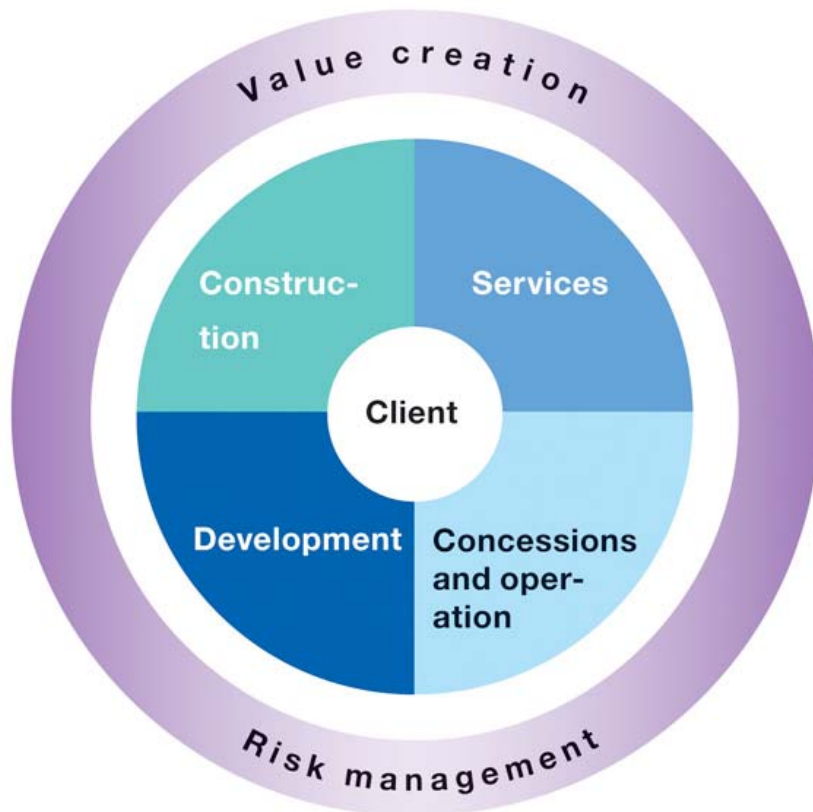


# TURNING VISION INTO VALUE.

Roadshow London  
23 May 2005

Dr. Hans-Georg Vater, CFO

## HOCHTIEF is about...value creation



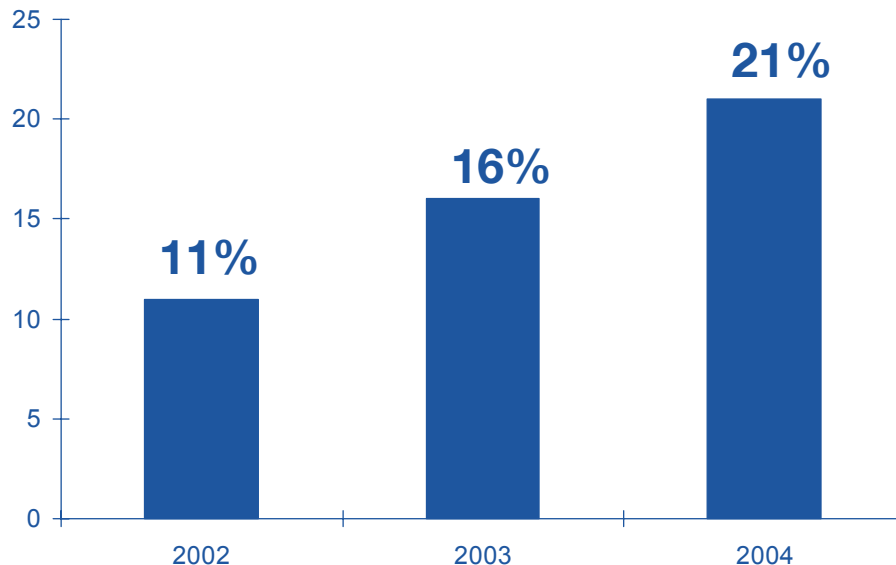
- HOCHTIEF is designed to **meet** the full range of **client needs** maximizing profit potential
- **Core strengths:**
  - An **holistic solution for clients:** Development, Construction, Services, Concessions and Operation
  - **Technical excellence**
  - Combination of **international strength with local focus**
- **Balanced portfolio** by geography, sector and project life
- **Risk Management** – the key consideration

