



PORR AG

(Vienna, Republic of Austria)

EUR 150,000,000 Undated Resetable Fixed Rate Subordinated Notes

Issue price: 100.00%.

PORR AG, incorporated in the Republic of Austria as a stock corporation (*Aktiengesellschaft*) (the "**Company**", or "**PORR**", or the "**Issuer**" and together with its consolidated subsidiaries, the "**Group**") will issue on 6 February 2020 (the "**Issue Date**") Undated Resetable Fixed Rate Subordinated Notes (the "**Notes**") in an aggregate principal amount of EUR 150,000,000 (the "**Aggregate Principal Amount**"). The Notes will be issued in bearer form in denominations of EUR 1,000 (the "**Specified Denomination**") and will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.

The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations, (ii) *pari passu* among themselves and with any Parity Obligations and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law (Junior Obligations and Parity Obligations each as defined in the terms and conditions of the Notes (the "**Terms and Conditions**"). In the event of the liquidation or insolvency, or any other proceedings for the avoidance of insolvency, of, or against, the Issuer, the obligations under the Notes shall be fully subordinated to all other present and future obligations of the Issuer (except for Parity Obligations and Junior Obligations), whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of law or as expressly provided for by the terms of the relevant instrument so that in any such event no amounts shall be payable in respect of the Notes unless all claims that rank senior to the Notes have been satisfied in full.

The Notes will bear interest on their aggregate principal amount from and including 6 February 2020 (the "**Interest Commencement Date**") to but excluding 6 February 2025 (the "**First Call Date**") at a fixed rate of 5.375% per annum. Thereafter, and unless previously redeemed, the applicable Interest Rate for each Interest Period (each as defined in the Terms and Conditions) for the period from (and including) the First Call Date to (but excluding) the date on which the Issuer redeems the Notes in accordance with the Terms and Conditions shall be the applicable annual swap rate for Euro swap transactions (ICESWAP2) with a term of 5 years for the relevant Interest Period plus a certain Margin (as defined in the Terms and Conditions). Interest shall be scheduled to be paid annually in arrear on 6 February in each year (each an "**Interest Payment Date**") commencing on 6 February 2021. The Issuer is entitled to defer payments of any interest on any Interest Payment Date and may pay such Arrears of Interest (as defined in the Terms and Conditions) voluntarily at any time, but only will be obliged to pay such Arrears of Interest under certain circumstances as set out in the Terms and Conditions.

The Notes do not have a maturity date. The Notes are redeemable by the Issuer at its discretion on the First Call Date or on any Interest Payment Date thereafter and, in each case as described in the Terms and Condition of the Notes. Additionally, if either a Gross-Up Event, an Accounting Event, a Tax Event or a Change of Control (each as defined in the Terms and Conditions) shall have occurred, the Issuer may call the Notes for redemption (in whole but not in part) at any time at the Early Redemption Amount (each as defined in the Terms and Conditions) or – in the event of a Change of Control – at their principal amount, plus any accrued interest until the respective redemption date (exclusive). If the Issuer has purchased Notes equal to or in excess of 80% of the Aggregate Principal Amount of the Notes initially issued, the Notes can also be redeemed by the Issuer at its discretion at any time at their principal amount, plus any interest accrued on the Notes to (but excluding) the respective redemption date. The Notes are governed by Austrian law.

Application has been made to the Vienna Stock Exchange for the Notes to be admitted to the Official Market (*Amtlicher Handel*), a regulated market pursuant to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.

The Notes have been assigned the following securities codes: ISIN XS2113662063 and Common Code 211366206.

PROHIBITION OF SALES TO EEA INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom of Great Britain and Northern Ireland ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Bookrunner the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

Following the First Call Date, interest amounts payable under the Notes are calculated by reference to ICESWAP2, which appears on the Reuters Screen Page ICESWAP2 and which is provided by ICE Benchmark Administration Limited ("**IBA**"). As at the date of this Prospectus, IBA appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**").

This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. The Notes have not been and are not being offered to the public within the meaning of the Regulation (EU) 2017/1129, as amended, of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "Prospectus Regulation"), and no offering of the Notes was or is subject to the obligation to publish a prospectus under that Regulation. No action has been or may be taken to permit an offer of Notes to the public within the meaning of that Regulation.

This Prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "FMA") in its capacity as competent authority under the Prospectus Regulation and pursuant to the Capital Market Act 2019. The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA. The FMA examines and approves this Prospectus only in respect of its completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and the quality of the Notes that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes and which arises or is noted between the approval of this Prospectus by the FMA and the later of completion of the Offering and commencement of trading in the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange, will be published in a supplement to this Prospectus in accordance with Article 23 of the Prospectus Regulation. Such supplement must be approved in the same way as this Prospectus by the FMA and must be published in the same way as this Prospectus.

The validity of this Prospectus will expire on 6 February 2020. Investors should be aware that the obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

Prospective investors should consider that investing in the Notes involves certain risks. For a discussion of certain significant factors affecting investments in the Notes, see "Risk Factors". The occurrence of one or more of such risks could lead investors to lose some or all of their investment. An investment in the Notes is suitable only for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

Sole Structuring Adviser and Sole Bookrunner

HSBC

The date of this Prospectus is 3 February 2020.

GENERAL INFORMATION

RESPONSIBILITY STATEMENT

PORR AG with its registered office in Vienna, Austria, is solely responsible for the information contained in this Prospectus and hereby declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and that this Prospectus makes no omission likely to affect its import.

The Issuer further confirms that (i) this Prospectus contains all information with respect to the Issuer and its subsidiaries taken as a whole (the "**PORR Group**" or the "**Group**") and to the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and of the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and the Group and of the rights attached to the Notes; (ii) the statements contained in this Prospectus relating to the Issuer, the Group and the Notes are in every material particular true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

NOTICE

This Prospectus should be read and understood in conjunction with any other documents incorporated herein by reference. For the avoidance of doubt, the information on any website referred to in this Prospectus does not form part of this Prospectus and has not been scrutinised or approved by the FMA.

The Issuer has confirmed to HSBC France (the "**Sole Structuring Adviser and Sole Bookrunner**" or the "**Bookrunner**") that this Prospectus contains all information with respect to the Issuer and the Notes which is material in the context of the issue and offering of the Notes, the information contained herein with respect to the Issuer and the Notes is accurate in all material respects and not misleading, the opinions and intentions expressed therein with respect to the Issuer and the Notes are honestly held, there are no other facts with respect to the Issuer or the Notes the omission of which would make this Prospectus misleading in any material respect; and that all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of all statements contained herein.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer or the Bookrunner. The Bookrunner has not independently verified this Prospectus and it does not assume any responsibility for the accuracy of the information and statements contained in this Prospectus and no representations express or implied are made by the Bookrunner or its affiliates as to the accuracy and completeness of the information and statements herein. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the financial situation of the Issuer since the date of this Prospectus, or that the information herein is correct at any time since the date of this Prospectus.

Neither the Bookrunner nor any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons makes any representation or warranty or accepts any responsibility as to the accuracy and completeness of the information contained in any of these documents.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Bookrunner to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Bookrunner to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus has been drafted according to the Prospectus Regulation in respect of debt securities with a denomination per unit of less than EUR 100,000 within the meaning of the Prospectus Regulation, implementing Annexes 6 and 14 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 as well as the respective provisions of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301. The Notes will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.

This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. Accordingly, the Issuer does not consent to the use of this Prospectus for or in connection with the subsequent resale or final placement of the Notes in connection with an offer of Notes to the public within the meaning of the Prospectus Regulation.

The language of this Prospectus is English. In respect of the Terms and Conditions, German is the controlling and legally binding language.

This Prospectus reflects the status as of its date. Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall, in any circumstances, create any implication that the information contained herein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the issue of the Notes is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Bookrunner to inform themselves about and to observe any such restrictions. For a description of the restrictions applicable in the United States of America, the European Economic Area and its territories and the United Kingdom of Great Britain and Northern Ireland see the chapter "Offer, Sale and Subscription of the Notes – Selling Restrictions" of this Prospectus. In particular, the Notes have not been and will not be registered under the United States Notes Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to United States persons.

This Prospectus may only be used for the purpose for which it has been published. It does not constitute an offer or an invitation to subscribe for or purchase any Notes.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

In connection with the issue of the Notes, HSBC France as the stabilising manager (the "**Stabilisation Manager**") (or persons acting on its behalf) may over-allot the Notes or effect transactions with a view

to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or persons acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the Notes and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on its behalf) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "Risk Factors" and "General Information on the Issuer and the Group". These sections include more detailed descriptions of factors that might have an impact on the Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, none of the Issuer or the Bookrunner assumes any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

MIFID II PRODUCT GOVERNANCE: TARGET MARKET: PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may only be offered and sold to or for the account or benefit of persons who are not U.S. Persons in Offshore Transactions pursuant to Regulation S of the Securities Act ("**Regulation S**"). The terms "U.S. Persons" and "Offshore Transactions" shall have the meanings given to them in Regulation S.

ROUNDING ADJUSTMENTS

Rounding adjustments have been made in calculating some of the financial information included in this Prospectus and are exact arithmetic aggregations of the actual figures. Accordingly, in certain cases, the sum of the numbers in a column in a table may not conform to the total figure given for that column. The percentages contained in this Prospectus were calculated not on the basis of rounded figures but of exact figures (before approximation).

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SUMMARY OF THE PROSPECTUS

Section A – Introduction, containing warnings	
<p><i>This summary should be read as an introduction to this Prospectus (as defined below).</i></p> <p><i>Any decision to invest in the securities should be based on a consideration of this Prospectus as a whole by an investor.</i></p> <p><i>Investors in the securities could lose all or part of their invested capital.</i></p> <p><i>Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.</i></p> <p><i>Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the securities.</i></p>	
a)	<p>Name and International Securities Identification Number ("ISIN") of the securities.</p> <p>This prospectus (the "Prospectus") relates to the issuance of Undated Resetable Fixed Rate Subordinated Notes (the "Notes") under the PORR Bond 2020, ISIN XS2113662063, which will be issued in bearer form in denominations of EUR 1,000 each and will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.</p>
b)	<p>Identity and contact details of the Issuer, including its legal entity identifier ("LEI").</p> <p>PORR AG (LEI: 529900ARBU9SBJFNX419) is an Austrian stock corporation, incorporated under and governed by Austrian law, with its registered seat in Vienna, Austria, and its business address at Absberggasse 47, A-1100 Vienna, Austria (Phone: +43-50626-0; Website: www.porr-group.com) (the "Issuer", the "Company" or "PORR" and, together with its consolidated subsidiaries as well as its at-equity consolidated companies, the "Group" or the "PORR Group").</p>
c)	<p>Identity and contact details of the offeror, including its LEI if the offeror has legal personality, or of the person asking for admission to trading on a regulated market.</p> <p>This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (Amtlicher Handel) of the Vienna Stock Exchange. HSBC France, 103 Avenue des Champs Elysees, 75008 Paris, France, has acted as Sole Structuring Adviser and Sole Bookrunner (the "Sole Structuring Adviser and Sole Bookrunner" or the "Bookrunner") in connection with the placement of the Notes.</p>
d)	<p>Identity and contact details of the competent authority approving the prospectus.</p> <p>The Austrian Financial Market Authority (<i>Finanzmarktaufsichtsbehörde</i>, the "FMA"), Otto-Wagner-Platz 5, 1090 Vienna (Phone: +43-1-249 59-0; Website: www.fma.gv.at) has approved this Prospectus in its capacity as competent authority for Austria under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "Prospectus Regulation") and pursuant to the Austrian Capital Market Act 2019 (<i>Kapitalmarktgesetz 2019</i>).</p>
e)	<p>The date of approval of the prospectus.</p> <p>This Prospectus has been approved on 3 February 2020.</p>

Section B – Key information on the Issuer	
a)	<p>Who is the Issuer of the securities?</p> <p>Information on the Issuer:</p> <p>The Company's legal name is PORR AG and it also operates under the commercial name PORR. The Company (LEI: 529900ARBU9SBJFNX419) has its registered seat in Vienna, Austria, and is an Austrian stock corporation (<i>Aktiengesellschaft</i>), incorporated under and governed by Austrian law. The Company is registered with the Austrian companies register (<i>Firmenbuch</i>) under registration number FN 34853 f; registration court: commercial court Vienna (<i>Handelsgericht Wien</i>). With regard to the Issuer's activities in Austria, it operates mostly under Austrian law; with regard to the Issuer's activities outside of Austria, it operates mostly under the respective law of the respective jurisdiction.</p>

Principal activities:

The Issuer is the parent company of the Group which is a leading construction group in Austria and is Europe-wide one of the most significant construction groups on the majority of its home markets of Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania. The Group's core competencies comprise building construction and civil engineering, covering the entire lifecycle of a construction project. The range of services extends from the project development and design engineering, construction of buildings, tunnelling, road and railway construction to engineering services. In geographical terms, the Group is active in its European home markets Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania, in each of which it offers (or intends to offer in the near future) the full range of its construction products and services. In addition, the Group is active in Norway, Singapore and Middle Eastern countries, in which it offers only project related and niche products, primarily in tunnelling, railway construction and civil engineering. Such project markets comprise in particular Qatar (where the project volume is currently reduced) and the United Arab Emirates ("UAE") in the Middle East, as well as Norway.

Until 31 December 2018, the Group had the following four operational business units, representing the reportable segments: Business Unit 1 (Austria, Switzerland, the Czech Republic), Business Unit 2 (Germany), Business Unit 3 (International including tunnelling, railway construction) and Business Unit 4 (Environmental Engineering, Healthcare & Services). Building construction and civil engineering were mostly handled by the regional business units, whereas the specialized units infrastructure and environmental engineering carried out their projects in cooperation with the responsible region. In the Consolidated Financial Statements 2018 underlying this Prospectus all of the key performance indicators and financial results relate to this organisational structure that was in place 2018.

Since then the Group has implemented a new, streamlined segment structure, effective 1 January 2019. The Group is now organized into three operational business units. PORR as ultimate parent and holding company offers administrative services to all members of the Group via a shared services center. The business units form a matrix structure in which both, regions and specialized branches, are represented. The Group's business activities are divided into permanent business and project business.

Major shareholders and control:

According to the knowledge of the Issuer, the Company's major shareholders are those shown in the table below:

Shareholder	Number of shares	Percentage
Ortner-Strauss Syndicate	15,624,401	53.70%
<i>thereof IGO Industries Group</i> ⁽¹⁾	11,207,097	38.52%
<i>thereof Strauss Group</i> ⁽²⁾	4,417,304	15.18%
Heitkamp Construction GmbH	1,703,142	5.85%
Wellington Management Group LLP	1,407,778	4.84%
Group management ⁽³⁾	760,934	2.62%
Freefloat (including 216,495 treasury shares).....	9,598,745	32.99%
Total	29,095,000	100.00%

(Source: Unaudited internal information of the Issuer as of the date of this Prospectus)

(1) Shares attributable to IGO Industries Group are held by Ortner Beteiligungsverwaltung GmbH and IGO Baubeteiligungs GmbH.

(2) Shares attributable to Strauss Group are held by SuP Beteiligungs GmbH.

(3) Includes shares which are held by members of the Executive Board (including shares attributable to the IGO Industries Group and the Strauss-Group which are not syndicated), by members of the Supervisory Board and other executives of the Group.

The Issuer is directly controlled by the IGO Industries Group and the Strauss Group, which form a syndicate (the "**Ortner-Strauss Syndicate**") controlling 53.70% of the shares and votes. The IGO Industries Group and the Strauss Group hold additional shares which are not part of the Ortner-Strauss Syndicate.

Executive Board:

The Issuer's executive board (*Vorstand*) consists of Karl-Heinz Strauss (Chairman of the board and Chief Executive Officer), Andreas Sauer (Chief Financial Officer), Josef Pein (Chief Operating Officer) and Thomas Stiegler (Chief Operating Officer).

Statutory auditors:

The Company appointed BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Am Belvedere 4, 1100 Vienna, Austria ("**BDO**"), as the statutory auditor of its German language Consolidated Financial Statements prepared in accordance with IFRS, as adopted by the EU, for the 2018 financial year ending 31 December 2018 and for the 2017 financial year ending 31 December 2017. BDO has issued German language unqualified audit opinions dated 18 April 2019 and 19 April 2018 thereon.

BDO is a member of both the Institute of Public Auditors in Austria (*Institut der Wirtschaftsprüfer*) and the Austrian Chamber of Tax Advisors and Auditors (*Kammer der Steuerberater und Wirtschaftsprüfer*).

b) What is the key financial information regarding the Issuer?				
Selected income statement data:				
	Financial year ended		1 January – 30 September	
<i>(in EUR million)</i>	31 December 2018	31 December 2017	2019	2018
	(audited)	(audited)	(unaudited / unre-viewed)	(unaudited/ unre-viewed)
Operating profit for the period (net profit)	66.2	63.7	9.8	23.3
(Source: Consolidated Financial Statements 2018, Consolidated Financial Statements 2017 and Quarterly Report as of 30 September 2019)				
Selected data of the consolidated statement of financial position (balance sheet):				
	Financial year ended		As of	
<i>(in EUR million)</i>	31 December 2018	31 December 2017	30 September 2019	
	(unaudited)	(unaudited)	(unaudited/unreviewed)	
Net financial debt	150.1*	147.4	785.5	
Current ratio	1.05	1.09	1.10	
Debt to equity ratio	4.04	3.8	5.37	
Interest cover ratio	5.16	5.71	1.14	
(Source: Consolidated Financial Statements 2018, Consolidated Financial Statements 2017 and Quarterly Report as of 30 September 2019)				
* Not yet adjusted for IFRS 16.				
Selected data of the consolidated cash flow statement:				
	Financial year ended		1 January – 30 September	
<i>(in EUR million)</i>	31 December 2018	31 December 2017	2019	2018
	(audited)	(audited)	(unaudited / unre-viewed)	(unaudited / unre-viewed)
Net Cash flow from operating activities	186.3	-15.9	-234.6	-189.0
Net Cash flow from financing activities	-154.8	107.2	203.2	21.6
Net Cash flow from investing activities	-68.7	-209.9	-101.3	-28.3
(Source: Consolidated Financial Statements 2018, Consolidated Financial Statements 2017 and Quarterly Report as of 30 September 2019)				
c) What are the key risks that are specific to the Issuer?				
Risks related to the Issuer's financial situation				
Risk relating to obtaining long-term financing and financing on favourable terms and effects on the Group's liquidity.				
Risk relating to restrictive covenants in the Group's debt instruments.				
The Group is exposed to interest rate and exchange rate risks.				
Risks related to the Issuer's business activities and industry				
Risk of incorrect calculations and estimates of the costs of the Group's projects.				
Risk relating to raw material and energy shortages or fluctuating raw material or energy prices.				
Risk relating to the Group's use of subcontractors.				
Risk relating to defective and delayed construction by the Group.				
Risk of deviations of actual revenue and profits from estimates based on the percentage-of-completion method of accounting for contract revenue.				
Legal and regulatory risk				
Breaches of competition laws as well as legal disputes may lead to the imposition of high fines and significant damage claims.				

<p>Risk of failure to recover on claims against customers for payment.</p> <p>Risk relating to the involvement in consortia and joint ventures.</p> <p>Internal control risk</p> <p>Risk relating to the failure and ineffectiveness of appropriate risk management systems.</p>

Section C – Key information on the securities	
a)	<p>What are the main features of the securities?</p> <p>Type, class and ISIN of the Notes: The Notes of the PORR Bond 2020, with the ISIN XS2113662063, are undated resettable fixed rate subordinated bearer notes.</p> <p>Currency, denomination, the number of Notes issued and the term of the Notes: The PORR Bond 2020 in the aggregate principal amount of EUR 150,000,000 is divided into 150,000 Notes. The Notes are denominated in Euro and are being issued in denominations of EUR 1,000.00 each. The Notes will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof. The Notes are undated and thus have no scheduled redemption date.</p> <p>The rights attached to the securities: <i>Payment of interest.</i> The Notes bear interest on their principal amount at the fixed initial interest rate of 5.375% p.a., due and payable on 6 February each year (each an "Interest Payment Date"), commencing on 6 February 2021. After 5 years, the interest rate will be adjusted. The adjustment is calculated from the 5-year ICESWAP2 Swap rate (expressed as a percentage rate per annum) which is indicated on the screen page of Reuters at 11.00 a.m. (Brussels local time) on the respective interest determination date, plus a certain Margin. The Margin means 10.641 percentage points (1,064.1 basis points). <i>Possibility of the Issuer to defer interest payments.</i> The terms and conditions of the Notes (the "Terms and Conditions") provide that the Issuer may decide, in certain situations, to defer interest payments under the Notes, where such failure to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. <i>Redemption and cancellation.</i> The Notes do not have a maturity date and may be redeemed by the Issuer at the earliest after 5 years of their issue (the "First Call Date") at their principal amount (plus accrued interest, if any). The Notes can, however, be redeemed or repurchased and cancelled under certain circumstances. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions after the occurrence of a Gross-up Event, an Accounting Event, a Tax Event, a Change of Control or if 80 per cent. or more in principal amount of the Notes initially issued have been redeemed or purchased, or in general with effect as of (and including) the First Call Date or any Interest Payment Date thereafter. Pursuant to the Terms and Conditions the holders of the Notes (each a "Holder") shall solely be entitled to call the Notes and to declare the Notes due and payable, if the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganization in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) and subject to the complete satisfaction of any claims from unsubordinated and subordinated creditors which expressly rank senior to the obligations resulting from the Notes. <i>Limitation to these rights.</i> Pursuant to the Terms and Conditions the Holders have no right to call the Notes and to declare the Notes due and payable, except in the aforesaid circumstances. In addition, the Notes do not confer any voting rights, preferential rights on offers to subscribe for securities of the same category, the right to participate in the profits of the Issuer, the right to participate in the proceeds in the event of liquidation, or conversion rights.</p> <p>Ranking (Relative seniority): The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as defined below), (ii) <i>pari passu</i> among themselves and with any Parity Obligations (as defined below) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law. "Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of</p>

	<p>its Group entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes, as well as (iv) the ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0).</p> <p>"Parity Obligations" means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) <i>pari passu</i> with the Notes, including but not limited to the hybrid bond issued in 2014 (ISIN AT0000A19Y36) or the hybrid bond issued in 2017 (ISIN XS155774014) or (ii) of any of its Group entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) <i>pari passu</i> with the Notes.</p>
	<p>Restrictions on the free transferability of the Notes:</p> <p>The Notes are only transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.</p>
b)	<p>Where will the securities be traded?</p> <p>The Issuer will apply for admission of the Notes to be admitted to trading on the Official Market (<i>Amtlicher Handel</i>) of the Vienna Stock Exchange which is a regulated market pursuant to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014, as amended (<i>Markets in Financial Instruments Directive II – MiFID II</i>).</p>
c)	<p>What are the key risks that are specific to the securities?</p> <p>Risks related to the nature of the Notes</p> <p>Risk relating to the subordination of the Notes.</p> <p>Risk of Early Redemption.</p> <p>Risk of a partial or total failure of the Issuer to make interest and/or redemption payments.</p>

<p>Section D – Key information on the offer of securities to the public and/or the admission to trading on a regulated market.</p>	
a)	<p>Under which conditions and timetable can I invest in this security?</p> <p>Offer of the Notes:</p> <p>The Notes have been offered exclusively to institutional investors in the European Economic Area only. There was no maximum amount of Notes to be purchased. However, the minimum amount of Notes to be purchased will be EUR 100,000 and Notes will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.</p> <p>Offer conditions:</p> <p>The Notes have not been offered to retail investors. This Prospectus has been drafted exclusively for the purpose of listing of the Notes on the Official Market (<i>Amtlicher Handel</i>) of the Vienna Stock Exchange.</p>
b)	<p>Who is the offeror and/or the person asking for admission to trading?</p> <p>The Notes have been offered by the Issuer to institutional investors only.</p> <p>The Issuer will apply for the admission to trading of the Notes together with a stock exchange member, i.e. HSBC Trinkaus & Burkhardt AG, Königsallee 21/23, 40212 Düsseldorf, Germany, a stock corporation incorporated in Germany under German law. With regard to its business activities in Germany, HSBC Trinkaus & Burkhardt AG mainly operates under German law.</p>
c)	<p>Why is this prospectus being produced?</p> <p>Reasons for the offer and for the listing of the Notes:</p> <p>The reason for the offer and listing of the Notes is to generate proceeds which are intended to support the overall growth strategy.</p> <p>The Issuer intends to have the Notes admitted to trading on the regulated market segment Official Market (<i>Amtlicher Handel</i>) of the Vienna Stock Exchange to achieve better access to the capital markets.</p> <p>The use and estimated net amount of the proceeds:</p> <p>In connection with the offering of the Notes, the Issuer expects to receive net proceeds of approximately EUR 147.7 million, after deducting fees and other costs (which are expected to amount to approximately 1.5% of the aggregate principal amount of the Notes).</p> <p>The proceeds of the issue are intended to be used to strengthen the capital base, to optimize the balance sheet structure and, in particular, to refinance the hybrid bond issued in 2017 and for general corporate and</p>

(re)financing purposes. The proceeds of the issue are further intended to support the overall growth strategy, in particular the PORR acquisition strategy, which assumes further small and medium-sized company acquisitions in the coming periods.

Subscription Agreement:

Pursuant to a subscription agreement entered into on 3 February 2020 among the Issuer and the Bookrunner (the "**Subscription Agreement**"), the Bookrunner has agreed, subject to certain conditions, to subscribe, or to procure subscriptions, for the Notes. The Issuer has agreed to pay the Bookrunner a combined arrangement, underwriting and placement commission as agreed between the parties to the Subscription Agreement. The Issuer has further agreed to reimburse the Bookrunner for certain of its expenses in connection with the issue of the Notes.

Interests material to the issue/offer including conflicting interests:

The Bookrunner and its affiliates have engaged, and may in the future engage, in investment banking or commercial banking transactions with, and may perform services for the Group and their members in the ordinary course of business. The Bookrunner and its affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

GERMAN LANGUAGE TRANSLATION OF THE SUMMARY

DEUTSCHE ÜBERSETZUNG DER ZUSAMMENFASSUNG

The following German language translation of the original summary of this Prospectus has not been approved by the FMA. Further, the FMA did not review its consistency with the original parts of this Prospectus.

Die folgende deutschsprachige Übersetzung der originalen Zusammenfassung des Prospekts wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit den originalen Abschnitten des Prospekts wurde nicht von der FMA geprüft.

Abschnitt A – Einleitung mit Warnhinweisen	
<p><i>Diese Zusammenfassung sollte als Einleitung zum Prospekt (wie nachstehend definiert) verstanden werden. Der Anleger sollte sich bei der Entscheidung, in die Wertpapiere zu investieren, auf diesen Prospekt als Ganzes stützen. Der Anleger könnte das gesamte angelegte Kapital oder einen Teil davon verlieren. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach nationalem Recht die Kosten für die Übersetzung dieses Prospekts vor Prozessbeginn zu tragen haben. Zivilrechtlich haften nur diejenigen Personen, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, irreführend, unrichtig oder widersprüchlich ist oder dass sie, wenn sie zusammen mit den anderen Teilen dieses Prospekts gelesen wird, nicht die Basisinformationen vermittelt, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen würden.</i></p>	
a)	Bezeichnung und Internationale Wertpapier-Identifikationsnummer ("ISIN") der Wertpapiere. <p>Dieser Prospekt (der "Prospekt") bezieht sich auf die Begebung von Undated Resetable Fixed Rate Subordinated Notes (die "Schuldverschreibungen") im Rahmen der PORR-Anleihe 2020, ISIN XS2113662063, die als Inhaberschuldverschreibungen mit einer Stückelung von je EUR 1.000,00 begeben werden und die nur in Mindestgesamtnennbeträgen von EUR 100.000 und einem ganzzahligen Vielfachen von EUR 1.000 über diesem Betrag übertragbar sind.</p>
b)	Identität und Kontaktdaten des Emittenten, einschließlich der Rechtsträgerkennung ("LEI"). <p>Die PORR AG (LEI: 529900ARBU9SBJFNX419) ist eine nach österreichischem Recht errichtete und bestehende Aktiengesellschaft, mit Sitz in Wien, Österreich, und der Geschäftsanschrift Absberggasse47, A-1100 Wien, Österreich (Telefon: +43-50626-0; Website: www.porr-group.com) (die "Emittentin", die "Gesellschaft" oder "PORR" und, gemeinsam mit ihren konsolidierten Tochtergesellschaften und at-equity konsolidierten Gesellschaften, die "Gruppe" oder die "PORR-Gruppe").</p>
c)	Identität und Kontaktdaten des Anbieters, einschließlich der LEI, falls der Anbieter Rechtspersönlichkeit hat, oder der die Zulassung zum Handel an einem geregelten Markt beantragenden Person. <p>Dieser Prospekt wurde ausschließlich zum Zweck der Zulassung der Schuldverschreibungen zum Amtlichen Handel der Wiener Börse erstellt. Die HSBC France, 103 Avenue des Champs Elysees, 75008 Paris, Frankreich, hat im Zusammenhang mit der Platzierung der Schuldverschreibungen als Sole Structuring Adviser und Sole Bookrunner (der "Sole Structuring Adviser und Sole Bookrunner" oder der "Bookrunner") fungiert.</p>
d)	Identität und Kontaktdaten der zuständigen Behörde, die den Prospekt billigt. <p>Die österreichische Finanzmarktaufsichtsbehörde (die "FMA"), Otto-Wagner-Platz 5, 1090 Wien (Telefon: +43-1-249 59-0; Website: www.fma.gv.at) hat diesen Prospekt in ihrer Eigenschaft als zuständige Behörde für Österreich gemäß der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14.06.2017, in der jeweils gültigen Fassung (die "Prospektverordnung") und gemäß Kapitalmarktgesetz 2019 gebilligt.</p>
e)	Datum der Billigung des Prospekts. <p>Dieser Prospekt wurde am 03.02.2020 gebilligt.</p>

Abschnitt B – Basisinformationen über die Emittentin

a) Wer ist die Emittentin der Wertpapiere?

Informationen über die Emittentin:

Die Gesellschaft führt die Firma PORR AG und tritt im Geschäftsverkehr auch unter dem kommerziellen Namen PORR auf. Die Gesellschaft (LEI: 529900ARBU9SBJFNX419) hat ihren Sitz in Wien, Österreich, und ist eine nach österreichischem Recht errichtete und bestehende Aktiengesellschaft. Die Gesellschaft ist im österreichischen Firmenbuch unter der Registrierungsnummer FN 34853 f eingetragen; das zuständige Registergericht ist das Handelsgericht Wien. Im Hinblick auf die Geschäftsaktivitäten der Emittentin in Österreich ist sie überwiegend nach österreichischem Recht tätig; im Hinblick auf die Geschäftsaktivitäten der Emittentin außerhalb Österreichs ist sie überwiegend nach dem jeweiligen Recht der jeweiligen Rechtsordnung tätig.

Haupttätigkeiten:

Die Emittentin ist die Muttergesellschaft der Gruppe, die ein führender Baukonzern in Österreich ist und europaweit zu den bedeutendsten Baukonzernen in den meisten ihrer Heimmärkte, wie in Österreich, Deutschland, der Schweiz, Polen, Tschechien, der Slowakei und Rumänien, zählt. Die Kernkompetenzen der Gruppe umfassen den Hoch- und Tiefbau, wobei der gesamte Lebenszyklus eines Bauprojekts abgedeckt wird. Das Angebots- und Leistungsspektrum reicht von der Projektentwicklung und Planungstechnik, dem Hochbau, dem Tunnelbau, dem Straßen- und Eisenbahnbau bis hin zum Tiefbau. In geografischer Hinsicht ist die Gruppe in ihren europäischen Heimmärkten Österreich, Deutschland, der Schweiz, Polen, Tschechien, der Slowakei und Rumänien tätig, in denen sie jeweils das gesamte Spektrum ihrer Bauprodukte und -dienstleistungen anbietet (oder in naher Zukunft anbieten will). Darüber hinaus ist die Gruppe in Norwegen, Singapur und den Ländern des Nahen Ostens tätig, wo sie nur projektbezogene und Nischenprodukte anbietet, vor allem im Tunnelbau, Bahnbau und Tiefbau. Zu diesen Projektmärkten gehören insbesondere Katar (wo das Projektvolumen derzeit reduziert wird) und die Vereinigten Arabischen Emirate im Nahen Osten sowie Norwegen.

Zum 31.12.2018 hatte die Gruppe die folgenden vier operativen Geschäftssegmente (*Business Units*), die die berichtspflichtigen Segmente darstellen: Business Unit 1 (Österreich, Schweiz, Tschechien), Business Unit 2 (Deutschland), Business Unit 3 (International einschließlich Tunnelbau, Bahnbau) und Business Unit 4 (Umwelt, Healthcare & Services). Der Hoch- und Tiefbau wurde überwiegend von den regionalen Business Units betreut, während die spezialisierten Business Units Infrastruktur und Umwelttechnik ihre Projekte in Zusammenarbeit mit der jeweils zuständigen Region durchführten. In dem diesem Prospekt zugrunde liegenden Konzernabschluss für das Jahr 2018 beziehen sich alle wesentlichen Kennzahlen und Finanzergebnisse auf diese – in 2018 geltende – Organisationsstruktur.

Inzwischen hat die Gruppe mit Wirkung zum 01.01.2019 eine neue, schlanke Segmentstruktur eingeführt. Die Gruppe ist nun in drei operative Geschäftseinheiten (*Business Units*) gegliedert. PORR als oberste Mutter- und Holdinggesellschaft nimmt Verwaltungsaufgaben für alle Mitglieder der Gruppe über ein Dienstleistungszentrum (*Shared Service Centre*) wahr. Die Business Units bilden eine Matrixstruktur, in der beides – sowohl Regionen als auch verschiedene Sparten – abgebildet sind. Die Geschäftstätigkeit der Gruppe gliedert sich in das Stammgeschäft und das Projektgeschäft.

Hauptanteilseigner und Beherrschung:

Nach dem Kenntnisstand der Emittentin sind in der folgenden Tabelle die Hauptaktionäre der Gesellschaft aufgelistet:

Aktionär	Anzahl der Aktien	Prozent
Ortner-Strauss Syndikat	15.624.401	53,70%
davon IGO Industries Gruppe ⁽¹⁾	11.207.097	38,52%
davon Strauss Gruppe ⁽²⁾	4.417.304	15,18%
Heitkamp Construction GmbH	1.703.142	5,85%
Wellington Management Group LLP	1.407.778	4,84%
PORR Management ⁽³⁾	760.934	2,62%
Freefloat (einschließlich 216.495 Eigene Aktien).....	9.598.745	32,99%
Total.....	29.095.000	100,00%

(Quelle: Ungeprüfte interne Information der Emittentin zum Datum dieses Prospekts)

(1) Bestehende Aktien, die der IGO Industries Gruppe zuzuordnen sind, werden von der Ortner Beteiligungsverwaltung GmbH und der IGO Baubeteiligungs GmbH gehalten.

(2) Bestehende Aktien, die der Strauss Gruppe zuzuordnen sind, werden von der SuP Beteiligungs GmbH .

(3) Beinhaltet Aktien, die von Mitgliedern des Vorstands (einschließlich Aktien, die der IGO Industries-Gruppe und der Strauss-Gruppe zuzurechnen sind und nicht syndiziert sind), von Mitgliedern des Aufsichtsrats und anderen Führungskräften der Gruppe gehalten werden.

Die Emittentin wird unmittelbar von der IGO Industries Gruppe und der Strauss Gruppe beherrscht, welche zusammen ein Syndikat bilden (das "**Ortner-Strauss-Syndikat**"), das 53,70% der bestehenden Aktien und Stimmrechte hält. Die IGO Industries Gruppe und die Strauss Gruppe halten darüber hinaus weitere Aktien, welche jedoch nicht vom Ortner-Strauss-Syndikat umfasst sind.

Vorstand:

Der Vorstand der Emittentin besteht aus Karl-Heinz Strauss (Vorstandsvorsitzender und Chief Executive Officer), Andreas Sauer (Chief Financial Officer), Josef Pein (Chief Operating Officer) und Thomas Stiegler (Chief Operating Officer).

Abschlussprüfer:

Die Gesellschaft hat die BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Am Belvedere 4, 1100 Wien, Österreich ("**BDO**"), zum Abschlussprüfer ihrer Konzernabschlüsse nach IFRS, wie von der EU festgelegt, für das Geschäftsjahr 2018 zum 31.12.2018 und für das Geschäftsjahr 2017 zum 31.12.2017 bestellt. BDO hat hierzu die uneingeschränkten Bestätigungsvermerke vom 18.04.2019 und 19.04.2018 in deutscher Sprache erteilt.

BDO ist Mitglied sowohl des Instituts der Wirtschaftsprüfer in Österreich als auch der österreichischen Kammer der Steuerberater und Wirtschaftsprüfer.

b) Welches sind die wesentlichen Finanzinformationen über die Emittentin?

Ausgewählte Angaben aus der Konzern-Gewinn- und Verlustrechnung

<i>(in EUR Millionen)</i>	Geschäftsjahr zum		1. Jänner – 30. September	
	31.12.2018 (geprüft)	31.12.2017 (geprüft)	2019 (ungeprüft / nicht reviewt)	2018 (ungeprüft / nicht reviewt)
Operativer Gewinn der Periode (Reingewinn)....	66,2	63,7	9,8	23,3

(Quelle: Jahresfinanzbericht 2018, Jahresfinanzbericht 2017 und Quartalsbericht zum 30.09.2019)

Ausgewählte Angaben aus der Konzernbilanz

<i>(in EUR Millionen)</i>	Geschäftsjahr zum		zum Zeitpunkt
	31.12.2018 (ungeprüft)	31.12.2017 (ungeprüft)	30.09.2019 (ungeprüft / nicht reviewt)
Nettofinanzverbindlich- keiten.....	150,1*	147,4	785,5
Liquiditätskoeffizient	1,05	1,09	1,10
Verhältnis Fremdkapital / Eigenkapital	4,04	3,8	5,37
Zinsdeckungsquote	5,16	5,71	1,14

(Quelle: Jahresfinanzbericht 2018, Jahresfinanzbericht 2017 und Quartalsbericht zum 30.09.2019)

* Noch nicht an IFRS 16 angepasst.

