



**German Corporate Conference, Deutsche Bank
Frankfurt,
31 March 2004**

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Dr. Hans-Georg Vater, CFO HOCHTIEF**

Agenda

| | | |
|-----|----------------------------|----|
| I | HOCHTIEF at a glance | 3 |
| II | Financial performance 2003 | 7 |
| III | Outlook | 11 |
| IV | Strategy | 13 |
| V | Business activities | 19 |
| VI | Key investment highlights | 24 |

HOCHTIEF – the International Construction Services Provider

Global player with excellent market positions

- #1 construction services provider in the US and Australia
- Leading positions in Asia Pacific and Germany
- 82% of total work done outside Germany from 24% in 1998
- #2 independent airport manager worldwide

Strong performance

- Successful turnaround of German construction business
- Improved operating earnings despite challenging markets
- New orders (local currency) and order backlog at record high

Growing and successful services provider

- Successful diversification into higher margin, lower risk construction-related services
- Strategy to grow services from 31% in 2003 to around 50% of work done by 2007

HOCHTIEF – leading international contractor worldwide

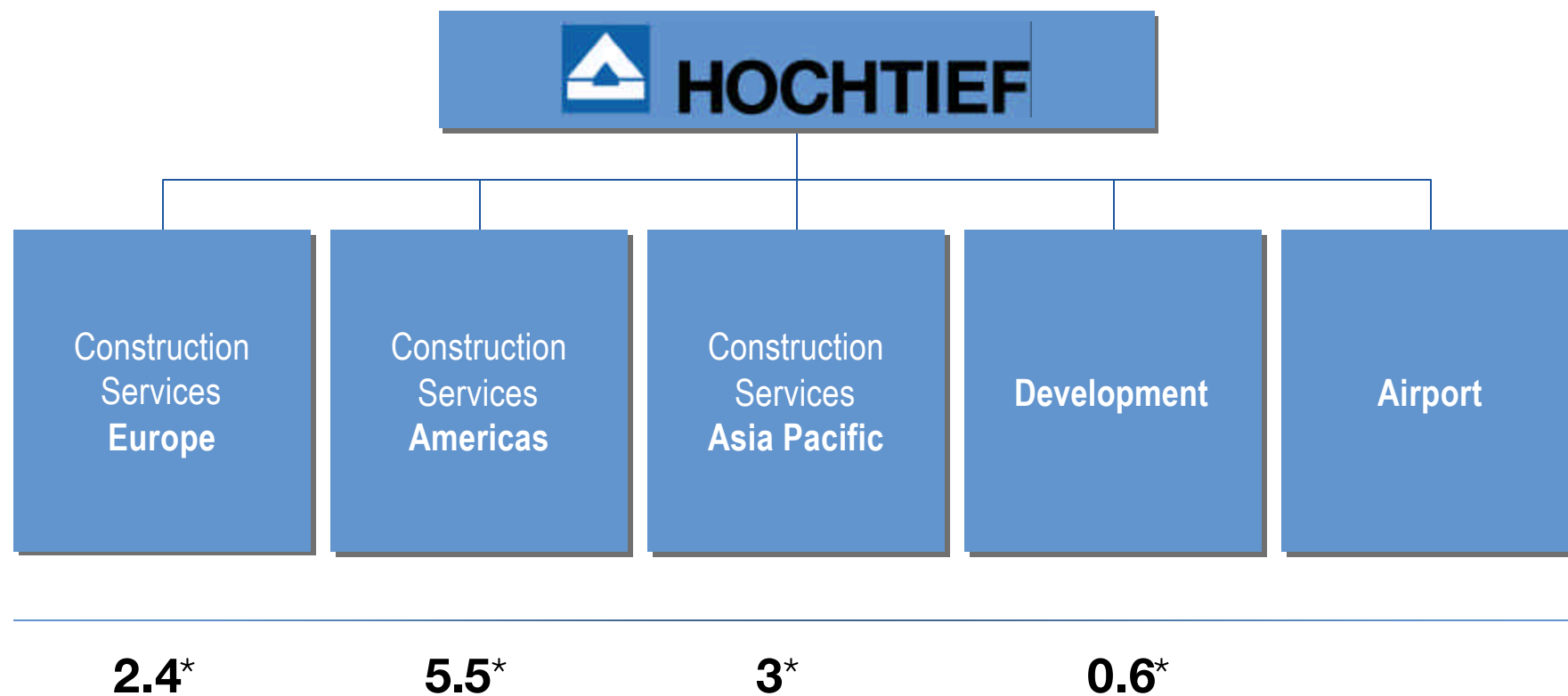
Leading in 3/4 of the addressable market segments

