Annual Financial Statements of HOCHTIEF Aktiengesellschaft as of December 31, 2011

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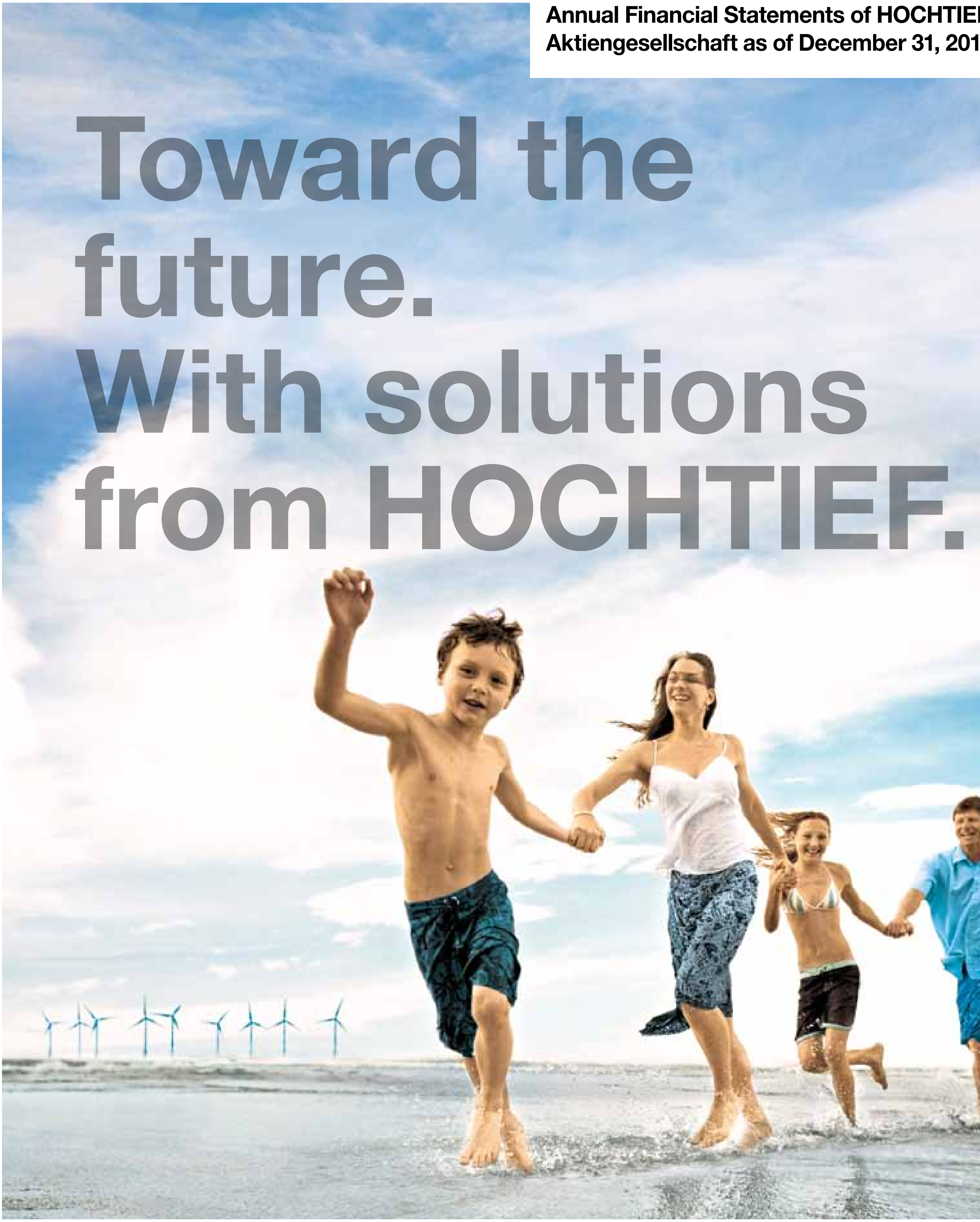

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HOCHTIEF

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The 2011 Annual Financial Statements and Management Report of HOCHTIEF Aktiengesellschaft are published in the electronic Bundesanzeiger (Federal Official Gazette). A combined Management Report for HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group is presented beginning on page 38 of the Annual Report 2011.

Balance Sheet of HOCHTIEF Aktiengesellschaft

(EUR thousand)	See note	Dec. 31, 2011	Dec. 31, 2010
Assets			
Fixed assets	(1)		
Intangible assets		14,891	13,617
Property, plant and equipment		24,859	27,456
Financial assets		2,416,735	2,130,054
		2,456,485	**2,171,127**
Current assets			
Inventories	(2)	20,266	39,948
Receivables and other assets	(3)	1,173,342	1,041,323
Marketable securities	(4)	46,015	316,631
Cash and cash equivalents	(5)	44,088	274,713
		1,283,711	**1,672,615**
Prepaid expenses	(6)	**7,572**	**5,884**
Excess of plan assets over obligations	(9)	**16,970**	**78,474**
		3,764,738	**3,928,100**
Liabilities and Shareholders' Equity			
Shareholders' equity	(7)		
Subscribed capital*		197,120	197,120
Treasury stock		(8,760)	(8,794)
Reserves		1,598,115	1,597,388
Unappropriated net profit		6,916	154,000
		1,793,391	**1,939,714**
Provisions			
Provisions for pensions and similar obligations	(9)	493	233
Other provisions	(10)	114,786	153,103
		115,279	**153,336**
Other liabilities	(11)	**1,856,068**	**1,835,050**
		3,764,738	**3,928,100**

*Plus conditional capital with a nominal value of EUR 49,280,000

Statement of Earnings of HOCHTIEF Aktiengesellschaft

(EUR thousand)	See note	2011	2010
Sales	(13)	69,763	208,486
Change in the balance of construction work in progress		(19,586)	(2,118)
Other operating income	(14)	68,104	79,684
Materials	(15)	(14,272)	(130,705)
Personnel costs	(16)	(36,351)	(80,573)
Depreciation and amortization	(17)	(11,486)	(9,754)
Other operating expenses	(18)	(141,780)	(153,545)
Net income from financial assets	(19)	170,155	320,282
Net interest income	(20)	(84,322)	(65,945)
Writedowns on financial assets and marketable securities	(21)	(182)	(1,406)
Profit from ordinary activities		**43**	**164,406**
Extraordinary income	(22)	–	64,774
Extraordinary expenses	(22)	–	(685)
Income taxes	(23)	3	(2,385)
Net profit before changes in reserves		**46**	**226,110**
Net profit brought forward		6,870	5,184
Transfer to revenue reserves	(7)	–	(77,294)
Unappropriated net profit		**6,916**	**154,000**

Movements in Fixed Assets

(EUR thousand)	Cost of acquisition or production Jan. 1, 2011	Additions
Intangible assets		
Concessions, industrial property and similar rights and assets, and licenses in such rights and assets, acquired for valuable consideration	33,640	18,717
	33,640	**18,717**
Property, plant and equipment		
Land, similar rights and buildings, including buildings on land owned by third parties	71,548	14
Technical equipment and machinery	3,152	54
Other equipment and office equipment	9,363	264
	84,063	**332**
Financial assets		
Shares in affiliated companies	1,628,687	434,373
Long-term loans to affiliated companies	714,500	–
Other participating interests	17,492	–
Long-term securities investments	21,944	2,297
Other long-term loans	3	–
	2,382,626	**436,670**
Total fixed assets	**2,500,329**	**455,719**

Cost of acquisition or production Disposals	Reclassifications	Cumulative depreciation and amortization	Depreciation and amortization in 2011	**Carrying amount at Dec. 31, 2011**	Carrying amount at Dec. 31, 2010
21,176	–	16,290	9,968	14,891	13,617
21,176	**–**	**16,290**	**9,968**	**14,891**	**13,617**
2,127	–	47,163	763	22,272	24,088
248	–	1,873	226	1,085	1,412
1,942	–	6,183	529	1,502	1,956
4,317	**–**	**55,219**	**1,518**	**24,859**	**27,456**
149,324	–	235,082	–	1,678,654	1,393,605
–	–	–	–	714,500	714,500
–	–	17,490	–	2	2
662	–	–	–	23,579	21,944
3	–	–	–	–	3
149,989	**–**	**252,572**	**–**	**2,416,735**	**2,130,054**
175,482	**–**	**324,081**	**11,486**	**2,456,485**	**2,171,127**

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Essen, February 28, 2012

HOCHTIEF Aktiengesellschaft

The Executive Board

Dr. Frank Stieler

Peter Sassenfeld

Pedro López Jiménez

Independent Auditors' Report

We have audited the annual financial statements—comprising the balance sheet, the income statement and the notes to the financial statements—together with the bookkeeping system, and the report on the position of the Company and the Group of HOCHTIEF Aktiengesellschaft, Essen/Germany, for the financial year from January 1 to December 31, 2011. The maintenance of the books and records and the preparation of the annual financial statements and report on the position of the Company and the Group in accordance with German commercial law are the responsibility of the Company's Executive Board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and on the report on the position of the Company and the Group based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB (German Commercial Code) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the report on the position of the Company and the Group are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the report on the position of the Company and the Group are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Executive Board, as well as evaluating the overall presentation of the annual financial statements and report on the position of the Company and the Group. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements of HOCHTIEF Aktiengesellschaft, Essen/Germany, comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The report on the position of the Company and the Group is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Düsseldorf, February 28, 2012

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Dr. Reichmann	Signed: Bedenbecker
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Notes to the HOCHTIEF Aktiengesellschaft Financial Statements

General information

These Annual Financial Statements are prepared in accordance with the German Commercial Code (HGB) and Stock Corporations Act (AktG). There has been no change in the recognition and measurement principles compared with the prior year. For purposes of clarity, a number of items are combined in the Balance Sheet and in the Statement of Earnings. Such items are broken down into their constituents and commented on elsewhere in these Notes. The Statement of Earnings is presented in vertical format using the nature of expense method of analysis. The financial statements are presented in euros, and all monetary amounts in the text of these Notes are rounded to the nearest thousand euros unless specifically stated otherwise.

The Executive Board and Supervisory Board have issued a declaration of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporations Act (AktG). The declaration is available for the public to view at all times on the HOCHTIEF website.*

*For further information on corporate governance at HOCHTIEF, please see www.hochtief.com/corporategovernance.

Accounting policies

Purchased intangible assets are stated at cost of purchase less amortization. If the fair value of an intangible asset is less than its carrying amount, a writedown is additionally recognized due to impairment. Internally generated intangible assets are not recognized. Property, plant and equipment is stated at cost of purchase or production (at the amount required to be capitalized under tax law), less depreciation, amortization, and writedowns due to impairment. Borrowing costs are not included in purchase or production cost. Additions to property, plant and equipment are uniformly depreciated on a straight-line basis. Minor assets with a cost of up to EUR 150 are expensed in the year of purchase or production and are not recognized as assets. Minor assets with a cost of more than EUR 150 but less than EUR 1,000 are grouped and depreciated as a group over five years.

Financial assets are reported at acquisition cost. Certain shares in affiliated companies and participating interests are reported at fair value if this is lower. Long-term securities investments are stated at the lower of acquisition cost or their current stock market price or fair value.

Inventories are stated in accordance with the lower of cost or market principle either at cost of purchase or at the cost of production that is required to be recognized for tax purposes. Cost of production of construction work in progress includes direct materials, direct labor, direct expenses, and an appropriate proportion of material overhead, labor overhead, and production-related depreciation of fixed assets. Progress payments received from clients are deducted from inventories up to the amount of the cost of production for each project. Advance payments in excess of these amounts are reported as liabilities.

The valuation of receivables and other current assets normally measured at nominal value includes appropriate provision as necessary for specific doubtful accounts. A global allowance is also deducted to cover general credit risks and allow for any failure to yield interest.

Marketable securities are reported at the lower of acquisition cost or their current stock market price or fair value.

If the cost of purchase or capitalizable cost of production of any asset is higher than its fair value on the balance sheet date, its carrying amount is written down accordingly.

Subscribed capital is stated at nominal value.

Treasury stock is presented as an adjusting item in shareholders' equity. The accounting par value of the treasury stock is deducted from subscribed capital on the face of the balance sheet and any remainder in respect of acquisition cost is charged against other revenue reserves. Any transaction costs are recognized in profit or loss.