Ausgewählte Angaben aus der Konzern-Kapitalflussrechnung

<i>(in EUR Millionen)</i>	Geschäftsjahr zum		1. Jänner – 30. September	
	31.12.2018 (geprüft)	31.12.2017 (geprüft)	2019 (ungeprüft / nicht reviewt)	2018 (ungeprüft / nicht reviewt)
Netto-Cashflows aus der laufenden Geschäfts- tätigkeit	186,3	-15,9	-234,6	-189,0
Netto-Cashflows aus Finanzierungstätig- keiten.....	-154,8	107,2	203,2	21,6
Netto-Cashflows aus Investitionstätigkeiten ...	-68,7	-209,9	-101,3	-28,3

(Quelle: Jahresfinanzbericht 2018, Jahresfinanzbericht 2017 und Quartalsbericht zum 30.09.2019)

c)	Welches sind die zentralen Risiken, die für die Emittentin spezifisch sind?
	<p>Risiken im Zusammenhang mit der finanziellen Situation der Emittentin: Risiko in Bezug auf die Erlangung von langfristigen Finanzierungen und von Finanzierungen zu günstigen Konditionen und auf Auswirkungen auf die Liquidität der Gruppe. Risiko im Zusammenhang mit restriktiven Bestimmungen in Schuldtiteln der Gruppe. Die Gruppe ist einem Zinsrisiko und Wechselkursrisiko ausgesetzt.</p> <p>Risiken im Zusammenhang mit der Geschäftstätigkeit und der Branche der Emittentin: Risiko unrichtiger Kalkulationen und Schätzungen der Kosten von Projekten der Gruppe. Risiko in Bezug auf Rohstoff- und Energieknappheit oder schwankende Rohstoff- oder Energiepreise. Risiko in Bezug auf den Einsatz von Subunternehmern durch die Gruppe. Risiko im Zusammenhang mit einer mangelhaften oder verzögerten Bauausführung. Risiko von Abweichungen der tatsächlichen Einnahmen und Gewinne gegenüber Schätzungen basierend auf der Percentage-of-Completion Methode betreffend die Bilanzierung von Auftragslösen.</p> <p>Rechtliche und regulatorische Risiken: Verstöße gegen das Wettbewerbs- und Kartellrecht sowie Rechtsstreitigkeiten können zur Verhängung hoher Bußgelder und zu erheblichen Schadenersatzforderungen führen. Risiko der Nichteinbringlichkeit von Zahlungsansprüchen gegenüber Kunden. Risiko im Zusammenhang mit der Beteiligung an Konsortien und Joint Ventures.</p> <p>Interne Kontrollrisiken: Risiko im Zusammenhang mit dem Ausfall und der Unwirksamkeit geeigneter Risikomanagementsysteme.</p>

Abschnitt C – Basisinformationen über die Wertpapiere	
a)	Welches sind die wichtigsten Merkmale der Wertpapiere?
	<p>Art, Gattung und ISIN der Wertpapiere: Die Schuldverschreibungen der PORR-Anleihe 2020 mit der ISIN XS2113662063 sind unbefristet rückzahlbare, festverzinsliche nachrangige Inhaberschuldverschreibungen.</p> <p>Währung, Stückelung, Nennwert, Anzahl der begebenen Wertpapiere und Laufzeit der Wertpapiere: Die PORR-Anleihe 2020 im Gesamtnennbetrag von EUR 150.000.000 ist eingeteilt in 150.000 Schuldverschreibungen. Die Schuldverschreibungen lauten auf Euro und werden in Stückelungen von je EUR 1.000,00 begeben. Die Schuldverschreibungen sind nur in Mindestgesamtnennbeträgen von EUR 100.000 und einem ganzzahligen Vielfachen von EUR 1.000 über diesem Betrag übertragbar. Die Schuldverschreibungen sind unbefristet und haben daher keinen festgelegten Rückzahlungstermin.</p> <p>Mit den Wertpapieren verbundene Rechte: Zahlung von Zinsen. Die Schuldverschreibungen werden bezogen auf den Gesamtnennbetrag zum festen Anfangszinssatz von 5,375% p.a. verzinst, fällig und zahlbar am 06.02. eines jeden Jahres (jeweils ein "Zinszahlungstag"), beginnend am 06.02. 2021. Nach 5 Jahren wird der Zinssatz angepasst. Die Anpassung berechnet sich aus dem 5-Jahres ICESWAP2 Swapsatz (ausgedrückt als Prozentsatz per annum), der am entsprechenden Zinsfestsetzungstag um 11:00 Uhr vormittags (Brüsseler Ortszeit) auf der Reuters Bildschirmseite angegeben wird, zuzüglich einer bestimmten Marge. Die Marge beträgt 10,641 Prozentpunkte (1.064,1 Basispunkte). Möglichkeit der Emittentin zum Aufschub der Zinszahlungen. Die Anleihebedingungen der Schuldverschreibungen (die "Anleihebedingungen") sehen vor, dass die Emittentin in bestimmten Situationen beschließen kann, die Zinszahlungen im Rahmen der Schuldverschreibungen aufzuschieben, wobei eine solche Nichtzahlung von Zinsen keinen Verzug der Emittentin oder keine sonstige Verletzung ihrer Verpflichtungen aus den Schuldverschreibungen oder für sonstige Zwecke begründet. Rückzahlung und Kündigung. Die Schuldverschreibungen haben kein Fälligkeitsdatum und können von der Emittentin frühestens 5 Jahre nach ihrer Begebung (der "Erste Rückzahlungstermin") zum Nennbetrag (zuzüglich allenfalls aufgelaufener Zinsen) zurückgezahlt werden. Die Schuldverschreibungen können jedoch unter bestimmten Umständen zurückgezahlt oder zurückgekauft und gekündigt werden. Gemäß den Anleihebedingungen können die Schuldverschreibungen nach Wahlmöglichkeit der Emittentin zurückgezahlt werden, bei Eintritt eines Gross-Up Ereignisses, eines Rechnungslegungseignisses, eines Steuerereignisses, im Fall eines Kontrollwechsels oder falls 80 Prozent oder mehr vom Nennbetrag der ursprünglich</p>

	<p>ausgegebenen Schuldverschreibungen zurückgezahlt oder zurückgekauft wurden, oder allgemein mit Wirkung zum (und einschließlich) Ersten Rückzahlungstermin oder zu jedem späteren Zinszahlungstag. Gemäß den Anleihebedingungen haben die Inhaber von Schuldverschreibungen (jeweils ein "Anleihegläubiger") kein Recht, die Schuldverschreibungen zu kündigen und fällig zu stellen, es sei denn, die Emittentin tritt in Liquidation und wird abgewickelt und aufgelöst (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem oder der die Emittentin noch zahlungsfähig ist und bei dem oder der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt), und vorbehaltlich der vollständigen Erfüllung etwaiger Ansprüche von nicht nachrangigen Gläubigern oder von nachrangigen Gläubigern, deren Forderungen ausdrücklich vorrangig zu jenen resultierend aus den Schuldverschreibungen sind.</p> <p>Beschränkung dieser Rechte. Gemäß den Anleihebedingungen haben die Anleihegläubigern kein Recht, die Schuldverschreibungen zu kündigen und für fällig und zahlbar zu erklären, außer unter den vorgenannten Umständen. Darüber hinaus gewähren die Schuldverschreibungen kein Stimmrecht, keine Vorzugsrechte bei Angeboten zur Zeichnung von Wertpapieren derselben Kategorie, kein Recht auf Beteiligung am Gewinn der Emittentin, kein Recht auf Beteiligung am Erlös im Falle einer Liquidation und keine Wandlungsrechte.</p>
	<p>Rangordnung (relative Vorrangigkeit):</p> <p>Die Schuldverschreibungen begründen unmittelbare, nicht besicherte und tief nachrangige Verbindlichkeiten der Emittentin, die (i) vorrangig zu Nachrangigen Wertpapieren (wie nachstehend definiert) sind, (ii) untereinander und mit Gleichrangigen Wertpapieren (wie nachstehend definiert) im Rang gleich stehen und (iii) nachrangig gegenüber allen anderen bestehenden und zukünftigen nicht nachrangigen Verbindlichkeiten der Emittentin sowie nachrangigen Verbindlichkeiten der Emittentin, die ausdrücklich den Verbindlichkeiten aus den Schuldverschreibungen im Rang vorgehen, sind, soweit zwingende gesetzliche Bestimmungen nichts anderes vorschreiben.</p> <p>"Nachrangige Wertpapiere" bezeichnet jeden Anspruch aus (i) den Stammaktien der Emittentin, (ii) jeder gegenwärtigen oder zukünftigen Aktie einer anderen Gattung von Aktien der Emittentin, (iii) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder andere Instrument (x) der Emittentin, welches im Verhältnis zu den Schuldverschreibungen nachrangig (oder als im Rang nachstehend bezeichnet wird) ist oder (y) der Emittentin oder einer ihrer Tochtergesellschaften unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im Verhältnis zu den Schuldverschreibungen nachrangig (oder als im Rang nachrangig bezeichnet wird) ist, sowie (iv) den ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0).</p> <p>"Gleichrangige Wertpapiere" bezeichnet gegenwärtige oder zukünftige Wertpapiere oder jedes andere Instrument (i) der Emittentin, die im Rang gleichrangig mit den Schuldverschreibungen stehen (oder als im Rang gleichrangig bezeichnet werden), inklusive aber nicht begrenzt auf die Hybridanleihe 2014 (ISIN AT0000A19Y36) oder die Hybridanleihe 2017 (ISIN XS155774014) oder (ii) der Emittentin oder einer ihrer Tochtergesellschaften unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im gleichen Rang mit den Schuldverschreibungen (oder als im gleichen Rang stehend bezeichnet wird) steht.</p>
	<p>Beschränkungen der freien Übertragbarkeit der Schuldverschreibungen:</p> <p>Die Schuldverschreibungen sind nur in Mindestgesamtnennbeträgen von EUR 100.000 und einem ganzzahligen Vielfachen von EUR 1.000 über diesem Betrag übertragbar.</p>
b)	<p>Wo werden die Wertpapiere gehandelt?</p> <p>Die Emittentin wird die Zulassung der Schuldverschreibungen zum Amtlichen Handel an der Wiener Börse, einem geregelten Markt im Sinne der Richtlinie 2014/65/EU des Europäischen Parlaments und des Rates vom 15. Mai 2014, in der geltenden Fassung (<i>Markets in Financial Instruments Directive II - MiFID II</i>), beantragen.</p>
c)	<p>Welches sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?</p> <p>Risiken im Zusammenhang mit der Art der Schuldverschreibungen:</p> <p>Risiko in Bezug auf die Nachrangigkeit der Schuldverschreibungen.</p> <p>Risiko der vorzeitigen Rückzahlung.</p> <p>Risiko einer teilweisen oder vollständigen Nichterfüllung der Zins- und/oder Tilgungszahlungen durch die Emittentin.</p>

Abschnitt D – Basisinformationen über das öffentliche Angebot von Wertpapieren und/oder die Zulassung zum Handel an einem geregelten Markt.	
a)	<p>Zu welchen Konditionen und nach welchem Zeitplan kann ich in dieses Wertpapier investieren?</p> <p>Gegenstand des Angebots: Die Schuldverschreibungen wurden ausschließlich institutionellen Anlegern im Europäischen Wirtschaftsraum angeboten. Es gab keine Höchstgrenze für den Erwerb von Schuldverschreibungen. Der Mindestbetrag der zu erwerbenden Schuldverschreibungen beträgt jedoch EUR 100.000 und die Schuldverschreibungen sind nur in Mindestgesamtnennbeträgen von EUR 100.000 und einem ganzzahligen Vielfachen von EUR 1.000 über diesem Betrag übertragbar.</p> <p>Angebotskonditionen: Die Schuldverschreibungen wurden nicht Privatanlegern angeboten. Dieser Prospekt wurde ausschließlich zum Zweck der Zulassung der Schuldverschreibungen zum Amtlichen Handel der Wiener Börse erstellt.</p>
b)	<p>Wer ist der Anbieter und/oder die die Zulassung zum Handel beantragende Person?</p> <p>Die Schuldverschreibungen wurden von der Emittentin ausschließlich institutionellen Investoren angeboten. Die Emittentin wird die Zulassung der Schuldverschreibungen zum Handel zusammen mit einem Börsemitglied, und zwar der HSBC Trinkaus & Burkhardt AG, Königsallee 21/23, 40212 Düsseldorf, Deutschland, einer Aktiengesellschaft nach deutschem Recht, beantragen. Die HSBC Trinkaus & Burkhardt AG ist hinsichtlich ihrer Geschäftstätigkeit in Deutschland überwiegend nach deutschem Recht tätig.</p>
c)	<p>Weshalb wird dieser Prospekt erstellt?</p> <p>Gründe für das Angebot und die Börsennotierung der Schuldverschreibungen: Der Grund für das Angebot und die Börsennotierung der Schuldverschreibungen ist die Erzielung von Erlösen, die der Unterstützung der allgemeinen Wachstumsstrategie dienen sollen. Die Emittentin beabsichtigt die Zulassung der Schuldverschreibungen zum Handel im Amtlichen Handel der Wiener Börse, um einen besseren Zugang zu den Kapitalmärkten zu erreichen.</p> <p>Die Zweckbestimmung der Erlöse und die geschätzten Nettoerlöse: Im Zusammenhang mit der Emission der Schuldverschreibungen erwartet die Emittentin einen Nettoerlös von etwa EUR 147,7 Mio, nach Abzug der Provisionen und anderen Kosten (die voraussichtlich etwa 1,5% des Gesamtnennbetrags der Schuldverschreibungen betragen werden). Der Emissionserlös soll für die Stärkung der Kapitalbasis, die Optimierung der Bilanzstruktur sowie insbesondere für die Refinanzierung der in 2017 begebenen Hybridanleihe und für allgemeine Gesellschafts- und (Re-)Finanzierungszwecke verwendet werden. Der Emissionserlös soll weiters die allgemeine Wachstumsstrategie unterstützen, insbesondere aber auch die PORR-Akquisitionsstrategie, die von weiteren kleineren und mittleren Unternehmensakquisitionen in den kommenden Perioden ausgeht.</p> <p>Übernahmevertrag: Gemäß einem am 03.02.2020 zwischen der Emittentin und dem Bookrunner abgeschlossenen Übernahmevertrag (der "Übernahmevertrag") hat sich der Bookrunner unter bestimmten Bedingungen bereit erklärt, die Schuldverschreibungen zu zeichnen bzw. zur Zeichnung zu vermitteln. Die Emittentin hat sich verpflichtet, an den Bookrunner eine kombinierte Arrangement-, Zeichnungs- und Platzierungsprovision zu zahlen, wie zwischen den Parteien des Übernahmevertrages vereinbart. Die Emittentin hat sich ferner verpflichtet, dem Bookrunner bestimmte Aufwendungen im Zusammenhang mit der Begebung der Schuldverschreibungen zu erstatten.</p> <p>Angabe der wesentlichsten Interessenkonflikte in Bezug auf die Emission / das Angebot: Der Bookrunner und die mit ihm verbundenen Unternehmen haben Investmentbank- oder Finanzgeschäfte mit der Gruppe und ihren Mitgliedern im Rahmen der gewöhnlichen Geschäftstätigkeit getätigt, und werden diese möglicherweise in Zukunft tätigen und entsprechende Dienste erbringen. Der Bookrunner und seine verbundenen Unternehmen können in Bezug auf solche Wertpapiere oder Finanzinstrumente auch Anlageempfehlungen aussprechen oder unabhängige Research-Berichte veröffentlichen oder Kunden empfehlen, diese zu erwerben und Long- oder Short-Positionen in solchen Wertpapieren und Instrumenten zu halten.</p>

RISK FACTORS

*Any investor should carefully consider the following risk factors and the other information contained in this Prospectus in evaluating PORR's and the Group's business and an investment in the Notes. Should one or more of the risks described below materialise, this may have a material adverse effect on the business, prospects, shareholders' equity, assets, financial position and results of operations (Vermögens-, Finanz- und Ertragslage) or general affairs of the Issuer or the Group. Moreover, if any of these risks occur, the market value of the Notes and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Notes may decrease, in which case the holders of the Notes (each a "**Holder**") could lose all or part of their investments. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other unknown reasons than those described below. Additional risks of which PORR Group is not presently aware could also affect the business operations of PORR Group and have a material adverse effect on PORR Group's business activities and financial condition and results of operations. Prospective investors should read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Words and expressions defined in the Terms and Conditions of the Notes below shall have the same meanings in this section.

Potential investors should, among other things, consider the following:

Risks related to the Issuer and PORR Group

Risks related to the issuer's financial situation

Risk relating to obtaining long-term financing and financing on favourable terms and effects on the Group's liquidity

As a result of decreasing advance payments and customers' desire of a pre-financing of projects in the construction industry there is a standard of high working capital needs (net current assets) in project business. In addition, the Group is to some extent dependent on external funds to finance its business operations, in particular any increase in the volume of business operations. If adequate funds are not available, or are not available at favourable terms, the Group may not be able to adequately fund its business operations or make efficient future investments or acquisitions. The Group has covered its past financing requirements through the issuance of equity, bonds, bank loans, bonded loans (promissory notes) and other forms of debt financing as well as profit participation rights. In addition, the Group requires substantial guarantee facilities to be able to provide tender, performance, warranty and other types of guarantees, which are usually required in the project-related construction industry. Due to the Group's operational activity in the construction business, the Group usually reaches the break even, like nearly all enterprises within the construction industry, only within the third quarter of each financial year. Prior to such point in time, the Group is required to obtain external funding. Should the business operations of the Group decrease, should the Group not be able to obtain additional sufficient financings in the future, especially on favourable terms, or should unforeseeable payments, especially fines or claims for damages materialise, or should other events occur, such as financial market crashes, potentially created by Brexit without an agreement between the UK and the EU, the Group's liquidity planning is subject to uncertainty that could lead to deviations from the planned payments. The materiality of the risk is reflected in the fact that these effects could have a negative impact on net debt as follows: as of 30 June 2019, net debt

stands at EUR 830 million due to the aforementioned conditions in the construction industry and, unlike in previous financial years, may not be significantly lower at the end of the financial year if the risk described above occurred. As of 31 December 2018, net debt had amounted to EUR 150.1 million. Due to the first time application of the IFRS 16 as of 1 January 2019, net debt is calculated differently than in 2018. Had the IFRS 16 already been applied as of 31 December 2018, net debt would have amounted to EUR 349 million as of 31 December 2018. If a reduction in net debt at the end of the financial year cannot be achieved due to the occurrence of this risk, this could have a material adverse effect on business prospects, results of operations and financial condition of the Issuer.

Furthermore, the Group has grown substantially over the last five years. This has resulted in increased financial needs in comparison to previous years. Should the Group not be able to obtain such increased financial means in future periods, this could have a material adverse effect on business prospects, results of operations and financial condition of the Issuer.

Risk relating to restrictive covenants in the Group's debt instruments

The Group's debt instruments contain covenants that impose significant restrictions on the way the Group can operate its business, including restrictions on its ability to raise additional external financing, use its assets as collateral or provide guarantees in favour of third parties. A further essential aspect of this risk is that these restrictions may also limit the Group's ability to react to market conditions or take advantage of potential business opportunities. In addition, the Group is subject to financial ratios measured at year end under certain of its guarantee facilities or other financing arrangements, such as equity ratios (defined at a minimum rate of 16%) or net debt/EBITDA ratios (defined at a maximum of 3, however, the calculation of net debt is partly differently defined in various financing agreements) whereas negative impacts, i.e. increased financial debt and balance sheet sum due to new IFRS 16 regulations imposed in 2019 are neutralised. According to IFRS 16, leasing obligations have to be brought onto the balance sheet, resulting in higher balance sheets total sums and thus in lowered equity ratios (which are being calculated as the balance sheet total divided by the equity). The Group cannot assure that it will be able to meet these covenants in the future and, if not, that its financial counterparties will waive the event of default resulting from any breach. The Group's potential default on due interest or debt repayment could result in a cross-default in payment obligations under its other financing agreements. A default, as well as any resulting cross-default, entitles the respective counterparty to accelerate the Group's payment obligations and make all payments immediately due and payable. Should any of these risks materialize, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

The Group is exposed to interest rate and exchange rate risks

The Group is exposed to interest rate risks. Interest rate risk is the risk from rising interest cost or falling interest income related to financial positions resulting from an adverse change in market interest rates; namely, because both the asset and liability side of financial instruments are subject to floating interest rate. A change in interest rates, in particular an increase in short-term interest rates, could have an adverse effect on the interest payments of the Group. On the other hand, a decrease in interest rates could reduce the Group's interest income. In addition, changes in interest rates could have an adverse effect on the valuation of certain financial liabilities, such as defined benefit pension obligations and other long-term employee liabilities. An analysis of the floating interest rates (including all floating interest rates from loan financings and Schuldscheindarlehen of the Issuer) as of 31 December 2018 amounting to around TEUR 200,966 showed an impact of higher interest expenses (namely in the amount of EUR 6,000 for 2019 and of EUR 20,000 from 2020 onwards) that would occur under the scenario of an interest rate increase of 0.01 percentage points. The extent of the interest rate increase mentioned above is based on the average volatility of the 3-month and 6-month Euro Interbank Offered Rate ("**EURIBOR**") in 2018. An unchanged interest rate therefore falls statistically within a probability band of 67% and the probability of an interest rate bandwidth of 1 basis point is respectively 99% (Source: internal data of the Issuer). Changes in interest rates could therefore have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Furthermore, the Group is exposed to foreign currency exchange risks. The foreign currency exchange risk arises from exchange rate fluctuations between the contract award date and the due dates of the related contractual payments. In addition, the Group is subject to the risk of intra-year changes in the exchange rate between the euro and the currencies which underlie the financial statements of subsidiaries based outside the euro zone. Since the Group's consolidated financial statements are expressed in EUR, fluctuations in exchange rates could adversely affect the EUR value of consolidated foreign subsidiaries' assets, income and equity, and, to the extent these are not effectively hedged, have a corresponding adverse effect on the Group's reported consolidated results. The Value At Risk (VAR) at Group level, when the items are netted over the reporting currencies and under inclusion of correlations between currency pairs, amounts to TEUR 1,538. Exchange rate fluctuations also adversely affect the comparability of financial data in the financial statements over different periods.

A significant increase in interest rates or depreciation of relevant foreign currencies could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

The potential change in IFRS accounting of onerous contracts according to IAS 37 which may result in a material impact on the financial position of the Group

In December 2018, the IASB (International Accounting Standards Board) published the Exposure Draft ED/2018/2 on "Onerous Contracts - Cost of Fulfilling a Contract" (the "**ED/2018/2 Paper**"). In October and December 2019, the IASB held public meetings on this matter. The IASB developed a proposal to clarify the definition of costs to be included in assessing whether a contract is classified as an onerous contract according to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The potential impact of this proposal on the financial position of the Group cannot be specifically assessed currently as it depends on the effective date, the applicable transition requirements and the portfolio of contracts of the Group as of the transition date. However, this proposal could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risks related to the Issuer's business activities and industry

Risk of incorrect calculations and estimates of the costs of the Group's projects

Commercial planning and calculation of major Group projects is crucial for the economic viability of these projects and is subject to considerable uncertainty. Uncertainties in particular arise as a result of the technologically complex nature of Group projects. Additionally, the frequently changing working conditions can be highly demanding on the project organization. This situation is exacerbated by the fact that in the construction industry major projects are generally awarded in competitive bidding, in which the contract price is set on the date a bid is awarded and usually cannot be subsequently altered. For these contracts, the Group bears the risk of paying some, if not all, of any cost overruns.

Project calculation, in which the Group estimates the expected costs associated with the project, are based upon specific assumptions and subject to a number of uncertainties, such as (i) difficulties in performance of the Group's subcontractors, suppliers, or other third parties, (ii) difficulties in obtaining permits or approvals, (iii) unanticipated technical problems, unforeseen increases in the cost of inputs, components, equipment, labour, or the inability to obtain these on a timely basis, (iv) delays caused by weather conditions, (v) incorrect assumptions related to productivity or scheduling estimates, and (vi) project modifications that create unanticipated costs or delays. The occurrence of such uncertainties as well as disturbance of the construction process can occur and may result in a significant increase in project costs. For example, the Group suffered from additional costs of around EUR 29.1 million on the "M0 Motorway" project in Hungary in 2008 as a result of a longer than originally calculated construction period as well as higher expenditures for materials due to unexpected disruptions in the construction process. Only about EUR 6.6 million of those additional costs occurred have been paid by the client. Another example is, as reported in November 2019, that the Group had to reevaluate a project in Norway; in the

course of that project, the Group had some cost overruns. This, together with high cost level for building materials and subcontractor services in Poland, lead mainly to an EBT of 14.4 million as of 30 September 2019, compared to an EBT of EUR 31.2 million as of 30 September 2018, or a decline of 53.8%.

The Group is not in all cases in a position to claim additional payments for unforeseen changes in performance, quantity and prices, because the principal often has a strong negotiating position (this is the case especially when bidding on the basis of lump sum contracts or functional performance specifications). In case of insufficient planning or erroneous calculation of projects, the Group may have to pay the unforeseen expenses. If such miscalculations, unexpected obstacles or scheduling difficulties during construction works as well as any other of the aforementioned risks occur during construction works, this could have a material adverse on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to raw material and energy shortages or fluctuating raw material or energy prices

For the implementation and execution of its construction works, the Group requires different raw materials, especially steel, cement, bitumen and gravel as well as considerable amounts of energy (including fuels, especially diesel fuel). The Group is therefore dependent on the availability of these raw materials and energy. The unavailability of such raw materials or energy (at recoverable costs) may result in delays of the Group's construction works, for which the Group would be responsible, or may require that the Group make covering purchases at potentially higher prices. The prices of the raw materials and energy were highly volatile in the recent past and fluctuate with market conditions. In Poland, asphalt prices almost doubled, the price for reinforcing steel has risen by two thirds, electricity for companies by half since 2016 (Source: "Everyone, they are leaving the roads", Newsweek Polska, 17 June 2019). Also in Austria, steel, energy and concrete prices increased continuously between August 2017 and October 2018 (Source: internal data of the Group). In terms of steel, the Group has introduced a monitoring system, while bitumen purchasing has been centralized. The price risk associated with such raw materials is typically covered by using long-term supply agreements, absent liquid derivative markets for such raw materials. To the extent that the Group is not able to pass on increased raw material and energy costs to its customers or that such costs cannot be compensated by savings in other ways, any increase in the prices of raw materials and energy may have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

The Group owns reserves of ballast, gravel and hard stone which are subject to a comparable risk. These reserves are primarily used to cover construction needs of the Group, although they are also sometimes sold to third parties. If there is a disruption or unscheduled reduction in supply from these reserves due to, amongst others, an unexpected decline in amount of these reserves, practical difficulties or compliance with regulatory, especially environmental requirements, the Group may be forced to acquire the respective materials from external suppliers on less favourable terms. Furthermore, the income from the sale of raw materials to third parties could be negatively affected. In addition, impairment may arise with regard to the valuation of such assets.

Each of the aforementioned risks could have a material adverse effect on business prospects, results of operations and financial condition of the Issuer.

Risk relating to the Group's use of subcontractors

A portion of the construction work performed in the Group's projects is performed by third party subcontractors. As a result, if a subcontractor fails to provide timely or adequate services, as required under the contract with the Group, the Group may be required to source such services at a higher price than anticipated. Furthermore, should such alternative sourcing not be available in time, the Group will likely fail to meet its obligations to complete construction works in the required quality and/or time. Upon such a breach of its contractual obligations, the Group may face contractual penalties. The Group may also face negative consequences when a contractor or subcontractor on other parts of a large construction site, e.g. a part of a highway construction which was not assigned to the Group fails to deliver on time. For exam-

ple, Polish authorities terminated contracts with Spanish and Italian construction groups in May 2019 due to delayed construction works on Polish motorways (Source: "Everyone, they are leaving the roads", *Newsweek Polska*, 17 June 2019). Such actions can have a negative result on the Group. Although the Group's own construction works were delivered on time, the Polish authorities are required to assign the respective sections for a highway construction to new contractor, and the entire highway, part of which was constructed by the Group, can only be opened once all sections are completed. It is likely that these risks will be intensified when subcontractors experience financial difficulties, lack the financing to fund their operations or even become insolvent. Any of such problems in relation to subcontractors could have a material adverse effect on the business prospects, results of operations and the financial condition of the Issuer.

Risk relating to defective and delayed construction by the Group

Construction projects in general and civil engineering projects in particular are highly schedule-driven and usually have to be carried out within a short time frame given by the client. Delays may occur for a number of reasons, including as a result of poor weather conditions, unanticipated technical problems, or delays in the commencement of construction work. In this case, there is a risk that the Group does not meet contractual deadlines with respect to the completion of a project. The significance of such a risk is demonstrated by the following example: Within the scope of the "Koralmtunnel Baulos 3" ("**KAT 3**") project, two tunnel tubes are to be constructed, namely the north tube by mechanical tunnelling and the south tube by conventional tunnelling. In tunnel construction projects, it is common that the contractually agreed construction period is determined and remunerated, evaluated according to the respective mountain class (geology) and the corresponding performance rates. In the case of the KAT 3 project, there were deviations in comparison to the geological forecast prepared by the customer, such as in the north tube concerning the Lavanttaler main fault zone (*Lavanttaler Hauptstörungszone*), with the consequence of significantly reduced mechanical tunnelling excavation (*mechanischer Tunnelvortrieb*), but increased conventional tunnelling excavation (*konventioneller Tunnelvortrieb*). As a result of these deviations and the measures that had to be taken to counteract them, the mechanical end of driving the north tunnel has been delayed by around two years from today's point of view.

Also, if the construction is defective, the construction project is not considered as completed until the respective defects are rectified. In addition, the principal may refuse to officially accept a project at all. Under these circumstances, strict liability could apply regardless of the Group's fault. Moreover, the Group is typically subject to contractual penalties for any non-performance or defective performance of its contractual obligations. Contractual penalties stipulate lump-sum damages that may not be possible to pass on to any jointly liable subcontractors and/or suppliers (either in whole or in part). Since the Group is often contractually required to render services in advance of any payment, it may be difficult for the Group to successfully challenge any claims and objections of the project's principal. Adequate collateral in this context cannot always be agreed. Therefore, failure to meet contractual deadlines could result in costs, such as penalties and damages, that may reduce the Group's projected profit margins and, in extreme cases, result in the termination of a contract. As a result, an accumulation of such events could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk of deviations of actual revenue and profits from estimates based on the percentage-of-completion method of accounting for contract revenue

The Group accounts for contract revenue using the percentage-of-completion method. Under this method, for any given period, revenue is recognized for a construction project in an amount determined by multiplying the percentage of completion of the relevant project with the total estimated revenue for the contract. Estimated contract losses are recognized in full when determined, i.e., when it is probable that total contract costs will exceed total contract revenue. Contract revenue and total cost estimates are reviewed and revised on a regular basis, as work progresses and as change orders are approved, and adjustments are reflected accordingly. The actual outcome of a construction project and thus the revenues and profits actually attained may deviate from previous estimates and projections. For example, the

Group's contract assets not including prepayments (*Vertragsvermögenswerte vor Berücksichtigung von Anzahlungen*) amounted to TEUR 3,262,707 as of 31 December 2018. A change of +/- 0.5 percentage points corresponds to carrying amounts of +/- TEUR 16,314. If the number and amount of such deviations is material, in particular, when deviations are negative for the Group, this may have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to changed economic conditions in the key markets of the Group

The Group's results of operations are materially affected by general economic conditions, in particular in its Home Markets: Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania. In addition to its Home Markets, the Issuer selectively operates in other markets, notably Qatar, UAE as well as Norway. The development of the markets in which the Group operates, depends primarily on the level of interest rates, the available liquidity and access to financial markets in each state, as well as on the respective national fiscal policy; because these factors have an impact on the demand for housing and infrastructure construction. Public austerity measures and budget constraints due, respectively, to the economic conditions and limited availability of long-term financing may adversely affect both private and public investments in large infrastructure and real estate projects. Customers of the Group, both from the public and private sector, may postpone new investments or delay or cancel existing projects. In addition, there are other current reasons for changes in economic conditions in the Group's key markets that entail significant risks: One of the key markets the Group operates in is Qatar, as mentioned above. In 2017 several of Qatar's neighbour countries imposed an embargo towards Qatar blocking any direct transit of goods and people between those countries and Qatar. As a result, the Group was required to incur additional costs to establish new supply chains as well as select new suppliers in order to provide the resources required for the contracts in place.

When entering new markets, the Group may additionally be faced with legal regulations with which the Group is not familiar. In addition, financial problems of the customers of the Group, its joint venture and consortium partners, subcontractors or suppliers due to general economic conditions or liquidity constraints may result in payment delays or failures, or increase the cost of the Group or adversely affect the project execution.

Accordingly, unfavourable economic developments in the key markets of the Group, such as declines in government revenues, decisions to reduce public spending or increases in taxes, as well as any other of the aforementioned risks could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk of fluctuating demand due to the cyclical nature of the construction industry

The Group mainly operates in the construction industry, in particular in civil engineering/infrastructure, building construction and road construction. The construction industry is highly cyclical by nature depending on economic cycles. The demand for the Group's products and services reflects such cyclicity and can fluctuate abruptly and be significantly reduced in an economic environment characterized by higher unemployment, lower consumer spending, lower corporate earnings and lower levels of government and business investment. Therefore, the development of the construction industry is determined by the general economic situation in the countries and regions in which the Group operates. According to statistics, the construction industry has seen a number of fluctuations between 1995 and today, with the lowest construction output between 2007 and 2013, the highest in 2017, and currently again decreased construction outputs (compared to 2017) (Source: Total construction output since 1995 report, issued by Euroconstruct, June 2019). If the current economic weakness continues or is exacerbated, this may lead to a further reduction in demand for construction services. In the event of such a potential development, liquidity problems can occur.

This could have material adverse effects on the business prospects, results of operations and financial condition of the Issuer.

Risk of seasonal fluctuations and cycles in the construction industry

The performance of construction works requires good weather conditions. Because the Group mainly operates in European markets, this usually means that construction activity is reduced during the winter months in Europe or in prolonged periods of bad weather. The Group has over the last four years always had the lowest production output in the respective first quarter of each financial year, and the highest production output in the fourth quarter of the respective financial year (Source: internal data of the Issuer). Due to this seasonality, the current costs during the winter months exceed the earnings that are regularly generated in this period. However, even during the warmer months of the year, construction projects may be hampered by extreme weather conditions or influences. On the other hand, in a mild winter frost damage on streets may be less than budgeted.

Sales and earnings fluctuations, resulting from unfavourable weather conditions, may adversely affect the liquidity and the creditworthiness of the Group and could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to uncertainties of tender procedures

The Group provides its services to governments and governmental entities as well as private customers. The public sector typically awards contracts in tender procedures. In some instances, participation in the bidding process is only permitted following a prequalification phase, where the bidder's eligibility to carry out the project is examined on the basis of certain parameters such as financial capability, experience and expertise, personnel and equipment. The structure, terms and requirements of a tender process is often set by applicable domestic and, within the EU, by European public procurement laws and regulations. The Issuer, as bidder tendering for a contract in the public sector, is subject to longer and more complex tendering procedures than in the private sector and face the risk that competitors will challenge the invitation to tender or the award. Client relationships are of minor relevance due to statutory procurement law requiring predefined and objective award criteria. In the public sector, procurement laws typically require that contracts are awarded to those who submit the most competitive bid, meaning the most economical but not necessarily the cheapest offer. In practice, however, the principal criterion for the award of a contract often turns out to be price. Qualitative criteria such as references, capacity and financial strength are also applied, in particular during the prequalification phase in which the bidder's eligibility to carry out the project is examined.

Another essential aspect in connection with tender procedures is that tendered infrastructure projects of a certain size (such as the construction of motorways) are often to be implemented through public-private partnerships ("**PPP**"). The profitability of a PPP project depends on a number of factors which do not apply to conventional bidding processes and are subject to considerable uncertainty, as the following example illustrates: The construction of the A5 northern motorway from Vienna towards the Czech border was originally planned to be completely realised as a PPP project. Beginning of construction for the southern section from Grossebersdorf-Eibesbrunn to Gaweinstal-Schrick took place on 26 July 2007. The companies around the main contractor, Bonaventura Strassenerrichtungs GmbH, were awarded the contract. The sections from Poysbrunn to the Czech border following this project were originally also to be realised as a PPP project. The bid opening took place on 15 February 2010. Due to a financially unsatisfactory tender result, the criticism of Austrian Court of Audit (*Rechnungshof*) of the first PPP project section and appeals against the Environmental Impact Assessment (*UVP*) decision, the tender was cancelled. The construction project was then divided into several sections and no longer tendered and implemented as a PPP project.

As a result, if the Group is not able to obtain new contracts in public sector tender processes, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk of cancellation, scope adjustments or deferrals of projects

The Group's order backlog includes projects for which contracts have been signed or awarded and for which a customer has secured the funding. However, even projects, which are at an advanced level of implementation, remain at a risk that they are cancelled or will not generate planned revenues for the Group. Usually, the Group is entitled to compensation in the event that a project is cancelled or delayed. This compensation generally does not cover all profits that a project is expected to yield and in some instances may not even be enough to cover all costs incurred. For example, in 2010 the "Stadium Tripolis" project, the planned construction of a sports stadium in Libya's capital Tripolis, was awarded to a joint venture consisting of the Group and a local partner. The Group's share in the joint venture was 50%. The total project volume amounted to approximately EUR 200 million. Construction started at the end of 2010, but was stopped in February 2011 due to the revolution in Libya, and shortly thereafter the project was cancelled. In this context, the Group suffered a loss of EUR 1.25 million from mobilization costs which have not been paid by the customer.