# Construction

Leading the competition from price to quality



## Portion of PreFair projects of HTE building activities (%)

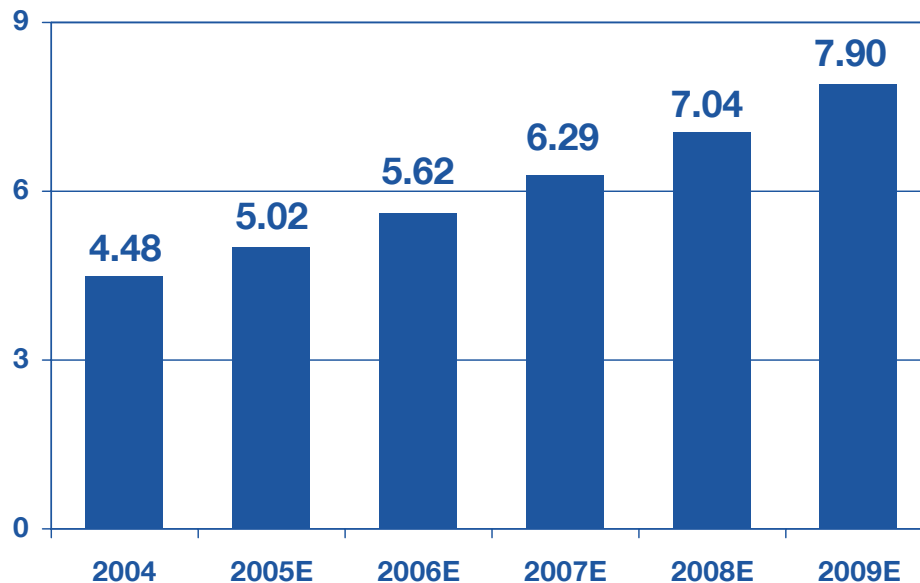


- **Quality competition boosts quality earnings**
- **Improvement of reliability and visibility of earnings**
- **Increases likelihood of repeat business**
- **Target to increase PreFair portion to approx. 30% of HTE building activities by 2006**

## Services

### Strong growth in market opportunity

Market growth integrated Facility Management (EUR bn)<sup>1)</sup>:



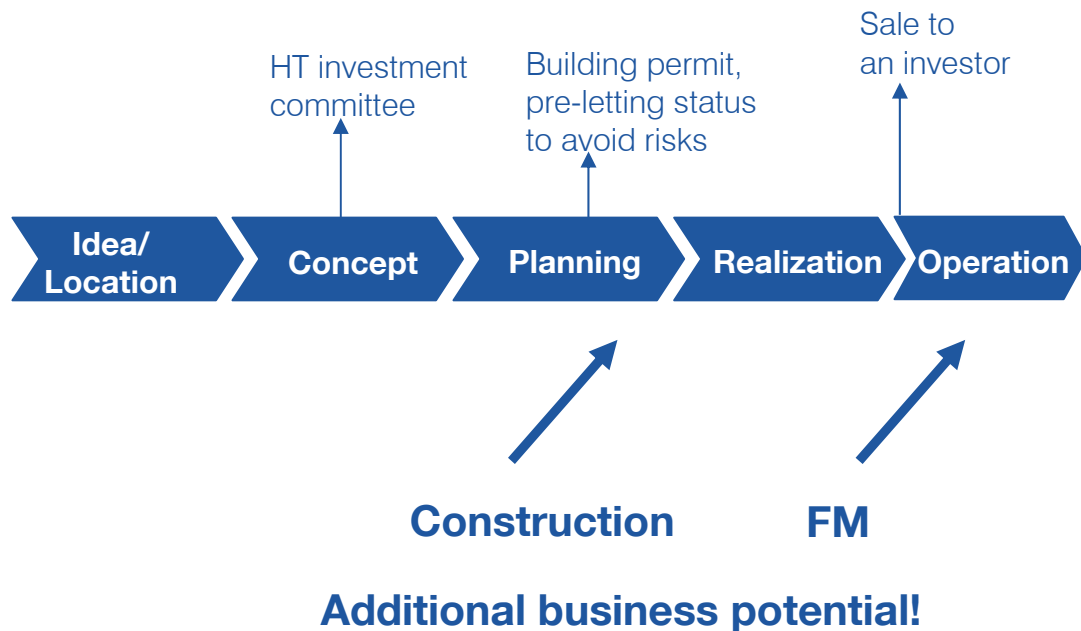
1) Source: Helbling Study and internal research



