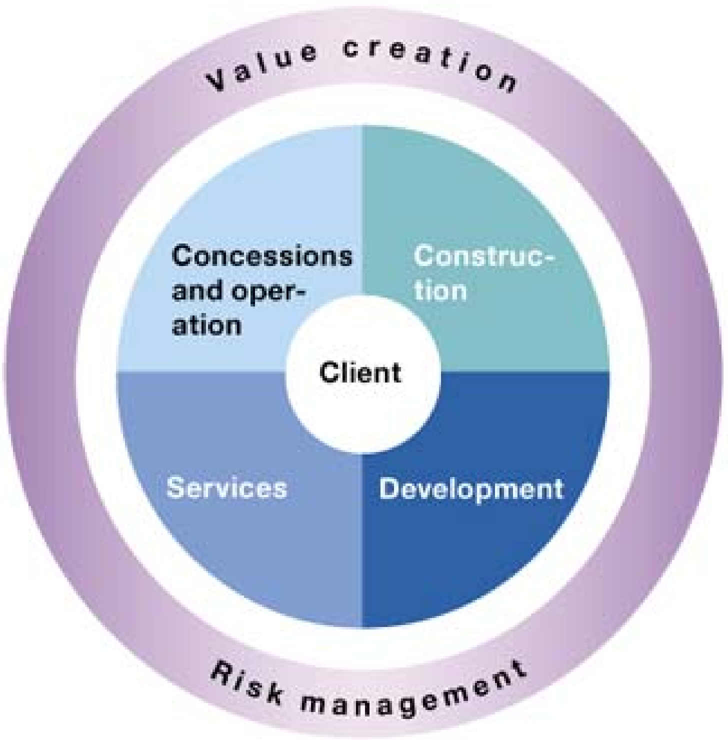
# Roadshow Luxemburg/Brussels, London, Geneva

**15/16, 19/20, 23 February 2007**

Dr. Lars Petzold, Head of Investor Relations

Ulrike Kröner, Senior Investor Relations Manager

# HOCHTIEF is about…quality of service




- Structure designed to identify client needs across a wide geographical area
- Better service/order quality means better margins
- Holistic service model ideally suited to PPP client

# HOCHTIEF divisional structure

## Solutions around the world throughout the construction value chain

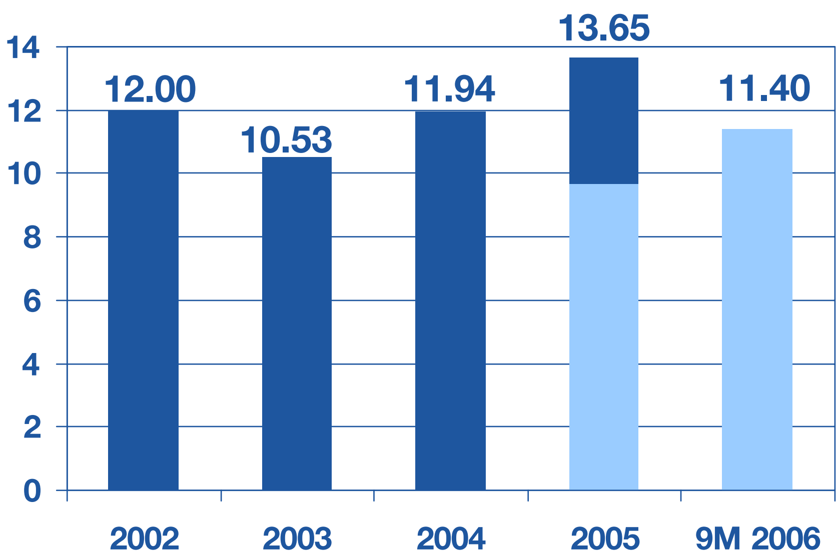
| HOCHTIEF AIRPORT | HOCHTIEF DEVELOPMENT | HOCHTIEF CONSTRUCTION SERVICES AMERICAS | HOCHTIEF CONSTRUCTION SERVICES ASIA PACIFIC | HOCHTIEF CONSTRUCTION SERVICES EUROPE |
|---|---|---|---|---|
|  |  |  |  |  |
| Sales 05: (EUR m) n.a. | 925 | 5,934 | 4,578 | 2,110 |