In particular, the Group's current order backlog is dominated by certain larger projects. As a consequence, if any of those larger projects is changed or cancelled, the Group's order backlog could significantly change. As a result, cancellation, scope adjustments or deferrals of projects could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk of increasing competition and tightened market conditions in a competitive environment

The construction industry is highly competitive, with comparatively low margins in particular in saturated markets. The various markets in which the Group operates, Europe in particular, are characterized by intense domestic and international competition, which has continued to intensify in recent years. The increased competition usually results in significant pressure in terms of pricing and unfavourable contractual terms for contractors (e.g. more restrictive warranties or more relaxed payment conditions for customers). In particular in two of the Group's most important markets, Austria and Poland, increased competition has led to a market consolidation and the creation of pan-European construction groups. Based on their economies of scale, such groups pursue aggressive pricing policies which make it difficult for both smaller and larger competitors to win contracts and remain profitable. If the intensified price competition continues and if the Group fails to become more cost efficient, grow at an adequate pace or develop new construction methods, its competition opportunities may be negatively affected.

Each of the aforementioned risks could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to the dependence on specific customers

The Group often performs large-scale projects on behalf of large private companies or the public sector, for customers like Deutsche Bahn (German railway operator) or ASFINAG (Austrian highway and motorway operator). Since the number of potential customers in the public sector is limited, the Group is dependent on certain public sector customers. Public sector projects are subject to a range of political objectives and budget constraints. In addition, the awarding of public contracts is subject to lengthy and costly bidding procedures, which may be characterized by a lack of transparency, preferred treatment of certain bidders or even corruption. Moreover, public sector projects are dependent on governments' and local public authorities' programs and funding policies with respect to infrastructure investments. In some EU member states, public infrastructure projects are subject to the availability of EU funding and accordingly procurement is partly dependent on the availability of EU support payments. As a result, the Group's inability to obtain new public sector contracts, as well as changes in infrastructure development policies, or delays in the awarding of major projects or postponement of previously awarded projects could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

The Group may not be able to successfully implement its strategy; the Group faces risks in connection with the expansion of its business operations and with the acquisition of other businesses

In recent years, the Group has adopted a strategy of focusing on its core competencies and expanding its activities in its Home Markets while continuing to strengthen its regional coverage and further expanding its products and services portfolio by means of selective add-on acquisitions. The expansion of business operations and the development of new markets is associated with certain risks, in particular that the expected growth rates and economic development of new businesses lag behind the target which may lead to a potential partial or complete loss of the capital employed. Successful integration of newly acquired businesses will depend on the convergence of businesses, sets of staff and different corporate cultures, the harmonization of IT systems and the establishment of joint processes. In particular, expansion of business is associated with the risk of lacking the required workforce. For example, when the Group had expanded its business operations in recent years in Poland, but could not find a sufficient number of workers. Therefore, a number of projects needed to be subcontracted which has led, together with other factors, like increased costs for construction materials, to higher costs. Furthermore, the Group may lack available funds to finance acquisitions. Synergies from acquisitions may prove less than originally expected and costs for integration into the Group may be higher than expected. Acquisition candidates may have liabilities or adverse operating issues, which the Group may fail to discover prior to the acquisition. Further, acquisition targets may either not be available or the Group may fail to successfully complete acquisitions due to competition from other companies. Should any of these factors materialize, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

Legal and regulatory risk

Breaches of competition laws as well as legal disputes may lead to the imposition of high fines and significant damage claims.

The Group is subject to numerous risks relating to legal and regulatory proceedings, to which the Group is currently a party or which could develop in the future. The Group may be subject to a variety of contract disputes and liability claims. Customers and other third parties as well as governmental authorities may make claims against the Group for damages, contractual penalties or other remedies with respect to the Group's projects or other matters. These claims can be subject to costly and lengthy arbitration or litigation proceedings, and it is often difficult to predict when such claims will be fully resolved. For example, the Group is under investigation by the Austrian competition authority which searched various Austrian offices of the Issuer, predominantly offices in Vienna, Styria and Carinthia and employee's homes in May 2017 and June 2018 in connection with the alleged participation of the Group in anti-competitive practices regarding road construction (*Straßenbau*) and partially structural engineering (*Hochbau*). The searches involved not only the Issuer and its Group, but also other companies in Austria, in relation to a few hundred tenders which were mostly governed by public procurement laws. The Austrian competition authority has alleged that the Issuer's group companies may have entered into price-fixing agreements.

In each case of anti-competitive practices the Group may be subject to subsequent proceedings with respect to significant damage claims. In connection with the above described proceedings, provisions for possible adverse effects on the net assets, financial position and results of operations of the Group have been made; however, such provisions may not be sufficient to cover the actual amount of damage claims. The Issuer expects that the Austrian competition authority will impose a fine on the Issuer and/or its group companies, however, the Group is not yet in a position to seriously assess a specific amount of any such fine and potential damage claims. Such fines and damage claims, legal or regulatory proceedings in which the Group is or comes to be involved (or settlements thereof) as well as any liability not covered by the Group's insurance, or in excess of insurance limits, may have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk of failure to recover on claims against customers for payment

The Group's failure to collect its invoices on time or at all may lead to a decrease in its equity capital and constraints on its liquidity. The Group is involved in a number of major public-sector projects, such as motorway or railway projects. In connection with most of such projects, the Group faces difficulties in collecting receivables and enforcing contracts in general. Delayed payments or non-payments occur for a number of reasons, including, political unwillingness, poor payment practices, construction defects or non-observance of contractual deadlines as a result of subsequent changes to the initial scope of the project. The Group may face difficulties in claiming for additional services and/or costs, which have not been covered by the original order but are performed for various reasons, including the specific events and circumstances of a project, instructions or changes by the principal or assumptions of the original arrangement proving incorrect (e.g. specifications of the ground, etc.). In order to enforce its claims, as in the railway project "Campina-Predal" described below, the Group files lawsuits against, or initiates arbitrations with, its defaulting customers. Since most of the claims against its customers become payable after completion of the project, the Group is usually unable to enforce its claims through refusal of performance on its part. The Group is therefore involved in a number of legal disputes (including disputes where substantial amounts are in dispute) in the ordinary course of business. Such proceedings sometimes take a long time and do not always end successfully for the Group. In particular, the following example illustrates the lengthy and uncertain process with regard to a successful outcome: On the Romanian railway project "Campina-Predal" which was finished in 2012, the Group experienced difficulties in receiving final payments from the customer. The Group therefore started a legal lawsuit which had to go through all levels of jurisdictions including an arbitration proceeding in front of the International Chamber of Commerce in Paris. It was not until 2017 that the Group was awarded the amount in question.

In addition, in certain instances the Group may elect not to pursue the assertion of claims against key customers to avoid jeopardizing the Group's business relations to such key customers with a view to potential future projects. Moreover, it may prove to be difficult for the Group to succeed in lawsuits filed for the recovery of claims, in particular against public sector clients. If any of these receivable collection issues materializes, continues or even deteriorates, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to the involvement in consortia and joint ventures

In the construction industry, consortia of various construction companies are often formed in relation to a project in order to distribute the project contributions and risks among the partners of the applicable consortia. But precisely because of that there is a particular risk for the remaining consortium partners, if a partner leaves the consortium, for example due to insolvency. The Group's subsidiaries which are specialized in civil engineering/infrastructure, building construction and road construction regularly join with unaffiliated third parties to form consortia or other forms of joint ventures. Under Austrian law as well as under applicable laws of other countries, such as Germany, each party to a consortium is jointly and severally liable for the construction work to be provided and all associated liabilities of any other party to the consortium. In relation to third parties, the Group is therefore liable for damages caused by any other party to a consortium. Should any of the risks associated with the involvement in consortia or other joint ventures materialize, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to operations in other European and non-European countries

The Group operates both within Europe and outside of Europe. The focus of the European business is on the construction markets of Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania; the focus of the Group's business outside Europe is currently still in Qatar (which is materially reduced) and the UAE. In some of the countries in which the Group operates, currently for example in Qatar and UAE or may operate in the future, the economic, political and legal environment is different in comparison to Austria. In these countries, the Group regularly relies in its activities on the cooperation with local suppliers and subcontractors as well as on the issuing of licenses by local authorities. In this

context, the Group is exposed to a number of risks which can significantly affect their operations in these countries. There are specific risks relating to uncertainties in the tax, labour and administrative framework (in particular regarding the applicable building regulations, environmental, safety and health standards), a possible difference in treatment compared with local competitors, intransparent and uneven application of the law by authorities and courts, corruption and organized crime. An additional risk with regard to Central, Eastern and South Eastern European countries which are not members of the EU results from the possibility that generated funds may not be freely transferable. Furthermore, there is the risk that the business model cannot be implemented as planned due to the geographical distances to some countries and linguistic and cultural differences.

Each of the aforementioned risks could have a material adverse effect on the results of operations and growth opportunities of the Group in the countries concerned and could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Tax risks

The Group's companies and their permanent establishments abroad are subject to on-going tax audits and VAT reviews by tax authorities. Tax audits have taken place or still take place in many countries. For instance, the Austrian entities of the Group are currently subject to routine tax audits for VAT, corporate income tax and withholding tax for the fiscal years 2014, 2015 and 2016 and the German Group entities are currently subject to routine tax audits for the fiscal years 2012, 2013 and 2014. These tax audits are carried out by the respective locally competent tax authority and are conducted continuously. It is not excluded that the domestic and foreign companies and foreign branches or permanent establishments of the Group have not recognized or have not adequately assessed tax risks of previous years, which could result in unforeseen subsequent taxation and additional tax claims for the periods in question. In the course of a tax audit related to fiscal year 2012, tax auditors challenged expenses arising from writing off intercompany debts at the level of an Austrian PORR subsidiary. Finally, these expenses were treated as non-deductible by tax auditors leading to tax costs of approximately EUR 1 million.

If any cases of breach of local or foreign tax laws are discovered, the Group may be charged with fines and penalties. Should any of these risks materialize, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Internal control risk

Risk relating to the failure and ineffectiveness of appropriate risk management systems

The Group's risk management system is designed to assist with the assessment, avoidance and reduction of risks which jeopardize its business. The Group's operating risks primarily include the complex risks of construction project selection and execution. There are, however, inherent limitations on the effectiveness of any risk management system. These limitations include the possibility of human error and the circumvention or overriding of the system. Accordingly, any such system can provide only reasonable assurances of achieving the desired objectives. For example, due to the specifics of the construction industry, individual risks such as losses on a construction project may only be detected with delay. Other risks include risks from the violations of internal guidelines, applicable law or criminal acts by the Group's employees or third parties retained by the Group such as sub-contractors or service providers and their employees. Should any of these risks materialize, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to corrupt or otherwise illegal business practices of its employees

There is a risk that internal regulations to prevent corrupt or otherwise illegal business practices are inadequate to preclude involvement of employees of the Group in illegal business practices and that these

regulations may not adequately protect the Group from becoming involved in illegal business practices. The number of rules which are applicable to the Group increases continuously because of increasing regulation at national and international levels. For example, a number of antitrust and competition investigations by authorities have been carried out in the construction industry at national and international level in the recent past. The Group has been the subject of such investigations in the past. There is a possibility that the Group will be the target of further antitrust procedures or competitive governmental investigations in the future. This applies in particular with regard to the involvement of the Group to private and public tenders with only a limited number of competitors involved. In these situations there is always the risk that antitrust authorities, competitors or customers suggest relevant antitrust collusion between bidders and take appropriate action. In the construction sector, which is particularly characterized by procurement procedures of large public projects or tendering large private projects, cases of corruption repeatedly occur. In cases of corruption or other illegal acts committed by employees of the Group this can cause damage to reputation, the imposition of penalties and exclusion from public procurement or bidding process, which could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Environmental and governance risks

Risk relating to pollution legacy and other environmental damages

The Group owns sites which have been found to contain soil contamination and polluted groundwater. The Group is responsible for clean-up and monitoring of these properties. Furthermore, the Group operates several landfills in Austria, for example in Langes Feld in Vienna, Austria. In addition to responsibility for clean-up costs for own properties, the Group may be subject to clean-up costs related to contaminated construction sites owned by third parties, for example when construction works are executed on properties owned by third parties. The Group may also be required to incur compliance costs associated with immission, emission and waste disposal regulations. The Group was required to remediate, for example, a property in Simmering, Vienna, Austria with hydrocarbon compounds pollutions; the costs for the remediation which took place mainly in 2005 and 2006 amounted to about EUR 23.5 million (of which about 75% were reimbursed by the Austrian Remediation Fund (*österreichischer Altlastensanierungsfonds*)). Should any of these risks relating to clean-up costs or other environmentally legally necessary measures materialize, this could have a material adverse effect on the business prospects, results of operations and financial condition of the Issuer.

Risk relating to insufficient insurance coverage

The scope of the Group's insurance coverage is subject to a cost benefit analysis unless it is maintained to satisfy the requirements under certain regulations and contracts. In general, the insurance covers various liability risks relating to business; the purely entrepreneurial risk of the Group is not insured. The Group may therefore be subject to damages and losses which are not or not sufficiently covered by insurance. A recent concrete example concerns the "Medical Park" project in Germany: During the construction of a medical rehabilitation centre, a subcontractor drilled sewage pipes. Shortly before the completion of the project, moisture penetration of soil and walls and consequently mould formation were detected. The costs for repairing the property damage were insured, the pecuniary and financial loss due to delayed commissioning were not covered by insurance (< EUR 3 million)A claim against the subcontractor's liability insurance has yet to yield a result. Any losses not covered under the terms of the Group's insurance policies, particularly in damages or delays arising in connection with the execution of construction works, could have a material adverse effect on business prospects, results of operations and financial condition of the Issuer.

Risk relating to holding activities

The Issuer is only exceptionally involved in operational activities. It is a holding company which has no relevant assets beyond the participations in its subsidiaries and real property. Being a holding company, the Issuer depends on being provided with liquidity and profit by its subsidiaries in order to be able to generate funds and meet its obligations towards its creditors. The Issuer has entered into profit transfer agreements or control and profit transfer agreements with several of its Austrian subsidiaries. The Issuer's liquidity is dependent on the profit generated by the companies it holds. In return, its cash reserves and profits from companies in its holding structure must be used to set-off net losses incurred by any of the companies it holds. For example, the Issuer's Group company PORR Bau GmbH contributed far more than half to the Issuer's consolidated profit and far more than one third to the Issuer's consolidated turnover in 2018. As recently announced, the market situation in Poland, as well as a revaluation of a project in Norway (where the Issuer is not directly operating, but where group companies are operating) had a significant negative impact on the profits and earnings situation of the Issuer. If the distribution of dividends from a subsidiary to the Issuer (or the transfer of profits under a profit transfer agreement (*Ergebnisabführungsvertrag*)) is delayed or if such distribution does not take place at all, this might, irrespective of existing credit lines and intra-group cash pooling, have considerably negative consequences for the Issuer's liquidity position which may jeopardize Company's ability to meet its obligations and pay dividends.

Risks relating to the Notes

Risks related to the nature of the securities

Risk relating to the subordination of the Notes

The obligations of the Issuer under the Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as described below), (ii) *pari passu* among themselves and with any Parity Obligations (as described below) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law. In the event of liquidation, dissolution or insolvency, however not in the event of a reorganisation, no payments on the Notes will be made for as long as any claims from not subordinated and subordinated creditors (which expressly rank senior to the obligations resulting from the Notes) against the Issuer have not been completely satisfied. The rights of the Holders resulting from the Notes have not been secured, neither by the Issuer nor by a third party; such security will not be provided at any time in the future.

"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes, as well as (iv) the ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0). "Parity Obligations" means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) *pari passu* with the Notes, including but not limited to the hybrid bond issued in 2014 (ISIN AT0000A19Y36) or the hybrid bond issued in 2017 (ISIN XS155774014) or (ii) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) *pari passu* with the Notes.

In a liquidation, dissolution, insolvency, composition or other proceeding for the avoidance of insolvency of, or against, the Issuer, the Holders may recover proportionately less than the holders of unsubordinated

obligations of the Issuer. Holders of the Notes will have limited ability to influence the outcome of any insolvency proceeding or a restructuring outside insolvency.

Investors should take into consideration that unsubordinated liabilities may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other payment undertakings will, in winding-up or insolvency proceedings of the Issuer, become unsubordinated liabilities and will therefore be paid in full before payments are made to Holders.

Risk of Early Redemption

The Notes are undated and thus have no scheduled redemption date. The Notes can, however, be redeemed or repurchased and cancelled under certain circumstances. The Issuer is in principle under no obligation to redeem the Notes at any time. Pursuant to the Terms and Conditions the Holders of the Notes have no right to call the Notes, except if the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganization in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) and subject to the complete satisfaction of any claims from unsubordinated and subordinated creditors which expressly rank senior to the obligations resulting from the Notes. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions after the occurrence of a Gross-up Event, an Accounting Event, a Tax Event, a Change of Control or if 80 per cent. or more in principal amount of the Notes initially issued have been redeemed or purchased, or in general with effect as of (and including) the First Call Date or any Interest Payment Date thereafter. In the event that the Issuer exercises the option to call and redeem the Notes, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

The redemption at the option of the Issuer may affect the market value of the Notes. During any period when the Issuer may, or may be perceived to be able to, elect to redeem the Notes, the market value of the Notes generally may not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. Certain market expectations may exist among investors in the Notes with regard to the Issuer making use of a right to call the Notes for redemption prior to their scheduled maturity. Should the Issuer's actions diverge from such expectations, the market value of the Notes and the development of an active public market may likely be adversely affected.

Prospective investors should be aware that they bear the financial risk of an investment in the Notes for a long period as well as the risk of being not able to recover their investment before the end of this period.

The current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change, which may result in the occurrence of an Accounting Event

Changes in accounting principles could have an impact on the Group's consolidated financial statements. Changes in accounting requirements or the application and interpretation thereof may entail uncertainty related to the Company's accounting, financial reporting and internal control and could also negatively affect the Company's financial condition, results of operations and cash flows.

Specifically, the current IFRS accounting classification of the Notes as equity instruments may change. In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on "*Financial Instruments with Characteristics of Equity*" (the "**DP/2018/1 Paper**") and a public meeting was recently held on this matter. If the proposals set out in the DP/2018/1 Paper are implemented in their current form, the current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change and this may result in the occurrence of an Accounting Event. In such an event, the Issuer may have the option to redeem, in whole but not in part, the Notes pursuant to the Terms and Conditions of the Notes. The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain.

Accordingly, no assurance can be given as to the future classification of the Notes from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Notes pursuant to the Terms and Conditions of the Notes.

Risk of a partial or total failure of the Issuer to make interest and/or redemption payments

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. A materialisation of the credit risk (for example, because of the materialisation of any of the risks regarding the Issuer and/or the Group) may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.

The Terms and Conditions do not provide for any express events of default provisions

The Holders should be aware that the Terms and Conditions do not contain any express events of default provisions which will create an unfavourable situation for Holders in case of an event of default by the Issuer due to the potential legal uncertainty in such a scenario.

Holders of the Notes have no voting rights

The Notes are non-voting with respect to general meetings of shareholders of the Issuer. Consequently, the Holders of the Notes cannot influence any decisions by the Issuer to defer interest payments or to optionally settle such arrears of interest or any other decisions by the Issuer's shareholders concerning the capital structure or any other matters relating to the Issuer.

Holders' only remedy against the Issuer is the institution of legal proceedings to enforce payment or to file an application for insolvency proceedings

The only remedy against the Issuer available to the Holders of the Notes for recovery of amounts which have become due in respect of the Notes will be the institution of legal proceedings to enforce payment of the amounts or to file an application for the institution of insolvency proceedings. On an insolvency or liquidation of the Issuer, any Holder may only claim the amounts due and payable under the Notes, after the Issuer has discharged or secured in full all claims that rank senior to the Notes.

Risk relating to the lack of limitation on issuing further debt

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Notes regarding its ability to incur additional indebtedness ranking *pari passu* or senior to the obligations under or in connection with the Notes. The incurrence of any such additional indebtedness may significantly increase the likelihood of a deferral of payments of interest under the Notes and/or may reduce the amount recoverable by Holders in the event of insolvency or liquidation of the Issuer. In addition, under the Notes, the Issuer will not be restricted from issuing or repurchasing its other securities. Holders will not be protected under the terms of the Notes in the event of a highly leveraged transaction, a reorganisation or a restructuring, merger or similar transaction that may adversely affect the Holders.

Risk relating to the shortened prescription period.

The limitation period for claims in respect of principal of the Notes is ten years. This period is shorter than the limitation period of thirty years provided for by Austrian civil law.

Liquidity risk in case that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue

There is currently no secondary market for the Notes. Application has been made for the Notes to be admitted to trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange. However, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes may additionally be restricted by country specific reasons.

Market risk relating to fixed interest rate notes

The Notes bear interest at a fixed rate to but excluding the First Call Date. A holder of a fixed interest rate note is exposed to the risk that the price of such note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the market price of the Notes and can lead to losses for the Holders if they sell their Notes.

Reset of Interest Rate linked to the 5-year ICESWAP2 swap rate

From and including the First Call Date to but excluding the day the Notes are due for redemption, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year ICESWAP2 swap rate for the relevant Reset Period plus a margin.

Investors should be aware that the performance of the 5-year ICESWAP2 swap rate and the interest income on the Notes cannot be anticipated and neither the current nor the historical level of the 5-year ICESWAP2 swap rate is an indication of the future development of the 5-year ICESWAP2 swap rate. Due to varying interest income, investors are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates. During each of these periods, the investor is exposed to the risk as described in risk factor "*Fixed Interest Rate Notes*" above.

Reform of interest rate "benchmarks"

Following the respective First Call Date, interest amounts payable under the Notes are calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2.

This swap-rate, the EURIBOR and other interest rates or other types of rates and indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

International proposals for reform of Benchmarks include the European Council's regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") which is fully applicable since 1 January 2018.

The Benchmark Regulation could have a material impact on the Notes, including in any of the following circumstances:

- a rate or index which is a Benchmark may only be used if its administrator obtains authorisation or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (Article 30 Benchmark Regulation), the administrator is recognised (Article 32 Benchmark Regulation) or the relevant Benchmark is endorsed (Article 33 Benchmark Regulation) (subject to applicable transitional provisions). If this is not the case, Notes linked to such Benchmarks could be impacted; and
- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could have an impact on the Notes, including determination of the rate by the Issuer, the Calculation Agent or an independent adviser, as the case may be.

In addition to the aforementioned Benchmark Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or Benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the value of the Notes.

Under the Terms and Conditions of the Notes, certain benchmark replacement provisions will apply in case a Benchmark (or any component part thereof) used as a reference for the calculation of interest amounts payable under the Notes were to be discontinued or otherwise unavailable:

If a Benchmark (or any component part thereof) used to calculate interest amounts payable under the Notes for any interest period has ceased to be calculated or administered, the Issuer shall endeavour to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. Such independent adviser will be tasked with determining whether an officially recognized successor rate to the discontinued Benchmark exists. If that is not the case, the independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark. If the independent adviser determines a successor rate or alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant interest rate. Such determination will be binding for the Issuer, the Calculation Agent, the Paying Agents and the Holders. Any amendments pursuant to these fallback provisions will apply with effect from the respective effective date specified in the Terms and Conditions of the Notes.

If the Issuer fails to appoint an independent adviser or if the adviser fails to determine a New Benchmark Rate following a discontinuation of a relevant Benchmark, the Reference Rate (as defined in the Terms and Conditions of the Notes) applicable to the immediately following reset period shall be the original benchmark rate determined on the last preceding interest determination date, provided, however, that, in case of the first reset period, the Reference Rate shall be the original benchmark rate on the screen page

on the last day preceding the interest determination date on which such original benchmark rate was displayed. In that case, Holders are subject to the risk of receiving lower interest payments than expected.

The replacement of a Benchmark could have adverse effects on the economic return of the Holder compared to the applicable original benchmark rate.

Risk relating to optional deferral of interest payments

The Issuer may elect in its discretion to defer the payment of interest by giving not less than 10 and not more than 15 Business Days' prior notice to the Holders. Such interest will not be due and payable on that Interest Payment Date.

Holders will not receive any additional interest or compensation for the optional deferral of payment. In particular, the resulting deferred interest payments will not bear interest. Any failure to pay interest as a result of an optional deferral will not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. While the deferral of interest payments continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the Notes.

Any deferral of interest payments or the perception that the Issuer will or will need to exercise its optional deferral right will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Risks relating to high volatility in the markets

From and including the First Call Date to but excluding the day the Notes are due for redemption, the Notes bear interest at a rate which will be determined on each Reset Date at the 5-year ICESWAP2 swap rate for the relevant Reset Period plus a margin. Should a date on which the interest rate for the Notes is determined fall into times of high volatility in the market, this could have a negative effect (either from the Issuer's view or from an investor's view) on such interest rate which will then be determined in the future.

An Austrian court may appoint a trustee (Kurator) for the Notes to exercise the rights and represent the interests of Holders on their behalf

Pursuant to the Austrian Notes Trustee Act (*Kuratorengesetz*), a trustee (*Kurator*) may be appointed by an Austrian court for the purposes of representing the common interests of the Holders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions or changes relating to the Issuer, or under similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Holders and will be entitled to make statements on their behalf which shall be binding on all Holders. Where a trustee represents the interests and exercises the rights of Holders, this can conflict with or otherwise adversely affect the interests of individual or all Holders.

Investors will have to rely on Euroclear's and Clearstream, Luxembourg's procedures for transfer and payment

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer. The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and the Issuer will discharge its payment obligations under the Notes by making payments to the common depository for

Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

The market value of the Notes could decrease if the creditworthiness of the Group worsens or for other reasons

The market value of the Notes is, amongst others, primarily influenced by a change in the creditworthiness (or the perception thereof) of the Issuer and by the credit rating of the Issuer. In the event of any such negative impact, the price at which a Holder can sell the Notes might be considerably below the Issue Price or the purchase price paid by such Holder.

Similarly, a number of other factors including, but not limited to, the following examples may also result in a decrease in the market value of the Notes: This applies to economic and political events in Austria or other countries the economies or politics of which have an effect also on Austria, like the US (trading policies) or the UK (Brexit). Other reasons are such factors affecting the capital markets in general and the stock exchanges on which the Notes are traded, market interest, rate of return and certain market expectations with regard to the Issuer making use of a right to call the Notes for redemption on the relevant First Call Date (or a certain period before) or any Interest Payment Date (or a certain period before) thereafter.

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Issuer and/or the Group, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could potentially have a different perception. Market participants may in particular have a different perception if market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Group adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of mentioned risk. Under these circumstances, the market value of the Notes is likely to decrease.

TERMS AND CONDITIONS OF THE NOTES

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

Die englischsprachige Übersetzung des rechtsverbindlichen deutschen Wortlautes dieser Anleihebedingungen wurde von der FMA nicht geprüft.

Terms and Conditions

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

The English language translation of the legally binding German text of these Terms and Conditions has not been reviewed by the FMA.

1. Nennbetrag und Stückelung, Verbriefung, Clearingsystem

1.1 **Nennbetrag und Stückelung.** Diese Serie von Schuldverschreibungen der Undated Resettable Fixed Rate Subordinated Notes der PORR AG, Wien, Republik Österreich (die "**Emit-tentin**") wird in Euro im Gesamtnennbetrag von EUR 150.000.000 (Euro einhundertfünfzig Millionen) (der "**Gesamtnennbetrag**") am 06.02.2020 (der "**Emissionstag**") begeben. Die an den Inhaber zahlbaren und untereinander gleichrangigen Schuldverschreibungen werden in Stückelungen von EUR 1.000 begeben und sind nur in Mindestgesamtnennbeträgen von EUR 100.000 und einem ganzzahligen Vielfachen von EUR 1.000 über diesem Betrag übertragbar (die "**Schuldverschreibungen**"; dieser Begriff umfasst sämtliche weiteren Schuldverschreibungen, die gemäß Punkt 10. begeben werden und eine einheitliche Serie mit den Schuldverschreibungen bilden).

1.2 Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**Vorläufige Globalurkunde**") verbrieft. Die vorläufige Globalurkunde wird gegen eine Dauerglobalurkunde (die "**Dauerglobalurkunde**", die Vorläufige Globalurkunde und die Dauerglobalurkunde gemeinsam die "**Globalurkunden**" und jede für sich eine "**Globalurkunde**") ausgetauscht. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter

Principal Amount and Denomination, Form, Clearing System

Principal Amount and Denomination. This series of notes of Undated Resettable Fixed Rate Subordinated Notes is being issued by PORR AG, Vienna, Republic of Austria (the "**Issuer**") in Euro in the aggregate principal amount of EUR 150,000,000 (Euro one-hundred fifty million) (the "**Aggregate Principal Amount**") on 6 February 2020 (the "**Issue Date**"). The notes payable to the bearer and ranking *pari passu* among themselves are being issued in denominations of EUR 1,000 and are only transferable in minimum aggregate principle amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof (the "**Notes**"; this term includes any further Notes issued pursuant to clause 10 that form a single series with the Notes).

The Notes are initially represented by a temporary global security (the "**Temporary Global Note**"). The Temporary Global Note will be exchanged for a permanent global security (the "**Permanent Global Note**", together with the Temporary Global Note, the "**Global Notes**" and each a "**Global Note**"). The Temporary Global Note and the Permanent Global Note shall each be signed manually by two authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Paying Agent. The Global Notes shall be deemed a

der Emittentin und sind jeweils von der Zahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Die Globalurkunden stellen eine Sammelurkunde gemäß § 24 lit b Depotgesetz dar. Der Anspruch auf Ausfolgung einzelner Schuldverschreibungen oder einzelner Zinsscheine ist ausgeschlossen. Die Vorläufige Globalurkunde wird an einem Tag gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Tage nach dem Emissionstag liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftliche(n) Eigentümer der Schuldverschreibungen keine U.S.-Person(en) ist/sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute gemäß dem United States Internal Revenue Code 1986 in der jeweils geltenden Fassung halten). Solange die Schuldverschreibungen durch die Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage solcher Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Emissionstag eingeht, wird als ein Ersuchen behandelt werden, die Vorläufige Globalurkunde gemäß diesem Punkt 1.2 auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten geliefert werden.

global note pursuant to § 24 lit b Austrian Securities Deposit Act. The right to have definitive Notes or interest coupons issued is excluded. The Temporary Global Note shall be exchanged for the Permanent Global Note on a date which will not be earlier than 40 days after the Issue Date. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is/are not (a) U.S. person(s) (other than certain financial institutions or certain persons holding Notes through such financial institutions as defined in the United States Internal Revenue Code of 1986, as amended). Payment of interest on Notes represented by a Temporary Global Note shall be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the Issue Date shall be treated as a request to exchange the Temporary Global Note pursuant to this clause 1.2. Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

1.3 **Clearingsystem.** Die Globalurkunden werden solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearingsystem**" bedeutet folgendes: Clearstream Banking, S.A., Luxemburg ("**CBL**") und Euroclear Bank SA/NV Brüssel ("**Euroclear**"), CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**" sowie jeder Funktionsnachfolger.

Clearing System. The Global Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means the following: Clearstream Banking, S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV Brussels ("**Euroclear**"), CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**" as well as each functional successor.

1.4 **Anleihegläubiger.** Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile an den Globalurkunden zu, die ausschließlich gemäß den Vorschriften des Clearingsystems übertragen werden können.

Holder of Notes. The holders of Notes (the "**Holders**") hold proportionate co-ownership interests in the Global Notes, which are transferable exclusively pursuant to the conditions of the Clearing System.

1.5 **ISIN und Common Code.** Die Wertpapierkennnummer (International Securities Identification Number oder ISIN) lautet

ISIN and Common Code. The ISIN (International Securities Identification Number or ISIN) is XS2113662063. The Common Code is

XS2113662063. Der Common Code lautet 211366206.
211366206.

2. Status der Schuldverschreibungen

2.1 **Status der Schuldverschreibungen.** Die Schuldverschreibungen begründen unmittelbare, nicht besicherte und tief nachrangige Verbindlichkeiten der Emittentin, die (i) vorrangig zu Nachrangigen Wertpapieren (wie in Punkt 4.5 definiert) sind, (ii) untereinander und mit Gleichrangigen Wertpapieren (wie in Punkt 4.5 definiert) im Rang gleich stehen und (iii) nachrangig gegenüber allen anderen bestehenden und zukünftigen nicht nachrangigen Verbindlichkeiten der Emittentin sowie nachrangigen Verbindlichkeiten der Emittentin sind, die ausdrücklich den Verbindlichkeiten aus den Schuldverschreibungen im Rang vorgehen, soweit zwingende gesetzliche Bestimmungen nichts anderes vorschreiben. Im Fall der Liquidation, der Auflösung oder der Insolvenz der Emittentin, aber ohne Zahlungspflicht im Fall einer Sanierung, erfolgen Zahlungen auf die Schuldverschreibungen solange nicht (aufschiebende Bedingung), wie die Ansprüche aller nicht nachrangigen und nachrangigen Gläubiger, die ausdrücklich den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen im Rang vorgehen, gegen die Emittentin nicht zuerst vollständig erfüllt sind. Ein Anleihegläubiger kann seine Schuldverschreibungen durch schriftliche Mitteilung an die Emittentin, die bei der Emittentin oder bei der Zahlstelle abzugeben ist, fällig stellen, woraufhin seine Schuldverschreibungen sofort zu ihrem Rückzahlungsbetrag (wie in Punkt 5.2 definiert) und vorbehaltlich der in diesem Punkt 2. genannten aufschiebenden Bedingung ohne weitere Handlung und Formalitäten fällig werden, wenn die Emittentin in die Liquidation geht und abgewickelt oder aufgelöst wird (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem oder der die Emittentin noch zahlungsfähig ist und bei dem oder der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt). Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt gestellt werden.

Status of the Notes

Status of the Notes. The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as defined in clause 4.5), (ii) *pari passu* among themselves and with any Parity Obligations (as defined in clause 4.5) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law. In the event of liquidation, dissolution or insolvency, however not in the event of a reorganization, no payments on the Notes will be made for as long as (condition precedent) any claims from not subordinated and subordinated creditors (which expressly rank senior to the obligations resulting from the Notes) against the Issuer have not been completely satisfied. A Holder may declare his Notes due and payable by giving written notice to the Issuer, which notice may be given to the Issuer or the Paying Agent, meaning that his Notes become due and payable immediately at their Redemption Amount (as defined in clause 5.2), and subject to the condition precedent as provided for in this clause 2, without further action or formalities, if the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganization in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer). The rights of the Holders resulting from the Notes have not been secured, neither by the Issuer nor by a third party; such security will not be provided at any time in the future.

3. Aufrechnungsverbot

- 3.1 **Aufrechnungsverbot.** Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen mögliche Forderungen der Emittentin gegen sie aufzurechnen. Die Emittentin ist nicht berechtigt, mögliche Forderungen gegenüber Anleihegläubigern gegen Verpflichtungen aus den Schuldverschreibungen aufzurechnen.

No right to set-off

No right to set-off. The Holders may not set off any claims arising under the Notes against any claims that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Holder against obligations arising under the Notes.

4. Verzinsung

- 4.1 **Zinslauf.** Vorbehaltlich der nachstehenden Ausnahmen werden die Schuldverschreibungen ab und einschließlich dem 06.02.2020 (der "**Zinslaufbeginn**") bezogen auf den Gesamtnennbetrag in Höhe des jeweils maßgeblichen Zinssatzes (wie in Punkt 4.2 definiert) verzinst. Zinsen sind nachträglich am 06.02. eines jeden Jahres fällig und zahlbar, erstmals am 06.02.2021 (jeweils ein "**Zinszahlungstag**"), sofern die Emittentin nicht von ihrem Recht gemäß Punkt 4.3 (a) zur Aussetzung der Zinszahlung Gebrauch macht.

Interest

Interest accrual. Subject to the following exceptions, the Notes will bear interest on their Aggregate Principal Amount at the relevant Interest Rate (as defined in clause 4.2) from and including 6 February 2020 (the "**Interest Commencement Date**"). Interest will be due and payable (*fällig*) annually in arrear on 6 February in each year, commencing on 6 February 2021 (each an "**Interest Payment Date**"), provided that the Issuer does not exercise its right to suspend payment of interest pursuant to clause 4.3 (a).

4.2 Zinssatz.

Interest Rate.

- (a) Der "**Zinssatz**" entspricht

The "**Interest Rate**" will be

- (i) vom Zinslaufbeginn (einschließlich) bis zum 05.02.2025 (der "**Erste Rückzahlungstermin**") (ausschließlich) einem Fest-Zinssatz in Höhe von 5,375% per annum; und
- (ii) vom Ersten Rückzahlungstermin (einschließlich) dem Reset-Zinssatz (wie nachstehend definiert) per annum für die betreffende Zinsperiode.

- (i) from the Interest Commencement Date (inclusive) to 5 February 2025 (the "**First Call Date**") (exclusive) a fixed interest rate of 5.375% per annum; and
- (ii) from the First Call Date (inclusive) the Reset Interest Rate (as defined below) per annum for the relevant Interest Period.

- (b) Der "**Reset-Zinssatz**" ist der Referenzsatz für den betreffenden Reset-Zeitraum zuzüglich der Marge (wie untenstehend definiert) *per annum*, wie von der Berechnungsstelle festgelegt.

The "**Reset Interest Rate**" will be the Reference Rate for the relevant Reset Period plus the Margin (as defined below) per annum, as determined by the Calculation Agent.

