

TURNING VISION INTO V LUE.

Analysts' and Investors' Conference

Half year results 2005

17 August 2005

Dr. Hans-Peter Keitel, CEO

Dr. Hans-Georg Vater, CFO

Three pillars of success

An holistic business philosophy

Identify profitable opportunities

Bring technical excellence to bear

Manage risk to create return



HOCHTIEF - Turning Vision into Value

Achievements H1 2005

Construction:

- PreFair commences market penetration in CEE business
- Acquisition in Hungary, CEE presence strengthened
- Hilton Hotel delivered, Spencer Street Station on target

Services:

- New contract/client wins in FM
- Margin recovery in FM business

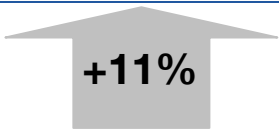
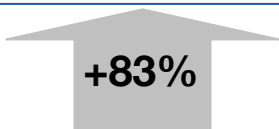
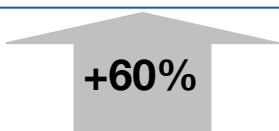
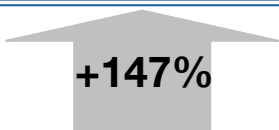
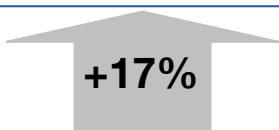
Development:

- Positive market response from development projects in Ludwigsburg and Cologne

Concessions and operation:

- Airport Investment Partnership
- HTA takes over operation of Tirana Airport
- Expansion of PPP portfolio (Leverkusen, Manchester)

Financial Highlights

H1 2005		
Sales	 +11%	EUR bn 6.09
EBT	 +83%	EUR m 149.0
EBT margin	 +60%	2.4%
Net income	 +147%	EUR m 44.4
Order backlog	 +17%	EUR bn 20.37

Half year on half year comparison

Group figures

Essentials

- **Sales: increase despite negative f/x effect of EUR 103m**
- **EBT: positive effect of HTAC transaction adds to underlying strong improvement**
- **Margin improvement across the Group**
- **High tax quote expectation remains, H1 05 tax rate lower than in H1 04 due to nearly tax-free HTAC book gain**
- **Capex level reflects continued opportunities in non-construction activities**

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
New orders	6,593.5	6,911.3	-4.6	15,586.7
Work done	6,487.8	5,995.9	8.2	13,106.9
Order backlog	20,374.9	17,420.5	17.0	18,715.3
Sales	6,091.3	5,492.0	10.9	11,943.7
EBITA	168.0	82.7	103.1	227.0
EBT	149.0	81.5	82.8	187.3
EBT margin (%)	2.4	1.5	60.0	1.6
Income taxes	-69.3	-44.4	56.1	-106.2
EAT	79.7	37.0	115.4	81.1
of which: consolidated net profit	44.4	18.0	146.7	41.2
of which: minorities	35.3	19.0	85.8	39.9
Cash flow	174.0	138.2	25.9	319.7
Capex	337.4	273.7	23.3	678.1

Group Cash flow

Essentials

- **HTAC inflow shown in Net cash provided by operating activities (“other balance sheet items”)**
- **HTAC transaction leads to**
 - increase of Net cash partially used in Financing activities through service of debt
 - significant increase of Free cash flow, despite Capex increase

(EUR m)	HY 05	HY 04	% change
Cash flow	174.0	138.2	25.9
Net cash provided by operating activities	324.4	-40.1	909.0
Net cash used in investing activities	-176.0	102.3	-272.0
Net cash used in financing activities	-103.6	-10.7	-868.2
Net change in cash and cash equivalents	44.8	51.5	-13.0
Cash and cash equivalents at end of period	882.2	1,111.0	-20.6
Net cash provided by operating activities	324.4	-40.1	909.0
Capex (property, plant & equipment)	-271.0	-162.6	66.7
Proceeds from asset disposals (pp&e)	50.3	18.9	166.1
Capex (financial assets)	-66.3	-111.1	-40.3
Proceeds from asset disposals (financial assets)	106.6	46.8	127.8
Changes in cash and cash equivalents due to consolidation changes	0.5	0.2	150.0
Free cash flow	144.5	-247.9	158.3

Consolidated balance sheet

Essentials

- **Creation of 2nd external pension trust (volume: EUR 202m)**
- total CTA volume now: EUR 488m
- **Significant effects of HTAC**
- **Equity ratio: 28%**
- **Gearing ratio: 34%**
- **Net cash end H1 05: EUR 646m**