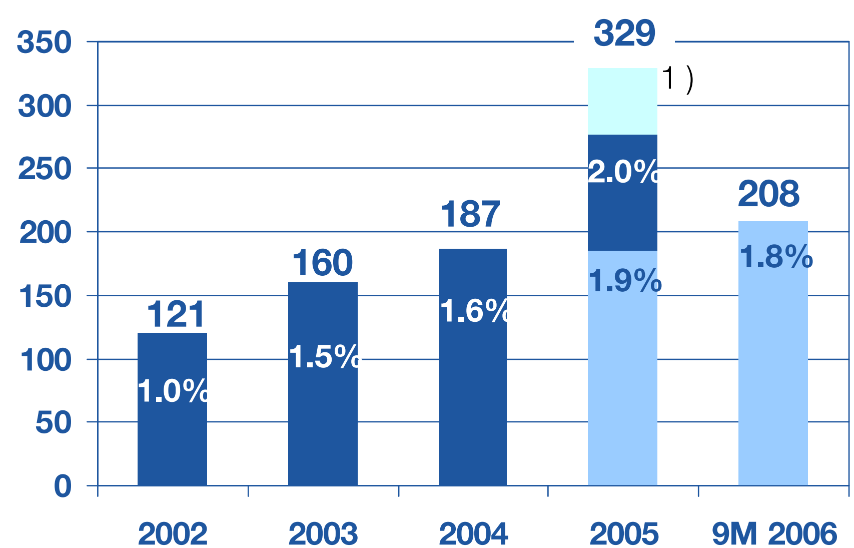


# Healthy business performance…

**Sales** (EUR bn)




**EBT** (EUR m) / **EBT margin** (%)



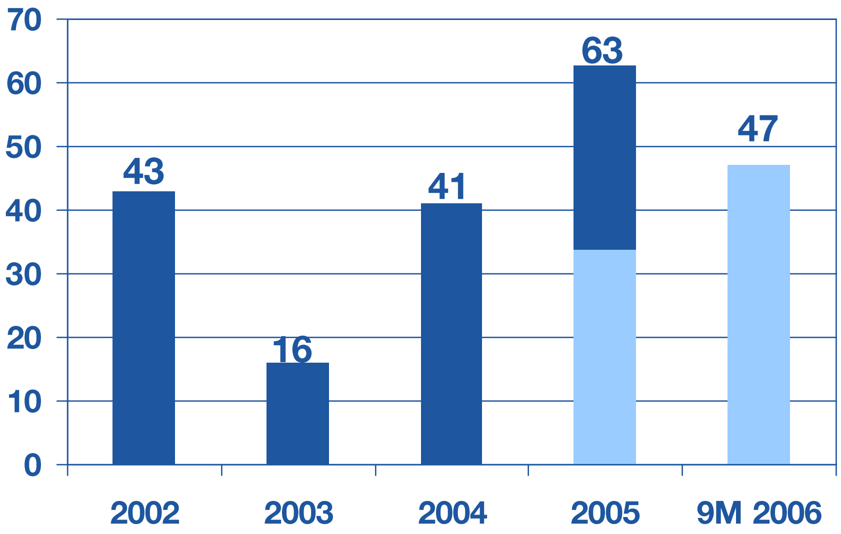

- **Sales 9M 06: +17.5%**

- **EBT: EUR 208m** (+12.2%)[2)]
  - **EBT margin: 1.8**% (-5.3%)[2)]

