English translation of the original German version for convenience only

Joint Spin-off Report

by the Managing Boards of

PORR AG
FN 34853 f
Absberggasse 47
A-1100 Vienna

and

PIAG Immobilien AG
FN 397508 x
Absberggasse 47
A-1100 Vienna

on the Spin-off for the transfer of the
shareholdings of PORR AG in
STRAUSS & PARTNER Development GmbH and
UBM Realitätenentwicklung Aktiengesellschaft
to PIAG Immobilien AG and
the issue of shares in PIAG Immobilien AG to the shareholders of PORR AG

Vienna, September 2014

TABLE OF CONTENTS

1. Introduction

1.1 General

PORR AG (FN 34853 f), with its registered seat in Vienna ("**PORR**" and together with its direct and indirect subsidiaries the "**PORR Group**"), is the parent company of the *PORR Group*. The *PORR Group* is a leading Austrian construction group. The range of services extends from building construction and civil engineering through to project development and road construction. In geographical terms, the *PORR Group* is particularly active on its home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, where it offers a full range of construction products and services. The activities of the *PORR Group* also involve project development and property development, which activities are primarily carried out by STRAUSS & PARTNER Development GmbH (FN 255167 x) ("**Strauss & Partner**" and together with its direct and indirect subsidiaries the "**S&P Group**"), a direct subsidiary in which *PORR* holds 99.96%, and the independent listed company UBM Realitätenentwicklung Aktiengesellschaft (FN 100059 x) ("**UBM**" and together with its direct and indirect subsidiaries the "**UBM Group**"), in which the *PORR Group* held a total of 41.80% as of the record date June 30, 2014 (namely 41.33% by *PORR* directly and 0.47% through EPS Absberggasse 47 Projektmanagement GmbH).

PIAG Immobilien AG (FN 397508 x), with its seat in Vienna ("**PIAG**"), is a wholly owned subsidiary of *PORR*, which does currently not conduct any business activities.

PORR as the transferring company intends to transfer its shareholding as of the record date June 30, 2014 in *UBM* and part of its shareholding in *Strauss & Partner* to *PIAG* as the absorbing company by way of universal legal succession pursuant to the provisions of the Spin-off Act (SpaltG) and pursuant to Article VI Reorganisation Tax Act (UmgrStG) with effect from the end of June 30, 2014 in the course of the spin-off by transfer (§ 17 in conjunction with § 2 et seq. SpaltG) to *PIAG* as the absorbing company ("**Spin-off**").

The remaining shareholdings of the *PORR Group* in *UBM* and *Strauss & Partner* shall be sold to PIAG, conditional upon the *Spin-off* becoming effective. The shareholdings in *Strauss & Partner* and *UBM* (and thereby significant parts of the activities of the *PORR Group* in the field of project development and property development, together with a significant amount of non-operational real estate held by the *PORR Group*) should thereby be transferred out of the assets of *PORR* and the *PORR Group*.

For the transfer of the shareholding in *UBM* and part of the shareholding in *Strauss & Partner* in the course of the *Spin-off*, the *PORR* shareholders shall be granted new shares in *PIAG* to the extent stated in the Spin-off and Takeover Agreement yet to be concluded, in proportion to the shares held in *PORR* (proportional spin-off). Once the *Spin-off* comes into effect, the ratio of shares held in *PIAG* shall therefore correspond to the ratio of shares held in *PORR,* and *PIAG* shall become an independent sister company of *PORR*.

All new shares in *PIAG* issued to shareholder in *PORR* shall be admitted to the Official Market of the Vienna Stock Exchange and be traded in the Standard Market Auction segment once the *Spin-off* comes into effect.

The *Spin-off* thereby aims to separate significant parts of non-operational real estate and significant parts of the project development and property development business from the *PORR Group*, with the consequence that the *PORR Group* shall be positioned as a company focused on construction. Once the *Spin-off* comes into effect (along with the transfer of shares which will take place in parallel, but separate from, the *Spin-off*), an independent company focused on property development shall be established simultaneously by bundling within PIAG a majority stake in the *UBM Group*and the *S&P Group* (formerly owned by the *PORR Group*).

1.2 Purpose of this Spin-off Report

The managing board of PORR AG as the transferring company and the managing board of PIAG Immobilien AG as the absorbing company are obliged to render a written report in accordance with § 4 in conjunction with § 17 SpaltG and § 220a Austrian Stock Corporation Act (AktG) in conjunction with § 17 no 5 SpaltG. The purpose of this report is to provide information to *PORR* shareholders preparing to pass a resolution on the *Spin-off* in a shareholders' meeting of *PORR*. This report sets forth legal and economic details and reasons for the *Spin-off*, the Spin-off and Takeover Agreement and, in particular, the conversion ratio of the shares, as well as their distribution to shareholders and measures in accordance with § 15 (5) SpaltG. Attention shall be drawn to particular difficulties in valuing the company and to the formation audit reports which shall be produced in accordance with § 3 (4) SpaltG. Furthermore, details shall be submitted on the courts where the formation audit reports shall be lodged in accordance with § 14 (1) SpaltG.

The Managing Boards of *PORR* and *PIAG* have chosen to exercise the option of producing a joint Spin-off Report.

This Spin-off Report, together with the other documents to be submitted to shareholders in accordance with § 7 (2) SpaltG and § 221a (2) AktG, serves as a substitute in Austria for publishing an approved prospectus for the admission of the new shares issued in the course of the *Spin-off* in PIAG Immobilien AG for admission to the Official Market of the Vienna Stock Exchange (§ 75 (1) no 4 Austrian Stock Exchange Act (BörseG) in conjunction with Article 3 of the Ordinance on Minimum Contents, Publication and Language).

2. Current Status of the Companies Involved

2.1 PORR AG

2.1.1 Legal Status

a) Company, Seat, Financial Year

PORR AG (FN 34853 f), registration court: Commercial Court Vienna, with its registered seat in Vienna and business address at Absberggasse 47, A-1100 Vienna, is a joint stock corporation founded under Austrian law. The financial year of *PORR* corresponds to a calendar year and therefore runs from January 1 to December 31.

b) Share Capital, Shares and Profit Participation Rights

PORR has share capital of EUR 29,095,000, divided into 14,547,500 no-par value ordinary voting bearer shares, each with a calculated notional amount of EUR 2.00. The *PORR* shares trade in the Official Market of the Vienna Stock Exchange in the Standard Market Continuous segment (ISIN AT0000609607).

Since October 1990, *PORR* has issued a total of 49,800 profit participation rights (ISIN AT0000609664) ("**Profit Participation Rights**") with a total nominal value of EUR 398,400. The *Profit Participation Rights* are rights to participate in profit in accordance with § 174 AktG and listed on the Vienna Stock Exchange in the market segment "other securities" for trading on the unregulated third market. The *Profit Participation Rights* are endowed with participation in the profits and substance of *PORR* broadly equivalent to four *PORR* shares, whereby the *Profit Participation Rights* are treated as preferential in terms of dividends and in the event of liquidation, but are not assigned voting rights.

c) Objects of the Company's Business

The objects of *PORR*'s business are as follows:

"(1) 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, over-

head 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 telecommunications, 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.*

(2) 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.

(3) The Company is 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."

d) Shareholder Structure

A syndicate consisting of companies of the *Ortner Group* and companies of the *Strauss Group* ("**Ortner-Strauss Syndicate**") holds a total of approximately 55.5% of the shares and voting rights in *PORR*. Of these, the *Ortner Group* holds approximately 39.5% and the *Strauss Group* holds approximately 16%. The "**Ortner Group**" consists of Klaus Ortner (also Vice Chairman of the supervisory board of PORR AG) and companies controlled by him, whereby the shares in *PORR* are held by Ortner Beteiligungsverwaltung GmbH (FN 244005 g) and IGO Baubeteiligungs GmbH (FN 392079 m). The "**Strauss Group**" consists of Karl-Heinz Strauss, MBA (who is, *inter alia*, the chairman of the managing board of PORR AG) and the PROSPERO Privatstiftung (which is attributable to him) and its subsidiaries, whereby the shares in *PORR* are held by SuP Beteiligungs GmbH (FN 358915 t) and AIM Industrieholding und Unternehmensbeteiligungen GmbH (FN 228415 f). The following table provides an overview of the *PORR* shareholder structure as known by *PORR* on the date of this Spin-off Report.

Shareholder	**No. of shares**	**Percentage**
Ortner-Strauss Syndicate	8,077,019	55.52%
of which Ortner Group	*5,747,192*	*39.51%*
of which Strauss Group	*2,329,827*	*16.02%*
Renaissance Construction AG	836,088	5.75%
WIENER STÄDTISCHE VERSICHERUNG AG – Vienna Insurance Group[(1)]	647,609	4.45%
PORR Group management[(2)]	654,514	4.50%
Other free float[(3)]	4,332,270	29.78%
Total	**14,547,500**	**100%**

(Source: unaudited internal information of *PORR*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) SuP Beteiligungs GmbH, a member of the *Strauss Group*, entered into call and put options with WIENER STÄDTISCHE VERSICHERUNG AG – Vienna Insurance Group in respect of 545,595 Shares. SuP Beteiligungs GmbH is entitled to acquire 181,865 Shares between January 1, 2014 and November 30, 2014 and has exercised such option of respect of 100,000 Shares to date. SuP Beteiligungs GmbH is further entitled to acquire 181,865 Shares between January 1, 2015 and November 30, 2015 and 181,865 Shares between January 1, 2016 and November 30, 2016. WIENER STÄDTISCHE VERSICHERUNG AG – Vienna Insurance Group is entitled to put the respective Shares in December of each relevant year. Shares in respect of which an option has been exercised are included in the shareholding of *Strauss Group* in the above table.

(2) Includes members of the managing board and the original 73,812 shares acquired by managers of the *PORR Group* in 2013 in the course of the disbursement of annual bonuses. *PORR* assumes that the respective number of shares is still held by the management of the *PORR Group*.

(3) Also includes 11,274 treasury shares held by a subsidiary of *PORR*.

To the best of *PORR's* knowledge, there are no other shareholders which hold more than 4% of the shares and voting rights as of the date of this Spin-off Report. All existing shares have the same voting rights. *PORR* currently holds 11,274 treasury shares indirectly (via a subsidiary).

e) Corporate Bodies

Pursuant to the Articles of Association, the **managing board** of *PORR* shall consist of a minimum of two (2) and a maximum of six (6) persons. It currently comprises three (3) members and currently consists of the following persons:

Name	Function	Age	First appointed	Current term expires
Karl-Heinz Strauss	Chairman (Chief Executive Officer)	53	2010	31 December 2019
Christian B. Maier	Member (Chief Financial Officer)	48	2012	31 January 2020
Jacobus Johannes Wenkenbach	Member (Chief Operating Officer)	57	2012	31 January 2020

(Source: unaudited internal information of *PORR*)

Pursuant to the Articles of Association, the **supervisory board** of *PORR* consists of a maximum of three (3) and a minimum of twelve (12) members appointed by the shareholders' meeting. It currently consists of ten (10) members appointed by the shareholders' meeting and five (5) members delegated by the works council and consists of the following persons:

Name	Position	Age	First appointed	Current term expires
Karl Pistotnik	Chairman	70	2012	2019(1)
Klaus Ortner	Vice Chairman	70	1998	2019(1)
Nematollah Farrokhina	Member	68	2010	2019(1)
Walter Knirsch	Member	69	2012	2019(1)
Robert Grüneis	Member	46	2014	2019(1)
Iris Ortner	Member	40	2010	2019(1)
Michael Diederich	Member	49	2014	2019(1)
Bernhard Vanas	Member	60	2012	2019(1)
Susanne Weiss	Member	53	2012	2019(1)
Thomas Winischhofer	Member	44	2008	2019(1)
Peter Grandits	Member	54	2001	n/a(2)
Walter Huber	Member	59	2010(3)	n/a(2)
Walter Jenny	Member	59	2005(4)	n/a(2)(4)
Michael Kaincz	Member	54	2011	n/a(2)
Michael Tomitz	Member	53	2011	n/a(2)

(Source: unaudited internal information of *PORR*)

(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 2018.

(2) Member delegated by the works council.

(3) Walter Huber was previously a member of the Supervisory Board from 2001 to 2009.

(4) Walter Jenny was not a member of the Supervisory Board from November 2012 to December 2012.

There shall be no changes in the members of the Managing Board or Supervisory Board in the context of the *Spin-off*.

2.1.2 Business Activities of the *PORR Group*

PORR is the parent company of the *PORR Group*. The operating business is handled first and foremost by subsidiaries. *PORR* is thereby a holding company and provides administrative services for the Group's members, such as accounting, financing, controlling, legal affairs and IT.

The *PORR Group* is a leading Austrian construction group. The range of services extends from the full range in building construction and civil engineering to project development and infrastructure construction, *i.e.*, tunnelling, railway construction, commercial construction and large-scale projects in road and bridge construction, specialist civil engineering, power plant construction and road construction. In geographical terms, the *PORR Group* is particularly active on its home markets of Austria, Germany, Switzerland, Poland and the Czech Republic, where it offers a full range of construction products and services. In addition, the *PORR Group* is active in certain countries in Central, Eastern and South-Eastern Europe and the Middle East, where it only offers products on a project basis and those related to infrastructure, in particular in tunnelling, railway construction and large-scale civil engineering projects. These markets include in Central, Eastern and South-Eastern Europe countries such as Romania, Serbia and Slovakia, as well as Qatar and Saudi Arabia in the Middle East. The *PORR Group* mainly offers products and services in the following segments:

- *Building construction*: building construction involves the construction of commercial and industrial buildings, offices and administrative facilities, as well as residential construction, hotels and leisure facilities, hospitals and other healthcare facilities. Large and medium-scale projects are at the heart of this business division, mainly for private clients and the public sector.

- *Civil engineering*: in this division the *PORR Group* provides all services in road construction, including asphalt and concrete road construction, as well as a full range of other construction services related to road construction and civil engineering, such as earthworks, hydraulic engineering, wastewater construction, bridge building and sealing technology, as well as pipeline construction and small and large-scale concrete structures in the civil engineering sector. This product segment also includes the production of construction materials such as asphalt, concrete, bitumen, gravel and grit, both for internal use by the group and for sale to third parties.

- *Infrastructure*: in the infrastructure sector the *PORR Group* realises complex traffic projects for cities, rail, road and airports and is active in power plant construction, large-scale bridge projects, dams, tracks and tunnels, as well as the areas of environmental engineering and foundation engineering.

- *Services*: the service sector includes in particular the property development and project management for real estate. It includes all integrated services such as design and planning, project management, financing, realisation, marketing, letting and sales. In addition to infrastructure projects (roads, energy), this division also develops and realises office, hotel, school and healthcare projects. Furthermore, the *PORR Group* is active in project management and facility management.

To date, the *PORR Group* has been organized into six operating business units. As a holding company, *PORR* offers administrative services to all members of the *PORR Group* via a Shared Services Center. The business units form a matrix structure in which both, regions and separate sectors, are represented. Building construction and civil engineering are mostly handled by the regional business units, whereas the specialized units Infrastructure and Environmental Engineering carry out their projects in cooperation with the responsible region.

Business Unit 1 – DACH is responsible for the *PORR Group's* home markets in Austria, Germany and Switzerland. The segment mainly comprises residential, office, industrial, commercial, retail, centre and road construction. Business Unit 1 specialises in large-scale building construction with a special focus on general contractor and design-build services. The segment also includes the activities of TEERAG-ASDAG. This business unit covers all of Austria's federal states and is positioning itself in Germany beyond the conurbations of of Munich, Berlin, Düsseldorf and Frankfurt. In Switzerland the *PORR Group* is predominantly involved in large-scale building construction and civil engineering projects as well as infrastructure companies.

Business Unit 2 – CEE / SEE involves Poland and the Czech Republic – the other home markets of the *PORR Group*. Here the *PORR Group* offers a broad range of construction services, including general building construction and civil engineering as well as the specialist divisions of large-scale earthworks projects, hydraulic engineering and pipeline construction. This is complemented by all project-based activities in the infrastructure sector in CEE/SEE countries, to date mostly in Romania, Serbia and Slovakia, particularly in the infrastructure sector.

Business Unit 3 – International covers the *PORR Group's* current activities in Qatar and in future will include all activities in Qatar and Saudi Arabia. On these markets *PORR* is established as an expert, premium provider and infrastructure specialist, primarily in the areas of tunnelling, railway construction and foundation engineering. These infrastructure projects are developed and implemented in cooperation with Business Unit 4 – Infrastructure.

Business Unit 4 – Infrastructure includes the *PORR Group's* activities in tunnelling, railway construction and foundation engineering, as well as large-scale projects in road and bridge construction, power plant construction and civil engineering. The *PORR Group* offers the entire range of road construction, from smaller construction tasks to complex large-scale projects and traffic infrastructure initiatives. The *PORR Group* developed the "ÖBB-PORR slab track" railway system in cooperation with ÖBB, the Austrian Federal Railways. In recent years this system has been the key to acquiring orders in railway construction, in particular in Germany. Smaller infrastructure projects with volumes of up to EUR 30 million are handled by the regional business units (*i.e.,* Business Unit 1 – DACH or Business Unit 2 – CEE/SEE), while Business Unit 4 – Infrastructure concentrates on large-scale and typically multi-year projects.

Business Unit 5 – Environmental Engineering bundles the *PORR Group's* expertise in environmental clean-up, waste management and renewable energy. The clear focus lies on Austria and Germany. Porr Umwelttechnik GmbH develops, builds and operates landfills, waste treatment and sorting facilities in Austria, Germany and Serbia.

Business Unit 6 – Real Estate covers a broad range in project development and property development. The focus lies on the core competencies of office, commercial, tourism, hotel and residential construction sectors, as well as concession models from hospitals to large-scale infrastructure projects. The main markets of this business unit are Austria and Germany.

2.1.3 Selected Financial Information for the *PORR Group*

a) Selected Data from the Income Statement

	Half year Jan 1 to June 30		Financial year Jan 1 to Dec 31		
	2014 (unaudited)	2013 (unaudited)	2013 (audited)	2012 (audited)	2011 (audited)[1]
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
Revenue	1,362,107	1,030,316	2,694,153	2,314,828	2,212,490
EBITDA	50,625	39,662	154,731	103,837	10,826
EBIT	19,162	14,546	88,026	53,809	-40,465
EBT	2,870	71	60,493	22,008	-83,069
Profit/loss for the period	5,090	21	52,585	17,993	-70,189
Earnings per share[2] (in €)	0.19	-0.32	3.88	1.08	-7.25

(Source: consolidated financial statements and interim financial statements). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) Data for the financial year 2011 have been adjusted to reflect the retrospective application of the amendment to IAS 19, which was applied for the first time in the financial year 2012.

(2) Data for the financial years 2012 and 2011 have been adjusted to reflect the 1:4 share split in the financial year 2013. These adjustments are unaudited.

b) Selected Information from the Consolidated Statement of Financial Position

	As of June 30, 2014 (unaudited)	As of June 30, 2013 (unaudited)	As of Dec 31, 2013 (audited)	As of Dec 31, 2012 (audited)[2]	As of Dec 31, 2011 (audited)[1]
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
Non-current assets	***1,109,604***	***1,152,054***	***1,068,659***	***1,101,407***	***1,178,059***
Current assets	***1,390,660***	***907,892***	***1,227,811***	***959,334***	***958,993***
of which cash and cash equivalents	318,160	51,394	332,907	110,411	153,813
Total assets	**2,500,264**	**2,059,946**	**2,296,470**	**2,060,741**	**2,137,052**
Equity	***448,613***	***319,639***	***347,662***	***322,553***	***303,243***
Non-current liabilities	***687,597***	***698,149***	***668,692***	***595,591***	***811,706***
of which non-current financial liabilities	300,810	272,750	273,776	169,173	408,241
of which bonds	224,102	273,396	223,659	273,103	224,088
Current liabilities	***1,364,054***	***1,042,158***	***1,280,116***	***1,142,597***	***1,022,103***
of which current financial liabilities	96,783	168,933	93,796	254,635	87,908
of which bonds	99,076	0	99,134	0	69,630
Total equity and liabilities	**2,500,264**	**2,059,946**	**2,296,470**	**2,060,741**	**2,137,052**
Net debt[3]	402,611	663,685	357,458	586,500	636,054

(Source: consolidated financial statements and interim financial statements). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) Data for the financial year 2011 have been adjusted to reflect the retrospective application of the amendment to IAS 19, which was applied for the first time in the financial year 2012.

(2) With regard to intangible assets and deferred tax liabilities, the comparative figures as of December 31, 2012 were adjusted in the consolidated financial statements as of December 31, 2013 in accordance with IFRS 3.49.

(3) Net debt results from bonds (current and non-current) plus current and non-current financial liabilities minus cash and cash equivalents. Net debt is not an IFRS financial measure and is therefore unaudited.

c) Other Operating Data

	Half year Jan 1 to June 30		Financial year Jan 1 to Dec 31		
	2014 (unaudited)	2013 (unaudited)	2013 (unaudited)	2012 (unaudited)	2011 (unaudited)
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
Production output [1]	1,589,835	1,289,367	3,439,092	2,890,957	2,905,634
Order bookings [2]	1,707,063	2,721,821	4,656,370	3,500,133	3,220,880
Order backlog (end of financial year)[2]	4,707,845	4,805,793	4,590,617	3,373,339	2,764,163

(Source: unaudited data from the Company)

(1) Production output is widely used in the construction industry and the management believes that it is a useful measure for assessing the overall construction output of the *PORR Group* and other entities and consortia/joint ventures in which the *PORR Group* holds a direct or indirect

interest. It is important to note that production output is not an IFRS financial measure and is not a financial performance indicator. Production output should not be considered as an alternative to revenue as determined in accordance with IFRS. Production Output is not indicative of revenue. There is no official, generally accepted definition of the term "production output". Indicators bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may therefore be calculated differently.

(2) Order bookings and order backlog are also widely used in the construction industry and the management believes that they are a useful measure for assessing the operating performance of the *PORR Group*. It is important to note that the order bookings and order backlog are not IFRS financial measures and are not financial performance indicators. Order bookings and order backlog are also not indicative of future revenue or production output. There is no official, generally accepted definition of the terms "order bookings" or "order backlog". Indicators bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may therefore be calculated differently.

2.2 PIAG Immobilien AG

2.2.1 Legal Status

PIAG Immobilien AG is the absorbing company in the course of the planned *Spin-off*. With the declaration on the establishment of the company dated May 16, 2013, it was founded under the legal name CHSH Aurelia Holding GmbH with the legal form of a company with limited liability under Austrian law and entered into the Companies Register on June 6, 2013. *PORR* acquired the entire share in the company in August 2014 and has been the sole owner ever since. By resolution of the shareholders' meeting dated August 21, 2014, the increase of the initial share capital to EUR 70,000, the change of legal form to a joint stock corporation (§§ 245 et seq AktG) with the conversion date December 31, 2013, and the change of the legal name to PIAG Immobilien AG, was resolved, as well as the articles of association were approved. These resolutions and the transformation into a joint stock corporation were registered in the Companies Register on August 29, 2014. To date, *PIAG* has not conducted any operational business and has no employees.

a) Company, Seat and Financial year

PIAG Immobilien AG, FN 397508 x, registration court: Commercial Court Vienna, with its registered seat in Vienna and business address at Absberggasse 47, A-1100 Vienna, is a joint stock corporation founded under Austrian law. The financial year of *PIAG* corresponds to a calendar year and therefore runs from January 1 to December 31.

b) Share Capital, Shares and Shareholder Structure

PIAG has share capital of EUR 70,000, divided into 70,000 no-par value bearer shares with a calculated nominal value of EUR 1.00 each (the "**PIAG shares**"). Pursuant to Article 5 Section (1) of *PIAG's* articles of association, the shares in *PIAG* shall be admitted for trading on a stock exchange in the sense of § 3 AktG. *PORR* holds all shares in *PIAG* and is its sole shareholder.

