



The Europe 2020 Project Bond Initiative A Contractor's Perspective

Brussels – 11.04. 2011



European Commission
Directorate-General
Economic and Financial Affairs



**European
Investment
Bank**

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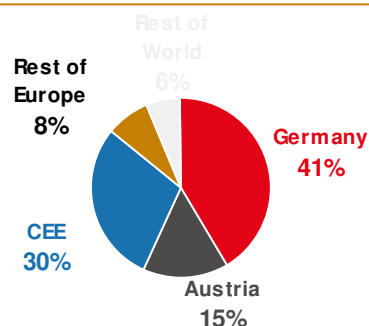
STRABAG

SUCCESS FACTORS: EXISTING COUNTRY ORGANISATIONS

Highlights

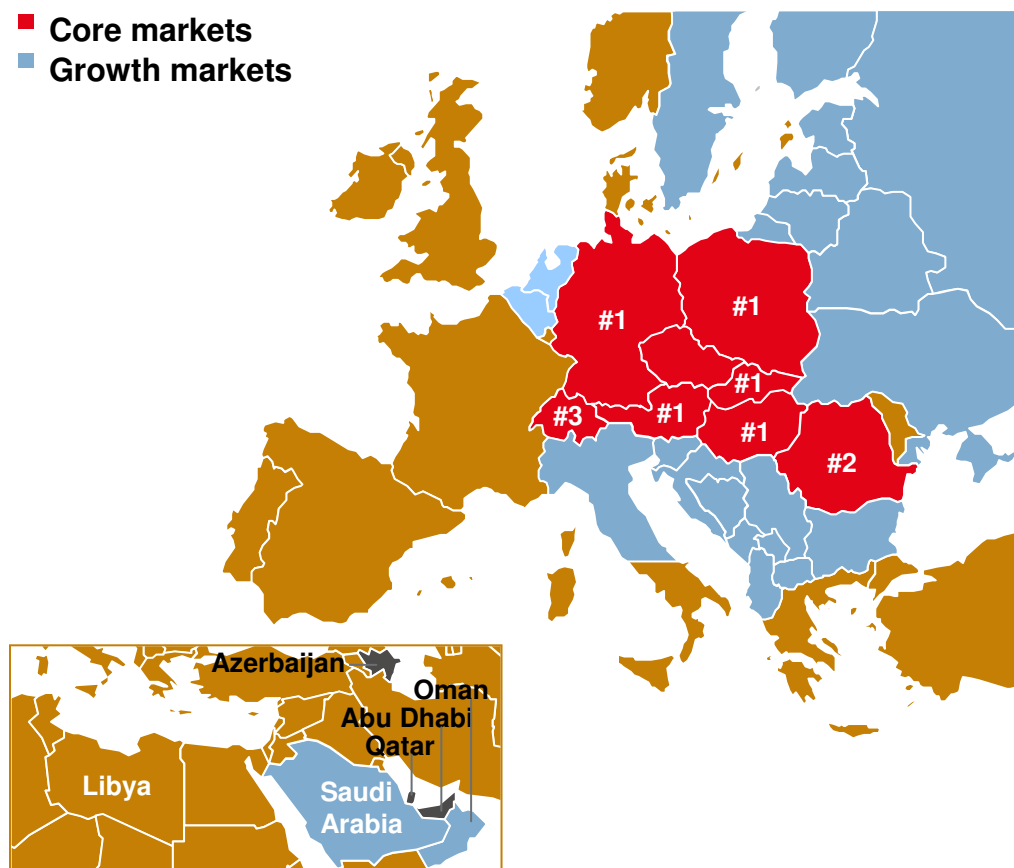
- ❑ #1 in Germany, Austria, Hungary, Slovakia and Poland
- ❑ Approx. 80% of group output from regions where STRABAG holds a market position among the top 3
- ❑ Russia: no growth at the moment, but activities are stable
- ❑ Increased focus on Middle East, India and Asia

Output volume by region 2009



Overview of STRABAGs key markets

- Core markets
- Growth markets



Note: Assessment of market positions based on Deloitte market report, public filings and STRABAG management estimates

A leading player in international construction

Leading European construction company

- ❑ #1 construction company in Germany, Austria and Central & Eastern Europe (CEE)
- ❑ Output volume in 2009: € 13.0bn
- ❑ ~ 73,000 employees
- ❑ > 500 locations in more than 30 countries
- ❑ # 162 among Europe's 500 largest publicly listed companies