"**Bildschirmseite**" bezeichnet die Reuters Bildschirmseite ICESWAP2 oder eine andere Seite von Reuters oder eine andere Informationsquelle als Nachfolger der Reuters Seite ICESWAP2 unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (auf dem solche Überschriften und Untertitel von Zeit zur Zeit erscheinen). Hat die Bildschirmseite dauerhaft aufgehört, den Ursprünglichen Benchmarksatz anzugeben, ist

"**Screen Page**" means Reuters Screen Page ICESWAP2 or such other page of Reuters or such other information service which is the successor to the Reuters Screen Page ICESWAP2 under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time). If the Screen Page permanently ceases to quote the Original Benchmark Rate but such quotation is availa-

diese Quotierung jedoch auf einer anderen von der Berechnungsstelle nach billigem Ermessen ausgewählten Bildschirmseite verfügbar (die "**Ersatzbildschirmseite**"), wird die Ersatzbildschirmseite zum Zweck der Festlegung des Ursprünglichen Benchmarksatzes eingesetzt.

Die "**Marge**" beträgt 10,641 Prozentpunkte (1.064,1 Basispunkte).*

* Die Marge entspricht dem ursprünglichen Credit Spread zuzüglich eines Step-ups von 500 Basispunkten.

"**Zinsperiode**" bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab einem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).

"**Zinsfestsetzungstag**" bezeichnet den zweiten Geschäftstag, der dem Beginn des maßgeblichen Reset-Zeitraums vorangeht.

"**Reset-Zeitraum**" bezeichnet jeden Zeitraum ab dem Ersten Rückzahlungstermin (einschließlich) bis zum nächstfolgenden Reset-Tag (ausschließlich) und nachfolgend ab jedem Reset-Tag (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Tag (ausschließlich).

"**Reset-Tag**" bezeichnet den Ersten Rückzahlungstermin und danach jeden fünften Jahrestag des jeweils unmittelbar vorangehenden Reset-Tages.

"**Zinstagequotient**" bedeutet im Hinblick auf die Berechnung des Zinsbetrages für eine beliebige Zinsperiode oder einen Teil davon (der "**Zinsberechnungszeitraum**") die tatsächliche Anzahl der Tage im relevanten Zeitraum ab dem letztvorangegangenen Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum relevanten Zahltag (ausschließlich) geteilt durch die Anzahl der Tage (365 oder 366) im Zeitraum vom letzten Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Emissionstag) (jeweils einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) (Actual/Actual (ICMA)).

- (c) **Feststellung des Referenzsatzes.** Die Berechnungsstelle bestimmt an jedem Zinsfestsetzungstag den betreffenden Referenzsatz nach

ble from another page selected by the Calculation Agent in its reasonable discretion (the "**Replacement Screen Page**"), the Replacement Screen Page must be used for the purpose of the calculation of the Original Benchmark Rate.

The "**Margin**" means 10.641 percentage points (1,064.1 basis points).*

* The Margin is equal to the original credit spread plus a step-up of 500 basis points.

"**Interest Period**" means each period from the Interest Commencement Date (inclusive) to the first Interest Payment Date (exclusive) and thereafter from each Interest Payment Date (inclusive) to the next following Interest Payment Date (exclusive).

"**Interest Determination Date**" means the second Business Day prior to the commencement of the relevant Reset Period.

"**Reset Period**" means each period from the First Call Date (inclusive) to the next following Reset Date (exclusive) and thereafter from each Reset Date (inclusive) to the next following Reset Date (exclusive).

"**Reset Date**" means the First Call Date and thereafter each fifth anniversary of the immediately preceding Reset Date.

"**Day Count Fraction**" (*Zinstagequotient*) means, in respect of the calculation of the Interest Amount for any Interest Period or any part thereof (the "**Calculation Period**"), the actual number of days in the relevant period from (and including) the most recent Interest Payment Date (or, in the absence of such date, from (and including) the Issue Date) and up to (but excluding) the relevant payment day divided by the number of days (365 or 366, as the case may be) in the period from (and including) the last Interest Payment Date (or, in the absence of such date, from (and including) the Issue Date) and up to (but excluding) the next following Interest Payment Date (Actual/Actual (ICMA)).

Determination of the Reference Rate. The Calculation Agent will determine the relevant Reference Rate in accordance with this clause

Maßgabe dieses Punktes 4.2(c).

Der "**Referenzsatz**" für einen Reset-Zeitraum wird von der Berechnungsstelle an dem betreffenden Zinsfestsetzungstag (wie oben definiert) vor dem Reset-Tag, an dem der betreffende Reset-Zeitraum beginnt (der "**Referenz-Reset-Termin**"), festgelegt und ist,

- (i) solange kein Benchmark-Ereignis eingetreten ist,
 - (a) der Ursprüngliche Benchmarksatz; oder
 - (b) falls eine für die Festlegung des Ursprünglichen Benchmarksatzes benötigte Information am betreffenden Zinsfestsetzungstag nicht auf der Bildschirmseite erscheint, der Referenzbankensatz an diesem Zinsfestsetzungstag.

Kann der Referenzbankensatz nicht gemäß der Definition dieses Begriffs bestimmt werden, aber ist kein Benchmark-Ereignis eingetreten, entspricht der jeweilige "Referenzsatz" dem festgelegten Ursprünglichen Benchmarksatz am vorangehenden Zinsfestsetzungstag; und

- (ii) wenn ein Benchmark-Ereignis eingetreten ist, wird der "Referenzsatz" für jeden Reset-Zeitraum, der an oder nach dem Stichtag (wie in Punkt 4.2(d)(viii) definiert) beginnt, gemäß Punkt 4.2(d) bestimmt.

"Ursprünglicher Benchmarksatz" bezeichnet den um 11:00 Uhr (Frankfurter Zeit) festgelegten, als jährlichen Prozentsatz ausgedrückten Swapsatz *per annum* für in Euro denominierter Swap-Transaktionen mit einer Laufzeit von 5 Jahren, der auf der Bildschirmseite am betreffenden Zinsfestsetzungstag gegen 11:00 Uhr (Frankfurter Zeit) angezeigt wird.

Der "**Referenzbankensatz**" ist der Prozentsatz, der auf Basis der 5-Jahres-Mid-Swapsatz-Quotierungen, die der Berechnungsstelle auf Ersuchen der Emittentin ungefähr um 11:00 Uhr (Frankfurter Zeit) von bis zu fünf führenden von der Emittentin ausgewählten Swap-

4.2(c) on each Interest Determination Date.

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Interest Determination Date (as defined above) prior to the Reset Date on which the relevant Reset Period commences (the "**Reference Reset Date**") and will be,

- (i) as long as no Benchmark Event has occurred,
 - (a) the Original Benchmark Rate; or
 - (b) in the event that any of the information required for the purposes of the determination of the Original Benchmark Rate does not appear on the Screen Page on the relevant Interest Determination Date, the Reference Bank Rate on that Interest Determination Date.

If the Reference Bank Rate cannot be determined pursuant to the definition of this term, but no Benchmark Event has occurred, the relevant "Reference Rate" shall be equal to the last Original Benchmark Rate determined on the preceding Interest Determination Date; and

- (ii) if a Benchmark Event has occurred, the "Reference Rate" for each Reset Period commencing on or after the Effective Date (as defined in clause 4.2(d)(viii)) will be determined in accordance with clause 4.2(d).

"Original Benchmark Rate" means the annual swap rate which is fixed at 11:00 a.m. (Frankfurt time) and is expressed as a percentage *per annum* for Euro denominated swap transactions with a maturity of 5 years which appears on the Screen Page on the relevant Interest Determination Date at or around 11:00 a.m. (Frankfurt time).

"Reference Bank Rate" means the percentage rate determined by the Calculation Agent on the basis of the 5-year Mid Swap Rate Quotations provided by up to five leading swap dealers in the interbank market selected by the Issuer (the "**Reset Reference Banks**") to the

Händlern im Interbankenhandel (die "**Reset-Referenzbanken**") gestellt werden, am Zinsfestsetzungstag von der Berechnungsstelle festgelegt wird. Wenn mindestens drei 5-Jahres-Mid-Swapsatz-Quotierungen genannt werden, wird der Referenzbankensatz das arithmetische Mittel der 5-Jahres-Mid-Swapsatz-Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen) sein. Falls nur zwei 5-Jahres-Mid-Swapsatz-Quotierungen zur Verfügung gestellt werden, ist der Referenzbankensatz das rechnerische Mittel der zur Verfügung gestellten Quotierungen. Falls nur eine 5-Jahres-Mid-Swapsatz-Quotierung zur Verfügung gestellt wird, ist der Referenzbankensatz gleich der zur Verfügung gestellten Quotierung. Dabei bezeichnet "**5-Jahres-Mid-Swapsatz-Quotierung**" das arithmetische Mittel der nachgefragten (*bid*) und angebotenen (*offered*) Prozentsätze für den jährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tage-Berechnungsbasis) einer fixed-for-floating Euro Zinsswap-Transaktion, (x) die eine 5-jährige Laufzeit hat und am betreffenden Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis).

(d) **Benchmark-Ereignis.** Wenn ein Benchmark-Ereignis in Bezug auf den Ursprünglichen Benchmarksatz (oder eine Teilkomponente davon) eintritt, gilt für die Bestimmung des betreffenden Referenzsatzes und den Reset des Zinssatzes gemäß diesem Punkt 4.2(d) Folgendes:

(i) Die Emittentin wird sich bemühen, sobald dies (nach billigem Ermessen der Emittentin) praktikabel ist, einen Unabhängigen Berater zu benennen, der einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen (gemäß Punkt 4.2(d)(v)) festlegt

Calculation Agent at the request of the Issuer at approximately 11.00 a.m. (Frankfurt time) on the Interest Determination Date. If at least three 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one 5-year Mid Swap Rate Quotation is provided, the Reference Bank Rate will be the quotation provided. For this purpose, "**5-year Mid Swap Rate Quotation**" means the arithmetic mean of the bid and offered rates for the annual fixed rate leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which transaction (x) has a term of 5 years and commencing on the relevant Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-months EURIBOR rate (calculated on an Actual/360 day count basis).

Benchmark Event. If a Benchmark Event has occurred in relation to the Original Benchmark Rate (or any component part thereof), the relevant Reference Rate and the reset of the Interest Rate in accordance with this clause 4.2(d) will be determined as follows:

(i) The Issuer shall endeavour to appoint an Independent Adviser as soon as it is (in the Issuer's reasonable discretion) practicable, who will determine a New Benchmark Rate, the Adjustment Spread and any Benchmark Amendments (in accordance with clause 4.2(d)(v)).

- | | |
|---|---|
| <p>(ii) Wenn vor dem betreffenden Zinsfestsetzungstag</p> <p>(a) es der Emittentin nicht gelingt, einen Unabhängigen Berater zu ernennen; oder</p> <p>(b) der ernannte Unabhängige Berater keinen Neuen Benchmarksatz gemäß diesem Punkt 4.2(d)(ii) festlegt,</p> | <p>(ii) If prior to the relevant Interest Determination Date,</p> <p>(a) the Issuer fails to appoint an Independent Adviser; or</p> <p>(b) the Independent Adviser appointed by it fails to determine a New Benchmark Rate in accordance with this clause 4.2(d)(ii),</p> |
|---|---|

dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Reset-Zeitraum dem an dem letzten zurückliegenden Zinsfestsetzungstag festgestellten Ursprünglichen Benchmarksatz.

then the "Reference Rate" applicable to the immediately following Reset Period shall be the Original Benchmark Rate determined on the last preceding Interest Determination Date.

Falls dieser Punkt 4.2(d)(ii) bereits im Hinblick auf den Ersten Reset-Termin angewendet werden muss, entspricht der "Referenzsatz" für den ersten Reset-Zeitraum dem Ursprünglichen Benchmarksatz auf der Reset-Bildschirmseite an dem letzten Tag vor dem Zinsfestsetzungstag, an dem dieser Ursprüngliche Benchmarksatz angezeigt wurde.

If this clause 4.2(d)(ii) is to be applied in respect of the First Reset Date, the "Reference Rate" applicable to the first Reset Period shall be the Original Benchmark Rate on the Reset Screen Page on the last day preceding the Interest Determination Date on which such Original Benchmark Rate was displayed.

Falls der gemäß diesem Punkt 4.2(d)(ii) bestimmte Ausweichsatz zur Anwendung kommt, wird Punkt 4.2(d) erneut angewendet, um den Referenzsatz für den nächsten nachfolgenden Reset-Zeitraum zu bestimmen.

If the fallback rate determined in accordance with this clause 4.2(d)(ii) is to be applied, clause 4.2(d) will be operated again to determine the Reference Rate applicable to the next subsequent Reset Period.

- | | |
|--|---|
| <p>(iii) <i>Nachfolge-Benchmarksatz oder Alternativ-Benchmarksatz.</i> Falls der Unabhängige Berater nach billigem Ermessen feststellt,</p> <p>(a) dass es einen Nachfolge-Benchmarksatz gibt, dann ist dieser Nachfolge-Benchmarksatz anstelle des Ursprünglichen Benchmarksatzes maßgeblich; oder</p> <p>(b) dass es keinen Nachfolge-Benchmarksatz aber einen Alternativ-Benchmarksatz gibt, dann ist dieser Alternativ-Benchmarksatz an Stelle des Ursprünglichen Benchmarksatzes maßgeblich</p> | <p>(iii) <i>Successor Benchmark Rate or Alternative Benchmark Rate.</i> If the Independent Adviser determines in its reasonable discretion that:</p> <p>(a) there is a Successor Benchmark Rate, then such Successor Benchmark Rate shall subsequently be used in place of the Original Benchmark Rate; or</p> <p>(b) there is no Successor Benchmark Rate but that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be used</p> |
|--|---|

und dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Re-

and then the "Reference Rate" for the immediately following Reset Period and

set-Zeitraum und alle folgenden Reset-Zeiträume dem betreffenden Neuen Benchmarksatz an dem betreffenden Zinsfestsetzungstag zuzüglich der Anpassungsmarge gemäß Punkt 4.2(d)(iv).

(iv) *Anpassungsmarge.* Die Anpassungsmarge (oder die Formel oder die Methode zur Bestimmung der Anpassungsmarge) wird auf den Neuen Benchmarksatz angewendet, um den betreffenden Referenzsatz zu bestimmen.

(v) *Benchmark-Änderungen.* Wenn ein Neuer Benchmarksatz und die entsprechende Anpassungsmarge gemäß diesem Punkt 4.2(d) festgelegt werden, und wenn der Unabhängige Berater feststellt, dass Änderungen hinsichtlich dieser Anleihebedingungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die Benchmark-Änderungen feststellen und die Emittentin wird diese durch eine Mitteilung gemäß Punkt 4.2(d)(vi) bekanntmachen.

Diese Benchmark-Änderungen können insbesondere folgende Regelungen in diesen Anleihebedingungen erfassen:

(A) den Referenzsatz einschließlich der "Bildschirmseite" und/oder die Methode zur Bestimmung des Ausweichsatzes (sog. *fallback*) für den Referenzsatz einschließlich des Referenzbankensatzes; und/oder

(B) die Definitionen der Begriffe "Geschäftstag", "Zinszahlungstag", "Reset-Termin", "Zinsfestsetzungstag", "Zinstagequotient" und/oder "Zinsperiode" (einschließlich der Festlegung ob der Referenzsatz vorausschauend vor oder zu Beginn der betreffenden Zinsperiode oder zurückblickend vor oder zum Ablauf der betreffenden Zinsperiode bestimmt wird); und/oder

all following Reset Periods will be the relevant New Benchmark Rate on the relevant Interest Determination Date plus the Adjustment Spread as provided in clause 4.2(d)(iv).

(iv) *Adjustment Spread.* The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the New Benchmark Rate to determine the relevant Reference Rate.

(v) *Benchmark Amendments.* If any New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this clause 4.2(d), and if the Independent Adviser determines that amendments to these Terms and Conditions are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments and the Issuer will give notice thereof in accordance with clause 4.2(d)(vi).

The Benchmark Amendments may comprise in particular the following conditions of these Terms and Conditions:

(A) the Reference Rate including the "Screen Page" and/or the method for determining the fallback rate in relation to the Reference Rate, including the Reference Bank Rate; and/or

(B) the definitions of the terms "Business Day", "Interest Payment Date", "Reset Date", "Interest Determination Date", "Day Count Fraction" and/or "Interest Period" (including the determination whether the Reference Rate will be determined in advance on or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or

(C) die Geschäftstagekonvention gemäß Punkt 6.2.

(vi) *Mitteilungen, etc.* Die Emittentin hat einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen gemäß diesem Punkt 4.2(d) der Zahlstelle und der Berechnungsstelle sowie gemäß Punkt 12. den Anleihegläubigern ohne schuldhaftes Verzögerung nach deren Festsetzung mitzuteilen. Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen.

Der Neue Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen, die jeweils in der Mitteilung benannt werden, sind für die Emittentin, die Berechnungsstelle, die Zahlstelle, eventuelle weitere Zahlstellen und die Anleihegläubiger bindend. Die Anleihebedingungen gelten ab dem Stichtag als durch den Neuen Benchmarksatz, die Anpassungsmarge und die etwaigen Benchmark-Änderungen geändert.

Am Tag dieser Mitteilung hat die Emittentin der Zahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu übergeben, die

(a)

- (A) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;
- (B) den nach Maßgabe der Bestimmungen dieses Punktes 4.2(d) festgestellten Neuen Benchmarksatz benennt;
- (C) die entsprechende Anpassungsmarge und etwaige Benchmark-Änderungen benennt, die jeweils nach Maßgabe der Bestimmungen dieses Punktes 4.2(d) festgestellt wurden; und
- (D) den Stichtag benennt; und

(C) the business day convention in clause 6.2.

(vi) *Notices, etc.* The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this clause 4.2(d) to the Paying Agent and the Calculation Agent and, in accordance with clause 12., the Holders without undue delay following the determination thereof. Such notice shall be irrevocable and shall specify the Effective Date.

The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any), each as specified in such notice, will be binding on the Issuer, the Calculation Agent, the Paying Agent, any additional paying agents and the Holders. The Terms and Conditions shall be deemed to have been amended by the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, with effect from the Effective Date.

On the date of such notice, the Issuer shall deliver to the Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer

(a)

- (A) confirming that a Benchmark Event has occurred;
- (B) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this clause 4.2(d);
- (C) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any), each as determined in accordance with the provisions of this clause 4.2(d); and
- (D) specifying the Effective

Date; and

- (b) bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten.
- (vii) *Definitionen.* Zur Verwendung in diesem Punkt 4.2(d):
- Die "**Anpassungsmarge**", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (a) die Spanne oder (b) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne,
- (A) die im Fall eines Nachfolge-Benchmarksatzes formell im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge-Benchmarksatz von dem Nominierungsgremium empfohlen wird; oder
- (B) die (sofern keine Empfehlung abgegeben wurde oder im Fall eines Alternativ-Benchmarksatzes) an den internationalen Anleihekapitalmärkten (oder, falls diese nicht verfügbar sind, an den internationalen Swapmärkten) auf den Neuen Benchmarksatz (oder eine Teilkomponente davon) angewendet wird, um einen industrieweit akzeptierten Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen,
- (b) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of such relevant New Benchmark Rate and the applicable Adjustment Spread.
- (vii) *Definitions.* As used in this clause 4.2(d):
- The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either (a) the spread or (b) the result of the operation of the formula or methodology for calculating the spread,
- (A) which in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or
- (B) which (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate) is applied to the New Benchmark Rate (or any component part thereof) in the international debt capital markets (or, failing that, the international swap markets) to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate,

unter der Voraussetzung, dass sämtliche Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden, und, soweit dies unter den gegebenen Umständen vernünftigerweise durchführbar ist, alle wirtschaftlichen Nachteile oder Vorteile (je nach Fall) für die Anleihegläubiger infolge der Ersetzung verringern oder be-

provided that all determinations will be made by the Independent Adviser in its reasonable discretion and will reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Holders as a result of the replacement.

seitigen.

"Alternativ-Benchmarksatz" bezeichnet eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen Anleihekapitalmärkten (oder, falls diese nicht verfügbar sind, an den internationalen Swapmärkten) zur Bestimmung von Zinssätzen bzw. Mid-Swap-Sätzen in Euro angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater vorgenommen werden.

Ein **"Benchmark-Ereignis"** tritt ein, wenn:

- (A) der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht mehr regelmäßig veröffentlicht oder nicht mehr erstellt wird; oder
- (B) eine öffentliche Bekanntmachung des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dahingehend vorliegt, dass dieser die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird (in Fällen in denen kein Nachfolgeadministrator ernannt worden ist, der die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vornehmen wird); oder
- (C) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, dass der Ursprüngliche Benchmarksatz (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit nicht mehr fortgeführt wird oder fortgeführt werden wird; oder
- (D) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Admi-

"Alternative Benchmark Rate" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, failing that, the international swap markets) for the purpose of determining rates of interest or mid swap rates, respectively in EUR, provided that all determinations will be made by the Independent Adviser.

A **"Benchmark Event"** occurs if:

- (A) the Original Benchmark Rate (or any component part thereof) ceasing to be published on a regular basis or ceasing to exist; or
- (B) a public statement by the administrator of the Original Benchmark Rate (or any component part thereof) is made that it has ceased or that it will cease publishing the Original Benchmark Rate (or any component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate (or any component part thereof)); or
- (C) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made, that the Original Benchmark Rate (or any component part thereof) has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the

nistrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, wonach der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) allgemein oder in Bezug auf die Schuldverschreibungen nicht mehr verwendet wird oder verwendet werden darf,

- (E) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon), in deren Folge der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht länger als repräsentativ für einen industrieweit akzeptierten Benchmarksatz abgegeben wird; oder
- (F) die Verwendung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) zur Berechnung oder Bestimmung des Referenzsatzes für die Zahlstellen, die Berechnungsstelle, die Emittentin oder jeden Dritten rechtswidrig geworden ist; oder

"Nachfolge-Benchmarksatz" bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch das Nominierungsgremium empfohlen wurde.

"Neuer Benchmarksatz" bezeichnet den jeweils gemäß diesem Punkt 4.2(d) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"Nominierungsgremium" bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon):

- (A) die Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators der

Original Benchmark Rate (or any component part thereof) is made as a consequence of which the Original Benchmark Rate (or any component part thereof) has been or will be prohibited from being used either generally, or in respect of the Notes; or

- (E) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made as a consequence of which the Original Benchmark Rate (or any component part thereof) has ceased or will cease to be representative as an industry accepted benchmark rate; or
- (F) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate or determine any Reference Rate using the Original Benchmark Rate (or any component part thereof).

"Successor Benchmark Rate" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

"New Benchmark Rate" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this clause 4.2(d)

"Relevant Nominating Body" means, in respect of the replacement of the Original Benchmark Rate (or any component part thereof):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of

Benchmark oder des Bildschirmsatzes zuständig ist; oder

- (B) jede Arbeitsgruppe oder jeden Ausschuss gefördert durch, geführt oder mitgeführt von oder gebildet von (a) der Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (*Financial Stability Board*) oder Teilen davon.

"Unabhängiger Berater" bezeichnet ein von der Emittentin ernanntes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in internationalen Kapitalmärkten.

- (viii) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsmarge und der etwaigen Benchmark-Änderungen gemäß diesem Punkt 4.2(d) (der "**Stichtag**") ist der Zinsfestsetzungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

- (A) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis aufgrund des Absatzes (A) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder
- (B) den Tag, ab dem die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) eingestellt wird, oder ab dem der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) eingestellt wird, seine Verwendung untersagt wird, oder nicht länger als repräsentativ angesehen wird, wenn das Benchmark-Ereignis

the benchmark or screen rate (as applicable); or

- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer.

- (viii) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this clause 4.2(d) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

- (A) if the Benchmark Event has occurred as a result of clause (A) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event; or
- (B) if the Benchmark Event has occurred as a result of clause (B), (C), (D) or (E) of the definition of the term "Benchmark Event", the date from which the Original Benchmark Rate (or any component part thereof) ceases to be published, is discontinued, will be prohibited from being used or ceases to be representative, as the

aufgrund der Absätze (B), (C), (D) oder (E) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

case may be; or

- (C) den Tag, ab dem der Ursprüngliche Benchmarksatz nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund des Absatzes (F) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

- (C) if the Benchmark Event has occurred as a result of clause (F) of the definition of the term "Benchmark Event", the date from which the prohibition applies.

- (e) Der Zinssatz erhöht sich ab dem Kalendertag, der 61 Tage nach dem Eintritt eines Kontrollwechsels (wie in Punkt 5.5 (b) definiert) liegt (einschließlich) um 5,0 Prozentpunkte (d.h. 500 Basispunkte) per annum.

The Interest Rate will be increased by 5 percentage points (500 basis points) per annum from the day (inclusive) falling 61 days after the day on which a Change of Control (as defined in clause 5.5 (b)) has occurred.

- (f) Die Berechnungsstelle wird veranlassen, dass der Reset-Zinssatz und der Zinsbetrag für die jeweilige Zinsperiode der Emittentin und der Wiener Börse sowie den Anleihegläubigern durch Bekanntmachung gemäß Punkt 12. baldmöglichst, aber keinesfalls später als zu Beginn der maßgeblichen nächstfolgenden Zinsperiode, auf die sich diese Bekanntmachung bezieht, bekannt gemacht wird. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode kann der mitgeteilte Zinsbetrag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend der Wiener Börse sowie den Anleihegläubigern gemäß Punkt 12. bekannt gemacht.

The Calculation Agent will arrange for the Reset Interest Rate and each Interest Amount for each Interest Period to be notified to the Issuer and the Vienna Stock Exchange as well as to the Holders by notice in accordance with clause 12 as soon as possible, but in no event later than at the beginning of the immediately following Interest Period to which this notice relates. In the event of an extension or shortening of the Interest Period the notified Interest Amount may subsequently be amended (or appropriate alternative arrangements may be made by way of adjustment) without notice. Any such amendment will be promptly notified to the Vienna Stock Exchange as well as to the Holders in accordance with clause 12.

- (g) Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses Punktes 4.2 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Zahlstelle und die Anleihegläubiger bindend.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this clause 4.2 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Paying Agent and the Holders.

4.3 **Zahlung und Aufschub von Zinsen.**

Payment and deferral of interest

- (a) **Optionale Zahlung von Zinsen.** Vorbehaltlich der Punkte 4.3 (b) und 4.4 (b) hat die Emittentin keine Verpflichtung zur Zahlung von Zinsen, die während einer Zinsperiode auflaufen, die an einem Optionalen Zinszahlungstag (wie nachstehend definiert) endet; eine Nichtzahlung begründet keinen Verzug der Emittentin

Optional payment of interest. Subject to clauses 4.3 (b) and 4.4 (b), the Issuer shall have no obligation to pay interest which accrues during an Interest Period ending on an Optional Interest Payment Date (as defined below) if it does not elect to do so; any such failure to pay interest shall not constitute a default of the Issuer or

und keine sonstige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke. Soweit sich die Emittentin entscheidet die Zinsen nicht zu zahlen, die während einer Zinsperiode auflaufen, die an einem Optionalen Zinszahlungstag endet, hat die Emittentin dies den Anleihegläubigern gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Optionalen Zinszahlungstag bekannt zu machen.

Eine solche Bekanntmachung ist unwiderruflich. Die nicht gezahlten Zinsen stellen Zinsrückstände (jeweils ein "**Zinsrückstand**") dar. Zinsrückstände werden nicht verzinst.

- (b) **Obligatorische Zahlung von Zinsen.** Die Emittentin ist verpflichtet, Zinsen, die während einer Zinsperiode auflaufen, die an einem Obligatorischen Zinszahlungstag (wie nachstehend definiert) (ausschließlich) endet, an dem betreffenden Obligatorischen Zinszahlungstag zu zahlen.

4.4 **Zahlung von Zinsrückständen.**

- (a) **Optionale Zahlung von Zinsrückständen.** Die Emittentin kann ausstehende Zinsrückstände jederzeit ganz oder teilweise nachzahlen. Soweit sich die Emittentin entscheidet, Zinsrückstände demgemäß nachzuzahlen, hat sie dies den Anleihegläubigern durch Bekanntmachung gemäß Punkt 12. bei Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem in der Bekanntmachung festgelegten Zahlungstag mitzuteilen. Die Bekanntmachung muss den Betrag der zahlbaren Zinsrückstände je Schuldverschreibung nennen. Eine solche Bekanntmachung ist unwiderruflich und verpflichtet die Emittentin, die betreffenden Zinsrückstände an dem in dieser Bekanntmachung festgelegten Zahlungstag zu zahlen.

- (b) **Obligatorische Zahlung von Zinsrückständen.** Die Emittentin ist verpflichtet ausstehende Zinsrückstände (ganz, jedoch nicht nur teilweise) zu zahlen (maßgebend ist das früheste Ereignis):

- (i) am nächsten Zinszahlungstag, an dem sich die Emittentin entschließt, gemäß Punkt 4.3 (a) Zinsen (ganz oder teilweise) zu

any other breach of obligations under the Notes or for any other purpose. If the Issuer decides not to pay interest which accrues during an Interest Period ending on an Optional Interest Payment Date the Issuer shall notify the Holders by giving not less than 10 and not more than 15 Business Days' notice in accordance with clause 12 prior to the Optional Interest Payment Date.

Such notice will be irrevocable. Any such unpaid interest shall constitute arrears of interest (each an "**Arrear of Interest**"). Arrears of Interest shall not bear interest.

Compulsory payment of interest. The Issuer shall pay interest which accrues during an Interest Period ending on a Compulsory Interest Payment Date (as defined below) (exclusive) on that Compulsory Interest Payment Date.

Payment of Arrears of Interest.

Optional payment of Arrears of Interest. The Issuer may pay outstanding Arrears of Interest (in whole or in part) at any time. If the Issuer decides to so pay any outstanding Arrears of Interest, it shall give not less than 10 and not more than 15 Business Days' notice prior to the payment date to be specified in such notice to the Holders in accordance with clause 12. The Notice shall state the amount of Arrears of Interest to be paid per Note. Such notice will be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in that notice.

Compulsory payment of Arrears of Interest. The Issuer must pay outstanding Arrears of Interest (in whole but not in part) on the earlier of:

- (i) the next Interest Payment Date on which the Issuer elects to pay interest (in whole

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| zahlen; | or in part) pursuant to clause 4.3 (a); |
| (ii) am nächsten Obligatorischen Zinszahlungstag; | (ii) the next Compulsory Interest Payment Date; |
| (iii) an dem Tag, an dem die Schuldverschreibungen gemäß Punkt 5. zur Rückzahlung fällig werden; und | (iii) the date on which the Notes fall due for redemption pursuant to clause 5; and |
| (iv) an dem Tag, an dem die Emittentin in die Liquidation geht und abgewickelt oder aufgelöst wird (sofern dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht, bei dem oder der die Emittentin noch zahlungsfähig ist und bei dem oder der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt). | (iv) the date on which the Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganization in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer). |

4.5 **Definitionen.**

"Geschäftstag" ist ein Tag, der ein Bankarbeitstag in Wien ist und an dem das Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System und die Clearingsysteme Zahlungen in Euro abwickeln.

"Obligatorischer Zinszahlungstag" bedeutet jeder Zinszahlungstag, an dem eine Dividende, Verzinsung, andere Ausschüttung oder Zahlung (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs) in Bezug auf Nachrangige Wertpapiere oder Gleichrangige Wertpapiere (wie nachstehend definiert) bei denen die Zahlung von Dividenden, Verzinsungen, anderen Ausschüttungen oder Zahlungen (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs) innerhalb von 12 Monaten unmittelbar vor einem solchen Zinszahlungstag im alleinigen Ermessen der Emittentin steht, gültig beschlossen oder bezahlt wurde, ausgenommen solche Zahlungen von Dividenden, Verzinsungen, anderen Ausschüttungen oder Zahlungen (einschließlich zum Zweck der Rückzahlung oder des Rückkaufs), die von einer Konzerngesellschaft der Emittentin an die Emittentin und/oder an eine andere Konzerngesellschaft der Emittentin erfolgen.

"Nachrangige Wertpapiere" bezeichnet jeden Anspruch aus (i) den Stammaktien der Emittentin, (ii) jeder gegenwärtigen oder zu-

Definitions.

"Business Day" means a day which is a banking day in Vienna and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET2**") System and the Clearing Systems settle payments in euro.

"Compulsory Interest Payment Date" means any Interest Payment Date on which any dividend, interest, other distributions or payment (including for the purpose of repayment or repurchase) in respect of any Junior Obligations or Parity Obligations (as defined below) where the payment of dividends, interest, other distributions or payments is at the discretion of the Issuer since the last 12 months immediately preceding such Interest Payment Date, has been validly resolved or paid, except for such payments of dividends, interest, other distributions or payments (including for the purpose of repayment or repurchase) made by a Group Entity of the Issuer to the Issuer and/or to any other Group Entity of the Issuer.

"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other

künftigen Aktie einer anderen Gattung von Aktien der Emittentin, (iii) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder andere Instrument (x) der Emittentin, welches im Verhältnis zu den Schuldverschreibungen nachrangig (oder als im Rang nachstehend bezeichnet wird) ist oder (y) einer Konzerngesellschaft unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im Verhältnis zu den Schuldverschreibungen nachrangig (oder als im Rang nachrangig bezeichnet wird) ist, sowie (iv) die ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0).

"Optionaler Zinszahlungstag" ist jeder Zinszahlungstag, der kein Obligatorischer Zinszahlungstag ist.

"Gleichrangige Wertpapiere" bezeichnet gegenwärtige oder zukünftige Wertpapiere oder jedes andere Instrument (i) der Emittentin, die im Rang gleichrangig mit den Schuldverschreibungen stehen (oder als im Rang gleichrangig bezeichnet werden), inklusive aber nicht begrenzt auf die Hybridanleihe 2014 (ISIN AT0000A19Y36) oder die Hybridanleihe 2017 (ISIN XS166774014) oder (ii) einer Konzerngesellschaft unter einer Garantie oder sonstigen Haftungsübernahme der Emittentin, sofern die Wertpapieremission oder die Garantie oder sonstige Haftungsübernahme im gleichen Rang mit den Schuldverschreibungen (oder als im gleichen Rang stehend bezeichnet wird) steht.

4.6 **Ende der Verzinsung und Verzugszinsen.** Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden, oder, sollte die Emittentin die bei Fälligkeit aus diesen Schuldverschreibungen zu leistende Rückzahlung bei Fälligkeit nicht leisten, mit Beginn des Tages der tatsächlichen Zahlung. Der im Falle eines solchen Verzuges anzuwendende Zinssatz entspricht dem gesetzlichen Verzugszinssatz.

5. **Keine Fälligkeit, Rückzahlung und Rückkauf**

5.1 **Keine Endfälligkeit.** Die Schuldverschreibungen haben keinen Endfälligkeitstag und werden, außer nach Maßgabe der Bedingungen in den Punkten 5.2 bis 5.7 (sofern die Emittentin nicht in die Liquidation geht und nicht abgewi-

class of shares of the Issuer, (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes, as well as (iv) the ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0).

"Optional Interest Payment Date" means any Interest Payment Date which is not a Compulsory Interest Payment Date.

"Parity Obligations" means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) *pari passu* with the Notes, including but not limited to the hybrid bond issued in 2014 (ISIN AT0000A19Y36) or the hybrid bond issued in 2017 (ISIN XS 155774014) or (ii) of any of its Group Entities under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) *pari passu* with the Notes.

Cessation of interest and default interest. Interest on the Notes shall cease to accrue from the beginning of the day they are due for redemption, or, in case the Issuer fails to make the relevant redemption payment under the Notes when due, from the beginning of the day on which such payment is made. In case of such failure to pay (*Verzug*), the respective interest rate shall be equal to the statutory applicable default interest rate.

No Maturity, Redemption and Repurchase

No final maturity. The Notes have no final maturity date and shall not be redeemed except in accordance with the provisions set out in clauses 5.2 to 5.7 (provided the Issuer does not enter into liquidation and is not settled or dis-

ckelt oder aufgelöst wird, wie in Punkt 2.1 beschrieben), nicht zurückgezahlt.

solved, as described in Clause 2.1).

- 5.2 **Rückzahlung nach Wahl der Emittentin.** Die Emittentin ist berechtigt, durch unwiderrufliche Bekanntmachung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen die Schuldverschreibungen zu ihrem Nennbetrag (vollständig, jedoch nicht nur teilweise) mit Wirkung zum Ersten Rückzahlungstermin und zu jedem nachfolgenden Zinszahlungstag zu kündigen.

Redemption at the option of the Issuer. The Issuer shall be entitled, upon giving not less than 30 and not more than 60 days' irrevocable notice to the Holders in accordance with clause 12, to call and redeem the Notes at their principal amount (in whole but not in part) with effect as of the First Call Date and any subsequent Interest Payment Date.

Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen zu ihrem Nennbetrag an dem in der Kündigungserklärung festgelegten Rückzahlungstag zuzüglich der bis zu diesem Tag (ausschließlich) aufgelaufenen Zinsen (der "**Rückzahlungsbetrag**") zurückzuzahlen.

In case such call notice is given, the Issuer shall redeem the Notes at their principal amount on the date fixed for redemption in the call notice plus any interest accrued to such date (exclusive) (the "**Redemption Amount**").

Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.2 nicht zu, soweit Zinsrückstände ausstehen.

The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.2 if any Arrears of Interest are outstanding.

- 5.3 **Kündigungsrecht der Emittentin und vorzeitige Rückzahlung aus einem Gross-Up Ereignis, Steuer- oder Rechnungslegungsgründen.**

Issuer Call Right and Early Redemption due to a Gross up Event, a Tax Event or an Accounting Event.

- (a) Bei Eintritt eines Gross-up Ereignisses, eines Rechnungslegungsereignisses oder eines Steuerereignisses (wie jeweils nachstehend definiert) vor dem Ersten Rückzahlungstermin, ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (insgesamt, jedoch nicht teilweise) zum Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zu kündigen und zurückzuzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.3 nicht zu, soweit Zinsrückstände ausstehen.

If prior to the First Call Date, either a Gross-Up Event, a Tax Event or an Accounting Event (as defined below) occurs, the Issuer may call and redeem the Notes (in whole but not in part) at their Early Redemption Amount (as defined below). The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.3 if any Arrears of Interest are outstanding.

