Press Release

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H1 2021: Nominal net profit of EUR 195 million up 29%, 47% increase in new orders to EUR 14.3 billion // Return to growth // Guidance confirmed

CORPORATE-COMMUNICATIONS

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- **Nominal net profit of EUR 195 million, +29% year-on-year (yoy); operational net profit EUR 205 million, +17% yoy**
  - Sales in H1 2021 of EUR 10.3 billion (-2% fx-adjusted). Q2 returning to sales growth of 6% yoy
  - Firm operational PBT margin of 3.0% in H1 2021 pre-Abertis
  - Abertis earnings contribution of EUR 13 million in H1 2021; positive contribution in Q2 2021 of EUR 16 million (EUR +35 million yoy) reflecting improving traffic trends
  - EUR 2.85 nominal earnings per share (+32% yoy), operational EPS +20% for the half-year period
- **Strong Q2 underlying net cash from operating activities of EUR 530 million, up EUR 237 million yoy; over EUR 900 million last twelve months**
- **Robust net cash of EUR 434 million, a strong quarterly increase of EUR 427 million**
  - Sound balance sheet position with net cash up EUR 800 million yoy despite Covid impact
  - Strong liquidity position of EUR 5.3 billion
- **New orders of 14.3 billion, +47% yoy; order backlog of EUR 48.9 billion now above December 2019 pre-Covid level**
  - Broad-based, strong recovery in new orders, 1.2x work done in H1 2021
- **Guidance for 2021 confirmed: operational net profit of EUR 410–460 million subject to market conditions; improving trends in Group's key markets**
  - Strong position in key markets and numerous opportunities from stimulus packages announced by governments

During the second quarter, HOCHTIEF returned to growth with a 6% **sales** increase, fx-adjusted, whilst delivering higher profitability and strongly improved cash flows, on a like-for-like basis.

“The figures for the first half of the year show a positive development. With growing sales and order books in all divisions above pre-pandemic level, HOCHTIEF can look to the future with great confidence,” said CEO Marcelino Fernández Verdes.

In the first half of the year, the Group has delivered a **nominal net profit** of EUR 195 million. This represents an 29% increase compared with EUR 151 million in H1 2020 on a like-for-like basis, adjusting for the divestment of 50% of Thiess where the remaining 50% holding is equity-method consolidated. **Nominal earnings per share** were 32% higher. **Operational net profit** of EUR 205 million rose year-on-year by 17% like-for-like. The Abertis profit contribution of EUR 13 million compares with the EUR 18 million loss in H1 2020 and reflects improving traffic trends following the significant falls seen in the early stages of the pandemic. Operating revenues at the toll road operator in Q2 were up 60% year-on-year. Margins remained firm across our divisions with the Group **PBT margin** rising from 2.8% to 3.0%, pre-Abertis.

HOCHTIEF's cash generation has increased strongly during the first six months of 2021. During the second quarter underlying **net cash from operating activities** increased by EUR 237 million year-on-year to EUR 530 million driven mainly by a strong working capital performance. Looking at the last twelve months, to adjust for seasonality factors, the Group achieved over EUR 900 million in net cash from underlying operating activities or EUR 833 million at the **free cash flow level from operations**, after capex. In the first six months **net operating capex** stood at EUR 36 million.

HOCHTIEF ended June 2021 with a robust **net cash position** of EUR 434 million—a EUR 427 million increase during the quarter. Looking at the last twelve months the increase is around EUR 800 million year-on-year, after EUR 552 million of shareholder remuneration. The Group ended the quarter with a strong **liquidity** position of EUR 5.3 billion with an additional EUR 2.6 billion in undrawn credit facilities.

New orders increased by almost 50% year-on-year to EUR 14.3 billion whilst a disciplined bidding approach was maintained across all divisions. As a consequence, the Group's **order book** of EUR 48.9 billion is up 7% since

December 2020. Almost half of work in hand is located in North America with a further 43% in the Asia-Pacific region and 9% in Europe.