Provisions for pensions and similar obligations and provisions for long-service bonuses and semi-retirement programs for older employees are measured using actuarial tables based on biometric probabilities (Prof. Dr. Klaus Heubeck 2005 G tables). Direct pension obligations are measured in accordance with Section 253 (1) of the German Commercial Code (HGB). Pensions and similar obligations are consequently measured using the internationally accepted projected unit credit method, which additionally takes into account future pay and pension benefit increases. In setting the discount factor, use was made of the option under the second sentence of Section 253 (2) HGB, permitting pension provisions and similar long-term obligations to be discounted using a single average market interest rate found for an assumed remaining term of 15 years. The average is found for the market interest rate in the last seven fiscal years. If the change in the discount rate at the end of the year produces only a non-material change in pension obligations, the figure determined and published by the German Bundesbank as of September 30 each fiscal year is applied. The great majority of pension obligations are matched by assets held with the sole purpose of meeting pension obligations and out of reach of other creditors (plan assets). These include assets invested under a contractual trust arrangement (CTA) in HOCHTIEF Pension Trust e. V., pension liability insurance assigned to employees, and mutual fund units under a deferred compensation plan. Securities are measured at fair value. Depending on the type of plan assets involved, fair value is measured using market prices, bank statements, and insurance statements. Any excess of fair value over cost of acquisition is barred from dividend distribution. Under the second sentence of Section 246 (2) HGB, the fair value of plan assets is offset with the matched pension obligations. If the fair value of plan assets exceeds that of the pension obligations, the excess is presented as "excess of plan assets over obligations." Income from plan assets is likewise offset against the interest expense from the unwinding of the discount on pension obligations and against any expense/income recognized on changes in the discount factor, and the difference included in net interest income.

Other provisions are recognized in an amount appropriate to cater for all identifiable risks; the amount provided for reflects the anticipated future charge. Expected future price and cost increases are taken into account when determining the settlement amount. Provisions with a remaining term of over one year are each discounted with the past seven-year average market interest rate for congruent maturities as determined and published by the German Bundesbank.

Liabilities are normally reported as the settlement amount.

Deferred taxes are recognized for temporary differences between the published financial statements and the tax base. Deferred tax assets are also recognized for tax refund entitlements resulting from the anticipated use of existing tax loss carryforwards in the next five years provided it is sufficiently certain that they will be realized. HOCHTIEF Aktiengesellschaft also accounts for all deferred taxes for companies in its tax group. The amount is measured on the basis of a combined tax rate of 31.5 percent (2010: 31.5 percent). Deferred tax assets and deferred tax liabilities are presented net. In 2011, as in the previous year, deferred tax liabilities were more than offset by deferred tax assets resulting primarily from the measurement of pension provisions and other provisions. Use was made of the option under the second sentence of Section 274 (1) HGB, to dispense with recognition of deferred tax assets.

Currency translation

Assets and liabilities in foreign currency are reported in the financial statements at the average exchange rate on the day of initial entry in the accounts. Losses due to changes in exchange rates are recognized as expense. For foreign currency-denominated assets and liabilities with a remaining term of less than one year, any gains due to changes in quoted prices as of the balance sheet date are recognized in profit or loss.

Where the currency risk on foreign currency items is hedged with derivatives such as forward exchange contracts and valued as a unit with the derivatives, the items are translated at the hedged rate.

Derivative financial instruments

As well as for hedging exchange rate fluctuations in our international activities, derivatives are used to hedge interest rate fluctuations on variable-rate debt and to hedge our share-based payment plans. Derivatives are deployed exclusively for hedging purposes. Rules on their use and separate control are laid down together with responsibilities by binding directives in all Group companies. Derivatives must be used in connection with hedged transactions to offset risks in designated hedging relationships. The counterparties in hedging transactions are invariably banks with first-rate credit standing. Derivatives are initially recognized at cost and are measured in subsequent periods at fair value in accordance with the accounting principle of anticipating losses but not profits except where hedged items and the corresponding hedging transactions are valued as a unit. Provisions for onerous contracts are recognized if derivatives have a negative fair value. Fair values of interest rate swaps are determined from interest rate curves at the measurement date; fair values of foreign currency derivatives are determined from the forward exchange rates for the relevant currencies at the measurement date. Fair values of stock forward contracts and stock options are determined from market prices at the measurement date.

Hedged items are valued as a unit with their corresponding hedging transactions if they are objectively and intentionally complementary in use and function such that gains and losses from the hedged item and the hedging transaction are highly likely to cancel each other out. At HOCHTIEF, hedged items and hedging transactions can only be valued as a unit in the case of micro hedges, where a single hedging transaction corresponds to a single hedged item. The effectiveness of such a unit at matching future changes in value or cash flows is determined by using the critical terms match method. Retrospective measurement of effectiveness is normally performed using the dollar offset method. Any ineffectiveness is accounted for by applying the rule of anticipating losses but not gains and recognizing a provision for the unit as needed. In all other respects, accounting presentation follows the net hedge presentation method.

Management estimates and assumptions

The preparation of the annual financial statements requires the management of HOCHTIEF Aktiengesellschaft to make estimates and assumptions that affect the disclosure and reported amounts of assets and liabilities as of the balance sheet date and of income and expenses in the reporting period as well as the disclosure of risks and uncertainties. Actual results may differ from such estimates.

Explanatory Notes to the Balance Sheet

1. Fixed assets

The aggregated fixed assets categories reported in the balance sheet are subclassified, with details of changes in each item relative to the prior year, in the statement of Movements in Fixed Assets on pages 6 and 7.

The EUR 18,717,000 in additions to intangible assets includes EUR 15,877,000 for prepaid bank guarantee and loan commitment fees in connection with refinancing the previous credit and guarantee facilities. The disposals relate in the amount of EUR 19,483,000 (carrying amount EUR 6,593,000) to derecognition of the prepaid bank guarantee and loan commitment fees in respect of the refinanced facilities.

The EUR 434,373,000 in additions to shares in affiliated companies primarily consist of EUR 344,670,000 relating to a payment into the capital reserve at HOCHTIEF Asia Pacific GmbH, Essen, and EUR 69,803,000 relating to the merger of the shareholding in HOCHTIEF Facility Management GmbH, Essen, with HOCHTIEF Solutions AG, Essen. The disposals, totaling EUR 149,324,000 in 2011 consist of EUR 69,803,000 relating to the merger just mentioned and EUR 78,423,000 to capital paid back by affiliated companies.

The total for long-term loans to affiliated companies consists as before of EUR 504,500,000 in long-term loans to HOCHTIEF AirPort GmbH, Essen and EUR 210,000,000 to HOCHTIEF Projektentwicklung GmbH, Essen.

A list of the main subsidiaries, associates, and other equity interests held by the HOCHTIEF Group is provided on pages 32 and 33.

Long-term securities investments consist in their entirety of shares in mutual fund units linked to a deferred compensation plan to provide a supplementary pension for employees. The figure includes EUR 2,297,000 in additions to long-term securities investments in 2011. Most of the long-term securities investments are in a fund in accordance with Section 285 (26) of the German Commercial Code (HGB). This is a mixed-strategy fund aiming to secure a certain capital amount at specific points in time together with capital growth. A portion of the fund units constitute plan assets and are therefore measured at fair value at EUR 8,472,000 (2010: EUR 9,559,000), which is also the carrying amount, and offset against pension provisions. The remaining part of the fund is measured at amortized cost and continues to be reported as part of long-term securities investments (carrying amount: EUR 23,280,000; fair value: EUR 23,853,000; 2010: carrying amount: EUR 21,626,000; fair value: EUR 22,220,000). Neither the plan assets nor this portion of the fund are at the free disposal of HOCHTIEF Aktiengesellschaft. As of December 31, 2011, the fund units thus had a total carrying amount of EUR 31,752,000 (2010: EUR 31,185,000) and a fair value of EUR 32,325,000 (2010: EUR 31,779,000). The profit distribution apportioned to HOCHTIEF for the fiscal year came to EUR 4,000 (2010: EUR 7,000).

2. Inventories

(EUR thousand)	**Dec. 31, 2011**	Dec. 31, 2010
Construction work in progress	20,349	39,935
less progress payments received	(88)	–
Raw materials and supplies	5	13
	20,266	**39,948**

3. Receivables and other assets

(EUR thousand)	**Dec. 31, 2011**	Of which: residual term above 1 year	Dec. 31, 2010	Of which: residual term above 1 year
Trade receivables	8,130	138	22,324	147
Receivables from joint ventures	–	–	6,990	–
Receivables from affiliated companies	1,107,611	253,453	956,244	285,289
Receivables from companies in which the Company has participating interests	47	–	65	–
Other assets	57,554	19,986	55,700	27,933
	1,173,342	**273,577**	**1,041,323**	**313,369**

Receivables from affiliated companies are largely connected with intra-Group financial management.

Other assets include tax refund entitlements and loan receivables, premiums receivable on derivative financial instruments, pension liability insurance entitlements, entitlements from real estate sales, interest receivables from securities and fixed-term deposit investments, other non-trade receivables, and other assets. Other assets totaling EUR 5,443,000 (2010: EUR 5,395,000) are subject to restrictions.

4. Marketable securities

Marketable securities include EUR 40,777,000 (2010: EUR 304,544,000) in shares in fixed-interest investments and investment funds. The decrease mainly relates to disposals in 2011 to streamline the structure of the Company's finances. The total also includes EUR 5,238,000 (2010: EUR 12,087,000) in holdings of equity shares. A special-purpose investment fund with a carrying amount of EUR 66,929,000 as of December 31, 2010 was sold in the current fiscal year. The fund is an equity fund from which HOCHTIEF Aktiengesellschaft received a distribution of EUR 208,000 in the fiscal year (2010: EUR 214,000).

5. Cash and cash equivalents

Cash and cash equivalents mostly consist of bank balances; these are subject to restrictions in the amount of EUR 6,366,000 (2010: EUR 6,346,000) due to employee semiretirement entitlements. The decrease in cash and cash equivalents mainly relates to measures in connection with streamlining the structure of the Company's finances.

6. Prepaid expenses

Prepaid expenses mainly consisted of prepaid rents.

7. Shareholders' equity

(EUR thousand)	Amount on Jan. 1, 2011	Dividends distributed	Net profit for the year	Change in capital/ revenue reserves	**Amount on Dec. 31, 2011**
Subscribed capital	**197,120**	**–**	**–**	**–**	**197,120**
Treasury stock	**(8,794)**	**–**	**–**	**34**	**(8,760)**
Capital reserve	783,142	–	–	410	783,552
Revenue reserves					
Statutory reserve	1,492	–	–	–	1,492
Other revenue reserves	812,754	–	–	317	813,071
Total reserves	**1,597,388**	**–**	**–**	**727**	**1,598,115**
Unappropriated net profit	**154,000**	**(147,130)**	**46**	**–**	**6,916**
	1,939,714	**(147,130)**	**46**	**761**	**1,793,391**

HOCHTIEF Aktiengesellschaft's subscribed capital is divided into 76,999,999 no-par-value shares, having been increased by the issue of 6,999,999 shares in December 2010, and has a nominal value of EUR 197,120,000. Each share accounts for EUR 2.56 of capital stock.

Report of the Executive Board to the General Shareholders' Meeting on the exercise in December 2010 of the authorization to issue shares to the exclusion of shareholders' subscription rights:

The Executive Board of the Company decided on December 5, 2010, making partial utilization of the authorization to issue shares granted at the General Shareholders' Meeting of May 11, 2010 (Authorized Capital I), to increase the Company's capital stock by EUR 17,919,997.44 from EUR 179,200,000.00 to EUR 197,119,997.44 through the issue, against a cash contribution of 6,999,999 new no-par-value bearer shares each accounting for EUR 2.56 of capital stock and fully eligible for dividends from the 2010 fiscal year. In accordance with the authorization laid down in the third sentence of Section 4 (5) of the Articles of Association, the issue was made to the exclusion of shareholders' statutory subscription rights. The Executive Board set the issue price at EUR 57.114 per share. Qatar Holding LLC was permitted to subscribe for the issue, which it took up on December 7, 2010. The share issue was recorded in the commercial register on December 10, 2010. The share issue resulted in an inflow of shareholders' equity to the Company of just under EUR 400 million.