By issuing new shares in *PIAG* to the *PORR* shareholders in the course of this *Spin-off*, *PIAG* will become an independent company and will be listed on the stock exchange.

In the course of the *Spin-off*, the Articles of Association of *PIAG* will be amended to account for the capital increase carried out during the *Spin-off* by EUR 14,547,500 to EUR 14,617,500 by issuing 14,547,500 new *PIAG shares*. Furthermore, the existing 70,000 *PIAG shares* shall be reclassified to share category B. Holders of category B shares shall each receive a dividend in the amount of at least 1% (one percent) of the pro rata amount of share capital attributable to category B shares, as long as the shareholders' meeting resolves to distribute a dividend (preferential dividend). In cases where a preferential dividend is not paid out for a financial year, or is not paid out in full, the amount in arrear is accumulated and is to be made up out of the net profit of the subsequent financial years (cumulative profit rights). Due to this measure, from the moment the *Spin-off* comes into effect, the existing 70,000 *PIAG shares* shall represent an individual share class, which currently will not be admitted for trading on the Vienna Stock Exchange (and which does not have to be admitted). Thereby it is possible to carry out the *Spin-off* on the basis of valid exemptions, without the need to produce a prospectus.

Prior to *PORR's* shareholders' meeting, which will resolve on on the *Spin-off, PORR* and *PIAG* will conclude a contribution agreement, whereby *PORR* shall transfer the existing 70,000 *PIAG shares* (thereafter category B shares) free of charge as a contribution to *PIAG,* subject to the condition precedent that the *Spin-off* becomes effective (entry into the Companies Register). Once the *Spin-off* becomes effective, *PIAG* shall hold these shares (then category B shares) as treasury shares and, as a consequence, the 14,547,500 new *PIAG shares* to be issued in the course of the *Spin-off* will then economically represent a 100% shareholding in *PIAG*.

c) Objects of the Company's Business

The objects of *PIAG's* business are as follows:

(1) The objects of the Company's business shall be:

a) acquiring, maintaining, developing, managing, selling, letting and any other exploitation of real estate and similar land rights and establishing residential property ownership and commercial, technical and infrastructural development of real estate;

b) producing location analyses as well as market, feasibility and project studies;

c) developing and evaluating financing and tax models and concepts governed by corporate law, as long as these activities are not reserved for other professional groups;

d) handling all permit procedures related to property development such as, for example, construction and demolition permits and final approvals;

e) designing, planning, realising and marketing construction projects of every kind and producing the plans for permits as well as detailed plans, statics and general planning;

f) purchasing, renting (including leasing) and operating movable and immovable assets, particularly equipment, machinery and vehicles;

g) executing construction work of every kind through to turnkey production and all construction services related to property development, whether it be as a general contractor, design-build contractor or as a developer;

h) practising the professional trade of master builder, property developer, real estate agent and property manager (real estate trustee);

i) operating car parks, parking spaces and petrol stations;

j) project development, project management, planning, financing, erecting, operating and brokerage and realisation of buildings and infrastructure facilities, especially for municipal supply and disposal, for telecommunications, for en-

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

k) 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;

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

m) practising all trades and exercising any other licences that are necessary or useful for achieving the objects of the Company's business, in particular practising the professional trade of master builder, property developer, real estate agent and property manager (real estate trustee);

n) executing and providing all services, auxiliary and secondary business related to the objects of the Company's business;

o) rendering commercial, legal and technical services and taking on management tasks and technical and financial management of subsidiaries and associated companies, as long as these activities are not reserved for other professional groups;

p) generating and supplying district heating;

q) trading goods of every kind.

(2) 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.

(3) The Company is 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.

d) Corporate Bodies

Pursuant to the articles of association, the **managing board** of *PIAG* consists of a minimum two (2) and a maximum of six (6) persons. It currently comprises two (2) members and and currently consists of the following persons:

Name	Function	Age	First appointed	Current term expires
Karl-Heinz Strauss	Chairman	53	2014	21 August 2019
Christian B. Maier	Member	48	2014	21 August 2019

(Source: unaudited internal information from *PIAG*)

Pursuant to the articles of association, the **supervisory board** of *PIAG* consists of a minimum of three (3) and a maximum of (12) members appointed by the shareholders' meeting. It is currently comprised of three (3) members appointed by the shareholders' meeting and currently consists of the following persons:

Name	Position	Age	First appointed	Current term expires
Susanne Weiss	Chairman	53	2014	2015(1)
Iris Ortner	Vice Chairman	40	2014	2015(1)
Bernhard Vanas	Member	60	2014	2015(1)

(Source: unaudited internal information from *PIAG*)

(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 2014.

There shall be no changes in the members of the managing board or supervisory board in the context of the *Spin-off*. In particular, Karl-Heinz Strauss and Christian Maier will retain their function as members of *PIAG's* managing board in addition to their function on *PORR's* managing board until the merger of *PIAG* and *UBM,* which is planned for 2015.

2.2.2 Business Activities of PIAG Immobilien AG

To date, *PIAG* has not conducted any operational business.

3. Description of the Object of the *Spin-off*

The objects of the *Spin-off* and the transfer are *PORR's* shareholding in *UBM*, which was held by *PORR* on the record date of the *Spin-off* June 30, 2014 and will be held on the date the *Spin-off* comes into effect (entry into the Companies Register), and a part of *PORR's* participation in *Strauss & Partner*, which corresponds to a fully paid-in capital contribution of EUR 213,800 and thereby 39.96% of the entire initial share capital of *Strauss & Partner* ("**S&P Shareholding**"), namely including all of the associated rights and obligations valid on the date the *Spin-off* becomes effective (entry into the Companies Register) ("**Spin-off Assets**").

3.1 Shareholding in *UBM*

3.1.1 Shareholding in *UBM* to be transferred

UBM Realitätenentwicklung Aktiengesellschaft (FN 100059 x), registration court: Commercial Court Vienna, with its registered seat in Vienna and business address at Floridsdorfer Hauptstraße 1, A-1210 Vienna is a joint stock corporation founded under Austrian law. The share capital of *UBM* amounts to EUR 18,000,000 and is divided into 6,000,000 no-par value bearer shares with a calculated nominal value of EUR 3.00 per share (ISIN AT0000815402) ("**UBM Shares**"), which are admitted for trading on the Vienna Stock Exchange and listed in the Standard Market Auction segment.

On the record date of the *Spin-off* June 30, 2014, *PORR* directly held a total of 2,479,836 *UBM Shares*, equivalent to 41.33% of the share capital and voting rights in *UBM*. Only this shareholding in *UBM* is part of the *Spin-off Assets* and will result in an outflow of (equity) assets from *PORR* and a corresponding inflow of (equity) assets to *PIAG*.

3.1.2 Additional shareholding in *UBM*

28,187 *UBM Shares*, equivalent to 0.47% of the share capital and voting rights in *UBM*, already held by EPS Absberggasse 47 Projektmanagement GmbH ("**EPS 47 GmbH**"), an indirect subsidiary of *PORR*, as of June 30, 2014, are not part of the *Spin-off Assets* (because not part of the assets of *PORR*).

With the share purchase agreement dated July 11, 2014 between *PORR* as buyer and Amber Privatstiftung (FN 178109 a) and Bocca Privatstiftung (FN 178104 v) as seller, *PORR* acquired a total of 114,000 *UBM Shares* in July 2014. Furthermore, *PORR* concluded the following agreements regarding the purchase and acquisition of additional *UBM Shares*:

- a share purchase agreement dated July 11, 2014 between *PORR* as the buyer and CA Immo International Beteiligungsverwaltungs GmbH (FN 281894 a) as the seller (the "**Share Purchase Agreement CA Immo**") on the purchase and acquisition of 1,500,008 *UBM Shares* at a total purchase price of EUR 36,000,000, which corresponds to approximately EUR 24.00 per *UBM share*; and

- an option agreement dated July 11, 2014 between *PORR* as the taker of the option and Amber Privatstiftung (FN 178109 a) and Bocca Privatstiftung (FN 178104 v) as writers of the option (the "**Option Agreement**"), which entitles *PORR* to purchase and acquire a total of 23,276 *UBM Shares* at a price corresponding to the stock exchange price of *UBM Shares* on the day before exercising this option (taking into account a minimum price of EUR 20.00 and a maximum price of EUR 24.00 per *UBM share*) for a period running until the end of January 2015.

The *Share Purchase Agreement CA Immo* is conditional upon clearance by all applicable antitrust and competition authorities without any conditions, as well as the approval by *PORR's* supervisory board. In line with the nomination rights agreed, *PORR* has designated *PIAG* as the new buyer in the *Share Purchase Agreement CA Immo*, so that when the *Share Purchase Agreement CA Immo* comes into effect (expected to be in early October 2014), the respective 1,500,008 *UBM Shares* shall be acquired by *PIAG*. The *Share Purchase Agreement CA Immo* provides for a part of the purchase price of EUR 16,000,000 not to be due until July 31, 2016. As security for the delayed payment of this part of the purchase price, 666,670 *UBM Shares* are to be pledged to CA Immo International Beteiligungsverwaltungs GmbH.

At the date of this Spin-Off Report, *PORR* and the parties acting in concert with *PORR* in accordance with the Austrian Takeover Act (including the 1,500,008 *UBM Shares* of CA Immo International Beteiligungsverwaltungs GmbH, because it entered into a syndicate agreement with *PORR* in respect to *UBM* in 2004) hold a majority of the *UBM Shares*. By effecting the *Share Purchase Agreement CA Immo* (scheduled for the beginning of October 2014), CA Immo International Beteiligungsverwaltungs GmbH will cease to be a party acting in concert with *PORR* and the shareholding of *PORR* and the remaining parties acting in concert with *PORR* in accordance with the Austrian Takeover Act in *UBM* will, for the duration of a logical second, be reduced to a shareholding, which constitutes a direct controlling interest in *UBM* without a majority in the voting rights attributable to the *UBM Shares* with permanent voting rights. Later, the acquisition of the 1,500,008 *UBM Shares* of CA Immo International Beteiligungsverwaltungs GmbH by *PIAG* at performance of the *Share Purchase Agreement CA Immo* will cause the existing direct controlling interest in *UBM* (which, however, does not represent a majority in terms of voting rights attributable to *UBM Shares* with permanent voting rights) to increase by more than 2% of the *UBM Shares* and voting rights. Thus, from that moment the obligation to launch an offer pursuant to § 22 (4) Austrian Takeover Act ("**ÜbG**") will exist, as a result of "creeping in".

This imminent mandatory offer has been anticipated with a voluntary takeover offer in accordance with § 25a ÜbG, which will be published on September 26, 2014 (the "**Public Takeover Offer**"). Refrence is made to the separately published offer document for the *Public Takeover Offer*. Under the terms of the *Public Takeover Offer*, the bidder is *PIAG*, so that the *UBM Shares* tendered in the course of the *Public Takeover Offer* shall be acquired by *PIAG*. The *Public Takeover Offer* can be converted into a mandatory offer pursuant to §§ 22 et seq. ÜbG, whereby a conversion would be expected immediately after closing the *Share Purchase Agreement CA Immo.* The offer period runs from September 26, 2014 through October 17, 2014. The right to extend this period is reserved. The result of the *Public Takeover Offer* should therefore be available prior to the shareholders' meeting of *PORR* which will resolve on the *Spin-off*. Taking into account the *UBM Shares* held by *PORR*, *PIAG* and parties acting in concert in accordance with the Austrian Takeover Act, the *UBM Shares* which are already contractually bound (*Share Purchase Agreement CA Immo*, *Option Agreement*) and the binding waivers of acceptance, a maximum of 881,144 *UBM Shares,* equivalent to 14.69% of *UBM's* share capital may be tendered to *PIAG* in the course of the *Public Takeover Offer*.

PORR will exercise the option to acquire 23,276 *UBM Shares* under the *Option Agreement* after the end of the acceptance period of the *Public Takeover Offer* and within a short time period of the shareholders' meeting of *PORR* which will resolve on the *Spin-off*. In accordance with the terms of the *Option Agreement*, *PORR* shall designate *PIAG* as the buyer of these *UBM Shares*.

After the end of the acceptance period of the *Public Takeover Offer* and in a timely context to the shareholders' meeting of *PORR* which will resolve on the *Spin-off,* (i) *PORR* as seller and *PIAG* as buyer shall conclude a share purchase agreement by which *PORR* sells 114,000 *UBM Shares* held by it to *PIAG* at a purchase price in the total amount of EUR 2,394,000 (equivalent to EUR 21.00 per *UBM Share*) and transfer these shares, as well as (ii) EPS Absberggasse 47 Projektmanagement GmbH (an indirect subsidiary of *PORR*) as the seller and *PIAG* as the buyer shall conclude a share purchase agreement by which EPS 47 GmbH will sell the 28,184 *UBM Shares* it holds to *PIAG* at a purchase price in the total amount of EUR 676,416 (equivalent to EUR 24.00 per *UBM Share*) and transfer these shares.

The aforementioned transfers of *UBM Shares* from *PORR* and EPS 47 GmbH to *PIAG* represent a post-formation acquisition (§ 45 AktG). This includes agreements by the company which provide for the acquisition of assets from the founders for a consideration of at least 10% of the share capital. In order to take effect, these require approval by the shareholders' meeting and registration with the Companies Register, if they are concluded within the first two years of the company being entered into the Companies Register. *PIAG* was transformed into a joint stock corporation only on August 29, 2014, when the transformation was entered into the Companies Register. Such two-year period, therefore, began on August 29, 2014.

Prior to passing the resolution, the supervisory board shall examine the agreements and render a written report. In addition, an audit by a (post-)formation auditor is required. Mag Anton Androsch Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH was appointed as the (post-)formation auditor of *PIAG* by resolution of the Commercial Court Vienna dated September 5, 2014. The (post-)formation auditor shall produce an appropriate audit report, which shall be submitted to the Commercial Court Vienna to the file for the registration number FN 397508 x (PIAG Immobilien AG). The registration of the post-formation(s) will be carried out together with the registration of the *Spin-off*.

As a consequence, *PIAG* will acquire a total of 1,665,468 additional *UBM Shares* under the agreements in place (not including the *UBM Shares* tendered in the course of the *Public Takeover Offer*, the number of which is not known on the date of this Spin-off Report) for a purchase price totalling EUR 39,629,232 prior to the *Spin-off* taking effect (entry into the Companies Register).[1] These acquisitions by *PIAG* will be financed by a deferred payment as set forth in the *Share Purchase Agreement CA Immo* of an amount of EUR 16,000,000, as well as a loan granted by the *PORR Group*. Furthermore, the *PORR Group* has agreed to grant an additional loan to *PIAG* to finance the purchase of the *UBM Shares* tendered in the *Public Takeover Offer*.

When the *Spin-off* takes effect, *PIAG* will thereby hold a total of at least 4,145,304 *UBM Shares* (not including the *UBM Shares* tendered in the course of the *Public Takeover Offer*), equivalent to approximately 69.09% of the share capital and voting rights in *UBM* (of which 2,479,836 *UBM Shares* are transferred in the course of the *Spin-off* as part of the *Spin-off Assets* and 1,665,468 *UBM Shares* are acquired in the course of purchase transactions).

With the option agreement dated September 8, 2014 between *PORR* and Amber Privatstiftung (FN 178109 a) and Bocca Privatstiftung (FN 178104 v) ("**Put Option Agreement**"), *PORR* has granted the writers of the option the right to sell 636,132 *UBM Shares*

[1] The purchase price for the 23,276 *UBM Shares* from the *Option Agreement* has not yet been set. It has been assumed at the maximum price of EUR 558,624, equivalent to EUR 24.00 per *UBM Share*.

(equivalent to 10.60% of the share capital and the voting rights in *UBM*) in the period from January 2, 2015 to January 17, 2015 at a price of EUR 24.00 per *UBM Share.* The *Put Option Agreement* ceases to exist, if the *Public Takeover Offer* is not submitted or is not successfully completed. *PORR* is entitled to designate *PIAG* as buyer and intends to do so.

3.1.3 Business Activities of the *UBM Group*

The *UBM Group* operates in the field of property development. In contrast to so-called property holding companies or property management real estate funds, the *UBM Group* generates hardly any of its revenue from rental income, but instead from property development proceeds. The business activity of property development involves acquiring real estate, developing it (i.e., creating added value) and subsequently selling it at a profit.

Developing a property can involve one or multiple phases: from purchasing properties to erecting buildings and renting them, to selling these properties. Therefore, depending on the project, the *UBM Group* is involved to varying degrees in property development activities, both in terms of activities and time frames. It is therefore possible that the *UBM Group* only acquires undeveloped land lots and then sells them on before building, or that the *UBM Group* erects buildings on land lots and immediately sells them once the buildings are completed. However, it is also possible that the *UBM Group* holds land lots for a longer time period and rents the buildings found on the lot. The *UBM Group* also works as a project partner together with third parties or operates alone as a developer. In addition, the *UBM Group* offers related services such as facility management services.

Depending on the market environment, the *UBM Group* realises residential and office property as well as hotels and commercial property (such as shopping centres and logistics facilities). The development of residential, office and commercial property is often carried out in such a way that buildings are erected and then sold after a short or medium-term period of renting. In some cases the properties are also sold prior to the start of the renting phase. Rental income from the developed properties is not the main focus. Business activities in the hotel sector are somewhat different: when new hotels are built or existing hotels are upgraded, these are temporarily incorporated into the portfolio. These hotels are not managed directly by the *UBM Group*, but usually rather by contract partners, which are companies for managing and operating hotels. The *UBM Group* makes the hotel properties which it owns available to the respective operating company. The respective hotel management and operating company is responsible for managing the hotel, oversees hotel staff and is obliged to generate the highest returns possible. In exchange these companies receive a regular performance-related management fee which is tied to revenue and profit, as well as costs reimbursement for administrative fees, wages etc. As a rule, purchasers of hotel properties do not buy immediately upon completion, but rather when a certain occupancy rate and profitability of a hotel has been established over several years. Therefore, hotel properties are generally held for longer than other properties before they are sold off.

As of June 30, 2014 the *UBM Group* held real estate of approximately 2.4 million m² in terms of total land area. These properties are spread throughout Europe. Aproximately 428,000 m² of the real estate holdings are leased out and roughly break down as follows: 26% offices, 33% commercial and 3% residential properties. Hotels represent 38% of the usable area. A listing of the *UBM Group* real estate holdings as of June 30, 2014 is attached to this Spin-off Report as appendix/3.1.3.

Until the acquisition of a majority stake by the *PORR Group*, *UBM* does not form part of a superordinate group, but rather is the parent company of the *UBM Group*. The following diagram provides a broad overview of the structure of the *UBM Group* as of June 30, 2014; this shows that there is a regional controlling company in every country in which the *UBM Group* is active, under which the individual project companies operate:

3.1.4 Selected Information for the *UBM Group*

a) Selected Data from the Income Statement

	Half year Jan 1 to June 30		Financial year Jan 1 to Dec 31		
	2014 (unaudited)	2013 (unaudited)	2013 (audited)	2012 (audited)(1)	2011 (audited)
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
Revenues	66,810	75,733	217,226	133,975	196,370
EBIT	14,514	11,623	29,400	12,143	22,128
EBT	8,335	6,238	17,844	12,872	14,557
Profit for the period	6,768	3,947	13,528	13,684	8,906
Earnings per share (in €)	1.09	0.88	2.14	2.15	1.65

(Source: consolidated financial statements and interim financial statements of *UBM*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) Data for the financial years 2011 and 2012 have been adjusted for changes in the accounting process to allow comparisons with the data for the financial year 2013.

b) Selected Information from the Balance Sheet

	As of June 30,2014 (unaudited)	As of Dec 31,2013 (audited)	As of Dec 31, 2012 (audited)(1)	As of Dec 31, 2011 (audited)(1)
	in TEUR	in TEUR	in TEUR	in TEUR
Non-current assets	***439,129***	***427,654***	***437,813***	***389,176***
Current assets	***194,516***	***203,122***	***195,178***	***202,439***
of which cash and cash equivalents	36,760	59,893	53,435	67,034
Total assets	**633,645**	**630,776**	**632,991**	**591,615**
Equity	***166,896***	***163,719***	***153,680***	***144,785***
Non-current liabilities	***228,903***	***348,471***	***386,516***	***315,045***
of which non-current financial liabilities	112,011	134,082	183,604	121,545
of which bonds	96,412	190,285	175,112	163,445
Current liabilities	***237,846***	***118,587***	***92,794***	***131,786***
of which current financial liabilities	80,631	57,457	28,057	41,842
of which bonds	100,001	0	0	28,294
Total equity and liabilities	**633,645**	**630,776**	**632,991**	**591,615**
Net debt(2)	352,295	321,932	333,338	288,092

(Source: consolidated financial statements and interim financial statements of *UBM*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) Data for the financial years 2011 and 2012 have been adjusted for changes in the accounting process to allow comparisons with the data for the financial year 2013.

(2) Net debt results from bonds (current and non-current) plus current and non-current financial liabilities minus cash and cash equivalents. Net debt is not an IFRS financial measure and is therefore unaudited.

c) Other Operating Data

	Half year Jan 1 to June 30		Financial year Jan 1 to Dec 31		
	2014 (unaudited)	2013 (unaudited)	2013 (unaudited)	2012 (unaudited)	2011 (unaudited)
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
Production output (1)	142,792	112,248	286,749	258,321	281,885

(Source: unaudited data of the Company)

(1) Production output is widely used in the construction industry and the management believes that it is a useful measure for assessing the overall construction output of the *UBM Group* and other entities and consortia/joint ventures in which the *UBM Group* holds a direct or indirect interest. It is important to note that production output is not an IFRS financial measure and is not a financial performance indicator. Production output should not be considered as an alternative to revenue as determined in accordance with IFRS. Production Output is not indicative of revenue. There is no official, generally accepted definition of the term "production output". Indicators bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may therefore be calculated differently.

3.2 Shareholding in *Strauss & Partner*

3.2.1 Shareholding in *Strauss & Partner* Already Transferred

STRAUSS & PARTNER Development GmbH (FN 255167 x), registration court: Commercial Court Vienna, with its registered seat in Vienna and business address at Laaer-Berg-Straße 43, 1100 Vienna, is a company with limited liability under Austrian law. The fully paid-in share capital amounts to EUR 535,000. *PORR* holds an interest in

Strauss & Partner equivalent to fully paid-in capital of EUR 534,800 and a shareholding of 99.96% in the share capital and the voting rights of *Strauss & Partner*. *PORR's* interest in *Strauss & Partner* is free of encumbrances.

In the course of the *Spin-off, PORR* plans to transfer part of its interest in *Strauss & Partner*, as part of the *Spin-off Assets*, equivalent to fully paid-in capital of EUR 213,800 representing 39.96% of the entire share capital. Only this part of the participation of *PORR* in *Strauss & Partner* is part of the *Spin-off Assets* and will result in an outflow of (equity) assets from *PORR* and a corresponding inflow of (equity) assets to *PIAG*.