- **Growth of German market for integrated FM services >10% p.a.**
- **HT FM target: EBT margin of > 4% by 2006**
- **Future focus on six segments**
  - Automotive
  - Airport/Airline
  - Healthcare
  - Engineering
  - Chemicals/Pharmacy
  - Banks/Insurance

# Development

Controlling profitability in project development

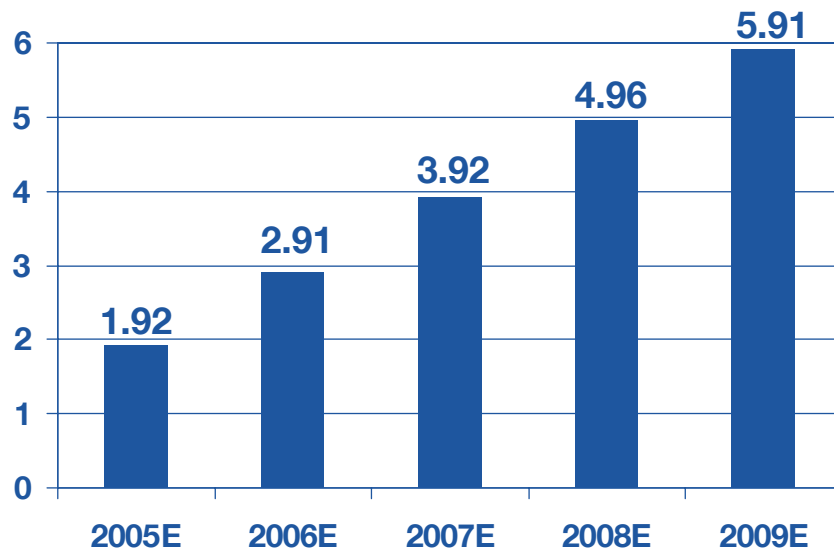


- **Projects selected with strict IRR target > 14%**
- **Particular concentration on CEE**
- **HT real estate development essentials:**
  - Projects under construction: EUR 800m
  - Equity exposure: EUR 150m;
  - Future topics: “Redevelopment”, “Green building”

# Concessions and operation

## Market prospects in Germany

Expected PPP volume in public buildings  
Germany (EUR bn):



1) Source: Dt. Institut für Urbanistik (Difu) and internal research

2) Related to public building



- **HT PPP essentials<sup>2)</sup>:**

- Project volume: EUR 600m
- Equity exposure: EUR 4m
- IRR 12-15%
- Market leader in Germany and most successful domestic bidder in 04:
  - 50% of targeted market

- **Expected PPP market volume 05 to 09 (EUR m):**

- Schools: 11,350
- Hospitals: 7,250
- Administration: 1,020

# HOCHTIEF AirPort Capital (HTAC)

## Demonstrating value

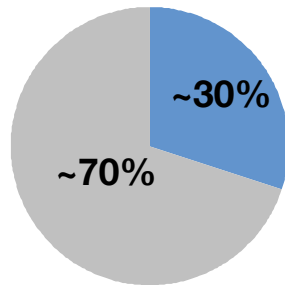


- Implied value of airport portfolio in excess of EUR 1bn
- Combination of HT's industrial ability with innovative financial engineering
- HTAC establishes a framework for future growth through a leading role in privatizations

# The Group picture

## Balancing the business

### Sales<sup>1)</sup> 04:



- **Group EBT margin:**

2002	2003	2004
1.0%	1.5%	1.6%

- **Group ROCE:**

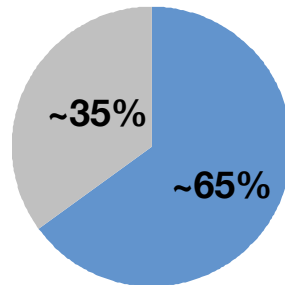
2002	2003	2004
9.2%	13.7%	14.2%

- **Group mid-term targets:**

EBT margin > 2%

ROCE > 14%

### EBT 04:



**Construction activities**

**Non-Construction activities**

1) Including pro-rata contribution of at-equity participations

## Looking forward

An holistic approach to our clients will bring...

