

## Press information

**CORPORATE  
COMMUNICATIONS**

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# Third quarter 2005: Profit increased - forecast reaffirmed

- PPP portfolio successfully expanded
- Strategic networking enhanced throughout the Group

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HOCHTIEF kept up its successful performance trend through the first nine months of 2005. Renewed profit increases underscore the Group's capabilities and the lasting effectiveness of its strategy: Operating earnings showed an extraordinary improvement, surging forward by 65.2 percent to EUR 235.7 million (Q1-3 2004: EUR 142.7 million). The same holds for profit before taxes, which at EUR 206.1 million gained 62.7 percent on the prior-year figure (Q1-3 2004: EUR 126.7 million). At EUR 54.4 million, consolidated net profit was a significant 53.7 percent higher than a year earlier (Q1-3 2004: EUR 35.4 million). All divisions contributed to the positive earnings trend. Given the very solid business performance, HOCHTIEF has reaffirmed its forecasts for the full year 2005.

In line with forecast, new orders for the year to September 2005 were below the prior-year figure, at EUR 10.15 billion (Q1-3 2004: EUR 10.83 billion). At EUR 10.57 billion, work done over the same period exceeded the 2004 comparison figure by a marked 9.4 percent (Q1-3 2004: EUR 9.66 billion). The order backlog attained a very high level of EUR 19.91 billion as of the end of September, surpassing the prior-year figure by ten percent. Theoretically, that represents almost one and a half year's worth of work. External sales rose sharply from a year earlier. The EUR 9.70 billion for the current period exceeded the prior-year figure (Q1-3 2004: EUR 8.70 billion) by EUR 1 billion (an increase of 11.5 percent).

"With new public-private partnership projects, successful service contracts and demand for work in our core construction business, we are holding firm to our competitive lead and keep on turning out good results," says Dr. Hans-Peter Keitel, Chairman of the HOCHTIEF Executive Board. International focus and networking within the Group scored notable successes in PPP contracting: HOCHTIEF is number one in the growing German PPP market and also entered the attractive PPP markets in the UK and Ireland this year.

The Group has a portfolio of in all five airport and ten PPP projects, the value of which it has made public for the first time in the third quarter of 2005: Excluding concessions projects undertaken by subsidiary Leighton and associate Aecon, the net present value amounts to

EUR 870 million, with the PPP projects accounting for EUR 204.6 million. As the corresponding capital investment amounts to EUR 530.4 million, this means roughly EUR 340 million in added value—and this does not even include the profit contributions from construction and facility management contracts secured by HOCHTIEF as a result of the PPP projects.

#### Group outlook

Given the very solid business performance of the first nine months, HOCHTIEF has reaffirmed its forecasts for the full year 2005. The Group expects:

- A high level of new orders as measured in euros, although not quite at the exceptional level attained in 2004.
- An order backlog on the same order of magnitude as the 2004 record.
- Sales at prior-year levels.
- Growth in profit before taxes by about one-quarter.
- An increase in consolidated net profit by more than half.

The profit forecast is affected by the airport investment partnership and impairment charges taken on deferred tax assets recognized for tax loss carryforwards in Germany. The Group outlook assumes there will be no out-of-the-ordinary changes in the economic or fiscal operating environment.

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