- (b) Ein "**Gross-Up Ereignis**" liegt vor, wenn (i) die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß Punkt 7. als Folge einer Änderung oder Ergänzung der Gesetze (oder von aufgrund dieser Gesetze erlassener Bestimmungen oder Vorschriften) der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden der oder in der Republik Österreich oder einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung solcher Gesetze, Verordnungen oder Vorschriften zu zahlen, soweit die betreffende

A "**Gross up Event**" shall occur if (i) the Issuer has or will become obliged to pay Additional Amounts pursuant to clause 7 as a result of any change in, or amendment to, the laws (or any rules or regulations issued thereunder) of the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria or any change in, or amendment to, any official interpretation or application of those laws or rules or regulations which amendment or change or execution becomes effective on or after the Issue Date, and (ii) that

Änderung oder Ergänzung oder Durchführung am oder nach dem Emissionstag wirksam wird und (ii) die Emittentin diese Verpflichtung nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.

obligation cannot be avoided by the Issuer, taking reasonable measures available to it.

Im Fall eines Gross-Up Ereignisses kann die Emittentin die Schuldverschreibungen wie folgt kündigen:

In case of a Gross up Event, the Issuer may call the Notes by:

- (i) Bekanntmachung einer Kündigungsmittteilung gemäß Punkt 12., nicht früher als 90 Tage vor dem ersten Tag, an dem die Emittentin erstmals verpflichtet wäre, die jeweiligen zusätzlichen Beträge gemäß Punkt 7. auf die Schuldverschreibungen zu zahlen; und
 - (ii) vor Abgabe einer solchen Kündigungsmittteilung Übermittlung an die Zahlstelle:
 - (x) eines Gutachtens eines unabhängigen und angesehenen Rechtsanwaltes, der zumindest seit 5 Jahren in die Liste der Österreichischen Rechtsanwaltskammer eingetragen ist und als solcher praktiziert, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden zusätzlichen Beträge als Folge einer entsprechenden Änderung im Gesetz zu zahlen, und
 - (y) einer von ordnungsgemäß bevollmächtigten Vertretern der Emittentin unterzeichneten Bescheinigung, die bestätigt, dass die Emittentin berechtigt ist, die maßgebliche Rückzahlung vorzunehmen, und aus der die Tatsachen hervorgehen, auf deren Grundlage die Voraussetzungen für das Rückzahlungsrecht der Emittentin eingetreten sind.
 - (c) Im Falle eines Steuerereignisses oder Rechnungslegungsereignisses ist die Emittentin berechtigt, jederzeit durch Bekanntmachung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen, die Schuldverschreibungen (vollständig, jedoch nicht nur teilweise) zu kündigen. Falls solch eine Kündigung bekannt gemacht wird, ist die Emittentin berechtigt, die Schuldverschreibungen zum vereinbarten Datum in der Kündigungsbe-
- (i) giving a notice of redemption to the Holders in accordance with clause 12 not earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to clause 7 on the Notes; and
 - (ii) delivering, prior to giving any such notice of redemption, to the Paying Agent:
 - (x) an opinion of an independent legal advisor of recognised standing, who has been registered in the list of the Austrian Chamber of Attorneys at Law for a minimum of 5 years and practicing as such, to the effect that the Issuer has or will become obliged to pay the relevant Additional Amounts as a result of the relevant change in law; and
 - (y) a certificate signed by duly authorized representatives of the Issuer stating that the Issuer is entitled to effect such redemptions and setting out a statement of facts showing that the conditions precedent to the exercise of the right of the Issuer to redeem have been satisfied.
- In case of a Tax Event or an Accounting Event, the Issuer may, upon giving not less than 30 nor more than 60 days' notice to the Holders in accordance with clause 12, call the Notes (in whole but not in part) at any time. In case such call notice is given, the Issuer shall redeem the Notes on the date fixed for redemption in the call notice at their Early Redemption Amount (as defined below).

kanntmachung für die Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zurückzuzahlen.

(d) Ein "**Steuerereignis**" liegt vor, wenn

(i) ein Gutachten eines angesehenen unabhängigen Steuerberaters der Zahlstelle übergeben wird, aus dem hervorgeht, dass am oder nach dem Emissionstag, als Folge von:

(x) einer Änderung oder Ergänzung der Gesetze (oder von aufgrund dieser Gesetze erlassener Bestimmungen oder Vorschriften) der Republik Österreich oder einer ihrer Gebietskörperschaften oder Steuerbehörden, die an oder nach dem Emissionstag erlassen, verkündet oder wirksam wird; oder

(y) einer Änderung oder Ergänzung der offiziellen Auslegung solcher Gesetze oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), die an oder nach dem Emissionstag erlassen, verkündet oder wirksam wird, oder

(z) einer allgemein anwendbaren offiziellen Auslegung oder Verkündung, die an oder nach dem Emissionstag erlassen oder verkündet wird, und nach der die Rechtslage im Hinblick auf diese Gesetze oder Vorschriften von der früheren allgemein anerkannten Rechtslage abweicht,

Vergütungen, die von der Emittentin in Bezug auf die Schuldverschreibungen zahlbar sind, von der Emittentin für die Zwecke der österreichischen Ertragssteuern (insbesondere für Zwecke der Körperschaftsteuer) nicht mehr in mindestens demselben Umfang wie bei der Begebung der Schuldverschreibungen abzugsfähig sind, bzw. innerhalb von 90 Tagen nach dem Datum dieses Gutachtens nicht mehr abzugsfähig sein werden; und

A "**Tax Event**" shall occur if

(i) an opinion by an independent tax counsel of recognized standing is delivered to the Paying Agent, stating that on or after the Issue Date, as a result of:

(x) any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Republic of Austria or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or effective on or after the Issue Date; or

(y) any change in, or amendment to, an official interpretation of any such laws or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or effective on or after the Issue Date; or

(z) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

remuneration payable by the Issuer on the Notes is no longer, or within 90 days of the date of that opinion will no longer be, deductible by the Issuer for Austrian taxes on earnings (including corporate income tax) to at least the same degree as upon issue of the Notes; and

- (ii) die Emittentin dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.
- (e) Ein "**Rechnungslegungsereignis**" liegt vor, wenn der Zahlstelle ein Gutachten einer international anerkannten zur Wirtschaftsprüfung in der Republik Österreich befugten Wirtschaftsprüfungsgesellschaft übergeben worden ist, aus dem hervorgeht, dass die Emittentin die durch die Ausgabe der Schuldverschreibungen aufgenommenen Mittel nicht oder nicht mehr als "Eigenkapital" im Sinne der International Financial Reporting Standards, wie sie in der EU oder in der Republik Österreich anzuwenden sind ("**IFRS**"), oder derjenigen Rechnungslegungsvorschriften die IFRS nachfolgen und welche die Emittentin zur Erstellung ihres Konzernjahresabschlusses für das jeweilige Geschäftsjahr anwendet, in einem Konzernjahresabschluss der Emittentin auszuweisen berechtigt ist.
- ii) such risk cannot be avoided by the Issuer taking reasonable measures available to it.
- An "**Accounting Event**" shall occur if an opinion of an internationally recognized accounting firm authorised to provide auditing services in the Republic of Austria has been delivered to the Paying Agent stating that the funds raised through the issuance of the Notes must not or must no longer be recorded as "equity" pursuant to the International Financial Reporting Standards, as applicable in the EU or in the Republic of Austria ("**IFRS**"), or such other accounting standards which succeed IFRS and are applied by the Issuer for drawing up its consolidated financial statements for the relevant financial year.

5.4 *Definitionen.*

Der "**Vorzeitige Rückzahlungsbetrag**" je Schuldverschreibung (i) entspricht im Falle eines Gross-Up Ereignisses, dem Nennbetrag der Schuldverschreibungen zuzüglich den aufgelaufenen Zinsen bis zum Datum der Rückzahlung oder (ii) wird im Falle eines Steuerereignisses oder Rechnungslegungsereignisses berechnet als das Höhere von (x) dem Nennbetrag der Schuldverschreibungen und (y) dem Abgezinsten Marktpreis der Schuldverschreibungen, in jedem Fall zuzüglich der aufgelaufenen Zinsen zum, aber nicht inklusive dem Rückzahlungsdatum.

Der "**Abgezinsten Marktpreis**" wird von einem Finanzberater (wie nachstehend definiert) errechnet und entspricht der Summe der auf den in der Kündigungserklärung festgelegten Rückzahlungstag Abgezinsten Werte (wie nachstehend definiert) (i) des Nennbetrages der Schuldverschreibungen und (ii) der verbleibenden vorgesehenen Zinszahlungen je Schuldverschreibung bis zum Ersten Rückzahlungstermin (ausschließlich).

Ein Finanzberater (wie nachstehend definiert) ermittelt die "**Abgezinsten Werte**", indem er am 4. Geschäftstag vor dem Rückzahlungstag den Nennbetrag der Schuldverschreibungen und die verbleibenden vorgesehenen Zinszah-

Definitions.

The "**Early Redemption Amount**" will per Note (i) upon the occurrence of a Gross up Event, equal the principal amount of the Notes, plus accrued interest until the date of redemption or (ii) upon the occurrence of a Tax Event or an Accounting Event, be calculated as the greater of (x) the principal amount of the Notes and (y) the Make-Whole Redemption Price (as defined below) of the Notes, in each case plus accrued interest to but not including the redemption date.

The "**Make-Whole Redemption Price**" will be calculated by a Financial Adviser (as defined below) and will equal the sum of the Present Values (as defined below), as at the date of redemption as published in the call notice, of (i) the principal amount of the Notes and (ii) of any remaining scheduled payments of interest on such Note to the First Call Date (exclusive).

The "**Present Values**" will be calculated by a Financial Adviser (as defined below) on the fourth Business Day prior to the redemption date by discounting the principal amount of the Notes and the remaining interest payments to

lungen bis zum Ersten Rückzahlungstermin auf jährlicher Basis unter Zugrundelegung eines Jahres mit 365 oder 366 Tagen und der Zahl der tatsächlich in dem Jahr verstrichenen Tage und der Angepassten Vergleichbaren Rendite (wie nachstehend definiert) zuzüglich 1,5% abzinst.

Die "**Angepasste Vergleichbare Rendite**" ist die Rendite, die am Tag der Rückzahlung für eine Referenz Staatsanleihe mit Euro- Zinssatz zu zahlen wäre, die ein Finanzberater (wie nachstehend definiert) unter Berücksichtigung einer vergleichbaren Laufzeit mit der Restlaufzeit der Schuldverschreibungen bis zum Ersten Rückzahlungstermin bestimmt hat und welches zum Zeitpunkt der Bestimmung gemäß marktüblicher Praxis als Berechnungsgrundlage für die Preisbestimmung bei Neuemission von Unternehmensanleihen mit vergleichbarer Laufzeit bis zum Ersten Rückzahlungstermin dienen könnte. "**Finanzberater**" bedeutet einen unabhängigen Finanzberater, der von der Emittentin auf ihre Kosten bestellt wird.

the First Call Date on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year, and using the Adjusted Comparable Yield (as defined below) plus 1.5%.

The "**Adjusted Comparable Yield**" will be the yield at the date of redemption on the Euro government benchmark security selected by a Financial Adviser (as defined below) as having a maturity comparable to the remaining term of the Notes to the First Call Date that could be utilised, at the time of selection and in accordance with market practice, in pricing new issues of corporate debt securities of comparable maturity to the First Call Date. "**Financial Adviser**" means an independent financial adviser, appointed by the Issuer at the Issuer's expenses.

5.5 *Vorzeitige Rückzahlung nach Kontrollwechsel.*

(a) Bei Eintritt eines Kontrollwechsels (wie nachstehend definiert) kann die Emittentin die Schuldverschreibungen vollständig, aber nicht in Teilbeträgen zum Nennbetrag der Schuldverschreibungen zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen mit unwiderruflicher Kündigungsmitteilung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen kündigen und mit Wirkung bis spätestens 60 Tage nach Eintritt eines Kontrollwechsels zurückzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.5 (a) nicht zu, soweit Zinsrückstände ausstehen. Die Emittentin hat den Anleihegläubigern den Eintritt eines Kontrollwechsels unverzüglich gemäß Punkt 12. anzuzeigen.

(b) "**Kontrollwechsel**" gemäß diesem Punkt 5.5 findet statt, wenn eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder Personen, welche im Namen einer solchen Person oder solcher Personen handeln, zu irgendeiner Zeit direkt oder indirekt eine kontrollierende Beteiligung im Sinne des Österreichischen Übernahmegesetzes erwerben,

Early Redemption following a Change of Control.

If a Change of Control (as defined below) has occurred, the Issuer may call and redeem the Notes (in whole but not in part) at their principal amount, plus any accrued interest until the redemption date (exclusive) on the giving of not less than 30 and not more than 60 days' irrevocable notice to Holders in accordance with clause 12 with the redemption becoming effective no later than 60 days following the occurrence of a Change of Control. The Issuer shall not be entitled to call and redeem the Notes in accordance with clause 5.5 (a) if any Arrears of Interest are outstanding. Immediately after the occurrence of a Change of Control the Issuer has to publish a notice to Holders in accordance with clause 12.

"**Change of Control**" in this clause 5.5 shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation pursuant to the Austrian Takeover Act (*Übernahmegesetz*) which results in an actual mandatory takeover bid. A

welche zu einem tatsächlichen Pflichtangebot führt. Eine kontrollierende Beteiligung, die – aus welchem Grund auch immer – zu keinem tatsächlichen Pflichtangebot führt, gilt nicht als Kontrollwechsel gemäß diesem Punkt 5.5.

controlling participation which – for whatever reason – does not result in an actual mandatory takeover bid shall not be deemed a Change of Control pursuant to this clause 5.5.

5.6 **Rückkauf.**

Repurchase.

(a) Die Emittentin oder eine der Konzerngesellschaften (wie nachstehend definiert) können jederzeit Schuldverschreibungen auf dem freien Markt zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können eingezogen, gehalten oder wieder veräußert werden.

The Issuer or any of its Group Entities (as defined below) may at any time purchase Notes in the open market or otherwise at any price. Such acquired Notes may be held, cancelled or resold.

(b) "**Konzerngesellschaft**" ist jedes mit der Emittentin verbundene Unternehmen im Sinne des § 244 Abs 2 des Unternehmensgesetzbuches.

"**Group Entity**" means any of the Issuer's affiliated enterprises within the meaning of Section 244 paragraph 2 of the Austrian Entrepreneurial Code (*Unternehmensgesetzbuch*).

5.7 **Kündigung und vorzeitige Rückzahlung bei geringfügigem ausstehenden Nennbetrag.**

Issuer Call Right and Early Redemption in case of small outstanding principal amount.

Wenn durch Rückkäufe der Emittentin oder ihrer Konzerngesellschaften zu irgendeinem Zeitpunkt der auf die Schuldverschreibungen ausstehende Nennbetrag 20% oder weniger des in Punkt 1.1 genannten Gesamtnennbetrags der Schuldverschreibungen beträgt, kann die Emittentin die Schuldverschreibungen (vollständig aber nicht in Teilbeträgen) zum Nennbetrag zuzüglich aufgelaufener Zinsen nach unwiderprüflicher Kündigungsmitteilung an die Anleihegläubiger gemäß Punkt 12. unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen kündigen und zurückzahlen. Der Emittentin steht ein Kündigungsrecht gemäß diesem Punkt 5.7 nicht zu, soweit Zinsrückstände ausstehen und nicht nachgezahlt wurden.

If, by reason of purchases made by the Issuer or any of its Group Entities, the outstanding principal amount of the Notes has fallen at any time below 20% or less of the aggregate principal amount of the Notes set forth in clause 1.1, the Issuer may call and redeem the Notes (in whole but not in part) at their equal to the principal amount of the Notes, plus accrued interest until the date of redemption on the giving of not less than 30 and not more than 60 days' irrevocable notice to the Holders in accordance with clause 12. The Issuer shall not be entitled to call and redeem the Notes in accordance with this clause 5.7 if any Arrears of Interest are outstanding.

6. **Zahlungen**

Payments

6.1 **Zahlung von Kapital und Zinsen.** Die Emittentin verpflichtet sich, Kapital und Zinsen bei Fälligkeit in Euro zu bezahlen. Derartige Zahlungen erfolgen, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, an die Zahlstelle zur Weiterleitung an das Clearingsystem oder an dessen Order zur Gutschrift für die jeweiligen Kontoinhaber. Die Emittentin wird mit Zahlung an die Anleihegläubiger von ihrer entsprechenden Zahlungspflicht gegenüber den

Payment of Principal and Interest. The Issuer undertakes to pay, as and when due, principal and interest payable on the Notes in euro. Such payments shall, subject to applicable fiscal and other laws and regulations, be made to the Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Upon payment to the Holders, the Issuer shall be released from its payment obligations vis-à-vis the Holders.

Anleihegläubigern befreit.

- 6.2 **Fälligkeitstag kein Geschäftstag.** Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; Anleihegläubiger sind nicht berechtigt, eine Zinszahlung oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.
- Due Date not a Business Day.** If the due date for any payment of principal and/or interest is not a Business Day, payment shall be made on the next following Business Day; Holders shall have no right to claim payment of interest or other indemnity in respect of such a delay in payment.

7. Steuern

Taxation

- 7.1 **Steuern.** Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen werden ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren jedweder Art (die "**Steuern**") geleistet, die von der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In einem solchen Falle wird die Emittentin, vorbehaltlich der Bestimmungen dieses Punktes 7. solche zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, so dass die Anleihegläubiger die Beträge erhalten, die sie ohne Einbehalt oder Abzug erhalten hätten.
- Taxes.** All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority of or in the Republic of Austria that has power to tax, unless the Issuer is compelled by a law or other regulation to make such withholding or deduction. In that event, the Issuer will pay, subject to the provisions of this clause 7, such additional amounts (the "**Additional Amounts**") as will result in receipt by the Holders of the same amounts as they would have received if no such withholding or deduction had been required.

- 7.2 **Ausnahme.** Solche Zusätzlichen Beträge sind jedoch nicht zahlbar wegen solcher Steuern:
- Exception.** However, no such Additional Amounts shall be payable with respect to such Taxes:

- (i) denen ein Anleihegläubiger wegen einer anderen Beziehung zur Republik Österreich unterliegt als der bloßen Tatsache, dass er der Inhaber der betreffenden Schuldverschreibungen ist; oder
 - (ii) denen der Anleihegläubiger nicht unterläge, wenn dieser seine Schuldverschreibungen binnen 30 Tagen nach Fälligkeit oder, falls die notwendigen Beträge der Zahlstelle bei Fälligkeit nicht zur Verfügung gestellt worden sind, ab dem Tag, an dem diese Mittel der Zahlstelle zur Verfügung gestellt worden sind und dies gemäß Punkt 12. bekannt gemacht wurde, zur Zahlung vorgelegt hätte; oder
 - (iii) die von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von
- (i) to which a Holder is liable because of a relationship with the Republic of Austria other than the mere fact of him being the holder of the relevant Notes; or
 - (ii) to which the Holder would not be subject to if he had presented his Notes for payment within 30 days from the due date for payment, or, if the necessary funds have not been provided to the Paying Agent when due, from the date on which such funds have been provided to the Paying Agent, and a notice to that effect has been published in accordance with clause 12; or
 - (iii) which are withheld or deducted by a Paying Agent if payment could have been

einer anderen Zahlstelle in einem Mitgliedsstaat der Europäischen Union ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder

- (iv) die von einer Depotbank oder einer als Inkassobeauftragten des Anleihegläubigers handelnden Person einbehalten werden oder auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt.

Die österreichische Kapitalertragsteuer, unabhängig davon, ob auf Zinszahlungen oder Veräußerungsgewinne erhoben, ist keine Steuer, für die seitens der Emittentin Zusätzliche Beträge zu bezahlen sind.

- 7.3 Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen schließt jegliche Zusätzlichen Beträge im Hinblick auf Kapital oder Zinsen ein, die gemäß diesem Punkt 7. zahlbar sind.

8. Verjährung

- 8.1 Die Verjährungsfrist aus Ansprüchen auf das Kapital beträgt zehn Jahre und aus Ansprüchen auf Zinsen drei Jahre, jeweils ab Fälligkeit.

9. Zahlstelle und Berechnungsstelle

- 9.1 **Zahlstelle und Berechnungsstelle.** Die HSBC Bank plc ist die anfängliche Zahlstelle (die "**Zahlstelle**"). Die HSBC Bank plc ist die anfängliche Berechnungsstelle (die "**Berechnungsstelle**").

- 9.2 **Rechtsverhältnisse.** Die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

- 9.3 **Änderung oder Beendigung der Bestellung.** Die Emittentin behält sich das Recht vor, die Bestellung der Zahlstelle oder der Berechnungsstelle zu verändern oder zu beenden und Nachfolger oder zusätzliche Zahlstellen oder Berechnungsstellen zu ernennen. Als Zahlstelle oder Berechnungsstelle kann nur ein Kreditin-

made by another Paying Agent in a Member State of the European Union without such deduction or withholding; or

- (iv) which are withheld by a securities custodian or a person acting as collection agent for the Holder or which are levied otherwise than by the Issuer making a withholding or deduction from any amounts of principal or interest payable by it.

Austrian withholding tax (*Kapitalertragsteuer*), irrespective of whether levied on interest payments or capital gains, does not constitute tax for which the Issuer is obliged to pay Additional Amounts.

Any reference in these Terms and Conditions to principal or interest will be deemed to include any Additional Amounts in respect of principal or interest which are payable under this clause 7.

Prescription

The limitation period for claims in respect of principal of the Notes shall be ten years, and in respect of interest three years respectively, in each case after due date.

Paying Agent and Calculation Agent

Paying Agent and Calculation Agent. HSBC Bank plc is the initial paying agent (the "**Paying Agent**"). HSBC Bank plc is the initial calculation agent (the "**Calculation Agent**").

Status. The Paying Agent and the Calculation Agent act solely as agent of the Issuer and do not assume any obligations towards the Holders; no relationship of contract, agency or trust shall be established between them and the Holders.

Change or Termination of Appointment. The Issuer reserves the right at any time to change or terminate the appointment of the Paying Agent or the Calculation Agent and to appoint successor or additional paying agents or calculation agents. Only a credit institution with its seat in a Member State of the European Eco-

stitut mit Sitz in einem Mitgliedstaat des Europäischen Wirtschaftsraums bestellt werden. Eine Abberufung, Bestellung oder ein sonstiger Wechsel in Bezug auf die Zahlstelle oder die Berechnungsstelle oder deren angegebene Geschäftsstelle(n) wird nur wirksam (außer im Insolvenzfall der Zahlstelle, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß Punkt 12. vorab unter Einhaltung der Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden. Die Emittentin wird dafür sorgen, dass stets eine Zahlstelle und eine Berechnungsstelle ernannt sind. Die Emittentin wird ferner dafür sorgen, dass, so lange die Schuldverschreibungen an einer Wertpapierbörse notiert sind und die Regularien dieser Börse dies verlangen, eine Zahlstelle und eine Berechnungsstelle mit einer benannten Geschäftsstelle an dem von der betreffenden Börse vorgeschriebenen Ort ernannt sind und einen eventuellen Nachfolger oder eine eventuelle zusätzliche Zahlstelle oder Berechnungsstelle in Übereinstimmung mit diesen Regularien zu ernennen, wobei es sich bei einem eventuellen Nachfolger oder einer eventuellen zusätzlichen Zahlstelle oder Berechnungsstelle um ein Kreditinstitut innerhalb des europäischen Wirtschaftsraums handeln wird.

conomic Area may be appointed as Paying Agent or Calculation Agent. Any dismissal, appointment or other change in respect of the Paying Agent or the Calculation Agent or its designated office(s) shall only take effect (except in the insolvency of the Paying Agent where such a change takes effect immediately) if the Holders have been notified of this in accordance with clause 12 subject to the deadline of at least 30 and not more than 45 days. The Issuer will ensure that a Paying Agent and a Calculation Agent are appointed at any time. The Issuer will also ensure that, as long as the Notes are listed on a stock exchange and the regulations of this exchange so require, a Paying Agent and a Calculation Agent with a designated place of business shall be appointed on the place prescribed by the Exchange and to appoint any successor or any additional Paying agent or Calculation Agent in accordance with such regulations, whereupon a possible successor or any additional Paying Agent or Calculation Agent will be a credit institution within the European Economic Area.

10. Begebung weiterer Schuldverschreibungen

Issuance of further notes

10.1 Die Emittentin ist – neben der Emission weiterer Schuldverschreibungen, die mit diesen Schuldverschreibungen keine einheitliche Serie bilden – berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Emission, des Verzinsungsbeginns und des Emissionspreises) in der Weise zu emittieren, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden. In der Begebung weiterer Schuldverschreibungen ist die Emittentin frei.

The Issuer may – in addition to the issuance of further notes which do not form a single Series with the Notes – at any time without the consent of the Holders, issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes. The Issuer is free to issue further notes.

11. Börsennotierung und Zulassung zum Handel

Stock Exchange Listing and Admission to Trading

11.1 Es ist beabsichtigt, die Zulassung der Schuldverschreibungen zum Handel im Amtlichen Handel an der Wiener Börse zu beantragen.

It is intended to apply for listing of the Notes on the Official Market of the Vienna Stock Exchange.

12. Mitteilungen

Notices

- 12.1 **Mitteilungen in elektronischer Form.** Falls die Schuldverschreibungen zum Handel an einem geregelten Markt zugelassen werden, gelten sämtliche Mitteilungen an die Anleihegläubiger als ordnungsgemäß bekannt gemacht, wenn sie durch elektronische Mitteilungsformen mit Verbreitung innerhalb der Europäischen Union und in dem Staat einer jeden Wertpapierbörse, an der Schuldverschreibungen notiert sind, durch elektronische Veröffentlichung veröffentlicht werden, solange diese Notierung fort-dauert und die Regeln der jeweiligen Börse dies erfordern. Jede Mitteilung gilt am siebenten Tag nach der Veröffentlichung als wirksam erfolgt; falls eine Veröffentlichung in mehr als einer elektronischen Mitteilungsform vorge-schrieben ist, ist der siebente Tag maßgeblich, nach dem die Bekanntmachung erstmals in allen erforderlichen elektronischen Mitteilungsformen erfolgt ist.
- Notices via electronic means.** If the Notes are admitted for trading on any stock exchange, notices to the Holders will be valid if published through electronic means having general circula-tion within the European Union and in the jurisdiction of any stock exchange on which the Notes may be listed from time to time, for so long as the Notes are listed on the respective exchange and the rules of any such exchange so require. Any such notice shall be deemed to effective on the seventh day after publication; if a publication is required in more than one electronic form of communication, the seventh day shall be decisive, after which the publica-tion has been made for the first time in all re-quired electronic forms of communication.
- 12.2 **Mitteilungen über das Clearingsystem.** Mittei-lungen an die Anleihegläubiger können anstelle der Veröffentlichung durch elektronische Mitteilungsform nach Maßgabe des Punktes 12.1 (vorbehaltlich anwendbarer Börsenvor-schriften und -regeln), solange eine die Schuldverschreibungen verbriefende Globalur-kunde durch das Clearingsystem gehalten wird, durch Abgabe der entsprechenden Bekanntma-chung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzt werden.
- Notices via the Clearing System.** Notices to Holders may (subject to applicable stock ex-change rules and requirements), so long as any Global Note representing the Notes is held on behalf of the Clearing System, be given in lieu of publication by electronic means pursuant to clause 12.1 by delivery of the relevant notice to the Clearing System for communication to the Holders.
- 13. Ersetzung der Emittentin**
- Substitution of the Issuer**
- 13.1 **Ersetzung.** Die Emittentin ist jederzeit berech-tigt, ohne Zustimmung der Anleihegläubiger, eine andere Gesellschaft, die direkt oder indi-rekt von ihr kontrolliert (im Sinn des Über-nahmegesetzes) wird, als neue Anleiheschuld-nerin für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirk-ung für die Emittentin an die Stelle der Emit-tentin zu setzen (die "**Neue Anleiheschuldne-rin**"), sofern
- Substitution.** The Issuer may at any time, without the consent of the Holders, replace the Issuer with a company which is directly or in-directly controlled (within the meaning of the Austrian Takeover Act (*Übernahmegesetz*)) by the Issuer, as new issuer (the "**New Issuer**") in respect of all obligations arising under or in connection with the Notes, with the effect of releasing the Issuer of all such obligations, if:
- (a) die Emittentin sich nicht mit einer fälligen Zahlung auf die Schuldverschreibungen in Verzug befindet;
- the Issuer is not in default of any payment due under the Notes;
- (b) die Neue Anleiheschuldnerin sämtliche Ver-pflichtungen der Emittentin aus oder im Zu-sammenhang mit den Schuldverschreibungen
- the New Issuer assumes any and all obligations of the Issuer arising under or in connection with the Notes;

- übernimmt;
- (c) die Neue Anleiheschuldnerin sämtliche für die Schuldnerersetzung und die Erfüllung der Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen erforderlichen Genehmigungen erhalten hat; the New Issuer has obtained all authorizations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the Notes;
- (d) die Emittentin unbedingt und unwiderruflich für die Zahlung sämtlicher fälliger Beträge der Neuen Anleiheschuldnerin aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich zusätzlich zu bezahlender Beträge aus Steuergründen) auf nachrangiger Basis garantiert; the Issuer unconditionally and irrevocably guarantees for the payment of all amounts due by the New Issuer under or in connection with the Notes on a subordinated basis (including any additional amounts payable for tax reasons);
- (e) die Neue Anleiheschuldnerin in der Lage ist, sämtliche zur Erfüllung der aufgrund der Schuldverschreibungen bestehenden Zahlungsverpflichtungen erforderlichen Beträge in Euro an das Clearingsystem zu zahlen, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Anleiheschuldnerin ihren Sitz oder Steuersitz hat, auferlegt, erhoben oder eingezogen werden; the New Issuer is in the position to pay to the Clearing System in euro all amounts required for the performance of the payment obligations existing in relation to the Notes without deducting or withholding any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the New Issuer has its domicile or tax residence;
- (f) die Neue Anleiheschuldnerin sich verpflichtet hat, die Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlicher Gebühren freizustellen, die den Anleihegläubigern bezüglich der Ersetzung auferlegt werden; und the New Issuer has agreed to indemnify the Holders against such taxes, duties or governmental charges as may be imposed on the Holders in connection with the substitution; and
- (g) der Zahlstelle ein Rechtsgutachten von unabhängigen und angesehenen Rechtsanwälten aus jeder relevanten Jurisdiktion, die bestätigen, dass die Voraussetzungen in den vorstehenden Unterabsätzen (a) bis (f) erfüllt wurden, vorliegt. the Paying Agent has received a legal opinion from independent and respected lawyers from any relevant jurisdiction confirming that the conditions set out in the preceding subparagraphs (a) to (f) have been met.
- 13.2 **Bezugnahmen.** Im Fall einer Schuldnerersetzung nach Maßgabe von Punkt 13.1 gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Anleiheschuldnerin und, vorbehaltlich des Punktes 15.1, jede Bezugnahme auf die Republik Österreich als eine solche auf den Staat, in welchem die Neue Anleiheschuldnerin steuerlich ansässig ist. Unabhängig davon hat eine Schuldnerersetzung nach Maßgabe von Punkt 13.1 keine Auswirkungen auf die Definition der Konzerngesellschaft in Punkt 5.6. **References.** In the event of a substitution of the Issuer pursuant to clause 13.1, any reference in these Terms and Conditions to the Issuer shall be a reference to the New Issuer and, subject to clause 15.1, any reference to the Republic of Austria shall be a reference to the New Issuer's country of residence for tax purposes. Irrespective hereof, a substitution of the Issuer pursuant to clause 13.1 shall not affect the definition of a Group Entity in accordance with clause 5.6.
- 13.3 **Bekanntmachung und Wirksamwerden der** *Notice and Effectiveness of Substitution.* No-

Ersetzung. Die Ersetzung der Emittentin ist gemäß Punkt 12. bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin (und im Falle einer wiederholten Anwendung dieses Punktes 13. jede frühere Neue Anleiheschuldnerin) von ihren sämtlichen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen frei. Im Falle einer solchen Ersetzung werden die Wertpapierbörsen informiert, an denen die Schuldverschreibungen notiert sind.

tion of substitution of the Issuer shall be published in accordance with clause 12. The substitution shall become effective upon such publication, and the Issuer (and in the event of a repeated application of this clause 13, any previous New Issuer) shall be discharged from any and all obligations under or in connection with the Notes. In case of such substitution, the stock exchanges on which the Notes are listed will be notified.

14. Keine Gesellschafterrechte

No Shareholders' Rights

14.1 Die Schuldverschreibungen vermitteln den Anleihegläubigern keinerlei Gesellschafterrechte in Bezug auf die Emittentin. Insbesondere verbieten die Schuldverschreibungen keinerlei Berechtigung der Anleihegläubiger auf einen Anteil am Liquidationserlös der Emittentin.

The Notes do not confer any shareholders' rights with respect to the Issuer to the Holders. In particular, the Holders will not be entitled to share in any liquidation proceeds of the Issuer under the Notes.

15. Anwendbares Recht und Gerichtsstand

Governing Law and Jurisdiction

15.1 **Anwendbares Recht.** Form und Inhalt der Schuldverschreibungen, sämtliche Rechtsverhältnisse aus der Begebung der Schuldverschreibungen, sowie alle Rechte und Pflichten der Anleihegläubiger, der Emittentin und der Zahlstelle bestimmen sich nach österreichischem Recht.

Governing law. Form and content of the Notes, all legal relationships resulting from the issue of the Notes, as well as all rights and obligations of the Holders, the Issuer and the Paying Agent shall be governed by Austrian law.

15.2 **Erfüllungsort.** Erfüllungsort ist Wien.

Place of Performance. Place of performance shall be Vienna, Republic of Austria.

15.3 **Gerichtsstand.** Für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit diesen Anleihebedingungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit diesen Anleihebedingungen ergeben) ist das für Handelssachen jeweils zuständige Gericht in Wien, Innere Stadt, ausschließlich zuständig.

Place of Jurisdiction. For all disputes which may arise out or in connection with these Terms and Conditions (including any disputes relating to non-contractual obligations arising out or in connection with these Terms and Conditions), the court competent for commercial matters in the first district of Vienna shall have exclusive jurisdiction.

15.4 **Teilnichtigkeit.** Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Bedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich

Partial Invalidity. If a provision in these Terms and Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall pursuant to the purpose of these Terms and Conditions be replaced by valid provisions that from an economic point of view come as close as legally possible to the invalid provision.

möglich.

16. Sprache

Language

16.1 Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information. Absätze in Kursivschrift sind nicht Bestandteil dieser Anleihebedingungen.

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only. Paragraphs in italics do not form part of these Terms and Conditions.

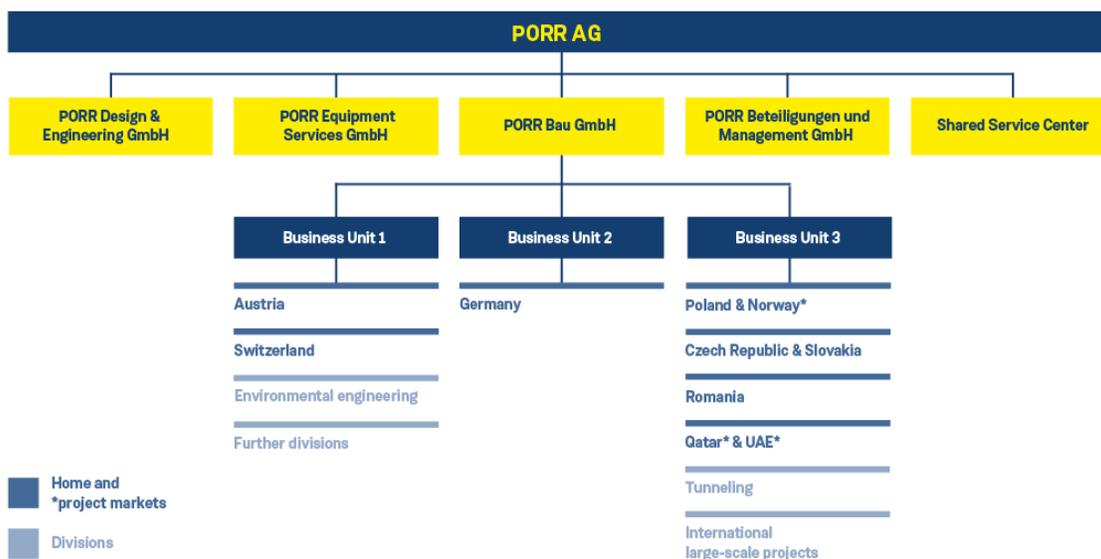
GENERAL INFORMATION ON THE ISSUER AND THE GROUP

The Issuer and its Group

The Company is an Austrian stock corporation, incorporated under and governed by Austrian law, with its registered seat in Vienna, Austria, and its business address at Absberggasse 47, A-1100 Vienna, Austria. Its telephone number is +43-50626-0. It operates under the commercial name "PORR". The website of the Company and its Group is www.porr-group.com, however, the information on the website does not form part of the Prospectus and has not been reviewed by the FMA unless that information is incorporated by reference into the Prospectus (as mentioned elsewhere in this Prospectus).

The Company was registered with the Austrian commercial register (*Handelsregister*) on 27 March 1869. It is a stock corporation (*Aktiengesellschaft*) registered with the Austrian companies' register (*Firmenbuch*) under registration number FN 34853 f, registration court: commercial court Vienna (*Handelsgericht Wien*), Austria. In 2013, the Company changed its name from "Allgemeine Baugesellschaft A. Porr Aktiengesellschaft" to "PORR AG". The Company's financial year ends on 31 December. Pursuant to the Articles of Association, notices of the Company shall be made by publication in the Official Gazette (*Amtsblatt zur Wiener Zeitung*). The Issuer's LEI Code is: 529900ARBU9SBJFNX419. With regard to the Issuer's activities in Austria, it operates mostly under Austrian law; with regard to the Issuer's activities outside of Austria, it operates mostly under the respective law of the respective jurisdiction.