The admissibility of excluding shareholders' subscription rights follows in this instance specifically from the fourth sentence of Section 186 (3) of the German Stock Corporations Act (AktG) read in conjunction with the first sentence of Section 203 (1), AktG, and the third sentence of Section 4 (5) of the Company's Articles of Association. The shares were issued against cash. The limit of ten percent of the Company's capital stock was observed. The issue price was set at EUR 57.114, representing a five percent discount on the Xetra closing price on Frankfurt Stock Exchange on the last trading day (Friday, December 3, 2010) before the decision to carry out the share issue. The issue price was thus not significantly below the stock market share price, in compliance with the fourth sentence of Section 186 (3), AktG.

The share issue was also in the Company's interests. The cash share issue strengthened the Company's finances and made way for further growth after a planned bond issue had to be cancelled in September 2010 in light of the impending changes in ownership. Issuing the shares to the exclusion of subscription rights enabled the Company to carry out the issue with the necessary speed and certainty. In the circumstances and at the time in question, it would only have been possible to carry out a rights issue at a large discount, without any guarantee of being fully subscribed. In addition, the Company gained a key strategic partner in Qatar Holding LLC.

Including treasury stock still held, subscribed capital totaled EUR 188,360,000 (2010: EUR 188,326,000) as of December 31, 2011.

The capital reserve comprises EUR 782,684,000 (2010: EUR 782,684,000) constituting the premium on shares issued by HOCHTIEF Aktiengesellschaft together with EUR 868,000 (2010: EUR 458,000) for the book gain on the sale of treasury stock.

There was no transfer to other revenue reserves from net profit for the year (2010: EUR 77,294,000). Reserves in the amount of EUR 186,000 (2010: EUR 1,430,000) are barred from distribution in accordance with Section 268 (8) of the German Commercial Code (HGB). The entire amount relates to the excess of the fair value of plan assets over the cost of acquisition.

The Executive Board is unaware of any restrictions on voting rights or transfers of securities.

There are no shares with special control rights. The Executive Board is not aware of any employee shares where the control rights are not exercised directly by the employees.

Statutory rules on the appointment and replacement of Executive Board members are contained in Sections 84 and 85 and statutory rules on the amendment of the Articles of Association in Sections 179 and 133 of the German Stock Corporations Act (AktG). Under Section 7 (1) of the Company's Articles of Association, the Executive Board comprises at least three individuals. Section 23 (1) of the Articles of Association provides that resolutions of the General Shareholders' Meeting require a simple majority of votes cast unless there is a statutory requirement stipulating a different majority. In instances where the Act requires a majority of the capital stock represented at the time of the resolution in addition to a majority of votes cast, Section 23 (3) of the Articles of Association provides that a simple majority will suffice unless there is a mandatory requirement stipulating a different majority.

Pursuant to Section 4 (5) of the Articles of Association, the Executive Board is authorized subject to Supervisory Board approval to increase the capital stock by issuing new no-par-value bearer shares for cash or non-cash consideration in one or more issues up to a total of EUR 35,840,000 by or before May 10, 2015 (Authorized Capital I). Similarly, there is an authorization to increase capital by up to EUR 23,296,000 by or before May 11, 2016 under Section 4 (6) of the Articles of Association (Authorized Capital II). Detailed provisions are contained in the stated section of the Articles.

Pursuant to Section 4 (4) of the Articles of Association, the Company's capital stock has been conditionally increased by up to EUR 49,280,000 divided into up to 19,250,000 no-par-value bearer shares (conditional capital). Detailed provisions are contained in the stated section of the Articles.

Authorization to repurchase shares:

The Company is authorized by resolution of the General Shareholders' Meeting of May 12, 2011 to repurchase its own shares in accordance with Section 71 (1) 8 of the German Stock Corporations Act (AktG). The authorization expires on November 11, 2012. It is limited to ten percent of the capital stock at the time of the General Shareholders' Meeting resolution or at the time of exercising the authorization, whichever figure is smaller, with the quantity of shares able to be acquired by the use of call options limited to a maximum of five percent of the capital stock at the time of the resolution. The authorization can be exercised directly by the Company or by a company in its control or majority ownership or by third parties engaged by the Company or engaged by a company in its control or majority ownership and allows the share repurchase to be executed in one or more installments covering the entire amount or any fraction. The repurchase may be effected through the stock exchange or by public offer to all shareholders, or by public invitation to all shareholders to tender shares for sale, or by issuing shareholders with rights to sell shares, or by the use of call options. The conditions governing the repurchase are set forth in detail in the resolution.

By resolution of the General Shareholders' Meeting of May 12, 2011, the Executive Board is authorized, subject to Supervisory Board approval, in the event of a sale of repurchased shares effected by way of an offer to all shareholders, to issue subscription rights to the shares to holders of any warrant-linked and/or convertible bonds issued by the Company or by any subordinate Group company. The Executive Board is also authorized, subject to Supervisory Board approval, to sell repurchased shares other than through the stock exchange and other than by way of an offer to all shareholders provided that the shares are sold for cash at a price not substantially below the current stock market price for Company shares of the same class at the time of sale.

The HOCHTIEF Aktiengesellschaft Executive Board is authorized, subject to Supervisory Board approval and the conditions set out in the following, to offer and transfer repurchased shares to third parties other than through the stock exchange and other than by way of an offer to all shareholders. Such transactions may take place in the course of acquisitions of business enterprises in whole or part and in the course of mergers. They are also permitted for the purpose of obtaining a listing for the Company's shares on foreign stock exchanges where it is not yet listed. The shares may also be offered for purchase by employees or former employees of the Company or its affiliates. Holders of bonds which the Company or a Group company subordinate to it issues or has issued under the authorization granted at the General Shareholders' Meeting of May 12, 2011 (agenda item 8) may also be issued with the shares upon exercising the warrant and/or conversion rights and/or obligations attached to the bonds.

The shares may also, on condition that they be held for at least two years after transfer, be transferred to members of the Executive Board of the Company and to members of the executive boards and general management of companies under its control within the meaning of Section 17 of the German Stock Corporations Act (AktG), and to employees of the Company or of a company under its control within the meaning of Section 17 AktG. Such transfers are only permitted for the purpose of settling the transferees' variable compensation entitlements in place of cash settlement. Further conditions of transfer are detailed in the resolution. Where shares are issued to members of the Executive Board of the Company, the decision to issue the shares is taken by the Supervisory Board alone.

Shareholders' statutory subscription rights to such shares are barred pursuant to Sections 71 (1) 8 and 186 (3) and (4) of the German Stock Corporations Act (AktG) to the extent that the shares are used in exercise of the authorizations set out above.

The Executive Board is also authorized, subject to Supervisory Board approval, to retire repurchased shares without a further resolution of the General Shareholders' Meeting being required for the share retirement itself or its execution.

The conditions governing awards of subscription rights and the sale, transfer, and retirement of treasury stock are set forth in detail in the General Shareholders' Meeting resolution.

As of December 31, 2011, HOCHTIEF Aktiengesellschaft held a total of 3,421,735 shares of treasury stock as defined in Section 160 (1) 2 of the German Stock Corporations Act (AktG). These shares were purchased in the course of fiscal 2008 for the purposes provided for in the resolution of the General Shareholders' Meeting of May 8, 2008. The holdings of treasury stock represent EUR 8,759,642 (4.44 percent) of the Company's capital stock.

In July 2011, 13,340 shares of treasury stock were sold to persons in the employment of the Company or an affiliate for a price of EUR 28.50 per share. These shares represent EUR 34,150 (0.02 percent) of the Company's capital stock.

8. Share-based payment

The following Group-wide share-based payment systems were in force for managerial staff of HOCHTIEF Aktiengesellschaft and its affiliates in 2011:

Top Executive Retention Plan 2004

The Top Executive Retention Plan 2004 (TERP 2004) was launched by resolution of the Supervisory Board in 2004 in connection with the sale of RWE Aktiengesellschaft's stake in HOCHTIEF Aktiengesellschaft and is open to Executive Board members and selected managerial employees. The TERP complemented existing measures in helping to forge long-term ties with HOCHTIEF and retain expertise within the Company. The plan is based on stock appreciation rights (SARs).

The plan was fully settled in 2011.

The SARs issued have accrued in three tranches, with waiting periods of between two and four years. The exercise period was between six and eight years, depending on the tranche.

The SARs could only be exercised if the average (arithmetic mean) closing price of HOCHTIEF stock over the ten stock market trading days preceding the exercise date increased by a greater percentage relative to the issue price than the average closing level of the MDAX index increased over the same ten trading days relative to the index base (relative performance threshold) and the stock market closing price of HOCHTIEF stock on the last stock market trading day before the exercise date was at least 25 percent higher than the issue price (absolute performance threshold). The relative performance threshold was waived if after the end of the waiting period the average stock market price of HOCHTIEF stock over the ten consecutive stock market trading days immediately preceding the exercise date was at least 30 percent higher than the issue price.

Provided that the targets were met, SARs under the plan could be exercised at any time after the waiting period except during a short period before any business results were published. The number of SARs that could be exercised depended on the size of the gain relative to the issue price in the average price of HOCHTIEF stock over ten consecutive stock market trading days during the exercise period for the respective tranche of SARs, with a minimum 25, 30, or 35 percent price gain permitting 25 percent, 60 percent, or all SARs to be exercised. When SARs were exercised, the issuing entity paid out the difference between the current stock price and the issue price. During the exercise period, this amount was limited to a specific fraction of the maximum possible difference (capped), the fraction increasing according to the exercise date and thus with the passage of time. From the fourth or third exercise year, as applicable, the difference was capped at 100 percent of the issue price.

Long-term Incentive Plan 2007

The Long-term Incentive Plan 2007 (LTIP 2007) was launched by resolution of the Supervisory Board in 2007 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. Alongside grants of stock appreciation rights (SARs), LTIP 2007 also provides for grants of stock awards.

The SARs can only be exercised if, for at least ten consecutive stock market trading days before the exercise date, the ten-day average (arithmetic mean) stock market closing price of HOCHTIEF stock is higher relative to the issue price compared with the ten-day average closing level of the MDAX index relative to the index base (relative performance threshold) and, additionally, return on net assets (RONA) in the most recently approved set of consolidated financial statements is at least ten percent (absolute performance threshold). The relative performance threshold is waived if the average stock market price of HOCHTIEF stock exceeds the issue price by at least ten percent on ten consecutive stock market trading days after the end of the waiting period.

Provided that the targets are met, the SARs can be exercised at any time after a two-year waiting period except during a short period before any business results are published. When SARs are exercised, the issuing entity pays out the difference between the current stock price and the issue price. The difference is capped at 50 percent of the issue price.

The LTIP conditions for stock awards stipulate that for each stock award exercised within a two-year exercise period following a three-year waiting period, entitled individuals receive at HOCHTIEF Aktiengesellschaft's discretion either a HOCHTIEF share or a compensatory amount equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date. The gain on each stock award is limited to 150 percent of the stock market closing price on the day before the issue date.

Long-term Incentive Plan 2008

The Long-term Incentive Plan intended for issue in 2008 was already launched as the Long-term Incentive Plan 2008 (LTIP 2008) by resolution of the Supervisory Board in November 2007 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. The conditions do not differ from those of LTIP 2007. The term of the plan has been extended compared with earlier plans to ensure that the exercise system is not changed despite the earlier issue.

Retention Stock Awards 2008

In May 2008, the Supervisory Board adopted a resolution to launch for members of the Executive Board, on the basis of LTIP 2008 (stock awards), a Retention Stock Award plan (RSA 2008) consisting of three tranches and running for seven years, and granted a first tranche of awards under the plan. The conditions for the first tranche of RSA 2008 differ from LTIP 2008 (stock awards) solely with regard to the cap, which is set at EUR 160 per stock award. The second tranche was granted in March 2009. The conditions for the second tranche differ from

LTIP 2008 (stock awards) solely in the timeframe being one year later and with regard to the cap, which is set for the second tranche at EUR 66.50 per stock award. The third tranche was granted in March 2010. The conditions for the third tranche differ from LTIP 2008 (stock awards) solely in the timeframe being two years later and with regard to the cap, which is set for the third tranche at EUR 133.12 per stock award.

The first tranche was exercised in full by the members of the Executive Board in 2011.

Top Executive Retention Plan 2008

The Executive Board also resolved in June 2008 to launch a Top Executive Retention Plan 2008 (TERP 2008) for selected managerial employees.

