

General Shareholders' Meeting on May 7, 2004

Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Chairman of the Executive Board

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Check against delivery.

HOCHTIEF:

Building value on sound foundations

Dear Shareholders,
Ladies and Gentlemen,

On behalf of everyone at HOCHTIEF, I bid you a very warm welcome to our 2004 General Shareholders' Meeting. This year, it marks a very special occasion, because never before have there been so many HOCHTIEF stockholders! So please allow me to say a very special welcome this year to the newcomers among you, as well as to the loyal, longstanding participants in our General Shareholders' Meeting. Of course, we also wish to extend our warm welcome to our clients and business partners, representatives of the media as well as our employees.

For HOCHTIEF, the first few months of this year have been particularly exciting. In February 2004, **RWE** took leave of its HOCHTIEF stake. You will no doubt have followed this move with interest, not least through the favorable, in-depth media coverage.

I would just like to briefly describe the backdrop to this change which is an important one for all of us: As you are aware, our ownership structure was for decades shaped by the major shareholder RWE. Via its direct and indirect interest, RWE held a total of 56.1 percent of HOCHTIEF. As early as 1999, RWE announced that it would in future be focusing on its core business and would therefore be parting company with HOCHTIEF among others.

On February 25, RWE placed its HOCHTIEF shares with institutional investors in Europe and the US. And the timing was perfect: The market was eager and HOCHTIEF's shares proved an attractive proposition. A total of 32.6 million shares were directly placed at a price of EUR 23 per share, with a further 6.7 million shares reserved for a three-year exchangeable bond. The combined placement allowed RWE to address different groups of investors and accommodate its entire shareholding on the market in one fell swoop. Since the transaction was effected without any long-term prior announcement, speculative tendencies were contained—which, of course, also benefited other existing general stockholders. RWE's present holding of 9.6 percent is reserved for serving the exchangeable bond; a remaining stake of just under ten percent is held by HOCHTIEF as own stock. The transaction worth around EUR 750 million was the biggest of its kind so far for a German listed company.

The strong interest from institutional investors was outstanding confirmation for our company. The books were closed after only three hours, with the shares four times and the exchangeable bond 25 times oversubscribed. With top-notch investors with a medium to long-term focus buying into our stock, we are clearly on the right track with the right strategy.

Since it evolved from the legacy of the Stinnes Group, the virtually 80-year bond between RWE and HOCHTIEF had become a piece of industrial history, not only for Germany's Ruhr Region. It was characterized by decades of outstanding cooperation in a spirit of partnership, which notably the senior co-workers of both companies will proudly recall. The new structure must by no means occasion operational abstinence, but can rather serve to kindle mutual

business interests. Should there be any need for impetus in this regard, I gladly give my assurance here today of HOCHTIEF's continued interest in using RWE as a source of energy!

The change of ownership marks the dawning of a new era for HOCHTIEF. The freely traded portion of HOCHTIEF stock almost trebled and today stands at 80.5 percent. This makes our Group an international, publicly held company with an above-average "free float". It consequently raises HOCHTIEF's appeal to international investors. The weighting of our stock in the MDAX index was also adjusted, promoting HOCHTIEF to eleventh place.

So there can be no doubt: HOCHTIEF has assumed even greater responsibility toward you, its stockholders, toward our clients and partners, as well as toward our employees. And, I can assure you, we take this responsibility very seriously. The trust placed in us will continue to be honored and endorsed in the months and years to come—everything is in place to ensure that. You can expect HOCHTIEF to stay on course. Our company with its contemporary structure will hold its own in the international arena, and reap further successes.

Annual financial statements and management report 2003

We will now take a look at some key figures from fiscal 2003 which reflect our good starting position for the new beginning we touched upon just before. More detailed information is contained in the annual report.

- **New orders**, at EUR 14.4 billion, almost matched the prior year. The **order backlog** was sharply up from the prior year, setting a new record of EUR 16.5 billion at the year end. This is equivalent to an above-average forward order book of 15 to 16 months' work.
- HOCHTIEF Group **work done** in 2003 was EUR 11.5 billion. This picture is distorted here by the adverse US dollar exchange rate trend. Stripped of exchange rate effects, Group work done in 2003 was EUR 12.7 billion, virtually matching the prior-year figure.