ENR TOP 225 International Contractors December 2003 survey:

| # 1 position | # 2 position | # 3 position |
|---------------------------------------|------------------------------|---------------------|
| Commercial Offices | General Building | Government Offices |
| Sports | Multi-Unit Residential | Highways |
| Retail | Auto Assembly | Mass Transit & Rail |
| Entertainment | Health Care | Airports |
| Correctional Facilities | Education | |
| Hotels, Motels, Convention Centers | Data Centers & Web Hotels | |
| Hazardous Waste | | |
| Industrial Process | | |
| Pharmaceutical Plants | | |

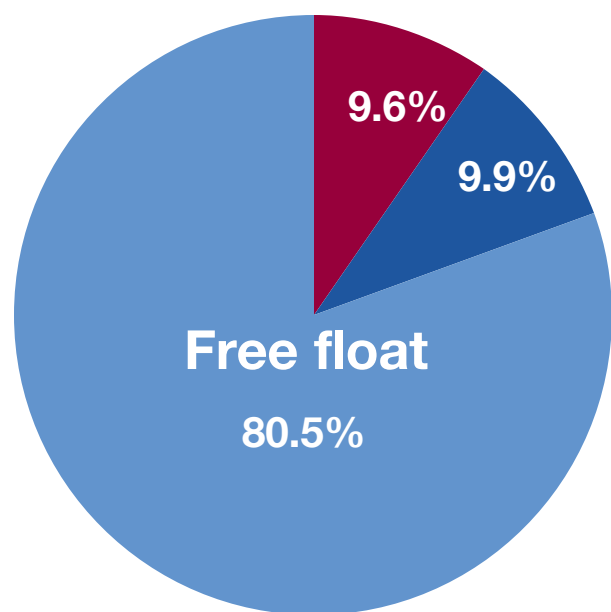
Source: Engineering News Record, Dec. 2003 (McGraw Hill, US)

Divisional structure



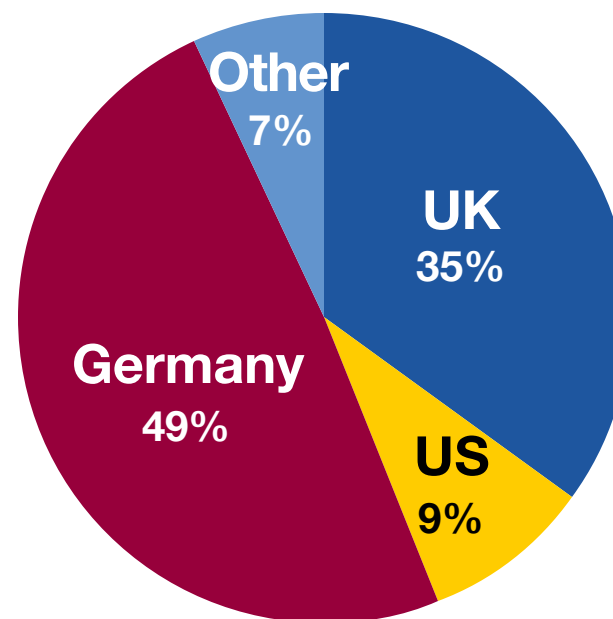
* 2003 work done in EUR bn

New shareholder structure (as of 25 Feb 04)



■ RWE (Exchangeable)

■ Treasury stock (HOCHTIEF)



Regional allotment of Free float

Total: 70 million shares

I HOCHTIEF at a glance

Significant improvement in earnings situation

- **2003 strong Group operating results**

EBITA: EUR 220m (+41%)

EBT: EUR 160m (+32%)

- **2003 return to profitability of German/European construction business**

EBT: EUR 10.4m (2002: EBT -EUR 105.3m)

- **Promising 2004 prospects** and further **strengthening** of **competitive situation;**

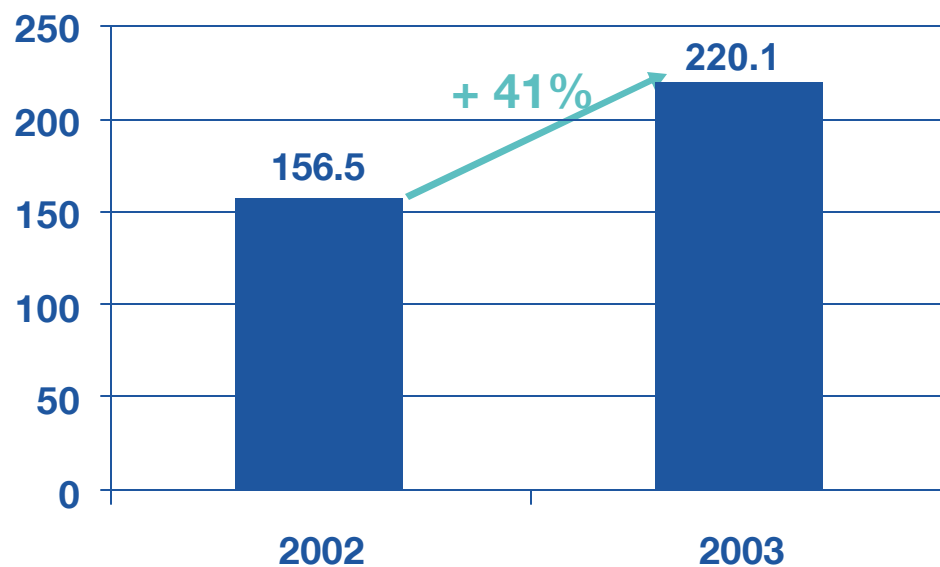
Group **order backlog** at **record high** of EUR 16.5bn (+17%) at year end 2003