3.2.2 Further Interest in *Strauss & Partner*

At the same time as, although separate from, the *Spin-off*, *PORR* will sell and transfer its remaining interest in *Strauss & Partner* to *PIAG*, which corresponds a fully paid-in capital of EUR 321,000 and represents 60% of the entire share capital ("**S&P Purchase Agreement**"). The purchase price was set at EUR 66,000,000 on the basis of a valuation of *Strauss & Partner* by an independent auditor as of September 2014 and will funded by a loan of the *PORR Group* to *PIAG*. This sale and transfer is conditional on the *Spin-off* taking effect (entry into the Companies Register) and meeting the formal requirements on post-formation acquisitions pursuant to § 45 AktG

The aforementioned transfer of the remaining interest in *Strauss & Partner* from *PORR* to *PIAG,* as part of the *S&P Purchase Agreement*, represents a post-formation acquisition (§ 45 AktG) as well. See details at the end of clause 3.1.2 (*Additional Shareholding in UBM*) of this Spin-off Report, which apply the same way here. The *S&P Purchase Agreement* therefore also requires examination by the supervisory board of *PIAG*, as well as approval by *PIAG's* shareholders' meeting, a (post-)formation audit and entry into the Companies Register.

Mag Anton Androsch Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH was appointed as the (post-)formation auditor of *PIAG* by resolution of the Commercial Court Vienna dated September 4, 2014. The (post-)formation auditor shall produce an appropriate audit report, which shall be submitted to the Commercial Court Vienna for filing-with registration number FN 397508 x (PIAG Immobilien AG).

The transfer of the entire interest in *Strauss & Partner* to *PIAG* shall partly be realised in the course of the *Spin-off* and partly through a parallel sale separate from the *Spin-off*, in order to limit the outflow of net assets from *PORR* so that the consolidated equity ratio of the *PORR Group* (following the *Spin-off*) does not fall below thresholds determined by the managing board and supervisory board.

3.2.3 Changes since June 30, 2014

The shareholding of *PORR* in *Strauss Partner* is nominally unchanged since the record date of the *Spin-off*, June 30, 2014. However, there have been (and will be by the closing of the Spin-off and Takeover Agreement) a range of transactions which will affect the carrying amount and market value of the *S&P Shareholding*, with the purpose of transferring non-operational real estate and project developments of the *PORR Group*, which were previously not included in *Strauss & Partner*, to *Strauss & Partner* (or another company of the *S&P Group*). In addition, there have been individual transfers out of the *S&P Group* to other companies in the *PORR Group*.

These transfers have led to a net increase in the equity of *Strauss & Partner* of approximately EUR 23.5 million, which is contained in the pro forma descriptions in items 10 (*PORR* after the *Spin-off*) or 11 (*PIAG* after the *Spin-off*).

Furthermore, there have been sales of individual properties and shareholdings of companies of the *PORR Group* to companies in the *S&P Group* at market values, whereby the total purchase price is approximately EUR 31.6 million. These are contained in the pro forma descriptions in items 10 (*PORR* after the *Spin-off*) or 11 (*PIAG* after the *Spin-off*), as well.

3.2.4 Business Activities of the *S&P Group*

The *S&P Group* deals with property development in Central and Eastern Europe. These activities cover everything from the initial concept through to the sale of the project. The focus is on project development and not on the real estate portfolio business.

Real estate is held in the portfolio in instances where it makes sound economic sense to hold properties short-term before they are sold off, thereby achieving optimal returns. On the other hand, for historical reasons, the *S&P Group* serves as a non-classic property holder for a range of miscellaneous properties and shareholdings which are subject to targeted measures under asset management (such as optimising the tenant structure/rental income, clear directives to the property management, further development of land lot resources etc.). These are primarily dealt with in combination with a clearly defined strategy for marketing and utilisation.

As part of the *PORR Group,* the *S&P Group* handles the entire core competency of property and project development within the *PORR Group* and thereby bundles expertise along the entire value chain of property development, covering technical, commercial and legal aspects. To complement this, the *S&P Group* also directly handles the rental and sales of real estate and property projects.

The focus in the property development sector is on the main regional markets of Austria, including the greater Vienna area, Graz, Innsbruck and selectively in Linz and Salzburg. In Germany project development is realised in the major metropolitan areas of Berlin, Munich, Frankfurt, Hamburg and in Düsseldorf, Cologne and Stuttgart. There is a selective approach to markets beyond the German-speaking region, with Poland (particularly Warsaw and Krakow) and the Czech Republic (Prague and the surrounding area) in the focus area of the *S&P Group*. In terms of volumes and earnings, the most important business drivers at present are Berlin, Vienna, Munich and Frankfurt, and the asset classes offices, hotels and residential.

In its development projects, the *S&P Group* focuses on offices, residential construction, hotels, logistics, retail, specialist real estate and concession models. The *S&P Group's* business model positions the company as a project developer which contributes across the entire value chain. This applies in particular to acquiring lots and land, green- and brownfield development, modernisation and changing the usage type of properties. Furthermore, the *S&P Group* acts as a targeted service-developer for investors on a fee and incentive basis. As part of the property strategy of the *PORR Group*, there has been an increased focus in recent years on entering into project partnerships with other developers and finance and equity partners, in order to reduce tied-up capital and diversify risk.

As of June 30, 2014 the *S&P Group* held real estate of approximately 0.6 million m² in terms of total land area. These properties are spread throughout Europe. Approximately 417,500 m² of the real estate holdings are lettable and roughly break down as follows: 23% offices, 3% commercial and 21% residential properties. Hotels represent approximately 24% of the usable space. The remaining 29% of the usable space is accounted for by mixed-use properties. A listing of the *S&P Group* real estate holdings as of June 30, 2014 is attached to this Spin-off Report as appendix/3.2.4.

Also included in the *S&P Group* is the indirect stake in the Hungarian M6 motorway. The projects involve the construction, financing, operation and maintenance of two motorway sections in Hungary with a total length of approximately 123 km. The time frames for the projects are 22 years for M6 Duna (2004-2026), and 30 years for M6 Tolna (2008-2038). Project companies are in place for both projects, in which Porr Infrastruktur Investment AG (a fully owned subsidiary of *Strauss & Partner*) holds an interest, for M6 Duna together with Bilfinger and Swietelsky and for M6 Tolna together with Bilfinger and Egis. Even though these projects are not related to real estate activities, the decision was made to leave this interest in the *S&P Group* for opportune reasons, not least because there are plans to sell this interest in the next one to two years and the *S&P Group* has specific expertise for this type of PPP project.

3.2.5 Selected Data for the *S&P Group*

Selected data for the *S&P Group*, including data on a pro-forma basis, as if the changes affecting the *S&P Group* as detailed in item 3.2.3 had already taken place at the start of the respective period or as of the respective record date, are as follows:

a) Selected Data from the Subgroup Income Statement

	Half year Jan 1 to June 30, 2014		Financial year Jan 1 to Dec 31	
	IFRS (unaudited)	Pro-forma / IFRS (unaudited)	IFRS (unaudited)	Pro-forma / IFRS (unaudited)
	in TEUR	in TEUR	in TEUR	in TEUR
Revenue	10,554	16,853	44,322	51,367
(EBIT	1,763	2,523	-3,038	739
EBT	-1,561	-2,322	-6,220	-5,507
Profit/loss for the period	-1,457	-2,148	-6,045	-6,356

(Source: internal, unaudited financial information of *PORR*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

b) Selected Information from the Subgroup Balance Sheet

	As of June 30,2014 Pro-forma / IFRS (unaudited)	As of June 30, 2014 IFRS (unaudited)	As of Dec 31, 2013 Pro-forma / IFRS (unaudited)	As of Dec 31,2013 IFRS (unaudited)
	in TEUR	in TEUR	in TEUR	in TEUR
Non-current assets	***403,232***	***269,232***	***335,526***	***203,691***
Current assets	***60,511***	***53,817***	***80,797***	***70,559***
of which cash and cash equivalents	2,577	2,229	15,528	13,543
Total assets	**463,743**	**323,049**	**416,323**	**274,250**
Equity	***89,441***	***65,909***	***67,669***	***43,425***
Non-current liabilities	***133,306***	***94,804***	***106,416***	***66,688***
of which financial liabilities	104,426	75,745	77,836	48,134
Current liabilities	***240,996***	***162,336***	***242,238***	***164,137***
of which current financial liabilities	25,657	23,677	21,091	19,147
Total equity and liabilities	**463,743**	**323,049**	**416,323**	**274,250**
Net debt[1]	323,775	210,806	279,668	167,351

(Source: internal, unaudited financial information of *PORR*)

(1) Net debt results from bonds (current and non-current) plus current and non-current financial liabilities and liabilities to the *PORR Group* in the amount of EUR 113,6 million (actual) / EUR 196,3 million (pro-forma) (contained in the other liabilities), as well as minus cash and cash equivalents.

c) Other Operating Data

	As of June 30,2014 Pro-forma / IFRS (unaudited)	As of June 30,2014 IFRS (unaudited)	As of Dec 31, 2013 Pro-forma / IFRS (unaudited)	As of Dec 31, 2013 IFRS (unaudited)
	in TEUR	in TEUR	in TEUR	in TEUR
Production output [1]	**30,174**	***24,864***	**136,667**	***126,582***

(Source: unaudited data of the Company)

(1) Production output is widely used in the construction industry and the management believes that it is a useful measure for assessing the overall construction output of the *PORR Group* and other entities and consortia/joint ventures in which the *PORR Group* holds a direct or indirect interest. It is important to note that production output is not an IFRS financial measure and is not a financial performance indicator. Production output should not be considered as an alternative to revenue as determined in accordance with IFRS. Production Output is not indicative of revenue. There is no official, generally accepted definition of the term "production output". Indicators bearing the same or similar names disclosed by other construction companies or presented in industry reports and similar publications may therefore be calculated differently.

4. Relations between the *PORR Group* and *S&P Group* / *UBM Group*

4.1 Funding and Cash Pooling

a) *S&P Group*

Historically, all companies of the *S&P Group* are participants in the group-wide cash pooling of the *PORR Group*. This applies to all Austrian, German and Polish companies of the *S&P Group*. The *PORR Group* maintains country-specific pooling groups, each with a defined pool master company. The foreign master companies will be consolidated and managed by *PORR* in Austria daily. The separation from the cash pooling of the *PORR Group* shall be effected in such a way that initially all connections to the cash pools of the *PORR Group* will be dissolved, and a pooling will be implemented at level of *PIAG*, which will be consolidated into the cash pooling of *PORR* in a second step. Once the *Spin-off* has come into effect (upon registration in the Companies Register) this connection will be dissolved.

In the *S&P Group*, project financing is typically taken out at the level of the project-specific company and will typically be collateralized by the assets of the respective companies. In some cases *PORR* has guaranteed respective financial indebtedness in full or in part in order to improve/permit bank financing at the level of the project company. As of June 30, 2014, *PORR* was liable for financial indebtedness of companies of the *S&P Group* totaling EUR 145.1 million (including companies that were only transferred to the *S&P Group* after June 30, 2014). These liabilities of *PORR* remain effective even after the *Spin-off* (registration in the Companies Register) has come into effect unless *PORR* is released from such liability by the respective creditor. It is the intention of *PORR* to replace guarantees of *PORR* by guarantees of *PIAG*.

Furthermore, as of June 30, 2014, there are also loans of *PORR* and other companies of the *PORR Group* to companies of the *S&P Group* totaling EUR 113.6 million. This amount will increase by EUR 82.7 million to a total of EUR 196.3 million following the transfer of shareholdings and real estate of companies of the *PORR Group* to companies of the *S&P Group* as part of the preparatory transfers after June 30, 2014 (without taking into consideration the loans of the *PORR Group* to finance the acquisition of an interest in *Strauss & Partner* corresponding to 60% of the share capital and of *UBM Shares*, as outlined in section 4.1c). This increase includes existing financial indebtedness of transferred companies as well as purchase prices discharged in the group cash pooling, thereby leading to a receivable of Porr Financial Services GmbH against the acquiring company of the *S&P Group* in each case. It is the intention of the *PORR Group* to replace these loans with loans of *PIAG* or external creditors (banks) (without liability of the *PORR Group*).

To this end, the *Spin-off and Takeover Agreement* (clause 10.7) between *PORR* and *PIAG* states that *PIAG* undertakes with the companies of the *PORR Group* to, as soon as possible,

- repay financial indebtedness of *PIAG* and *Strauss & Partner* (or other companies of the *S&P Group*) owed to companies of the *PORR Group* by, for example, taking out external financing from third parties (whereby financial indebtedness for the acquisition of *UBM Shares* must be repaid turned with priority); and

- to assist and to support *PORR* and other companies of the *PORR Group* in their efforts to be released from liabilities to third parties for financial indebtedness of *Strauss & Partner* (or other companies of the *S&P Group*).

After completion of the *Spin-off*, project financings will continue to be conducted at the level of the individual project companies, however, *PORR* will accept no further liability for companies of the *S&P Group*. Commercial financings of the *PIAG Group* must also be arranged without any liability by *PORR*.

b) *UBM Group*

The *UBM Group* is an independent company, and disposes its daily liquidity completely independently. In the *UBM Group*, project financing is also arranged at the level of project companies, and group financing (commercial financing) is normally arranged through the accumulated profits or via the capital market (bonds). The treasury function is with *UBM*. As of June 30, 2014 neither *PORR* nor other companies of the *PORR Group* are liable for financial indebtedness of companies of the *UBM Group*, and no loans were granted by *PORR* or other companies of the *PORR Group* to companies of the *UBM Group*.

This does not include individual project companies in which the *UBM Group* holds the majority, and which are therefore fully consolidated in the *UBM Group*, and in which companies of the *PORR Group* (*S&P Group*) are also directly involved (as a minority). Members of the *PORR Group*, in their function as shareholder, granted shareholder loans on a pro-rata basis to such project companies, and in individual cases also assumed proportionate liability for financial indebtedness of these project companies.

c) PIAG

PIAG does currently not engage in any operational activities, which means that there is also no financing for such activities from *PORR* or other members of the *PORR Group* to *PIAG*. There is, however, financing by *PORR* and/or Porr Financial Services GmbH with regards to the acquisition of *UBM Shares* and a part of the interest in *Strauss & Partner*, but this is not part of the *Spin-off*.

The *PORR Group* grants *PIAG* a loan of up to EUR 23,629,040 for the acquisition of a further 1,665,468 *UBM Shares* (not taking into consideration *UBM Shares* tendered in the *Public Takeover Offer*) by way of purchase transactions as outlined in more detail in item 3.1.2 (*Additional Shareholding in UBM*) of this Spin-off Report. In addition is the takeover of the deferred purchase price element under the *Share Purchase Agreement CA Immo* of EUR 16,000,000.

In addition, the *PORR Group* grants *PIAG* a loan of up to EUR 21,147,456 for the acquisition of those *UBM Shares* that were tendered to *PIAG* as part of the *Public Takeover Offer*. Taking into consideration the *UBM Shares* held by *PORR*, *PIAG* and parties acting in concert with these companies in accordance with the Takeover Act, and the binding acceptance waivers, a maximum of 881,144 *UBM Shares* may be tendered to *PIAG* as part of the *Public Takeover Offer*. The maximum loan amount is based on this and the offering price of EUR 24 per *UBM Share*.

The *PORR Group* also grants *PIAG* a loan totaling EUR 66,000,000 for the acquisition of a share of 60% in *Strauss & Partner* under the *Share Purchase Agreement S&P* (full purchase price under the *Share Purchase Agreement S&P*).

Finally, the *PORR Group* grants *PIAG* a loan totaling up to EUR 15,267,168 for the acquisition of the up to 636,132 *UBM Shares* that may be sold to *PIAG* (as buyer nominated by

PORR) by Amber Privatstiftung and Bocca Privatstiftung in January 2015 in accordance with the *Put-Option Agreement*.

This therefore means claims of the *PORR Group* against *PIAG* of up to EUR 126,043,664. An interest rate at arm's length terms will be defined, with *PIAG* being obliged to collateralize these loans and liabilities (including those of their then subsidiaries) by pledging its entire interest in *Strauss & Partner* (according to 99.96% of the share capital of *Strauss & Partner*) to *PORR* / Porr Financial Services GmbH.

During 2014, the *PORR Group* will grant *PIAG* a mezzanine loan (that meets the IFRS requirements for recognition as equity) of up to EUR 100 million for the refinancing of the liabilities to the *PORR Group*, and to strengthen the (consolidated) equity capital of *PIAG*. This mezzanine loan is not contained in the pro forma descriptions in items 10 (*PORR* after the *Spin-off*) or 11 (*PIAG* after the *Spin-off*).

The pro-forma descriptions in items 10 (*PORR* after the *Spin-off*) and 11 (*PIAG* after the *Spin-off*) also do not contain those loans of the *PORR Group*, the utilisation of which is uncertain (commitments concerning the *Public Takeover Offer* and the *Put-Option Agreement*). The pro-forma descriptions in item 10 (*PORR* after the *Spin-off*) also do not contain the loans of the *PORR Group* whose refinancing by *PIAG* is still expected in 2014.

4.2 Other Claims / Liabilities

Claims and liabilities between companies of the *PORR Group* and companies of the *S&P Group* exist, and will also exist in future as a result of supply and service relationships. In particular, these include construction works and services of the *PORR Group*, and services of the *PORR* Shared Service Center provided to *PIAG*, the *S&P Group* and the *UBM Group*.

4.3 Securities and Bank and Group Guarantees

As of June 30, 2014, bank guarantees for companies of the *S&P Group* utilised based on facilities of *PORR* amounted to only EUR 1.31 million. As the respective deadlines expire, this connection to *PORR* will disappear. Once the *Spin-off* has come into effect (registration in the Companies Register) new bank guarantees must be obtained by the *PIAG Group* on its own.

Operational group guarantees of *PORR* or its subsidiary Porr Bau GmbH for companies of the *S&P Group* amounted to EUR 40.1 million as of June 30, 2014 (as of September 8, 2014 reduced to EUR 25.28 million). With regard to the reduction of these leiabilities, the same provisions apply as with the bank guarantees, whereby in this case *PORR* will attempt to be released from the liability before the relevant maturity.

For companies of the *UBM Group*, there are neither bank guarantees nor operational group guarantees of *PORR* or other companies of the *PORR Group*. This does not include guarantees where companies of the *PORR Group* act as contractors (in particular for construction services) to companies of the *UBM Group* – in this case, there are contract-specific arm's length retention and similar guarantees.

4.4 Supply and service relationships

Supply and service relationships exist between the *PORR Group* on the one hand and the *S&P Group* and the *UBM Group* on the other, in particular with regard to the provision of construction services by companies of the *PORR Group* to companies of the *S&P Group* and/or the *UBM Group*. Supply and service relationships are at arm's length terms.

At present, for example, both direct and indirect subsidiaries of *PORR* provide construction services to direct and indirect subsidiaries of *UBM* in Germany (project Hohenzollerndamm, Berlin), Austria (development project St Peter Hauptstraße, Graz), and Poland (project "Times II" in Wroclaw).

4.5 Group-internal service relationships and transition services

a) General

PORR is an operational holding and provides administrative services to the group members such as accounting, financing, controlling, legal affairs, and IT. For several years, *PORR* has been providing administrative services to *UBM*, in particular in the areas of accounting, personnel management, and IT based on master agreement concluded in 2004. The *S&P Group* is entirely serviced the *PORR* Shared Service Center.

These services will continue to remain in place after the *Spin-off* has come into effect. As such, there is no risk of personnel risks for *PIAG*. After the *Spin-off* has come into effect, *PIAG* will decide to what extent it will establish its own staff functions, and which services it will procure from third parties (including *PORR*).

b) Insurance

All companies of the *S&P Group* are included in existing group liability policies of *PORR*. Once the *Spin-off* is effective, these companies must be removed from the *PORR Group* policies, and must conclude their own liability insurance policies. Property insurance policies of the *S&P Group* have already been concluded at the level of the individual project companies, which means no further action is required in this context.

The *UBM Group* is insured independently by the *PORR Group*, and there is no need for further action here.

4.6 Termination of tax group and profit and loss transfer agreement

As a result of the separation of *Strauss & Partner* from the *PORR Group* as part of the *Spin-off*, the companies of the *S&P Group* will cease to be members of *PORR's* tax consolidation group with retroactive effect as of January 1, 2014. For more information on the impact of this separation, see item 9.2.3 (*Tax effects on PORR*) of this Spin-off Report.

In addition, this separation of *Strauss & Partner* from the *PORR Group* as part of the *Spin-off* will result in the termination of the profit and loss transfer agreement between *Strauss & Partner* and *PORR,* effective as of the end of 31 December 2013. A result allocation in the tax consolidation group with *PORR* will therefore no longer take place in the current financial year 2014.

5. Reasons for the restructuring

5.1 Overview

Once the *Spin-off* has come into effect and the new shares of *PIAG* have been issued to the shareholders of *PORR* in return, the *PORR Group* – with its remaining activities – and the *PIAG Group* – with its assigned activities of the *UBM Group* and the *S&P Group* – will become two independent listed groups.

In 2015, *PIAG* is to be merged with *UBM* within the *PIAG Group* so that just one listed entity remains.

The proposed *Spin-off* is the result of a comprehensive analysis of the present business activities and structures of the *PORR Group* as well as an evaluation of the strategic options. After consideration of all circumstances, the managing board of *PORR* is of the opinion that the proposed *Spin-off* is in the best interest of the *PORR Group* and its shareholders and in the best interests of *PIAG*. In the following, the underlying considerations and reasons of the *PORR* managing board will be outlined that vouch for the independence of the *PIAG Group* in the context of the strategic development of the *PORR Group* and the then independent *PIAG Group*, against retaining the shareholding in *Strauss & Partner* and *UBM* as part of the *PORR Group*.

5.2 Reasons for the spin-off of the shareholdings of *PORR* in *UBM* and *Strauss & Partner*

5.2.1 Background

The *PORR Group* is a leading Austrian construction company. As a result of the business activities as construction company, a substantial number real estate assets not necessary for operations have accumulated over years. Furthermore, the *PORR Group* has for decades also been active in real estate and project development. The Business Unit 6 Real Estate of the *PORR Group* covers a broad range of project and real estate development activities. The main focus lies on the core competencies office, industry, tourism, hospitals, and hotels. The main geographic areas center on Austria and Germany.

Business Unit 6 Real Estate of the *PORR Group* includes *Strauss & Partner*, PORREAL Immobilien Management GmbH, ALBA Bau-Projektmanagement GmbH, group real estate and *UBM*. *Strauss & Partner* is the project development specialist of the *PORR Group*. PORREAL Immobilien Management GmbH is a complete service provider in the real estate management sector, both within Austria and abroad. It offers a full service portfolio in the areas of property, facility and asset management, as well as real estate consulting. ALBA Bau-Projektmanagement GmbH is a major construction project management company in Germany in the areas of project management and real estate services.

On the one hand, the real estate development activities of the *PORR Group* are closely related to the activities of the construction group from a business point of view because construction contracts are regularly awarded during real estate development. On the other hand, the real estate development and the accumulated, non-operational real estate lead to a substantially distorted picture in terms of the financial position and results of operation of the *PORR Group* as a construction company. In real estate development, investment typically spans a period of twelve (12) to twenty-four (24) months, during which time capital is tied up. The corresponding results are only realized once the real estate is commissioned/sold, and only at this point a back flow of capital occurs. This results in an extension of the *PORR Group* balance sheet and increased financing requirements, which in turn substantially increases financial indebtedness of the *PORR Group*. In terms of results of operations, this leads to a worsening of earnings figures for the construction company because the capital tied up in real estate developments until completion of the project often does not yield any return.

