

Annual General Meeting 2015

May 6, 2015

Page 1 of 9

Marcelino Fernández Verdes

Chairman of the Executive Board

Embargoed until 10:30 a.m. (CET) on May 6, 2015

Check against delivery.

Guten Morgen, meine sehr verehrten Damen und Herren, liebe Freunde von HOCHTIEF,

Im Namen des Vorstands begrüße ich Sie sehr herzlich zu unserer Hauptversammlung 2015.

If I may, I will continue in English. A German translation is available over the headphones placed at your seats.

2014 was a year of transformation for the entire Group. I am proud to say we made very important progress. I mean, for one, my colleagues on the Executive Board. But I also mean all HOCHTIEF employees, here in Germany and around the world. My special thanks go out to them for their dedicated work, outstanding commitment, and clear focus on client needs.

Together, we have made HOCHTIEF much stronger. That called for radical changes, which were not easy and placed major demands on the workforce. Openness, mutual trust, and constructive teamwork are key success factors in a process like this. Experiencing this, coupled with the will to go the extra mile that is so typical of HOCHTIEF, is something I find truly inspiring. I am proud of HOCHTIEF. And I want to continue working in this wonderful company for a long time.

Let us take a look at last year's milestones, the issues of the moment, and our outlook for 2015.

Sustainability and corporate responsibility have a long tradition at HOCHTIEF. They are firmly rooted in our corporate strategy. The interplay between business, environmental and social engagement is what secures sustained growth. Our new Group Report exemplifies how we combine these three focal areas at

HOCHTIEF. For the first time, we have brought together content from the Annual Report and the Sustainability Report to provide you with a 360-degree view of our Company.

Page 2 of 9

Our commitment to sustainability was rewarded in 2014. HOCHTIEF once again qualified for the Dow Jones Sustainability Index as the sole German construction group to be listed. Sustainability means responsible corporate management. This includes avoiding risks and seizing opportunities and, as such, it is a key factor in Group profitability.

Our strategic goal is to enhance earnings quality. In doing so, we are laying down the cornerstone for sustained improvements in earnings for the years to come. We made significant progress here in the past year. All in all, we improved our results and exceeded our business targets.

Let me start with a brief **overview**: We significantly strengthened and de-risked the balance sheet, and at the same time successfully divested certain activities. Concurrently, we invested in our core business, above all by increasing our stake in Leighton. After disposal proceeds, HOCHTIEF regained a net cash position for the first time since 2010. Thus, we face substantially lower future costs of borrowing. Thanks to our strong balance sheet we can benefit from opportunities—such as the growing market for public-private partnerships. We made significant progress with reorganizing the Europe and Asia Pacific divisions as well as streamlining structures and promoting entrepreneurship. Thanks to a stable intake of new orders, too, we can look forward to the current year with optimism.

HOCHTIEF's results in 2014 have reached levels that show we are moving in the right direction:

- **Operational earnings before tax** increased by 16% to EUR 644 million.
- **Operational consolidated net profit**, which is adjusted for one-time items such as disposals of business lines and restructuring expenses, climbed by nearly 50% to approximately EUR 252 million.
- That means we exceeded our target for operational consolidated net profit of between EUR 225 million and EUR 250 million. Our profitability increased in all divisions.
- **Operating free cash flow** improved by more than EUR 500 million to a positive figure EUR 322 million. As this shows, HOCHTIEF has very significantly enhanced cash generation. We have systematically reduced risks in day-to-day operations and gained better control of bidding and work processes.

- The value of **new orders** stood at EUR 21.5 billion, which thus remains at a high level. New orders in the Americas and Europe divisions went up by no less than 36% and 18% respectively.
- Our **order backlog** of around EUR 36 billion provides a stable basis for the future development of our Company.
- Including the disposal proceeds from Australia, HOCHTIEF regained a **net cash position** of EUR 421 million.

Page 3 of 9

I am especially pleased to say that all three divisions—**Americas, Asia Pacific, and Europe**—contributed to the positive results trend. The **HOCHTIEF Americas division** accounts for 40% of the sales, and **HOCHTIEF Asia Pacific** for about 50% of overall sales. Currently representing 10% of sales, **HOCHTIEF Europe** has been and will continue to be the core of our business.