- **Shareholders** will continue to **benefit** from **profitability,**

dividend increased to EUR 0.65 per share (+18%)

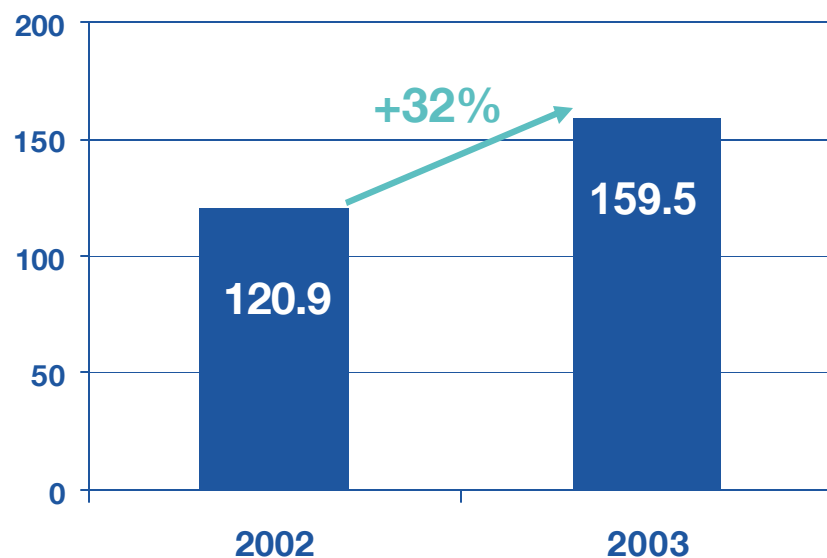
Strong financial performance...

EBITA (EUR m)

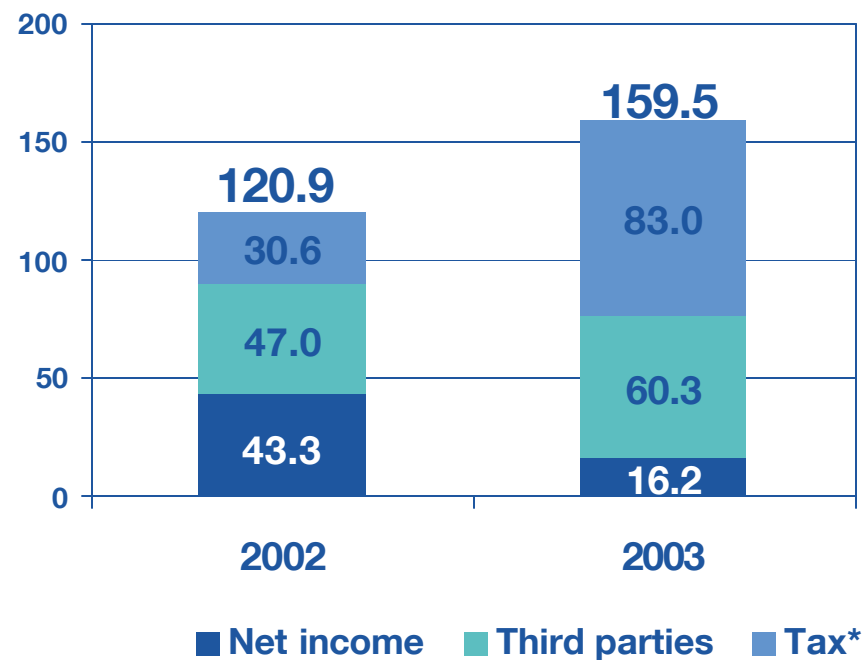


...strong financial performance

EBT (EUR m)