This plan is likewise based on stock awards and consists of three tranches. The first tranche was granted in July 2008, the second in July 2009, and the third in July 2010.

The total term of the plan is ten years. The waiting period after the granting of each tranche is three years. The exercise period is between five and seven years, depending on the tranche.

The conditions stipulate that, after the waiting period, entitled individuals receive for each stock award either a HOCHTIEF share or, at HOCHTIEF Aktiengesellschaft's discretion, a compensatory cash amount equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date. The gain is capped for each year of the exercise period. The cap rises annually up to a maximum gain at the end of the term. The maximum gain is set to EUR 160 per stock award for the first tranche, EUR 81.65 for the second tranche and EUR 166.27 for the third tranche.

Long-term Incentive Plan 2009

The Long-term Incentive Plan 2009 (LTIP 2009) was launched by resolution of the Supervisory Board in 2009 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. The conditions do not differ in any material respect from those of LTIP 2008. The maximum gain is set to EUR 40.10 per stock award.

Long-term Incentive Plan 2010

The Long-term Incentive Plan 2010 (LTIP 2010) was launched by resolution of the Supervisory Board in 2010 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. Except for the longer waiting period (four instead of two years) for the SARs, the conditions do not differ in any material respect from those of LTIP 2009. The maximum gain is set to EUR 81.83 per stock award.

Long-term Incentive Plan 2011

The Long-term Incentive Plan 2011 (LTIP 2011) was launched by resolution of the Supervisory Board in 2011 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. The conditions do not differ in any material respect from those of LTIP 2010. The maximum gain is set to EUR 98.01 per stock award.

Other information

The conditions of all plans stipulate that on the exercise of SARs or stock awards—and the fulfillment of all other requisite criteria—HOCHTIEF Aktiengesellschaft normally has the option of delivering HOCHTIEF shares instead of paying out the gain in cash. Where the entitled individuals are not employees of HOCHTIEF Aktiengesellschaft, the expense incurred on exercise of SARs or stock awards is met by the affiliated company concerned.

Provisions recognized for the stated share-based payment arrangements totaled EUR 19,306,000 as of the balance sheet date (2010: EUR 34,994,000). The total expense recognized for the stated arrangements in 2011 was EUR 8,033,000 (2010: EUR 21,045,000). The intrinsic value of SARs exercisable at the end of the reporting period was EUR 441,000 (2010: EUR 1,088,000). An additional factor consisted of EUR 15,699,000 in expense incurred as former members of the Executive Board exercised their special rights of termination following the change of control.

The quantities of SARs and stock awards granted, expired and exercised under the plans are as follows:

	Originally granted	Outstanding at Dec. 31, 2010	Granted in 2011	Expired in 2011	Exercised in 2011	**Outstanding at Dec. 31, 2011**
TERP 2004	1,853,901	8,967	–	8,967	–	–
LTIP 2007 – SARs	430,450	227,200	–	–	165,650	61,550
LTIP 2007 – stock awards	110,650	33,450	–	–	23,050	10,400
LTIP 2008 – SARs	304,575	272,745	–	19,725	29,450	223,570
LTIP 2008 – stock awards	101,985	92,310	–	250	73,240	18,820
TERP 2008/Tranche 1	130,900	121,300	–	–	48,300	73,000
TERP 2008/Tranche 2	359,000	329,300	–	–	–	329,300
TERP 2008/Tranche 3	174,100	174,100		6,200	–	167,900
RSA 2008/Tranche 1	122,012	122,012	–	–	122,012	–
RSA 2008/Tranche 2	347,478	347,478	–	–	–	347,478
RSA 2008/Tranche 3	146,884	146 884	–	–	–	146,884
LTIP 2009 – SARs	414,000	402,600	–	500	399,200	2,900
LTIP 2009 – stock awards	273,400	259,200	–	7,000	27,600	224,600
LTIP 2010 – SARs	353,200	350,900	–	21,250	46,000	283,650
LTIP 2010 – stock awards	166,000	164,900	–	9,200	23,300	132,400
LTIP 2011 – SARs	–	–	275,250	–	21,000	254,250
LTIP 2011 – stock awards	–	–	124,850	–	11,000	113,850

9. Provisions for pensions and similar obligations

The pension arrangements at HOCHTIEF Aktiengesellschaft consist of a Company-funded basic pension in the form of a modular defined contribution plan and a supplementary pension linked to business performance. The size of the basic pension component depends on employee income and age (resulting in an annuity conversion factor) and a general pension contribution which HOCHTIEF Aktiengesellschaft reviews every three years. The size of the supplementary pension component depends on growth in IFRS-basis profit after taxes. The basic pension can be supplemented in this way by up to 20 percent. The pension arrangements in force until December 31, 1999 featured benefit groups based on collective agreements. These benefits were integrated into the new system of retirement benefits as an initial pension component. Benefits comprise an old-age pension, an invalidity pension, and a surviving dependants' pension.

The size of pension provisions is determined on an actuarial basis. This necessarily involves estimates. The Prof. Dr. Klaus Heubeck 2005 G tables are used to provide biometric data for the calculations. The remaining actuarial assumptions used are as follows:

(%)	**2011**	2010
Discount factor	5.13	5.17
Salary increases	3.00	2.75
Pension increases	1.75	1.75

HOCHTIEF Aktiengesellschaft's pension finances are based on a contractual trust arrangement (CTA). Transferred assets are administered in trust by HOCHTIEF Pension Trust e. V. and serve exclusively to fund pension obligations. Transferred cash is invested on the capital market in accordance with investment principles set out in the trust agreement. Units in a special-purpose investment fund (a mixed investment fund) had a fair value, which was equal to their carrying amount, of EUR 207,011,000 as of December 31, 2011 (December 31, 2010: EUR 200,857,000). As in the prior year, HOCHTIEF Aktiengesellschaft did not receive any distribution from the fund. The plan assets—like the pension liability insurance and investment fund units in the deferred compensation plan assigned to employees—meet the requirements in the second sentence of Section 246 (2) of the German Commercial Code (HGB). The fair value of these assets is therefore offset against the fair value of the pension obligations and gains on plan assets against pension expense. This offsetting is carried out separately for each type of pension commitment. An asset or liability is recognized on the balance sheet depending on whether there is a pension surplus or deficit.

Assets were offset against pension obligations as follows in the balance sheet as of December 31, 2011:

(EUR thousand)	December 31, 2011			December 31, 2010		
	Excess of plan assets over obligations	Provisions for pensions and similar obligations	Total	Excess of plan assets over obligations	Provisions for pensions and similar obligations	Total
Settlement amount of pensions and similar obligations	(266,462)	(8,965)	(275,427)	(274,823)	(9,792)	(284,615)
Fair value of assets offset against obligations (Section 246 (2), sentence 2 HGB)	283,432	8,472	291,904	353,297	9,559	362,856
Balance	**16,970**	**(493)**	**16,477**	**78,474**	**(233)**	**78,241**
Acquisition cost of assets offset against obligations (Section 246 (2), sentence 2 HGB)	290,408	8,286	298,694	354,818	9,334	364,152

Pension payments totaled EUR 22,397,000 in 2011 (2010: EUR 22,452,000).

The pension expense is made up as follows:

(EUR thousand)	2011	2010
Pension expense	4,335	5,165
Personnel expense	**4,335**	**5,165**
Interest expense from unwinding of discount and changes in discount factor	14,712	16,407
Gains on plan assets offset against pension expense (Section 246 (2), sentence 2 HGB)	1,617	(10,145)
Net interest income	**16,329**	**6,262**
Total expense	**20,664**	**11,427**

10. Other provisions

(EUR thousand)	Dec. 31, 2011	Dec. 31, 2010
Provisions for taxes	2,796	11,871
Sundry other provisions	111,990	141,232
	114,786	**153,103**

Other provisions cover items such as risks in real estate and equity holdings, onerous contracts not accounted for elsewhere, internal and external costs of preparing the annual financial statements, stock appreciation rights (SARs) and stock awards, outstanding employee leave, costs of semiretirement programs for older employees, payments for damages, and other uncertain liabilities.

11. Liabilities

(EUR thousand)	Dec. 31, 2011	Of which: with residual term of up to 1 year	Dec. 31, 2010	Of which: with residual term of up to 1 year
Amounts due to banks	1,160,796	152,796	1,300,002	33,002
Trade payables	21,171	20,539	32,130	31,181
Amounts due to affiliated companies	647,040	628,164	456,385	456,017
Amounts due to companies in which the Company has participating interests	1,175	1,175	1,172	1,172
Sundry other liabilities	25,886	24,380	45,361	42,432
Of which: from taxes	[15,160]	[15,160]	[24,540]	[24,540]
Of which: from social insurance contributions	[23]	[23]	[72]	[72]
	1,856,068	**827,054**	**1,835,050**	**563,804**

Amounts due to banks include a EUR 102,000,000 portion of a EUR 120,600,000 five-year promissory note loan issue placed in the market on November 25, 2011. The loan was placed with national and international banks and a EUR 18,600,000 portion with an affiliated company. The coupon is based on six-month EURIBOR plus an appropriate margin. There is also a EUR 240,000,000 promissory note loan issue put out by HOCHTIEF in the previous year and consisting of two tranches, for EUR 59,500,000 and EUR 180,500,000 respectively. This loan has an initial term of five years and a coupon equal to six-month EURIBOR plus an appropriate margin. The four promissory note loans taken out in 2009 for a total of EUR 300,000,000 with terms of three and five years split halfway with part-fixed, part-variable interest were partially repaid by HOCHTIEF ahead of schedule in 2011 in the amount of EUR 140,500,000. Amounts due to banks also include EUR 236,000,000 for two further promissory note loans issued in 2008 with an issue size of EUR 250,000,000 before partial repayments, comprising one for a nominal amount of EUR 197,000,000 and an initial term of five years and one for a nominal amount of EUR 39,000,000 and an initial term of seven years. The coupon on both is equal to six-month EURIBOR plus an appropriate margin.

The EUR 600,000,000 syndicated revolving credit facility taken out with an international banking syndicate in 2005 and originally due to run until November 22, 2012 was refinanced ahead of schedule in December 2011 with a combined guarantee and credit facility for a total of EUR 2 billion. An international banking syndicate provided HOCHTIEF on market terms with a five-year credit facility comprising a EUR 1.5 billion guarantee tranche and a EUR 500,000,000 cash tranche. Drawings on the cash tranche stand at EUR 400,000,000 at the balance sheet date (2010: EUR 477,000,000).

Amounts due to affiliated companies are largely connected with intra-Group financial management.

Sundry other liabilities include tax liabilities, payroll liabilities, social insurance liabilities, other non-trade payables, and other obligations.

As in the prior year, there are no liabilities with a remaining time to maturity of more than five years.

12. Contingencies, commitments, and other financial obligations

(EUR thousand)	Dec. 31, 2011	Dec. 31, 2010
Obligations from guarantees, sureties, and letters of support	1,115,952	1,140,920
Of which: for affiliated companies	[1,096,123]	[1,091,776]

The commitments and potential obligations primarily serve as security for bank loans, contract performance, warranty obligations, and advance payments. Most guarantees as of the reporting date related to participating interests and construction joint ventures. In our estimation, all companies can meet the underlying obligations and recourse to HOCHTIEF Aktiengesellschaft is not probable.

The syndicated guarantee facility taken out by HOCHTIEF Aktiengesellschaft in 2007 was refinanced along with the Company's syndicated credit facility in December 2011 with a new combined guarantee and credit facility for EUR 2 billion from an international banking syndicate. The syndicated guarantee and credit facility has a EUR 1.5 billion tranche for guarantees, drawings on which amounted to EUR 1.12 billion (2010: EUR 1.21 billion) as of December 31, 2011 and a EUR 500,000,000 cash tranche, drawings on which came to EUR 400,000,000 (2010: EUR 477,000,000) as of December 31, 2011. The facility permits the furnishing of guarantees for ordinary activities, mainly of the HOCHTIEF Europe and HOCHTIEF Concessions divisions. The new guarantee and credit facility runs for five years to December 13, 2016.

In addition, HOCHTIEF Aktiengesellschaft has available a further EUR 1.4 billion (2010: EUR 1.14 billion) in revolving guarantee facilities provided by insurance companies and banks. EUR 0.66 billion (2010: EUR 0.68 billion) of these facilities was utilized as of December 31, 2011.