	Assets		Liabilities	
	30 Jun 05	31 Dec 04	30 Jun 05	31 Dec 04
Intangible assets, pp&e	1,366.9 (17.8%)	1,197.5 (16.4%)	2,180.2 (28.4%)	1,904.6 (26.1%)
Financial Assets	933.2 (12.1%)	959.2 (13.2%)		
Other long-term assets	336.9 (4.4%)	382.7 (5.2%)	1,085.2 (14.1%)	1,130.2 (15.5%)
Inventories, receivables, other current assets, current income tax assets	3,342.2 (43.5%)	2,984.3 (41.0%)	441.8 (5.8%)	601.9 (8.3%)
Marketable securities and cash	1,704.1 (22.2%)	1,761.6 (24.2%)	3,976.1 (51.7%)	3,648.6 (50.1%)
	7,683.3	7,285.3	7,683.3	7,285.3
				Shareholders' equity
				Amounts due to banks ¹⁾
				Long-term liabilities ²⁾
				Short-term Liabilities ²⁾

1) incl. bonds or notes issued
2) w/o amounts due to banks

(EUR m)

HOCHTIEF Airport

Essentials

- **HTAC generates net effect of EUR 52m on HTA EBT**
- **Even without HTAC effect: EBT meets 2005 break-even target**
- **Takeover of operation at Tirana airport (Apr 05)**
- **Individual airports: further improvement in operational performance; focus on implementation of optimization programs and increase in non-aviation segment**

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
Net income from particip.	23.7	9.1	160.4	27.0
EBITA	76.4	7.9	867.1	14.7
EBT	58.9	-7.5	885.3	-14.3
Cash flow	-9.2	6.2	-248.4	19.4
Capex	0.5	0.5	0.0	0.5
Capital employed	603.6	650.8	-7.3	682.3

HOCHTIEF Development

Essentials

- **Strengthening of market position, major PPP contract wins:**
 - **Leverkusen schools**
(contract vol.: EUR 70m)
 - **Manchester schools**
(contract vol.: EUR 170m)
- **Successes in property marketing and solid-margin FM segment drive EBT growth**

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
New orders	541.0	595.6	-9.2	1,297.4
Work done	378.6	304.3	24.4	838.6
Order backlog	1,853.7	1,176.8	57.5	1,741.5
External sales	363.6	273.6	32.9	723.8
EBITA	11.3	4.0	182.5	50.6
EBT	9.6	5.9	62.7	41.7
EBT margin (%)	2.6	2.2	18.2	5.8
Cash flow	15.8	1.2	1,216.7	-14.7
Capex	25.1	24.0	4.6	125.7
Capital employed	560.3	473.8	18.3	528.7

HOCHTIEF Construction Services Americas

Essentials

- **Margins still tight**
- **Earnings quality is key focus**
- **Broadening of product spectrum by adding construction-related services as further contribution to value creation**
- **H1 confirms strong market position, e.g. in Green Building (30 projects, EUR 800m project volume)**

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
New orders	3,001.2	3,371.8	-11.0	6,396.1
Work done	2,697.2	2,672.2	0.9	5,683.5
Order backlog	6,805.7	6,400.5	6.3	5,746.1
External sales	2,628.8	2,638.5	-0.4	5,605.2
EBITA	27.8	27.0	3.0	55.1
EBT	21.4	19.6	9.2	42.0
EBT margin (%)	0.8	0.7	14.3	0.7
Cash flow	25.5	15.8	61.4	43.9
Capex	8.8	15.0	-41.3	21.7
Capital employed	236.7	267.2	-11.4	200.6

HOCHTIEF Construction Services Asia Pacific

Essentials

- **Continued significant increase in Sales and Earnings as planned**
- **Hilton Hotel handed over in July 05; progress of Spencer Street Station according to revised schedule**
- **High Capex due to further expansion of contract mining, a long-term business with sustainably strong profits**

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
New orders	2,048.9	1,811.1	13.1	5,521.7
Work done	2,243.4	1,859.7	20.6	4,038.9
Order backlog	9,252.6	7,081.2	30.7	8,602.4
External sales	2,078.8	1,622.4	28.1	3,446.4
EBITA	95.8	47.8	100.4	119.0
EBT	85.3	44.4	92.1	109.3
EBT margin (%)	4.1	2.7	51.9	3.2
Cash flow	178.5	123.9	44.1	296.3
Capex	283.2	222.1	27.5	494.1
Capital employed	598.6	362.9	64.9	510.5