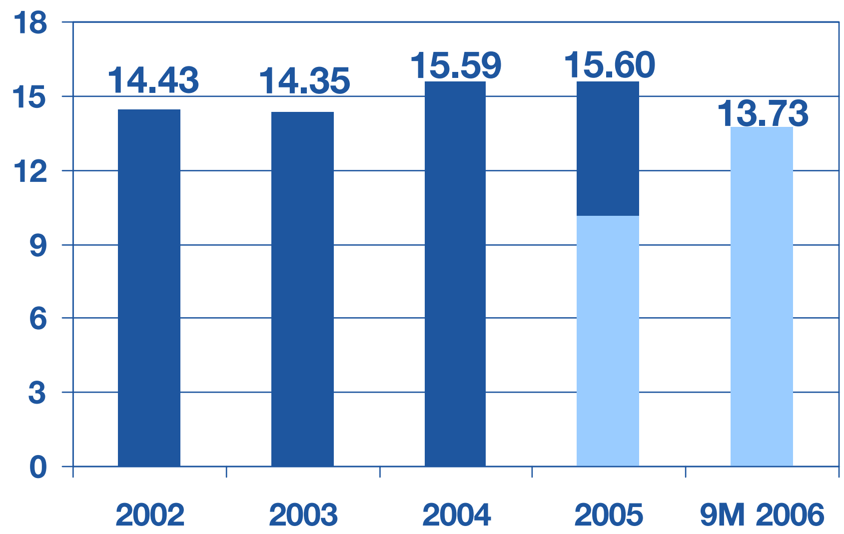
1) EUR 52m HTAC net effect 2) Referring to adjusted 05 figure

# …growth in bottom line earnings as well as in volume…

**Net profit** (EUR m)




**New orders** (EUR bn)



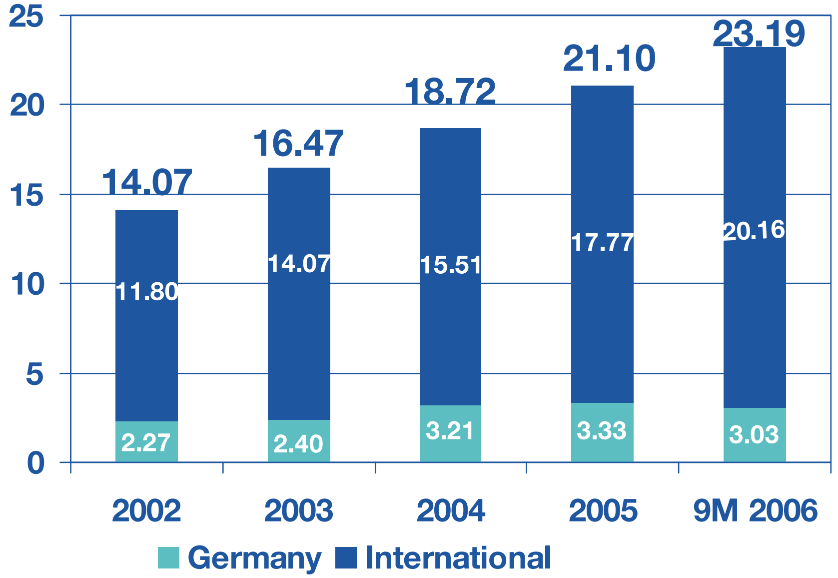

- **Net profit 9M: +38.3%**[1)]

- **New orders: EUR 13.73bn** (+35.3%) taken in under rigorous selection criteria

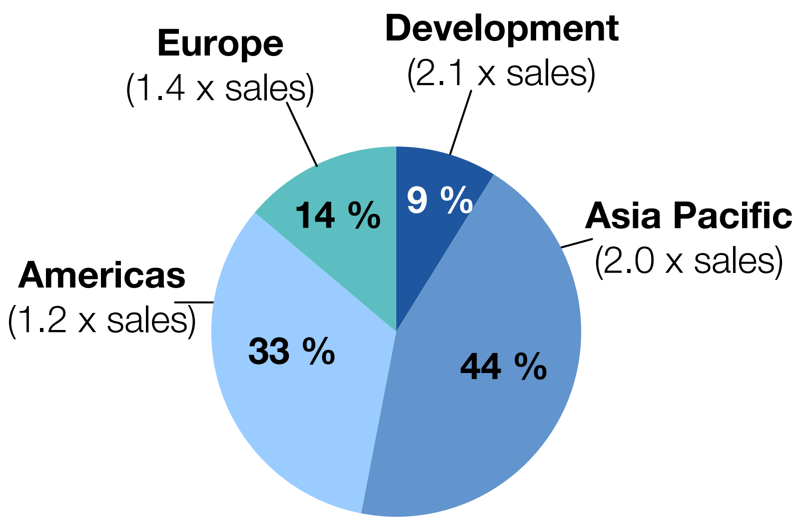
1) Referring to adjusted 05 figure

# ...excellent order backlog...

## **Order backlog** (EUR bn)




## **Order backlog/sales 05** (by division)




- **Order backlog end 9M 06: EUR 23.19bn...an excellent basis for 06 and beyond**