- Profitability improvement in **German and European construction business**
- A strong boost to growth from **German and international PPP** projects
- Attractive profitability from **real estate development**
- Margin growth from an expanding **Facility Management** business
- Enhanced value creation from the **HTAC partnership**

## Highlights first quarter 2005

A quarter of strategic success

- **Airport investment partnership delivers significant earnings boost and demonstrates portfolio value**
- **New major PPP contract wins confirm market leadership**
- **Facility Management acquisitions fully integrated and returning to predicted margins**
- **Continued strengthening of European construction activities**
- **Margin improvement across all divisions**

## Group figures

### Essentials

- **Sales: significant increase despite negative f/x effect of EUR 99m**
- **EBT: positive effect of HTAC transaction adds to underlying improvement**
- **Margin improvement across the Group**
- **High tax expenses remain, Q1 tax rate lower due to nearly tax-free HTAC book gain**
- **Capex level reflects continued opportunities in non-construction activities (contract mining)**

### Financials (EUR m)

(EUR m)	Q1 05	Q1 04	% change	2004
New orders	<b>2,807.3</b>	3,920.3	-28.4	15,586.7
Work done	<b>2,949.3</b>	2,709.9	8.8	13,106.9
Order backlog	<b>19,247.5</b>	18,340.9	4.9	18,715.3
Sales	<b>2,596.9</b>	2,513.2	3.3	11,943.7
EBITA	<b>70.8</b>	30.5	132.1	227.0
EBT	<b>62.3</b>	37.4	66.6	187.3
EBT margin (%)	<b>2.4</b>	1.5	60.0	1.6
Income taxes	<b>-25.2</b>	-21.8	15.6	-106.2
EAT	<b>37.1</b>	15.6	137.8	81.1
of which: consolidated	<b>28.1</b>	6.5	332.3	41.2
of which: minorities	<b>9.0</b>	9.1	-1.1	-39.9
Cash flow	<b>34.5</b>	63.4	-45.6	319.7
Capex	<b>119.3</b>	93.9	27.1	678.1

Q1 04 figures have been restated in the amount of goodwill amortization (EUR 6m).

## HOCHTIEF Airport

### Essentials

- **March 2005: investment partnership HTAC demonstrates portfolio value**
- **HTAC produces net effect of EUR 52m on HTA EBT**
- **Positive EBT before HTAC effect, ahead of 2005 break-even target**
- **Increased PAX numbers – best positioned for further earnings increase**

### Financials (EUR m)

(EUR m)	Q1 05	Q1 04	% change	2004
Net income from particip.	<b>9.9</b>	7.1	39.4	27.0
EBITA	<b>62.7</b>	5.6	1,019.6	14.7
EBT	<b>54.4</b>	-2.2	2,572.7	-14.3
Cash flow	<b>-15.8</b>	1.1	-1,536.4	19.4
Capex	<b>0.4</b>	0.5	-20.0	0.5
Capital employed	<b>589.7</b>	653.6	-9.8	682.3

# HOCHTIEF Development

## Essentials

- **Strengthening of market position, major PPP contract wins:**
  - **Cologne schools (project vol.: EUR 125m, HT equity: EUR 4.1m)**
  - **Chiloé bridge (project vol.: EUR 400m, HT equity: EUR 8.4m)**
- **FM acquisitions increase their contribution**

## Financials (EUR m)

(EUR m)	Q1 05	Q1 04	% change	2004
New orders	<b>113.5</b>	471.7	-75.9	1,297.4
Work done	<b>169.5</b>	131.9	28.5	838.6
Order backlog	<b>1,707.3</b>	1,213.2	40.7	1,741.5
External sales	<b>159.2</b>	116.3	36.9	723.8
EBITA	<b>4.4</b>	1.5	193.3	50.6
EBT	<b>4.1</b>	2.5	64.0	41.7
EBT margin (%)	<b>2.6</b>	2.1	23.8	5.8
Cash flow	<b>3.1</b>	4.6	-32.6	-14.7
Capex	<b>1.9</b>	15.9	-88.1	125.7
Capital employed	<b>502.4</b>	460.5	9.1	528.7