The Company is the parent company of the Group. The segments of the Group are not organized into companies but rather business units and lines of business which were re-grouped from four into three business units, representing the reportable segments, in the beginning of 2019. Companies of the Group may therefore be part of more than one segment. The Company is a holding company with eight direct divisions – mergers & acquisitions & integrations, internal audit, group management, group communication & marketing, investor relations & strategy, risk management & compliance, corporate social responsibility, PMO & transformation. All other administrative divisions (accounting, tax, treasury, controlling, legal affairs and digital unit) were merged into a shared service center, which acts as a central service provider for the entire Group. A high level overview of the structure of the Group is as follows:



(Source: Issuer)

The following table provides for an overview of the Company's significant subsidiaries:

Subsidiary	Jurisdiction of incorporation	Percentage of shareholding
PORR a.s.	Czech Republic	100%
PORR S.A.	Poland	100%
PORR Construct S.R.L.	Romania	100%
PORR Qatar Construction WLL	Qatar	49%
PORR GmbH & Co KGaA	Germany	94.66%
PORR s.r.o.	Slovakia	100%
PORR Bau GmbH	Austria	100%
PORR SUISSE AG	Switzerland	100%
PORR Umwelttechnik GmbH	Austria	100%
Prajo & Co GmbH	Austria	100%
PORR Design & Engineering GmbH	Austria	100%
PORR Equipment Services GmbH	Austria	100%
Schotter- und Betonwerk Karl Schwarzl Betriebsgesellschaft m.b.H.	Austria	100%
PORR Beteiligungen und Management GmbH	Austria	100%

(Source: Unaudited internal information of the Issuer)

History and Development of the Company's Business

PORR was founded on 20 March 1869 under the name "Allgemeine österreichische Baugesellschaft" in Austria, was registered with the Austrian commercial register (*Handelsregister*) on 27 March 1869 and has existed since then in the legal form of a stock corporation. PORR was established for an unlimited period of time. The first shares were issued on 8 April 1869 and on such date the shares were admitted to trading on the Vienna Stock Exchange.

In 1908, Allgemeine österreichische Baugesellschaft founded its subsidiary A. Porr Betonbau-Unternehmung Gesellschaft m.b.H., which was using a new concrete construction method developed by engineer Arthur Porr. In 1912, Allgemeine österreichische Baugesellschaft acquired a majority interest in Union-Baumaterialien-Gesellschaft (today known as UBM Development AG), a company focused on real estate, which had also been admitted to trading on the Vienna Stock Exchange. In 1927, Allgemeine österreichische Baugesellschaft was merged with A. Porr Betonbau-Unternehmung Gesellschaft m.b.H. In the course of this restructuring, the Company's name was changed to "Allgemeine Baugesellschaft-A. Porr Aktiengesellschaft". In addition, the subsidiary "Allgemeine Straßenbau-AG" (today "Allgemeine Straßenbau GmbH") was founded in 1927.

The expansion of business activities from 1984 onwards resulted in a step-by-step restructuring of the Group's structure and important business activities were transferred to subsidiaries of PORR. In addition to the existing subsidiaries, PORR founded Porr International Aktiengesellschaft to facilitate projects outside Austria in 1984. In 1989, the Company founded Porr Technobau Aktiengesellschaft (today part of PORR Bau GmbH) specialized in underground engineering and special purpose construction as well as PORR Umwelttechnik Aktiengesellschaft (today Porr Umwelttechnik GmbH) to cover the increasingly important area of environmental construction. In 1994, Porr Hochbau Aktiengesellschaft (today part of PORR Bau GmbH) was founded. In 2000, the Group acquired a majority of the voting rights in TEERAG-ASDAG Aktiengesellschaft (today "TEERAG-ASDAG GmbH"), an Austrian road construction company, the operational business of which is now carried out by PORR Bau GmbH.

Between 1999 and January 2002, the Group implemented a new organizational structure. Since then PORR is a holding company responsible for the strategic leadership, while the subsidiaries Porr Technobau und Umwelt Aktiengesellschaft, Porr Projekt und Hochbau Aktiengesellschaft and TEERAG-ASDAG Aktiengesellschaft (today part of PORR Bau GmbH) took the lead for operative activities.

In 2011, a material restructuring of the Group was undertaken, following which the business activities of the Group have been divided into six business units. In the beginning of 2016, the business units were first re-grouped into four business units, and in the beginning of 2019 these business units were finally restructured into three business units. In the first half year of 2011, PORR acquired the operative business areas of STRAUSS & PARTNER IMMOBILIEN GmbH in the course of a share capital increase against contributions in kind. The Strauss Group, which is in the sphere of influence of PORR's CEO, Karl-Heinz Strauss, acquired shares in PORR representing approximately 6% of the voting rights in such context.

Also in 2011, PORR acquired an additional 47.19% interest in TEERAG-ASDAG Aktiengesellschaft and subsequently performed a squeeze-out of the remaining 0.26% shareholders, which was finalized in 2012. As a result, the Group had a 100% interest in TEERAG-ASDAG Aktiengesellschaft, the operational business of which is now carried out by PORR Bau GmbH.

In 2012, the Ortner-Strauss-Syndicate acquired the shares of the formerly controlling shareholder B&C Group and have since been the controlling shareholders of the Company.

In 2013, the name of PORR was changed to "PORR AG", shortening the name "Allgemeine Baugesellschaft-A. Porr Aktiengesellschaft" which it had been using since 1927.

In May 2014, PORR successfully increased its equity by way of a rights offering, the net gross proceeds of which totalled nearly EUR 119 million.

In October 2014, PORR launched a mandatory takeover bid for UBM Development AG (in 2014 still UBM Realitätenentwicklung Aktiengesellschaft) with the aim to completely restructure the business activities of the Group and UBM Development AG. PORR has not only acquired the vast majority of the shares in UBM Development AG, but has simultaneously transferred the majority of its real estate development activities, including its shareholding in UBM Development AG, into a subsidiary, PIAG Immobilien AG. Subsequently, PORR spun-off PIAG Immobilien AG with the effect that all shareholders of PORR received the same of shares in PIAG Immobilien AG as they held in PORR. In the last step, PIAG Immobilien AG merged with UBM Development AG. As a result, the shareholders of PIAG Immobilien AG received 3.701098 shares in UBM Development AG for every 10 shares in PIAG Immobilien AG. This restructuring project allowed PORR to focus on its core business and to become a "pure construction player" as well as to end PORR's shareholding in UBM Development AG.

In 2015, the Group acquired from the construction group Bilfinger the respective infrastructure operations in Poland and Norway, by which it expanded its market presence in these markets.

In 2017, the Group expanded by way of two major acquisitions, i.e. of Hinteregger group, an Austrian construction group with its registered seat in Salzburg, Austria, and of Heijmans Oevermann group, a German construction group with its registered seat in Münster, Germany.

In November 2019, the Issuer announced a result for the first nine months of 2019 significantly below that of the previous year, as a result of which the Issuer's Executive Board has adjusted its profit expectation for the 2019 financial year.

Apart from the above, there have been no recent events in the business activities of the Issuer that are to a material extent relevant to the valuation of the Issuer's solvency.

Share capital and shares

The Issuer's share capital as of 31 December 2019 (and also as of the date of this Prospectus) amounts to EUR 29,095,000 and is divided into 29,095,000 no-par value bearer shares, each of which participates equally in the share capital. The Issuer has only one class of shares, i.e. its ordinary shares.

The share capital is fully paid up. The same legally standardised rights and obligations apply to all shares. In particular, all 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. As of 31 December 2018, the Issuer directly and indirectly held a total of 216,495 treasury shares or 0.74% of the share capital. In addition, as of the date of this Prospectus, the Issuer directly and indirectly held a total of 216,495 treasury shares or 0.74% of the share capital.

The shares in the Issuer are freely transferable. All of the Issuer's shares are currently listed in the "Prime Market" segment of the Vienna Stock Exchange. All shares are represented by one or more global certificates deposited with OeKB CSD GmbH, the Austrian central securities depository. The shares can only be transferred in book-entry form. Other than the global certificates, there are no plans to issue separate share certificates in bearer form.

Articles of Association and objects of the Company's business

The Company is registered with the Austrian Companies Register under the registration number 34853 f, the competent court for registrations is the commercial court Vienna (*Handelsgericht Wien*). The Company's business objects are set out in article 2 of its Articles of Association and reads as follows:

The objects of the Company's business shall be:

(a) operating an industrial construction business and carrying out all kinds of construction work, including building construction, civil and functional engineering, as well as projecting, developing, planning, erecting, realising and exploiting construction and real estate projects of all kinds up to turnkey production, including as a general or total contractor and in the form of joint ventures or as a developer, for its own or other than own account; in particular projecting, developing, planning, realising, operating and exploiting of office, administration and retail buildings, shopping centres and department stores, production space, logistics and storage space, private and public residential buildings, commercial, industrial and production plants, research, educational and cultural institutions, recreational institutions, sports facilities and stadiums, airports, hospitals and clinics, healthcare and nursing facilities, hotel and tourist infrastructures, thermal spas, swimming pools, cable cars, ski lifts, sanatoriums and rehabilitation facilities, petrol stations, garages and indoor and outdoor car parks, steel structures and steel buildings, special structures, roads, special civil engineering, railway and rail construction, tunnels, bridges, power plants, energy and water structures, sewage, water and other pipeline structures, environmental protection engineering, open line structures, overhead lines and other buildings and infrastructure facilities; and projecting, developing, planning and realising of earth structures and foundation engineering, sealing works, painting, road marking, revitalisation and redevelopment, demolitions and recycling;

(b) acquiring, renting, developing, managing, selling, letting and any other exploitation of plots of land and similar rights and buildings and establishing condominium ownership and commercial, technical and infrastructural development of real property;

(c) technology development and technology management and projecting, developing, producing, operating and exploiting plants and systems in the fields of construction and the building materials industry, environmental and process engineering, environmental protection and plant construction and mechanical engineering;

(d) project development, project management, planning, financing, erecting, operating and brokerage and realisation of buildings and infrastructure facilities, including for municipal supply and disposal, for tele-

communications, for energy generation, in the field of environmental technology and environmental protection, for the means of transport railway, road, water and air, for hospitals and healthcare, for other public institutions, administration buildings, educational and research facilities and operating and production plants or parts thereof and services related to such infrastructure;

(e) implementing privately funded operator models for buildings, infrastructure and plants of all kinds, including planning, erecting, financing and managing the same and rendering related services;

(f) processing, recycling and recovery of raw materials;

(g) identification and remediation of contaminated sites and the projecting and development work necessary therefor;

(h) obtaining, exercising and other exploitation of relevant permits, patents, utility patents, licences, trade mark rights and registered design rights and other proprietary rights;

(i) carrying on all trades and exercising any other licences that are necessary or useful for achieving the objects of the Company's business;

(j) letting of movable and immovable fixed assets, including but not limited to machinery, equipment and plants;

(k) provision of services of all kinds in the field of logistics, transportation and forwarding, and operation of plants that are necessary and useful for operation of such businesses;

(l) construction and operation of facilities and plants of all kinds, in particular of concrete and asphalt mixing plants, quarries, crushed stone, sand, gravel and clay pits, engineering works, repair shops, concrete and prefabricated component factories and plants in the field of environmental engineering, e.g. landfills, water supply, sewage and wastewater treatment plants, landfill gas plants, soil treatment plants, building materials recycling plants, waste treatment and waste disposal plants;

(m) carrying on and providing all services, auxiliary and secondary business related to the objects of the Company's business;

(n) rendering commercial, legal and technical services and taking on management tasks; technical and financial management of subsidiaries and associated companies, in particular research and development, planning and consulting, statics and design, calculation, central purchasing and procurement, construction supervision and organisation, financial management, accounting and taxes, contract and risk management, controlling, building logistics, physics and process management, preparation of work, project handling, human resources and quality management, information technology, distribution and marketing unless such activities are reserved for other occupations.

The Company is entitled to establish branches and subsidiaries in Austria and abroad, to acquire interests in other businesses in Austria and abroad, to acquire and establish such businesses, and to enter into any and all joint ventures or interest groups suited to further the Company's objective.

The Company is also entitled to carry out all transactions that may be necessary or useful for achieving the objects of the Company's business, including in all areas of activities that are similar or related to objects of the Company's business. Banking business for which a licence is required shall be excluded.

Executive Board and Supervisory Board

General

In accordance with mandatory Austrian law, the Issuer has a two-tiered board structure comprising of the Executive Board (*Vorstand*) and the Supervisory Board (*Aufsichtsrat*). The Executive Board is responsible for the management of the business and represents the Issuer in dealings with third parties. The Supervisory Board is responsible for appointing and removing the members of the Executive Board and for supervising the business conducted by the Executive Board. Although the Supervisory Board does not actively manage the Issuer, the Austrian Stock Corporation Act, the Articles of Association and the Executive Board's internal rules of procedure require that the consent of the Supervisory Board be given before the Executive Board takes certain actions.

The members of the Executive Board and the Supervisory Board can be reached at the registered office of the Company at Absberggasse 47, 1100 Vienna, Austria.

Executive Board

Pursuant to the Articles of Association, the Executive Board consists of two to six members appointed by the Supervisory Board for a term of up to five years. Currently, the Executive Board consists of four members.

Name	Function	Year First Appointed	Current Term Expires
Karl-Heinz Strauss	Chairman and Chief Executive Officer	2010	31 December 2024
Josef Pein	Chief Operating Officer	2020	31 December 2024
Andreas Sauer	Chief Financial Officer	2018	31 January 2021
Thomas Stiegler	Chief Operating Officer	2018	5 December 2021

(Source: Unaudited internal information of the Issuer)

Karl-Heinz Strauss was born in Klagenfurt, Austria, in 1960. He obtained a degree in technical engineering and completed international study programs in Harvard, United States, St. Gallen, Switzerland, and Fontainebleau, France. He holds a Master of Business Administration degree from IMADEC. Between 1980 and 1984, he was an independent civil engineering contractor. In 1987, he joined Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB), Vienna, in the commercial clients department. He was a member of the managing and supervisory boards of several RZB real estate companies and head of Concorde Projektentwicklungsgesellschaft m.b.H., which he played an essential role in founding and developing. In 1994, he became a member of the executive board of Raiffeisen Wohnbaubank AG. In 2000, he founded the company Strauss & Partner Immobilien GmbH. Since 13 September 2010, Karl-Heinz Strauss is the co-owner, chairman of the Executive Board and CEO of the Issuer. Karl-Heinz Strauss is the Executive Board member responsible for the business unit BU 2 – Germany, as well as for PORR Equipment Services, communication and marketing, investor relations & strategy, legal, human resources, corporate development & PMO, corporate real estate, M&A and integration and corporate social responsibility.

Josef Pein was born in Altneudörfel, Austria, in 1958. He obtained a degree in technical engineering and holds a qualification as master builder. After having started his professional career in the construction in 1979, he joined PORR Group in 1987, and has held various management positions within the Group ever since. In 2011, he became member of the management board of PORR Bau GmbH, where he was responsible for the business unit BU 1 for structural engineering (*Hochbau*). Since 1 January 2020, Mr Pein is the Executive Board member and Chief Operating Officer of the Issuer. Josef Pein is the Execu-

tive Board member responsible for business unit BU 1 – Austria/Switzerland, as well as for PORR Design & Engineering and health & safety.

Andreas Sauer was born in Heidelberg, Germany, in 1968. He obtained a degree in Economics from the University of Mannheim in 1995. In 1995, he started his professional career at Deutsche Bahn, first in the Group's freight transport department and later Schenker logistics. The next stage of his career took him to Infineon. Andreas Sauer's most recent position prior to joining the Issuer was operational CFO at Nokia Mobile Networks. Since 1 February 2018, Andreas Sauer has been a member of the Executive Board and CFO of the Issuer. Andreas Sauer is the Executive Board member responsible for financial management of the operational entities, group management, finance & accounting, controlling, treasury, tax, digital unit, procurement and insurance.

Thomas Stiegler was born in Karlsruhe, Germany, in 1965. He studied business administration at the University of Applied Science in Ludwigshafen, Germany and graduated in 1991. He worked for the auditing firm KPMG before starting his international career at Bilfinger Berger AG (now Bilfinger SE) in 1993. Until 2010, he held various management positions in the international construction business in Asia, Europe, the MENA region and North America. Since 2010, Stiegler has been Head of Business Unit 3 - International at PORR Bau GmbH. There he was responsible for the Group's activities in Eastern Europe and the Northern European countries. In December 2018, Thomas Stiegler was appointed a member of the Executive Board and Chief Operating Officer of the Issuer. Thomas Stiegler is the Executive Board member responsible for business unit BU 3 – International, as well as for contract management, innovation and quality management.

All members of the Executive Board are jointly responsible for risk management & compliance as well as for internal audit.

Supervisory Board

Pursuant to the Articles of Association, the Supervisory Board consists of between three and twelve members appointed by the shareholders' meeting. In addition, the works council (*Betriebsrat*) is entitled according to the Austrian Labour Constitutional Act (*Arbeitsverfassungsgesetz*) to delegate representatives to the Supervisory Board. Currently, four members of the Supervisory Board are delegated by the works council. The current members of the Supervisory Board are:

Name	Position	Year First Appointed / Delegated	Year Current Term expires
Karl Pistotnik	Chairman	2012	2021 ⁽¹⁾
Klaus Ortner	Vice Chairman	1998	2021 ⁽¹⁾
Walter Knirsch	Member	2012	2021 ⁽¹⁾
Iris Ortner	Member	2010	2021 ⁽¹⁾
Robert Grüneis	Member	2014	2021 ⁽¹⁾
Bernhard Vanas	Member	2012	2021 ⁽¹⁾
Susanne Weiss	Member	2012	2021 ⁽¹⁾
Thomas Winischhofer	Member	2008	2021 ⁽¹⁾
Gottfried Hatzenbichler	Member	2017	n/a ⁽²⁾
Wolfgang Ringhofer	Member	2017	n/a ⁽²⁾
Michael Kaincz	Member	2011	n/a ⁽²⁾
Michael Tomitz	Member	2011	n/a ⁽²⁾

(Source: Unaudited internal information of the Issuer)

(1) The term of office of the members elected by the shareholders' meeting expires as of the end of the shareholders' meeting resolving on the exoneration for the financial year 2020, which will take place in the year 2021.

(2) Members delegated by the works council.

Karl Pistotnik was born in Vienna, Austria, in 1944. He obtained a doctoral degree in law in 1966 and a doctoral degree in political sciences in 1971 from the University of Vienna. Since 1973, Karl Pistotnik is an attorney with a particular focus on corporate, banking, construction and real estate law. Karl Pistotnik has decades of experience in advising and representing material market participants of the construction and construction related industries. In addition, he holds numerous positions as a member of executive boards of private trusts, as a member of supervisory boards and as a managing director of corporations. Since 6 December 2012, he has been the chairman of the Supervisory Board.

Klaus Ortner was born in Austria, in 1944. He studied at ETH Zurich, Switzerland, and graduated in 1966 with the academic degree Diplomingenieur in mechanical engineering. After briefly studying in the United States, Klaus Ortner began working at the family business of Ortner GesmbH, which was then managed by his father. Klaus Ortner became a shareholder and managing director of Ortner GesmbH in 1977. In 1972, he became a certified surveyor for mechanical engineering. Since 1989, he heads IGO Industries Group. In 2003, Klaus Ortner was appointed chairman of the Supervisory Board of the Issuer. Since 21 June 2012, he has been the deputy chairman of the Supervisory Board.

Walter Knirsch was born in Klosterneuburg, Austria, in 1945. He graduated with a doctoral degree from the law school of the University of Vienna in 1970. After his admission as certified tax advisor and certified auditor, he worked for 33 years for the KPMG Austria group, where he was a member of management until his retirement in 2008. Currently, he is a member of the supervisory board of the FMA, a member of the executive board of the private trust ARS BOHEMIAE – Privatstiftung Rotter and liquidator of FIMBAG Finanzmarkteteiligung Aktiengesellschaft des Bundes in Liqu.. Since 2012, he has been a member of the Supervisory Board.

Iris Ortner was born in Innsbruck, Austria, in 1974. She studied at ETH Zurich, Switzerland, and graduated in 1997 with the academic degree Diplomingenieur in mechanical engineering. She also holds a Master of Business Administration degree from INSEAD, Fontainebleau, France, where she graduated in 2001. Iris Ortner began her career at the IGO Industries Group and was responsible for the establishment of the HTG Polska, Poland branch, and for several major projects in Austria and Poland. In addition, she worked for Siemens Management Consulting in Germany and the United States for more than a year. Since 2004, Iris Ortner has been a member of the management of the IGO Industries Group in Austria and Poland. Since 2010, She has been a member of the Supervisory Board.

Robert Grüneis was born in Wels, Austria, in 1968. He obtained a master degree in law in 1993 and started his professional career in 1995 with Wiener Stadtwerke / Verkehrsbetriebe where he held numerous various management positions, including his position as member of the management board of Wiener Stadtwerke Holding AG until 2017. Since 2017, he is a managing director of Aspern Smart City Research GmbH & Co. KG.

Bernhard Vanas was born in Austria, in 1954. He studied business administration at the Vienna University of Economics and Business and law at the University of Vienna. Bernhard Vanas began his professional career at Auditor Treuhand GmbH and was admitted as a certified tax advisor and a certified auditor. In 1991, he became head of the tax department of Auditor Treuhand GmbH, which was then the Austrian Arthur Andersen franchise, and in 2000, he became managing partner of Arthur Andersen in Austria. From 2002 until 2010, Bernhard Vanas was managing partner of the Deloitte Austria group. Since 2010, he is the head of Taxand Austria Steuerberatungsgesellschaft mbH and a member of the executive boards of several private trusts. Since 2012, he has been a member of the Supervisory Board.

Susanne Weiss was born in Germany, in 1961. She is a graduate of the law school of the University of Regensburg, Germany. Since 1989, she has been working as an attorney-at-law with a particular focus on mergers & acquisitions as well as banking and finance. Since 2000, she has been a managing director and shareholder of several companies which, in particular, are active in the mechanical engineering and con-

struction business. Susanne Weiss is also a member of supervisory boards of several companies, including publicly listed companies. Since 2012, she is a member of the Supervisory Board of PORR AG.

Thomas Winischhofer was born in Austria in 1970. He graduated with a master degree in 1996 (University of Vienna, faculty of law) and a doctoral degree in 2000 (University of Linz, faculty of law). From 2001 until 2007, he was an Attorney at law and partner of Schuppich Sporn & Winischhofer Attorneys at Law. In 2007, Thomas Winischhofer received Master of Business Administration degrees from the Vienna University of Economics and Business and the University of Minnesota, Carlsson School of Economics. Since 2007, he has been a member of the management of IGO Industries Group. Since 2008, he has been a member of the Supervisory Board.

Gottfried Hatzenbichler was born in Kappel am Krappfeld, Austria, in December 1971. After his apprenticeship as motor mechanic including final apprenticeship examination (*Lehrabschlussprüfung*) and several years of professional experience as motor mechanic and construction worker (special civil engineering), he joined Teerag-Asdag AG as construction worker and engineer in 2000. From 2016 to 2018 he has worked as engineer at PORR Bau GmbH in Klagenfurt. Since 2002, Gottfried Hatzenbichler was full member of the works council of Teerag Asdag AG and in 2007 he became deputy chairman of the works council and finally chairman of the works council of Teerag Asdag AG in 2011. Since 2014, he has been the regional chairman of the trade union Bau-Holz in Carinthia. Since 2016, he was first chairman of the works council of PORR Bau GmbH and since 1 January 2019 he has been chairman of the group works council of PORR AG. Since 2017, Gottfried Hatzenbichler has been a member of the Supervisory Board delegated by the works council.

Wolfgang Ringhofer was born in Amstetten, Austria, in 1970. In 1986 he joined Teerag-Asdag AG as an industrial sales trainee. After his traineeship in the years 1989-1994, Wolfgang Ringhofer completed several business internships and held a number of commercial positions within Teerag-Asdag AG, and at the same time he passed the accountant examination. From 1994 to 1997 Wolfgang Ringhofer was then responsible for the preparation of the annual financial statements for several subsidiaries of Teerag-Asdag AG. In 1997, he joined the IT department of Teerag-Asdag AG, becoming project manager for the introduction of the ERP software. Following the takeover of the majority stake in Teerag-Asdag AG by PORR AG in 2000, Wolfgang Ringhofer joined the IT department of PORR AG, taking responsibility as project manager for merging the business software of both companies. Afterwards Wolfgang Ringhofer was involved up to and including 2019 in the introduction and ongoing further development of the SAP software at PORR AG as team leader. Wolfgang Ringhofer has also been a works council member of PORR AG since 2007 and a member of the Supervisory Board of PORR AG since 2017.

Michael Kaincz was born in Pamhagen, Austria, in January 1960. After his training as a retail sales clerk, he joined TEERAG-ASDAG Aktiengesellschaft as a truck driver in 1988. Since 2011, Michael Kaincz has been a member of the Supervisory Board delegated by the works council.

Michael Tomitz was born in St Pölten, Austria, in 1961. After graduation from the Vienna University of Technology in 1987, he joined the Group as a construction supervisor in civil engineering. Until 2003, he was a group leader at Porr Technobau und Umwelt AG (now PORR Bau GmbH). Since 2004, he has been a full time employee representative (*freigestellter Betriebsrat*) and a member of the Group's group works council. Since 2010, Michael Tomitz has been a member of the Supervisory Board delegated by the works council. Since 2014, he has been the Chairman of the European works council of PORR AG.

Supervisory Board Committees

The Supervisory Board has established an audit committee (*Prüfungsausschuss*), a nomination committee (*Nominierungsausschuss*) and a remuneration committee (*Vergütungsausschuss*). The current members of the audit committee are Karl Pistotnik (chairman), Klaus Ortner, Bernhard Vanas (financial expert), Thomas Winischhofer, Gottfried Hatzenbichler and Michael Tomitz. The current members of the nomination committee are Karl Pistotnik (chairman), Klaus Ortner and Susanne Weiss. The current

members of the remuneration committee are Karl Pistotnik (chairman), Klaus Ortner (remuneration expert) and Susanne Weiss (remuneration expert).

The audit committee (*Prüfungsausschuss*) is responsible for (i) monitoring the accounting process as well as providing recommendations and proposals with respect to maintaining its reliability, (ii) monitoring the efficiency of the internal control system, the internal revision system, if applicable, and the risk management system of the Company, (iii) monitoring the audit of the (consolidated) financial statements under consideration of the findings and conclusions in reports which were published by the auditors supervision authority (*Abschlussprüferaufsichtsbehörde*) pursuant to Section 4 para 2 No 12 of the Auditors Supervision Authority Act (*Abschlussprüfer-Aufsichtsgesetz*), (iv) reviewing and monitoring the auditor's independence, particularly in respect of additional services rendered by the auditor to the Group; Article 5 of Regulation (EU) No 537/2014 and Section 271a para 6 Entrepreneurial Code (*Unternehmensgesetzbuch*) shall apply; (v) reporting on the result of the audit to the Supervisory Board and the presentation how the audit contributed to the reliability of financial reporting, as well as the role of the audit committee thereby; (vi) the review of the annual financial statements and the preparation of their approval, the review of the proposal for the distribution of a dividend, the management report und the corporate governance report as well as reporting on the results of the review to the Supervisory Board; (vii) the review of the consolidated financial statements and the group management report, of the consolidated corporate governance report as well as reporting on the results of the review to the Supervisory Board of the parent company; (viii) the execution of a procedure for the selection of an auditor (group auditor) under consideration of the appropriateness of the fees as well as the recommendation for its appointment to the Supervisory Board; Article 16 of Regulation (EU) No 537/2014 shall apply.

The nomination committee (*Nominierungsausschuss*) is responsible for submitting proposals to the supervisory board for filling mandates which become free on the executive board and deals with issues relating to successor planning. Furthermore, the nomination committee (or the entire supervisory board) shall present proposals to the shareholders' meeting for appointments to the mandates on the supervisory board which have become vacant.

The remuneration committee (*Vergütungsausschuss*) responsible for matters in relation to the Executive Board, including compensation of the members of the Executive Board.

Additional Information Relating to Board Members

The following table sets out the names of companies and business partnerships, excluding the Company and its subsidiaries, of which each of the members of the Executive Board and Supervisory Board is a member of the administrative, executive or supervisory boards or partner, as the case may be:

Name	Name of company	Position held
<i>Executive Board</i>		
Karl-Heinz Strauss	ALUK-Privatstiftung	Chairman of the executive board
	CARL-Privatstiftung	Vice chairman of the executive board
	PLACHUTTA Privatstiftung	Member of the executive board
	UKAL-Privatstiftung	Chairman of the executive board
	DATAX HandelsgmbH	Member of the supervisory board
	KAPSCH-Group Beteiligungs GmbH	Member of the supervisory board
	Kapsch Aktiengesellschaft	Member of the supervisory board
	UBM Development AG	Chairman of the supervisory board
Josef Pein	CCG Nord Projektentwicklung GmbH	Member of the supervisory board

Name	Name of company	Position held
Andreas Sauer	-	-
Thomas Stiegler	-	-
<i>Supervisory Board</i>		
Karl Pistotnik	ARS BOHEMIAE - Privatstiftung Rotter	Member of the executive board
	Agavi Privatstiftung	Member of the executive board
	CARL-Privatstiftung	Member of the executive board
	CHILDREN OF ELISABETH-Privatstiftung	Member of the executive board
	CHT - Privatstiftung	Vice chairman of the executive board
	CM Privatstiftung	Member of the executive board
	Cosmos Privatstiftung	Member of the executive board
	EUSTACHIUS Privatstiftung	Member of the executive board
	FERENC-PRIVATSTIFTUNG	Chairman of the executive board
	HOUSKA Privatstiftung	Vice chairman of the executive board
	JE Familien Privatstiftung	Chairman of the executive board
	LIUBISA - Familien-Privatstiftung	Chairman of the executive board
	LK - Privatstiftung	Chairman of the executive board
	Landesmann Privatstiftung	Vice chairman of the executive board
	Lugner Familien-Privatstiftung	Chairman of the executive board
	Lugner-Söhne-Privatstiftung	Chairman of the executive board
	MILLENNIUM PRIVATSTIFTUNG	Member of the executive board
	PANKRATIUS Privatstiftung	Chairman of the executive board
	PRO FILIIS-Privatstiftung	Member of the executive board
	PROSPERO Privatstiftung	Member of the executive board
	Paula Frauneder Familien-Privatstiftung	Chairman of the executive board
	Skolnik - Familien-Privatstiftung	Chairman of the executive board
	VICTUS Privatstiftung	Member of the executive board
	WOJNAR Privatstiftung	Chairman of the executive board
	XENIA Privatstiftung	Vice chairman of the executive board
	BSSA Immobilienentwicklungs GmbH	Managing director
	CAMPAGNA Liegenschafts- und Beteiligungsverwaltungs GmbH	Managing director
	CERVUS Betriebs- und Handelsgesellschaft m.b.H.	Managing director
	IBC Liegenschaftsverwaltungs- und -	Managing director

Name	Name of company	Position held
	verwertungsgesellschaft m.b.H.	
	KAMINCO & KO Immobilienverwaltung GmbH	Managing director
	PISTOTNIK & KRILYSZYN Rechtsanwälte GmbH	Managing director
	PISTOTNIK GmbH	Managing director
	PROBAU Projekt- und Bauausführungs-Gesellschaft m.b.H.	Managing director
	PROINVEST Realitätenerwerbs- und -verwaltungs GmbH	Managing director
	Palais Fanto Verwaltungs Gesellschaft m.b.H.	Managing director
	TERRESTRIS Liegenschafts- und Beteiligungsverwaltungs GmbH	Managing director
	TH MTG Liegenschaftsbesitz GmbH	Managing director
	Treuhand- und Kontroll-GmbH	Managing director
	VERMREAL Liegenschaftserwerbs- und -betriebs GmbH	Managing director
	WALLNER Forstbetriebe GmbH	Managing director
	SDN Beteiligungs GmbH	Chairman of the supervisory board
Klaus Ortner	Berninger & Co. KG	Partner with unlimited liability
	IGO Real Estate GmbH & Co OG	Shareholder
	IGO Construction GmbH	Managing director
	IGO Development GmbH	Managing director
	IGO Industries GmbH	Managing director
	IGO Innovation GmbH	Managing director
	IGO Real Estate GmbH	Managing director
	IGO Technologies GmbH	Managing director
	IGO Verwaltungs GmbH	Managing director
	ELIN GmbH	Vice chairman of the supervisory board
	UBM Development AG	Member of the supervisory board
Walter Knirsch	ARS BOHEMIAE - Privatstiftung Rotter	Member of the executive board
	FIMBAG Finanzmarkteteiligung Aktiengesellschaft des Bundes in Liqu.	Liquidator
	Finanzmarktaufsichtsbehörde (FMA)	Member of the supervisory board (coopted)
Robert Grüneis	Energie Burgenland AG	Member of the supervisory board
	Philips Austria GmbH	Member of the supervisory board
	Aspern Smart City Research GmbH	Managing director

Name	Name of company	Position held
Iris Ortner	IGO Construction GmbH	Managing director
	IGO Industries GmbH	Managing director
	IGO Technologies GmbH	Managing director
	Ortner AG	Member of the executive board
	IGO Real Estate GmbH	Managing director
	IGO Verwaltungs GmbH	Managing director
	ELIN GmbH	Chairman of the supervisory board
	UBM Development AG	Vice chairman of the supervisory board
	Österreichische Beteiligungs AG	Member of the supervisory board
	IGO Real Estate GmbH & Co OG	Shareholder
	TKT Engineering Sp. z o.o.	Vice chairman of the supervisory board
	IGO Development GmbH	Managing director
	IGO Innovation GmbH	Managing director
	Bernhard Vanas	GOB Liegenschaftsverwaltung KG
Kornfeld & Vanas Land- und Forstwirtschaft OG		Partner with unlimited liability
MAB Liegenschaftsverwaltung OG		Partner with unlimited liability
MAB Mohsgasse 33 Vermietungs OG		Partner with unlimited liability
VBH Beteiligungs OG		Partner with unlimited liability
ALUK-Privatstiftung		Member of the executive board
Albona Privatstiftung		Member of the executive board
C. von Meinertzhagen Privatstiftung		Chairman of the executive board
Fidelis Privatstiftung		Member of the executive board
Medienbeteiligungen Privatstiftung		Member of the executive board
Orion Privatstiftung		Member of the executive board
PROSPERO Privatstiftung		Chairman of the executive board
Prajo Privatstiftung		Member of the executive board
STYX Privatstiftung		Chairman of the executive board
Schröder Privatstiftung		Member of the executive board
ATO Austrian Trust Office Gesellschaft mbH		Managing director
AUDIREAL Liegenschaftsverwaltungs GmbH		Managing director
IRZ Holding GmbH		Managing director
IRZ Liegenschaftsverwertung GmbH	Managing director	
MRB Radiobeteiligungen GmbH	Managing director	

Name	Name of company	Position held
	MVB Beteiligungs GmbH	Managing director
	Vanas & Partner Steuerberatungsgesellschaft mbH	Managing director
	SDN Beteiligungs GmbH	Member of the supervisory board
	UBM Development AG	Member of the supervisory board
	Projekt AN 71-73 Immobilien GmbH & Co KG	Managing director
	Crowe Consulting Austria GmbH	Managing director
	Bankhaus Denzel Aktiengesellschaft	Vice chairman of the supervisory board
	Wolfgang Denzel Auto AG	Vice chairman of the supervisory board
	Wolfgang Denzel Aktiengesellschaft	Vice chairman of the supervisory board
	Wolfgang Denzel Holding Aktiengesellschaft	Member of the supervisory board
	Familienstiftung Wolfgang Denzel	Member of the executive board
Susanne Weiss	Freeride Kitz Clothing OG	Partner with unlimited liability
	SW Beteiligungsgesellschaft mbH	Managing director
	UBM Development AG	Member of the supervisory board
	Wacker Chemie AG	Member of the supervisory board
	ROFA AG	Chairman of the supervisory board
	Blue Elephant Holding GmbH	Managing shareholder
	KHW Beteiligungsgesellschaft mbH	Managing shareholder
	Dr. Alexander Wacker Familiengesellschaft mbH	Managing director
Thomas Winischhofer	Haustechnische Gesellschaft für Sanitär-, Wärme- und lufttechnische Anlagen Gesellschaft m.b.H.	Managing director
	Immobilienmanagement "Kreuzstraße" GmbH & Co KG	Partner with unlimited liability
	Ortner Ges.m.b.H.	Managing director
	TKT Engineering Sp. z o.o.	Member of the supervisory board

(Source: Unaudited internal information of the Issuer)

Conflicts of interest

There are no arrangements or understandings with major shareholders, customers or suppliers of the Company, or with other persons, pursuant to which any member of the Company's Supervisory Board or Executive Board was appointed a member of such corporate body.

A conflict of interest may arise due to business relationships between the Group and companies controlled by members of the Executive Board or Supervisory Board. Management believes that business between the Group and businesses that are influenced by members of the Executive Board or Superviso-

ry Board are conducted at arm's length. Moreover, any member of the Executive Board or Supervisory Board that may be conflicted (e.g., business dealings with members of the IGO Industries Group) is not permitted to participate in the adoption of any resolution in relation to a matter that could create a conflict of interest.

Actual or perceived conflicts of interest may occur if companies of the IGO Industries Group provide engineering, installation or other construction services to the Group. Klaus Ortner, Thomas Winischhofer and Iris Ortner are members of the Supervisory Board as well as members of the management of the IGO Industries Group

In addition, actual or perceived conflicts of interest may arise involving PROSPERO Privatstiftung, an Austrian private trust that is an indirect shareholder in the Company via SuP Beteiligungs GmbH. Karl-Heinz Strauss is the benefactor of PROSPERO Privatstiftung. Karl Pistotnik and Bernhard Vanas are members of the executive board of PROSPERO Privatstiftung at the same time as being members of the Supervisory Board of the Company and rendering professional legal and tax advice to the Company.

