasse GmbH & Co KG	AUT	Vienna	0.00%	26.67%	N	EUR	0.00
PEM Projektentwicklung Murgalerien GmbH & Co KG	AUT	Unter-premstätten	0.00%	50.00%	N	EUR	0.00
RFPB Kieswerk GmbH & Co KG	AUT	Wienersdorf-Oeynhausen, pol. Gem. Traiskirchen	0.00%	16.67%	N	EUR	0.00
Salzburger Lieferasphalt GmbH & Co OG	AUT	Sulzau, pol. Gem. 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%	3.73%	N	EUR	0.00
Bürohaus Leuchtenbergring GmbH & Co. KG	DEU	Munich	0.00%	3.70%	N	EUR	0.00
Immobilien- und Baumanagement Stark GmbH & Co. Stockholmstraße KG	DEU	Munich	0.00%	3.62%	N	EUR	0.00
BPV-Metro 4 Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	N	HUF	0.00
BPV-METRO 4 NeKe Építési Közkereseti Társaság	HUN	Budapest	49.95%	49.95%	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= Company consolidated under the equity method
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 financial statements of PORR AG Vienna for the fiscal year from January 1st 2014 to December 31st 2014. These consolidated financial statements comprise the consolidated balance sheet as of December 31st 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year ended December 31st 2014, as well as the notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and in accordance with relevant Austrian laws. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements 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.

Auditor's Responsibility and Description of Type and Scope of the Statutory 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 and the International Standards on Auditing (ISAs) of the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group'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 Group'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. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of December 31st 2014 and of its financial performance and its cash flows for the fiscal year from January 1st 2014 to December 31st 2014 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, as well as in accordance with relevant Austrian laws.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, April 17th 2015

BDO Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerhard Fremgen	Helmut Kern
Certified Public Accountant	Certified Public Accountant

This report is a translation of the original report in German, which is solely valid. Publication of the financial statements together with our auditor's opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

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 2015, Vienna

Karl-Heinz Strauss
Chief Executive Officer

Christian B. Maier
Executive Board Member

J. Johannes Wenkenbach
Executive Board Member

Appropriation of Earnings

The consolidated financial statements as of December 31st 2014 report net retained profits of EUR 21,842,327.31.

The Executive Board proposes the following appropriation of the retained profits reported in the PORR AG consolidated financial statements as of December 31st 2014:

Payout of a dividend of EUR 1.50 (one euro, fifty cents) per dividend-bearing share, with the remaining balance to be carried forward to new account.

Vienna, April 2015

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.

Miscellaneous building construction covers the areas of education, hotel, healthcare and other building construction.

PORR Group refers to 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.

Acknowledgements

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The consolidated financial statements for 2014, including the notes to the financial statements and the 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 2014 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 2014 published in the German language and is provided solely for the convenience of English-speaking users. The figures have been rounded off. In the event of a discrepancy or translation error, the German-language version prevails.

Financial Calendar

23.4.2015	**Publication** of the 2014 Annual Report
23.4.2015	**Financial results press conference**
31.5.2015	**Publication** of the interim report on the first quarter 2015
3.6.2015	**135th Annual General Meeting,** 11:00 am
8.6.2015	**Ex-dividend trading on the Vienna Stock Exchange**
9.6.2015	**Dividend payout day for the 2014 business year**
28.8.2015	**Publication** of the interim report on the first half 2015
13.10.2015	**Interest payment and redemption** of PORR Corporate Bond 2010
28.10.2015	**Interest payment** on PORR Corporate Bond 2014/1 (senior bond)
28.10.2015	**Interest payment** on PORR Corporate Bond 2014/2 (hybrid bond)
26.11.2015	**Interest payment** on PORR Corporate Bond 2013
27.11.2015	**Publication** of the interim report on the third quarter 2015
4.12.2015	**Interest payment** on PORR Corporate Bond 2012

Contact

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