2014 was a very successful year for **HOCHTIEF Americas**, notably in building construction. That shows through in a set of strong figures. **New orders** went up by more than one-third in 2014 to over EUR 10 billion. That is a new record. Our civil company Flatiron achieved a three-fold increase in new orders. The **order backlog** likewise reached an all-time high of EUR 11.6 billion.

Here are some important project examples: In Mexico City, Turner is building a bank tower over 230 meters tall—one of the country's highest buildings. A football stadium is being extensively refurbished in Cleveland, Ohio, and Flatiron secured the contract to build a highway link in South Carolina for a total of EUR 185 million.

Operational EBT increased by 22% to EUR 118 million. Operational **Net profit** went up by 11% to EUR 69 million.

We aim for operational earnings before tax of between EUR 130 million and EUR 160 million for the current year.

In our **Asia Pacific** division, Leighton - now CIMIC - closed 2014 with good results. It did particularly well in its core operating markets. As a vote of confidence in the short- and long-term success of our Group company, we increased our stake in Leighton by investing EUR 617 million to almost 70%.

As you know, I have also taken over the office of Chairman and CEO of Leighton. I will cover the transformation launched last year as well as the recent change of name to CIMIC Group in greater detail later on.

Leighton's **sales**, at EUR 11.4 billion, matched the high level of the prior year. **Operational net profit** went up by 11% to EUR 238 million.

Cash flow from operations achieved excellent 17% growth to EUR 725 million.

The divisional **order backlog** remained at a high level and amounted to EUR 20.4 billion at the year-end. Leighton secured a large number of attractive new orders. These include a tunnel project in Hong Kong and New Zealand's first freeway contracted out on a public-private partnership basis.

Page 4 of 9

For 2015, our aim is to make further progress on our 2014 achievements by improving project delivery, continuing the current cost saving program and capturing the benefit of reduced finance costs as a result of the deleveraging of the balance sheet. These factors will drive a substantial improvement in margins. We plan to generate a net profit of between AUD 450 million and AUD 520 million, representing an increase of between 25% and 44% on a like-for-like basis. As the figures for the first quarter of 2015 show, we are on track to achieve that target.

To turn now to the **Europe** division:

After divesting non-core activities, the newly structured **HOCHTIEF Europe** is now geared up for the challenges and opportunities presented by European markets, notably Germany, Austria, Scandinavia, the United Kingdom, and the Netherlands.

We improved our financial results in 2014: **New orders** hit the EUR 2.7 billion mark, up by 18% on a like-for-like basis. Alongside other attractive projects, HOCHTIEF was awarded the contract to design, finance, and upgrade an approximately 65-kilometer stretch of the A7 freeway north of Hamburg in a public-private partnership. Here in Essen, HOCHTIEF secured the contract to complete the corporate headquarters of DB Schenker. Last year's operational **net profit** showed an improvement of EUR 38 million, but the upside potential remains substantial.

Cash flow from operations shows a year-on-year improvement of EUR 325 million. As these figures clearly show, we are moving in the right direction. We expect the positive trend in operational earnings to continue in 2015.

Our **ownership structure** is solid and reliable. Many of you have been loyal to us for decades. We are grateful to you for that. After the cancellation of shares in 2014, ACS holds 61.0% of HOCHTIEF, Qatar Holding 11.1%, and the free float accounts for 27.9%.

My colleagues and I see it as our goal to allow shareholders to participate in the success of HOCHTIEF. After all, it is you, our shareholders, we are working for. Thanks to our improved operating performance, the Executive Board and the Supervisory Board are proposing a **dividend of EUR 1.90 per share** for your

approval today. This marks a 27% increase on the prior-year dividend. The proposed dividend includes a 20 cent special dividend with which our shareholders can share the successful sale of businesses at Leighton.

Page 5 of 9

Let me also elaborate a little on the **stock buyback program**. In spring 2014, HOCHTIEF canceled 10% treasury stock it had previously purchased.