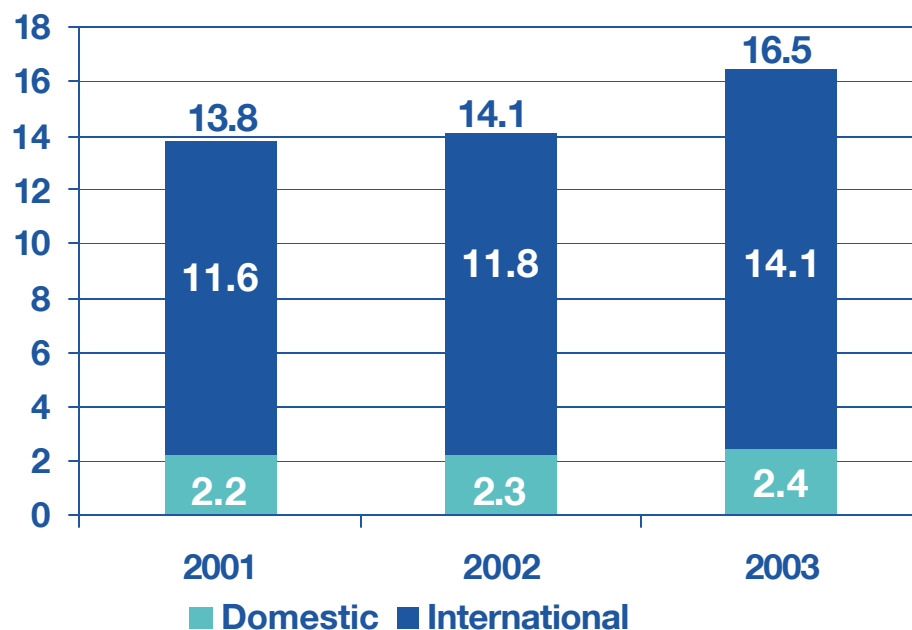
EBT -> Net income (EUR m)



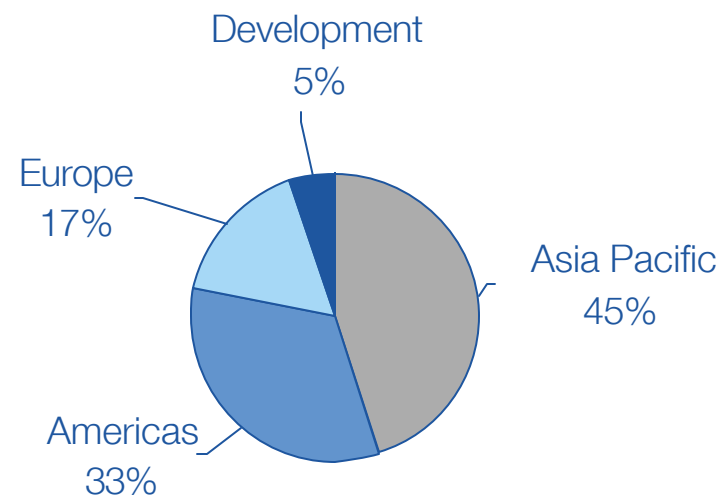
* No recognition of deferred taxes in 2003 (approx. EUR 15m)

Order backlog at record high supports positive outlook

Order backlog (EUR bn)



Order backlog by divisions



- Record high in order backlog despite currency impact
- Excellent basis for 2004 and beyond

Promising first two months 2004

- **Group order intake***
- **Group work done***
- **Group order backlog vs. 12/03**
- **Group order backlog vs. 02/03**
- **HT Europe order intake**