Source: Deloitte market report, company information

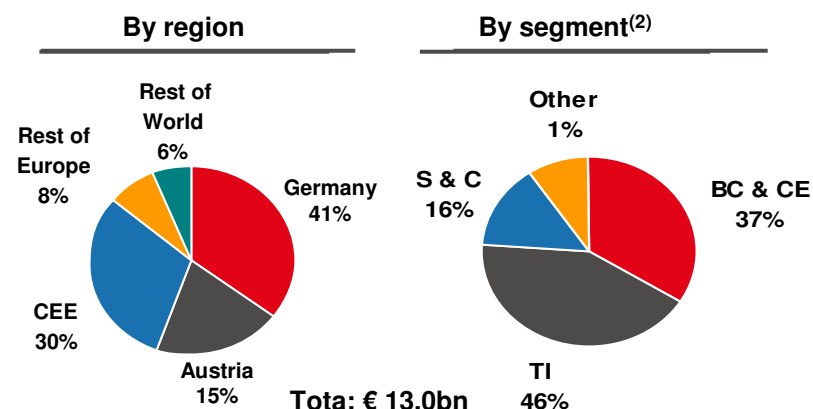
Historical track record

	2000 ⁽¹⁾		2009
Output volume (€bn)	3.1	X4.2	13.0
Order backlog (€bn)	2.3	X6,0	14,0
# of employees	19,700	x3.7	73,000

(1) Refers to BAU HOLDING STRABAG AG

(2) BC & CE: Building Construction & Civil Engineering, TI: Transportation Infrastructures, S & C: Special Divisions & Concessions

Output volume in 2009



Strong brands

STRABAG



DYWIDAG



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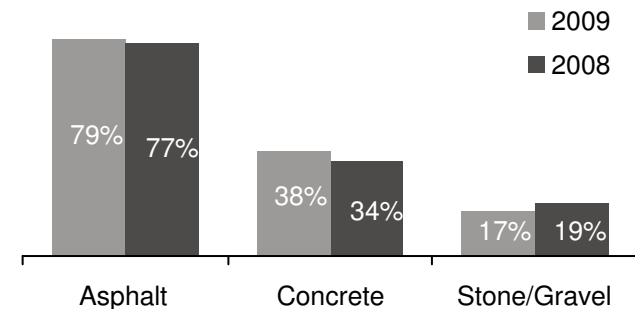
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STRABAG

FURTHER DEVELOPMENT OF OUR RAW MATERIALS NETWORK

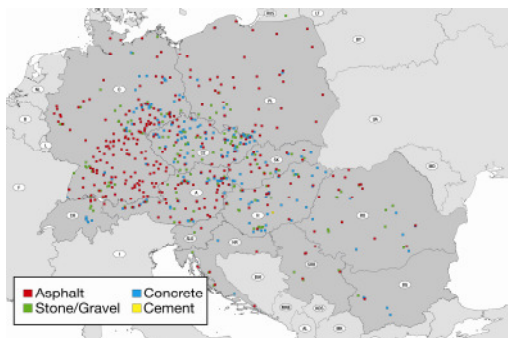
Strabag facilities

Asphalt mixing plants	325 ⁽²⁾
Concrete mixing plants	183 ⁽²⁾
Total quarries and gravel pits	179 ⁽²⁾
Production of 4.9m m ³ of concrete and approx. 17.3m tons of asphalt in 2009	

Own coverage of raw material needs



High density of sites



Highlights

- ❑ More than 2.2bn tons reserves of stone and gravel
- ❑ 30% in common company with Lafarge as of 1 January 2011 – secures access to cement in Austria, Hungary, Czech Republic, Slovenia
- ❑ STRABAG will optimise its raw materials portfolio and strives to increase its degree of selfsufficiency with raw materials

(1) As in December 2009, (2) Includes facilities from joint ventures and associates

Project Bond – Factors of Success

- Retrenching of banks from long-term funding
- Rating of the client (availability schemes)
- Envisaged repayment mechanism (tail) of the Project Bond Guarantee Facility vs the senior debt
- Tenor of the underlying concessions
- Harmonized rating procedure

Project Bond – Challenges

- Firm (price) commitment available bid date
- Timing of fund injections (negative cost of carry)
- Added value depending on sovereign rating
- Controlling Creditor / Refinancing - Complexity
- Enhance rating above sovereign rating