

Press information

**CORPORATE
COMMUNICATIONS**

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HOCHTIEF: Positive business trend lays strong foundation for success in 2006

- Consolidated net profit for 2005 up by more than half
- Dividend rise to EUR 0.90 (including EUR 0.10 bonus)
- 2006 started with record order backlog
- Consolidated net profit targeting EUR 100 million in medium term

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Following record results for 2005, HOCHTIEF has once again set itself ambitious targets: New orders, the order backlog and Group sales are expected to maintain their existing high levels in 2006, while consolidated net profit is likely to rise even further. "Our medium-term target for consolidated net profit is EUR 100 million," says Dr. Hans-Peter Keitel, Chairman of the HOCHTIEF Executive Board. "The positive business trend has continued over the last few months, allowing us to make substantial progress toward this target during the current year." The Group is now the world's third largest construction services provider and the most international company in the industry. HOCHTIEF is particularly well positioned in the strong growth areas of public-private partnership, airport management and facility management. As is customary, the company plans to accord investors their due share in its success and is submitting an increased dividend of EUR 0.90 for approval at today's General Shareholders' Meeting. This includes a EUR 0.10 bonus for the exceptional gain from the airport investment partnership and means the dividend will have increased by 80 percent over the last five years.

HOCHTIEF closed fiscal 2005 with healthy results: Consolidated net profit increased by a substantial 52.4 percent to EUR 62.8 million (versus EUR 41.2 million in 2004), representing EUR 0.99 earnings per share. New orders rose during 2005 to EUR 15.60 billion (EUR 15.59 billion in 2004), once again beating expectations. The order backlog grew in parallel by 12.7 percent to a new record of EUR 21.10 billion. HOCHTIEF has thus set new records for five years in succession. Orders on hand represent just under a year and a half's worth of forward orders, an unusually high level for the construction industry. Work done increased by 13.3 percent in 2005 to EUR 14.85 billion (up from EUR 13.11 billion in 2004). Sales likewise grew strongly to EUR 13.65 billion, a rise of 14.3 percent on the prior year.

The HOCHTIEF stock price performed very strongly in 2005, with the closing price of EUR 37.83 at the year-end marking almost 58 percent growth in value compared with the previous year. The company's stock thus comfortably outperformed the M-DAX index, which rose only 36 percent. HOCHTIEF stock also continued to surge ahead in the first few months of 2006. By yesterday, it had risen a good 58 percent to EUR 58,75.

HOCHTIEF has already secured a number of major new orders in fiscal 2006: In the first quarter, it entered the Czech transport infrastructure market with a contract for part of the freeway ring road around Prague (HOCHTIEF's share of the contract is worth some EUR 100 million). In Moscow, the company will design and build the new Terminal 1 at Sheremetyevo Airport for around EUR 62 million. In March, HOCHTIEF was awarded an approximately EUR 33 million contract for the Lillgrund offshore wind energy project in Sweden. HOCHTIEF aims to further increase its share of contracts in Eastern Europe, Scandinavia and the UK by 2008. Notable impetus is set to come from the Central and Eastern European markets, where growth rates in construction activity of up to eight percent are expected. Experts forecast a market volume for the energy sector - relating to foundation work as in the Lillgrund project - of EUR 7.5 billion by 2015.

In facility management, HOCHTIEF has entered the highly promising healthcare market. Together with Sana Kliniken GmbH - one of Germany's largest hospital operators - and a third partner, HOCHTIEF set up Sana TGmed GmbH. HOCHTIEF holds a 24.5 percent stake in the new company, which is initially to operate the 55 Sana clinics. The Group also continued its success story in the public-private partnership segment, once again securing a major project in the UK PPP market with a EUR 550 million build-finance-operate contract for four schools in North Ayrshire, Scotland.

Group outlook 2006: Based on its highly successful business performance in 2005 and good prospects for fiscal 2006, HOCHTIEF has set itself ambitious targets. Assuming there will be no crisis-scale slowdown in the economy, no turbulence affecting the international financial markets and no worsening of the situation in political flashpoints, HOCHTIEF forecasts for the 2006 fiscal year:

- New orders of the same magnitude as the 2004 and 2005 records.
- An order backlog of about EUR 21 billion by the end of 2006 - again of similar magnitude to the 2005 record.
- Group sales of EUR 13-14 billion.
- With the Group's operating earnings power further improving during 2006, profit before taxes above the previous year's pretax profit adjusted for effects of the investment partnership.

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- In line with the extra earnings power in our operating business, further growth in consolidated net profit. In 2006, the Group will progress sub-stantially closer to its medium-term target of EUR 100 million.

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