HOCHTIEF Aktiengesellschaft has provided an unlimited bonding guarantee in favor of US insurance companies in respect of obligations of the Turner Group and the Flatiron Group. Bonding is a statutory form of security used in the US to guarantee performance of public projects. It is also used with other selected customers. The total bonding amount came to USD 6,500 million (2010: USD 6,256 million). USD 4,417 million was utilized in the year under review (2010: USD 4,084 million). No recourse has ever been made to this guarantee provided by HOCHTIEF, and none is currently anticipated for the future.

HOCHTIEF Aktiengesellschaft is additionally liable for joint venture guarantees given by Flatiron Construction Corporation up to a maximum of the total contract value. This amounted to EUR 1,029,438,000 as of December 31, 2011 (2010: EUR 916,667,000).

As in the prior year, marketable securities are not subject to any restrictions.

Other financial obligations include EUR 154,609,000 (2010: EUR 175,070,000) in commitments under long-term contracts for the supply of goods and services. These represent obligations under long-term rental contracts and are partly offset by anticipated rental income totaling EUR 134,389,000 (2010: EUR 130,713,000).

Derivative financial instruments

The EUR 751,500,000 nominal value of loan liabilities (2010: EUR 1,126,500,000) subject to variable interest is hedged with a total of 16 (2010: 19) interest rate swaps; the hedges and hedged items are accounted for as a unit. The nominal amount allows inferences to be drawn as to the overall use made of derivatives, but does not reflect the level of risk involved in their use. As the critical terms of hedging transactions and hedged items broadly match, the earnings risk from the variable interest on the hedged items is almost fully hedged, resulting in an artificial fixed rate of interest on the hedge units. Fair values of interest rate swaps are determined—on the basis of interest rate curves as of the balance sheet date—from the discounted expected future cash flows. The opposing cash flows are settled according to the remaining term of the hedged item and the corresponding hedge in the subsequent five to 59 (2010: three to 54) months. Additionally, as in the prior year, a EUR 180,000,000 loan extension to an affiliated company expected with strong probability was valued as a unit with three interest rate swaps. The net fair value of the interest rate swaps was minus EUR 23,023,000 as of the balance sheet date (2010: minus EUR 38,056,000).

Our cash-settled share-based compensation plans are hedged with eight stock options and seven stock forward contracts (2010: eight of each). The net fair value of the stock option transactions was EUR 1,263,000 (2010: EUR 2,887,000). The stock options had a net carrying amount of EUR 724,000 (2010: EUR 4,227,000), which is contained in other assets and other liabilities. The stock forward contracts had a net fair value of EUR 9,419,000 as of December 31, 2011 (2010: 46,281,000). EUR 1,398,000 (2010: EUR 3,513,000) in provisions for onerous contracts were recognized for stock options and stock forward contracts with negative fair values as of December 31, 2011, as these are not valued as a unit together with the share-based compensation plans. The income and expenditure associated with these derivatives is included in personnel expense.

Foreign currency receivables with a face value of EUR 225,050,000 (2010: EUR 16,095,000) are hedged with forward exchange contracts in the same currency and with the same term as the underlying transaction and valued as a unit. The fair value of forward exchange contracts used for exchange rate hedging is the present value of the cash flows taking into account the forward rates agreed or prevailing as of the balance sheet date. Forward exchange contracts had a net fair value of EUR 7,758,000 (2010: EUR 862,000) as of the balance sheet date. No provisions for onerous contracts were recognized for forward exchange contracts that had negative fair values (2010: provisions of EUR 320,000). The opposing changes in fair value and cash flows are matched according to the remaining term of the hedged item and the corresponding hedge in the subsequent one to 59 (2010: five to 18) months.

Derivatives not measured at fair value because they were valued as a unit with a hedged item or had a positive market value had a net fair value of minus EUR 559,000 at December 31, 2011 (2010: minus EUR 12,638,000).

Explanatory Notes to the Statement of Earnings

The integration of service activities and their workforces into HOCHTIEF Solutions AG affects numerous items in the Statement of Earnings of HOCHTIEF Aktiengesellschaft, resulting in a significant decrease in some such items and limited comparability with the previous year.

13. Sales

HOCHTIEF Aktiengesellschaft's reported sales comprise revenue from performing the functions of a holding company. The sales figure also includes EUR 27,041,000 (2010: EUR 128,855,000) in revenue from construction projects where contract performance and processing was left with HOCHTIEF Aktiengesellschaft for organizational reasons in the context of the past transfer of construction operations to the legally independent HOCHTIEF Solutions AG. Sales also contain rental income. The international share of sales was EUR 12,762,000 (2010: EUR 128,484,000).

14. Other operating income

This item mainly consists of income in connection with reversals of provisions, disposals of marketable securities, disposals of property, plant and equipment, and corporate headquarters charges. Other operating income also includes EUR 9,133,000 (2010: EUR 12,029,000) in exchange rate gains. The figure additionally includes EUR 10,400,000 in income from disposals of participating interests in the year under review (2010: EUR –).

15. Materials

(EUR thousand)	**2011**	2010
Raw materials, supplies, and purchased goods	411	1,518
Purchased services	13,861	129,187
	14,272	**130,705**

16. Personnel costs

(EUR thousand)	2011	2010
Wages and salaries	29,145	68,286
Social insurance and support	2,480	6,734
Pensions	4,726	5,553
	36,351	**80,573**

Employees

(average for the year)	2011	2010
Waged/industrial employees	7	8
Salaried/office employees	183	620
	190	**628**

17. Depreciation and amortization

(EUR thousand)	2011	2010
Intangible assets	9,968	7,138
Property, plant and equipment	1,518	2,616
	11,486	**9,754**

EUR 11,320,000 (2010: EUR 8,477,000) is accounted for by depreciation and amortization as such, and EUR 166,000 (2010: EUR 1,277,000) by impairment charges. Impairment charges totaling EUR 166,000 (2010: EUR 1,027,000) relate to property, plant and equipment. In the prior year, there were also impairment charges totaling EUR 250,000 on intangible assets.

18. Other operating expenses

Other operating expenses primarily include rentals and lease payments, consulting fees, additions to provisions for investment risk, court costs, attorneys' and notaries' fees, severance benefits, travel and other business expenses, research and development expenses, insurance premiums, costs of preparing the annual financial statements, and other social benefits payable that are not reported elsewhere. The item also includes EUR 9,717,000 (2010: EUR 1,943,000) in foreign exchange losses. Other taxes included here come to EUR 4,701,000 (2010: EUR 3,307,000).

19. Income from financial assets (net)

(EUR thousand)	2011	2010
Income from profit/loss transfer agreements	269,968	318,550
Income from participating interests	2	3
Of which: from affiliated companies	[2]	[3]
Expenses from transfer of losses	(141,810)	(35,929)
Income from other securities and long-term loans	41,995	37,658
Of which: from affiliated companies	[41,991]	[37,651]
	170,155	**320,282**

20. Interest expense

(EUR thousand)	2011	2010
Other interest and similar income	55,116	41,637
Of which: from affiliated companies	[49,891]	[34,117]
Interest and similar expenses	(139,438)	(107,582)
Of which: to affiliated companies	[(23,291)]	[(19,376)]
Of which: unwinding of discount on non-current provisions	[(16,768)]	[(7,306)]
	(84,322)	**(65,945)**

21. Writedowns on financial assets and marketable securities

This item contains writedowns on other marketable securities totaling EUR 182,000 (2010: EUR 1,406,000).

22. Extraordinary income and expenses

Net extraordinary income in 2010 totaling EUR 64,089,000 resulted from first-time application of the German Accounting Law Modernization Act (BilMoG).

23. Income taxes

This item contains taxes on foreign profits. Other taxes are disclosed under other operating expenses.

24. Total Executive Board and Supervisory Board compensation

Executive Board compensation for the 2011 fiscal year

The Executive Board compensation system is geared toward long-term, sustainable management goals. Total compensation for members of the Executive Board is set by the Supervisory Board. The compensation system for the Executive Board is also decided and regularly reviewed by the Supervisory Board. The Supervisory Board's Human Resources Committee prepares the relevant motions for resolution by the full Supervisory Board.

The compensation for members of the Executive Board who took up office before 2011 was made up as follows in 2011:

1. A fixed salary
2. Non-cash benefits
3. Annual performance-linked compensation
4. The share-based Long-term Incentive Plan 2011
5. A company pension plan
6. Change-of-control benefits

The individual components of the Executive Board compensation are determined as follows:

1. The fixed salary is paid in equal monthly amounts.

2. The non-cash benefits mostly comprise amounts to be recognized for tax purposes for private use of company cars and other non-cash benefits.

3. The annual performance-linked compensation for Executive Board members depends on consolidated net profit and personal performance. The performance-linked compensation consists of the company bonus (60 percent) and an individual bonus (40 percent)—assuming full compliance with targets. Performance-linked compensation is capped at 200 percent of the fixed annual compensation. Members of the Executive Board, like other members of the workforce, can also have part of their performance-linked compensation withheld in favor of pension entitlements (deferred compensation). Members of the Executive Board have made varying use of this option.

   The Supervisory Board is authorized to settle 50 percent of the net amount of performance-linked compensation by transferring shares in HOCHTIEF Aktiengesellschaft subject to a two-year bar.

4. Executive Board compensation also includes participation in the Company's long-term incentive plans (LTIPs). These comprise grants of stock appreciation rights (SARs) and stock awards (phantom stock).

   If the applicable exercise targets are met after a four-year waiting period, the 2011 stock appreciation rights grant the Executive Board members a monetary claim against the Company, which they can exercise over the then following three years. The amount of the claim depends on the development of the share price within the waiting and exercise periods. In addition, relative and absolute performance targets, which cannot be modified retroactively, have to be met.

   The terms of the 2011 stock awards provide that, after the three-year waiting period, those entitled have, for each stock award and for a further two-year exercise period, a monetary claim against the Company equal to the closing price of HOCHTIEF stock on the last day of stock market trading prior to the exercise date.

   The value of entitlements under the Long-term Incentive Plan 2011 is capped (at a 50 percent increase in the share price) so that the amount of compensation stays appropriate in the event of extraordinary, unforeseeable developments.

The plan has also granted SARs and stock awards to members of upper management.

Additional information on the plans is provided on pages 16 to 19.

The long-term incentive plans granted to Executive Board members resulted in the following expense:

(EUR thousand)		Expense under long-term incentive plans	Of which: relating to special right of termination/termination agreement
Dr. Stieler	2011	1,330	–
	2010	1,725	–
Dr. Lütkestratkötter	2011	7,173	5,521
	2010	3,786	–
Dr. Lohr	2011	4,849	3,224
	2010	2,444	–
Dr. Noé	2011	4,831	3,625
	2010	2,610	–
Dr. Rohr	2011	5,092	3,329
	2010	2,503	–
Executive Board total	2011	**23,275**	**15,699**
	2010	**13,068**	**–**

The members of the Executive Board departing in fiscal 2011 received EUR 3,624,000 in long-term incentive plan settlements.

5. All Executive Board members who took office before 2011 have a company pension plan in the form of individual pension awards setting the minimum pension age at 60. The pension amount is determined as a percentage of fixed compensation, the percentage rising with each member's term of office. The maximum amount for the Executive Board members is 65 percent of their final fixed compensation. Surviving dependants receive 60 percent of the pension. Executive Board members whose contract is not extended or is prematurely terminated before they reach the age of 50 receive a transitional benefit payable until the commencement of regular pension payments and equaling 50 percent of the pension entitlement accumulated prior to leaving the Company or 75 percent in the case of members leaving at age 50 or older; where applicable, other income is partly deductible from the transitional benefit.

Dr. Lütkestratkötter, Dr. Lohr, and Dr. Noé have received pension awards for their work on the Leighton Board. Leighton incurred an expense of EUR 10,000 for this purpose for Dr. Lütkestratkötter and EUR 11,000 each for Dr. Lohr and Dr. Noé in the 2010/2011 fiscal year.

