Press information

CORPORATE COMMUNICATIONS

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HOCHTIEF fiscal 2007 results well above expectations

- Order backlog touches EUR 30 billion mark
- Consolidated net profit up nearly 58 percent to EUR 140.7 million
- Earnings per share grow over 50 percent to EUR 2.07
- Record EUR 91 million dividend distribution planned
- Further expansion along the project life cycle

Fiscal 2007 was a good year for HOCHTIEF. The HOCHTIEF Group had held out the prospect to shareholders of more than EUR 100 million in consolidated net profit for 2007. In the end, it considerably exceeded this expectation with consolidated net profit of EUR 140.7 million - an increase of nearly 58 percent on the prior year (2006: EUR 89.1 million). Earnings per share climbed correspondingly by 51.1 percent to EUR 2.07 (2006: EUR 1.37). HOCHTIEF attained key strategic goals in the past year: The Group forged ahead with its active portfolio management and reinforced its international position. "We now span the whole project life cycle and are raising profitability as a result," emphasized Dr. Herbert Lütkestratkötter, Chairman of the HOCHTIEF Executive Board. He added that this means the Group can no longer be compared with mainstream construction companies.

2007 results

HOCHTIEF set new records for orders and work done in 2007: Group new orders climbed to EUR 23.51 billion, beating the prior-year figure by a comfortable 14.3 percent (2006: EUR 20.56 billion). Work done came to EUR 18.77 billion, up 12.3 percent on the prior-year period (2006: EUR 16.72 billion). The order backlog swelled by 18.9 percent to EUR 29.89 billion (2006: EUR 25.13 billion). Adjusted for exchange rate changes, the Group order backlog passed the EUR 30 billion mark, representing a forward order book of over one-and-a-half years. Sales amounted to EUR 16.45 billion (2006: EUR 15.47 billion), an increase of 6.4 percent. Profit before taxes, at EUR 501.3 million, was 48.3 percent up on the prior year (2006: EUR 338.1 million).

All divisions contributed toward the positive net result, apart from HOCHTIEF Construction Services Europe which generated a pretax loss in 2007 of EUR 149.4 million. The cause of

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this loss was in some cases unexpectedly drastic price rises on construction materials and subcontracting, only a small percentage of which could be passed on to clients. All other divisions exceeded the Group's expectations - in some cases substantially - and contributed to HOCHTIEF's new record earnings.

The HOCHTIEF stock price mirrored the Group's strong performance in 2007, climbing nearly 67 percent to a closing price of EUR 92. HOCHTIEF thus comfortably outperformed the MDAX, which rose by 4.9 percent, and the DAX, which gained 22.3 percent. The Group aims to accord stockholders their due share in its success: The Executive Board and Supervisory Board will be proposing a dividend of EUR 1.30 (2006: EUR 1.10) per no-par-value share at the General Shareholders' Meeting on May 8, 2008. This implies a record dividend distribution of EUR 91 million and an almost 19 percent average annual increase in HOCHTIEF's profit distribution to shareholders over the last five years.

Strategic development in 2007

HOCHTIEF forged ahead in 2007 with profitability-focused enhancement of its capabilities spanning the entire infrastructure project, real estate and facility life cycle. The Group completed key acquisitions, launched new companies on a targeted basis and opened up highly promising business segments:

In Germany, HOCHTIEF and a consortium partner took over aurelis Real Estate. The former Deutsche Bahn real estate subsidiary holds an outstanding portfolio with an ideal fit to the Group's real estate services. The goal is to develop the business to become Germany's leading asset manager and urban district developer. HOCHTIEF also acquired Vattenfall's energy contracting division and launched a new company, HOCHTIEF Energy Management. The Group integrated the property management activities of Allianz Immobilien and Rreef, a Deutsche Bank subsidiary, and incorporated them into a further new company, HOCHTIEF Property Management. This manages real estate in a fiduciary capacity with the aim of increasing rental income. It thus slots in with the Group's existing real estate capabilities and complements the life cycle strategy.

Elsewhere in Europe, HOCHTIEF expanded its concessions portfolio with the acquisition of Budapest Airport and by winning several large public-private partnership contracts. The net value of this portfolio came to EUR 1.54 billion at the year-end. The discounted future cash flows it is set to generate thus exceed the EUR 841.2 million capital outlay by EUR 703 million - an increase of 53 percent on the prior year.

In North America, the Group secured itself an outstanding position in the US civil engineering market at a stroke by purchasing Flatiron Construction Corp. The new subsidiary is among the top ten in the booming US transportation infrastructure sector. It also carries out public-private partnership work in North America. HOCHTIEF will integrate Flatiron's capabilities with the international expertise of HOCHTIEF PPP Solutions and the market position occupied by Turner. Its aim is to seize the opportunities in the promising North American transportation and PPP market.

HOCHTIEF expanded in the Asia-Pacific and Gulf regions via its subsidiary Leighton. In its home market, Leighton took a 40 percent stake in 2007 in Devine Ltd., an Australian developer. In the Gulf region, Leighton acquired a 45 percent interest in a leading construction company, Al Habtoor Engineering. This gives HOCHTIEF a leading position through Leighton in what is currently one of the world's most attractive construction markets. The newly created Al Habtoor Leighton Group went on to launch a strategic, fifty-fifty joint venture in the United Arab Emirates with a subsidiary of the Abu Dhabi Tourism Authority. The two joint venture partners plan to provide construction and facility management services for the tourism authority's projects. Further expanding the Group's presence in the Indian market, Leighton entered into a fifty-fifty joint venture with a leading project developer, Emaar/MGF. The joint venture, which provides construction and development services for Emaar/MGF projects, is now one of the country's leading construction service providers.

Outlook for 2008

HOCHTIEF is confident of further boosting its earning power in fiscal 2008. Its targets are as follows:

- Both new orders and the order backlog are budgeted to remain at a high level, though short of the prior-year figures. New orders will be affected among other things by the likely appreciation of the euro.
- For Group sales, HOCHTIEF anticipates that it will even surpass its record set in 2007.
- The Group expects profit before taxes will be at the high level of 2007. However, because of different divisional earnings contributions and their different impacts on the minority interest, consolidated net profit is set to be up on the prior year.

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Figures for FY 2007

HOCHTIEF (Group)	2006	2007	Change absolute	Change %
New orders (EUR billion)	**20.56**	**23.51**	**2.95**	**14.3**
- Germany	1.74	3.19	1.45	83.3
- International	18.82	20.32	1.50	8.0
Work done (EUR billion)	**16.72**	**18.77**	**2.05**	**12.3**
- Germany	2.22	2.41	0.19	8.6
- International	14.50	16.36	1.86	12.8
Order backlog (EUR billion)	**25.13**	**29.89**	**4.76**	**18.9**
- Germany	2.80	3.90	1.10	39.3
- International	22.33	25.99	3.66	16.4
External sales (EUR billion)	**15.47**	**16.45**	**0.98**	**6.4**
Employees (average over year)	**46,847**	**52,449**	**5,602**	**12.0**
- Germany	9,639	10,152	513	5.3
- International	37,208	42,297	5,089	13.7
Profit before taxes (EUR million)	**338.1**	**501.3**	**163.2**	**48.3**
Consolidated net profit (EUR million)	**89.1**	**140.7**	**51.6**	**57.9**
Earnings per share (EUR)	**1.37**	**2.07**	**0.70**	**51.1**