# HOCHTIEF Construction Services Americas

## Essentials

- **Margins still tight, focus remains on earnings quality improvement**
- **After successful restructuring, Canadian activities show improvement**
- **Major new projects in healthcare**

## Financials (EUR m)

(EUR m)	<b>Q1 05</b>	Q1 04	% change	2004
New orders	<b>1,541.5</b>	1,823.9	-15.5	6,396.1
Work done	<b>1,241.3</b>	1,147.4	8.2	5,683.5
Order backlog	<b>6,339.9</b>	6,351.3	-0.2	5,746.1
External sales	<b>1,212.9</b>	1,176.8	3.1	5,605.2
EBITA	<b>9.7</b>	8.5	14.1	55.1
EBT	<b>7.0</b>	5.6	25.0	42.0
EBT margin (%)	<b>0.6</b>	0.5	20.0	0.7
Cash flow	<b>10.2</b>	5.8	75.9	43.9
Capex	<b>3.4</b>	11.5	-70.4	21.7
Capital employed	<b>226.1</b>	292.5	-22.7	200.6

## HOCHTIEF Construction Services Asia Pacific

### Essentials

- **No repeat of last year's exceptional order volume but still on high level**
- **Problem projects back on track**
- **High Capex in contract mining, a long-term business with predictable profits**

### Financials (EUR m)

(EUR m)	<b>Q1 05</b>	Q1 04	% change	2004
New orders	<b>593.0</b>	1,042.8	-43.1	5,521.7
Work done	<b>1,027.8</b>	907.3	13.3	4,038.9
Order backlog	<b>8,524.5</b>	7,931.0	7.5	8,602.4
External sales	<b>761.0</b>	792.9	-4.0	3,446.4
EBITA	<b>26.3</b>	19.7	33.5	119.0
EBT	<b>23.6</b>	20.2	16.8	109.3
EBT margin (%)	<b>3.1</b>	2.5	24.0	3.2
Cash flow	<b>71.0</b>	58.2	22.0	296.3
Capex	<b>106.6</b>	58.5	82.2	494.1
Capital employed	<b>673.4</b>	337.7	99.4	510.5

## HOCHTIEF Construction Services Europe

### Essentials

- **Sales: defying market commentators and well in line with our expectations**
- **Margins continue to increase**
- **Major new project in shopping centres**
- **Selective expansion into new European markets with acquisition of Mélyepitő to compete for lucrative Hungarian contracts**

### Financials (EUR m)

(EUR m)	Q1 05	Q1 04	% change	2004
New orders	<b>540.1</b>	562.1	-3.9	2,295.1
Work done	<b>491.5</b>	503.5	-2.4	2,469.5
Order backlog	<b>2,675.8</b>	2,845.4	-6.0	2,625.3
External sales	<b>440.6</b>	403.7	9.1	2,086.9
EBITA	<b>0.2</b>	-4.3	104.7	25.8
Earnings before tax	<b>5.4</b>	0.8	575.0	28.7
EBT margin (%)	<b>1.2</b>	0.2	500.0	1.4
Cash flow	<b>15.5</b>	5.8	167.2	36.4
Capex	<b>5.8</b>	7.5	-22.7	24.0
Capital employed	<b>-112.9</b>	-129.3	12.7	-143.3

## Group Cash flow

### Essentials

- **HTAC inflow shown in net cash provided by operating activities (“other balance sheet items”)**
- **HTAC transaction leads to significant increase of Free cash flow, despite Capex increase**

(EUR m)	Q1 05	Q1 04	% change
<b>Cash flow</b>	<b>34.5</b>	63.4	-45.6
Net cash provided by operating activities	<b>76.0</b>	-266.8	128.5
Net cash used in investing activities	<b>-100.9</b>	-5.6	-1,701.8
Net cash used in financing activities	<b>-37.5</b>	-90.5	58.6
<b>Net change in cash and cash equivalents</b>	<b>-62.4</b>	-362.9	82.8
<b>Cash and cash equivalents at end of period</b>	<b>733.1</b>	722.3	1.5
Net cash provided by operating activities	<b>76.0</b>	-266.8	-128.5
Capex (pp&e)	<b>-116.8</b>	-37.6	210.6
Proceeds from asset disposals (pp&e)	<b>11.9</b>	1.6	643.8
Capex (financial assets)	<b>-2.5</b>	-56.4	-95.6
Proceeds from asset disposals (financial assets)	<b>61.1</b>	0.0	n.a.
Changes in cash and cash equivalents due to consolidation changes	<b>0.5</b>	0.3	66.7
<b>Free cash flow</b>	<b>30.2</b>	-358.9	-108.4