Looking forward we are positive about the outlook given the opportunities afforded by the numerous stimulus packages approved by governments and the identified tender pipeline of relevant projects worth EUR 600 billion for 2021 and beyond which are supported by over EUR 200 billion in PPP projects.

On July 7 2021, HOCHTIEF distributed a **dividend** for FY 2020 of EUR 3.93 per share or around EUR 270 million in absolute terms. This corresponds to an unchanged dividend payout ratio of 65% of nominal net profit and is in addition to the EUR 168 million returned to our shareholders via the buyback of 3.5% of our shares during 2020.

Environmental, Social and Governance (ESG) strategy

HOCHTIEF is one of the world's leading infrastructure groups in relation to Environmental, Social and Governance topics. The company generated revenues in 2020 from green building projects worth EUR 8.3 billion or over one-third of Group sales. HOCHTIEF has been a member in the Dow Jones Sustainability Index for the last 15 years. MSCI has awarded HOCHTIEF a strong AA ESG rating and Sustainalytics lists the Group as a top 10% company in its global sustainability ranking for our industry.

In 2021, the Group is further accelerating its efforts on ESG priorities, leveraging the digital technologies it is developing, in order to continue the business transformation. HOCHTIEF is launching a 2021 to 2025 sustainability plan and is working on carbon reduction targets in order to support the goals of the Paris Agreement to stop global warming. Within the context of environmental and climate protection, HOCHTIEF tracks the scope 1, 2 and 3 greenhouse gas emissions in the Group.

The sustainability plan will also respond to the requirements and recommendations of regulators such as the new EU Taxonomy, for which HOCHTIEF is already making the necessary efforts to respond to the detailed disclosure obligations. To this end the Group is working together with its clients, suppliers and subcontractors to significantly improve the environmental footprint.

Group Outlook

With solid margins, increasing cash flow and a robust order book which has seen a rise of almost 50% in our new orders during the first half of 2021, we are positive on the outlook for HOCHTIEF.

We confirm our guidance and expect to achieve an operational net profit in 2021 in the range of EUR 410—460 million (EPS of EUR 6.01-6.75/share) an increase of approximately EUR 50-100 million year-on-year compared with the EUR 359 million of 2020 on a like-for-like basis.

HOCHTIEF Group: Key Figures

A. H1 comparison (see Q2 comparison on next page)

(EUR million)	H1 2021	H1 2020 Like for like	H1 Change yoy	H1 2020 reported	H1 change reported	FY 2020 Like for like	FY 2020 reported
Sales	**10,269.9**	10,874.0	-5.6%	11,946.8	-14.0%	21,502.5	22,953.8
Operational profit before tax/PBT	**323.7**	285.0	13.6%	399.1	-18.9%	549.5	802.3
Operational PBT margin	**3.2%**	2.6%	0.6	3.3%	(0.1)	2.6%	3.5%
Operational net profit	**205.4**	175.8	16.8%	226.8	-9.4%	358.9	476.7
Operational net profit pre-Abertis	**192.8**	194.0	-0.6%	245.0	-21.3%	376.0	493.8
EBITDA	**514.5**	480.8	7.0%	801.8	-35.8%	978.8	1,749.7
EBITDA margin	**5.0%**	4.4%	0.6	6,7%	-1,7%	4.6%	7.6%
Nominal profit before tax/PBT	**294.0**	259.7	13.2%	373.8	-21.3%	548.0	881.9
Nominal net profit	**194.5**	151.2	28.6%	202.2	-3.8%	311.6	427.2
Nominal net profit pre-Abertis	**181.9**	169.4	7.4%	220.4	-17.5%	328.7	443.3
Nominal Earnings per share (EUR)	**2.85**	2.16	31.9%	2.88	0.0%	4.49	6.16
Net cash from operating activities	**(86.7)**	(80.2)	(6.5)	(134.4)	47.7	674.3	742.8
Net cash from op. activities pre factoring	**80.9**	(69.1)	150.0	(5.9)		761.4	1,098.1
Net operating capital expenditure	**35.8**	79.1	(43.3)	187.8	(152.0)	121.9	371.1
Free cash flow from operations	**(122.5)**	(159.3)	36.8	(322.2)	199.7	552.4	371.7
Net cash/net debt	**433.9**	-365.1	799.0	-365.1	799.0	617,9	617,9
New orders	**14,263.5**	9,709.3	46.9%	10,364.2	37.6%	22,180.5	23,069.9
Order backlog	**48,920.9**	47,124.6	3.8%	50,202.1	-2.6%	45,840.4	45,840.4
Employees (end of period)	**34.069**	35.722	-4.6%	48.813	-30.2%	34.782	46.644