6. For the event of shareholders obtaining control of HOCHTIEF Aktiengesellschaft as defined in Sections 29 and 30 of the German Securities Acquisition and Takeover Act (WpÜG), all members of the Executive Board who took up office before 2008 were entitled to resign from office and simultaneously terminate their contracts at six months' notice. The members of the Executive Board were each similarly entitled in the event of other takeover-like contingencies specified in their contracts (among other things, the obtaining of a majority of voting rights at general shareholders' meetings). Executive Board members also had such a right if confronted by sustained and substantial pressure from shareholders demanding that they resign or take specific action which the members concerned were unable to reconcile with their personal responsibility for the exercise of office. For the event of their contracts being terminated by notice, terminated by mutual agreement or expiring within nine months following a takeover, the individual contracts provided that the departing Executive Board members would receive in compensation for termination of their contracts a severance award equaling two-and-a-half years' benefits comprising their fixed annual compensation plus performance-linked compensation in the amount budgeted for in their contracts. If an Executive Board member's contract had more than two-and-a-half years left to run from the effective date of termination, the severance award increased. No earlier than two-and-a-half years following termination of their contracts, the departed Executive Board members are paid a contractual transitional benefit in accordance with their contractual pension arrangements. Regarding all entitlements under their contractual pension arrangements, the departed Executive Board members are treated as if their contract had three years left to run from the termination date. Regarding any entitlements under the Company's long-term incentive plans, the departed Executive Board members have or had a right to demand settlement of entitlements under plans currently in force. In the event of departed Executive Board members not exercising the right to settlement, the plans continue to run in accordance with the plan conditions.

The conditions for exercise of this option by the members of the Executive Board were satisfied for the first time based on the ACS notification of February 9, 2011, according to which ACS held in total 33.49 percent of the shares or voting rights in HOCHTIEF Aktiengesellschaft following the voluntary public takeover offer.

Dr. Lohr and Dr. Noé exercised the right and left the Company during 2011.

Dr. Lütkestratkötter left the services of the Company by mutual agreement as of the end of the General Shareholders' Meeting on May 12, 2011. His contract ended on November 30, 2011.

The conditions for exercise were satisfied for a second time on acquisition by ACS of more than half of the voting capital present at the General Shareholders' Meeting of May 12, 2011. Dr. Rohr exercised this special right of termination in November 2011. By resolution of the Supervisory Board, the period of notice for termination of his appointment was shortened to December 31, 2011, with the result that Dr. Rohr's term of office as member of the Company's Executive Board terminated at that date.

Effects of special right of termination/ termination agreement

(EUR thousand)	Severance benefits	Release expense	Provision for transitional benefit	Additional pension provision
Dr. Lütkestratkötter	4,081	900	–	1,304
Dr. Lohr	3,673	–	794	274
Dr. Noé	2,721	–	645	343
Dr. Rohr	2,721	414	302	297
Executive Board total	**13,196**	**1,314**	**1,741**	**2,218**

The special right of termination granted to Dr. Stieler was withdrawn by mutual agreement on his appointment as Chairman of the Executive Board.

The Supervisory Board adopted a resolution during fiscal 2011 establishing a new compensation system with regard to performance-linked compensation and company pension benefits for new members of the Executive Board. Additionally, the new Executive Board contract does not provide for any change-of-control or transition benefits. The first such contract was signed with Mr. Peter Sassenfeld.

The individual compensation components are determined as follows for new members of the Executive Board:

1. The fixed salary is paid in equal monthly amounts.
2. The non-cash benefits mostly comprise amounts to be recognized for tax purposes for private use of company cars and other non-cash benefits.
3. The variable compensation is computed on the basis of the following equally weighted components: RONA (absolute), RONA delta relative to a minimum rate of return, consolidated net profit (absolute) and consolidated net profit delta relative to a minimum net profit. Target attainment for all four components can range between zero and 200 percent of the budgeted figure. In addition to these financial targets, the Supervisory Board annually stipulates up to four strategic targets that apply uniformly for all members of the Executive Board. The Supervisory Board has the right to adjust overall target attainment with regard to the financial targets upward or downward according to its assessment of target attainment with regard to the strategic targets. Overall target attainment for the first twelve months was set at at least 100 percent for Mr. Peter Sassenfeld. The resulting variable compensation is settled in three equal parts as follows:
   a. Cash settlement (short-term incentive component)
   b. Transfer of shares in HOCHTIEF Aktiengesellschaft in the net amount, subject to a two-year bar (long-term incentive component I)
   c. Granting of an annual long-term incentive plan (long-term incentive component II).
4. Executive Board members receive a company pension plan in the form of an individual pension award setting the minimum pension age at 65. The pension amount is determined as a percentage of fixed compensation, the percentage rising with the number of years in office. The maximum amount is 65 percent of each Executive Board member's final fixed compensation. Surviving dependants receive 60 percent of the pension.
5. If their contract is not extended, Executive Board members receive a severance award equaling one year's fixed annual compensation. For the severance award to be payable, an Executive Board member must on termination of contract be in at least the second term of office as a member of the Executive Board and be under the age of 65. If an individual's service on the Executive Board is prematurely terminated, severance awards will not exceed the value of two years' annual compensation (severance cap) and compensation will not be payable for more than the remaining term of the contract.

On the basis of the above, compensation for the individual members of the Executive Board was as follows (excluding the effects of the special right of termination/termination agreement; see page 27):

(EUR thousand)		Cash compensation			Variable pay components combining a long-term incentive effect with an element of risk					Pension benefits	
		Fixed salary	Non-cash and other additional benefits	Performance-linked compensation/ short-term incentive component (cash-settled)**	Performance-linked compensation/ long-term incentive component I (share-based with two-year bar)**,***	LTIP 2011/long-term incentive component II				Transfers to pension provision	**Total compensation including pension benefits**
						Stock appreciation rights (SARs)		Stock awards			
						Qty.	Value****	Qty.	Value****		
Dr. Stieler	2011	717	26	251	251	10,500	122	5,500	276	867	**2,510**
	2010	544	25	710	–	12,500	107	6,500	260	257	**1,903**
Dr. Lütkestratkötter (until May 12, 2011)	2011	298	15	298	–	15,800	184	8,200	412	566	**1,773**
	2010	816	46	1,065	–	18,800	161	9,800	392	446	**2,926**
Dr. Lohr (until Oct. 18, 2011)	2011	434	30	152	152	10,500	122	5,500	276	248	**1,414**
	2010	544	36	710	–	12,500	107	6,500	260	203	**1,860**
Dr. Noé (until June 30, 2011)	2011	272	9	95	95	10,500	122	5,500	276	309	**1,178**
	2010	544	42	710	–	12,500	107	6,500	260	435	**2,098**
Dr. Rohr	2011	544	29	190	190	10,500	122	5,500	276	357	**1,708**
	2010	544	28	710	–	12,500	107	6,500	260	441	**2,090**
Sassenfeld (since Nov. 1, 2011)	2011	92	752*	58	58	*****				183	**1,143**
	2010	–	–	–	–	–	–	–	–	–	**–**
Executive Board total	**2011**	**2,357**	**861**	**1,044**	**746**	**57,800**	**672**	**30,200**	**1,516**	**2,530**	**9,726**
	2010	**2,992**	**177**	**3,905**	**–**	**68,800**	**589**	**35,800**	**1,432**	**1,782**	**10,877****** **

* Refund of expenses in connection with termination of previous executive board mandate.

** 100 percent target attainment was assumed for the individual bonus. A corresponding Supervisory Board resolution will be adopted by May 2012.

*** Payment subject to the condition that the Supervisory Board exercises its right to settle alternatively in shares.

**** Value at grant date as per actuarial appraisal.

***** Under agreement to grant at least 100 percent for the first 12 months, Mr. Sassenfeld is entitled to an LTIP grant (long-term incentive component II) of EUR 58,000 in May 2012.

****** Including the granting of the third tranche of the Retention Stock Award Plan (RSA 2008), total compensation including pension benefits exceptionally came to EUR 17,874,000 in 2010.

The present value of pension benefits for current and former Executive Board members is EUR 57,163,000 (2010: EUR 51,048,000). This amount is fully covered by plan assets in the form of pension liability insurance entitlements and the HOCHTIEF Pension Trust e. V. (CTA).

Payments to former members of the Executive Board and their surviving dependants were EUR 5,273,000 in 2011 (2010: EUR 3,699,000). Provisions of EUR 50,505,000 (2010: EUR 36,459,000) have been recognized for pension obligations to former members of the Executive Board and their surviving dependants.

(EUR thousand)		Present value of pension benefits
Dr. Stieler	2011	1,440
	2010	573
Dr. Lütkestratkötter	2011	6,564
	2010	4,896
Dr. Lohr	2011	2,280
	2010	1,757
Dr. Noé	2011	4,333
	2010	3,359
Dr. Rohr	2011	5,036
	2010	4,003
Sassenfeld	2011	183
	2010	–
Executive Board total	**2011**	**19,836**
	2010	**14,588**

Executive Board compensation for past fiscal years

Amounts paid in 2011 for offices held within the Group comprised EUR 35,000 in fixed compensation to Dr. Noé and EUR 906,000 in additional performance-linked compensation paid retroactively for FY 2010 (EUR 120,000 to Dr. Stieler, EUR 196,000 to Dr. Lohr, EUR 326,000 to Dr. Lütkestratkötter, EUR 144,000 to Dr. Noé and EUR 120,000 to Dr. Rohr).

Supervisory Board compensation

Supervisory Board compensation is determined at the General Shareholders' Meeting and is governed by Section 18 of the Company's Articles of Association. Compensation for fiscal 2011 based on the use of net profit proposed for approval at the General Shareholders' Meeting in May 2012 is shown in the table below.

(EUR thousand)	Fixed remuneration	Variable remuneration	Attendance fees	Total
Manfred Wennemer	29	–	16	45
Ulrich Best	15	–	8	23
Abdulla Abdulaziz Turki Al-Subaie	8	–	6	14
Ángel García Altozano	24	–	16	40
Gregor Asshoff	18	–	16	34
Alois Binder	7	–	10	17
Detlev Bremkamp	13	–	10	23
José Luis del Valle Pérez	11	–	8	19
Thomas Eichelmann	11	–	8	19
Marcelino Fernández Verdes	18	–	16	34
Johannes Howorka	11	–	8	19
Lutz Kalkofen	4	–	10	14
Prof. Dr. Hans-Peter Keitel	7	–	6	13
Pedro López Jiménez	11	–	8	19
Nikolaus Graf von Matuschka	2	–	4	6
Siegfried Müllerr	11	–	8	19
Raimund Neubauer	7	–	10	17
Udo Paech	7	–	10	17
Gerrit Pennings	18	–	16	34
Gerhard Peters	15	–	12	27
Prof. Dr. Heinrich von Pierer	7	–	8	15
Prof. Dr. Wilhelm Simson	4	–	6	10
Tilman Todenhöfer	7	–	10	17
Dr. h.c. Eggert Voscherau	11	–	4	15
Olaf Wendler	11	–	8	19
Klaus Wiesehügel	18	–	14	32
Supervisory Board total	**305**	**–**	**256**	**561**

25. Related party disclosures

All transactions between HOCHTIEF Aktiengesellschaft and related parties in the year under review were conducted on an arm's length basis.

26. Auditing fees

HOCHTIEF Aktiengesellschaft has elected to make use of the option under Section 285 (17) of the German Commercial Code (HGB) and to dispense with individual disclosure of the fees recognized as expense in 2011 for auditors Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft. The total expense is disclosed in the Notes to HOCHTIEF Group Consolidated Financial Statements for 2011.

27. Disclosures on ownership structure pursuant to Section 160 (1) 8 of the German Stock Corporations Act (AktG)

The following changes in the ownership structure of HOCHTIEF Aktiengesellschaft pertaining or arising during 2011 or the reference period must be reported under Section 26 and/or Section 21 (1) of the German Securities Trading Act (WpHG):

On June 17, 2011, we were notified by **ACS, Actividades de Construcción y Servicios, S.A.**, Madrid, Spain, pursuant to Section 21 (1) of the German Securities Trading Act (WpHG), that on June 16, 2011, its voting share in HOCHTIEF Aktiengesellschaft, Essen, Germany, exceeded the threshold of 50%, and on that day amounted to 50.16%, equivalent to 38,619,868 of a total of 76,999,999 voting rights in HOCHTIEF Aktiengesellschaft.