# …surrounded by strict sustainability…

## inHaus2 – Germany's most innovative real estate property

Dow Jones Sustainability Indexes
Member 2006/07

- **Financing:** **EUR 4.3m HOCHTIEF**
  **EUR 3.6m Fraunhofer**
- **R&D budget:** **EUR 26m**
- **R&D segments:**
  - Health und Senior-Care
  - Hotels, Event venues, Offices
- **R&D topics, e.g.**
  - Intelligent façade concepts
  - Lower emission construction sites
  - Building materials with chips (construction site, material logistic)
  - Intelligent integrated security systems

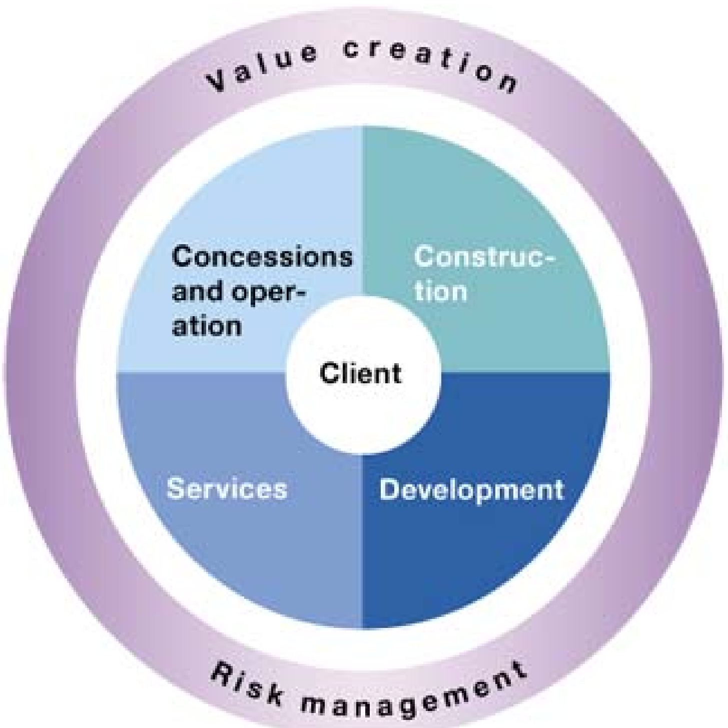
# ...leading us to confirm or raise 2006 targets[2)]

## On the right path...

| | 2005 as reported | 2005 adjusted[1)] | 9M 06 | 2006E |
|---|---|---|---|---|
| **Sales** | **EUR bn 13.65** | | **EUR bn 11.4** | + **> EUR 14bn** |
| **EBT[2)]** | **EUR m 329** | **EUR m 277** | **EUR m 208** | + **Above previous year's level[2)]** (referring to adjusted 05 figure) |
| **Net profit[2)]** | **EUR m 63** | | **EUR m 47** | + **Significant step towards mid-term target of EUR 100m[2)]** |
| **New orders** | **EUR bn 15.60** | | **EUR bn 13.7** | + **> EUR 17bn** |
| **Order backlog** | **EUR bn 21.10** | | **EUR bn 23.2** | + **> EUR 22bn** |

1) adjusted for HTAC effect (EUR 52m)
2) according to the ad hoc announcement of 13 Feb 07 the following results are expected:
- EBT (FY 06): approx. EUR 338m - Net profit (FY 06): approx. EUR 89m

# HOCHTIEF is about…quality of earnings...




- Consolidation of US business for future margin improvement
- Capitalizing on growth opportunities in Asia Pacific
- Consequent improvement of European margins
- Property development market continues to recover
- FM continues to optimize integrated market approach, increasing profitability
- Further PPP progress