- **Operating earnings** (EBITA) were EUR 220 million or up about 41 percent from the prior year. This reflects our sustained commercial success in international markets and the good earnings progress of our German and European construction business.
- **Profit before taxes**, at approximately EUR 160 million, was up 32 percent from the previous year.
- Tax charges increased by over EUR 50 million in 2003 to EUR 83 million. As a result, **Group profit after taxes** was down from the prior year, at EUR 77 million.
- **Consolidated net profit**, at around EUR 16 million, was reduced correspondingly, although it was also impacted by the increased minority interest.
- **Return on capital employed** (ROCE) was 13.7 percent in 2003, a marked increase on the previous year. We have come close to our target of achieving positive value creation earlier than expected.
- The stock markets rewarded HOCHTIEF's sound performance: From its EUR 13 closing price at the end of 2002, **HOCHTIEF stock** had fallen to EUR 10.63 by the time we published our 2002 financial statements before climbing to a high point of EUR 23.40 in the fourth quarter. The 2003 closing price was around EUR 23.00. In other words, our stock climbed 77 percent over the year—a compelling show.

Hence overall, the 2003 financial year traced a highly gratifying curve!

Let us now take a look at the individual divisions and how they performed.

In the 2003 financial year, **HOCHTIEF Europe** regained the profit zone with profit before taxes of over EUR 10 million. This represents excellent performance, in which notably HOCHTIEF Construction AG played a central

role. The profit swing in German and European construction business is above all attributable to our systematic, disciplined restructuring measures, ongoing improvements in risk management as well as the focus on profitable market segments.

And HOCHTIEF Construction AG is resolutely continuing along this path, pursuing two key strategies:

1. We are enhancing the quality of our orders by way of selective order taking, at the same time ensuring stringent risk management. We give the profitability of projects top priority, which is why we examine all bids down to the very last detail. In other words: At HOCHTIEF, if it's not profitable, it doesn't get built.
2. We systematically focus on selected, complex market segments, spotlighting dynamic business areas marked by long-term stability, such as office real estate, sports facilities, shopping centers and healthcare facilities. Here, just as in infrastructure projects, we can ideally integrate HOCHTIEF's technological leadership and project management expertise.

Ladies and Gentlemen, HOCHTIEF Europe has fought hard to earn its success on the tough German construction market. Now, we intend to do everything within our power to forge ahead on the path to fresh successes in what is a newly invigorated field of activity.

2003 was similarly positive for the **Americas division** which, as in earlier years, contributed significantly toward the Group's results with operating earnings of EUR 68 million. The division once again made up the largest share of HOCHTIEF work done—47 percent. Measured in local currency, new orders and the order backlog for the year as a whole exceeded the prior-year figures.

2003 continued to see our subsidiary Turner as general builder reign supreme on the No. 1 spot in the US. Turner's advantage? Its acknowledged blend of innovative solutions and traditional corporate values—its trump card when it comes to winning over clients and partners on the world's biggest construction

market. In international projects, too, Turner makes a successful construction manager, operator and consultant—for example, as construction manager in putting up the world's tallest building, the Taipei 101 office tower.

In the Australian and Asian markets, HOCHTIEF can also look back on a successful year: The **Asia Pacific division** continued its favorable track record of previous years in terms of earnings.

In Australia, the year was marked by substantial government investments, particularly in large-scale infrastructure projects of which our Australian associates managed to secure a considerable share. Add to this outstanding successes in the service sector, notably in the growth market of contract mining, one of the division's most important and stable areas of activity.

The companies in the division continue to home in on services, systematically expanding their portfolios in this sector. At Leighton, the relevant figure stands at almost 50 percent—a superlative achievement even within the highly service-minded HOCHTIEF Group.

Despite the increasingly difficult situation in the German property market, the **Development division** once again made a healthy contribution to consolidated earnings with operating earnings to the tune of just under EUR 52 million.

HOCHTIEF Development gained a stronger foothold as a leading provider of services for all aspects of real estate. HOCHTIEF Projektentwicklung, Germany's No. 1 inner-city developer, managed to hold its own supremely in a difficult market environment: At year-end, the volume of all projects under construction stood at EUR 1.9 billion.

