

## Press information

# HOCHTIEF Group raises guidance for 2008 at half year

### CORPORATE COMMUNICATIONS

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- First-half new orders up 35 percent
- Profit before taxes boosted by 61 percent
- Sharp rise in consolidated net profit to EUR 79 million
- All divisions on shared track for success

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Six months into fiscal 2008 and HOCHTIEF stands rock solid: "HOCHTIEF is staying very true to course," said Dr. Herbert Lütkestratkötter, Chairman of the Executive Board, with a view to the strong performance of business. The international construction services provider upped new orders by roughly 35 percent to EUR 12.33 billion. Profit before taxes climbed nearly 61 percent to EUR 292.2 million. As a result of this trend, HOCHTIEF has raised its forecast for the year as a whole: HOCHTIEF now expects pretax profit to be no longer on a par with but above the high level achieved in 2007. New orders and the order backlog are set to be no longer below but on a par with the high prior-year figures.

#### Key figures for H1 2008

New orders as of June 30, 2008 were up 34.8 percent on their prior-year total, at EUR 12.33 billion (H1 2007: EUR 9.14 billion). The increase resulted notably from the Group's international activities with major contracts in the Asia-Pacific region, the positive business performance in Europe and - despite an unfavorable exchange rate trend - growth in new orders from HOCHTIEF Americas. Work done increased by 14.8 percent compared with the prior-year period, to EUR 10.22 billion (H1 2007: EUR 8.90 billion). The Group's order backlog consequently grew to EUR 31.91 billion as of the reporting date, up 24.5 percent on the prior-year period (H1 2007: EUR 25.63 billion) and marking a new all-time high. The Group's growth was also reflected in a further rise in external sales, which increased by 14.7 percent on the prior-year period to EUR 9.06 billion (H1 2007: EUR 7.9 billion).

The strong upward trend at HOCHTIEF is further underscored by earnings growth. Operating earnings (EBITA) more than doubled compared with the prior-year period, to EUR 356.2 million (H1 2007: EUR 175.8 million). Profit before taxes improved by no less than 60.7 percent to EUR 292.2 million (H1 2007: EUR 181.8 million). Consolidated net profit grew

exceptionally strongly, by EUR 65.2 million to EUR 79.0 million (H1 2007: EUR 13.8 million). Earnings per share rose sharply to EUR 1.13 (H1 2007: EUR 0.21).

#### Positions of strength

In its development module, the Group signed the biggest single lease agreement in Polish history when HOCHTIEF Projektentwicklung rented out the entire Lipowy Office Park development in Warsaw before completion. More sites were sold by aurelis Real Estate, in which the Group had acquired a stake at the end of 2007. Progress continues toward the close integration of this company with others in the HOCHTIEF Group.

The construction module likewise remained on a positive track. US subsidiary Turner, for instance, is building new, large-scale healthcare and educational facilities in the USA. Flatiron, a further US subsidiary, was awarded major transportation infrastructure contracts, including the construction of a steel girder bridge in Canada. The two US companies work closely together on projects like Sacramento International Airport where both building construction and civil engineering services are called for. HOCHTIEF subsidiary Leighton continued its successful growth in the Asia-Pacific region and the Arabian Gulf. A consortium including Leighton subsidiaries Thiess and John Holland was named the preferred bidder for Australia's largest road infrastructure project and was awarded the contract after the close of the reporting period; the Brisbane Airport Link construction contract is worth a total of EUR 2.9 billion. The German building construction business improved significantly. The restructuring is showing results. HOCHTIEF Construction has reduced its general contractor business and now concentrates on projects in which the risks are fairly distributed. The Group will once again adjust the company's resources as part of a final restructuring step. Markedly improved overall business results are expected for the year as a whole with contracting activities in the black. This is largely a result of new business with substantially better margins and a manageable risk structure.

In the services module, HOCHTIEF Facility Management and HOCHTIEF Energy Management secured important new contracts during the period under review. An example is the Mercedes-Benz plant in Bremen, where the Group has taken charge of technical facility management. This is already the third contract with the automobile manufacturer: The HOCHTIEF subsidiary also operates parts of the Mercedes production facilities at Mettingen and Untertürkheim. Over the next five years, HOCHTIEF Energy Management is to reduce the energy consumption of seven municipal properties in Bergisch Gladbach by 35 percent, cutting carbon emissions by 800 metric tons a year.

The concessions and operation module continues to be successful, with the value of the concessions portfolio growing by EUR 75.6 million to a net present value of some EUR 1.62 billion. This valuation includes for the first time the Fürst Wrede barracks project in Germany

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and the Maliakos-Kleidi toll road project in Greece. The second quarter saw HOCHTIEF PPP Solutions take over operation of an existing section of the A4 freeway in Thuringia. Another section is currently under construction. HOCHTIEF AirPort also profitably deployed its capabilities, among other things in successfully helping Warsaw Airport get its Terminal 2 operations off the ground on time. HOCHTIEF secured further new projects in the contract mining segment, including operation of the Samboja coal mine in Indonesia.

#### Group outlook

HOCHTIEF has raised its forecast in line with the positive business trend and now expects:

- New orders and the order backlog no longer below - as previously expected - but on a par with the high prior-year figures
- Group sales to top the record level achieved in 2007
- Pretax profit no longer on a par with but above the high level achieved in 2007
- Consolidated net profit above the prior-year figure.

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