* fixed exchange rates

Outlook

Europe

- Further improving performance based on high quality backlog

Americas

- Market share gains driving profits

Asia Pacific

- Sustained profit growth

Development

- Slight slowdown possible due to selective order intake

Airport

- Ramp up of results expected in 2005



Group

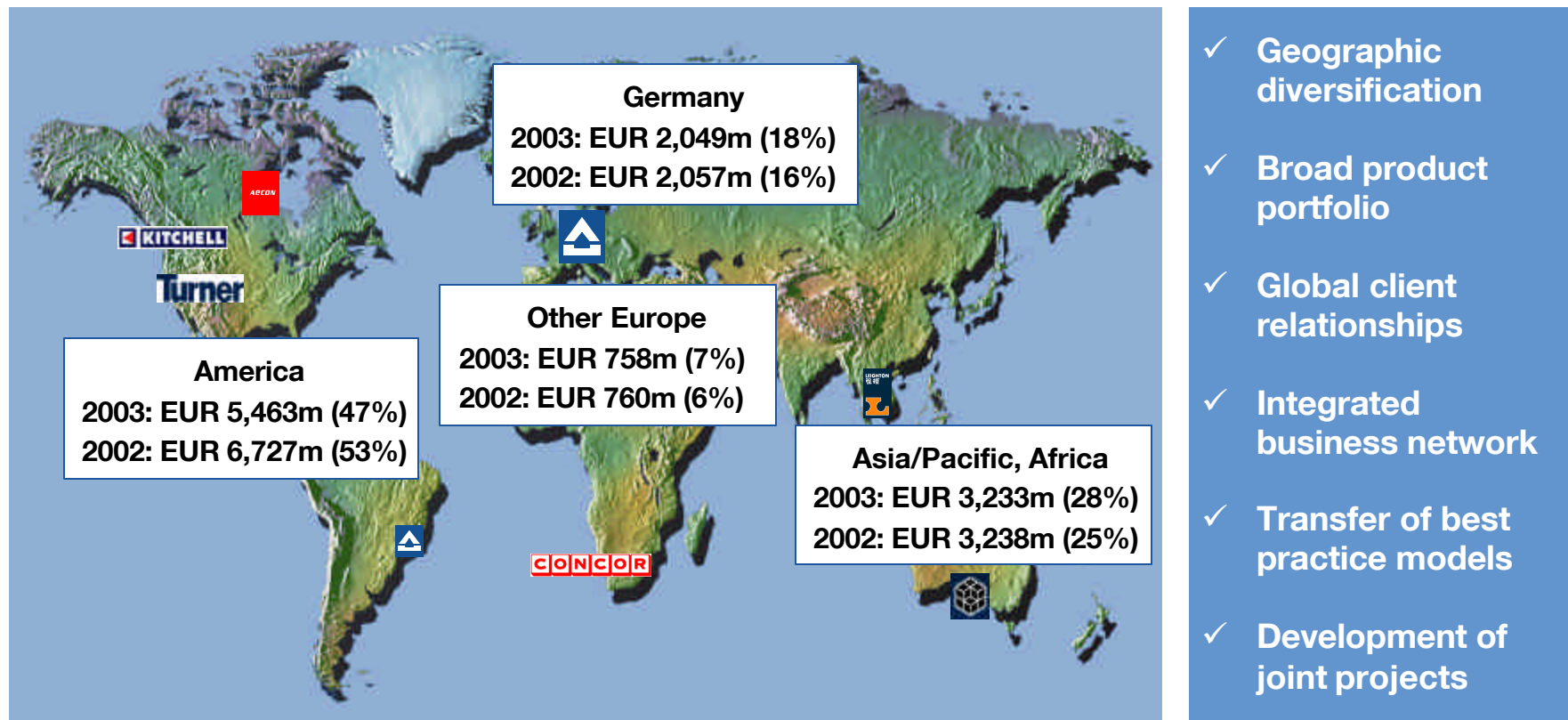
- New orders and sales above previous year's level
- Further margin increase

Strategy to deliver shareholder value

- 1 Leverage global reach to further improve performance
- 2 Diversify into higher margin, higher growth and lower risk service activities
- 3 Capitalize on successful and sustainable turnaround of German business
- 4 Continue innovations in products and processes
- 5 Release and redeploy capital into value creating opportunities