Within this context, the real estate strategy of the *PORR Group* refined as part of the capital increase of *PORR* in spring 2014 targeted an effective management of its capital structure and a reduction of risk. To this end, *PORR* has implemented a program for the sale of non-operational real estate, which will be continued over the next few years. Furthermore, the *PORR Group* also planned to remain active in the area of real estate development, with the focus being on German and Austrian urban areas, in particular the Hamburg, Berlin, Frankfurt, Munich and Vienna axis. In future, there should have been be fewer projects, but of a larger scale. The *PORR Group* intended to cooperate with other companies such as financial or real estate investors, and – where practical from an economic perspective – to hold only minority stakes in order to reduce the tied up capital and to diversify risks.

At that time, the idea of separating non-operational real estate and the activities of the *PORR Group* in real estate development was considered as part of the real estate strategy as well, but was not deemed to be realistic based on the circumstances at that time. This was in particular due to the fact that at that time the *PORR Group* only held a minority stake in *UBM* and the managing board of *PORR* did not see any possibility of taking control of *UBM,* owing to the qualified minority stake of the CA Immobilien Group of more than 25%. In the view of the managing board, however, a majority stake in *UBM* was and is a key prerequisite to ensure that any separation of the real estate division from the construction group is commercially practical, and that the area of real estate development and non-operational real estate achieves a critical size.

5.2.2 Decision making

This situation changed in the summer of 2014, when it became clear that the CA Immo Group, in the course of implementing its strategy of focusing on core activities, was prepared to sell its (minority) stake in *UBM*. The discussions led surprisingly quickly to a conclusion whereby on July 11, 2014 a share purchase agreement was concluded for the acquisition of the 25% shareholding of the CA Immo Group in *UBM*. This share purchase agreement is subject to a number of conditions precedent, in addition to merger control clearance also to the approval of the supervisory board of *PORR*.

Furthermore, the economic situation of the *PORR Group* has improved substantially since the loss year of 2011, including in the first half of 2014. In addition, *PORR* successfully executed a capital increase in spring 2014, and achieved gross proceeds of approximately EUR 119 million. Thereby, the financial manouvering room of the *PORR Group* improved significantly.

Owing to these developments, a transaction with the real estate development activities and non-operational real estate of the *PORR Group* appeared feasible. As a result, the managing board undertook extensive evaluations as to whether it would be possible to separate the activities in the area of real estate development and non-operational real estate in one single transaction, and how this would be structured and in which timescale.

After extensive evaluations, preliminary work and consultations, including with the *Ortner-Strauss Syndicate* that controls the *PORR Group*, the supervisory board, the banks that finance the *PORR Group*, as well as with the managing directors of *Strauss & Partner* and the managing board of *UBM*, the *PORR* managing board decided in an extraordinary meeting on August 31, 2014 to aim toward the separation of the construction group from non-operational real estate and real estate development activities in the form of a spin-off for absorption.

5.2.3 Relevant considerations

With the acquisition of the majority stake in *UBM*, the activities of the *PORR Group* in real estate development and non-operational real estate now reach a volume that makes financing these activities as an independent group feasable.

The *Spin-off* therefore results in two independent listed groups of companies: the *PORR Group* as a dedicated construction company, and the *PIAG Group* as a deciated real estate development company, both with a significantly clearer profile, and both able to draw more extensively on their respective strengths.

The *Spin-off* and the separation from the real estate activities enable the *PORR Group* to position itself on the capital market as a dedicated construction company. Previously, *PORR's* managing board felt that, during discussions with investors and during the capital increase in spring 2014, the real estate activities decreased or had no affect on the valuation of the overall *PORR Group*, and certainly did not enhance its valuation. The managing board of *PORR* also had similar experiences with financing banks (in particular, regarding guarantee facilities required for the construction business) since the real estate activities are a principal reason for the increased financing requirements of the *PORR Group*.

The managing board of *PORR* believes the from the point of view of the *PORR Group*, in particular the following considerations are in favor of the *Spin-off* and the separation of the activities in the area of real estate development and non-operational real estate:

- Sharpening of the capital market profile of the *PORR Group* as a focused construction company (without substantial consolidated real estate activities).

- Improvement of the balance sheet and yield indicators of the *PORR Group* owing to the lack of capital tied up in non-operational real estate and real estate development projects, and, as a consequence, a clear reduction in net debt of the *PORR Group*.

- *PORR's* managing board is of the opinion that the *Spin-off* and the separation from activities in the area of real estate development and non-operational real estate will not lead to any significant loss of synergies (in particular, *PORR* also expects that a certain close relationship will be retained after the *Spin-off* because once the *Spin-off* is effective, members of the managing board of *PORR* will remain members of the managing board of *PIAG*, and the *Ortner-Strauss Syndicate* will control both the *PORR Group* and the *PIAG Group*).

- Based on the current valuation level of the *PORR Group* and the valuation methodology of the investors, *PORR's* managing board expects that the *Spin-off* will increase the value of *PORR* and therefore the value for the shareholders of *PORR*, even though the *Spin-off* is in formal terms associated with the loss of assets by *PORR*.

From the perspective of the managing boards of *PORR* and *PIAG*, the following reasons are in favor of the *Spin-off* from the point of view of *PIAG*:

- As part of the *Spin-off*, substantial assets will be transferred to *PIAG*.

- By merging the activities and platforms of *UBM* and *Strauss & Partner*, these companies together achieve a size relation within the *PIAG Group* that enables an independent presence on the capital markets and also makes independent financing via the capital market feasible.

- The merger of the activities and platforms of *UBM* and *Strauss & Partner* in the *PIAG Group* offers the possibility of significantly expanding business activities and leveraging synergies.

5.2.4 Decision for the *Spin-off*

After careful consideration, the managing board of *PORR* decided with the approval of the supervisory board to aim towards the separation of activities in the area of real estate development and non-operational real estate in a single transaction by way of a spin-off pursuant to the Spin-off Act.

In the opinion of *PORR's* managing board, the separation in the form of a spin-off is in the best interests of the *PORR Group* and *PORR's* shareholders, in particular for the following reasons:

- Implementing a spin-off does not require any price negotiations with outside third parties, and therefore allows assets to be transferred without having to agree on a valuation with an outside third party allowing for a profit of the counterpart.

- The successful implementation of the *Spin-off* is less dependent on a positive capital market environment, as would be the case for an initial public offering (IPO) of *PIAG* with the placement of shares with investors. In the course of the *Spin-off*, *PORR's* shareholders receive shares in *PIAG* on a proportional basis as part of this *Spin-off*, without a separate placement being required.

- The *PORR* shareholders are free to decide whether they want to remain invested also in *PIAG*, or whether to realize the new *PIAG* shares issued to them in the course of the *Spin-off* by selling them (separately and independent of an investment in *PORR* shares).

- During the course of the *Spin-off*, *PORR* can avoid an interim full consolidation of the *UBM Group* (and its real estate business) because the shareholding in *UBM* is withdrawn from the assets of *PORR* and the *PORR Group* before the accounting date of *PORR*. Such a full consolidation would mean considerable problems for the ability to compare the annual accounts of *PORR* and the *PORR Group* for past periods, and – in view of the pending disposal – also for subsequent periods, and a distortion of several indicators, which would mean significantly increased explaining efforts to investors.

The *Spin-off* and the separation of activities in the area of real estate development and non-operational real estate also means some disadvantages for the *PORR Group*, which were considered as well:

- Unlike in the case of an initial public offering or a sale to a third party, the *Spin-off* does not result in any inflow of liquidity for the *PORR Group*.

- The *Spin-off* leads to a spin-off loss for *PORR* and a book value decrease in the amount of the transferred *Spin-off Assets*, which reduces the equity capital of

PORR and the *PORR Group* (although this effect is mitigated by the reduction of total assets).

- The structure of a spin-off is very complex. This primarily concerns the target structure and the necessary steps to achieve this, such as the checks required for implementation, and the required extensive preparatory restructuring measures for consolidating the real estate activities of the *PORR Group* (without *UBM*) in the *S&P Group*.

- Furthermore, it must be assumed that as a result of the *Spin-off* – in which all shareholders of *PORR* also become shareholders of *PIAG* – some of the investors will want to sell shares in *PIAG* allotted to them. This is not least due to the fact that investors who decided to invest in a construction company might not necessarily also want to be invested in a real estate development company.

Following careful consideration, *PORR's* managing board is convinced that the outlined benefits of a spin-off by far outweigh the aforementioned disadvantages. In particular, the managing board of *PORR* is convinced that, despite a loss of assets by *PORR Group* in formal terms, the proposed *Spin-off* will lead to an increase in value of the *PORR Group*, and will therefore create value for the shareholders of *PORR*.

5.2.5 Other transaction alternatives

The managing board of *PORR* also considered other alternatives for separating the activities in the areas of real estate development and non-operational real estate, but after thorough examination and external consultation, however, decided in favour of the now proposed *Spin-off*.

a) Individual sales

Compared to the previous real estate strategy of the *PORR Group*, the proposed transaction in the form of a spin-off has the particular advantage that the sale of non-operational real estate and the separation of activities in the area of real estate development can be realized at once in a single transaction (instead of a large number of individual transactions over a period of several years).

b) Non-cash dividend

Transferring the *Spin-off Assets* to the shareholders of *PORR* in the form of a non-cash dividend would not have any advantages over the proposed *Spin-off*. By contrast, there are both substantial company-law related and fiscal disadvantages of a non-cash dividend. In terms of company law, there are significant valuation questions that arise for a non-cash dividend on which the legal admissibility depends. A non-cash dividend would also be disadvantageous from a fiscal perspective, in particular, because this would have led to a tax burden, as is the case with any other dividend, particularly for private investors.

c) Initial Public Offering

The consideration of positioning the activities to be transferred in the *Spin-off* on the capital market as part of a special initial public offering was also rejected. This was owing to the following considerations in particular:

- Irrespective of high index levels, the general health of the capital market is very volatile, and there are considerable risks, particularly in the political arena (Russia/Ukraine crisis, Gaza crisis, etc.). The execution of an initial public offering (IPO) by placing shares as a public offering and/or with institutional investors therefore did not seem feasible with the necessary confidence.

- If, as a result of difficulties in the valuation and/or owing to a lack of demand in a negative capital market environment, only some of the offered shares can be placed with investors in the event of an initial public offering, the *PORR Group* would risk not being able to achieve or only partially being able to achieve the complete separation of the real estate development activities and non-operational real estate from the construction group as intended by the transaction.

- With regard to the present capital market environment, from the point of view of the *PORR Group,* an initial public offering and public offering of shares in *PIAG* carries the considerable risk of a disproportionately high impact on the valuation of the *PIAG Group*.

The spin-off solution, however, does not require any price negotiations/price setting, and is, at least in terms of the technical execution of the *Spin-off*, not associated with any placement risks.

d) M&A transaction

Other considerations of divesting the activities in the area of real estate development and non-operational real estate in the form of a sale were also not pursued for similar reasons. In particular, it was not foreseeable for *PORR's* managing board that such a transaction would have realized a comparable or higher valuation. Furthermore, the managing board of *PORR* did not deem it realistic that all of the assets transferred in the *Spin-off* would have been assumed by one purchaser, which would have meant that sale transactions would have spread over a far longer period than the *Spin-off*, and would have had an uncertain outcome.

e) Spin-off alternatives

The managing board of *PORR* also considered a spin-off of the *Spin-off Assets* directly to *UBM* as the absorbing company. The advantage of this option would have been that the final desired structure with just one listed entity could have been achieved in one step, whereas the chosen structure requires the merger of *PIAG* and *UBM* in a separate second step. However, this option was not pursued owing to the various legal doubts concerning the transfer by *UBM* of the *UBM Shares* it acquired in the *Spin-off* (the legal literature also considers a personal liability of *PORR's* shareholders), and because this would have been far more complex and its execution did not appear certain in 2014.

The *Spin-off* from *PORR* to *PIAG* is carried out as a spin-off for absorption by an existing company. An alternative consideration was to perform the *Spin-off* as a spin-off to form a new company. The spin-off for absorption differs from the spin-off to form a new company in that the absorbing legal entity (now *PIAG*) already exists before the spin-off. *PORR's* managing board decided on a spin-off for absorption because, owing to the numerous agreements required for the purposes of the separation even before the *Spin-off*, it is advantageous, that a legal entity alreaday exists, with which agreements can concluded before the spin-off becomes effective. A spin-off for absorption also appeared easier to implement in terms of legal aspects relating to the stock exchange.

6. Process of the Spin-off

6.1 Overview

In the course of the *Spin-off*, *PORR* transfers a shareholding in *Strauss & Partner* and a shareholding in *UBM* to *PIAG* as the absorbing company. As consideration for the transfer of the *Spin-off Assets* to *PIAG*, the shareholders of *PORR* are granted one new *PIAG* share for each share in *PORR* held. *PIAG* will increase its share capital to issue these new shares.

6.2 Transferring and absorbing companies

The transferring company is PORR AG. It has its seat in Vienna. *PORR* will continue to exist after the *Spin-off*. No amendment of *PORR's* articles of association is required in the context of the *Spin-off*. The articles of association of *PORR* will be revised to delete provisions relating to the *Profit Participation Rights* owing to the repayment and cancelaltion of the *Profit Participation Rights* as part of the *Spin-off* (see also item 6.12 (*Payment and cancellation of Profit Participation Rights* of this Spin-off Report).

The absorbing company is PIAG Immobilien AG. It has its seat in Vienna. As a result of the *Spin-off*, the articles of association of *PIAG* will be amended to take into account the capital increase to EUR 14,617,500 as part of the *Spin-off*, and the entitlement to participate in the profit of the existing 70,000 *PIAG shares* will also be changed. *PIAG's* articles of association in their revised form following the *Spin-off* are attached to the Spin-off and Takeover Agreement as Annex./1.2.

6.3 Spin-off for absorption; Spin-off and Takeover Agreement

PORR intends, as outlined in the (draft) Spin-off and Takeover Agreement with *PIAG*, to transfer a shareholding of *PORR* in *Strauss & Partner* and a shareholding of *PORR* in *UBM* to *PIAG* as *Spin-off Assets* by way of a spin-off for absorption pursuant to §§ 1 (2) no 2 and 17 SpaltG, and pursuant to Article VI UmgrStG in return for the granting of new *PIAG* shares to the shareholders of *PORR* from a capital increase.

The *Spin-off* shall be implemented according to the Spin-off and Takeover Agreement between *PORR* and *PIAG*, which the managing boards of *PORR* and *PIAG* compiled in draft form on September 24, 2014. Following the approval of the shareholders' meetings of *PORR* and *PIAG*, the Spin-off and Takeover Agreement will be concluded by *PORR* and *PIAG* in the form of a notarial deed. The Spin-off and Takeover Agreement governs the details of the transfer of the *Spin-off Assets* from *PORR* to *PIAG*. The individual provisions of the Spin-off and Takeover Agreement will be outlined in item 7 (*Explanation of the Spin-off and Takeover Agreement*) of this Spin-off Report.

The spin-off record date as defined by § 2 (1) no 7 SpaltG and § 33 (6) UmgrStG is June 30, 2014. With July 1, 2014 (start of day), all activities of *PORR* in relation to the *Spin-off Assets* shall be deemed to have been carried out by *PIAG*. The transfer of the *Spin-off Assets* to *PIAG* will be effective upon registration of the *Spin-off* in the Companies Register.

6.4 Spin-off assets

The *Spin-off Assets* include (i) a shareholding in *UBM* of 2,479,836 *UBM Shares*, corresponding to 41.33% of the share capital and voting rights in *UBM*, as well as (ii) the *S&P Shareholding* (a part of *PORR*'s interest in *Strauss & Partner*, which corresponds to a fully paid-up capital of EUR 213,800 and therefore 39.96% of the total share capital), as they stand when the *Spin-off* becomes effective (registration in the Companies Register).

At the same time, but separate to the *Spin-off*, *PIAG* acquires 1,665,468 *UBM Shares* as part of various purchase transactions. Furthermore, as the bidder in the *Public Takeover Offer*, *PIAG* acquires the relevant tendered *UBM Shares*. In addition, again separate to the *Spin-off* from *PORR*, *PIAG* also acquires a business interest in *Strauss & Partner*, corresponding to 60% of the share capital of *Strauss & Partner* by way of the *S&P Purchase Agreement*.

The remaining assets of *PORR* will not be affected by the *Spin-off*, and will remain with *PORR*. The 70,000 shares currently held in *PIAG* by *PORR* will not be transferred in the *Spin-off*, and therefore will not be issued to the shareholders of *PORR*. *PORR* will transfer these shares to *PIAG* (by means of a contribution) at the same time, but separate to the *Spin-off* free of charge and subject to the condition precedent of the *Spin-off* coming into effect.

6.5 Shareholders' meetings of *PORR* and *PIAG*

Pursuant to § 8 SpaltG and § 221 AktG in connection with § 17 no 5 SpaltG, the *Spin-off* requires the approval of the shareholders' meeting of *PORR* and the shareholders' meeting of *PIAG*, in each case with a majority of three-quarters of the share capital represented at the time the resolution is adopted. The resolutions will be passed in the course of an extraordinary shareholders' meeting of *PORR* on October 29, 2014. Following this, *PORR* as the sole shareholder of *PIAG* will grant its approval in a shareholders' meeting *of PIAG*.

The following documentation pursuant to § 17 no 5 SpaltG in connection with § 221 AktG will be published in preparation for the shareholders' meetings of *PORR* and *PIAG* one month before these shareholders' meetings (also available on the website of *PORR* at http://www.porr-group.com) and will also be provided in the shareholders' meetings of *PORR* and *PIAG*.

- Draft of the Spin-off and Takeover Agreement including Annexes;
- *PORR* annual financial reports for the last three financial years (2011,2012, and 2013), which include
  - the audited financial statements and management reports of *PORR* for the last three financial years (2011, 2012, 2013), and
  - the Corporate Governance reports of *PORR* for the last three financial years (2011,2012, and 2013);
- Audited closing balance of *PORR* as of June 30, 2014 including notes;
- Financial statement of *PIAG* (formerly CHSH Aurelia Holding GmbH) for the financial year of 2013;
- Interim accounts of *PIAG* as of June 30, 2014 including notes;
- Half-year financial report (pursuant to § 87 BörseG) of *PORR* as of June 30, 2014;
- Joint Spin-off Report of the managing boards of *PORR* and *PIAG*;
- Auditor's report of the spin-off auditor of *PORR* (Audit Partner Austria Wirtschaftsprüfer GmbH), and the report of the spin-off auditor of *PIAG* (Mag Anton Androsch Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH); and
- Reports of the supervisory boards of *PORR* and *PIAG*.

6.6 Auditing by the spin-off auditors of *PORR* and *PIAG* and by the supervisory boards of *PORR* and *PIAG*

The Spin-off and Takeover Agreement (draft) between *PORR* and *PIAG* must be audited by a spin-off auditor of *PORR* and a spin-off auditor of *PIAG* (§ 5 (1) SpaltG, § 17 no 5 SpaltG in connection with § 220b (2) AktG). Following the resolution of the supervisory board of *PORR* dated August 14, 2014, Audit Partner Austria Wirtschaftsprüfer GmbH was appointed as the spin-off auditor for *PORR*. Following the resolution of the supervisory board of *PIAG* dated August 21, 2014, Mag Anton Androsch Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH was appointed as the spin-off auditor for *PIAG*. The spin-off auditors are tasked with performing a spin-off audit based on the draft of the Spin-off and Takeover Agreement and this Spin-off Report, and to prepare a written report on the results of the audit. In order to prepare the shareholders' meeting of *PORR* and *PIAG*, which must approve or reject the *Spin-off*, the spin-off audit reports must also be provided.

The *Spin-off* must also be audited by the supervisory board of *PORR* and the supervisory board of *PIAG* (§ 17 no 5 SpaltG in connection with § 220c AktG). Corresponding audit reports must be compiled. The audit by the supervisory boards will be performed based on the draft of the Spin-off and Takeover Agreement prepared by the managing boards, this Spin-off Report, and spin-off audit reports of the spin-off auditors.

6.7 Capital increase of *PIAG* for executing the *Spin-off*

To execute the *Spin-off*, *PIAG* will increase its share capital of EUR 70,000 by EUR 14,547,500 to EUR 14,617,500 by issuing 14,547,500 new *PIAG* non-par value bearer shares. The capital increase will be effectuated as a contribution in kind of the *Spin-off Assets*. *PIAG* issues these new shares created by the capital increase at the pro-rata share capital amount of EUR 1 per share without setting a premium for the *PORR* shareholders.

The *PIAG* capital increase to execute the *Spin-off* requires a contribution in kind audit (§ 17 (3) SpaltG). Among other things, this will determine whether the value of the *Spin-off Assets* covers the value of the newly issued *PIAG* shares from the capital increase. Following the resolution by the Commercial Court Vienna dated August 14, 2014, Mag Anton Androsch Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH was appointed as the contribution in kind auditor for *PIAG*. The contribution in kind auditor must compile a contribution in kind audit report (§ 17 (3a) SpaltG in connection with § 26 AktG). The contribution in kind audit report will be submitted to the Commercial Court Vienna under FN 397508 x (PIAG Immobilien AG) pursuant to § 13 (4) SpaltG.

6.8 Residual assets audit of *PORR*

In the course of the *Spin-off*, an audit of the *PORR* residual assets must be performed. Pursuant to §3 (4) SpaltG, it must be determined whether the actual value of the residual net assets of *PORR* as the transferring company at least corresponds to the amount of its nominal capital plus restricted reserves after the realization of the *Spin-off*. The provisions of the AktG relating to formation audits must be applied accordingly. A formation report pursuant to § 24 AktG is not required.

The audit must be performed by a court appointed residual assets auditor. Following the resolution by the Commercial Court Vienna dated August 13, 2014, Audit Partner Austria Wirtschaftsprüfer GmbH was appointed as the residual assets auditor. An audit report regarding the audit of residual assets (§ 3 (4) SpaltG) will be compiled by the residual assets auditor. Furthermore, the managing board and the supervisory board of *PORR* will perform corresponding audits pursuant to § 3 (4) SpaltG, and will compile a report in each case. Following the shareholders' meetings of *PORR* and *PIAG*, in which resolutions will be passed regarding the *Spin-off*, the audit reports will be submitted to the Commercial Court Vienna and filed with registration number FN 34853 f (PORR AG) pursuant to § 13 (3) and (4) SpaltG.

See also the overview of the residual assets of *PORR* in the table in item 10.2 (Balance sheet effects (UGB)) of this Spin-off Report.

6.9 Application to register the *Spin-off* in the Companies Register

Following the approvals of the shareholders' meetings of *PORR* and *PIAG* in respect of the *Spin-off*, *PORR* and *PIAG* will conclude the Spin-off and Takeover Agreement in the form of a notarial deed. After this, an application must be made to register the *Spin-off* in the

Companies Register within the nine-months-period after the date of the closing balance of *PORR* (June 30, 2014). All members of the managing board of *PORR* as the transferring company as well as the chairperson (or deputy chairperson) of the supervisory board of *PIAG* together with a sufficient number of members of the managing board of *PIAG* must register the spin-off for absorption together with the application to register the capital increase of *PIAG* with the Commercial Court Vienna following the corresponding resolutions by the shareholders' meetings of *PORR* and *PIAG*.

6.10 Effects of the registration of the *Spin-off* in the Austrian Companies Register, and issuing of new shares in *PIAG* to *PORR* shareholders

The *Spin-off* and the capital increase of *PIAG* required to execute the *Spin-off* will become effective with the registration in the Companies Register at *PORR* as the transferring company (§ 14 (1) SpaltG). Registration of the *Spin-off* in the Companies Register in accordance with § 14 (2) SpaltG gives rise to the following legal effects:

- the *Spin-off Assets* (a shareholding in of *PORR* in *Strauss & Partner* and a shareholding of *PORR* in *UBM*) are transferred from *PORR* to *PIAG* by universal legal succession; and

- in return for the transfer of the *Spin-off Assets* to *PIAG*, the shareholders of *PORR* receive a new share in *PIAG* for each share they hold in *PORR* in proportion to their shareholding in *PORR*.

