

Position Paper

HOCHTIEF: Intensive activity in German healthcare market

Private enterprise promotes developments – Group covers entire healthcare property value chain

The healthcare market in Germany faces radical changes. The country's traditional healthcare system is no longer financially viable and not in a position to cope with the challenges created by the demographic shift and medical progress. There is a massive need for investment. If they wish to remain competitive, hospitals, clinics and nursing homes must take advantage of what private enterprise can offer. HOCHTIEF has decades of experience on an international level which it brings to bear on this development. With its services, the HOCHTIEF Group covers the entire value chain of healthcare properties: from planning and design, financing, construction and operation through to public-private partnerships (PPP).

Healthcare facilities of the future

HOCHTIEF has identified the healthcare market as a growth segment and is active in this market in a variety of ways. In joint projects with hospitals and research institutions, the Group is already engaged in developing the healthcare facility of the future. It is, for instance, collaborating with the Fraunhofer Institute on the research project inHaus2 (www.inhaus-zentrum.de) and is a founder member of the MedEcon Ruhr initiative (www.medeconruhr.de). The goal is the transfer of know-how between private enterprise and public-sector healthcare institutions. These benefit from the company's international experience and expertise. Innovative ideas increase efficiency, lower costs, boost transparency and make the institutions concerned more competitive.

**CORPORATE
COMMUNICATIONS**

**Please contact:
Christian Gerhardus**

Opernplatz 2
45128 Essen
Tel.: +49 201 824-2642
Fax: +49 201 824-2585
presse@hochtief.de

Page 1 of 5

Services along the value chain

HOCHTIEF takes an integrated view of healthcare projects; it considers the complete life-cycle. The services furnished by the Group's various subsidiaries are interlocked closely, creating synergy effects such as shorter conceptual design, planning and construction periods and simplified coordination and approval processes. In this, the basis is always the long-established professional competence of the subsidiaries concerned:

Page 2 of 5

HOCHTIEF Construction can look back on decades of experience in the design, planning and construction of hospitals, medical centers and retirement homes. One current example is the new clinic complex for Hamburg University Hospital, in Eppendorf. On a gross building area of 85,000 square meters, several care units with a total of 720 beds are being constructed, together with out-patient facilities and surgical suites. In Giessen, HOCHTIEF Construction recently completed another hospital project: Germany's first heart transplantation center for children. The Group company can also point to successful projects in the planning and construction of modern healthcare centers and geriatric care units. In Bochum, it has been engaged by a church welfare organization to construct a nursing home for the elderly, with 88 nursing beds and 20 residential units. Another project is in Berlin: the medical consultants' and preventive medicine center, which has 10,000 square meters of gross floor space, is currently nearing completion. It will comprise more than 20 specialized medical practices and a surgical suite for out-patients.

HOCHTIEF Facility Management is one of the leading vendors of facility management solutions in the healthcare sector. In more than 20 healthcare institutions in Germany, it is responsible for ensuring the ongoing availability of medical equipment. The HOCHTIEF subsidiary is also active in the medical engineering industry. This market segment is being systematically expanded. At the beginning of 2006, the company acquired 25.1 percent of the stock of HOST GmbH, a specialized service-provider which operates all the equipment in Frankfurt University Hospital, including 25,000 medical appliances. Then, in March 2006, HOCHTIEF teamed up with the Sana hospital group and another partner to found Sana TGmed. Among other things, this is responsible for the

maintenance and repair of the sophisticated technical installations in the hospitals of the Sana group. HOCHTIEF Facility Management also performs technical building management for SRH Kliniken GmbH, which has seven medical centers in Thuringia and Baden-Württemberg.

Page 3 of 5

HOCHTIEF Energy Management is active in the field of energy contracting for healthcare institutions. Within the framework of an energy contracting assignment, for example, the energy costs of Augsburg Hospital will be reduced by 34 percent over the next ten years. This is equivalent to a savings volume of EUR 2.6 million.

HOCHTIEF PPP Solutions is active in the growing market for public-private partnerships (PPP) in the healthcare sector. The company, one of the leading players in this sphere in Germany, bundles Group-wide know-how and incorporates experience gained in international PPP projects. The HOCHTIEF Group regards public-private partnerships in the healthcare sector as an important growth field. The need for investment is immense and the demands made on hospitals, clinics and nursing institutions necessitates cooperation between the authorities concerned and private companies. For this reason, HOCHTIEF PPP Solutions set up a Healthcare business office as part of its Public Buildings Germany branch in 2008. Worldwide, HOCHTIEF PPP Solutions is involved in 23 PPP projects. In Germany, the company is participating in various bidding procedures in the PPP healthcare properties segment.