Strategy to deliver shareholder value

1. Leverage global reach to further improve performance

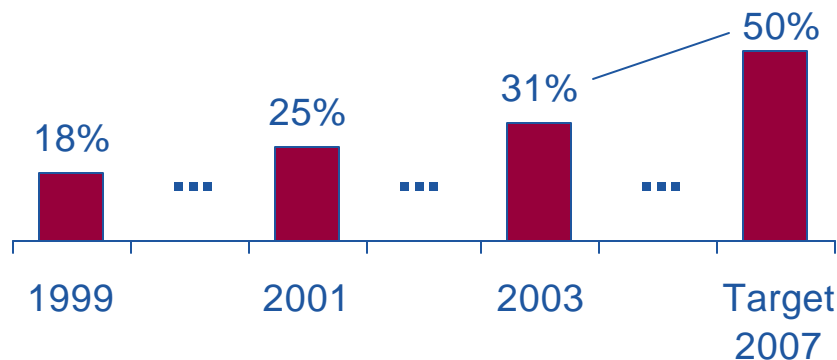


Figures: work done by region and percentage of total work done

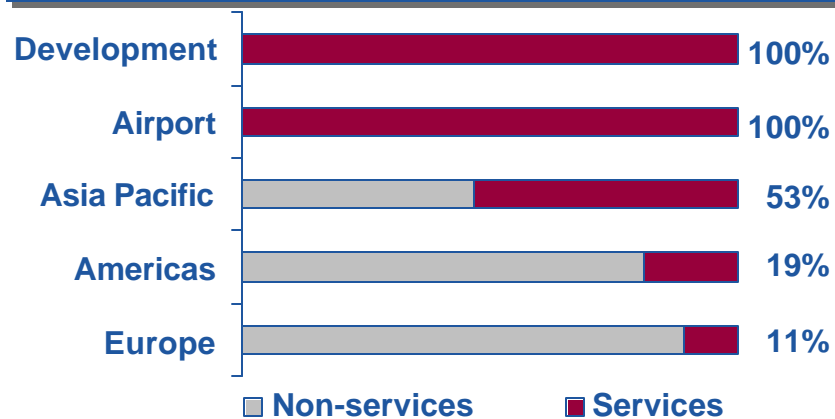
Strategy to deliver shareholder value

2. Diversify into higher margin, higher growth, lower risk service activities

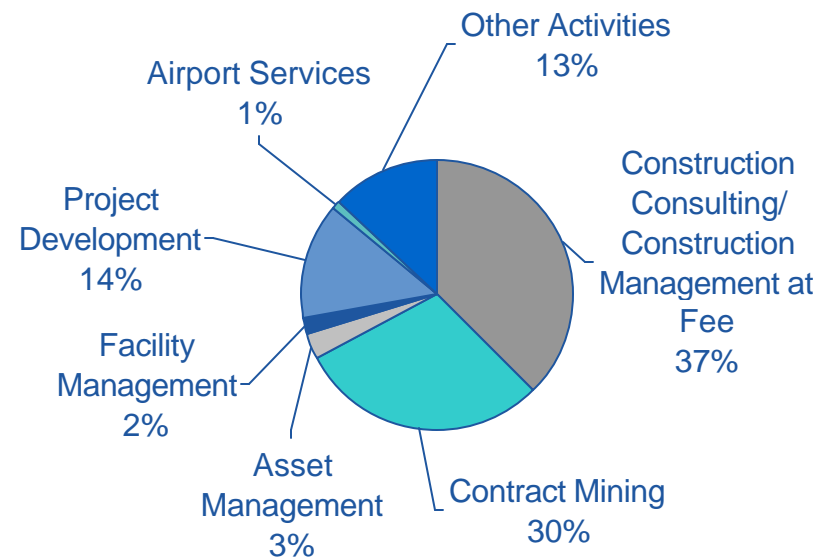
Services as % of work done



Divisional share of services



Service activities

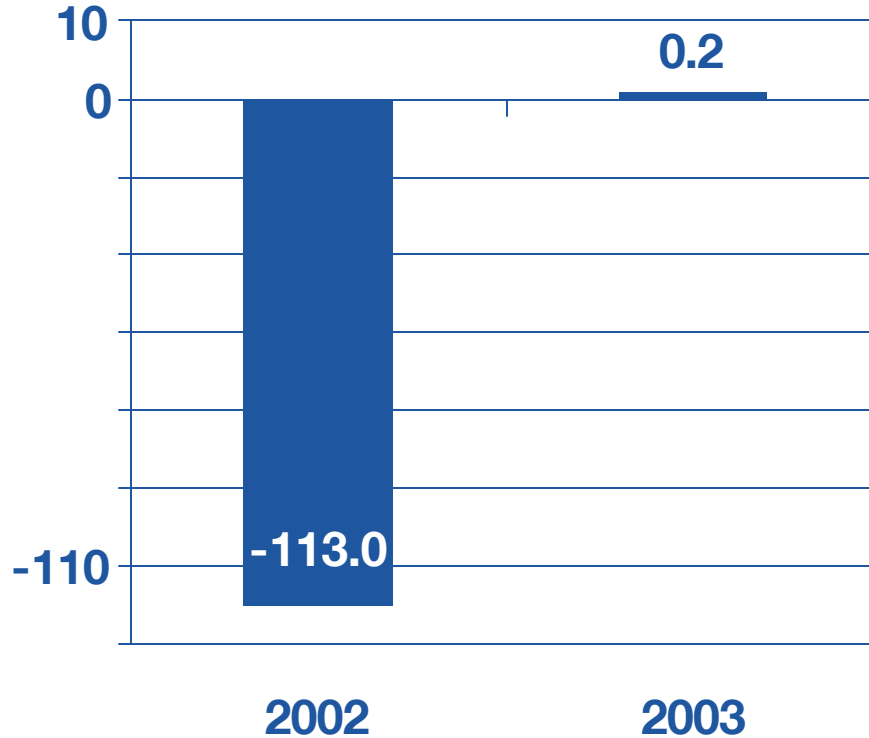


Strategy to deliver shareholder value

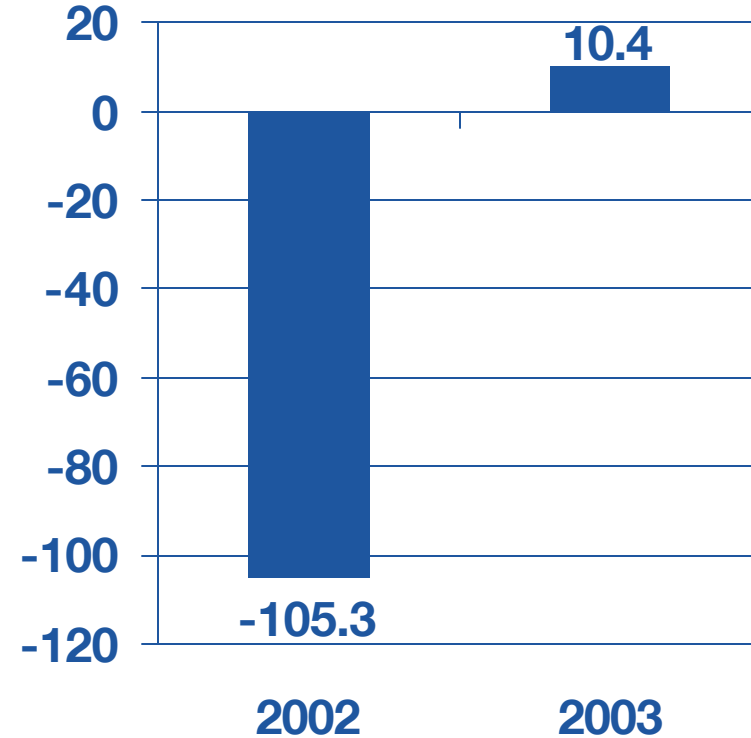
3. Capitalize on sustainable turnaround of German business

HOCHTIEF Construction Services Europe

EBITA (EUR m)



