

## Press information

# HOCHTIEF: Fiscal 2008 shows strength and solidity of HOCHTIEF Group

### CORPORATE COMMUNICATIONS

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- Record orders and work done for fifth year running
- Major boost in consolidated net profit to EUR 175 million
- Earnings guidance twice raised in 2008, all targets attained
- EUR 1.40 dividend proposed

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In the midst of the financial crisis, HOCHTIEF can look back on a successful fiscal 2008. The Group twice raised its earnings guidance in 2008 and attained all targets. Consolidated net profit climbed by 24.4 percent to EUR 175.1 million. New orders (EUR 25.28 billion), work done (EUR 21.64 billion) and the order backlog (EUR 30.92 billion) set new records for the fifth year running. "These figures reflect the strength and solidity of HOCHTIEF," said Dr. Herbert Lütkestratkötter, Chairman of the HOCHTIEF Executive Board, at today's General Shareholders' Meeting in Essen, Germany. All divisions contributed to the good results.

Group operating earnings grew by 25.3 percent in 2008 to EUR 676.1 million. Profit before taxes was up 3.8 percent on the prior year, totaling EUR 520.1 million. Earnings per share likewise increased, by 21.7 percent to EUR 2.52. HOCHTIEF intends stockholders to share in this success with a dividend of EUR 1.40 per no-par-value share proposed at today's meeting. This corresponds to an increase in the Group's dividend distribution to a record EUR 98 million.

Strategy comes into its own

HOCHTIEF remains cautiously optimistic for the current year. Especially at times like the current financial crisis, the Group's successful strategy and conservative planning come into their own. "Thanks to our broad, international business base, we can compensate for fluctuations in individual regions and fields of business," said Lütkestratkötter. "Also, our growing services and concessions business means that we have more and more long-term, calculable agreements in our contract portfolio." HOCHTIEF continues to stand on sound foundations and has upheld its healthy balance sheet ratios, Lütkestratkötter added. With an eye to the financial crisis, the Group took further precautions in 2008 and boosted cash reserves. HOCHTIEF is consequently able to muster larger equity stakes - e.g. for

development projects - as necessary by itself and is ready for the eventuality of higher interest on borrowed funds.

HOCHTIEF further enhanced and extended its financial flexibility in April: An existing syndicated guarantee facility for a total of EUR 2 billion - set to last as established until the end of 2012 - has been amended with the syndicate banks so that HOCHTIEF now has a EUR 1.5 billion guarantee facility and alongside this an additional EUR 400 million credit facility. As a result, the Group now has a choice of financing options under the same contractual framework. Together with the other contractual financing arrangements that remain available to the Group, this means HOCHTIEF can respond in the best way possible to the needs of the project business.

HOCHTIEF is unhappy with developments regarding the price of its stock. The Group's stock price bears no relation to the strong performance of the Group, explained Lütkestratkötter, and is far out of line with the value of the business. Lütkestratkötter cited irrational volatility on international capital markets as the cause. Over the course of 2008, HOCHTIEF stock lost a total of EUR 56.26 to close 61.2 percent down. On the plus side, this leaves huge scope for recovery. The stock price has already risen to EUR 39.30 in the first few months of 2009 (closing price on May 6, 2009) - compared with a low for the year to date of EUR 20.93. This is in line with assessments by external analysts, the majority of whom recommend buying HOCHTIEF stock.

HOCHTIEF will continue to focus on growth and is further developing its business. The Group is concentrating in particular on markets and regions with high growth potential, such as public-private partnership projects in North America. The Group also sees further potential for growth in its existing product range, for example, in energy efficiency services. These include energy management alongside geothermal power plants and offshore wind farms.

#### Sustainable solutions in demand

HOCHTIEF did a great deal to advance the cause of sustainability in 2008. Among other things, the construction services provider had a major hand in developing green building certification in Germany. A HOCHTIEF project has already received the certificate and another has been awarded preliminary certification. The business potential in this segment is huge: In the past year alone, the market for sustainable buildings in Germany came to some EUR 20 billion, and rising. There is a similarly strong focus on sustainability in the USA: The Group's US subsidiary Turner already has 900 accredited sustainability professionals and completed green building projects worth over EUR 2 billion in 2008 alone. Sustainable projects already make up 40 percent of Turner's order backlog.

Strategically, HOCHTIEF maintains its successful direction, serving the entire infrastructure

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project, real estate and facility life cycle. According to Dr. Lütkestratkötter, the focus is on:

- HOCHTIEF expanding in rapidly growing regions
- HOCHTIEF expanding its services business
- HOCHTIEF adding to its range of capabilities
- HOCHTIEF systematically exploiting synergies across the Group
- HOCHTIEF positioning itself as an attractive employer

HOCHTIEF plans to pursue these goals rigorously in the current fiscal year while systematically continuing to implement its successful strategy.

#### Group outlook 2009

The global economic and financial crisis limits the ability to forecast market trends. Based on its proven strength and solidity, HOCHTIEF is nonetheless confident of success in fiscal 2009. HOCHTIEF is currently working on the assumption that international financial and capital markets will restabilize from 2010, there will not be a sustained global recession and the situation in areas of political tension will not deteriorate further. Under these assumptions, HOCHTIEF expects for the current fiscal year that:

- New orders, the order backlog and sales will steady at normal levels, below the figures attained in 2008.
- Profit before taxes and consolidated net profit will both reach similarly high levels to 2008.

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