Note: Operational profits are adjusted for non-operational effects; Sales FY 2020 adjusted for Gorgon and other minor effects;
In this document comparable periods have been adjusted to reflect Thiess as a 50% equity JV. 2020 like-for-like also include Thiess PPA adjustment. The figures show continuing operations.

B. Q2 comparison

(EUR million)	Q2 2021	Q2 2020 Like for like	Q2 Change yoy	Q2 2020 reported	Q2 change reported	FY 2020 like for like	FY 2020 reported
Sales	**5,335.5**	5,273.2	1.2%	5,791.3	-7.9%	21,502.5	22,953.8
Operational profit before tax/PBT	**166.1**	133.2	24.7%	183.4	-9.4%	549.5	802.3
Operational PBT margin	**3.1%**	2.5%	0.6	3.2%	(0.1)	2.6%	3.5%
Operational net profit	**106.2**	78.1	36.0%	103.1	3.0%	358.9	476.7
Operational net profit pre-Abertis	**90.6**	97.5	-7.1%	122.5	-26.0%	376.0	493.8
EBITDA	**266.8**	232.8	14.6%	366.4	-27.2%	978.8	1,749.7
EBITDA margin	**5.0%**	4.4%	0.6	6.3%	(1.3)	4.6%	7.6%
Nominal profit before tax/PBT	**148.6**	116.5	27.6%	166.7	-10.9%	548.0	881.9
Nominal net profit	**108.5**	62.3	74.2%	87.3	24.3%	311.6	427.2
Nominal net profit pre-Abertis	**92.9**	81.7	13.7%	106.7	-12.9%	328.7	443.3
Nominal earnings per share (EUR)	**1.59**	0.89	78.7%	1.25	23.1%	4.49	6.16
Net cash from operating activities	**510.3**	218.0	292.3	253.3	257.0	674.3	742.8
Net cash from op. activities Pre-factoring	**529.6**	292.9	236.7	172.7		761.4	1,098.1
Net operating capital expenditure	**15.4**	42.7	(27.3)	87.9	(72.5)	121.9	371.1
Free cash flow from operations	**494.9**	175.4	319.5	165.4	329.5	552.4	371.7
Net cash/net debt	**433.9**	(365.1)	799.0	(365.1)	799.0	617,9	617,9
New orders	**8,355.6**	5,196.6	60.8%	5,845.2	42.9%	22,180.5	23,069.9
Order backlog	**48,920.9**	47,124.6	3.8%	50,202.1	-2.6%	45,840.4	45,840.4
Employees (end of period)	**34.069**	35.722	-4.6%	48.813	-30.2%	34.782	46.644

Note: Operational profits are adjusted for non-operational effects; Sales FY 2020 adjusted for Gorgon and other minor effects;
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HOCHTIEF is an engineering-led global infrastructure group with leading positions across its core activities of construction, services and concessions/public-private partnerships (PPP) focused on Australia, North America and Europe. With around 47,000 employees and a sales volume of about EUR 24 billion in 2020, HOCHTIEF's global presence is focused on developed markets. Via CIMIC, the Group is market leader in Australia. In the USA, HOCHTIEF is the No. 1 general builder via Turner. Flatiron ranks among the most important players in the field of civil works, mainly in transportation infrastructure. HOCHTIEF owns a 20% stake in Abertis, the leading international toll road operator. Thanks to its commitment to sustainability, HOCHTIEF has been listed in the Dow Jones Sustainability Indexes since 2006. Further information is available at www.hochtief.com/news-media.