# …Construction
## Consolidation of US business

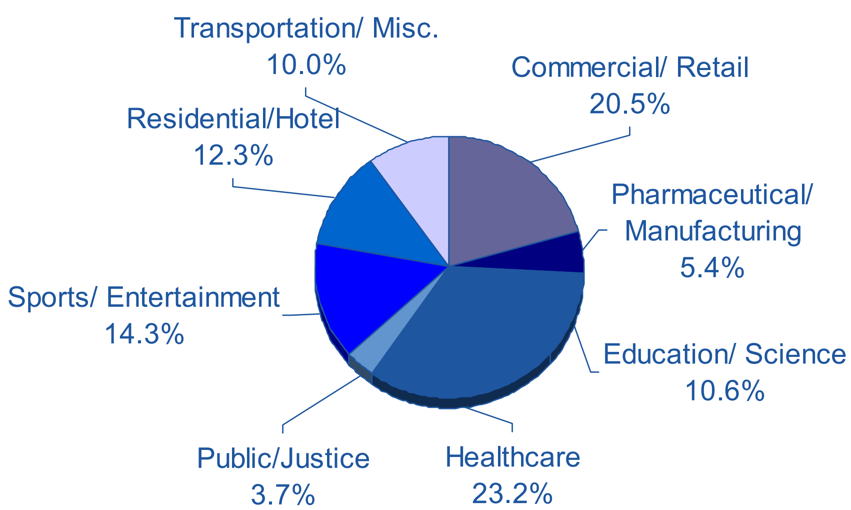
- Consolidation on high level of order intake
- Greater selectivity in marketing and booking of new orders to enhance future margin growth
- Healthy balance in market segments
- Addressable market vol. continuing to grow

  Predicted market growth 2006:

  | | |
  |---|---|
  | Public Building: | 7.4% |
  | Commercial/Manufacturing: | 8.8% |

- Long-term EBT margin target 1.5%

Turner new orders 9M 06 split by market segment:



# ...Construction
## Capitalizing on growth opportunities in Asia Pacific

- **Activities:**
  - Further large infrastructure projects in Australia being planned
  - World largest contract miner (ca. 90 million tons iron ore and coal each p.a.)
  - Focus on Australia & selected Asian countries
  - Driven by strong world demand, mainly Asia

- **Internationalization:**
  - Increasing presence in Asian markets (e.g. India, Macao)
  - First projects awarded

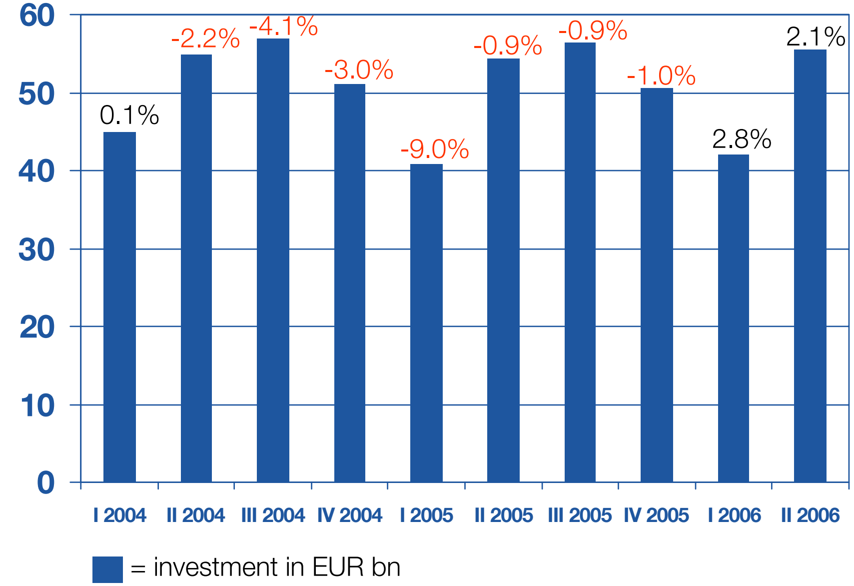

➢ **Risk Management:**
  - Application of rigorous project risk mgmt.
  - Risk mitigating financing
  - Ensuring high quality workforce

# …Construction
## Consequent improvement of European margins

- **Major developments:**
  - German market shows signs of recovery in demand
  - In general strong price pressure continues
  - Subcontractor market partly already working at full capacity
  - At same time +6% raw material prices
  - Eastern European countries: strong order intake
  - High bidding costs due to expansion of PPP business

- **Confirming our strategy:**
  - Partnership based models (PreFair, PPP)
  - Internationalization

