

Ad-hoc-Release

Update on BICC strategic review and impact on 2019 financial results and dividends

Update on strategic review of BICC

CIMIC Group (CIMIC), a 72.8%-owned HOCHTIEF subsidiary, today announced that it has completed an extensive strategic review of its financial investment of a non-controlling 45% interest in BIC Contracting (BICC), a company operating in the Middle East region.

As part of this review, CIMIC initiated a confidential M&A process in respect of its financial investment in BICC. Discussions continue with a shortlist of potential acquirers for all or part of BICC.

In addition, in the context of an accelerated deterioration of local market conditions, BICC is engaging in confidential discussions with its lenders, creditors, clients and other stakeholders.

After thorough evaluation of all available options, CIMIC has decided to exit the region and to focus its resources and capital allocation on growth opportunities in its main core markets and geographies (Australia, New Zealand and Asia Pacific).

Financial Impact

In this context, CIMIC has reassessed its financial exposure to BICC, mainly shareholder loans and financial guarantees.

CIMIC will recognize a one-off post-tax impact of around EUR 1.1 billion in its 2019 financial statements, representing all of CIMIC's exposure in relation to BICC.

The aforementioned impact includes an expected cash outlay, net of tax, of around EUR 0.4 billion during 2020, as CIMIC's financial guarantees of certain BICC liabilities materialize. CIMIC has committed facilities and cash available to meet all obligations as required.

Consequently, CIMIC will not declare a final dividend for 2019.

Accordingly, HOCHTIEF group will recognise a one-off, post-tax, impact of around EUR 0.8 billion, after minorities, in its 2019 financial statements. The aforementioned impact includes an expected cash outlay, net of tax, of around EUR 0.4 billion during 2020.

**CORPORATE
COMMUNICATIONS****2019 Guidance**Page 2 of 2
01/23/2020

Excluding the BICC impact, CIMIC expects to report Net profit after tax (NPAT) for 2019 of around AUD 800 million, in line with its 2019 guidance.

HOCHTIEF expects to report a 2019 nominal net profit, excluding the BICC impact, of approximately EUR 625 million (2018: EUR 543 million) and an operational net profit for 2019 of around EUR 660 million, in line with its 2019 guidance. The net cash position at the end of 2019 stood at approx. EUR 1.5 billion with a stable factoring level during 2019. HOCHTIEF expects to announce its 2019 financial results on 11th February 2020.

Given the solid performance of HOCHTIEF's geographically diversified core businesses, the positive outlook and supported by a robust group balance sheet, management intends to propose a dividend for FY 2019 of EUR 5.8 per share (+16% year-on-year).

Please refer to pages 48 and 230 in the 2018 HOCHTIEF Group report for the description of the key financial performance indicators: 'operational net profit' and 'net cash'.