The General Shareholders' Meeting last year authorized the Company to acquire treasury shares. HOCHTIEF made partial use of this authorization and acquired treasury shares until the end of December 2014 and continues to do so in 2015. You can find the further details on this in the Notes to the 2014 Annual Financial Statements of HOCHTIEF Aktiengesellschaft.

In the period from January 2015 to end of April 2015, HOCHTIEF acquired a further 610,379 treasury shares. This acquisition was made for the purposes provided for in the resolution of the Annual General Meeting of May 7, 2014 and for the use for all other purposes permissible under stock corporation law.

The total price for these shares was EUR 39,272,048 and the average price per share was EUR 64.34. These treasury shares account for EUR 1,562,570 of capital stock. This corresponds to 0.881% of the share capital.

This is a **value-creating move for all HOCHTIEF shareholders**.

Allow me to now say a few words about our **strategy**.

Two years ago, we adopted a strategic plan to position HOCHTIEF in the best possible way for the future. We are systematically implementing that plan. One key element is focusing on our core business of construction, engineering, contract mining, and public-private partnerships.

In each of these segments, we aim to boost efficiency and profitability as well as maintain the strength of our balance sheet.

Over the past two years, starting in Europe, we divested activities that were no longer part of our core business.

- After the sale of HOCHTIEF Airport and HOCHTIEF Services in 2013, we signed an agreement in January to sell our (50%) stake in aurelis Real Estate and closed the transaction in mid-March 2014.
- In October last year, we sold our residential development company, formart.

- Our offshore assets were sold in parallel. However, HOCHTIEF retains the hydro construction expertise needed in other infrastructure segments, including port construction, bridge building, and flood defense works. As you may know, we are building a large bridge over the Firth of Forth, north of Edinburgh, and continue to work on expanding major ports such as Hamburg. So our decision to pull out of the highly specialized offshore wind power segment does not mean we are moving away from infrastructure projects. These remain core brand projects and part of our strategy.

Page 6 of 9

Altogether, we aim to focus even more strongly in the future on less capital-intensive business, to recycle capital faster, and further enhance our earning power.

A year ago, I explained to you our new structure in the Europe division. We have now had twelve months of working in the new structure, which combines the advantages of operating more like a small- or medium-sized enterprise with the capability range of an internationally experienced construction group.

The past year was also used to improve our internal work processes. To that end, we launched a program to deal specifically with bid preparation and project delivery so as to allow sustained improvements in efficiency.

After setting the course for the future in the Europe division, we turned our attention last year specifically to the HOCHTIEF Asia Pacific division.

We have started implementing our strategy in Australia and have achieved an extensive transformation at CIMIC.

CIMIC has significantly improved its structure with a clearly configured operating business. Four operating companies have been established: Construction, Contract Mining, Public-Private Partnership, and Engineering. This avoids duplication, cuts costs, and makes the business more competitive.

- CIMIC has streamlined its business, sold John Holland, and entered into a partnership for the Leighton Contractors and Thies service activities. These two transactions generated a pre-tax profit of AUD 973 million and a net cash inflow of AUD 1.2 billion.
- The company reduced the net contract debtors and created a portfolio provision of AUD 675 million to further strengthen the balance sheet.
- CIMIC reduced net debt and, including the disposal proceeds, has achieved a net cash position.

- All in all, CIMIC has become more efficient, cut administrative overheads on a sustainable basis, and improved project earnings.

Page 7 of 9

Ladies and Gentlemen,

An organization with a 45,000-strong workforce cannot be completely changed in a year. There is more to do. Nevertheless, we can say that CIMIC has laid down the right foundations for the future.

CIMIC will continue along its chosen path this year.

As before, the focus is on:

- Streamlining structures and processes
- Strengthening the balance sheet, and
- Improving project delivery.

The transformation of the structures at CIMIC, alongside the reorganization of the HOCHTIEF Europe division almost completed, paves the way for even closer collaboration among the companies that make up the HOCHTIEF Group, and enables them to benefit from internal know-how and synergies. I am particularly proud of the in-house engineering competence of HOCHTIEF in Europe. We will also attach even more importance to this in Australia in future.