The *PORR* shareholders do not have to make any arrangements with regard to the issuing of the new shares by *PIAG*. The new shares in *PIAG* will be allotted by Oesterreichische Kontrollbank Aktiengesellschaft ("**OeKB**") as the central security deposit bank, and the shares will be posted to the deposit accounts of the shareholders of *PORR* by the respective custodian banks. To cover any costs – including, but not limited to, customer commissions, expenses, etc – Austrian custodian banks receive a one-off flat rate fee for each deposit. The Austrian custodian banks are asked to execute the process free of charge for shareholders entitled to receive the allotted shares. If necessary, any additional expenses, costs, taxes, legal transaction fees, or other fees will have to be assumed by each shareholder. For shareholders who hold *PORR* shares in deposit accounts abroad, there may be commissions and expenses owing to the existing agreements with the respective custodian bank.

The *Spin-off* is effective upon registration in the Companies Register (the day on which the *Spin-off* is registered in the Companies Register, the "**Allotment Date**"). On the Allotment Date, the shareholders of *PORR* will be issued the new shares in *PIAG* in accordance with the allotment ratio of one new share in *PIAG* for each share in *PORR* (1:1). The new shares in *PIAG* will be allotted via the clearing system of OeKB based on the respective deposit account balances in shares of *PORR* at the end of the day before the Allotment Date. The shares in *PIAG* are expected to be posted to the deposit accounts of the shareholders of *PORR* by the custodian banks one day after the Allotment Date (the precise time depends on the posting system of the respective custodian bank).

Erste Group Bank AG, Graben 21, 1010 Vienna, was appointed as the trustee for receiving the new shares in *PIAG* to be issued (§ 17 no 5 SpaltG in connection with § 225a (2) AktG). The new shares in *PIAG* will be represented by global share certificate (§ 24 DepG) to be deposited with OeKB by the trustee before registration of the *Spin-off* in the Companies Register. The new shares in *PIAG* will be delivered to a deposit account of the trustee at OeKB. The trustee must announce to the Commercial Court Vienna that it is in the possession of the new shares in *PIAG*.

Immediately after registration of the *Spin-Off* in the Companies Register, the trustee will transfer the new shares in *PIAG* to the shareholders of *PORR* pursuant to the allotment ratio defined in the Spin-off and Takeover Agreement (one new share in *PIAG* for each share in *PORR* held) via the clearing system of OeKB and the custodian banks of the shareholders of *PORR*. All allotment-relevant *PORR* shares are deposited in collective custody with OeKB as the security deposit bank. As such, the shares are exchanged exclusively in the form of securities clearing.

PORR currently (indirectly) holds 11,274 treasury shares. In the course of the *Spin-Off*, new shares in *PIAG* will also be issued and delivered for these treasury shares of *PORR*. *PORR* will therefore receive 11,274 new shares in *PIAG* from its treasury shares in the course of the *Spin-Off*.

Based on the allotment ratio of one new share in *PIAG* for each share in *PORR* (1:1), settlement of fractions will not be required.

6.11 Stock exchange listings and trading

The 14,547,500 new *PIAG* shares to be issued in the course of the *Spin-Off* are to be listed on the Official Market of the Vienna Stock Exchange and shall trade in the Standard Market Auction segment immediately after the *Spin-Off* becoming effective. The listing of the new *PIAG* shares and the commencement of trading in the new *PIAG* shares will follow the applicable provisions for listing and trading of the Vienna Stock Exchange. It is intended to commence trading in the new *PIAG* shares on the trading day following the registration of the *Spin-Off* in the Companies Register (Allotment Date) or the day after.

6.12 Payment and cancellation of *Profit Participation Rights*

Pursuant to § 15 SpaltG, the holders of bonds and profit participation rights must be afforded equal rights, or must receive compensation for the amendment of the rights or the rights themselves. *PORR* as the transferring company has the right to choose on how to proceed. § 15 SpaltG may be applied exclusively to the *Profit Participation Rights* issued by *PORR*, but not to the bonds issued by *PORR* (since these are pure debt instruments without participation in the profit or the substance of *PORR*).

In the public repurchase offer announced July 24, 2014 ("**Repurchase Offer**"), *PORR* offered to buy back all 49,800 *Profit Participation Rights* from the holders of the *Profit Par-*

*ticipation Right*s for a price of EUR 207.80 per *Profit Participation Right*. One of the main reasons that *PORR* announced this *Repurchase Offer* was to simplify *PORR's* capital structure. The *Repurchase Offer* was accepted for 47,889 *Profit Participation Right*s, corresponding to 96.16% of all *Profit Participation Right*s. Together with a separately acquired 200 *Profit Participation Right*s, *PORR* therefore currently holds 48,089 or approximately 96.6% of all *Profit Participation Right*s. In its *Repurchase Offer*, *PORR* already announced that in the event of more than 75% of all *Profit Participation Right*s being tendered in the *Repurchase Offer*, the remaining *Profit Participation Right*s would be canceled extraordinarily or compensated by different means. *PORR* therefore decided and intends in the (draft of the) Spin-off and Takeover Agreement that in relation to the *Profit Participation Right*s the right itself will be compensated. In the opinion of *PORR*, however, owing to the minimal remaining amount of *Profit Participation Rights* outstanding with a total market value of only approximately EUR 350.000, there is also important cause to cancel the *Profit Participation Right*s.

The rights of holders of the *Profit Participation Right*s issued by *PORR* (ISIN AT0000609664) will therefore be paid off and canceled at a price of EUR 207.80 for each *Profit Participation Right* once the *Spin-off* has come into effect. The *Profit Participation Right*s will therefore end on the date the *Spin-off* becomes effective, and, following the registration of the *Spin-off* in the Companies Register, *PORR* is obliged to transfer the compensation amount to the holders of the *Profit Participation Right*s via the clearing system of OeKB as the security deposit bank and via the custodian banks of the holders of *Profit Participation Right*s against surrender of the global certificate held by OeKB representing the *Profit Participation Right*s.

In the opinion of the managing board of *PORR*, the appropriateness of the compensation is confirmed by the fact that the compensation corresponds to the price offered in the *Repurchase Offer*, and the *Repurchase Offer* was accepted for nearly all *Profit Participation Right*s. This is also shown by a comparison with § 7 (3) Austrian Minority Shareholders' Squeeze-out Act (GesAusG) – according to which it is assumed that the compensation for a takeover bid were appropriate if, in connection with the offer, 90% or more of the shares relevant to the bid were acquired.

Furthermore, the offer price was appropriately determined in the *Repurchase Offer*. Since a representative trade in the *Profit Participation Right*s did not take oplace, *PORR* based its calculation of the offer price on the weighed average price of the *PORR* shares of EUR 51,95 in the last three (3) months (VWAP) prior to the trading day on which the intention to bid was announced (July 22, 2014) by the trading volume. According to the conditions of the *Profit Participation Right*s and the articles of association of *PORR*, the property rights for each *Profit Participation Right* correspond to those of four (4) *PORR* shares because the stock split effected in 2013 with a ratio of 1:4 did not relate to the *Profit Participation Right*s. As such, the full value of the *Profit Participation Right*s was taken into account without setting a deduction for the lack of the ability to trade.

6.13 Shareholding in *PIAG* after the *Spin-off*

The share capital of *PIAG* after the *Spin-off* amounts to EUR 14,617,500, and will be divided into 14,617,500 non-par value shares (including 70,000 category B shares with a preferential dividend) with a calculated notional amount in the nominal share capital of EUR 1 each. As of the time this Spin-off Report was compiled, *PORR* (indirectly) holds 11,274 treasury shares. According to the allotment ratio of one new share in *PIAG* for each share in *PORR* held, *PORR* receives an allocation of 11,274 new *PIAG* shares. Based on the present shareholder structure of *PORR*, the *PIAG* shareholders after the *Spin-off* will be as follows:

Shareholder	Number of shares	Percent
Ortner-Strauss Syndicate	8,077,019	55.26%
of which Ortner Group	*5,747,192*	*39.32%*
of which Strauss Group	*2,329,827*	*15.94%*
Renaissance Construction AG	836,088	5.72%
WIENER STÄDTISCHE VERSICHERUNG AG – Vienna Insurance Group	647,609	4.43%
PORR Group management[1]	654,514	4.47%
Additional free float[2]	4,402,270	30.12%
Total	**14,617,500**	**100%**

(Source: Unaudited internal information of *PORR*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) Includes members of the Managing Board and the original 73,812 shares acquired by managers of the *PORR Group* in 2013 in the course of the disbursement of annual bonuses. *PORR* assumes that the respective number of shares will continue to be held by the management of the *PORR Group*.

(2) Including 11,274 shares indirectly held by *PORR*, and 70,000 then treasury shares (category B) of *PIAG*.

7. Explanation of the Spin-off and Takeover Agreement

7.1 Introduction

In addition to the preamble, the Spin-off and Takeover Agreement is broken down into 16 points. The individual provisions of the Spin-off and Takeover Agreement are described below.

7.2 Explanation of the individual provisions

7.2.1 Preamble

The preamble outlines the basic information of the companies involved. The *Spin-off Assets* are also briefly described. The preamble also mentions the issue of shares in return for the transfer of the *Spin-off Assets*.

7.2.2 Transferring and absorbing companies

Clause 1 of the Spin-off and Takeover Agreement describes the transferring and the absorbing company.

The transferring company is *PORR*. It has its head offices in Vienna, and will continue to exist after the *Spin-off*. *PORR's* articles of association will not be changed following the *Spin-off*, but there will be changes to *PORR's* articles of association resulting from the compensation and termination of the *Profit Participation Rights* in the course of the *Spin-*

off. *PORR's* articles of association in their revised form are attached to the Spin-off and Takeover Agreement as Annex./1.2.

The absorbing company is *PIAG*. It has its head offices in Vienna. Following the *Spin-off, PIAG's* Articles of Association will be amended in order to reflect the change in the share capital and the change to the dividend entitlement of the existing 70,000 *PIAG* shares. *PIAG's* articles of association in their revised form following the *Spin-off* are attached to the Spin-off and Takeover Agreement as Annex./1.3.

7.2.3 Transfer of assets

Clause 2 of the Spin-off and Takeover Agreement contains the agreement between *PORR* and *PIAG* whereby the *Spin-off Assets* will be transferred by universal legal succession, and the *PORR* shareholders will receive newly issued *PIAG* shares in return.

7.2.4 Conversion ratio of the shares and their allocation to shareholders

Clause 3 of the Spin-off and Takeover Agreement specifies that, following the registration of the *Spin-off* in the Companies Register, the *PORR* shareholders will receive one (1) new *PIAG* share resulting from the *PIAG* capital increase for each *PORR* share they hold, that is, in accordance with the share ratio and based on their shareholding in *PORR*, in return for the transfer of the *Spin-off Assets* to *PIAG*.

7.2.5 No reduction in the share capital

Clause 4 of the Spin-off and Takeover Agreemen*t* states that the value of the *PORR* net assets remaining after the *Spin-off* will at least correspond to the amount of the *PORR* share capital plus the restricted reserves (after the *Spin-off*), and that a reduction in the *PORR* share capital and corresponding provisions to this effect in the Spin-off and Takeover Agreement are thus not required.

7.2.6 Details regarding the granting of shares

Clause 5 of the Spin-off and Takeover Agreement outlines the details of *PIAG's* share capital increase, the issue of the new *PIAG* shares to the *PORR* shareholders, as well as the delivery of these new *PIAG* shares via Erste Group Bank AG as the trustee.

7.2.7 Profit entitlement effective date

Clause 6 of Spin-off and Takeover Agreement states that, as of the beginning of the fiscal year in which the new *PIAG* shares were issued, the new *PIAG* shares entitle to a share in the retained profit.

7.2.8 Spin-off record date and retroactive effect

Clause 7 of the Spin-off and Takeover Agreement states that June 30, 2014 shall be the record date of the *Spin-off*. After this date, all actions related to the *Spin-off Assets* transferred to *PIAG*, are deemed to be on the account of *PIAG*. Furthermore, after this date, all benefits and charges related to the *Spin-off Assets* transferred to *PIAG* will be assumed by *PIAG*. Under civil law, however, the *Spin-off Assets* are deemed to be transferred from *PORR* to *PIAG* only once the *Spin-off* has been registered in the Companies Register.

7.2.9 Special rights and provisions

Clause 8 of the Spin-off and Takeover Agreement states that (i) special rights or other rights pursuant to § 2 (1) no 8 SpaltG shall not be granted, neither to *PORR* shareholders nor to other persons, and (ii) the rights of the holders of *Profit Participation Right*s will be compensated following the *Spin-off*. Regarding the compensation for *Profit Participation Rights*, see item 6.12 (Payment and cancellation of *Profit Participation Rights*) of this Spin-off Report.

7.2.10 Special benefits

Clause 9 of the Spin-off and Takeover Agreement states that neither a member of the managing board or the supervisory board of any of the companies involved in the *Spin-off* nor any of the closing, formation, or spin-off auditors is afforded any special benefits pursuant to § 2 (1) no 9 SpaltG. This section also outlines dual functions of persons in the bodies of *PORR* and *PIAG*.

7.2.11 Description and assignment of assets

Clause 10 of the Spin-off and Takeover Agreement sets out the *Spin-off Assets* comprising (i) 2,479,836 *UBM Shares*, which correspond to 41.33% of the share capital and voting rights of *UBM*, as well as a part of the participation in *Strauss & Partner*, which corresponds to a fully paid-up capital of EUR 213.800 and therefore 39.96% of the total share capital. This section also describes the liability consequences resulting from § 15 SpaltG, whereby it is agreed that *PIAG* must repay any existing financial indebtedness to the *PORR Group* as soon as possible, and must help ensure that companies of the *PORR Group* are released from any liabilities in relation to companies of the *S&P Group*.

7.2.12 Default provision for the assignment of assets

Pursuant to § 2 (1) no 11 SpaltG, a provision must be defined regarding the allocation of assets that cannot be otherwise assigned to any of the companies involved in the *Spin-off*. Clause 11 of the Spin-off and Takeover Agreement states that any unassigned assets remain with *PORR*.

7.2.13 Balance sheets

Clause 12 of the Spin-off and Takeover Agreement lists the balance sheets that are required in the *Spin-off*. All of these balance sheets are compiled based on the Austrian accounting code of UGB (not IFRS), and are in each case on a stand-alone basis (no consolidated balance sheets).

According to § 2 (1) no 12 and (2) SpaltG, *PORR* as the transferring company must submit a closing balance sheet as of the spin-off record date. The regulations of the UGB apply to the closing balance sheet as well as the annual accounts and their audit. The closing balance sheet of *PORR* (including notes) as of the spin-off record date June 30, 2014 is therefore audited and issued with an unqualified audit certificate by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.

Furthermore, pursuant to § 2 (1) no 12 SpaltG, a spin-off balance sheet for *PORR* must be submitted, which includes the assets remaining with *PORR* after the *Spin-off*, as well as a transfer balance sheet for *PIAG*, which outlines the status of *PIAG* after the *Spin-off* (including the *Spin-off Assets*).

7.2.14 Cash compensation

Clause 13 of the Spin-off and Takeover Agreement states that information regarding cash compensation may be omitted, since neither the shareholders of *PORR* nor the shareholders of *PIAG* have any entitlement to cash compensation. There is no claim for cash compensation because the *Spin-off* is proportionate and does not involve a change of legal form.

7.2.15 Taxes

Clause 14 of the Spin-off and Takeover Agreement states that the *Spin-off* will take place in applying Article VI UmgrStG, and that the *Spin-off* will not trigger corporate tax or land transfer tax. It also states that the *Spin-off* will result in *Strauss & Partner* and the other companies of the *S&P Group* ceasing to be part of the the tax consolidation group (corporation tax) and the VAT tax group (value-added tax) of *PORR*.

7.2.16 Conditions precedent and right of withdrawal

The *Spin-off* is subject to the condition precedent that the shareholders' meetings of *PORR* and *PIAG* approve the *Spin-off*. There is also a right of withdrawal for each of *PORR* and *PIAG*, should the *Spin-off* not have been registered in the Companies Register by December 25, 2014 at the latest.

7.2.17 General terms

The general terms in clause 16 of the Spin-off and Takeover Agreement primarily govern the applicable law (Austrian law) and the bearing of costs, whereby all cost will generally be borne by *PORR*.

8. Explanation of the conversion ratio / allocation of shares

Upon registration of the *Spin-off* in the Companies Register, the shareholders of *PORR* receive one new *PIAG* share for each *PORR* share they hold (1:1 ratio) in return for the transfer of the *Spin-off Assets* from *PORR* to *PIAG*. To issue the 14,547,500 new *PIAG* shares, *PIAG* will increase its share capital. The number of new *PIAG* shares to be issued was determined so that each holder of a *PORR* share would receive a new *PIAG* share as part of the *Spin-off* in order to avoid any share fractions occurring.

In order to determine the number of new *PIAG* shares to be issued during the *Spin-off,* no appraisal of the value of the *Spin-off Assets*, on the one hand, and the value of *PIAG* as the absorbing company, on the other, was necessary.

At the same time, but separate to the *Spin-off*, *PORR* and *PIAG* shall conclude a contribution agreement, whereby *PORR* shall transfer to *PIAG* all existing 70,000 *PIAG* shares free of charge on the condition precedent that the *Spin-off* is effective. Once the *Spin-off* is effective (upon registration in the Companies Register), these existing 70,000 *PIAG* shares (then category B with preferential dividend) will become *PIAG* treasury shares. Following the capital increase, these treasury shares will represent a proportion of the *PIAG* share capital of approximately 0.48% after the *Spin-off*.

Since all existing *PIAG* shares will be transferred to *PIAG* once the *Spin-off* becomes effective, the new 14,547,500 *PIAG* shares issued by *PIAG* during the *Spin-off* will commercially represent a shareholding of 100% in *PIAG*. The adequacy of allotment ratio is thereby maintained, because no transfer of property can occur among *PORR's* shareholders as a result of the *Spin-off* and the issuing of the new *PIAG* shares to shareholders of *PORR*.

The *Spin-off* auditors of *PORR* and *PIAG* must verify the adequacy of the allotment ratio (conversion ratio), and confirm in their respective spin-off audit reports that the conversion ratio is appropriate.

9. Effects of the *Spin-off*

9.1 Effects under company law and dividend policy

The *Spin-off* does not have any impact on *PORR* shareholders with regard to their participation in *PORR*. The *PORR* shareholders retain their interest in the *PORR Group* to the past extent, and therefore also in the remaining economic activities of the *PORR Group*. With regard to the rights of the *PORR* shareholders and the number of *PORR* shares, there will be no change as a result of the *Spin-off*. The *PORR* shareholder structure will also not change as a result of the *Spin-off*. Furthermore, holders of *PORR* shares will receive one new *PIAG* share to be issued during the *Spin-off* for each *PORR* share they hold (on a 1:1 basis) in return for the transfer of the *Spin-off* Assets by *PORR*.

The *PORR* Managing Board assumes that the *Spin-off* will not effect the level of distributable *PORR* profit, and will therefore have no impact on the dividend policy of future financial years, and that *PORR* is therefore also currently expected to pay out a dividend for the financial year 2014 (dependent on the results of the financial year 2014).

As it currently stands, the *PIAG* managing board expects *PIAG* to pay a dividend for the financial year 2014. The aim is a dividend of 30% to 50% of the result of the period. The amount of future dividends depends on the future results of *PIAG*, their capital requirements, and financial situation and other factors deemed relevant by the managing board and supervisory board. It is therefore uncertain whether dividends will be paid out, and whether such dividend payouts will correspond to the intended dividend policy. The maximum possible dividend payout is the amount of retained profit shown in the seperate financial statements of *PIAG* according to UGB. The dividend policy is to be revised following the planned merger of *PIAG* and *UBM* in 2015.

9.2 Tax effects

9.2.1 Introduction

The following explanations describe the major tax effects of the *Spin-off* on shareholders of *PORR*, on *PORR*, and *PIAG*. It is not possible to provide a comprehensive or complete presentation of all conceivable tax implications for each shareholder of *PORR*, since these will depend on the individual tax circumstances. The following presentation cannot replace individual tax advice for each individual shareholder of *PORR*. Therefore, each shareholder of *PORR* should seek advice on the individual tax effects of the *Spin-off* on himself.

This presentation is based on currently applicable Austrian laws and their interpretation by the tax authorities in their guidelines and in the case law of the Independent Tax Tribunals/the Federal Tax Court, and the Supreme Administrative Court. The fiscal environment is subject to change, even with a retroactive effect, due to a change in the case law or retroactive legislation. It is also conceivable that the tax authorities or the courts may deem a different assessment to be correct other than the one described in this section. The following will not deal with the tax effects under foreign legal systems, in particular the treatment of shareholders of *PORR* who are not considered resident in Austria for tax purposes, nor with the treaties for the avoidance of double taxation that may apply.

The *Spin-off* is effected applying the provisions of Article VI UmgrStG, since the *Spin-off* constitutes a spin-off within the meaning of the Spin-Off Act and the *Spin-off Assets* cover exlusively shares representing at least one fourth of the principal amount of the respective company. Therefore, the *Spin-off Assets* consist exclusively of qualified shares within the meaning of § 32 (2) in conjunction with § 12 (2) no 3 UmgrStG. In addition, *PORR* held the shares representing the *Spin-off Assets* on the record date June 30, 2014 and shall continue to hold these until the *Spin-off* enters into effect. As a result, the tax benefits of the Reorganization Tax Act apply to *PORR* as the transferring company, to *PIAG* as the absorbing company, and to the shareholders of *PORR*.

9.2.2 Tax effects on the shareholders of *PORR*

Pursuant to § 36 (1) UmgrStG, the exchange of shares in the case of spin-offs is not considered a swap, so that the *Spin-off* will not lead to a realization of profits from a fiscal point of view. The shares in the acquiring company (*PIAG*) shall be considered purchased effective as of the date following the *record date*. As regards new shares, the purchase times of the old shares in *PORR* are instrumental.

Pursuant to § 36 (4) UmgrStG, the income tax approach to be taken in the case of spin-offs is that assets are transferred to a newly established intermediate holding in a deemed intermediary step, and subsequently, this deemed intermediate holding merges with the acquiring company. The deemed transfer of assets to the new holding shall be subject to § 36 (2) UmgrStG, and the subsequent share swap of the fictitious merger to § 5 UmgrStG. The fiscal acquisition costs of a *PORR* shareholder must be reduced according to the market value of the fictitious intermediate holding (market value of the *Spin-pff Assets*) in proportion to the market value of the residual assets of *PORR,* and allocated in the same amount to the fictitious intermediate holding. Pursuant to § 5 (1) no 1 UmgrStG, the exchange of shares in the subsequent (fictitious) merger does not constitute a swap. Pursuant to § 5 (2) UmgrStG, the acquisition costs of the old shares (*PORR shares*) shall be relevant for the new shares (*PIAG shares*).

In summary, the fiscal acquisition costs of the existing *PORR shares* must be reduced in accordance with the *Spin-off Asset's* market value in proportion to that of the residual assets, and this amount shall constitute the fiscal acquisition costs for the new *PIAG shares*. Since a new *PIAG share* issued in the *Spin-off* is acquired for each *PORR share*, there is no need for an adjustment of the fiscal acquisition costs for the *PORR share*. Based on the market capitalization of *PORR* as of the spin-off date June 30, 2014 (closing price of the *PORR* share was EUR 52.50), on one hand, and the available valuation of the *Spin-off Assets*, on the other hand, the Managing Board of *PORR* presumes a market value ratio of 6.35:1 for the residual assets of *PORR* in proportion to the *Spin-off Assets*.