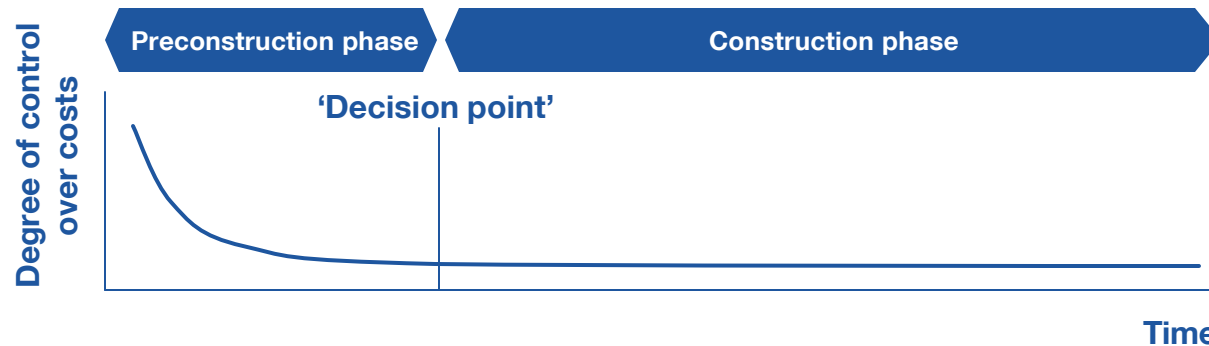
EBT (EUR m)



Strategy to deliver shareholder value

4. Continue innovations in products and processes

PreFair™– Pioneering a new model



Preconstruction contract

GMP ● Budget ● Cost + fee ●
Lump-sum contract

- ✓ 25 contracts completed/ construction phase (>EUR 800m project volume)
- ✓ 20 contracts in preconstruction phase (>EUR 600m project volume)

- ✓ Re-definition of relationship between Hochtief and customers
- ✓ Better quality, lower costs, improved completion times (win-win-situation)

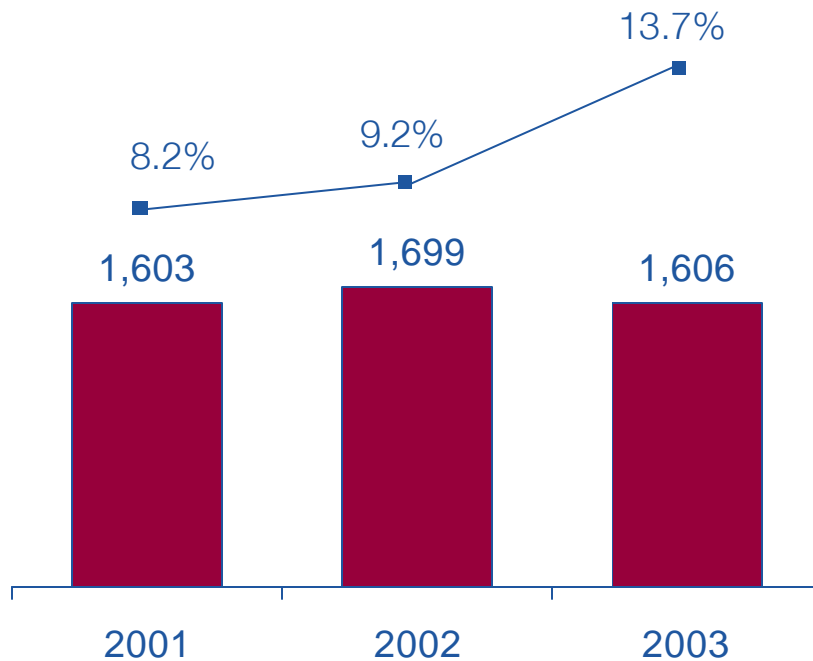
Recent innovations

- ✓ PreFair
- ✓ Public-private-partnership
- ✓ Virtual design and construction
- ✓ Fire prevention in tunnelling
- ✓ Upgrading of real estate

