

HOCHTIEF in Qatar

Strategic Importance/Examples of Projects

Presence in Qatar

HOCHTIEF is represented in Qatar with five subsidiaries:

- HOCHTIEF ViCon (virtual construction)
- HOCHTIEF Construction (planning/construction)
- Streif Baulogistik (construction services)
- HOCHTIEF Facility Management (technical facility management)
- HOCHTIEF Global Trade (purchasing/procurement)

HOCHTIEF is the world's most international construction services provider – and Qatar is one of its key future markets: The Group has had a presence in Qatar since 2006. Since then, it has undergone rapid development – from initial talks to the close partnership with the Qatari state that it enjoys today. The company has provided the emirate with considerable support in the development of its infrastructure. It has brought the very latest international expertise to the country, trained native employees in the use of state-of-the-art technology such as virtual construction and Building Information Modeling (BIM), and already provides local employment for several thousand people. HOCHTIEF provides all of its services in close collaboration with its Qatari clients and partners, with one goal in mind: to bring about the rapid infrastructural, technological and economic advancement of the country in a way that benefits everyone.

The company is headquartered in Doha, the Qatari capital. From here, the services of 165 employees in planning, construction and operations are coordinated. HOCHTIEF played a key role in setting up the German school in Doha.

In April 2010, HOCHTIEF Construction also founded a joint venture with Lusail Real Estate Development Company, a subsidiary of the state-owned Qatari Diar. This joint venture provides planning and construction services not just in Qatar, but also for the foreign export market – an important task that the partners want to take on together. The company's current main project in the emirate is the development of a brand-new city, Lusail. Due for completion in 2020, the city is designed to provide accommodation for 200,000 people (read more about this below).

HOCHTIEF is also active in Qatar through its involvement with Al Habtoor Leighton Group. The company was founded in September 2007 as a merger between Al Habtoor Engineering, a major construction company in the Gulf region, and the local arm of the HOCHTIEF subsidiary Leighton Holdings (Australia) which, among other things, built the Al Shaqab Equestrian Academy in Qatar. With a sales volume of more than AED 6 billion (EUR 1 billion) in the 2007 financial year, the Group is one of the biggest construction companies in the United Arab Emirates. The HOCHTIEF subsidiary Leighton has a 45% share in the Group. Another 150 employees work for the Al Habtoor Leighton Group in Qatar.

Major projects in Qatar

- **Barwa Commercial Avenue**

At a cost of just under EUR 1.3 billion, HOCHTIEF Construction is constructing the Barwa Commercial Avenue, a complex of buildings extending over eight kilometers in the Qatari capital of Doha. The commercial avenue is being developed along the highway on the southern edge of Doha and will offer retail space, offices and residential units. The project is due for completion in the middle of 2012 and will offer a gross floor area of just under 900,000 square meters, equivalent to 110 soccer pitches. Acting in accordance with the partnership-based business model PreFair, HOCHTIEF Construction provided consultancy services for the client Barwa Real Estate as early as the planning phase of this large-scale project. HOCHTIEF ViCon is responsible for virtual project planning, while HOCHTIEF Facility Management supported the client with regard to operations and planning feasibility. The client is Barwa Real Estate Company, in which the Qatari state, alongside private investors, has a 45% share.

The Group sent just under 130 employees to Qatar for the project, although almost 600 salaried employees and around 4,000 wage-earning employees are working on the construction site itself in accordance with HOCHTIEF construction and safety standards. The Group is also providing young employees with on-site training in the use of modern construction technology.

- **Qatar Bahrain Causeway**

Since 2008 as part of a joint venture, HOCHTIEF Construction has been involved in the planning of the world's longest link between two countries. The 40 kilometer long Qatar Bahrain Causeway, which will have a total of 25 kilometers of bridges and viaducts, is designed to link the two Persian Gulf states. The client is the state-owned Qatar Bahrain Causeway Foundation, which is headed by the King of Bahrain, the Emir

of Qatar and governmental authorities as well as the ministries of both countries.

- **Lusail City**

Lusail City is one of the world's largest urban planning projects: Spanning an area of around 35 square kilometers north of the city of Doha, a completely new metropolis is emerging. Once it is finished in 2020, the city is set to offer space for 200,000 inhabitants and comprise ten districts. A joint venture between the state client Qatari Diar and HOCHTIEF Construction will develop this megacity. HOCHTIEF Construction is already advising Qatari Diar with regard to project organization and the current infrastructure measures. Furthermore, HOCHTIEF Construction is part of the steering committee established by the client for Lusail.

Meanwhile, the specialists from HOCHTIEF ViCon are coordinating the use of 3D technologies during the development phase and received their first partial contract back in March 2009. On behalf of Qatari Diar, the company is coordinating the planning for all infrastructure elements with the help of an internally developed 3D model that, in a second step, has already been complemented by a schedule. The detailed technical 3D model is also being subjected to further processing and will then be used for decision-making and communicating with investors.

HOCHTIEF ViCon is the leading provider of virtual construction services as well as Building Information Modeling (BIM), employing the greatest specialist expertise and the most up-to-date technology in this field. The latest information and communication technologies allow project workers based locally and around the world to be virtually connected to form a formidable project team. HOCHTIEF passes this knowledge on to Qatari Diar and local partner companies, bringing its expertise to the Gulf state. For example, HOCHTIEF has written a "BIM Implementation Guide" for the project and is training the customer's Qatari employees in virtual construction. Some of this training even takes place in Germany. This positive collaboration has already resulted in HOCHTIEF ViCon receiving a further contract from Qatari Diar in the Egyptian city of Cairo.

- **Water supply**

In Qatar, the Al Habtoor Leighton Group is building two water supply grids worth around EUR 144 million (QAR 750 million). The contract encompasses the construction of two pump stations, around 16 kilometers of supply pipelines as well as reservoirs, buildings and the associated infrastructure. The grids will supply the areas of Duhail and Umm Qam. The Al Habtoor Leighton Group will complete the project by

2012.

**CORPORATE
COMMUNICATION**

- **Dubai Towers – Doha**

Since 2007, Al Habtoor Leighton has been building the Dubai Towers in Doha. This has a contract value of AUD 128 million. Once finished in 2013, the tower will stretch to 440 meters. The 88 story building will house retail and office space, a five-star hotel and luxury apartments.

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- **Doha City Centre**

Al Habtoor Leighton is also expanding Doha City Centre, one of the largest shopping malls in the Gulf region. It is being extended to include five high-rise hotel buildings, each set to be between 48 and 50 stories high and spanning a total of 430,000 square meters. The project is worth AUD 268 million and will be completed in 2010.

- **Al Dareem Tower**

The Al Dareem Tower in Doha is another example of a project run by the Al Habtoor Leighton Group. The 159 meter high tower will house luxury apartments and leisure facilities across 36 floors. The project is worth USD 46 million and will be completed in 2010.