HOCHTIEF Facility Management is currently forging ahead with its expansion on the European market. I will fill you in on details in a moment in the context of how things have been going in the first quarter of this year.

Also worthy of note is that HOCHTIEF Development bolstered its position in terms of privately developed infrastructure projects. The HOCHTIEF Group is currently involved in 14 public-private partnership projects—an area to which I will also return later on.

Let us turn finally to the **HOCHTIEF Airport division**.

Operating earnings doubled compared with the prior year, almost reaching EUR 24 million, a significant portion of which was due to extraordinary items such as the refund of expenses for the Berlin airport project and a write-back of reserves at Flughafen Düsseldorf.

HOCHTIEF Airport has forged ahead in its transformation from an investor to a transaction manager. The company demonstrated its extraordinary management skills in the successful onward sale of five percent of its stake in Sydney International Airport. The shares were sold after only 15 months with 24 percent value growth. HOCHTIEF Airport will continue to build on its strong management and consultancy expertise.

A key goal is reducing the amount of capital tied up in our airport holdings. Our preferred solution is to set up an airport investment fund, and this is something we are working hard to implement. We plan to sell on about a third of our airport holdings to investors. According to current planning, the sale of units will take place in the second half of 2004. It goes without saying that management of the airport holdings will remain with HOCHTIEF Airport and its existing partners. There will be no change in HOCHTIEF's entrepreneurial involvement in its airport businesses.

Ladies and Gentlemen, HOCHTIEF is well poised within the international competitive arena—something which independent market observers similarly corroborate. Every year, the international trade magazine Engineering News-Record publishes the definitive rankings of the top international construction companies. In what is for our industry the most important ranking, the HOCHTIEF Group puts in an excellent performance, securing first, second or

third place in two out of three market segments surveyed in which we operate. A result we're proud of and one we intend to go on improving each and every day.

HOCHTIEF's success is that of its stockholders. Accordingly, the Executive Board and Supervisory Board are submitting an increased dividend of EUR 0.65 per no-par-value share for approval by the General Shareholders' Meeting. The total dividend is EUR 45.5 million.

First quarter 2004

Yesterday, in time for the General Shareholders' Meeting, we published our first quarter report—as you may have seen in this morning's press. HOCHTIEF made a successful start to the new year and has strong interim figures to report:

- Despite adverse exchange rates, HOCHTIEF generated **new orders** of EUR 3.9 billion, an increase from the prior year of 0.6 percent.
- The HOCHTIEF Group has an **order backlog** of EUR 18.3 billion, almost a quarter more than the previous year's figure. This cushion of orders is the best assurance that the good business trend will continue.
- **Group work done** was EUR 2.7 billion, almost matching the previous year's EUR 2.8 billion. The weak dollar is making its mark here. Growth in Germany is a healthy 6.9 percent.
- HOCHTIEF generated first quarter **operating earnings** of EUR 28.7 million—influenced by its risk provisioning in Australia.
- First quarter **profit before taxes** was EUR 31.5 million. We are pleased to report that the strongest growth was achieved by the Europe division, with profit before taxes gaining some EUR 12 million.

- **Consolidated net profit** approximates EUR 0.6 million; this represents a noteworthy EUR 16.7 million improvement on the previous year.

Ladies and Gentlemen, you doubtless followed the HOCHTIEF stock price yesterday with heightened attention: The reporting on the first quarter figures for 2004 has borne out the rigorous continuation of our success strategy in all divisions. But we also announced the once-only risk provision at our Australian subsidiary Leighton. This initially produced a dip in the stock price, with the Australian market giving the lead. Allow me to say a few words on this subject:

- We saw unprecedented orders growth in Australia over the 2003 fiscal year. This success requires a corresponding increase in provision for risk.
- This is compounded by an unusual situation in which individual internal and external risks at Leighton have coincided.
- In response to these special circumstances, our subsidiary decided to earmark its entire first quarter 2004 for risk provision instead of allocating the provision proportionately over time.
- HOCHTIEF decided, in line with our prudent accounting policies, to report this measure in full in our first quarter accounts.
- Despite this sizeable provision for risk, operating earnings for the first quarter of 2004 were EUR 19.7 million. This is slightly more than half of the equivalent figure for 2003.
- None of this does anything to change our strategy or indeed our forecast for the year—which I will present to you in a minute. We continue to expect sustained, high-earnings growth.