Strategy to deliver shareholder value

5. Release and redeploy capital into value creating opportunities

ROCE



■ av. capital employed (EUR m) —■ ROCE

$$\text{ROCE} = \frac{\text{EBITA}}{\text{av. capital employed}}$$

Key drivers

- **Shortening of development project cycles**
- **Active portfolio management**
- **Redeploy capital to take advantage of growth opportunities in European PPP**

HOCHTIEF Construction Services Europe

Activities

- Construction of commercial and mixed use buildings in Germany and Central/Eastern Europe; focus on office buildings, healthcare, sports facilities, logistics and renovation
- Civil engineering projects in Germany and internationally (e.g. tunneling, marine works, airports and rail works)

Market

- Core geographic building markets stabilizing (Germany, Poland and Czech Republic)
- Complex civil engineering projects worldwide; ongoing high demand



Westfalenstadion, Dortmund

Strategy

- Focus on attractive geographic regions, market segments and repeat customers
- Risk management procedures/ continued improvement of risk profile
- Differentiation from competitors
- Dynamic response to customer and market requirements

HOCHTIEF Construction Services Americas

Activities

- Subsidiary Turner is the only nationwide general builder in the US
- HOCHTIEF equity participations in Aecon (Canadian civil eng.) and Kitchell
- General building, construction services including consulting, construction and project management and building maintenance

Market

- World's largest construction market (Turner ranked #1 general builder)
- #1 in commercial, healthcare and sports
- Addressable market expected to grow strongly



Invesco Field, Denver, Colorado

Strategy

- Further strengthening of differentiated market position
- Selective growth into attractive new market segments
- Continued focus on customer relationship management (more than 60% repeat customers)

HOCHTIEF Construction Services Asia Pacific

Activities

- Subsidiary Leighton is market leader in contract mining
- Construction of commercial and other non-residential buildings
- Infrastructure construction; emphasis on transport
- Infrastructure development (PPP, toll roads)

Market

- High market growth in Australia is expected to continue (in particular infrastructure)
- Selected Asian countries recovered from crisis
- Positive impulse from mining industry



Hong Kong harbour

Strategy

- Diversified revenue base by markets, products and geography
- Continued expansion of non-construction service businesses
- Strengthening position in complex projects, leveraged through financial strength

HOCHTIEF Development

Activities

- Real estate development (commercial focus)
- Infrastructure development (PPP)
- Integrated facility management
- Property asset management

Market

- Continued demand for complex, high quality real estate development
- Public financing constraints necessitates increasing involvement of private sector in infrastructure development
- Strong outsourcing trend in facility management
- Increasing demand for third-party asset management consulting services



Toll road Puentes del Litoral, Argentina

Strategy

- Development real estate focus on attractive regions; shortening project cycles
- Focus on toll road and concession projects
- Become pan-European vendor of integrated FM services (e.g. acquisition of Siemens Gebäude Management in 2004)
- Continuous optimization and utilization of real estate by rental, development or sale

HOCHTIEF Airport

Activities

- Worldwide #2 independent airport manager
- Management of concessions/ stakes in Athens, Düsseldorf, Hamburg, and Sydney airport; total capital invested EUR 714m; total PAX of >60million in 2003
- Management and optimization of airport investments
- Provision of full range of airport related services

Market

- Privatization providing huge potential
- Strong worldwide growth forecast until 2020 (PAX 3.4% p.a./Freight 4.4% p.a.)⁽¹⁾
- Worldwide airport investment plans of over EUR 350bn until 2020⁽¹⁾

(1) ACI Worldwide and Regional Forecasts, April 2003



Sydney Airport

Strategy

- Migrate business model from airport ownership to airport management
- Maximize and realize value of airport investments (e.g. 24% return on sale of 5% Sydney stake)
- Release of capital
- Expand third-party consultancy services

Key investment highlights

Unique global scale and leadership in key geographic areas

Focused diversification into higher margin, higher growth and lower risk service activities

Successful and sustainable turnaround of German construction business

Attractive and valuable asset portfolio



Strong focus on shareholder value

Financial calendar and IR contact

- 06 May 04** **First quarter results 2004 and Conference Call**
- 07 May 04** **General Shareholders' Meeting**
- 19 Aug 04** **Half year results 2004 and Analysts' and Investors' Conference**
- 29 Nov 04** **Interim Report at September 2003 and Conference Call**

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