The Group is also extremely excellently positioned in the healthcare sector internationally. In the USA, subsidiary **Turner Construction Company** has been a leader in the construction of healthcare properties for over 20 years. Turner is recognized as the leading builder of healthcare facilities in the United States by "Modern Healthcare and Engineering News-Record". It delivers over 100 healthcare projects annually and has already won hospital contracts worth over USD 1 billion (approximately EUR 745 million) in 2008. At the moment, the company is building the Middle Tennessee Medical Center Replacement Hospital and the Bolivar West Tennessee Health Facility. Current projects also include the construction of a cancer center at Yale-New Haven Hospital in

Connecticut, a medical complex in Seattle, a hospital expansion in Pennsylvania and the building of a hospital in Michigan. HOCHTIEF's **Australian subsidiary Leighton** is designing and building the Royal North Shore Hospital in New South Wales and will operate it for a period of 28 years. The contract volume of this hospital amounts to EUR 553 million.

Page 4 of 5

HOCHTIEF is one of the leading international providers of construction-related services. With more than 66,000 employees and a sales volume of EUR 18.17 billion in FY 2009, the company is represented in all the world's major markets. The Group's service offering in the fields of development, construction, services, concessions and operation covers the entire life cycle of infrastructure projects, real estate and facilities. In the USA, the biggest construction market in the world, HOCHTIEF is the No. 1 general builder via its subsidiary Turner and, with Group company Flatiron, ranks among the most important players in the field of transportation infrastructure construction. With its subsidiary Leighton (HOCHTIEF share around 55 percent), the Group is market leader in Australia. Because of its engagement for sustainability, HOCHTIEF has been listed in the Dow Jones Sustainability Indexes since 2006. Further information is available at www.hochtief.com/press.

HOCHTIEF Construction as a service-oriented construction company bundles the traditional core business of the HOCHTIEF Group in Europe. This mainly includes building construction, and civil and structural engineering. The company has specialized in complex market segments such as high-rise buildings, airports, tunnels and power plants. HOCHTIEF Construction is the management company of the Europe corporate division which employs more than 9,000 staff. In addition to the classical construction business, the partnership-based business model PreFair and the property development business FormArt, the company offers its clients comprising service packages. Further information is available at www.hochtief-construction.com.

HOCHTIEF Facility Management is a leading vendor of integrated facility management solutions in Europe. With around 5,500 employees, the company provides services in such business segments as Automotive, Chemical/Pharmaceutical Industries, Electronics/Semiconductors, Financial Service Providers/Real Estate Investors, Airports/Aviation, Healthcare and Sports Facilities. The solutions offered by HOCHTIEF Facility Management go far beyond the traditional concept of FM. The company takes an end-to-end view of buildings, the land they stand on, and the relevant plants and processes. For more information please go to www.hochtief-facilitymanagement.com.

HOCHTIEF PPP Solutions GmbH is the HOCHTIEF Group's competence center for public-private partnership (PPP) projects in Europe, North and South America. The company focuses on the market segments roads and social infrastructure. For the privately financed realization of public infrastructure projects, HOCHTIEF PPP Solutions offers all services from a single source—from planning and design through to financing, construction/refurbishment and operation. The company is currently involved in a total of 25 PPP projects representing an investment volume of well above EUR 6 billion. Further information is available at www.hochtief-pppsolutions.com.

HOCHTIEF Energy Management ensures the efficient operation of energy installations both in industry and at private and public facilities. More than 300 employees operate, optimize, finance and refurbish systems for the production and distribution of heat, cold, room and compressed air, electric power, light and water. The company thus reduces operational costs for its clients and makes it possible to cut CO₂ emissions by some 150,000 tons annually. The company's spectrum of services also includes energy management. Further information is available at www.hochtief-energymanagement.com.

**CORPORATE
COMMUNICATIONS**

Page 5 of 5

Turner Construction Company is the leading general builder in the U.S., ranking first or second in the major segments of the building construction field. During 2009, Turner completed \$8.21 billion of construction. Turner is the only builder offering clients a nationwide network of offices across the U.S. Founded in 1902, the firm is a subsidiary of HOCHTIEF, a publicly traded company and one of the world's leading international construction service providers. For more information, visit Turner's website at www.turnerconstruction.com.

Leighton Holdings Limited is the parent company of Australia's largest contracting and project development group, which includes subsidiaries Thiess, John Holland, Leighton Contractors, Leighton International, Leighton Asia, and Leighton Properties. Leighton Group companies offer a broad range of construction, mining, and operations and maintenance services to the infrastructure, property and resources markets, and often take a concession role. With over 40,000 employees, the Group's operations are spread all around the Asia-Pacific region on projects in Australia, New Zealand, Hong Kong, Macau, Indonesia, Malaysia, Singapore, the Philippines, Thailand, Vietnam, China, Taiwan, Sri Lanka, India and the Arabian Gulf. Further information is available at www.leighton.com.au.