Actual or perceived conflicts of interest may arise involving the law firm Weiss Walter Fischer-Zernin, which provides advisory services to the Company. Susanne Weiss is a partner at the law firm as well as a member of the Supervisory Board of the Company. In each case, the applicable service contracts, including the agreed upon fees, have been approved, in line with Austrian law, by the Supervisory Board with the applicable member abstaining from voting on the applicable resolution. Susanne Weiss also holds a 49.52% stake in ALU-Sommer GmbH, a company which belongs the Group. In case of business between ALU-Sommer GmbH and the Group, the applicable contracts have also been approved, in line with Austrian law, by the Supervisory Board with the applicable member abstaining from voting on the applicable resolution.

Except as described above, there are, to the best knowledge of the Company, no potential conflicts of interest of any members of the Executive Board or the Supervisory Board. All business relationships between the Group and companies controlled by members of the Executive Board or Supervisory Board are monitored in line with Section 95a AktG and reported as related party transactions.

The Company is not aware of any interest of any member of the Supervisory Board or the Executive Board relating to unusual business transactions with the Group. The Company has no outstanding loans to and no guarantees on behalf of any members of the Supervisory Board or Executive Board.

There are no family relationships between the members of the Executive Board and Supervisory Board, except that Iris Ortner is the daughter of Klaus Ortner.

Principal shareholders

The following table provides for an overview of the Company's principal shareholders.

Shareholder	Number of shares	Percentage
Ortner-Strauss Syndicate	15,624,401	53.70%
<i>thereof IGO Industries Group</i>	11,207,097	38.52%
<i>thereof Strauss-Group</i>	4,417,304	15.18%
Heitkamp Construction GmbH	1,703,142	5.85%
Wellington Management Group LLP	1,407,778	4.84%
Group management ⁽¹⁾	760,934	2.62%

Shareholder	Number of shares	Percentage
Freefloat (including 216,495 treasury shares)	9,598,745	32.99%
Total.....	29,095,000	100.00%*

(Source: Unaudited internal information of the Issuer)

(1) Includes shares which are held by members of the Executive Board (including shares attributable to the IGO Industries Group and the Strauss-Group which are not syndicated), by members of the Supervisory Board and other executives of the Group.

* Due to rounding adjustments, the single percentage numbers do not sum up to 100.00%.

Except as set out in the above table, to the Company's knowledge, no other shareholder beneficially owns more than 4% of the shares of the Issuer as of the date of this Prospectus. All of the Issuer's shares have the same voting rights.

The Company has not adopted measures against the potential abuse of controlling shareholders of their control in addition to those required by Austrian law. However, the Company believes that Austrian law, including the takeover regulations and principles of equal treatment of shareholders, provides comprehensive and sufficient safeguards against the potential abuse of controlling shareholders of their control.

The Ortner-Strauss Syndicate

There is a syndicate agreement in place between certain members of IGO Industries Group and Strauss Group. Based on information disclosed by the Ortner-Strauss Syndicate, resolutions of the Ortner-Strauss Syndicate require a unanimous vote and resolutions passed by the syndicate oblige the syndicate members to exercise their voting rights in accordance with the resolutions of the syndicate in shareholders' meetings of the Company. In addition, reciprocal acquisition rights exist. The shareholders' agreement may not be terminated before 31 December 2022.

Corporate Governance

In December 2014, the Issuer has formally committed to adhere to the rules of the Austrian Code of Corporate Governance, and the Executive Board and Supervisory Board of the Issuer have declared that they will uphold the Austrian Code of Corporate Governance as amended and that they will fully commit to the Austrian Code of Corporate Governance and its objectives.

Agreements regarding the control of the Issuer

The Issuer is unaware of any agreements which may lead to a change of control with respect to the Issuer at a later date if executed.

Listed securities of the Issuer

The Issuer has currently the following securities outstanding which are listed on the markets as described below:

Type of security	Designation	ISIN	Market(s)
Equity	Common share (<i>Stammaktie</i>)	AT0000609607	Vienna Stock Exchange (Official Market)
Debt	ABAP obligatorische Ge-	AT0000A086F0	Vienna Stock Exchange

Type of security	Designation	ISIN	Market(s)
	nussrechte 2007		(Official Market)
Debt	Hybrid Bond 2014	AT0000A19Y36	Vienna Stock Exchange (Official Market)
Debt	Hybrid Bond 2017	XS155774014	Vienna Stock Exchange (Official Market)

INFORMATION ON THE ISSUER'S AND THE GROUP'S BUSINESS

Overview

The Group is a leading construction group in Austria and is Europe-wide one of the most significant construction groups on its Home Markets of Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania. The Group's core competencies comprise building construction and civil engineering, covering the entire lifecycle of a construction project. The range of services extends from the project development and design engineering, construction of buildings, tunnelling, road and railway construction to engineering services. In geographical terms, the Group is active in its European Home Markets Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania, in each of which it offers (or intends to offer in the near future) the full range of its construction products and services. In addition, the Group is active in Norway, Singapore and Middle Eastern countries, in which it offers only project related and niche products, primarily in tunnelling, railway construction and civil engineering. Such project markets comprise in particular Qatar (where the project volume is currently reduced) and UAE in the Middle East, as well as Norway.

The Group mainly offers its services in five product areas:

- **Building construction:** Building construction comprises the construction of commercial and industrial buildings, office and administrative buildings, residential construction and hotel and leisure complexes. Both large and medium-sized projects, mainly for private customers, form the core of the business activities.
- **Civil engineering/Infrastructure:** In the field of civil engineering/infrastructure, the Group is involved in the construction of roads, including asphalt and concrete road construction, as well as all other construction work in the context of road construction, such as earthwork, wastewater and pipe construction as well as small and medium-sized civil engineering related concrete structures. In this service area, the Group is also involved in the construction of complex traffic structures and power plants, major bridge projects, dams, rail tracks, environmental technology, tunnels and specialized groundwork. The production of building materials, such as asphalt, concrete and gravel, for internal supply as well as for external sale also forms a part of this product area.
- **Environmental engineering:** Environmental engineering comprises the Group's activities in environmental clean-up, waste management and renewable energy projects. In this product area, the Group builds and operates landfills as well as waste treatment and sorting plants in Austria, Germany and Serbia, including services for recycling rubble and construction waste.
- **Design & Engineering:** This product area combines all of the planning and calculation tasks of the Group with a focus on the area of building construction. Special skills regarding planning as Building Information Modelling (BIM) and sustainability are also bundled within this division. The departments "Offer Management", "Architecture", "Technical Building Equipment Planning", "International Building Technology", "Construction Engineering" with the sections of "Superstructure Planning and Construction Preparation", "Management, Sustainability" and "Project Management" are all bundled within the product area Design & Engineering.
- **Special skills:** This product area comprises a wide range of different services requiring specialist knowhow and skills, such as sealing, asphalt production, coating, concrete slab construction, façade construction, airport construction, alpine construction, large-scale and health care projects, but also facility management, PPP and property management.

Until 31 December 2018, the Group had the following four operational business units, representing the reportable segments: Business Unit 1 (Austria, Switzerland, the Czech Republic), Business Unit 2 (Germany), Business Unit 3 (International including tunnelling, railway construction) and Business Unit 4 (Environmental Engineering, Healthcare & Services). Building construction and civil engineering were

mostly handled by the regional business units, whereas the specialized units infrastructure and environmental engineering carried out their projects in cooperation with the responsible region. In the Consolidated Financial Statements 2018 underlying this Prospectus all of the key performance indicators and financial results relate to this organisational structure that was in place 2018.

Since then the Group has implemented a new, streamlined segment structure, effective 1 January 2019. The Group is now organized into three operational business units. PORR as ultimate parent and holding company offers administrative services to all members of the Group via a shared services center. The business units form a matrix structure in which both, regions and specialized branches, are represented. The Group's business activities are divided into permanent business and project business.

Competitive Strengths

The Group believes its most significant competitive strengths comprise the following:

Position and Business Opportunities in its Home Markets

Management believes that the Group is the largest construction company on the Austrian market in terms of production output. 41.7% of the Group's production output was generated in Austria in 2018 (46.4% in 2017 and 52.4% in 2016). Furthermore, the Group has sizeable activities in its other Home Markets Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania.

The Group offers permanent business with complete coverage and the full set of its construction services in the following parts of its Home Markets: Austria, the Czech Republic and Switzerland. The Group's Home Markets (Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania) also have a major share of order backlog and represent 95.6% of total order backlog as of 31 December 2018 (89.3% as of 31 December 2017). The Group's management is optimistic that it will continue to benefit from substantial opportunities in its Home Markets, particularly in Austria, Switzerland and the Czech Republic due to well-filled order books as well as the Group's strong market position in Austria.

Technical Expertise

The Group believes its technical expertise in complex construction, in particular in the areas of tunnelling and railway construction as well as in other areas, such as structural and foundation engineering and building construction, provide it with a competitive advantage. As an example, the Group developed with ÖBB, the Austrian Federal Railways, the "ÖBB-PORR slab track" railway system, in which the Group holds a patent. The "ÖBB-PORR slab track" railway system consists of an elastically supported track base plate. This proprietary technology enabled the Group to acquire a range of large-scale railway related orders in Austria, Germany and Poland with a volume of several hundred million euro in recent years, such as various lots of the rail connection Stuttgart-Ulm, a lot of the rail connection Coburg-Ilmenau and rail connections in Poland. The Group therefore believes it is perceived in the markets in which it operates as having a strong technical expertise in railway construction, tunnelling and foundation engineering and more generally as a quality provider of construction services. Thanks to its proprietary technology and other related know-how, the Group is not reliant on licensing intellectual property rights from third parties to any material degree.

In-house Resource Base in Austria

The Group operates a substantial number of asphalt mixing plants and concrete mixing plants (including facilities of joint ventures and associates), in particular in Austria and to a lower extent also in the Czech Republic. In addition, in Austria the Group performs significant recycling activities of concrete, clay bricks and other demolition waste and unprocessed gravel. Furthermore, the Group has its own raw material reserves of stone and gravel (including facilities of associates) in Austria. On such basis, the Group considers itself currently to be in a position to cover internally a substantial portion of its stone and gravel demand as well as need for asphalt and concrete mixing plants in Austria and a high portion of need

for asphalt and concrete mixing plants in the Czech Republic, which makes the Group less exposed to fluctuations in availability and prices of such materials.

Management Team

Management believes that the Group benefits from an experienced senior management team with long-standing work experience in the construction industry, real estate development and financial management. In addition, the Group has experienced local management teams in the countries in which it is active. These local teams play an important role in the Group's decentralized organization, as they allow the Group to adapt to a variety of different local cultures. The Group's dual leadership model, comprising a technical and a commercial director with joint responsibility for all units and construction projects, has been rolled out at all levels throughout the organization to support effective control.

Business Strategy

The Group's principal objective is to intelligently grow its business for sustainable success, especially in markets where clients and customers are increasingly looking for full-service construction solutions. The Group intends to achieve this by:

- focussing on its core competency: the construction business;
- concentrating on the European Home Markets with secure margins – Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania;
- operating selectively with its export products in tunnelling, railway construction and civil engineering on selected project markets and international markets in Norway, Singapore as well as Qatar and UAE and thereby applying its expertise in these areas (while potential new target markets are constantly evaluated);
- constantly evaluating and seizing opportunities with regard to potential new target markets; and
- focussing on operations which, in the opinion of the management, shall be excellent.

In more detail, the Group intends to achieve such targets by implementing the following measures:

Focus on the construction business

The Group is committed to its core competency – the construction business. While the Group covers the entire value chain from advanced project development to follow-up services such as facility management, technical construction is and will be the heart of its construction business and related service product portfolio.

Focus on Home Markets

The Group generated 91.2% of its production output in its Home Markets in 2018 (89.1% in 2017). In Europe, the Group intends to maintain its focus on its Home Markets, which in its view offer good macro-economic fundamentals, a healthy outlook for demand for construction services and a sound financial environment.

Capitalize on continued leading market position in Austria

The Group's goal is to continue to expand its leading market position in Austria and grow in select niches. The Group intends to capitalize on its continued leading market position in Austria, which it believes will continue to offer a number of infrastructure, building construction and civil engineering projects.

While the Austrian market is highly competitive, the Group intends to benefit from its competitive strengths, including its substantial self-supply of raw materials.

Expand activities in particular in other Home Markets

In addition to its currently largest market, Austria, the Group offers the full set of construction services in Switzerland and the Czech Republic, as parts of its Home Markets, and nearly all construction services in its other Home Markets Germany, Poland and Romania. The Group intends to expand its activities in such countries, by taking advantage of its competitive strengths and the retreat of competitors from the construction market. The strategy is to focus on projects where the Group feels it has a clear competitive advantage. In Germany, the Group has reached a decisive size, thereby establishing itself as a leading market player in complex infrastructure, industrial construction and civil engineering projects and is, as an example, a partner of Deutsche Bahn for large-scale infrastructure projects, as demonstrated by its involvement in the Stuttgart 21 project and certain lots of the Stuttgart-Ulm railway connection. In addition, the Group has acquired the civil engineering activities from Bilfinger in Poland which strengthened the Group's offering in Poland and should further enable the Group to take advantage of what third party sources show is a stable development of the civil engineering segments in European construction markets over the next three years. (Source: EUROCONSTRUCT, December 2019).

Expand activities through selective add-on acquisitions

Furthermore, the Group intends to continue to strengthen its regional coverage and/or to further expand its products and services portfolio in particular by means of selective and opportunistic add-on acquisitions of interesting small or medium sized companies. The Group also intends to expand, again on an opportunistic basis, its network of quarries, gravel pits and asphalt and concrete mixing plants in its Home Markets to improve its independence from third-party suppliers and from volatility in the price of raw materials, and to capture a greater portion of the construction value chain. The Group does not currently intend to increase its average investments in acquisitions over the average of the past three years.

Selective pursuit of projects

The Group has a diversified project portfolio, with the largest twenty-four projects in the order backlog contributing less than 17 *per cent.* to the overall annual production output. The projects vary in terms of size and nature, further contributing to the diversity and balance of the portfolio.

Outside its Home Markets, the Group has scaled down its presence in other CEE/SEE markets compared to the beginning of the millennium and intends to cover such markets based on a project-driven and niche product strategy going forward, rather than offering its full set of construction services. In such context, the Group intends to selectively pursue projects which it aims to identify on the basis of the expected margin, risk management aspects and secured financing of the customer, in particular projects co-financed by the European Union or other international and supranational organizations. In addition to the CEE/SEE region, the Group has also started with specialised projects in the Middle East (Qatar and currently UAE), Singapore and Norway.

Focus on operations

Due to the dynamic growth of its markets, PORR selectively pursues a focus on operations which, in the view of the management, shall be excellent. The Group intends to secure sustainable profitability by establishing competitive cost and process structures in every division. The Issuer's management is of the opinion that this shall be achieved by steadily increasing efficiency, unifying processes, bundling know-how and a streamlined organisational structure with flat hierarchies as well as by selective choice of new projects, continuous risk analysis and project management in order guarantee sustainable profitability over the course of the entire project.

Digitalisation

The Issuer's management is of the opinion that the Group is well equipped in terms of digitalisation and considers itself as a technological trailblazer in Austria.

The Group has introduced Building Information Modelling ("**BIM**"), a method of design using a digital building model that stretches from the conceptualisation to completion and is based on standardised processes. It is thus a method for the optimised design and construction of structures spanning their entire life cycle. This design process includes 3D geometry with standardised parameters, 4D linkage for purposes of construction process planning (time) as well as 5D linkage for purposes of performance and cost monitoring. The aim of BIM is to minimise design errors, to make decision-making processes shorter, to achieve a networked flow of information and data consistency as well as time and cost savings. Management believes that digitalisation will not only lead to increased efficiency, but represents also a competitive advantage to other market participants.

In addition, the transformation programme "PORR 2025" has been established, comprising the focus on organisation, operational analysis, market analysis and digital opportunities.

- **Organisation:** Having already implemented a structural realignment, the Issuer has streamlined the number of its business units to just three – effective as 1 January 2019. This has allowed it to bundle competencies and enhance its focus on the core business and on monitoring risks and costs. The introduction of a new management model has, in the view of the Issuer, led to the optimisation of the central functions (Shared Service Center), the reduction of hierarchies and the prevention of redundancy. With a newly established corporate culture – based on five core corporate principles (reliability, shoulder to shoulder, appreciation, pioneering spirit and passion) – the Issuer wants to position itself as an attractive employer and be prepared for the digital future.
- **Operational analysis:** As part of the PORR 2025 transformation programme, the Issuer intends to increase cost discipline at every level. This should be achieved by optimising key processes such as procurement, investments and asset management. Furthermore, non-core activities will be scrutinised in order to streamline the focus on construction competencies. Assisted by a selective approach to tender acquisition, the Issuer's portfolio structure should represent a risk-aware selection couple with a well-balanced mix of infrastructure projects and permanent business. Improvements in risk management and contract management are also being addressed.
- **Market analysis:** In order to be prepared to handle new challenges, PORR has conducted a comprehensive analysis of the markets in which it operates. The strategic focus on the existing home markets and core competencies remains valid. Added to this is the new home market Romania. Slovakia will fall under the operating purview of the managers responsible for the Czech Republic. Poland is doing well and building on new orders with a better risk profile; that said, the pressure on margins remains high. No further projects will be undertaken in Great Britain while project volumes are being significantly reduced in Qatar. Norway is currently in an analysis phase. This approach should sustainably enhance PORR's regional strengths in the individual markets and lead to an even more focussed market profile.
- **Digital opportunities:** The need for transformation in the construction sector has undergone a massive rise in terms of technology. The result is new, data-based business models. Digital networking across the entire construction value chain, coupled with the development of new and advanced software solutions, is set to change the competitive landscape in medium term. The Issuer is investing heavily in new technologies such as BIM and Advanced Analytics and promotes methods such as LEAN Design and LEAN Construction. Significant investments and measures to harmonise IT processes throughout the Group have been initiated. Developing key topics in the digitalisation sphere holds potential for the Group and are aimed at strengthening its competitiveness.

Products and Services

Overview

The Group is organized into three operative business units. PORR as holding company offers administrative services, including IT, tax, accounting, legal and other services to all members of the Group via a shared services center.

The current organisation into three operative business units is relatively new (having started only with effect from 1 January 2019), where the previous organisation provided for four business units with different scopes (e.g. the previous business unit BU 1 – Austria/Switzerland/Czech Republic, the business unit BU 2 – Germany, the business unit BU 3 – International including tunnelling, railway construction, the business unit BU 4 – Environmental Engineering, Healthcare & Services). As a result of this organisational change, no comparable figures for the business units below are available for the full financial year 2018 and previous periods.

On a consolidated basis, the Group has achieved the following results as of 30 September of 2019 and 2018 respectively as well as of 31 December 2018:

(in EUR million)	31 December 2018	1-9/2019 (unaudited)	1-9/2018 (unaudited)
Production output	5,593	4,080	4,055
Order intake.....	6,326	4,338	4,525
Order backlog.....	7,100	7,358	6,837
Revenues	4,959	3,520	3,644
EBITDA	219.5	146.0	130.3
EBT	88.1	14.4	31.2
Result for the period.....	66.2	9.8	23.3

(Source: Unaudited internal information of the Issuer, except for Revenues and result for the period as of 31 December 2018)

The figures mentioned below when describing the three business units will not add up to 100% of the Group's consolidated numbers (as shown in the table above) due to a small part of the business which is generated by the Issuer itself and not attributed to a business unit.

Business Unit 1 – Austria, Switzerland

(in EUR million, except average staffing levels)	1-9/2019 (unaudited)	1-9/2018 (unaudited)	Change
Production output	2,040	2,032	0.4%
Order backlog.....	2,433	2,164	12.4%
Order intake.....	2,351	2,146	9.5%
Staffing level (average)	9,526	9,120	4.5%

(Source: Unaudited internal information of the Issuer)

The current segment Business Unit 1 – Austria, Switzerland (BU 1) covers the Group's permanent business on the two Home Markets of Austria and Switzerland. In this segment the Group is represented with its full range of services, whereby the primary focal points are residential and office construction, structural engineering and road construction and specialist engineering. The fields of environmental engineer-

ing and railway construction including the Slab Track Austria system with a focus on Europe are new additions to Business Unit 1 as of 1 January 2019. Also integrated into Business Unit 1 – alongside the existing equity interests (including IAT, BOMA and ÖBA) – are Prajo, TKDZ, Thorn, PWW and ALU-Sommer. Furthermore, this segment includes German industrial construction as well as large-scale building construction projects on all international markets and the raw materials business. The former Business Unit 4 (Environmental Engineering, Healthcare & Services) has thereby been disbanded.

Business Unit 2 – Germany

(in EUR million, except average staffing levels)	1-9/2019 (unaudited)	1-9/2018 (unaudited)	Change
Production output	714	688	3.8%
Order backlog.....	1,414	1,654	-14.5%
Order intake.....	528	799	-33.9%
Staffing level (average)	2,456	2,410	1.9%

(Source: Unaudited internal information of the Issuer)

The segment Business Unit 2 – Germany (BU 2) comprises the activities of the Group in Germany and is divided into four regions: South (via Munich), East (via Berlin), West (coverage by PORR Oevermann) and North (via Hamburg). On its second largest market, the Group offers foundation and structural engineering in addition to building construction and civil engineering. Building construction activities were reorganised in 2018 by bundling resources and know-how along regional lines. The acquisitions of recent years have given the Group a strong presence on the infrastructure market with its own qualified, specialist staff and have allowed the Group to strengthen its market position in Germany. Following the organisational restructuring in 2018, the focus now is on consolidating the business and on operational excellence.

Business Unit 3 – International

(in EUR million, except average staffing levels)	1-9/2019 (unaudited)	1-9/2018 (unaudited)	Change
Production output	1,204	1,249	-3.7%
Order backlog.....	3,400	2,908	16.9%
Order intake.....	1,324	1,504	-12.0%
Staffing level (average)	5,874	5,634	4.3%

(Source: Unaudited internal information of the Issuer)

The segment Business Unit 3 – International (BU 3) focuses on the Home Markets of Poland, the Czech Republic, Slovakia, Romania and on the project markets of the Nordic region and Qatar. In Poland and Romania the Group offers construction services in building construction and civil engineering, complemented by foundation engineering in Poland. The competencies for international tunnelling, railway construction and bridge building are also bundled in Business Unit 3, as are the areas of international large-scale projects an international use of the Slab Track Austria system (including Slab Track Austria infrastructure projects outside of Europe).

New Products and Services

There currently are no material new products or services offered by the Group.

Customers

The Group provides its services to public as well as private customers. The percentage share of public and private customers varies materially between the business units and also from period to period. As a general statement, customers for building construction and real estate development typically originate from the private sector, while for other construction activities the majority of contracts originate from public authorities or state-owned companies, such as ASFINAG or ÖBB in Austria and Deutsche Bahn in Germany. The most important private customers in road construction are airport operators, railway companies and industrial customers.

In selecting new projects, the Group will consider the expected margin, customer and its credit worthiness, technological requirements, terms of the contract and whether work will be performed on a sole contractor basis, in cooperation with subcontractors, or as part of a joint venture or a consortium.

The public sector typically awards contracts in tender procedures. In some instances, participation in the bidding process is only permitted following a prequalification phase, where the bidder's eligibility to carry out the project is examined on the basis of certain parameters such as financial capability, experience and expertise, personnel and equipment. The structure, terms and requirements of a tender process is often set by applicable domestic and, within the EU, by European public procurement laws and regulations. Bidders tendering for a contract in the public sector are subject to longer and more complex tendering procedures than in the private sector and face the risk that competitors will challenge the invitation to tender or the award. Client relationships are of minor relevance due to statutory procurement law requiring predefined and objective award criteria.

In the public sector, procurement laws typically require that contracts are awarded to those who submit the best bid, meaning the most economical but not necessarily the cheapest offer. In practice, however, the principal criterion for the award of a contract often turns out to be the lowest price. Qualitative criteria such as references, capacity and financial strength are also applied, in particular during the prequalification phase in which the bidder's eligibility to carry out the project is examined.

In the private sector, contracts are typically awarded by means of restricted invitations to tender and subsequent contract negotiations. Brand recognition and existing client relationships are important. Particularly in building construction, there are ongoing business relationships with individual key customers which have developed over years. The opportunity to acquire follow-on projects exists when, for example, shopping centers are built in several locations based on the same planning concept. The Group's customers in this area include renowned retailers, automotive and other industrial/petrochemical companies as well as utilities.

Based on the requirements and feasibility of particular projects, the Group considers to apply for projects either individually or as part of a joint venture or consortium.

Suppliers

Raw Materials

Risks connected with raw materials and commodities supply 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 minimizing supply risks in subcontractor purchasing. Ongoing analysis of the markets for the required raw materials is carried out centrally and the findings are passed on to the operational units within the procurement organization. The Group hedges the price risk of key materials purchases through long-term price fixing in the form of framework agreements, owing to the lack of functioning derivative markets for many of these materials. The most important raw materials and commodities used by the Group are cement, bitumen, stone, steel, and energy (diesel and gas).

Cement and bitumen, the raw materials for concrete and asphalt, are bought mainly from third party suppliers. The Group aims to keep the impact of price fluctuations to a minimum by entering into long-term supply contracts. Through its centralized bitumen sourcing the Group generates high trade volumes and has developed long term relationships with various bitumen producers, which helps the Group to secure sufficient supply and provides cost advantages.

Ready-mix concrete and asphalt mixtures can be transported only over limited distances before they solidify and get too hard to work with. Stones and gravel may be transported over longer distances but this is done only where such transport is possible at reasonable cost considering also aspects of the reasonable use of resources and protection of the environment. The existence of local supply sources for these materials is, therefore, essential for competitive pricing. Over the years, the Group has established a network of concrete and asphalt mixing plants, gravel pits and quarries in Austria. The Group operates a substantial number of asphalt mixing plants and concrete mixing plants (including facilities from joint ventures and associates), in particular in Austria and the Czech Republic. In addition, the Group performs significant recycling activities. The Group also has certain proprietary access to raw material reserves of stone and gravel (including facilities from associates). On such basis, the Group is currently in a position to cover a substantial portion of its asphalt, stone and gravel supply in Austria and a high portion in the Czech Republic internally.

The Group believes that its vertical integration helps to secure the supply of raw materials, acts as a hedge against raw material price fluctuations and improves the Group's ability to capture a greater portion of the construction value chain. Excess raw materials are sold to third parties for profit. In countries where the Group cannot cover its own supply with its own production, it is dependent on local suppliers.

Energy, diesel and construction steel are purchased exclusively from third party suppliers. The Group maintains reasonable reserves of construction steel at its disposal and seeks to purchase its requirements based on long term framework contracts with fixed prices. Framework contracts are also concluded for individual large-scale projects to assure costs remain within the limits of the assumptions of the respective project calculation.

The Group is not dependent on any single supplier or group of affiliated suppliers in respect of raw materials. Materials obtained from third party suppliers are usually bought by central purchase units (assisted by project coordinators and experts from the business units for particular materials), except for diesel, which is bought locally.

Subcontractors

The Group is in a position to perform all key construction works on its own and its objective is to perform work on its own to the extent reasonably possible. Cooperation among the various units and members of the Group aims to minimize the need to appoint third party subcontractors. Subcontractors are appointed where a service cannot be performed by the Group (at all or in the required quality/time) or the third party can carry out construction works materially more efficiently than the Group. The extent to which subcontractors are employed varies by region and prevailing market conditions. In general, the Group's use of subcontractors is lower in Austria and in civil engineering than outside of Austria and other areas of construction.

The Group's central procurement maintains a database of subcontractors and service providers, which assists in selecting outside subcontractors and service providers suitable for a particular project/work. Subcontractors and service providers are added to such database in a defined process, which involves key players of the relevant technical/commercial area, the relevant region as well as the relevant business unit. The project leader evaluates subcontractors and outside service providers after completion of a project.

Competitors

In its Home Markets, the Group primarily competes with several internationally active construction companies as well as a number of medium-sized firms with strong regional presence or product specialization.

In Austria, Strabag, Swietelsky Bau and Habau Hoch- und Tiefbau are the Group's main competitors. In its Home Markets outside Austria, the Group's competitors include Strabag, Hochtief, Skanska and Vinci.

Research & Development

The Group has traditionally attached great importance to research and development – particularly with regard to sustainability, environmental engineering, construction materials and construction processes. The Group has taken on a central role in the Austrian Construction Technology Platform, an organization whose aim is to establish a network between the construction industry and construction research. The Group is committed to close, long-term cooperation with universities and other research institutes in order to realize its research activities. The Group has also launched an IT-based platform to share technological knowledge and to discuss innovative solutions among the staff of the Group.

One of the projects pursued by the Group aims to use tunnel construction projects as a source of raw materials. On the one hand, excavated material shall be used for the project itself to produce various construction materials. On the other hand, it aims to recycle the waste in the construction industry and other resource-intensive industry sectors.

Another project, pursued by PORR Umwelttechnik GmbH, aims at the optimization of the extraction of geothermal energy. Improvements could be achieved by developing new installations and thermal conductive backfill materials. PORR Umwelttechnik GmbH also successfully investigated the use of residues from biomass power stations in combination with demolition waste as construction materials.

Other projects the Group is involved in aim to achieve economic optimization of construction methods by reducing the amount of material used, having a positive commercial as well as environmental impact. One of the projects in this field aims at more precise 3D-static calculation software to allow leaner constructions with reinforced concrete. In another project the amount of steel for the reinforcement of concrete structures could be significantly reduced by using newly developed and patented steel sheets instead of rebars. The Group is also committed to forms of technology which are aimed at making buildings and construction methods safer and more energy-efficient.

Intellectual Property

The Group is not reliant on licensing intellectual property rights from third parties to any significant degree. The Group's most important proprietary patents include the "ÖBB-PORR slab track" railway system, which consists of an elastically supported track base plate and was jointly developed by the Austrian Federal Railways (ÖBB) and Group. Such patent is a main reason for many substantial railway construction orders the Group has been able to obtain, including in Germany.

The Group's most important registered trademark and logo is "PORR". The Group's principal internet website domain is www.porr-group.com.

Staff / Employees

The following table provides a breakdown of the Group's employees (averages of headcount) for the financial years ended 31 December 2016, 2017 and 2018 as well as for the periods 1-6/2018 and 1-6/2019:

	1-9/2019	1-9/2018	2018	2017	2016
Staffing level (average)	19,644	18,802	19,014	17,719	15,328

(Source: Unaudited internal information of the Issuer)

Regulatory and Environmental Matters

Regulatory Matters

The Group is subject to comprehensive regulatory provisions under Austrian and EU law, as well as in all local jurisdictions where it operates, including zoning laws, procurement laws, health and safety laws, anti-money laundering laws, anti-corruption laws and competition laws. The Group believes that it is substantially in compliance with all of these laws and regulations, as they are currently interpreted. To the best of the Issuer's knowledge, there are no current or potential material claims against the Group in the area of regulatory compliance. With regard to the current investigation by the Austrian competition authority, see below under "*Legal Proceedings*".

Procurement Law

Substantive matters of Austrian procurement law are governed by the Federal Public Procurement Act (*Bundesvergabegesetz*). Remedies available to bidders are regulated by the Federal Public Procurement Act as well as statutes of the Austrian provinces. Because Austrian procurement law is based on EU law, the principles of Austrian procurement law are similar to those in other EU member states. However, for tender procedures below the relevant EU thresholds, Austrian procurement law deviates from EU public procurement law.

Under applicable EU directives, public buyers have to define the relevant award criteria for an application or bid in the EU contract notice. Such criteria can be divided into criteria that refer to the price or quality of a bid and those that refer to the pre-qualification of a company to fulfil a contract competently and reliably. Tenders must generally be open to the public except for complex building projects, which may follow other procedures in accordance with the Federal Public Procurement Act.

In all procedures, the capacity of applicants is required to be evaluated using certain documentation. Participants may be eliminated from the tender process if they fail to provide sufficient evidence proving their capacity and capability (e.g., technical and economic capacity). Participants may also be excluded from the tender process if their professional reliability is questioned due to grave professional misconduct or criminal convictions. However, according to section 73 of the Federal Public Procurement Act, an unreliable bidder has an opportunity to participate in the tender by proving that all technical, organizational or personal measures needed to prevent such criminal offences have been taken. The greater the number or severity of the offences, the more comprehensive self-cleansing measures must be taken by the bidder and the stricter the judgment of whether professional reliability had been regained. If a bidder fails to provide the required evidence, other bidders may appeal the company's bid, if it is successful.

Environmental Matters

The Group is subject to the environmental laws and regulations of the EU as well as of those of the countries and local jurisdictions in which it operates. The Group employs systems to ensure compliance with applicable environmental laws and regulations. The Group regards its responsibility to operate its business in an environmentally friendly way as one of its core values. The Group is committed to using energy and natural resources economically and reducing noxious emissions and waste. Preventive measures for environmental protection are part of the Group's tendering, contracting and planning.

Insurance

The group maintains insurance in such amounts, coverage and deductibles as management believes is reasonable and prudent. The Group is insured against claims resulting from general liability, including product liability, environmental liability and property damage. The Group also maintains directors and officers (D&O) insurance.

Legal Proceedings

Competition law

In the Austrian construction industry's recent past, a series of investigations by the Austrian competition authority (*Bundswettbewerbsbehörde, BWB*) have been carried out nearly all over Austria, with a particular emphasis on Lower Austria, Styria and Carinthia, also office premises of the Group. Therefore, the Group may face high fines imposed by the Austrian competition authority in connection with proceedings of anti-competitive practices. The Group may also face damage claims in connection with the anti-competitive practices.

The Group is under investigation by the Austrian competition authority which searched various Austrian offices of the Issuer, predominantly offices in Vienna, Styria and Carinthia and employee's homes in May 2017 and June 2018 in connection with the alleged participation of the Group in anti-competitive practices regarding road construction (*Straßenbau*) and partially structural engineering (*Hochbau*). The searches involved not only the Issuer and its Group, but also other companies in Austria, in relation to a few hundred tenders which were mostly governed by public procurement laws. The Austrian competition authority has alleged that the Issuer's group companies may have entered into price-fixing agreements.

In each case of anti-competitive practices the Group may be subject to subsequent proceedings with respect to significant damage claims. In connection with the above described proceedings, provisions for possible adverse effects on the net assets, financial position and results of operations of the Group have been made. The Issuer expects that the Austrian competition authority will impose a fine on the Issuer and/or its group companies, however, it is not yet possible to accurately quantify a specific amount of any such fine and potential damage claims. Criminal courts may also impose fines in this respect. Such fines and damage claims could have a material adverse effect on the reputation, business, financial condition and results of operations of the Group.

Disputes resulting from or in connection with construction activities

In the course of its normal business activities, the Group is frequently involved in legal disputes as claimant as well as opponent. In the construction industry, such legal disputes often relate to claims for payment or to warranties and damages due to allegedly inadequate or faulty performance of work or incomplete construction. Concerning joint ventures and consortia in which members of the Group participate, the Group may be involved in disputes with respect to obligations of one or more of the joint venture or consortia partners. The result of such proceedings depends on legal questions, evidence taken and technical opinions by authorized experts. The Group is currently involved in a number of legal disputes which are common in the ordinary course of the construction industry, and are partly covered by insurance.

Apart from the proceedings described above under the captions "Competition law" and "Disputes resulting from or in connection with construction activities", there are no other governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Company is aware) which may have, or have had in the recent past significant effects on the Company's and/or the Group's financial position or profitability.

Material agreements

The Group has not been party to material contracts outside of the ordinary course of its business in the past two financial years. The Group has entered into material financing arrangements, especially in the area of trade financing where it has signed four guarantee facilities in the total amount of EUR 870 million all having three year maturities. In addition, the Group has signed four cash lines with facility tenors of three years in the total amount of EUR 190 million. Thereof one line amounts to EUR 100 million.

No member of the Group is party to a contract outside the ordinary course of its business, which includes provisions according to which the Group would be entitled to rights or owes obligations, which would be material to the Group.

Financial Information

Review / audit of the historical annual financial data

The Issuer's German language Consolidated Financial Statements 2018 and the German language Consolidated Financial Statements 2017 were prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and were audited in accordance with Austrian standards on auditing which require the application of the International Standards on Auditing (ISA), as published by the International Federation of Accountants (IFAC) by the auditor; unqualified audit opinions dated, respectively, 18 April 2019 and 19 April 2018 were issued.

Alternative Performance Measures (APM)

This Prospectus contains non-IFRS measures and ratios, including those listed below, which are not required by, or presented in accordance with, IFRS or the accounting standards of any other jurisdiction. The non-IFRS measures may not be comparable to other similarly titled measures of other companies and should be considered together with the Group's IFRS results and liabilities. Non-IFRS measures and ratios are not measurements of the Group's operating performance or liabilities under IFRS and investors should bear this in mind when considering non-IFRS measures as alternatives to earnings before interest and taxes (EBIT) or group net profit or other performance measures derived in accordance with IFRS or any other generally accepted accounting principles, or as alternatives to cash flow from operating, investing or financing activities or to liabilities. Investors should rely on Group's IFRS results, supplemented by its non-IFRS measures, to evaluate the Group's performance.

The Issuer presents non-IFRS measures to measure operating performance, the level of net debt and as a basis for its strategic planning and forecasting, as well as monitoring the retained cash flows. The Issuer also believes that non-IFRS measures and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of operating performance and financial standing. The Issuer's non-IFRS measures are defined as follows:

Production output: this non-IFRS measure relates broadly to the revenues pursuant to IFRS plus proportional output of consortiums and all associates. Production output is relevant for the Issuer because this is an operative measure generally used in the construction industry for assessing the overall construction output of the Group. This indicator is used because the Group generates part of its business within consortiums (ARGE consortiums).