Those investors who keep *PORR shares* in domestic deposits and those investors, for which an exemption from capital gains tax on domestic deposits applies (such as corporations and private foundations), must take this apportionment into account in their tax calculation (tax declaration, tax balance sheets, list of fiscal acquisition costs, etc.). In addition, it must be noted that the aforementioned apportionment ratio proposed by the Managing Board of *PORR* is not binding for the tax authorities or for the shareholders of *PORR*, and that, under certain circumstances, it may be appraised differently in the tax assessment and/or tax audit.

Private investors who keep *PORR shares* in domestic deposits, and for whom gains are taxed by way of capital gains tax (in particular natural persons unlimitedly liable to tax in Austria, etc.) must divide the fiscal acquisition costs on the domestic deposits according to the regulation on capital measures. *PORR* will forward the corresponding information on the market value ratio through the principal paying agent.

Pursuant to § 36 UmgrStG as amended by the 2012 Tax Amendment Act, the dates of acquisition of the old shares shall be relevant in respect to new shares. In case in the course of the *Spin-off* shares are granted as consideration for *PORR* shares which constitute a not-taxable old portfolio (purchased until December 31, 2010 and therefore not taxable, unless still taxable subject to the realization of a certain legal event by then), the new *PIAG shares* are also not taxable. If the *PORR* shares were taxable subject to the realization of a certain legal event, this (even temporary) attribute shall continue to apply to the new *PIAG shares*, regardless of their value. In case shares are granted as consideration for a taxable new portfolio of *PORR* shares (purchase as of January 1, 2011, hence new assets and thus taxable pursuant to the capital gains tax introduced with the 2011 Budget Accompanying Act), the new *PIAG shares* issued as part of the *Spin-off* will also constitute a new portfolio for the affected private investors.

Therefore, for *PORR* shareholders resident in Austria for tax purposes, the new *PIAG shares* received as part of the *Spin-off* shall continue to be considered old portfolio for purposes of income from capital gains, if the *PORR shares* they held were old portfolio.

9.2.3 Tax effects on *PORR*

Pursuant to § 33 (1) UmgrStG, the *Spin-off* does not result in a profit realisation with *PORR* as a transferring company. The tax income of *PORR* as the transferring company must be determined as if the transfer of assets had taken place upon expiry of the *record date*.

In accordance with the requirements of § 33 (6) UmgrStG, *PORR* will prepare a transfer balance sheet as of the record date June 30, 2014, containing the assets (*Spin-off Assets*) to be transferred at tax book values and the resulting tax capital transferred. In addition, *PORR* must prepare a residual balance sheet containing the residual assets remaining with *PORR* at tax book values. The book losses resulting from the disposal of assets is tax-neutral and does not have an impact on the taxable income of *PORR*.

As a result of the *Spin-off,* the funds in the tax equity current account of *PORR* in accordance with § 4 (12) Austrian Income Tax Act ("**EStG**") must be reduced at the ratio of the market value of the *Spin-off Assets* to the total assets (prior to the *Spin-off*), and the tax equity current account of *PIAG* must be increased by the same amount.

As a result of the *Spin-off* and the transfer of *Strauss & Partner* and *S&P Group* to the then non-group *PIAG,* the *S&P Group* will retroactively cease to be part of the fiscal group of *PORR* within the meaning of § 9 Austrian Corporate Income Tax Act (KStG) upon the entry of the *Spin-off* into effect at the end of December 31, 2013, and to be a controlled company of the value-added tax group within the meaning of § 2 (2) no 2 Value-Added Tax Act (UStG) with *PORR* as the parent company, effective as of the first of the month following the day of the registration of the *Spin-off* in the Companies Register (2000 Value-Added Tax Guidelines (UStR 2000), margin number 56). The same applies to all other companies of the *S&P Group,* which up to and including December 31, 2013 were group members of the tax consolidation group of *PORR* within the meaning of § 9 KStG, or which were controlled companies of the value-added tax group of *PORR* within the meaning of § 2 (2) no 2 UStG up to and including the last day of the month of the entry of the *Spin-off* in the Companies Register. As a result of their separation from the tax consolidation group within the meaning of § 9 KStG, the affected direct and indirect subsidiaries of *Strauss & Partner* shall be in part entitled to a compensatory payment (final compensation) on the basis on the respective tax apportionment agreement in place.

The role of *UBM* as a separate tax group leader of the *UBM Group* will remain unaffected by the *Spin-off,* just as the tax group of the *UBM Group* within the meaning of § 9 KStG. The same applies to group losses, such as losses of group members from taxable years ending before the tax group was established (*Vorgruppenverlust*) and loss carryforwards assumed outside of the group (*Außergruppenverlust*).

Losses not yet offset by *PORR* as a transferring company, which can be carried forward, shall remain with *PORR* as the transferring company, provided that they are objectively attributable to the residual assets, or the loss-making assets are not available (offse-table) or shall be transferred to *PIAG* as the acquiring company within the meaning of § 35 in conjunction with § 21 (1) UmgrStG if they are objectively attributable to the *Spin-off Assets*.

Due to the separation of the *S&P Group* from the tax group of *PORR* as a result of the *Spin-off*, the profit and loss transfer agreement between *PORR* and *Strauss & Partner* shall also terminate as of the end of December 31, 2013. A result allocation in the tax group with *PORR* will therefore no longer take place in the current financial year 2014.

9.2.4 Tax effects on *PIAG*

PIAG must maintain the tax book values of *PORR* in the *Spin-off Assets* pursuant to § 34 UmgrStG. The tax book profits from the transfer of assets are tax neutral and do not increase the taxable profits of *PIAG*. Instead, they rather constitute a contribution to *PIAG* (§ 8 (1) KStG). The tax current account of *PIAG* according to § 4 (12) EStG must be increased by the amount reduced at *PORR*.

As a result of the contribution in return for a capital increase, the *Spin-off* is basically subject to capital contribution tax. However, the exemption provision of § 38 (5) UmgrStG applies to the *Spin-off*, since the shares in the *Spin-off Assets* were held by *PORR* for more than 2 years. The assessment basis for capital contribution tax would be the fair market value of the *Spin-off Assets*, and the tax rate would amount to 1%.

Moreover, there is no concentration of all shares in one hand eligible for land transfer tax purposes, since neither all shares in *UBM* nor all shares in *Strauss & Partner* are spun-off (or transferred separately outside the *Spin-off).*

Following the *Spin-off*, a merger of *PIAG* as the transferring company with *UBM* as the acquiring company (or vice versa) is being contemplated, so as to maintain the fiscal group of *UBM* as the group leader (and the tax loss carry fowards of *UBM* and the *UBM Group* to the greatest possible extent), and to aceede the *S&P Group* with all its direct and indirect subsidiaries in this tax group effective as of January 1, 2015.

9.3 Listing of *PIAG* shares

All 14,547,500 new *PIAG* shares to be issued in the *Spin-off* are to be listed on the Official Market of the Vienna Stock Exchange and traded in the "Standard Market Auction" segment after the *Spin-off* is effective and the new *PIAG* shares have been issued to the *PORR* shareholders.

The existing 70,000 *PIAG* shares will be amended to category B shares. Holders of category B shares receive a dividend from the retained profit of at least 1% (one percent) of the calculated notional amount of the share capital allotted to the category B shares, provided the shareholders' meeting approves a dividend (preferential dividend). If the preferential dividend is not paid or not fully paid for a financial year, then the remainder accumulates and must be retrieved from the retained profits of the following financial years (right to cumulative dividend). This means the existing 70,000 *PIAG* shares will form their own share class after the *Spin-off* is effective, and which will not currently be listed for trading on the Vienna Stock Exchange (and will not have to be listed). As a result, it will be possible to execute the *Spin-off* based on special arrangements without have to produce a prospectus.

9.4 Effects on employees

The employment contracts of *UBM* and *Strauss & Partner* employees will basically remain unchanged by the *Spin-off*. This also applies to the employment contracts of *PORR* employees. Previously, *PIAG* was not operationally active, and so far has no employees.

The current businesses of the *PORR Group* will remain unaffected by the intended *Spin-off*. The nature, composition, and term of office of the existing works councils at *PORR* will therefore remain unchanged. This also applies for *UBM* and *Strauss & Partner*, whereby it is noted that there is currently no works council at *UBM*.

The provisions pursuant to § 110 Austrian Labor Relations Act (ArbVG) apply to the Supervisory Board of *PIAG*. Dependent on the future number of employees at *PIAG*, the right exists to establish a works council at the level of *PIAG*. It is further to be assumed that employee representatives in the *UBM Group* and *S&P Group* will be afforded subsidiary delegation rights to sit on the Supervisory Board of *PIAG*. Until further notice, however, it is assumed that no employee representatives will act as delegates on the *PIAG* Supervisory Board, not least owing to the intended merger of *PIAG* and *UBM* in 2015.

9.5 Liability consequences under SpaltG and AktG

According to § 15 (1) SpaltG, *PIAG* is a joint debtor and liable for established liabilities of *PORR* up until the registration of the *Spin-off*, including liabilities arising from subsequent insufficient performance and from subsequent reversal, up to the amount of the net assets transferred to *PIAG* in the context of the *Spin-off*. Pursuant to § 15 (1) SpaltG, *PORR* is also liable for liabilities assigned to *PIAG* under the Spin-off and Takeover Agreement, including liabilities arising from a later insufficient performance and from a later recission of a transaction, up to the amount of the net assets assigned to *PIAG*. Since no liabilities towards third parties are transferred to *PIAG* with the *Spin-off Assets* during the course of the *Spin-off*, any such liability on the part of *PORR* is unlikely to apply. In the internal relationship between *PORR* and *PIAG*, provisions governing the division of liability as defined in the Spin-off and Takeover Agreement shall apply (see the explanations regarding the Spin-off and Takeover Agreement in item 7.2.11 of this Spin-off Report).

Unless they are able to demand satisfaction, the creditors of *PORR* must be given securities by both *PORR* and *PIAG* pursuant to § 15 (2) SpaltG if this is notified by them within six (6) months after the publication of the registration of the *Spin-off*. The creditors shall be entitled to demand such security only if they are able to demonstrate convincingly that the *Spin-off* is likely to endanger the fulfillment of their claims. If a security is judicially requested within the notice period of six (6) months, *PORR* and *PIAG* will, as of this date, be liable for this claim without limitation pursuant to § 15 (3) SpaltG as co-debtors until either the security is given or the demand is legally rejected.

The creditors of the transferring company *PORR* have a claim to receive security against *PORR* for non-due, contingent, or uncertain debts pursuant to § 17 no 5 SpaltG in connection with § 226 AktG. The creditors of the absorbing company *PIAG* have a claim to receive security against *PIAG* for non-due, contingent, or uncertain debts pursuant to § 17 no 5 SpaltG in connection with § 226 AktG. If such a demand is announced to *PIAG* for this purpose within six (6) months after the publication of the registration of the *Spin-off*, these creditors are only entitled to demand a security if they are not able to request satisfaction, and the fulfillment of their claim is endangered by the *Spin-off* (which they have to show probable cause for).

The value of the net assets transferred to *PIAG* during the *Spin-off* corresponds to the value of the *Spin-off Assets* because no liabilities will be transferred in the course of *Spin-off*. Based on a valuation of 100% of the *S&P Group* according to the average value of the appraisal of an independent auditor from September 2014 with EUR 110 million and the valuation of the 2,479,836 *UBM Shares* transferred in the course of *Spin-off* with EUR 24 per *UBM* share, this results in a valuation of the *Spin-off Assets* at market values of EUR 103.5 million. The value of EUR 24 for each *UBM* share therefore corresponds both to the reference rate according to the *Share Purchase Agreement CA Immo* and the valuation in an appraisal of an independent auditor of September 2014.

The Managing Boards of *PORR* and *PIAG* are of the opinion that the *Spin-off* will not endanger any claims of creditors of *PORR* or *PIAG*.

10. ***PORR* after the *Spin-off***

10.1 Structure of the ***PORR Group*** after the ***Spin-off***

PORR will continue to exist after the *Spin-off*. The current articles of association will not be amended as a result of the *Spin-off*. The articles of association of *PORR* will not be changed due to the *Spin-off*, but there will be changes to *PORR's* articles of association resulting from the compensation and buy-out of the *Profit Participation Right*s during the *Spin-off*. The articles of association of *PORR* in their revised form are attached to the Spin-off and Takeover Agreement as Annex./1.2.

It is not envisaged that there will be any changes to the managing board or supervisory board of *PORR* as a result of the *Spin-off*.

The *Spin-off* will not lead to any change in the shareholder structure of *PORR*. There will not be any change in *PORR's* share capital.

10.2 Balance sheet effects (UGB)

This section outlines the effects on the balance sheet of *PORR* (compiled in accordance with the accounting principles of the Austrian Commercial Code ("**UGB**")) of the *Spin-off*, as well as the preparatory transfers of shareholdings and real estate of *PORR* to companies of the *S&P Group* and from companies of the *S&P Group* to *PORR* (pro-forma adjustments 1) as well as the sale of a total of 114,000 *UBM Shares* from *PORR* to *PIAG* and a participation in *Strauss & Partner* corresponding to 60% of the total share capital (pro forma adjustments 2), each still to be concluded.

It must be noted that the following descriptions and balance sheets do not take into account any changes in the assets and liabilities or the equity capital of *PORR* due to business activities after the spin-off record date of June 30, 2014. The pro forma balance sheets are solely illustrations compiled for the purposes of this Spin-off Report; the actual balance sheets at the time the measures become effective may differ from these pro forma balance sheets (even substantially). The pro forma balance sheets carry-over the book values of the audited closing balance sheet of *PORR* as of the spin-off record date of June 30, 2014.

	Actual	Pro-Forma				
	Closing balance as of June 30 2014 (audited)	Effects of spin-off outflow (unaudited)	Spin-off balance sheet as of July 1, 2014 (unaudited)	Effects Pro-forma adjustments 1 (unaudited)	Effects Pro-forma adjustments 2 (unaudited)	PORR AG post spin-off and transfers as of July 1, 2014 (unaudited)
	in EUR thd	in EUR thd	in EUR thd	in EUR thd	in EUR thd	in EUR thd
	1	2	3=1+2	4	5	6=3+4+5
Fixed assets	***617,128***	***-62,108***	***555,020***	***-9,952***	***-68,394***	***476,674***
Intangible assets	8,374	0	8,374	0		8,374
Tangible assets	37,433	0	37,433	-19,110		18,323
Financial assets	571,321	-62,108	509,213	9,158	-68,394	449,977
Current assets	***223,047***	***0***	***223,047***	***16,624***	***68,394***	***308,065***
Stocks	414	0	414	0	0	414
Claims and other assets	222,074	0	222,074	16,624	68,394	307,092
Cash in hand, checks, bank balances	559	0	559	0	0	559
Accruals and deferrals	***2,374***	***0***	***2,374***	***0***	***0***	***2,374***
Total assets	**842,549**	**-62,108**	**780,441**	**6,672**	**0**	**787,113**
Equity capital	***373,202***	***-62,108***	***311,094***	***6,162***	***0***	***317,256***
Nominal capital	29,095	0	29,095	0	0	29,095
Profit participation rights	398	0	398	0	0	398
Capital reserves	255,988	-62,108	193,880	0	0	193,880
Revenue reserves	69,695	0	69,695	0	0	69,695
Retained profit	18,026	0	18,026	6,162	0	24,188
Reserves	***7,434***	***0***	***7,434***	***0***	***0***	***7,434***
Provisions	***45,156***	***0***	***45,156***	***0***	***0***	***45,156***
Liabilities	***416,667***	***0***	***416,667***	***510***	***0***	***417,177***
Accruals and deferrals	***90***	***0***	***90***	***0***	***0***	***90***
Total liabilities	**842,549**	**-62,108**	**780,441**	**6,672**	**0**	**787,113**

(Source: Final balance sheet of *PORR* as of June 30, 2014 and internal calculations of *PORR*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

The audited closing balance sheet of *PORR* (according to UGB) as of the spin-off record date of June 30, 2014 is the starting position, and illustrates *PORR* before the *Spin-off* (column 1 - Closing balance sheet as of June 30, 2014). The closing balance sheet is also attached to the Spin-off and Takeover Agreement as Annex./12.1.a). Column 2 (Effects of spin-off outflow) shows the accounted outlow of the *Spin-off Assets* from *PORR* as part of the *Spin-off*. The outflow of *PORR's* assets corresponds to a book value of the *Spin-off Assets* totaling EUR 62.1 million in the closing balance sheet. The closing balance as of June 30, 2014 (column 1) and the outflow of the *Spin-off Assets* (column 2) results in the spin-off balance sheet (residual assets balance sheet) of *PORR* as of July 1, 2014, as is also attached to the Spin-off and Takeover Agreement as Annex./12.1.b). This represents the assets and liabilities of *PORR* after the *Spin-off* and after the outflow of the *Spin-off Assets* (assuming the *Spin-off* having become effective).

Since the spin-off balance sheet (residual assets balance) of *PORR* as of July 1, 2014 exclusively represents the outflow of assets that will technically occur as part of the *Spin-off*, the movements of assets are therefore represented as pro forma adjustments that occur after June 30, 2014 on the occasion of and at the same time as, but separate to the *Spin-off*. These pro forma adjustments are each based on the assumption that these transfers/sales would have already been completed on July 1, 2014, at 00:00.

The pro forma adjustments 1 (column 4) include all preparatory transfers of shareholdings and real estate of *PORR* to companies of the *S&P Group* (and from companies of the *S&P Group* to *PORR*) that are completed after June 30, 2014. The pro forma adjustments 2 (column 5) include the sale of a total of 114,000 *UBM Shares* from *PORR* to *PIAG* at a total purchase price of EUR 2,394,000 as well as the sale from *PORR* to *PIAG* of a participation in *Strauss & Partner* corresponding to 60% of the total share capital at a purchase price of EUR 66,000,000. For details of these transfers, see items 3.1.2 (*Additional shareholding in UBM*) and 3.2.2 (*Further interest in Strauss & Partner*) of this Spin-off Report. It is noted that in the context of the pro forma adjustments 2 (column 5) only the acquisition of *UBM Shares* from *PORR* are shown, but not acquisitions of *UBM Shares* by *PIAG* from third parties (under the *Share Purchase Agreement CA Immo*, the *Option Agreement*, the *Put Option Agreement*, and the *Public Takeover Offer*).

10.3 Consolidated balance sheet effects (IFRS)

This section outlines the expected effects on *PORR's* consolidated balance sheet (compiled according to International Financial Reporting Standards (IFRS)) of the *Spin-off* as well as of the preparatory transfers of shareholdings and real estate from companies of the *PORR Group* to companies of the *S&P Group* and from companies of the *S&P Group* to companies of the *PORR Group*, as well as the sales from *PORR* (and *EPS 47 GmbH*) to *PIAG* of a total of 142,184 *UBM Shares* and a participation in *Strauss & Partner* corresponding to 60% total share capital, each still to be concluded.

It must be noted that the following descriptions and balance sheets do not take into account any changes in the assets and liabilities or the equity capital of the *PORR Group* due to business activities after the spin-off record date of June 30, 2014. The pro-forma balance sheets are illustrations compiled solely for the purposes of this Spin-off Report. The actual balance sheets at the time the measures become effective may differ from these pro forma balance sheets (even substantially). The pro forma balance sheets carry-over the book values of the consolidated balance sheet as of the spin-off record date of June 30, 2014.

(IFRS) (all unaudited)	Actual		Pro-Forma					
	PORRGroup as of June 30, 2014	**UBM Group as of June 30, 2014**	**Effects of consolidation and acquisition**	**PORR Group including UBM Group**	**Effects of spin-off outflows**	**Effects of transfers and sales**	**Effects of Deconsolidation**	**PORR Group post spin-off**
	in TEUR	**in TEUR**	**in TEUR**	**in TEUR**	**in TEUR**	**in TEUR**	**in TEUR**	**in TEUR**
	1	**2**	**3**	**4=1+2+3**	**5**	**6**	**7**	**8=4+5+6+7**
Non-current assets	***1,109,604***	***439,129***	***-56,428***	***1,492,305***	***-866,832***	***0***	***8,586***	***634,059***
Intangible assets	64,472	2,689	0	67,161	-2,782	0	0	64,379
Tangible assets	465,179	25,101	56	490,336	-78,044	0	0	412,292
Investment property	262,127	281,649	24,415	568,191	-521,270	0	0	46,921
Shareholdings in associated companies	238,222	36,992	-80,439	194,775	-124,927	0	0	69,848
Other assets	79,604	92,698	-460	171,842	-139,809	0	8,586	40,619
Current assets	***1,390,660***	***194,516***	***-1,763***	***1,583,413***	***-257,858***	***69,070***	***196,269***	***1,590,894***
Stocks	133,827	117,215	0	251,042	-143,145	0	0	107,897
Other assets	938,673	40,541	-2,296	976,918	-74,843	69,070	196,269	1,167,413
Cash and cash equivalents	318,160	36,760	533	355,453	-39,870	0	0	315,583
Total assets	**2,500,264**	**633,645**	**-58,191**	**3,075,718**	**-1,124,690**	**69,070**	**204,855**	**2,224,953**
Equity capital	***448,613***	***166,896***	***-73,173***	***542,336***	***-266,456***	***69,070***	***0***	***344,950***
Equity before minority interests	405,208	164,803	-170,608	399,403	-166,577	69,070	0	301,896
Profit participation rights capital	42,560	0	0	42,560	0	0	0	42,560
Minority interests	845	2,093	97,435	100,373	-99,879	0	0	494
Non-current liabilities	***687,597***	***228,903***	***13,096***	***929,596***	***-375,305***	***0***	***8,586***	***562,877***
Bonds	224,102	96,412	0	320,514	-96,412	0	0	224,102
Provisions	123,427	10,335	0	133,762	-14,144	0	0	119,618
Financial debt	300,810	112,011	0	412,821	-216,437	0	0	196,384
Other liabilities	39,258	10,145	13,096	62,499	-48,312	0	8,586	22,773
Current liabilities	***1,364,054***	***237,846***	***1,887***	***1,603,787***	***-482,929***	***0***	***196,269***	***1,317,126***
Bonds	99,076	100,001	0	199,077	-100,001	0	0	99,076
Provisions	125,601	36	423	126,060	-893	0	0	125,167
Financial debt	96,783	80,631	0	177,414	-106,288	0	0	71,126
Other liabilities	1,042,594	57,178	1,464	1,101,236	-275,747	0	196,269	1,021,757
Total equity capital and liabilities	**2,500,264**	**633,645**	**-58,191**	**3,075,718**	**-1,124,690**	**69,070**	**204,855**	**2,224,953**
Net debt(1)	402,611	352,295	n/a	n/a	n/a	n/a	n/a	275,105
Equity ratio(2)	17.9%	26.3%	n/a	n/a	n/a	n/a	n/a	15.5%
Equity ratio without cashflow hedges (3)	19.3%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Half year financial statement of *PORR* as of June 30, 2014, half year financial statement of *UBM* as of June 30, 2014 and internal calculations of *PORR*. Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) The net debt is the result of bonds (short-term and long-term) plus non-current and current financial liabilities and less cash and cash equivalents. The claims owed by *PIAG* and the *S&P Group* are not included in the net debt.

(2) The equity ratio is calculated by dividing the equity capital by the total of equity capital and liabilities.