CIMIC continues to consider divestments or partnerships for other parts of its business, including for Leighton Properties. We are also looking into a range of possibilities for the FleetCo business with the aim of reducing tied-up capital.

Given the major changes in Australia, it was logical to combine the fresh start with a new company name in order to visibly signal those changes. The new name is CIMIC Group Limited. CIMIC stands for **C**onstruction, **I**nfrastructure, **M**ining, and **C**oncessions—and reflects the four core activities of the new specialist businesses—with the “Group” in the name highlighting the synergies between them.

We have established a new business model in Australia. This not only comes with a change of name. It also brings a transformation in collaborative culture. The principles of the CIMIC Group are integrity, accountability, innovation, and delivery. They have applied for many years at HOCHTIEF now and form part of our Vision and Guiding Principles. We are currently revising these maxims to provide for uniform understanding and application at all divisions. I will present the results to you at the next Annual General Meeting of HOCHTIEF.

Back to CIMIC: We plan to make public-private partnerships a key element of the growth strategy. There is very strong demand for such projects in Australia, spanning numerous areas of public investment including roads, railroads, hospitals, schools, and also prisons. Stepping up our PPP activities will at the same time improve performance quality and sustainability. We expect that in future years PPP will broadly replace what CIMIC previously has been delivering with liquid natural gas construction projects.

Page 8 of 9

The prospects are excellent: Starting now right through to 2018, CIMIC has a very strong bid pipeline of billion dollar-plus projects ahead of it.

Our PPP business is also well established in North America and Europe. Last year, HOCHTIEF was awarded the contract to upgrade a stretch of the A7 autobahn north of Hamburg on a PPP basis. As you know, there is a huge need in Europe to upgrade the country's infrastructure, especially when it comes to refurbish traffic and social infrastructure.

Ladies and Gentlemen,

As you can see, much has been done over the past twelve months. We have made necessary structural changes, pooled our strengths—and have already achieved visible results in the first three months of 2015:

- **Operational net profit** rose in the first Quarter by over 40% to EUR 60 million
- Our **operational profit margins**, at the **pre-tax level**, improved in all our divisions, reaching 3.0% at the group level, up from 2.1% a year ago
- Our **order book** remains robust, up by 5% in Euros
- **Focusing on our operational results, group profits rose** by 52% to EUR 151 million, at the **pretax level**.
- These improvements were achieved on **sales** which were 6% lower on a like-for-like basis.
- I would also like to highlight that we have reached **financial close** for the two divested Australian companies, **John Holland Group** and **Services**, during the last two months, with total proceeds (Enterprise value) of over 1.6 billion AUD.

Allow me to **summarize** our 2014 performance and our outlook:

- Your company HOCHTIEF generated sustainable earnings and cash flow growth in 2014. In the operating business, we fully met expectations and see leeway for significant improvements in margins in the years ahead.
- In the Europe division, we are now operating with a new structure, will continue to streamline workflows and aim to further improve operational earnings.
- In the Asia Pacific division, we have started implementing our strategy and have started a transformation. Both structural streamlining and divestments have contributed decisively to **strengthening our balance sheet**. We are now setting about phase two of this transformation process this year.
- As you can see, we have done the groundwork. Now we can focus our attention fully on the business.
- Construction demand remains strong in the markets we serve. Governments everywhere are investing to maintain and upgrade infrastructure.
- We have improved our financial position on a lasting basis and created the flexibility for investment in the core business while ensuring that all shareholders participate appropriately in our success.

Page 9 of 9

For 2015, our group outlook remains unchanged: HOCHTIEF expects an operational net profit of between EUR 220 million and EUR 260 million, representing an increase of between 15% and 35%.

Meine Damen und Herren,

ich bin stolz bei HOCHTIEF zu arbeiten.

HOCHTIEF ist auf einem guten Weg und wird die strategischen Ziele konsequent verfolgen.

Ich bin sicher, das erfüllt auch Sie mit Stolz.

Vielen Dank für Ihre Aufmerksamkeit!