Of these voting rights, 35,502,869 (equivalent to 46.11% of the voting rights in HOCHTIEF Aktiengesellschaft) would, according to the notification, be attributable to ACS pursuant to Section 22 (1) Sentence 1 No. 1 WpHG via the following subsidiaries within the meaning of Section 22 (3) WpHG (including 3,435,075 voting rights, equivalent to 4.46% in HOCHTIEF Aktiengesellschaft, from treasury shares in HOCHTIEF Aktiengesellschaft):
Cariátide S.A., Madrid, Spain,
Major Assets S.L., Madrid, Spain,
Corporate Statement S.L., Madrid, Spain,
HOCHTIEF Aktiengesellschaft, Essen, Germany.

On April 25, 2007, we were notified by **CARIÁTIDE S.A. ('Cariátide')**, registered office Madrid, Spain, pursuant to section 21 paragraph 1 of the German Securities Trading Act ('WpHG'), that: On 24 April 2007, the voting share in HOCHTIEF Aktiengesellschaft, Opernplatz 2, D-45128 Essen, held directly by Cariátide exceeded the thresholds of 3%, 5%, 10%, 15%, 20% and 25% and amounts to 25.08% of the voting rights (17,554,000 voting rights).

On July 11, 2011, **Major Assets, S.L.**, Madrid, Spain, has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 10% threshold of the Voting Rights on July 08, 2011 and on that day amounted to 10.00000013% (this corresponds to 7700000 Voting Rights).

On July 20, 2011, **Corporate Statement S.L.**, Madrid, Spain, has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 10% threshold of the Voting Rights on July 19, 2011 and on that day amounted to 10.00000013% (this corresponds to 7700000 Voting Rights).

On July 31, 2007, we were notified by **Gartmore Investment Management Ltd of Gartmore House**, London, Great Britain, pursuant to section 21 paragraph 1 of the German Securities Trading Act ('WpHG'), that: We hereby give notice, pursuant to sec. 21 para. 1 of the WpHG, that on 24/07/2007 our voting interest in HOCHTIEF Aktiengesellschaft went above the threshold of 3 % and on that day amounted to 3.091 % (equivalent to 2,163,632 shares). 3.091 % of the voting rights (equivalent to 2,163,632 shares) are attributable to us in accordance with sec. 22 para. 1 sent. 1 no. 6 and sec. 22 para. 1 sent. 2 of the WpHG.

On September 23, 2011, **BlackRock, Inc.**, New York, USA has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 3% threshold of the Voting Rights on September 20, 2011 and on that day amounted to 3.02% (this corresponds to 2322400 Voting Rights). According to Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG, 3.02% of the Voting Rights (this corresponds to 2322400 Voting Rights) is to be attributed to the company.

On December 14, 2011, **Mr O. Mason Hawkins**, USA has informed us according to Article 21, Section 1 of the WpHG that via shares his Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 3% threshold of the Voting Rights on December 13, 2011 and on that day amounted to 3.07% (this corresponds to 2366257 Voting Rights). According to Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG, 3.07% of the Voting Rights (this corresponds to 2366257 Voting Rights) is to be attributed to Mr Hawkins.

On December 14, 2011, **Southeastern Asset Management, Inc.**, Memphis, Tennessee, USA has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 3% threshold of the Voting Rights on December 13, 2011 and on that day amounted to 3.07% (this corresponds to 2366257 Voting Rights). According to Article 22, Section 1, Sentence 1, No. 6 of the WpHG, 3.07% of the Voting Rights (this corresponds to 2366257 Voting Rights) is to be attributed to the company.

In the name of and acting by power of attorney granted by the legal entities and companies referred to under nos. (1), (2) and (3) below, we were given notice on March 23, 2011, pursuant to sections 21 para. 1, 22 para. 1 sentence 1 no. 1 of the German Securities Trading Act (WpHG):

(1) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of the **State of Qatar**, acting by and through the Qatar Investment Authority, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the threshold of 10% on March 23, 2011 and amounted to 10.000001% of the voting rights (7,700,001 voting rights) in HOCHTIEF Aktiengesellschaft as per this date. All of these voting rights are attributed to the State of Qatar pursuant to section 22 para. 1 sentence 1 no. 1 WpHG. The voting rights that are attributed to the State of Qatar are held via the following entities which are controlled by it and whose attributed proportion of voting rights in HOCHTIEF Aktiengesellschaft amount to 3% or more each:
(a) Qatar Investment Authority, Doha, Qatar;
(b) Qatar Holding LLC, Doha, Qatar.

(2) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of the **Qatar Investment Authority**, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the threshold of 10% on March 23, 2011 and amounted to 10.000001% of the voting rights (7,700,001 voting rights) in HOCHTIEF Aktiengesellschaft as per this date. All of these voting rights are attributed to the Qatar Investment Authority pursuant to section 22 para. 1 sentence 1 no. 1 WpHG. The voting rights that are attributed to the Qatar Investment Authority are held via Qatar Holding LLC, Doha, Qatar, which is controlled by the Qatar Investment Authority and whose attributed proportion of voting rights in HOCHTIEF Aktiengesellschaft amounts to 3% or more.

(3) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of **Qatar Holding LLC**, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the threshold of 10% on March 23, 2011 and amounted to 10.000001% of the voting rights (7,700,001 voting rights) in HOCHTIEF Aktiengesellschaft as per this date.

On September 29, 2011, **Qatar Holding Luxembourg II S.à r.l.**, Luxembourg, Luxembourg has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Germany, have exceeded the 3%, 5% and 10% threshold of the Voting Rights on September 28, 2011 and on that day amounted to 10.000001% (this corresponds to 7700001 Voting Rights).

28. Subsidiaries, associates and other significant participating interests of the HOCHTIEF Group at December 31, 2011

	Percentage stock held	Shareholders' equity Local currency (thousand)		EUR thousand	Profit/(loss) for the year (EUR thousand)
I. Affiliates included in the Consolidated Financial Statements					
HOCHTIEF Americas Division					
HOCHTIEF Americas GmbH, Essen	100			567,236	– 1)
The Turner Corporation, Dallas, USA	100 2)	USD	550,931	425,793	47,906 3)
Flatiron Construction Corp., Wilmington, USA	100 2)	USD	216,787	167,546	31,686 3)
E.E. Cruz and Company Inc., Holmdel, USA	100 2)	USD	45,250 5)	34,972 5)	8,574 5)
HOCHTIEF Asia Pacific Division					
HOCHTIEF Asia Pacific GmbH, Essen	100			1,392,288	– 1)
Leighton Holdings Limited, Sydney, Australia	53.43 2)	AUD	2,784,907	2,188,881	(207,711) 3)
HOCHTIEF Concessions Division					
HOCHTIEF Concessions AG, Essen	100			191,170	– 1)
HOCHTIEF AirPort					
HOCHTIEF AirPort GmbH, Essen	100 2)			135,000	– 1)
Airport Partners GmbH, Düsseldorf	40 2)			142,666	27,052
HAP Hamburg Airport Partners GmbH & Co. KG, Hamburg	71 2)			395,190	25,406
Sydney Airport Intervest GmbH, Essen	46.30 2)			258,403	30,379
HOCHTIEF AirPort Capital Verwaltungs GmbH & Co. KG, Essen	100 2)			1,205	12,944
HOCHTIEF PPP Solutions					
HOCHTIEF PPP Solutions GmbH, Essen	100 2)			32,352	– 1)
HOCHTIEF PPP Solutions Chile Limitada, Santiago de Chile, Chile	100 2)	CLP	40,206,803	62,888	2,546
HOCHTIEF PPP Solutions (UK) Limited, Swindon, UK	100 2)	GBP	11,717	14,028	54
HOCHTIEF Europe Division					
HOCHTIEF Solutions AG, Essen	100			208,665	– 1)
Streif Baulogistik GmbH, Essen	100 2)			31,659	– 1)
HOCHTIEF Hamburg GmbH, Hamburg	70 2)			11,597	2,597
HOCHTIEF (UK) Construction Ltd., Swindon, UK	100 2)	GBP	8,295	9,931	404
HOCHTIEF CZ a.s., Prague, Czech Republic	100 2)	CZK	980,422	38,021	845
HOCHTIEF Polska S.A., Warsaw, Poland	100 2)	PLN	131,239	29,440	7,027
OOO HOCHTIEF, Moscow, Russia	100 2)	RUB	320,696	7,677	1,944
HOCHTIEF Solutions Middle East Qatar W.L.L., Doha, Qatar	49 2)	QAR	372,721	79,147	51,721
Deutsche Bau- und Siedlungs-Gesellschaft mbH, Essen	100			17,490	– 1)
HOCHTIEF Projektentwicklung GmbH, Essen	100			7,670	– 1)
HOCHTIEF Aurestis Beteiligungsgesellschaft mbH, Essen	100 2)			6,570	– 1)
HOCHTIEF Energy Management GmbH, Essen	100 2)			17,018	– 1)

	Percentage stock held	Shareholders' equity Local currency (thousand)		EUR thousand	Profit/(loss) for the year (EUR thousand)
Corporate Headquarters					
HOCHTIEF Insurance Broking and Risk Management Solutions GmbH, Essen	100			158,779	– [1]
Builders' Credit Reinsurance Company S.A., Steinfort, Luxembourg	100 [2]	USD	258,066	199,449	21,527
II. Equity-method investments					
HOCHTIEF Concessions Division					
HOCHTIEF AirPort					
Budapest Airport Zrt., Budapest, Hungary	49.67 [2]			223,306 [4]	(36,383) [4]
Flughafen Düsseldorf GmbH, Düsseldorf	50 [2]			162,392 [4]	55,015 [4]
Flughafen Hamburg GmbH, Hamburg	49 [2]			63,760 [4]	– [1]
Athens International Airport S.A., Athens, Greece	26.67 [2]			436,624 [4]	96,550 [4]
Tirana International Airport SHPK, Tirana, Albania	47 [2]			30,614 [4]	8,501 [4]
HOCHTIEF PPP Solutions					
Herrentunnel Lübeck GmbH & Co. KG, Lübeck	50 [2]			(5,606) [4]	(1,863) [4]
Sociedad Concesionaria Autopista Vespucio Norte Express S.A., Santiago de Chile, Chile	17.95 [2]	CLP	62,470,415 [4]	93,081 [4]	(21,363) [4]
Sociedad Concesionaria Túnel San Cristobal S.A., Santiago de Chile, Chile	50 [2]	CLP	5,310,867 [4]	7,913 [4]	(3,030) [4]
HOCHTIEF Europe Division					
aurelis Real Estate GmbH & Co. KG, Eschborn	50 [2]			180,895 [4]	52,731 [3] [4]
HGO InfraSea Solutions GmbH & Co. KG, Bremen	50 [2]			22,567 [4]	– [4]
III. Other companies					
HOCHTIEF Concessions Division					
HOCHTIEF AirPort					
Southern Cross Airports Corporation Holdings Limited, Sydney, Australia	12.11 [2]	AUD	2,435,214 [4]	1,914,029 [4]	323,219 [4]

[1] Profit/loss transfer agreement
[2] Indirect shareholding
[3] Consolidated result for group
[4] Fiscal 2010 figures
[5] Consolidated in Turner/Flatiron

Shareholdings in the Company

The annual financial statements of HOCHTIEF Aktiengesellschaft, Essen, Germany, are incorporated into the consolidated financial statements of HOCHTIEF Aktiengesellschaft, which publishes them as an independent listed Group and is simultaneously consolidated in the consolidated financial statements of ACS Actividades de Construcción y Servicios, S.A., Madrid, Spain. The consolidated financial statements of HOCHTIEF Aktiengesellschaft are published in the electronic Bundesanzeiger (Federal Official Gazette); the consolidated financial statements of ACS are published in the electronic register of Comisión Nacional del Mercado de Valores.

Executive Board proposal for the use of net profit

The Executive Board proposes a resolution on the use of net profit as follows:

The unappropriated net profit of HOCHTIEF Aktiengesellschaft for fiscal 2011 in the amount of EUR 6,915,804.51 will be carried forward.