(3) The equity ratio without cashflow hedges is calculated by dividing equity capital (without including the negative value of the cashflow hedges in reserves) by the total of equity capital and liabilities.

The consolidated balance sheet of *PORR* (according to IFRS) as of the spin-off record date of June 30, 2014 is the starting position, and shows the *PORR Group* before the *Spin-off* (column 1 - PORR Group as of June 30, 2014). A further starting position is the consolidated balance sheet (IFRS) of *UBM* on the spin-off record date of June 30, 2014, which represents the *UBM Group* prior to the *Spin-off* (column 2 – UBM Group as of June 30, 2014).

Taking into account the pro-forma assumption that acquisitions will be carried back to July 1, 2014, 00:00, the acquisitions of further *UBM Shares,* as outlined in this Spin-off Report, lead to *PORR* acquiring a controlling interest in *UBM* and therefore a consolidation of the *UBM Group* in the consolidated balance sheet of *PORR*. Accordingly, column 3 (Effects of consolidation and acquisition) shows a pro forma consolidation of the *UBM Group* in the consolidated balance sheet of *PORR*, which includes the acquisition of 114,000 *UBM Shares* completed in July 2014. Any acquisitions of *UBM Shares* that have not yet been completed as of the date of this Spin-off Report are not considered in column 3. The consolidation of the *UBM Group* was not made applying IFRS 3 (which required a complete identification and valuation of the assets and debts at the fictious initial consolidation date), but carrying-over book values. Column 4 (PORR Group including UBM Group) shows the pro forma consolidated balance sheet of *PORR* with the hypothetical consolidation of *UBM*.

Column 5 (Effects of spin-off outflows) shows the transfer of the *UBM Group* and the *S&P Group* as part of the *Spin-off*, and column 6 (Effects of transfers and sales) shows the changes in assets resulting from the sale of 114,000 *UBM Shares* from *PORR* to *PIAG* and of 28,184 *UBM Shares* from *EPS 47 GmbH* to *PIAG* at a total purchase price of EUR 3,070,416, as well as the sale from *PORR* to *PIAG* of a participation in *Strauss & Partner* corresponding to 60% of the total share capital at a purchase price of EUR 66,000,000. For details of these transfers in parallel, but separate to the *Spin-off*, see items 3.1.2 (*Additional Shareholding in UBM*) and 3.2.2 (*Further Interest in Strauss & Partner*) of this Spin-off Report. It is noted that in the context of column 6 (Effects of transfers and sales) only the sales of *UBM Shares* by *PORR* and its indirect subsidiary *EPS 47 GmbH* are shown, but not acquisitions by *PIAG* of *UBM Shares* from third parties (under the *Share Purchase Agreement CA Immo*, the *Option Agreement*, the *Put Option Agreement*, and *Public Takeover Offer*). All of these pro forma adjustments are each based on the assumption that both the *Spin-off* and other parallel transfers/sales would have already been completed on July 1, 2014, at 00:00.

Assuming the completion of all the transactions with retroactive effect to July 1, 2014, 00:00, the execution of the *Spin-off* and of the sales as outlined in columns 5 (Effects of spin-off outflow) and 6 (Effects of transfers and sales) result in *PORR* no more holding a controlling interest in *UBM*. Column 7 (Effects of deconsolidation) therefore shows the pro forma effects that result from a deconsolidation of the *UBM Group* and the *S&P Group* from *PORR's* consolidated balance sheet in addition to the transfer of assets outlined in columns 5 and 6. As per the merely simplified consolidation (see the effects in column 3 (Effects of consolidation and acquisition)), the deconsolidation was also performed entirely on a simplified basis, and takes into account only those effects that were assessed in the hypothetical simplified consolidation.

In summary, the transfer of assets from the *PORR Group* as part of the *Spin-off* and the other transfers to *PIAG* result in a reduction in the consolidated balance sheet from EUR 2,500.3 million by approx. EUR 275 million to approx. EUR 2,224.9 million. Owing to this balance sheet reduction, among other things, the consolidated equity ratio of *PORR* only falls to approximately 15.5% in the pro forma presentation. The cashflow hedge included in the reserves with a negative value (EUR 34.55 million as of June 30, 2014) will play no further role in the future in the *PORR* consolidated balance sheet because this refers to a shareholding transferred to *PIAG* (M6 highway, Hungary). In the pro forma presentation, net debt is reduced to EUR 275.1 million because the shareholdings/real estate development projects transferred to *PIAG* are typically linked to material third party financing.

The managing board of *PORR* believes that as of December 31, 2014, taking into account a successful business performance in the current financial year 2014, the typically lower level of total assets at the end of the year (owing to less construction activity than during summer), and further measures intended, it will be possible to achieve a clearly higher consolidated equity ratio for *PORR* than is shown in the pro forma presentation in column 8 (*PORR Group* post *Spin-off*) as of June 30, 2014, 24:00 / July 1, 2014, 00:00.

10.4 Future business activities of *PORR*

The *PORR Group* is a leading Austrian construction group, and will remain so after the *Spin-off*. Its activities in the area of construction will continue unchanged (with the exception of the real estate project development business transferred to *PIAG*). The current Business Unit 6 Real Estate will be dissolved. PORREAL Immobilien Management GmbH, which will remain in the *PORR Group*, and individual remaining group real estate companies will be transferred to other business units.

11. *PIAG* after the *Spin-off*

11.1 Structure of *PIAG* after the *Spin-off*

Once the *Spin-off* has become effective (registration in the Companies Register), the shareholder structure of *PIAG* will mirror that of *PORR*, and *PIAG* will hold 70,000 treasury shares (acquired free of charge). For more information, please see item 6.13 (Shareholding in *PIAG* after the *Spin-off*) of this Spin-off Report.

After the *Spin-off* comes into effect (registration in the Companies Register) and as a result of the transfer of the *Spin-off Assets* and further shareholdings in *UBM* and *Strauss & Partner* concurrent but separate to the *Spin-off* (as described in detail in this Spin-off Report), *PIAG* will hold a total interest in *UBM* of approximately 69.09% (plus those *UBM Shares* tendered to *PIAG* in the *Public Takeover Offer*), and a total interest in *Strauss & Partner* of 99.96%. *PIAG* will then become the parent company of the *UBM Group* and the *S&P Group*, and is to be merged with *UBM* in the course of 2015.

The members of *PIAG's* managing board and the members of *PIAG's* supervisory board will remain unchanged. In particular, Karl-Heinz Strauss and Christian Maier will remain members of the managing board of *PIAG* in addition to their function as members of the managing board of *PORR* up until the planned merger of *PIAG* with *UBM* in 2015.

BDO Austria GmbH Wirtshcaftsprüfungs- und Steuerberatungsgesellschaft have been appointed as auditors of *PIAG*.

11.2 Balance sheet effects (UGB)

This section outlines the balance sheet effects of the *Spin-off* on the separate financial statements of *PIAG* (compiled in accordance with the accounting principles of the UGB), and the acquisition of a further 1,551,468 *UBM Shares* from third parties (pro forma adjustments 1), as well as the sale of a total of 114,000 *UBM Shares* from *PORR* to *PIAG* and a participaion in *Strauss & Partner* corresponding to 60% of the total share capital, each still to be concluded (pro forma adjustments 2).

It must be noted that the following descriptions and balance sheets do not take into account any changes in the assets and liabilities or the equity capital of *PIAG* due to business activities after the spin-off record date of June 30, 2014 (in particular, those of the *UBM Group* and *S&P Group*). The pro forma balance sheets are solely illustrations compiled for the purposes of this Spin-off Report; the actual balance sheets at the time the measures become effective may differ from these pro forma balance sheets (even substantially). The pro forma balance sheets carry-over the book values of the interim balance sheet of *PIAG* as of the spin-off record date of June 30, 2014.

	Actual	Pro-Forma			
(all unaudited)	Interim balance June 30, 2014	Effects of spin-off additions (takeover balance sheet)	Effects of pro forma adjustments 1	Effects of pro forma adjustments 2	PIAG post spin-off and transfers
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
	1	2	3	4	5=1+2+3+4
Fixed assets	***0***	***62,108***	***37,235***	***68,394***	***167,737***
Tangible assets	0	0	0	0	
Financial assets	0	62,108	37,235	68,394	167,737
Current assets	***16***	***0***	***53***	***0***	***69***
Claims and other assets	0	0	0	0	
Cash in hand, checks, bank balances	16	0	53	0	69
Total assets	**16**	**62,108**	**37,288**	**68,394**	**167,806**
Equity capital	***15***	***62,108***	***53***	***0***	***62,176***
Nominal capital	17	14,477	53	0	14,547
Capital reserves		47,631	0	0	47,631
Retained profit	-2	0	0	0	-2
Liabilities	***1***	***0***	***37,235***	***68,394***	***105,630***
Total liabilities	**16**	**62,108**	**37,288**	**68,394**	**167,806**

(Source: Interim balance sheet of *PIAG* as of June 30, 2014 and internal calculations of *PORR*). Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

The interim balance sheet of *PIAG* (according to UGB) as of the spin-off record date of June 30, 2014 is the starting position, and shows *PIAG* before the *Spin-off* (column 1 - Interim balance as of June 30, 2014). Column 2 (Effects of spin-off additions) shows the accounted additions of the *Spin-off Assets* from *PORR* as part of the *Spin-off*. The addition of assets at *PIAG* corresponds to the book value of the *Spin-off Assets* in the closing balance sheet of *PORR* totaling EUR 62.1 million. Column 2 (Effects of spin-off additions) corresponds to the take-over balance sheet of *PIAG* as of July 1, 2014 as attached to the Spin-off and Takeover Agreement as Annex./12.1.c) (which assumes the effectiveness of the *Spin-off*).

Since the take-over balance sheet of *PIAG* as of July 1, 2014 exclusively represents the additions of assets that will occur as part of the *Spin-off*, the transfers of assets that occur after June 30, 2014 on the occasion of and in parallel, but separate to the *Spin-off* need to be shown separately as pro forma adjustments. These pro forma adjustments are each based on the assumption that these transfers/sales would have already been completed on July 1, 2014, at 00:00.

The pro forma adjustments 1 (column 3) include the acquisition by *PIAG* of a further 1,551,468 *UBM Shares* from *EPS 47 GmbH*, Amber Privatstiftung, and Bocca Privatstiftung, as well as under the *Share Purchase Agreement CA Immo*. The pro forma adjustments 2 (column 4) include the acquisition of a total of 114,000 *UBM Shares* from *PORR* at a purchase price of EUR 2,394,000, as well as the sale by *PORR* to *PIAG* of a participation in *Strauss & Partner* corresponding to 60% of the total share capital at a purchase price of EUR 66,000,000. For details of these transfers, see items 3.1.2 (*Additional Shareholding in UBM*) and 3.2.2 (*Further Interest in Strauss & Partner*) of this Spin-off Report.

It is noted that the pro forma adjustments 2 (column 4) do not include the *UBM Shares* tendered to *PIAG* in the *Public Takeover Offer*. This is due to the fact that, at the date of this Spin-off Report, it is neither possible to know nor forseeable how many *UBM Shares* will actually be tendered to *PIAG* in the course of the *Public Takeover Offer*. Taking into consideration the *UBM Shares* held by *PORR*, *PIAG* and parties acting in concert with these companies under the Takeover Act, the *UBM Shares* already bound by contract (*Share Purchase Agreement CA Immo*, *Option Agreement*) and the binding acceptance waivers, a maximum of 881,144 *UBM Shares* may be tendered to *PIAG* as part of the *Public Takeover Offer*, corresponding to 14.69% of the total share capital of *UBM*. The addition of each *UBM Share* increases the financial assets on the asset side in the separate financial statements of *PIAG* (according to the accounting principles of the UGB) and the liabilities on the passive side (since the acquisitions in the context of the *Public Takeover Offer* are debt financed by the *PORR Group*).

The final column shows the balance sheet (UGB) of *PIAG* based on the pro forma assumption that the *Spin-off* and all transfers/sales addressed in this Spin-off Report have been completed and carried back to July 1, 2014, 00:00.

11.3 Consolidated balance sheet effects (IFRS)

This section outlines the expected effects on the consolidated balance sheet of *PIAG* (compiled according to International Financial Reporting Standards (IFRS)) as a result of the transactions outlined in this Spin-off Report. These include the effects of the *Spin-off* and the preparatory transfers of shareholdings and real estate from companies of the *PORR Group* to companies of the *S&P Group* and from companies of the *S&P Group* to companies of the *PORR Group* as well as the acquisition by *PIAG* of a total of 1,665,468 *UBM Shares* from *PORR*, *EPS 47 GmbH*, Amber Privatstiftung and Bocca Privatstiftung and under the *Share Purchase Agreement CA Immo* at a total purchase price of EUR 39,629,232, as well as the sale by *PORR* to *PIAG* of a participation in *Strauss & Partner* corresponding to 60% of the total share capital at a purchase price of EUR 66,000,000, each still to be completed.

It must be noted that the following descriptions and balance sheets do not take into account any changes in the consolidated assets and liabilities or the equity capital of *PIAG* due to business activities after the spin-off record date of June 30, 2014. The pro forma balance sheets are solely illustrations compiled for the purposes of this Spin-off Report; the actual balance sheets at the time the measures become effective may differ from these pro forma balance sheets (even substantially). The pro forma balance sheets of *PIAG* carry-over, where applicable, the book values of the consolidated balance sheet of *PORR* as of the spin-off record date of June 30, 2014.

(all unaudited)	Actual	Pro-Forma			
	PIAG as of June 30, 2014	Effects of spin-off additions	Effects of acquisitions from the PORR Group	Effects of acquisitions from 3rd parties	PIAG Group post spin-off
	in TEUR	in TEUR	in TEUR	in TEUR	in TEUR
	1	2	3	4	5=1+2+3+4
Non-current assets	***0***	***866,832***	***0***	***0***	***866,832***
Intangible assets	0	2,782	0	0	2,782
Tangible assets	0	78,044	0	0	78,044
Investment property	0	521,270	0	0	521,270
Shareholdings in associated companies	0	124,927	0	0	124,927
Other assets	0	139,809	0	0	139,809
Current assets	***35***	***257,858***	***0***	***0***	***257,893***
Stocks	0	143,145	0	0	143,145
Other assets	0	77,420	0	0	77,420
Cash and cash equivalents	35	37,293	0	0	37,328
Total assets	**35**	**1,124,690**	**0**	**0**	**1,124,725**
Equity capital	***35***	***266,456***	***-69,070***	***-36,559***	***160,862***
Equity before minority interests	35	166,577	-69,070	7,254	104,796
Minority interests	0	99,879	0	-43,813	56,066
Non-current liabilities	***0***	***375,305***	***0***	***0***	***375,305***
Bonds	0	96,412	0	0	96,412
Provisions	0	14,144	0	0	14,144
Financial debt	0	216,437	0	0	216,437
Other liabilities	0	48,312	0	0	48,312
Current liabilities	***0***	***482,929***	***69,070***	***36,559***	***588,558***
Bonds	0	100,001	0	0	100,001
Provisions	0	893	0	0	893
Financial debt	0	106,288	0	0	106,288
Other liabilities	0	275,747	69,070*	36,559*	275,747
Total equity capital and liabilities	**35**	**1,124,690**	**0**	**0**	**1,124,725**
Net debt(1)	0	n/a	n/a	n/a	767,708
Equity ratio(2)	100%	n/a	n/a	n/a	14.3%
Equity ratio without cashflow hedges(3)	100%	n/a	n/a	n/a	17.4%

―――――――――――――――

(Source: Half year financial statement of *PORR* as of June 30, 2014, half year financial statement of *UBM* as of June 30, 2014 and internal calculations of *PORR*. Due to roundings, it is possible that individual numbers in the columns will not precisely add up to the indicated sums.

(1) The net debt results from bonds (short-term and long-term) plus the current and non-current financial liabilities as well as the liabilities owed by the *PORR Group* of EUR 285.9 million (contained in the Other Liabilities) and less the cash and cash equivalents.

(2) The equity ratio is calculated by dividing the equity capital by the total of equity capital and liabilities.

(3) The equity ratio without cashflow hedges is calculated by dividing equity capital (without including the negative value of the cashflow hedges in reserves) by the total of equity capital and liabilities.

* Erroneously not included in the German original version.

The balance sheet of *PIAG* (IFRS) as of the spin-off record date of June 30, 2014 is the starting position, and presents *PIAG* before the *Spin-off* (column 1 - *PIAG* as of June 30, 2014). Taking into account the pro-forma assumption that acquisitions actually occur and are carried back to July 1, 2014, 00:00, the acquisitions of further *UBM Shares* as outlined in this Spin-off Report lead to *PIAG* acquiring a controlling interest in *UBM* and *Strauss & Partner*, and therefore a consolidation of the *UBM Group* and *S&P Group* in the pro forma *PIAG* consolidated balance sheet.

Accordingly, column 2 (Effects of spin-off additions) contains the transfer (as addition) of the *UBM Group* and *S&P Group* on a consolidated basis. This column 2 (Effects of spin-off additions) therefore mirrors column 5 (Effects of spin-off outflows) in the pro forma presentation of *PORR* in item 10.3 (*Consolidated balance sheet effects (*IFRS)) of this Spin-off Report.

Columns 3 (Effects of acquisitions from the PORR Group) and (Effects of acquisitions from 3rd parties) contain adjustments to the consolidation in column 2 (Effects of spin-off additions) resulting from the purchase of the 60% share in *Strauss & Partner* and of 114,000 *UBM Shares* from *PORR* and 28,187 *UBM Shares* from *EPS 47 GmbH* (column 3) and the further 1,665,468 *UBM Shares* from third parties outside the *PORR Group* (CA Immo International Beteiligungverwaltungs GmbH, Amber Privatstiftung and Bocca Privatstiftung) (column 4). These acquisitions have a highly negative effect on the equity capital of *PIAG* because the addition of all assets of the *UBM Group* and the *S&P Group* was already taken into account in column 2 (Effects of spin-off additions), which means that the further debt financed acquisitions on a consolidated basis essentially only lead to additional liabilities. In addition, with regard to *UBM*, there is also the effect that the acquisition of each further *UBM Share* in the context of the *Public Takeover Offer* or the *Put Option Agreement* leads to a reduction in the minority interests included in the line item equity capital.

Column 5 (PIAG Group post spin-off) shows the pro forma consolidated balance sheet of *PIAG* with the hypothetical consolidation of the *UBM Group* and *S&P Group*. The effects outlined are based on a simplified consolidation that only takes into account the transactions outlined in this Spin-off Report. The consolidation of the *UBM Group* and *S&P Group* was not made applying IFRS 3 (which required a complete identification and valuation of the assets and debts at the fictious initial consolidation date), but carrying-over the book values.

All of these pro forma adjustments are each based on the assumption that both the *Spin-off* and other transfers/sales concurrent to, but separate to the *Spin-off* would have been completed on July 1, 2014, at 00:00.

During 2014, the *PORR Group* will grant *PIAG* a mezzanine loan (that meets the IFRS requirements for recognition as equity capital) of up to EUR 100 million for the refinancing of the liabilities to the *PORR Group*, and to strengthen the (consolidated) equity capital of *PIAG*. This mezzanine loan is not contained in the pro forma descriptions. Taking into account this mezzanine loan, an increase in the consolidated equity capital and a reduction in net debt will occur because the mezzanine loan will replace other financial liabilities owed to the *PORR Group*.

11.4 Future business activities of *PIAG*

The merger of the activities and platforms of *UBM* and *Strauss & Partner* within the *PIAG Group* offers the possibility of significantly expanding business activities and leveraging synergies.

The *PIAG Group* aims to engage in real estate development activities at a European level. In terms of geography, more than 75% of project developments shall take place in Germany, Austria, Poland and the Czech Republic. Selected development projects shall also be implemented in the Netherlands, Belgium, Luxembourg, Switzerland, and France in the asset classes listed below. The market in south-east Europe and other CEE countries will continue to be observed, with only sporadic investment in individual projects where an exit is possible. Opportunistic purchases and project developments are also possible in other EU countries if there is sufficient value.

The focus will be on the following asset classes:

- "*Office*" – development, letting, and leasing, as well as sale of office real estate;

- "*Hotels*" – development, operation, and sale of high-yield hotels;

- "*Residential*" - development, operation, and sale of residential real estate;

- "*Commercial*" - development, letting and leasing, as well as sale of commercial real estate, for example logistics buildings and shopping centers; and

- "*Other commercial special real estate*" - development, letting/leasing, and utilization of medical facilities (hospitals and rehabilitation centers) as well as educational facilities (public teaching buildings) and similar large-scale projects.

The priorities of the activities and the core competencies lie in the following areas:

- *Project development*: Covers real estate development across all classes of real estate, including planning services, construction management, complete financing and property accounting, as well as the letting and sale of self-developed real estate. Depending on the specific circumstances, these activities may be performed on an exclusive basis or in partnerships (project developers, financial investors). The development of land is an additional area of activity.

- *Hotel operations*: Covers the operation of 3- to 5-star hotels until a stable yield phase is achieved when the objects are sold to partners in the hotel sector.

- *Letting of self-developed objects*: To be performed selectively in order to improve earnings in the context of market fluctuations so that optimum sale results can be achieved. The focus will be on the real estate classes "Office" and "Commercial", and not on "Residential". This activity is clearly differentiated from the activities of the asset managers because it shall only be carried out for limited time periods and only in respect to self-developed real estate.

- *Asset Management*: For historical reasons, the *PIAG Group* also includes real estate and shareholdings that are to be subject to targeted measures such as optimization of the tenant structure/rental income, further development of existing property resources and similar activities, and, building on this, achieving a clearly defined utilization strategy.

- *Facility Management*: To be offered predominantly via partners. This covers, for example, the areas of management, maintenance and tenant-related services, facility security, as well as power management and infrastructural services.

The value creation model will be extended across the entire value chain of real estate development. The priorities in the acquisition phase will be the procurement of properties for new real estate construction, or of existing objects for a renovation/reconstruction. The construction phase will focus on the required planning services, the construction of buildings (through third parties), and, in part, a general contractor function. The operating phase will then include letting, hotel or center management, asset management, as well as facility management if necessary. The real estate will be sold or realized by way of sale to third parties of all kinds (self-users, investors, etc.). Risk management will be extended across all levels of the value chain.

PIAG believes it differentiates itself from its competitors through its combination of technical competence in real estate project development, project management, and its (re-)financing competence in the capital and bank market. In addition to this is a diversified presence with a balanced distribution of real estate investments according to region and asset classes.

In financial terms, *PIAG* is aiming in the first year of business to achieve a production output of more than EUR 400 million with profitability (EBT) of >8%, property assets of more than EUR 800 million with a maximum loan to value ratio of 70%, as well as an equity ratio of 20% (IFRS, consolidated), which it intends to increase constantly to 30% to 40% in the course of its business activities.