Net debt: net debt (or net financial debt) is a non IFRS-measure which shows the relation of bonds and Schuldscheindarlehen issued, plus financial liabilities less cash and cash equivalents. This measure is relevant for the Issuer because it is a financial measure which is generally used in the construction industry to show the leverage of the Group and to calculate financial covenants in financing agreements.

Order Backlog: this non-IFRS measure is the total of all orders or contracts which have not been executed by the respective reporting dated cited. To the extent work performed is recognized as production output and/or revenue, order backlog is reduced correspondingly

Order Intake: is a (non-IFRS) measure of legally binding or committed orders received within a specified period.

This Prospectus contains also the non-IFRS measures current ratio, debt to equity ratio and interest cover ratio. These ratios are not ratios which are used by the Issuer to measure any operating performance, but have only been included due to the requirements of the Prospectus Regulation.

Selected Financial Information

The following tables presented within this section have been derived, unless otherwise stated, from the Consolidated Financial Statements 2018 and the Consolidated Financial Statements 2017, prepared in accordance with IFRS, as well as from the Interim Financial Statements of the Issuer as of 30 June 2019. Therefore, the balance sheet date of the last year of audited financial information is not older than 18 months from the date of this Prospectus.

This selected financial information should be read in conjunction with the Consolidated Financial Statements and the Interim Financial Statements incorporated in this Prospectus by reference, as well as in conjunction with Section "Risk Factors".

Selected historic financial information for completed financial years

Selected income statement data

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)	(audited)
Revenue	4,959.1	4,293
EBITDA ⁽¹⁾	219.5	200.7
Operating Result (EBIT) ⁽²⁾	92.3	90.2
Earnings before tax (EBT) ⁽³⁾	88.1	85.3
Profit for the period	66.2	63.7

(Source: Consolidated Financial Statements 2018 and Consolidated Financial Statements 2017)

- (1) Earnings before interest, tax, depreciation and amortization. It is calculated as follows:

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)	(audited)
EBIT	92.3	90.2
Depreciation, amortisation and impairment expenses	127.1	110.5
EBITDA	219.5	200.7

- (2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)	(audited)
EBT.....	88.1	85.3
Financial income.....	-18.5	-16.0
Financial costs.....	22.7	20.9
EBIT.....	92.3	90.2

- (3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)	(audited)
Profit/loss for the period.....	66.2	63.7
Income tax expenses.....	21.9	21.6
EBT.....	88.1	85.3

Selected data of the consolidated statement of financial position

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)*	(audited)*
Non-current assets.....	1,104	1,037
Current assets.....	2,011	1,848
Total Assets.....	3,115	2,885
Equity (including non-controlling interests).....	618	597
Non-current liabilities.....	574	587
Current liabilities.....	1,923	1,701
Equity ratio (in per cent.) ⁽¹⁾	19.8%	20.7%
Net cash / Net financial debt ⁽²⁾	150.1	147.4
Current ratio ⁽³⁾	1.05	1.09
Debt to equity ratio ⁽⁴⁾	4.04	3.8
Interest cover ratio ⁽⁵⁾	5.16	5.71

* unless otherwise stated

(Source: Consolidated Financial Statements 2018 and Consolidated Financial Statements 2017)

- (1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows:

<i>(in EUR million, unless otherwise stated)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(unreviewed and unaudited)	(unreviewed and unaudited)
Total equity.....	618	597
Total assets.....	3,115	2,885
Equity ratio (in %)	19.8%	20.7%

- (2) Net cash / net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents plus short term securities, reduced by current and non-current bonds and *Schuldscheindarlehen* and current and non-current financial liabilities. Net cash / net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows (however, the line items used for the calculation have initially been audited):

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(unreviewed and unaudited)	(unreviewed and unaudited)
Bonds and Schuldscheindarlehen (non-current)	175.6	233.6
Bonds and Schuldscheindarlehen (current).....	56.3	67.7
Non-current financial liabilities	188.1	147.1
Current financial liabilities.....	49.8	57.7
Cash and cash equivalents.....	319.7	358.7
Net Debt	150.1*	147.4

- (3) Current ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing the current assets (audited) by current liabilities, therefore as of 31 December 2018: EUR 2,010.6 million (current assets) divided by EUR 1,922.9 million (current liabilities), i.e. 1.05; as of 31 December 2017: EUR 1,847.6 million (current assets) divided by EUR 1,700.7 million (current liabilities), i.e. 1.09.
- (4) Debt to equity ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing total liabilities by total equity, therefore as of 31 December 2018: 2,496.5 million (total liabilities) divided by EUR 618.2 million (total equity), i.e. 4.04; as of 31 December 2017: EUR 2,287.8 million (total liabilities) divided by EUR 597.0 million (total equity), i.e. 3.8.
- (5) Interest cover ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing the EBIT by the interest expenses for the same period, therefore as of 31 December 2018: EUR 92.3 million (EBIT) divided by EUR 17.9 million (interest expense), i.e. 5.16; as of 31 December 2017: EUR 90.2 million (EBIT) divided by EUR 15.8 million (interest expense), i.e. 5.71.

* Not yet adjusted for IFRS 16.

Selected data of the consolidated cash flow statement

<i>(in EUR million)</i>	Financial year ended	
	31 December 2018	31 December 2017
	(audited)	(audited)
Operating cash flow.....	168.7	170.0
Cash flow from operating activities.....	186.3	-15.9
Cash flow from investing activities	-68.7	-209.9
Cash flow from financing activities.....	-154.8	107.2

(Source: Consolidated Financial Statements 2018 and Consolidated Financial Statements 2017)

Selected historic financial information for interim periods

Selected income statement data

<i>(in EUR million)</i>	Reporting period ended	
	30 September 2019	30 September 2018
	(unaudited / unreviewed)	(unaudited / unreviewed)
Revenue.....	3,519.8	3,644.4
EBITDA ⁽¹⁾	146.0	130.3
Operating Result (EBIT) ⁽²⁾	27.3	42.6
Earnings before tax (EBT) ⁽³⁾	14.4	31.2
Profit for the period	9.8	23.3

(Source: Quarterly Report of the Issuer as of 30 September 2019)

- (1) Earnings before interest, tax, depreciation and amortization. It is calculated as follows:

<i>(in EUR million)</i>	1 January – 30 September	
	2019	2018
	(unaudited / unreviewed)	(unaudited / unreviewed)
EBIT	27.3	42.6
Depreciation and amortisation	118.7	87.7
EBITDA.....	146.0	130.3

- (2) Earnings before interest and tax, calculated as the sum of all income and expenses including goodwill impairments before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

<i>(in EUR million)</i>	1 January – 30 September	
	2019	2018
	(unaudited / unreviewed)	(unaudited / unreviewed)
EBT	14.4	31.2
Financial income.....	-11.0	-6.3
Financial costs	23.9	17.7
EBIT	27.3	42.6

- (3) Earnings before tax, depreciation and amortisation calculated as the sum of all income and expenses including goodwill impairments, including interest for other debt borrowed for financing purposes (financing costs), but before taxes (taxes on income). It is calculated as follows:

<i>(in EUR million)</i>	1 January – 30 September	
	2019	2018
	(unaudited / unreviewed)	(unaudited / unreviewed)
Profit/loss for the period	9.8	23.3
Income tax expenses	4.6	7.9
EBT	14.4	31.2

Selected data of the consolidated statement of financial position

<i>(in EUR million, unless otherwise stated)</i>	30 September 2019	31 December 2018
	(unaudited / unreviewed)*	(audited)*
Non-current assets	1,379.9	1,104.1
Current assets.....	2,275.8	2,010.6
Total Assets	3,655.7	3,114.7
Non-current liabilities	1,014.5	573.6
Current liabilities	2,067.7	1,922.9
Equity ratio (in per cent.) ⁽¹⁾ (unaudited)	15.7	19.8
Net financial debt ⁽²⁾ (unaudited).....	785.5	150.1
Current ratio ⁽³⁾ (unaudited).....	1.10	1.05
Debt to equity ratio ⁽⁴⁾ (unaudited)	5.37	4.04
Interest cover ratio ⁽⁵⁾ (unaudited)	1.14	5.16

* unless otherwise stated

(Source: Consolidated Financial Statements 2018 and Quarterly Report of the Issuer as of 30 September 2019)

- (1) Equity ratio is the share of equity in the total assets. Equity ratio is not an IFRS financial measure and is therefore unaudited; it is calculated as follows (however, the line items used for the calculation as of 31 December 2018 have initially been audited):

<i>(in EUR million, unless otherwise stated)</i>	30 September 2019	31 December 2018
	(unreviewed and unaudited)	(unreviewed and unaudited)
Total equity.....	573.6	618.2
Total assets	3,655.7	3,114.7
Equity ratio (in %)	15.7	19.8

- (2) Net financial debt (also referred to as net debt) is calculated as the sum of cash and cash equivalents, reduced by current and non-current bonds (and Schuldscheindarlehen) and current and non-current financial liabilities. Net financial debt (also referred to as net debt) is not an IFRS financial measure and is therefore unaudited. It is calculated as follows (however, the line items used for the calculation as of 31 December 2018 have initially been audited):

<i>(in EUR million)</i>	30 September 2019	31 December 2018
	(unreviewed and unaudited)	(unreviewed and unaudited)
Bonds and Schuldscheindarlehen (non-current)	331.4	175.6
Bonds and Schuldscheindarlehen (current)	84.3	56.3
Non-current financial liabilities	441.8	188.1
Current financial liabilities	114.9	49.8
Cash and cash equivalents	-186.9	319.7
Net Debt.....	785.5	150.1

When calculating Net Debt, it must be considered that the Issuer had applied the IFRS 16 standard for the first time for periods beginning on or after 1 January 2019. The standard specifies how to recognise, measure, present and disclose leases.

- (3) Current ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing the current assets (audited) by current liabilities, therefore as of 31 December 2018: EUR 2,010.6 million (current assets) divided by EUR 1,922.9 million (current liabilities), i.e. 1.05; as of 30 September 2019: EUR 2,275.8 million (current assets) divided by EUR 2,067.7 million (current liabilities), i.e. 1.10.
- (4) Debt to equity ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing total liabilities by total equity, therefore as of 31 December 2018: EUR 2,496.5 million (total liabilities) divided by EUR 618.2 million (total equity), i.e. 4.04; as of 30 September 2019: EUR 3,082.2 million (total liabilities) divided by EUR 573.6 million (total equity), i.e. 5.37.
- (5) Interest cover ratio is not an IFRS financial measure and is therefore unaudited. It is calculated by dividing the EBIT by the interest expenses for the same period, therefore as of 31 December 2018: EUR 92.3 million (EBIT) divided by EUR 17.9 million (interest expense), i.e. 5.16; as of 30 September 2019: EUR 27.3 million (EBIT) divided by EUR 23.9 million (interest expense), i.e. 1.14.

Selected data of the consolidated cash flow statement

<i>(in EUR million)</i>	Period ended	
	30 September 2019	30 September 2018
	(unaudited / unreviewed)	(unaudited / unreviewed)
Operating cash flow.....	133.5	90.6
Cash flow from operating activities.....	-234.6	-189.0
Cash flow from investing activities	-101.3	-28.3
Cash flow from financing activities.....	203.2	21.6

(Source: Quarterly Report of the Issuer as of 30 September 2019)

Auditor

The German language Consolidated Financial Statements prepared by the Issuer in accordance with IFRS, as adopted by the EU, for the 2018 financial year ending 31 December 2018 and for the 2017 financial year ending 31 December 2017, were audited by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, which is domiciled in Vienna and has a business address at Am Belvedere 4, 1100 Vienna and which issued German language unqualified audit opinions dated 19 April 2018 and

18 April 2019, respectively. BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is a member of both the Institute of Public Auditors in Austria (*Institut der Wirtschaftsprüfer*) and the Austrian Chamber of Public Accountants and Tax Advisors (*Kammer der Wirtschaftstrehänder*).

Material changes in the Issuer's financial and trading position

In November 2019, the Issuer had announced a result for the first nine months of 2019 significantly below that of the previous year, as a result of which the Issuer's Executive Board has adjusted its profit expectation for the 2019 financial year.

Apart from the above, there has been no material adverse change in the prospects of the Issuer since the date of its last published Consolidated Financial Statements. There have been no significant changes in the Issuer's financial or trading position subsequent to the period covered by the historical financial information.

There have been no material changes in the Issuer's borrowing and funding structure since the last financial year.

Investments

As in previous years, the Group made a number of replacement investments in as well as new acquisitions of construction machinery and equipment in 2018. Replacement investments in as well as new acquisitions of construction machinery and equipment always form the largest share of the Group's investment due to the high costs of construction machinery and equipment. In addition, smaller investments were made in the Group's own properties (offices) and IT equipment. In the first nine months of 2019, additional investments into office and other facilities, in particular the Group's IT infrastructure as well as construction machinery were made (where construction machinery still forms the largest part of these investments).

The Issuer's management has not made any firm commitments for any future principal investments and therefore does not require any sources of funds specifically for such commitments.

Expected financing of the Issuer's activities

The Issuer expects to finance its business activities with funds generated from its own business activities as well as bank borrowings, debt issues and other financing instruments.

Trend Information and Significant Changes

In the first nine months of 2019, the Issuer generated a result significantly below that of the previous year. On the basis of this information and the analysis initiated as part of the PORR 2025 Programme, the executive board has adjusted its profit expectation for the 2019 financial year.

The reassessment was based on the following circumstances:

- Business Unit 1 – Austria and Switzerland, as well as Business Unit 2 – Germany developed in line with expectations.
- In contrast to the expectations of the executive board, the market situation in Poland (BU 3) does not yet show any relief in view of the current high cost level for building materials and subcontractor services.
- In the course of the analysis of market Norway, a revaluation of a project (BU 3) has resulted in a one-off write-down on earnings.

- The latter factors, Poland and Norway, have mainly contributed to this negative deviation on results. Measures initiated at an early stage could not sufficiently counteract this development respectively are delayed in the implementation.

The production output in the third quarter of 2019 amounted to EUR 4,080 million and increased, as planned, moderately by 0.6%. Both Business Unit 1 – Austria, Switzerland (BU 1) and Business Unit 2 – Germany (BU 2) show a stable development, while Business Unit 3 – International (BU 3) shows a slight decline. The order backlog in the third quarter of 2019 remained with EUR 7,358 million, or an increase of 7.6%, on a very high level, irrespective of the challenging market environment. The order intake decreased by 4.1% to EUR 4,338 million as planned by way of a selective intake of orders. The earnings before taxes (EBT) in the third quarter of 2019 amounted to EUR 14.4 million and is significantly below the previous year.

Based on the course of business to date and the current market assessment, the executive board's expectation for earnings before taxes for the 2019 financial year amounted to around EUR 35 million (expectation as of the end of November 2019 as well as of the date of this Prospectus).

TAXATION

Warning: the tax legislation of an investor's member state and of the Issuer's country of incorporation (Austria) may have an impact on the income received from the securities.

Austrian Taxation

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

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

Individuals resident in Austria

Income from the Notes derived by individuals, whose domicile or habitual abode is in Austria, is subject to Austrian income tax pursuant to the provisions of the Austrian Income Tax Act (*Einkommensteuergesetz*). Interest income from the Notes is subject to a special income tax rate of 27.5%. The income will be subject to withholding tax if the Notes are kept or administrated in a custodial institution (*auszahlende Stelle*) in Austria. The income tax for interest income then generally constitutes a final taxation (*Endbesteuerung*) for individuals, irrespectively whether the Notes are held as private assets or as business assets. Individuals may opt for taxation at the general income tax rate. If the income is not subject to withholding tax deduction, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Furthermore, any realized capital gain (*Einkünfte aus realisierten Wertsteigerungen*) from the Notes by individuals is subject to Austrian income tax at a rate of 27.5%. Realised capital gain means inter alia any income derived from the sale or redemption of the Notes. The tax base is, in general, the difference between the sale proceeds or the redemption amount and the acquisition costs, in each case including accrued interest. Expenses which are directly connected with income subject to the special tax rate are not deductible. For Notes held as private assets, the acquisition costs shall not include incidental acquisition costs. The income will again be subject to withholding tax if the Notes are kept or administrated in a custodial institution (*depotführende Stelle*) or paying agent (*auszahlende Stelle*) in Austria. If the income from the capital gain is not subject to withholding tax deduction, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

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

Austrian corporations

Corporations seated in Austria or whose place of management is in Austria are subject to corporate income tax at a tax rate of 25%. This includes income from Notes and realized capital gains from Notes.

If applicable, Austrian corporations holding Notes may declare exemption from withholding tax deduction by submitting a corresponding statement (*Befreiungserklärung*) to the Austrian custody bank and competent financial authority. With this statement the Austrian corporation has to declare its identity and has to confirm that the Notes are held as business assets. If such declaration is not submitted all income

from the Notes will in general be subject to withholding tax deduction. Such withheld tax may be set off with the corporate income tax.

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

Non-resident individuals

Income derived from the Notes by individuals who do not have a domicile of their habitual abode within the European Union are in principle subject to Austrian limited tax liability provided that capital income tax had to be withheld, but the individual may be eligible to apply for a refund to Austrian withholding tax on the basis of applicable double taxation treaties.

Foreign corporations

Income including capital gains derived from the Notes by corporations who do not have their corporate seat or their place of management in Austria ("non-residents") is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment.

Automatic exchange of information

In Austria, the Common Reporting Standard Act (*Gemeinsamer Meldestandard-Gesetz - "GMSG"*) regulates the automatic exchange of information on financial accounts regarding taxable periods from 1 January 2017. With the GMSG the common reporting standard concerning automatic exchange of information on financial accounts, which has been developed by the OECD and adopted by the EU through amendments to the EU Administrative Directive, has been implemented. The GMSG obliges Austrian financial institutions to report to the tax authority account information of persons subject to reporting, which will subsequently be reported to the competent authority of the participating countries by the Federal Ministry of Finance. Subject to reporting are basically account data of individuals or entities, which are tax residents of states participating in the common reporting standards – which are all EU member states as well as all countries, which will conclude multilateral or bilateral agreements concerning the common reporting standard.

The Issuer does not assume any liability for withholding taxes.

OFFER, SALE AND SUBSCRIPTION OF THE NOTES

Offer of the Notes

The Notes have been offered exclusively to institutional investors in the European Economic Area. There was no maximum amount of Notes to be purchased. However, the minimum amount of Notes to be purchased was EUR 100,000 and the Notes will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.

Subscription Agreement

Pursuant to the Subscription Agreement entered into on 3 February 2020 among the Issuer and the Bookrunner, the Bookrunner has agreed, subject to certain conditions, to subscribe, or to procure subscriptions, for the Notes. The Issuer has agreed to pay the Bookrunner a combined arrangement, underwriting and placement commission as agreed between the parties to the Subscription Agreement. The Issuer has further agreed to reimburse the Bookrunner for certain of its expenses in connection with the issue of the Notes.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters. The Subscription Agreement entitles the Bookrunner to terminate its obligations thereunder in certain circumstances prior to payment of the purchase price of the Notes. The Issuer has agreed to indemnify the Bookrunner against certain liabilities in connection with the offer and sale of the Notes.

The Bookrunner and its affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Bookrunner and its affiliates have received or will receive customary fees and commissions. In addition, in the ordinary course of their business activities, the Bookrunner and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Bookrunner or its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Bookrunner and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Bookrunner and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. There are no interests of natural and legal persons other than the Issuer involved in the issue, including conflicting ones that are material to the issue.

Delivery of the Notes to investors

Delivery and payment of the Notes will be made on the Interest Commencement Date (6 February 2020). The Notes so purchased will be delivered via book-entry through the Clearing Systems and their depository banks against payment of the Issue Price therefor.

Selling Restrictions

General

There are no transfer and trading restrictions in relation to the listing and the trading of the Notes on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange, however, Notes can only be trans-

ferred in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof. The Notes will be transferred in accordance with their terms and conditions (see "*Terms and Conditions*"). Neither the Issuer nor the Bookrunner has made any representation that any action will be taken in any jurisdiction by the Bookrunner or the Issuer that would permit a public offering of the Notes, or possession or distribution of the Prospectus or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. The Bookrunner has represented and agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it sells Notes. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions. The Issuer and the Bookrunner will have no responsibility for, and the Bookrunner will obtain any consent, approval or permission required by it for, the sale of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any sale. The Bookrunner is not authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes other than as contained in, or which is consistent with, the Prospectus or any amendment or supplement to it.

European Economic Area

In relation to each Member State of the European Economic Area the Notes will only be offered to any person or legal entity which is a qualified investor as defined in the Prospectus Regulation. There will be no offer of Notes to the public. "**Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended, repealing Directive 2003/71/EC), and includes any relevant implementing measure in each Member State.

Prohibition of Sales to European Economic Area Retail Investors

The Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or the UK. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United States of America and its Territories

The Bookrunner has acknowledged that the Notes have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bookrunner has represented that it has not offered or sold, and has agreed that it will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling ef-

forts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

Terms used in the following paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury Regulations thereunder, including the D Rules (as defined below).

In addition, the Bookrunner has represented, warranted and agreed that, except to the extent permitted under U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D) (the "**D Rules**"): (a) it has not offered or sold Notes, and during the restricted period shall not offer or sell Notes, directly or indirectly to a United States person or to a person who is within the United States or its possessions, and it has not delivered and shall not deliver within the United States or its possessions Notes that are sold during the restricted period; (b) it has and throughout the restricted period it shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the Notes may not be offered or sold during the restricted period to a United States person or to a person who is within the United States or its possessions, except as permitted by the D Rules; (c) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and not for the purpose of resale directly or indirectly to a United States person or a person within the United States or its possessions and it shall acquire or retain Notes for its own account only in accordance with the requirements of U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D)(6); (d) with respect to each affiliate that acquires Notes from it for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations contained in clauses (a), (b) and (c) of this paragraph on behalf of such affiliate or (ii) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in Clauses (a), (b) and (c) of this paragraph; and (e) it shall obtain for the benefit of the Issuer the representations and agreements contained in clauses (a), (b), (c) and (d) of this paragraph from any person other than its affiliate with whom it enters into a written contract, as defined in U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D)(4), for the offer or sale of Notes during the restricted period.

United Kingdom of Great Britain and Northern Ireland

The Bookrunner has represented and agreed that,

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

GENERAL INFORMATION CONCERNING THE NOTES

Subject of this Prospectus

This Prospectus relates to the EUR 150,000,000 Undated Resetable Fixed Rate Subordinated Notes issued by PORR AG.

Clearing and Settlement

The Notes have been accepted for clearing through Euroclear and Clearstream, Luxembourg. The Notes have been assigned the following securities codes:

ISIN: XS2113662063 and Common Code: 211366206.

Listing and Admission to Trading

Application has been made to the Vienna Stock Exchange for the Notes to be admitted to the Official Market (*Amtlicher Handel*), a regulated market pursuant to MiFID II.

Expenses related to Admission to Trading

The Issuer estimates that the amount of expenses related to admission to trading of the Notes will be approximately EUR 10,000.

Yield

The yield in respect of the Notes from the Issue Date to the First Call Date is 5.375% per annum, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method.

The yield of the Notes after the First Call Date cannot be determined as of the date of this Prospectus.

Ratings

Neither the Issuer nor the Notes are rated.

Interests of Natural and Legal Persons involved in the Issue/Offer

The Bookrunner and its affiliates have engaged, and may in the future engage, in investment banking or commercial banking transactions with, and may perform services for the Group and their members in the ordinary course of business. The Bookrunner and its affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Use of Proceeds

In connection with the offering of the Notes, the Issuer expects to receive net proceeds of approximately EUR 147.7 million, after deducting fees and other costs (which are expected to amount to approximately 1.5% of the aggregate principal amount of the Notes). The proceeds of the issue are intended to be used to strengthen the capital base, to optimize the balance sheet structure and, in particular, to refinance the hybrid bond issued in 2017 and for general corporate and (re)financing purposes. The proceeds of the

issue are further intended to support the overall growth strategy, in particular the PORR acquisition strategy, which assumes further small and medium-sized company acquisitions in the coming periods.

Prior to the offering of the Notes, the Issuer had repurchased subordinated notes issued in 2017 (ISIN: XS155774014) in the principal amount of EUR 25,706,000.

Currency of the Notes

The Notes are denominated in Euro.

Authorisation and legislation

The creation and issue of the Notes has been authorised by resolutions of the Executive Board of the Issuer on 23 January 2020 and of the Supervisory Board of the Issuer on 3 December 2019. The Notes have been created under Austrian law.

Documents on Display

Prospectus

This Prospectus, any supplement thereto, if any, and any documents incorporated by reference into this Prospectus will be published in electronic form on the website of the Issuer under www.porr-group.com, sub-site "Investor Relations", sub-site "PORR bonds" ("PORR-Anleihen"), sub-site "PORR Corporate Bond 2020".

Other documents

Copies of the following documents will be available at the Issuer's registered office during usual business hours for 12 months from the date of this Prospectus:

(a) the Articles of Association of the Issuer; (<http://porr-group.com/porr-satzung-en>)

(b) the 2018 annual report and the 2017 annual report of the Issuer containing English language translations of the Consolidated Financial Statements 2018 and the Consolidated Financial Statements 2017, in each case together with the audit reports prepared in connection therewith;

(c) the Quarterly Report of the Issuer containing English language translations of the consolidated unaudited financial statements of the Issuer in respect of the nine months ended 30 September 2019.

Profit forecasts or estimates

The Issuer is not providing any profit forecasts or profit estimates.

Post issuance information

The Issuer will not provide any post issuance information, except if required by any applicable laws and regulations.

Third party information

Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information

published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where such information has been included in this Prospectus, the source is indicated.

Representation of the Holders

No representatives of the Holders have been appointed.

Rights attached to the Notes

The Notes constitute direct, unsecured and deeply subordinated obligations of the Issuer ranking (i) senior to Junior Obligations (as defined below), (ii) *pari passu* among themselves and with any Parity Obligations (as defined below) and (iii) junior to all other existing and future unsubordinated obligations as well as subordinated obligations of the Issuer which expressly rank senior to the obligations resulting from the Notes, except as otherwise provided by mandatory provisions of law.

"Junior Obligations" means any claim arising out of (i) the ordinary shares of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any present or future security, registered security or other instrument (x) of the Issuer that rank (or are expressed to rank) junior to the Notes or (y) of any of the Issuer or its subsidiaries under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) junior to the Notes, as well as (iv) the ABAP obligatorische Genussrechte 2007 (ISIN AT0000A086F0). **"Parity Obligations"** means present or future securities or any other instrument (i) of the Issuer that rank (or are expressed to rank) *pari passu* with the Notes, including but not limited to the hybrid bond issued in 2014 (ISIN AT0000A19Y36) or the hybrid bond issued in 2017 (ISIN XS155774014) or (ii) of any of the Issuer or its subsidiaries under a guarantee or other support undertaking by the Issuer if such issue of securities, guarantee or other support undertaking ranks (or are expressed to rank) *pari passu* with the Notes.

The Terms and Conditions provide that the Issuer may decide, in certain situations, to defer interest payments under the Notes, where such failure to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose.

The Notes are undated and thus have no scheduled redemption date. The Notes can, however, be redeemed or repurchased and cancelled under certain circumstances. The Issuer is in principle under no obligation to redeem the Notes at any time before this date. Pursuant to the Terms and Conditions of the Notes the holders of the Notes (each a **"Holder"**) have no right to call the Notes and to declare the Notes due and payable, except if Issuer enters into liquidation and is settled or dissolved (unless this is done for the purpose or as a result of a merger, restructuring or reorganization in respect of which the Issuer is still solvent and the continuing entity assumes substantially all of the assets and obligations of the Issuer) and subject to the complete satisfaction of any claims from unsubordinated and subordinated creditors which expressly rank senior to the obligations resulting from the Notes. At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions after the occurrence of a Gross-up Event, an Accounting Event, a Tax Event, a Change of Control or if 80 per cent. or more in principal amount of the Notes initially issued have been redeemed or purchased, or in general with effect as of (and including) the First Call Date or any Interest Payment Date thereafter.

The Notes bear interest on their principal amount at the fixed initial interest rate of 5.375% p.a., due and payable on 6 February each year, commencing on 6 February 2020. After 5 years, the interest rate will be adjusted. The adjustment is calculated from the 5-year ICESWAP2 Swap rate (expressed as a percentage rate per annum) which is indicated on the screen page of Reuters at 11.00 a.m. (Brussels local time) on the respective interest determination date, plus a certain Margin. The Margin means 10.641 percentage points (1,064.1 basis points). The Notes have no maturity date and may be redeemed at the earliest after 5 years of their issue at their principal amount (plus accrued interest, if any).

The yield in respect of the Notes from the Issue Date to the First Call Date is 5.375% per annum, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference in this Prospectus:

1. Consolidated Financial Statements and group management report as of 31 December 2018 as included in the 2018 annual report of the Issuer (www.porr-group.com, sub-site "Investor Relations", sub-site "Reporting", 2018 – Annual Report 2018);
2. Consolidated Financial Statements and group management report as of 31 December 2017 as included in the 2017 annual report of the Issuer (www.porr-group.com, sub-site "Investor Relations", sub-site "Reporting", 2017 – Annual Report 2017);
3. Quarterly Report as of 30 September 2019 (www.porr-group.com, sub-site "Investor Relations", sub-site "Reporting", 2019 – Quarterly Report 3/2019).

The following information appears on the pages stated below of the respective document:

English translation of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2018

Chapters	Page numbers
Group Management Report	52-72
Consolidated Income Statement	74
Consolidated Statement of Comprehensive Income	75
Consolidated Cash Flow Statement	76
Consolidated Statement of Financial Position	77
Statement of Changes in Group Equity	78-79
Notes to the Consolidated Financial Statements.....	80-142
Auditor's Report.....	150-155

English translation of the Consolidated Financial Statements, the group management report and the auditor's report as of 31 December 2017

Chapters	Page numbers
Group Management Report	40-54
Consolidated Income Statement	56
Statement of Comprehensive Income	57
Consolidated Cash Flow Statement	58
Consolidated Statement of Financial Position	59
Statement of Changes in Group Equity	60-61
Notes to the Consolidated Financial Statements	62-118
Auditor's Report	127-133

English translation of the quarterly report as of 30 September 2019

Chapters	Page numbers
Management Report	8-14
Consolidated Income Statement	16
Statement of Comprehensive Income	17
Consolidated Cash Flow Statement	18
Consolidated Statement of Financial Position	19
Statement of Changes in Group Equity	20-21

Information included in the documents incorporated by reference that is not included in the cross-reference lists above is neither part of this Prospectus nor incorporated by reference in the Prospectus. Such information not incorporated by reference in the Prospectus is either not relevant for investors or already included elsewhere in the Prospectus.

GLOSSARY OF ABBREVIATIONS AND DEFINITIONS

Aggregate Principal Amount	The aggregate principal amount of EUR 150,000,000 at which the Notes are issued by Issuer on or about 6 February 2020.
Articles of Association	The articles of association (<i>Satzung</i>) of the Company.
ASFINAG	Autobahnen- und Schnellstraßen-Finanzierungs-Aktiengesellschaft, the Austrian Highway Financing Agency.
Austria	The Republic of Austria.
BDO	BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Am Belvedere 4, 1100 Vienna, Austria.
Bookrunner or Sole Structuring Adviser and Sole Bookrunner or HSBC	HSBC France, Avenue des Champs Elysees, 75008 Paris, France, in its capacity as sole structuring adviser and sole bookrunner with respect to the issue of the Notes.
Capital Market Act 2019	Austrian Capital Market Act 2019 (<i>Kapitalmarktgesetz 2019</i>), as amended.
CEE	Central and Eastern Europe.
Clearstream	Clearstream Banking S.A., Luxembourg.
Company, Issuer or PORR	PORR AG, an Austrian stock corporation (<i>Aktiengesellschaft</i>), registered with the Austrian companies register under registration number FN 34853 f.
Consolidated Financial Statements	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial years ended 31 December 2018 and 2017 which were prepared in the German language.
Consolidated Financial Statements 2018	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial year ended 31 December 2018 comprised of the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of financial position and consolidated statement of changes in group equity, along with the notes, which were prepared in the German language.
Consolidated Financial Statements 2017	The English translation of the Company's consolidated financial statements in accordance with IFRS as of and for the financial year ended 31 December 2017 comprised of the consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of financial position and consolidated statement of changes in group equity, along with the notes, which were prepared in the German language.
EBIT	Operating result (earnings before interest and tax).

EBITDA	Operating result plus amortization and depreciation (earnings before interest, tax, depreciation and amortization).
EEA	European Economic Area.
ESMA	European Securities and Markets Authority.
Euro	The currency of the member states of the European Union participating in the third stage of the European Economic and Monetary Union.
Euroclear	Euroclear Bank SA/NV, as operator of the Euroclear System.
Executive Board	The executive board (<i>Vorstand</i>) of the Company.
FMA	The Austrian Financial Markets Authority (<i>Finanzmarktaufsichtsbehörde</i>).
FSMA	The UK Financial Services and Markets Act 2000.
Germany	The Federal Republic of Germany.
Holder(s)	The holder(s) of the Notes.
Home Markets	Austria, Germany, Switzerland, Poland, the Czech Republic, Slovakia and Romania.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards, as adopted by the European Union.
ISIN	International Securities Identification Number (<i>Internationale Wertpapier-Identifikationsnummer</i>).
Issue Date	6 February 2020.
Issue Price	The price at which the Notes are issued.
Net Debt	Net debt (or net financial debt) is a non IFRS-measure which shows the relation of bonds and Schuldscheindarlehen issued, plus financial liabilities less cash and cash equivalents.
Non-residents	Individuals who do not have a domicile or habitual abode in Austria and legal entities which do not have their corporate seat or their place of management in Austria.
Notes	The Undated Resettable Fixed Rate Subordinated Notes in the aggregate principal amount of EUR 150,000,000 with a denomination of EUR 1,000 each.
ÖBB	Österreichische Bundesbahnen-Holding Aktiengesellschaft, the Austrian Federal Railways.
OECD	Organization for Economic Co-operation and Development.

IGO Industries Group	Klaus Ortner, deputy chairman of the Supervisory Board, together with entities controlled by or attributable to him which hold shares, namely IGO Construction GmbH, Dr.-Stumpf-Straße 2, 6020 Innsbruck, Austria, registered with the Austrian companies register under registration number FN 392079 m.
Ortner-Strauss Syndicate	The syndicate formed by IGO Construction GmbH and SuP Beteiligungs GmbH in respect of the shares they hold in the Company.
Order backlog	Order backlog (<i>Auftragsbestand</i>) is a (non-IFRS) measure. It is the total of all orders or contracts which have not been executed by the respective reporting date cited. To the extent work performed is recognized as production output and/or revenue, order backlog is reduced correspondingly.
Order intake	Order intake (<i>Auftragseingang</i>) is a (non-IFRS) measure of legally binding or committed orders received within a specified period.
PORR Group or Group	The Company together with its consolidated subsidiaries.
PPP	Public Private Partnership.
Production output	An operative measure used for assessing the overall construction output of the Group and other entities and consortia in which the Group holds a direct or indirect interest. Production output (<i>Produktionsleistung</i>) is not an IFRS financial measure and is not designed to measure the Group's financial performance. It covers all classic design and construction services, waste management, raw materials sales and facility management. In contrast to revenue, production output includes the output from consortia and companies accounted for under the equity method, as well as those of minor significance, in line with the interest held by the Group.
Prospectus	This document and the documents incorporated by reference.
Prospectus Regulation	Regulation (EU) 2017/1129, as amended, of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
Securities Act	United States Securities Act of 1933, as amended.
SEE	South Eastern Europe, as used in this Prospectus including Romania and Bulgaria.
Specified Denomination	The Notes will be issued in bearer form in denominations of EUR 1,000 and will only be transferable in minimum aggregate principal amounts of EUR 100,000 and any integral multiples of EUR 1,000 in excess thereof.
Strauss Group	Karl-Heinz Strauss, member of the Managing Board and CEO of the Company, together with entities controlled by or attributable to him which hold Shares, namely SuP Beteiligungs GmbH, Lehrbachgasse 2, 1120 Vienna, Austria, registered with the Austrian companies register under registration number FN 358915 t.

Supervisory Board	The supervisory board (<i>Aufsichtsrat</i>) of the Company.
Terms and Conditions	The terms and conditions of the Notes.
UAE	United Arab Emirates.
U.S. or United States	United States of America.

THE ISSUER

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Signaturwert	PpV9Gm7AlWqPG20LbxZ61yT5NHsR7RTPhGUdrF2Wjeh568LvvGoF81lgyScVqsTFCW6WBwXhJidt+7ftHSlzsJ8vn7iNve7uGri6F1TndK4bcYPJwEdRNv5VbHtRpnMIY0N7Y/FsD05gIziyFo7IIGUpBi6rAfGrLquZRZJDZiJJeLyLyUoc4LS0eJ2JGC10BRkz40utA9ZjU/ZPJLbTJ10o/pcfM5b4agWbEFXaXvdfNG71uuJBjDtSsgP05izbq5EGpgBOTcvzRVps80fq5tRiydEzsthjGUrQ4JFufA7JHXQ9LUPPf2UtG5NrQE7Wd/dq2HvTBbu7pbNfVyrA==	
	Unterzeichner	Österreichische Finanzmarktaufsichtsbehörde
	Datum/Zeit-UTC	2020-02-03T12:05:26Z
	Aussteller-Zertifikat	CN=a-sign-corporate-light-02,OU=a-sign-corporate-light-02,O=A-Trust Ges. f. Sicherheitssysteme im elektr. Datenverkehr GmbH,C=AT
	Serien-Nr.	532114608
	Methode	urn:pdfsigfilter:bka.gv.at:binaer:vl.1.0
Prüfinformation	Informationen zur Prüfung des elektronischen Siegels bzw. der elektronischen Signatur finden Sie unter: http://www.signaturpruefung.gv.at	
Hinweis	Dieses Dokument wurde amtssigniert. Auch ein Ausdruck dieses Dokuments hat gemäß § 20 E-Government-Gesetz die Beweiskraft einer öffentlichen Urkunde.	