Ladies and Gentlemen, allow me to come to the outlook for the current fiscal year.

Outlook for the current financial year

Looking ahead to the full year, the strong start in nearly all business areas must be viewed in the light of uncertain economic forecasts, notably in Germany, and the operating challenges facing our Australian subsidiary, Leighton, due to major contracts in the Asia-Pacific region.

Against this backdrop—assuming no economic crises or extreme currency movements—HOCHTIEF expects that, now it has made provision for risks in the first quarter, it will hold its stable business trend and achieve its Group-level targets in fiscal 2004:

- New orders equivalent to last year's level, once again leading to new record highs in our order backlog;
- Single-digit percentage increases in work done and sales;
- Growth in pretax profit in the upper single-digit percentage range, with growth in consolidated net profit in upper double-digit percentage figures.

Our goal is to achieve positive value creation. We aim to significantly bolster our construction services, free up resources in our airport holdings and focus our investment structure. Notably in recent times, HOCHTIEF has mastered considerable challenges, and we are well equipped to meet those of the future. The entire HOCHTIEF team is committed to reaching our goals.

Ladies and Gentlemen, as already indicated, our facility management unit has taken up its position at the top of the sector in Germany. With effect from January 1, **HOCHTIEF Facility Management** took over Siemens Gebäudemanagement und Services, with integration running even more smoothly than anticipated thanks to efficient groundwork on both sides.

We have just announced the acquisition of Lufthansa Gebäudemanagement effective June 1, 2004, marking a further step in HOCHTIEF's selective expansion of its facility management activities.

In Lufthansa Gebäudemanagement Holding GmbH, including the pertaining stakes in its subsidiaries, HOCHTIEF Facility Management will—subject to approval by the antitrust authorities—be taking over one of the industry's strongest providers. Numbering 2,200 employees at 21 sites in Germany as well as others in Hungary, Poland, Ireland and South Africa, the company achieved sales of some EUR 180 million in the 2003 financial year.

With its 4,500-strong workforce at 26 sites, projects in seven countries and cumulative annual sales of some EUR 450 million per year—prorated figures for 2004—HOCHTIEF Facility Management is opening up new horizons as one of Europe's leading providers in its sector.

Time and again, I am asked what exactly facility management is—and whether HOCHTIEF is now involved in cleaning and surveillance. That can, of course, be very much part and parcel of facility management, but that's not what we do. We concentrate on what we call “Integrated Facility Management”, the dovetailing of the areas of technical, commercial and infrastructural facility management thus far viewed in isolation from one another. Our services range from planning and management all the way to financial control of properties and facilities, in each case focusing on complex, sophisticated environments.

Here are a number of examples: HOCHTIEF operates the Transparent Factory for Volkswagen in Dresden, the new Philharmonie including stage technology in Essen, virtually all Siemens Group facilities throughout Germany as well as those of Philips Semiconductors in Böblingen where semiconductor components are produced under cleanroom conditions.

Large companies are focusing more and more on their core business, preferring to outsource their facility management. Which means the importance of effective facility management by external service providers continues to grow.

At the same time, ever more discerning demands in this dynamic market are now having the effect of bringing the major providers to light. In the foreseeable future, it will be those facility management providers with the critical mass and expertise, broad geographical coverage and high performance—companies who also succeed in harnessing synergies for their clients—who will ultimately rule the roost on the facility management market.

Hence, in its focus on what is a market segment characterized by above-average growth and filled with future promise, HOCHTIEF has the right solution to match. And given the acquisitions mentioned, we have systematically bolstered our position in this high-end segment.

HOCHTIEF strategy: Geared to success

Ladies and Gentlemen, this brings us to the fundamental development of the HOCHTIEF Group. I would now like to outline to you some of the principal elements of **HOCHTIEF's strategy**.

As you know, HOCHTIEF is expanding its service business portfolio. That means we are continually adding to our range of construction-related services, thereby sustainably broadening our Group's performance spectrum. We envision key prospects for our company in the logical expansion of building to include services at every link in the construction value chain.

Why is that?