List of Annexes

Annex./3.1.3 *List of real estate of the UBM Group as of June 30, 2014*

Annex./3.2.4 *List of real estate of the S&P Group as of June 30, 2014*

Vienna, September 24, 2014

Managing Board of
PORR AG
FN 34853 f

Ing Karl-Heinz Strauss, MBA

____

MMag Christian Maier	DI Johannes Jacobus Wenkenbach
______________________________	______________________________

Managing Board of
PIAG Immobilien AG
FN 397508 x

Ing Karl-Heinz Strauss, MBA	MMag Christian Maier
______________________________	______________________________

Immobilienaufstellung des UBM Konzerns per 30.06.2014

Anlage./3.1.3 zum Gemeinsamen Bericht der Vorstände

Finanzimmobilien (IAS 40)

Fn Nr	Objekt	Anteil in %	Jahr des Zuganges	Nutzfläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
241	**Linz, Winetzhammerstrasse 8**	**90,00%**	**1992**	**1.828**	**Büros**	**Fremdgrund**	**1,2**	**1,1**	**NEIN**		**Baurecht**
241	**Gratkorn, Dr. Karl Rennerstraße 1**	**90,00%**	**1999**	**1.353**	**Geschäfte**	**Eigengrund**	**0,8**	**0,7**	**NEIN**		
244	**Wien 3, Kelsenstraße 5**	**90,00%**	**1990**	**1.424**	**Büros**	**Eigengrund**	**1,7**	**1,5**	**NEIN**		
246	**Wien 5, Johannagasse 3+4b**	**90,00%**	**1990**	**1.885**	**nungen / Büros / Gesch**	**Eigengrund**	**2,1**	**1,9**	**NEIN**		
303	**Wien 21, Schöpfleuthnergasse 25**	**100,00%**	**1962**	**2.318**	**Büros / Geschäfte**	**Eigengrund**	**4,3**	**4,3**	**NEIN**		
303	**Herzogenburg, St. Pöltner-Straße 40**	**100,00%**	**1999**	**1.190**	**Geschäfte**	**Eigengrund**	**1,6**	**1,6**	**NEIN**		
303	**Klagenfurt, Villacher Ring 19**	**100,00%**	**1997**	**1.584**	**nungen / Büros / Gesch**	**Eigengrund**	**1,5**	**1,5**	**NEIN**		
303	**Wr. Neustadt, Stadionstraße 42, BT 1-5**	**100,00%**	**1996**	**18.472**	**Fachmarktzentrum/Kino**	**Fremdgrund**	**29,2**	**29,2**	**Leasing**		**wirtschaftliches Eigentum (Leasing)**
303	**FMZ Pupping**	**100,00%**	**2001**	**1.637**	**Fachmarktzentrum**	**Fremdgrund**	**1,5**	**1,5**	**Leasing**		**wirtschaftliches Eigentum (Leasing)**
303	**Salzburg, Schumacherstraße 14**	**100,00%**	**2004**	**9.515**	**Büros / Geschäfte**	**Eigengrund**	**21,1**	**21,1**	**JA**	**Höchstbetragshypothek**	
303	**Brunn am Gebirge, Industriestraße B 18**	**100,00%**	**2005**	**9.064**	**s / Werkstätten / Lagerh**	**Eigengrund**	**4,1**	**4,1**	**NEIN**		
362	**Logistikpark Ailecgasse**	**100,00%**	**1996**	**15.500**	**s / Lager- und Logistikh**	**Eigengrund**	**4,1**	**4,1**	**NEIN**		
470	**Leipzig-Stahmeln, Wiesenring 48-50**	**94,00%**	**1998**	**106.150**	**Grundstück**	**Eigengrund**	**3,0**	**2,8**	**NEIN**		**geplantes Projekt: Gewerbe, Büro**
470	**Aschheim, Dywidagstraße/Bahnhofstrasse**	**94,00%**	**2010**	**7.001**	**Grundstück**	**Eigengrund**	**7,0**	**6,6**	**JA**	**Höchstbetragshypothek**	
478	**Landsberger Strasse**	**84,60%**	**2005**	**4.886**	**Grundstück**	**Eigengrund**	**8,3**	**7,0**	**JA**	**Höchstbetragshypothek**	
485	**Wien 11, Brehmstraße 10**	**100,00%**	**1999**	**10.163**	**Büros**	**Eigengrund**	**12,8**	**12,8**	**JA**	**Höchstbetragshypothek**	
489	**Wien 11, Brehmstraße 19**	**100,00%**	**1999**	**2.799**	**Grundstück**	**Eigengrund**	**1,3**	**1,3**	**NEIN**		
517	**FMZ Gdynia**	**70,00%**	**2010**	**26.379**	**Fachmarktzentrum**	**Eigengrund**	**38,2**	**26,7**	**JA**	**Höchstbetragshypothek**	**Fachmarktzentrum in Bau**
524	**FMZ Lublin**	**70,00%**	**2010**	**13.761**	**Fachmarktzentrum**	**engrund/61 % Fre**	**15,4**	**10,8**	**JA**	**Höchstbetragshypothek**	**Fachmarktzentrum in Bau**
525	**FMZ Sosnowiec**	**55,00%**	**2010**	**78.412**	**Anlagen in Bau**	**Eigengrund**	**4,3**	**2,4**	**NEIN**		**Fachmarktzentrum in Bau**
534	**Krakau, Ul. Pilotow 6**	**100,00%**	**2012**	**10.087**	**Büro**	**Eigengrund**	**17,1**	**17,1**	**JA**	**Höchstbetragshypothek**	
538	**Wroclaw, Ul. Kazimierza Wielkiego - Times**	**100,00%**	**2012**	**5.311**	**Anlagen in Bau**	**Eigengrund**	**5,7**	**5,7**	**NEIN**		**geplantes Projekt: Gewerbe, Büro**
563	**TOSAN park**	**100,00%**	**2008**	**683.559**	**Grundstück**	**Eigengrund**	**3,1**	**3,1**	**JA**	**Höchstbetragshypothek**	**geplantes Projekt: Gewerbe, Logistik, Büro**
575	**Prag, Klicperova 604**	**100,00%**	**1999**	**504**	**Büro**	**Eigengrund**	**0,9**	**0,9**	**NEIN**		
577	**PRAG, PLZENSKA 5 - ANDEL CITY**	**100,00%**	**1994**	**12.485**	**Kino, Parkgarage**	**Eigengrund**	**9,1**	**9,1**	**NEIN**		
	Immobilien von untergeordneter Bedeutung (ohne Gutachten)	**100,00%**					**6,9**	**6,9**			
				1.027.267			**206,3**	**185,8**			

	Gutachtenswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR
davon auf fremden Grund	41,3	38,4

Immobilien des Sachanlagevermögens (IAS 16)

	Objekt	Anteile	Jahr des Zuganges	Anzahl Hotelzimmer	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
533	**Hotel Radisson Blu Akademia, Breslau**	**100,00%**	**2002**	**162**	**Hotel**	**Eigengrund**	**22,7**	**22,7**	**JA**	**Höchstbetragshypothek**	
				162			**22,7**	**22,7**			

Immobilien des Umlaufvermögens (IAS 2)

	Objekt	Anteile	Jahr des Zuganges	Fläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
104	**Salzburg, Rainbergstraße 1, 1A-1D**	**99,00%**	**2011**	**5.966**	**Wohnungen**	**Eigengrund**	**29,5**	**29,2**	**JA**	**Höchstbetragshypothek**	**Abverkauf**
112	**Salzburg, Steinbruchstraße 1 - 3**	**99,00%**	**2010**	**1.095**	**Wohnungen**	**Eigengrund**	**8,3**	**8,2**	**NEIN**		**Abverkauf**
303	**Graz, St. Peter Hauptstraße 2**	**100,00%**	**2013**	**1.740**	**Grundstück**	**Eigengrund**	**1,7**	**1,7**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
303	**Klosterneuburg, Herthergasse 5**	**100,00%**	**2012**	**840**	**Wohnungen**	**Eigengrund**	**1,7**	**1,7**	**NEIN**		**in Entwicklung**
470	**Berlin-Hohenzollerndamm**	**94,00%**	**2013**	**10.592**	**Grundstück**	**Eigengrund**	**13,9**	**13,1**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
470	**Bergmannstraße, Altbau**	**94,00%**	**2008**	**1.608**	**Wohnungen**	**Eigengrund**	**6,1**	**5,7**	**JA**	**Höchstbetragshypothek**	**Abverkauf**
470	**Frankfurt, Friedrich-Dessauer-Strasse**	**94,00%**	**2012**	**6.008**	**Wohnungen**	**Eigengrund**	**4,9**	**4,6**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
488	**Berlin-Enckestraße**	**100,00%**	**2013**	**2.456**	**Grundstück**	**Eigengrund**	**8,5**	**8,5**	**NEIN**		**in Entwicklung**
508	**Residence Park Zakopianka**	**100,00%**	**2006**	**82.344**	**Grundstück**	**Eigengrund**	**14,7**	**14,7**	**NEIN**		**in Entwicklung**
510	**BIELANY**	**100,00%**	**2005**	**2.213**	**Wohnungen**	**Eigengrund**	**0,2**	**0,2**	**NEIN**		**Abverkauf**
515	**MALOCICE**	**100,00%**	**2005**	**232.199**	**Grundstück**	**Eigengrund**	**16,1**	**16,1**	**NEIN**		**in Entwicklung**
522	**Villa Galicja**	**100,00%**	**2008**	**1.244**	**Wohnungen**	**Eigengrund**	**2,0**	**2,0**	**NEIN**		**Abverkauf**
557	**Klanovice**	**100,00%**	**2005**	**19.377**	**Grundstück**	**Eigengrund**	**7,2**	**7,2**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
562	**Spindlerov Mlyn**	**100,00%**	**2012**	**3.498**	**Wohnungen**	**Eigengrund**	**12,1**	**12,1**	**NEIN**		**Abverkauf**
579	**Park Lipno**	**100,00%**	**2005**	**400.556**	**Grundstück**	**Eigengrund**	**2,0**	**2,0**	**NEIN**		**in Entwicklung**
582	**Bratislava, Jesènovia / Podkolibskà (Koliba Hill)**	**100,00%**	**2008**	**5.120**	**Grundstück**	**Eigengrund**	**2,0**	**2,0**	**NEIN**		**in Entwicklung**
910	**Tutzing am Starnberger See**	**82,72%**	**2013**	**20.844**	**Grundstück**	**Eigengrund**	**5,1**	**4,2**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
	Immobilien von untergeordneter Bedeutung (ohne Gutachten)*	100,00%					7,2	7,2	JA	Höchstbetragshypothek	in Entwicklung
				797.700			**143,2**	**140,4**			

Immobilien von Equity Beteiligungen

(Immobilien von Equity Beteiligungen sind keine Vermögenswerte des UBM Konzerns; diese Immobilien werden rein zu Informationszwecken angeführt.)

	Objekt	Anteile	Jahr des Zuganges	Fläche (m^2) / Anzahl Hotelzimmer	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des equity Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
277	**Linz, Hessenplatz 16 - 18**	**50,00%**	**2010**	**175**	**Hotel**	**Eigengrund**	**27,8**	**13,9**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
451	**BLV Passing**	**47,00%**	**2010**	**21.780**	**Büros / Geschäfte**	**Eigengrund**	**14,7**	**6,9**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
471	**München, Leuchtenbergring 20**	**95,04%**	**2002**	**22.543**	**Hotel/Büro/Gewerbe**	**Eigengrund**	**41,7**	**39,6**	**JA**	**Höchstbetragshypothek**	**in Betrieb und Entwicklung**
479	**Berlin, Andel's Hotel**	**50,00%**	**2006**	**557**	**Hotel**	**Eigengrund**	**96,7**	**48,4**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
514	**Warschau, ul. Polecki**	**50,00%**	**2006**	**145.116**	**Hotel / Büro / Lagerhaus**	**% Eigen / 16% Fre**	**149,2**	**74,6**	**JA**	**Höchstbetragshypothek**	**in Betrieb und Entwicklung**
516	**Krakau. Park Inn (Radisson)**	**50,00%**	**2009**	**152**	**Hotel**	**Eigengrund**	**22,5**	**11,3**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
553	**Pilsen, Angelo Hotel**	**50,00%**	**2004**	**144**	**Hotel**	**Eigengrund**	**10,2**	**5,1**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
565	**Prag, Dock V1**	**50,00%**	**2012**	**2.174**	**Büro**	**Eigengrund**	**nv**	**nv**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
569	**Amsterdam, Sarphatistraat 102-104**	**50,00%**	**2011**	**212**	**Hotel**	**Eigengrund**	**15,2**	**7,6**	**JA**	**Höchstbetragshypothek**	**in Entwicklung**
857	**Chitila Logistic Park**	**50,00%**	**2006**	**38.749**	**ogistik- und Lagerhalle**	**Eigengrund**	**17,1**	**8,6**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
872	**Warschau, Parkur Tower**	**50,00%**	**2004**	**9.729**	**Büros**	**Fremdgrund**	**13,2**	**6,6**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
873	**Katowice, Angelo Hotel**	**50,00%**	**2005**	**203**	**Hotel**	**Fremdgrund**	**28,2**	**14,1**	**JA**	**Höchstbetragshypothek**	**in Betrieb**
							436,5	**236,6**			

davon auf fremden Grund	65,3	32,6

Immobilienaufstellung des S&P Gruppe per 30.06.2014
beeinhaltet Liegenschaften, die erst nach dem 30. Juni 2014 von PORR Gruppe übertragen werden (siehe Erläuterungen im Gemeinsamen Bericht der Vorstände)

Anlage./3.2.4 zum Gemeinsamen Bericht der Vorstände

Finanzimmobilien (IAS 40)

Fn Nr	Objekt	Anteil in %	Jahr des Zuganges	Nutzfläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert / IFRS Verkehrswert in Mio EUR	Wert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
57	Rathausplatz Guntramsdorf	100,00%	2009	7.519	Mixed Use	Eigengrund	15,2	15,2	JA	Pfandrecht	in Betrieb
194	EPS Welser Straße 17 - Business.Hof Leonding 1	100,00%	2011	4.660	Retail	Eigengrund	1,4	1,4	NEIN	-	in Betrieb
200	Unterpremstätten - Bierbaum (IBC)	100,00%	1999	139.627	Liegenschaften	Eigengrund	12,4	12,4	NEIN	-	
203 / 333	Unterpremstätten - Freizeitzentrum Schwarzl See	100,00%	1994	1.191.819	Sozialimmobilie	Fremdgrund	7,9	7,9	NEIN	-	Leasing
206	Unterpremstätten, Seering 13, 14 (IBC West - Block K, L)	100,00%	2000	6.854	Office	Fremdgrund	12,0	12,0	NEIN	-	Leasing
207	Unterpremstätten, Seering 5-7 (IBC Ost)	100,00%	2002	6.438	Office	Eigengrund	9,2	9,2	JA	Pfandrecht	
227	Wien, Laaerberg Straße - Baupl. 5 "rosa" (Monte Laa)	75,00%	2002	8.405	Office	Eigengrund	4,5	3,4	JA	Pfandrecht	Entwicklung
262	Wien, Laaerberg Straße - Platte (Monte Laa)	100,00%	2002	-	Grundstück	Eigengrund	15,2	15,2	JA	Pfandrecht	Überplattung A23; 5.811 m² Grundfläche
298	Office Franzosengraben	100,00%	2006	8.354	Office	Eigengrund	7,7	7,7	JA	Pfandrecht	in Betrieb
300	Eisenstadt, Lobäckerstraße 61	100,00%	1990	1.016	Office/Lagerplatz	Eigengrund	1,1	1,1	NEIN	-	Leerstand
300	Salzburg, Söllheimer Straße 4	100,00%	1973	1.735	Office	Eigengrund	2,7	2,7	NEIN	-	dzt. vermietet
300	Graz-Thondorf, Liebenauer Hauptstraße 318	100,00%	2001	-	Grundstück	Eigengrund	10,7	10,7	NEIN	-	66.250 m² Grundfläche
338	Graz, Bahnhofcenter	100,00%	2004	3.471	Retail	Fremdgrund			JA	Pfandrecht	Baurechtsliegenschaft
338	Graz, Hochgarage PVA	100,00%	2004	1.519	Office	Fremdgrund	14,1	14,1	JA	Pfandrecht	Baurechtsliegenschaft
338	Graz, GKB Hotel	100,00%	2013	4.476	Hotel	Fremdgrund			JA	Pfandrecht	Baurechtsliegenschaft
328	Doppio Office	100,00%	2007	4.177	Office	Eigengrund	18,1	18,1	JA	Pfandrecht	in Betrieb
347	Aldrans-Lans- Sistrans	100,00%	2006	4.774	Office	Eigengrund	1,7	1,7	JA	Pfandrecht	in Betrieb
379	Rinnböckstraße - Litfassstraße	100,00%	2008	-	Grundstück	Eigengrund	1,0	1,0	NEIN	-	5.331 m² Grundfläche
387	Gotramgasse	100,00%	2009	-	Grundstück	Eigengrund	10,2	10,2	JA	Pfandrecht	19.486 m² Grundfläche
574	Office Karlsbad	100,00%	2011	6.760	Office	Eigengrund	10,5	10,5	JA	Pfandrecht	in Betrieb
617	Wohnhausanlage Sitnica	100,00%	2008	11.828	Residential	Eigengrund	18,4	18,4	JA	Pfandrecht	Wohnungsabverkauf / Entwicklung
636	Gamma Real Estate, Budapest Arena XIX	100,00%	2007	-	Gundstück	Eigengrund	3,7	3,7	NEIN	-	8065 m² Grundfläche; Entwicklung
693	Lamda Imobiliare, Chitila	100,00%	2007	-	Gundstück	Eigengrund	3,6	3,6	NEIN	-	89.127 m² Grundfläche; Entwicklung
777	Salzburg, MultiStorage	75,00%	2008	4.888	Retail	Fremdgrund	4,1	3,1	JA	Hypothek auf Baurecht	in Betrieb; teilweise Leasing
1013	SONUS City, Berlin	84,00%	2013	26.416	Residential	Eigengrund	23,3	19,6	JA	Grundschuld	Entwicklung
1027	Arena Boulevard, Berlin	94,00%	2013	7.939	Büro	Eigengrund	4,1	3,9	JA	Grundschuld	Entwicklung
	Immobilien mit untergeordnetem Wert kleiner EUR 1,0 Mio			9.289			7,2	7,2			
	SUMME			**1.461.964,8**			**220,0**	**213,9**			

Immobilien des Sachanlagevermögens (IAS 16)

Fn Nr	Objekt	Anteil in %	Jahr des Zuganges	Nutzfläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert / IFRS Verkehrswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
203	Unterpremstätten, Seering 10 (Hotel)	100,00%	2002	5.174	Hotel	Eigengrund	6,7	6,7	NEIN	-	
935	Wien, Absberggasse 47 (PORR Zentrale)	100,00%	1999	16.857	Office	Eigengrund	48,3	48,3	NEIN	-	
	SUMME			**22.031**			**55,0**	**55,0**			

Immobilien des Umlaufvermögens (IAS 2)

Fn Nr	Objekt	Anteil in %	Jahr des Zuganges	Nutzfläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert / IFRS Verkehrswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
198	Wohnen Bad Ischl	100,00%	2010	2.287	Wohnungen	Eigengrund	5,0	5,0	JA	Pfandrecht	NFL bezieht sich auf gesamtes Objekt; laufender Wohnungsverkauf
458	Berlin, Neuenhagener Str. 1A+B, 2+2A, 3 (Münsterbergerweg)	94,00%	1995	1.577	Wohnungen	Eigengrund	2,10	2,0	JA	Grundschuld	
	Immobilien mit untergeordnetem Wert kleiner EUR 1,0 Mio			0			0,3	0,3			
				3.864			**7,4**	**7,3**			

Immobilien von Equity Beteiligungen
(Immobilien von Equity Beteiligungen sind keine Vermögenswerte des UBM Konzerns; diese Immobilien werden rein zu Informationszwecken angeführt.)

Fn Nr	Objekt	Anteil in %	Jahr des Zuganges	Nutzfläche (m^2)	Art der Immobilie	Eigen-/ Fremdgrund	Gutachtenswert / IFRS Verkehrswert in Mio EUR	Gutachtenswert bezogen auf die Höhe des Anteils in Mio EUR	Hypothekarische Besicherung	Art der Hypothek	Sonstige Anmerkungen
17	LiSciV Muthgasse GmbH & Co KG	26,67%	2011		Grundstück	Eigengrund	3,3	0,9	JA	Pfandrecht	Entwicklung
66	Jochberg Kitzbüheler Straße Errichtungs und Beteiligungsverwaltungs	50,00%	2007	2.435	Hotel	Eigengrund	13,4	6,7	JA	Pfandrecht	in Betrieb
161	Klagenfurt, St. Peterstraße 14-16	50,00%	2000		Grundstück	Eigengrund	1,4	0,7	NEIN	-	18.479 m² Grundfläche
208	Unterpremstätten, Seering 2-8 (Impulszentrum)	46,00%	2002	13.186	Office	Fremdgrund	23,5	10,8	NEIN	-	Leasing
213	REHA Tirol Errichtungs GmbH	49,00%	2009	13.544	Health	Eigengrund	45,1	22,1	JA	Pfandrecht	in Betrieb
234	Wien, Landstrasser Hauptstraße 2A+B - "W3" Teil 8 (W3)	53,33%	1995	19.799	Retail	Eigengrund	76,1	22,1	NEIN	-	Leasing
241	Linz, Winetzhammerstrasse 8	10,00%	1992	1.828	Büros	Fremdgrund	1,2	0,1	NEIN	-	Baurecht
246	Wien, Johannagasse 2	10,00%	1990	1.885	ungen / Büros / Gesc	Eigengrund	2,1	0,2	NEIN	-	
293	Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG	26,67%	2007	-	Grundstück	Eigengrund	4,6	1,2	JA	Pfandrecht	Entwicklung
377	Jochberg Hotelprojektentwicklungs- und Beteiligungsverwaltungs Gml	50,00%	2007	17.848	Hotel	Eigengrund	58,3	29,2	JA	Pfandrecht	in Betrieb
760	"IQ" Immobilien GmbH & Co KG	50,00%	2007	12.200	Office	Eigengrund	20,1	10,1	JA	Pfandrecht	in Betrieb
762	Seeresidenz am Wolfgangsee Bauträger GmbH	45,00%	2007	-	Grundstück	Eigengrund	2,3	1,0	JA	Pfandrecht	8.925 m² Grundfläche; Grundstücksverkauf
765	Seeresidenz am Wolfgangsee Projektentwicklungs- und Errichtungs G	45,00%	2007	-	Grundstück	Eigengrund	3,8	1,7	JA	Pfandrecht	16.259 m² Grundfläche; Grundstücksverkauf
767	Beteiligung Ehrenhausen	30,00%	2007	-	Grundstück	Eigengrund	2,9	0,9	JA	Pfandrecht	
771	Palais Hansen Immobilienentwicklung GmbH	33,57%	2007	25.100	Hotel	Eigengrund	115,7	38,8	JA	Pfandrecht	in Betrieb
780	PEM Projektentwicklung Murgalerien GmbH & Co KG	50,00%	2008	4.125	Office	Eigengrund	7,5	3,8	JA	Pfandrecht	in Betrieb
790	KBB - Klinikum Besitz- und Betriebs Gesellschaft m.b.H.	15,96%	2010	22.535	Health	Eigengrund	3,9	0,6	JA	Pfandrecht	in Betrieb
1002	CCG Nord Projektentwicklung GmbH & Co KG	50,00%	2012	-	Grundstück	Eigengrund	7,1	3,6	JA	Pfandrecht	in Betrieb
1009	umfeld.strauss immobilien	30,00%	2012	1.100	Residential	Eigengrund	1,0	0,3	JA	Pfandrecht	Entwicklung
1011	Twin Yards, München	50,00%	2013	13.557	Office	Eigengrund	15,1	7,6	JA	Grundschuld	Entwicklung
1016	CCG Immobilien GmbH	49,90%	2012	28.906	Logistik	Eigengrund	39,0	19,5	JA	Pfandrecht	in Betrieb / Entwicklung
	Immobilien mit untergeordnetem Wert kleiner EUR 1,0 Mio			20.819			1,20	0,3			
	SUMME			**198.867**			**448,6**	**182,0**			