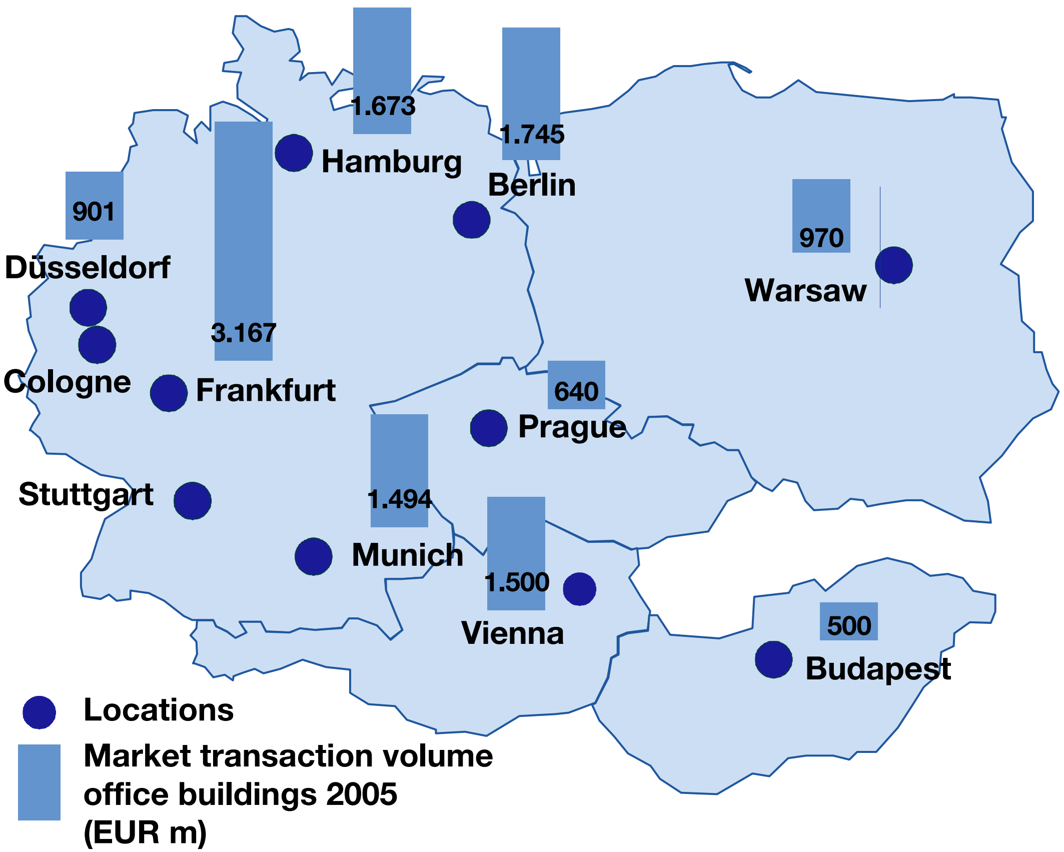
Construction investments in Germany
(in EUR bn per quarter and % change yoy)




Source: Main Association of German Construction Industry.