There has been a significant shift in values in and around our industry over recent decades. Today, building is no longer regarded as an art but as an interchangeable product—as well as a high-risk business with low margins. As a consequence of the ongoing, cut-throat price wars in Germany among large, medium-sized and small competitors as well as the sharp drop in margins, large companies in the past focused on the risky business of building complex, large-scale projects. For some years now, we have known that this was not the right way to go.

In what can only be described as a difficult market, the answer rather lies in systematically transforming and developing the construction industry. This is what we at HOCHTIEF are working on—with success. We draw an entrepreneurial distinction between the physical act of building as such and the structural organization of the projects. What's known as **construction management** has been normal practice in the US for decades. The task involved is to coordinate, as general contractor, the complex processes on site as well as in the run-up to construction. Here, working together with reliable subcontractors plays an ever more crucial role.

Yet more and more often, clients do not request pure construction services as such but the provision of resources for specific tasks, budgets and schedules.

To give you one example: Today, a car manufacturer will no longer request bids for construction of an assembly plant ready blueprinted by its architect, but rather the adoption of construction and operation of the facility and its production logistics for a fixed period, at a fixed price. To take another example from the field of public infrastructure: The job here comprises the complex arrangement of all necessary requirements for construction, in other words, setting up legal and operational structures, arranging for project financing, devising operator models, as well as solutions for fees and taxation.

We recognized this at the right time and acted on it: As far back as 1995, it is what HOCHTIEF described in its vision as “total project leadership”. In other words, it is about steering the entire construction **value chain**, turning a construction company into a construction services provider.

This changes our potential risks for the better: The heavily cyclical project business with major opportunities and also relatively large risks is compensated for by activities of a more continuous nature. These are characterized by long-term customer relationships, steady cash flows, lower risks and good growth prospects.

HOCHTIEF fits this new profile to a T. Because, in order to meet the demands of complex management at every link in the value chain, a company must above all manifest two strengths:

1. Outstanding expertise—with a view to optimally managing sophisticated projects;
2. Local presence—being right there where projects are implemented.

In both areas, HOCHTIEF ranks among the market leaders. We have the knowhow needed to perform complex services. And we have ideal resources at grassroots level in Europe, America, Australia and Asia. Through HOCHTIEF Construction in Europe's largest single market as well as in major neighboring countries; through Turner in North America; and through Leighton in the Asia-Pacific region.

Our global positioning allows us to operate effectively on local markets. Which in turn gives rise to three other key advantages:

1. We provide our globally active clients with one-stop services. Our global **key account management** ensures that, with each new international project, our clients receive optimum support from HOCHTIEF—always coupled with just the services they need. This engenders close partnerships, not only among Group companies but also with international repeat clients.

2. We harness our global network in ensuring a sustained exchange of experience. The ongoing **transfer of information** among our companies lets us transpose best-practice solutions tried and tested in one country onto other regions at short notice. One excellent example of this is **PreFair**. Professional preconstruction management, as it's known at Turner, has been successful business practice there for decades. We launched the partnership-based contract model PreFair—patterned on the Turner concept—onto the German construction market. And have as a result successfully engineered significant changes to our domestic market. HOCHTIEF Construction has already implemented twelve projects with PreFair, generating work done to the tune of

over EUR 320 million. There are thirteen new projects with a volume of around EUR 480 million under construction and, in over 20 projects, HOCHTIEF Construction has taken on the role of preconstruction manager.

In addition, we secure and implement national and international projects as frequently as possible through cooperative efforts.

Notably the ongoing exchange of personnel between our companies serves to make sure that knowledge is passed on effectively. Today, HOCHTIEF enjoys the same degree of interaction with Turner in particular on a host of levels as would only have been conceivable within one and the same company a few years ago.

With a view to strengthening cooperation across continents still further, our new global intranet is today being launched to coincide with this General Shareholders' Meeting. The intranet provides all staff members with regional content as well as Group-relevant knowledge. This boosts the efficiency of sharing data and information throughout the Group, independent of time differences.

3. We minimize risks above and beyond internal risk management. Our international activities allow us to reduce the risk of individual projects through offsetting of regional economic conditions. Such limitation cannot be achieved by any control mechanism—we are able to achieve it solely by virtue of our broad-based presence on world markets.