# Consolidated balance sheet

## Essentials

- Effects due to HTAC**

**transaction:**

- decrease of financial assets (EUR 54m)
- increase of cash and cash equivalents (EUR 298m)
- increase of shareholders' equity (EUR 185m)

- Equity ratio: 29%**

- Gearing ratio: 34%**

- Net cash end Q1 05: EUR 732m**


- 1) incl. bonds or notes issued  
2) w/o amounts due to banks

	Assets		Liabilities		
	31 Mar 05	31 Dec 04	31 Mar 05	31 Dec 04	
Intangible assets, pp&e	1,271.8 (17.2%)	1,197.5 (16.4%)	2,132.0 (28.8%)	1,904.6 (26.1%)	Shareholders' equity
Financial Assets	899.5 (12.2%)	959.2 (13.2%)			
Other long-term assets	339.9 (4.6%)	382.7 (5.2%)	1,115.9 (15.1%)	1,130.2 (15.5%)	Amounts due to banks <sup>1)</sup>
Inventories, receivables, other current assets, current income tax assets	3,097.8 (41.8%)	2,984.3 (41.0%)	612.7 (8.3%)	601.9 (8.3%)	Long-term liabilities <sup>2)</sup>
Marketable securities and cash	1,793.2 (24.2%)	1,761.6 (24.2%)	3,541.6 (47.8%)	3,648.6 (50.1%)	Short-term Liabilities <sup>2)</sup>
	<b>7,402.2</b>	<b>7,285.3</b>	<b>7,402.2</b>	<b>7,285.3</b>	

(EUR m)

## Group outlook 2005

(EUR m)	2004	2005E
<b>Sales</b>	11,944	on previous year's level
<b>EBT</b>	187	growth of around one-quarter
<b>Net income</b>	41	growth by more than one-half
<b>New orders</b>	15,587	on normalized high level (below 2004 record high)
<b>Order backlog</b>	18,715	in 2004 record high range



# Appendix

## HTAC impact at a glance

(EUR m)

- **Cash flow**

- Increase of net cash provided by operating activities (“changes in other balance sheet items”) (EUR 298m transaction proceeds)

- **P&L**

- |   |                  |
|---|------------------|
| - EUR 63m book gain   | 63               |
| - EUR 11m transaction related costs booked on HTA level         | ./ .11           |
| -> <b>EUR 52m net effect on HTA level</b>                       | <b><u>52</u></b> |
| - EUR 31m strengthening of Group reserves booked on Group level | ./ .31           |
| -> <b>EUR 21m net effect on Group level</b>                     | <b><u>21</u></b> |

- **Balance sheet**

- Decrease of financial assets (EUR 54m)
- Increase of cash and cash equivalents (EUR 298m)
- Increase of shareholders’ equity (EUR 185m)

## Disclaimer

“Certain of the statements contained herein may be statements of future expectations and other forward-looking statements that are based on management’s current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements that are forward-looking by reason of context, the words “may,” “will,” “should,” “expect,” “plan,” “intend,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” or “continue” and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements.

The Company assumes no obligation to update any forward-looking statement.”

## Financial calendar and IR contact

<b>17 Aug 05</b>	<b>Q2 results 2005 and Analysts' and Investors' Conference</b>
<b>17 Nov 05</b>	<b>Q3 results 2005 and Conference Call</b>
<b>23 Mar 06</b>	<b>Full year results 2005 and Analysts' and Investors' Conference</b>
<b>10 May 06</b>	<b>General Shareholders' Meeting</b>
<b>15 May 06</b>	<b>Q1 results 2006 and Conference Call</b>

HOCHTIEF Aktiengesellschaft  
Investor Relations  
Opernplatz 2  
45128 Essen  
Germany  
Phone: +49 201 824 2127  
Fax: +49 201 824 2750  
[investor-relations@hochtief.de](mailto:investor-relations@hochtief.de)