Boards

* Supervisory Board member representing employees

a) Membership in other supervisory boards prescribed by law (as of December 31, 2010)
b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2011)

Reporting date for memberships: December 31, 2011, or date of departure if membership ended during the course of the year

Supervisory Board

Manfred Wennemer
Bensheim, Chairman (from May 12, 2011) of the Supervisory Board of HOCHTIEF Aktiengesellschaft
Former Chairman of the Executive Board of Continental Aktiengesellschaft, Hanover

a) Allianz Deutschland AG
Knorr-Bremse AG
b) Charter International plc
Leighton Holdings Limited
NV BEKAERT SA
Springer Science + Business Media SA (Chairman)

Ulrich Best*
Cologne, Deputy Chairman, Chairman of the Group Works Council of HOCHTIEF Aktiengesellschaft (from May 12, 2011)

Abdulla Abdulaziz Turki Al-Subaie
Doha, Managing Director & Board Member Qatar Railways (from May 12, 2011)

b) Barwa International (Chairman)
Barwa New Cairo (Chairman)
Barwa Real Estate
Qatar Computer & Engineering Company

Ángel García Altozano
Madrid, Director General Corporativo, ACS, Actividades de Construcción y Servicios, S.A., Madrid

b) Abertis Infraestructuras, S.A.
Abertis Telecom, S.A.
ACS Servicios y Concesiones, S.L.
ACS Servicios, Comunicaciones y Energía, S.L.
Admirabilia, S.L. (Chairman)
Clece, S.A.
Dragados, S.A.
Iridium Concesiones de Infraestructuras, S.A.
Trebol International B.V.
Urbaser, S.A.
Xfera Móviles, S.A. (Chairman)

Gregor Asshoff*
Frankfurt am Main, attorney-at-law and head of the Policy and Fundamental Issues department, Construction, Agricultural and Environmental Employees' Union

a) HOCHTIEF Solutions AG
Zusatzversorgungskasse des Gerüstbaugewerbes VvaG

Alois Binder*
Wyhl, Member of the Works Council, HOCHTIEF Solutions AG, Southwest Division (until May 12, 2011)

Detlev Bremkamp
Munich, Chairman (until May 12, 2011)
Management consultant, former member of the Board of Management, Allianz AG, Munich (until May 12, 2011)

a) Asea Brown Boveri AG
HSH Nordbank AG
SSI AG-Sun Shine Investments
b) Allianz Lebensversicherungs AG
Mondial Assistance S.A.S.

José Luis del Valle Pérez
Madrid, Board Member, Director and Secretary of ACS, Actividades de Construcción y Servicios, S.A., Madrid (from May 12, 2011)

b) ACS Servicios y Concesiones, S.L.
ACS Servicios, Comunicaciones y Energía, S.L.
Clece S.A.
Cobra Gestión de Infraestructuras. S.L.U.
Dragados, S.A.
Iridium Concesiones de Infraestructuras, S.A.
Urbaser, S.A.

Thomas Eichelmann
Munich, Chief Executive Officer of ATON GmbH, Hallbergmoos (from May 12, 2011)

a) EDAG GmbH & Co. KGaA
FFT GmbH & Co. KGaA
HAEMA AG
V-Bank AG
b) ATON US Inc.
OrthoScan, Inc.
J.S. Redpath Holdings, Inc.

Marcelino Fernández Verdes
Madrid, CEO of the Construction, Concessions and Environment and Logistics Areas of ACS Group

b) ACS Servicios y Concesiones, S.L. (Chairman and CEO)
Clece, S.A.
Dragados, S.A. (Chairman and CEO)
Iridium Concesiones de Infraestructuras, S.A.
Urbaser, S.A.

Johannes Howorka*
Königs Wusterhausen, Member of the Works Council, HOCHTIEF Solutions AG, Facility Management, Works Council Northeast (from May 12, 2011)

Lutz Kalkofen*
Essen, Managerial Employee, HOCHTIEF Aktiengesellschaft, Essen (until May 12, 2011)

b) Builders' Credit Reinsurance Company S.A.

Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Essen, President, Federation of German Industry (BDI), former Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft (until May 12, 2011)

a) Commerzbank AG
National-Bank AG
ThyssenKrupp AG
b) RAG-Stiftung

Pedro López Jiménez
Madrid, Member of the Board and Director of ACS, Actividades de Construcción y Servicios, S.A., Madrid (from May 12, 2011)

b) ACS Servicios y Concesiones, S.L.
ACS Servicios, Comunicaciones y Energía, S.L.
Dragados, S.A. (Vice Chairman)
Grupo Empresarial Ence, S.A.

Nikolaus Graf von Matuschka*
Aldenhoven/Jüchen, Spokesman of the Regional Management, HOCHTIEF Solutions AG, Facility Management Northwest, Düsseldorf (from November 16, 2011)

Siegfried Müller*
Duisburg, Chairman of the Works Council Corporate Headquarters (from May 12, 2011)

Raimund Neubauer*
Essen, Works Council Chairman, HOCHTIEF Solutions AG, West Division (until May 12, 2011)

Udo Paech*
Berlin, Member of the Works Council, HOCHTIEF Solutions AG, Northeast Division (until May 12, 2011)

Gerrit Pennings*
Kirchheim, Works Council Chairman, HOCHTIEF Solutions AG, Facility Management, South Region (until May 12, 2011)

Gerhard Peters*
Bad Nauheim, Deputy Chairman of the Supervisory Board (until May 12, 2011), Member of the Supervisory Board (until November 15, 2011)
Managerial Employee, HOCHTIEF Solutions AG

Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer
Erlangen, Managing Director, Pierer Consulting GmbH, Erlangen (until May 12, 2011)
a) Berenberg Bank
Georgsmarienhütte Holding GmbH
b) Koc Holding A.S.

Professor Dr. rer. nat. Dipl.-Chem. Wilhelm Simson
Munich, chemist, former Chairman of the Board of Management, E.ON AG, Düsseldorf, Düsseldorf (until May 12, 2011)
b) Freudenberg & Co. Kommanditgesellschaft

Tilman Todenhöfer
Madrid, Managing Partner, Robert Bosch Industrietreuhand KG, Stuttgart (until May 12, 2011)
a) Deutsche Bank AG
Robert Bosch GmbH
b) Robert Bosch Internationale Beteiligungen AG (President of the Administrative Board)

Dr. h.c. Eggert Voscherau
Wachenheim, Chairman of the Supervisory Board of BASF SE, former Deputy Chairman of the Board of Executive Directors of BASF Aktiengesellschaft and BASF SE, Ludwigshafen (from May 12, 2011)
a) BASF SE, Ludwigshafen (Chairman)
ZEW, Zentrum für Europäische Wirtschaftsforschung, Mannheim

Olaf Wendler*
Sülzetal, Head of Human Resources Coordination Shell Construction/Industrial Construction, HOCHTIEF Solutions AG (from May 12, 2011)
a) HOCHTIEF Solutions AG

Klaus Wiesehügel*
Königswinter, National Chairman of the Construction, Agricultural and Environmental Employees' Union, Frankfurt am Main
a) Zusatzversorgungskasse des Baugewerbes AG (Chairman)
b) Landwirtschaftliche Rentenbank

Supervisory Board Committees

Ad-hoc Committee (until May 12, 2011)
Detlev Bremkamp (Chairman)
Gerhard Peters (Deputy Chairman)
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Raimund Neubauer
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer
Klaus Wiesehügel

Nomination Committee
Manfred Wennemer (Chairman, from May 12, 2011)
Detlev Bremkamp (Chairman, until May 12, 2011)
Marcelino Fernández Verdes
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel (until May 12, 2011)
Dr. h.c. Eggert Voscherau (from May 12, 2011)

Human Resources Committee
Manfred Wennemer (Chairman, from May 12, 2011)
Detlev Bremkamp (Chairman, until May 12, 2011)
Gerhard Peters (Deputy Chairman, until May 12, 2011)
Alois Binder (until May 12, 2011)
Marcelino Fernández Verdes
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel (until May 12, 2011)
Dr. Eggert Voscherau (from May 12, 2011)
Olaf Wendler (from May 12, 2011)
Klaus Wiesehügel (from May 12, 2011)

Executive Committee (from May 12, 2011)
Manfred Wennemer (Chairman)
Ángel García Altozano
Gregor Asshoff
Marcelino Fernández Verdes
Olaf Wendler
Klaus Wiesehügel

Audit Committee
Ángel García Altozano (Chairman)
Ulrich Best (Deputy Chairman, from May 12, 2011)
Gerhard Peters (Deputy Chairman, until May 12, 2011)
Gregor Asshoff (from May 12, 2011)
Alois Binder (until May 12, 2011)
José Luis del Valle Pérez (from May 12, 2011)
Thomas Eichelmann (from May 12, 2011)
Raimund Neubauer (until May 12, 2011)
Gerrit Pennings (from May 12, 2011)
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer (until May 12, 2011)
Tilman Todenhöfer (until May 12, 2011)

Strategy Committee
Manfred Wennemer (Chairman, from May 12, 2011)
Detlev Bremkamp (Chairman, until May 12, 2011)
Ulrich Best (Deputy Chairman, from May 12, 2011)
Gerhard Peters (Deputy Chairman, until May 12, 2011)
Ángel García Altozano
Gregor Asshoff (until May 12, 2011)
Thomas Eichelmann (from May 12, 2011)
Marcelino Fernández Verdes (from May 12, 2011)
Johannes Howorka (from May 12, 2011)
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel (until May 12, 2011)
Pedro López Jiménez (from May 12, 2011)
Siegfried Müller (from May 12, 2011)
Raimund Neubauer (until May 12, 2011)
Udo Paech (until May 12, 2011)
Gerrit Pennings
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer (until May 12, 2011)
Olaf Wendler (from May 12, 2011)

Mediation Committee pursuant to Sec. 27 (3) of the Codetermination Act (MitbestG)
Manfred Wennemer (Chairman, from May 12, 2011)
Detlev Bremkamp (Chairman, until May 12, 2011)
Ulrich Best (Deputy Chairman, from May 12, 2011)
Gerhard Peters (Deputy Chairman, until May 12, 2011)
Johannes Howorka (from May 12, 2011)
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel (until May 12, 2011)
Dr. h.c. Eggert Voscherau (from May 12, 2011)
Klaus Wiesehügel (until May 12, 2011)

Executive Board

Dr. Frank Stieler
Eppstein, Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen (Chairman from May 12, 2011)
a) HOCHTIEF Solutions AG (Chairman)
b) HOCHTIEF AUSTRALIA HOLDINGS Ltd.
Leighton Holdings Limited
The Turner Corporation

Dr.-Ing. Herbert Lütkestratkötter
Essen, Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen (Chairman until May 12, 2011)
a) HOCHTIEF Solutions AG
HeidelbergCement AG
TÜV Rheinland Holding AG
b) Leighton Holdings Limited

Dr. rer. pol. Burkhard Lohr
Haltern am See, Member of the Executive Board and Executive for Labor Relations of HOCHTIEF Aktiengesellschaft, Essen (until October 18, 2011)
a) HOCHTIEF Concessions AG
HOCHTIEF Solutions AG
b) Leighton Holdings Limited

Dr. rer. pol. Peter Noé
Essen, Member of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen (until June 30, 2011)
a) Flughafen Düsseldorf GmbH (Chairman)
HOCHTIEF Concessions AG (Chairman)
b) HOCHTIEF AUSTRALIA HOLDINGS Ltd.
Leighton Holdings Limited (Deputy Chairman)

Professor Dr.-Ing. Martin Rohr
Düsseldorf, Member of the Executive Board and Executive for Labor Relations (from November 17, 2011) of HOCHTIEF Aktiengesellschaft, Essen (until December 31, 2011)
a) Flughafen Hamburg GmbH (Deputy Chairman)
HOCHTIEF Concessions AG (Chairman)
HOCHTIEF Solutions AG
b) Flatiron Holding, Inc.
The Turner Corporation

Peter Sassenfeld
Düsseldorf, Member of the Executive Board (from November 1, 2011) and Executive for Labor Relations (from January 1, 2012) of HOCHTIEF Aktiengesellschaft, Essen
a) HOCHTIEF Solutions AG
b) HOCHTIEF AUSTRALIA HOLDINGS Ltd.
Leighton Holdings Limited

Representative Director
Attorney-at-law Hartmut Paulsen, Düsseldorf

Publication Details and Credits

Published by:
HOCHTIEF Aktiengesellschaft
Opernplatz 2, 45128 Essen, Germany
Tel.: +49 201 824-0, Fax: +49 201 824-2777
info@hochtief.de, www.hochtief.com

Imaging work, typesetting and prepress:
Creafix GmbH, Solingen

Printed by:
Druckpartner, Essen

These Annual Financial Statements are printed on eco-friendly Maxi Silk coated paper certified in accordance with the rules of the Forest Stewardship Council (FSC).

FSC www.fsc.org
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FSC® C017894

These annual financial statements are a translation of the original German version, which remains definitive.