It is for these reasons that, for years now, HOCHTIEF has put its faith in strong local management and—where it's feasible and makes sense—in local co-shareholders. That is not to say we hesitate to take the consequences when a minority position hinders our success with an associated company. This was the case with Ballast Nedam in recent years. This was why—as you no doubt read in the press—we decided to sell our stake. The corresponding agreement was signed last week.

But let's return to our point of departure: steering processes at every link in the value chain. This clearly shows how HOCHTIEF is positioned.

The **HOCHTIEF Development** division and its range of services stand for the beginning and the end of the construction value chain.

- As leading inner-city developer, our project development unit assumes the development of real estate.
- Public-private partnership projects implemented in collaboration with the public sector are devoted to the development of infrastructure. HOCHTIEF is currently involved in 14 PPP projects throughout the world, with the emphasis on toll roads, tunnels and bridges. In 2003, HOCHTIEF managed no fewer than just under 800 kilometers of toll routes worldwide.

In recent years, everything there is to say has been said about the situation surrounding the private implementation of infrastructure projects in Germany—in my view, nothing more can be added to what I regard as a sad state of affairs.

- HOCHTIEF's integrated facility management similarly kicks in at the planning stage: After all, the timely incorporation of facility management aspects allows clients to make substantial cost savings. Management and controlling of real estate and facilities—these are the downstream processes that follow construction. This once again clearly illustrates how important the profitable expansion of facility management business in particular is for HOCHTIEF.

Between these two poles lies construction itself. For construction management to be effective, we ourselves must have at our fingertips the necessary operational experience in handling complex projects. This is why HOCHTIEF Construction's direct business represents a key advantage over pure construction management providers.

As already indicated, we are able to distill our in-depth process knowhow into related areas—not primarily traditional real estate but, for instance, **mining**.

As contract miner, our subsidiary Leighton is a permanent contract partner in open-pit mining without having any noteworthy interests of its own in the mines. We take charge of planning and installing the mines, extraction and processing of the raw materials produced, maintenance of the facilities as well as eco-friendly removal and reinstatement.

The Leighton Group produces some 65 million tons of coal a year, plus iron ore, gold, nickel and zinc. In total, Leighton moves well over a million tons of earth a day in Australia and Indonesia. This marks an extraordinarily dynamic business area for HOCHTIEF: In October 2003 alone, Leighton subsidiary Thiess won new contracts in the field of contract mining worth in excess of a record one billion euros. The market is developing at a lightning pace—China's vast energy requirements alone contribute to our taking an extremely optimistic view of this area of business.

Traffic infrastructure is similarly closely linked with construction logistics. We command a leading position with our Airport division as indeed with our diverse service offerings in the construction and operation of traffic routes, railroads and telecommunications projects.

Global **privatization potential** is far from being exhausted. While the potential contract volume of construction and construction-related services in the non-public sector alone is huge, it is far surpassed by the gigantic market for public-sector infrastructure projects. Among other areas, this encompasses transport, water/hydro, communications, energy, healthcare, education—and development is still in its infancy.

Unlike other construction companies, HOCHTIEF was quick to focus on the transformation and expansion of its core business. Already, the services business plays a crucial role within the Group. Thanks to its excellent

exploitation of in-house synergies, HOCHTIEF provides high-caliber, all-encompassing services in construction and related business fields across the globe.

But we need **employees** qualified above and beyond the standard requirements of those working in the construction industry. These days, shared entrepreneurial thinking is an essential ingredient. Mobility, customer focus, service-mindedness and the capacity for networked thinking—coupled, of course, with broad specialist expertise—are a must.

We know that without the commitment and loyalty of our employees we could not hope to realize our plans. And we would most certainly not be one of the world's leading construction services providers! We foster this success through qualification and ongoing further training, through information and motivation of our employees across the globe. Together, we work day in, day out to deliver our clients top quality and superlative service to match, and to win over the market with our innovative solutions. I should like to take this opportunity to express my personal thanks to every one of our staff whose great commitment, dedication and personal effort have made our company what it is today.

In the service of our stockholders: Creating success, confirming trust

Ladies and Gentlemen, I have outlined for you a number of the core elements of the HOCHTIEF Group's strategy. In this context, I should like to emphasize that HOCHTIEF takes its commitment to you, its stockholders, extremely seriously. That goes also and above all for responsible, transparent **company management**.