HOCHTIEF Construction Services Europe

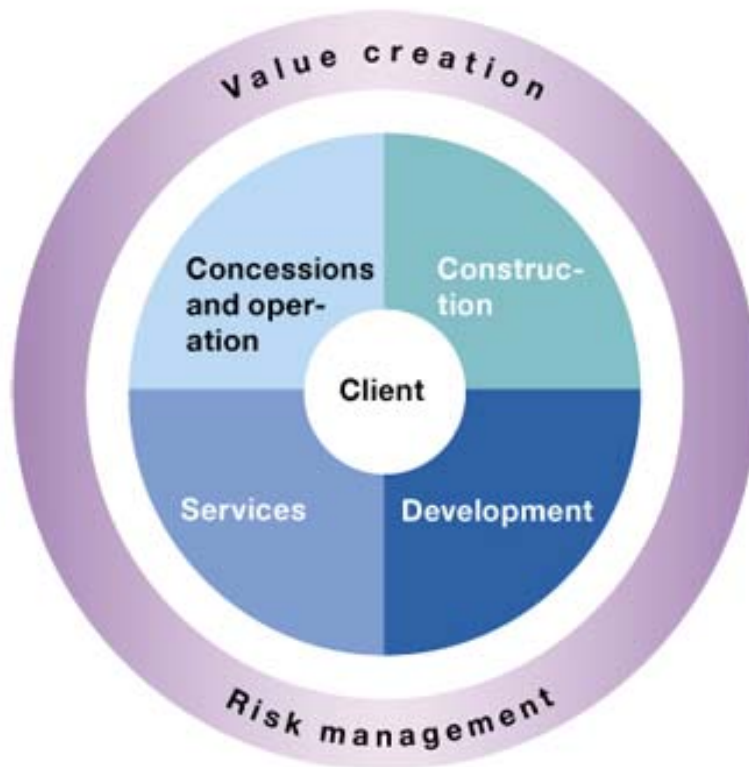
Essentials

- **Major new orders expected from Central Eastern Europe (CEE) in 2H 05**
- **CEE drives increased Sales**
- **Margins continue to increase**
 - further expansion of PreFair
- **Focused expansion in specific market segments in CEE:**
 - Austria: expansion of activities
 - Bulgaria: establishment of branch
 - Hungary: Mélyepítő acquisition complete

Financials (EUR m)

(EUR m)	HY 05	HY 04	% change	2004
New orders	957.4	1,096.9	-12.7	2,295.1
Work done	1,123.6	1,123.8	0.0	2,469.5
Order backlog	2,462.9	2,762.0	-10.8	2,625.3
External sales	970.5	916.3	5.9	2,086.9
EBITA	2.1	0.9	133.3	25.8
Earnings before tax	11.9	6.3	88.9	28.7
EBT margin (%)	1.2	0.7	71.4	1.4
Cash flow	26.6	18.4	44.6	36.4
Capex	13.5	11.9	13.4	24.0
Capital employed	-53.6	-90.4	40.7	-143.3

HOCHTIEF is about...value creation



- HOCHTIEF is designed to **meet** the full range of **client needs** maximizing profit potential
- **Core strengths:**
 - An **holistic solution for clients:** Development, Construction, Services, Concessions and Operation
 - **Technical excellence**
 - Combination of **international strength with local focus**
- **Balanced portfolio** by geography, sector and project life
- **Risk Management** – the key consideration

HOCHTIEF is about...PPP



- **HOCHTIEF is designed to deliver one-stop shop PPP solutions**
 - Design, Build, Finance, Operate
 - Higher margin business
 - Sustainability in business and cash flows
- **Risk Management** – strict project selection criteria and control
- **Asset and portfolio management** offers opportunities to financial investors and allows realization of value created by secondary market transactions

HOCHTIEF PPP

Airports



- 13 airports designed and built since 1990
- 5 airports under operation; c. EUR 700m capital committed
- EUR 313m capital released by recent assets sale
- IRR target >14%

Toll roads



- 880km toll roads portfolio at HT Group
- Herrentunnel Lübeck to open in Q3 05
- Vespucio del Norte to open Q1 06
- IRR target >14%

Public Buildings



- Contract volume: EUR 820m
 - schools
 - administration
- IRR target >14%



Pipeline:

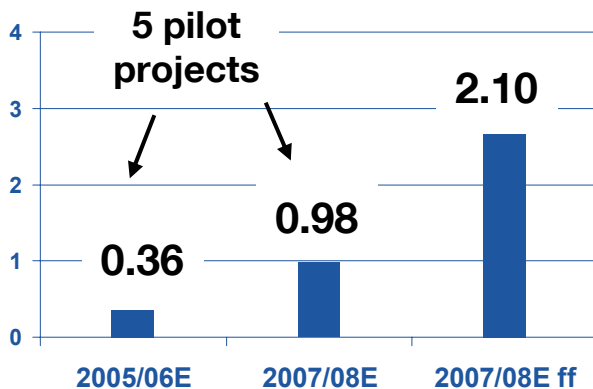
- Public Buildings pref. bidder: 3 projects tender: 9 projects
- Toll Roads: tender: 5 projects

HOCHTIEF PPP Solutions' business potential



Toll Roads (EUR bn)

Expected A-models, Germany:
(investment volume)

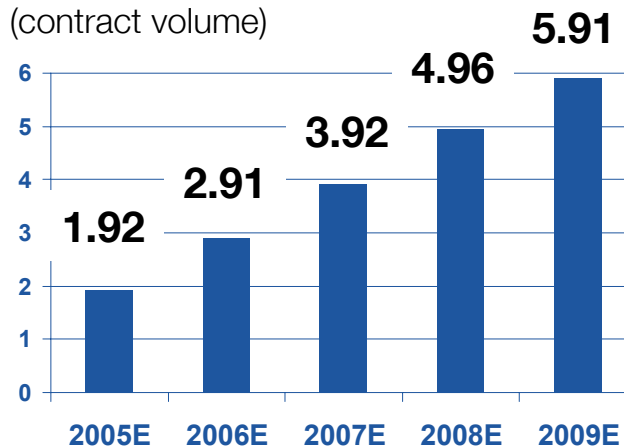


+ **F-models, Germany, 2005-10E: EUR 2.0bn**
(investment volume)

+ **Europe, 2005-09E: EUR 20bn**
(investment volume)

Building/Social Infrastructure (EUR bn)

Public buildings, Germany:¹⁾
(contract volume)



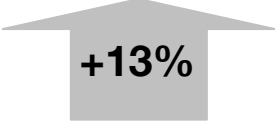

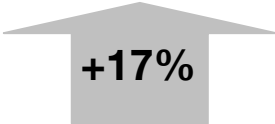

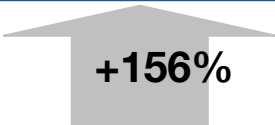

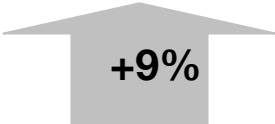

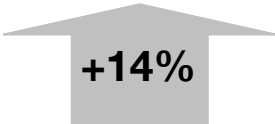
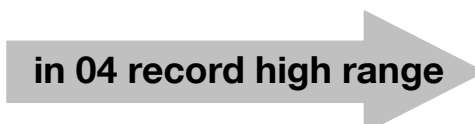
+ **UK PFI market: EUR 6.0bn p.a.**
(investment volume)

¹⁾ Source: Dt. Institut für Urbanistik (Difu) and internal research

Earnings prospects through PPP Solutions

- EUR 1.7bn projected aggregate cash flow from signed projects
- HT equity EUR 119m committed
 EUR 75m paid in
- 25 years current average contract duration of PPP portfolio
- IRR target >14%
- Earnings streams to HOCHTIEF PPP Solutions from concessions company:
 - Fee income
 - Dividends/shareholder loan interests
 - Proceeds from sale
- Earnings potential of HT Group companies from concessions company:
 - Construction/Refurbishment contract
 - FM contract

Outlook 2005

2004			2005E		
Sales	 +13%	EUR bn 11.94	Sales	 on prev. year's level	
EBT	 +17%	EUR m 187	EBT	 +	around one-quarter
Net Income	 +156%	EUR m 41	Net income	 +	more than one-half
New Orders	 +9%	EUR bn 15.59	New Orders	 normalized high level*	
Order backlog	 +14%	EUR bn 18.72	Order backlog	 in 04 record high range	

*below 04 record high

Financial calendar and IR contact

27 Oct 05	Capital Markets Day: HOCHTIEF Europe
17 Nov 05	Q3 results 2005 and Conference Call
23 Mar 06	Full year results 2005 and Analysts' and Investors' Conference
10 May 06	General Shareholders' Meeting
15 May 06	Q1 results 2006 and Conference Call

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