For HOCHTIEF, this traditionally has a high priority. Which is why, with only three exceptions, the company follows the recommendations of the German Corporate Governance Code which came into effect in 2002. The Compliance Declaration of the Executive Board and Supervisory Board can be found in our 2003 annual report as well as on the HOCHTIEF website.

Corporate Governance ensures that investors' expectations with regard to information and transparency are met. This is why we report on HOCHTIEF's progress regularly and comprehensively. We provide you with detailed information on an ongoing basis—for example, through our quarterly and annual reports as well as in our General Shareholders' Meeting.

But that's not all: We publish all relevant news, as it happens, on the Internet where you can also follow live coverage of our business results press conferences. And finally, we are transmitting this year's General Shareholders' Meeting for the first time live and in full on the Internet so that HOCHTIEF stockholders can be there without actually having to travel to the event. It goes without saying that all stockholders unable to attend the General Shareholders' Meeting in person can exercise their right to vote via our proxies.

The Supervisory Board Audit Committee convened in accordance with the recommendations of the German Corporate Governance Code met twice in the 2003 fiscal year, discussing among other things issues of accounting principles and risk management. Detailed information on corporate governance at HOCHTIEF is contained in the annual report.

Allow me in conclusion to say a few words about communications and investor relations work at HOCHTIEF in the context of corporate governance. It is important for our company—also in view of the significant increase in the free float of HOCHTIEF stock—to be present in the minds of our stockholders as well as of analysts, the media and the general public. Our intensive capital market communications efforts are instrumental to guaranteeing HOCHTIEF a favorable market positioning. We therefore aim to continue and expand our communications work with investors and analysts in a sustained manner.

We naturally wish to convey to all target groups a unified, unmistakable image of HOCHTIEF as an international provider of construction services. This is why HOCHTIEF cultivates an open, goal-oriented communications approach with its

internal and external partners. The close cooperation between our communications and investor relations experts can be taken as read.

Today, a new communications tool is making its debut: the customer magazine “Concepts by HOCHTIEF”, whose very first issue has been published to coincide with the General Shareholders’ Meeting. The magazine was designed with our clients and partners in mind, as a way of regularly addressing them directly and providing them with engaging coverage of HOCHTIEF topics. Filled with fascinating photography and interesting articles, “Concepts by HOCHTIEF” not only reports on news from the Group but at the same time serves to strengthen our ties with friends of the company on a lasting basis.

Ladies and Gentlemen, I wish to recommend our new publication to you in the highest terms. You have received the first issue today —you’ll find it in the materials our trainees handed out at the entrance. Happy reading!

Motions to the General Shareholders’ Meeting

I reported on the annual financial statements and management report at the beginning. I would now like to come to the motions to the General Shareholders’ Meeting. The Supervisory Board and the Executive Board will be submitting a motion for approval by today’s Meeting to use the unappropriated net profit for 2003 of EUR 45,500,000 to pay a dividend of EUR 0.65 per no-par-value share.

The Executive Board and the Supervisory Board further move, in items 6 and 7 of the agenda, that the General Shareholders’ Meeting adopt two resolutions regarding treasury stock:

- In item 6 of the agenda, we ask the General Shareholders’ Meeting for authorization to use our own shares.
- In item 7 of the agenda, we ask the General Shareholders’ Meeting for authorization to acquire our own shares and, having acquired them, to use those shares.

The potential uses essentially range from issuing employee stock and reselling our own shares in various ways, to cancelling shares. These authorizations will give us the flexibility we need to implement key strategic options using our own shares, entirely to the benefit of our stockholders.

Conclusion

Ladies and Gentlemen, you have seen for yourselves: The HOCHTIEF Group in its existing organizational structure is an international force to be reckoned with. We responded in good time to changes in the construction industry and positioned HOCHTIEF as an international construction services provider. As our stockholders, you have every right to expect that we stay on course. That means:

- We are committed to meeting the demands of the day and developing the market expertly, innovatively and with an eye to the future.
- We aim to systematically further expand the promising, high-margin, low-risk services business within the HOCHTIEF Group.

The construction services provider, HOCHTIEF, is determined to reap further successes. We are delighted to have you on board as we continue down this path. And you can rest assured: HOCHTIEF is building international value on sound foundations.

I thank you for your attention.