# …Development

## Property development: Selected projects yield strong returns



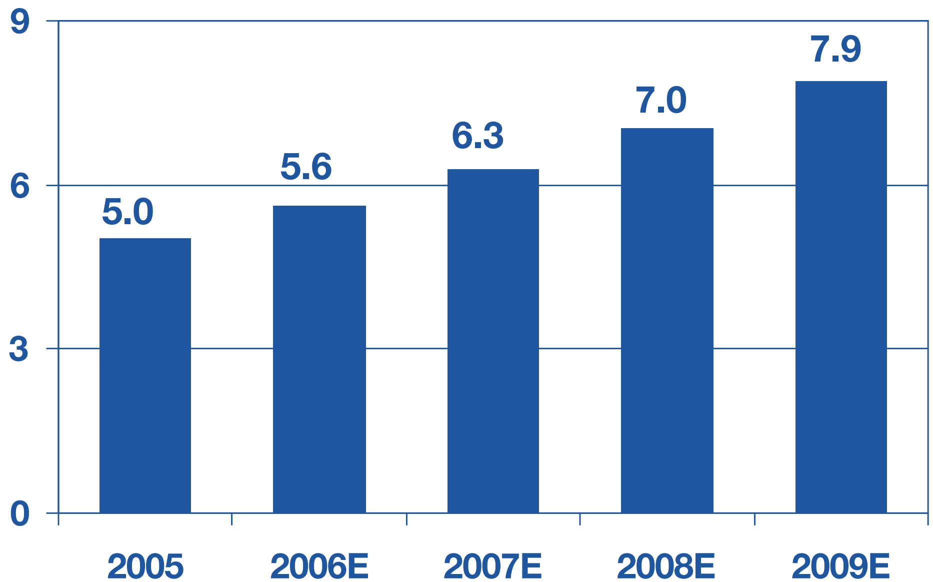

**Success factors:**

- **Strict IRR target > 14%**
- **Stringent risk control of the entire development process**
- **Expansion into CEE**
  - expected market volume of EUR 6 - 8bn until 2010

- **HT real estate development essentials:**
  - Projects under construction: EUR 613m
  - Equity exposure (above projects): EUR 10m

# …Services
## FM: Strong growth in market opportunity

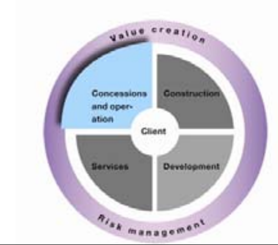
Market growth integrated Facility Management Germany (EUR bn)[1]:




- Growth of German market for integrated FM services >10% p.a.
- Recently won projects:
  - New stadium Magdeburg
  - BMW Welt and BMW Museum, Munich
  - Airbus contracts, Hamburg
  - Lurgihaus, Frankfurt am Main

1) Source: Interconnection Consulting Group, 2006, and internal research

# ...with future growth in specific activities...
## Concessions and operation




**HOCHTIEF Concession Projects - Portfolio as of 06/2006 - Forecast (EUR m)**

| Status: **Financial Close** | Committed Capital | Paid-in Capital | NPV of anticipated Cash Flows | NPV as of 31.12.2005 | Difference due to Growth of Portfolio | Difference due to Growth of Value |
|---|---|---|---|---|---|---|
| Airports | 410.2 | 408.8 | **737.4** | 665.7 | 0.0 | 71.7 |
| Tollroads, Public Buildings | 115.5 | 104.0 | **207.9** | 207.4 | 6.0 | -5.5 |
| **Total** | **525.7** | **512.8** | **945.3** | **873.1** | **6.0** | **66.2** |

Discount rate: Airports: 13%; Toll roads, Public Buildings: 11.9%

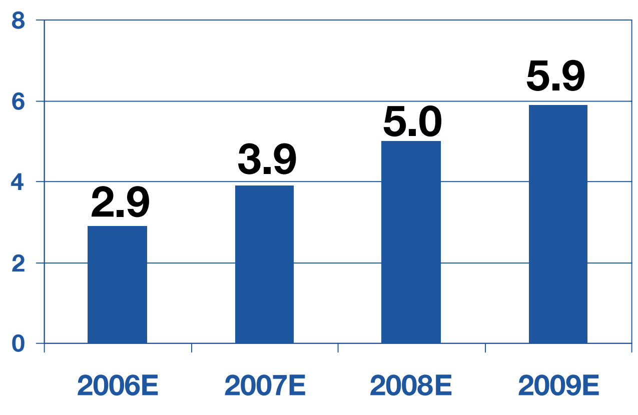
- **Target return**
  - on capital: >14% IRR
  - on PPP construction / FM contracts: higher than on stand-alone contracts
- **Projects included:**
  - Airports: Athens, Düsseldorf, Hamburg, Sydney, Tirana
  - Tollroads: Herrentunnel, VNE
  - Public Buildings: Cork, Gladbeck, Köln, Leverkusen, Manchester, North Ayrshire
- **Pipeline:**
  - Projects won (not yet included in above NPV): East Ayrshire, Bangor&Comber, 5 schools project, Salford
  - Preferred Bidder projects: 3
  - Tender phase: 7 public building and 3 toll road projects

# ...Concessions and operation

## PPP


### **Building/Social Infrastructure** (EUR bn)

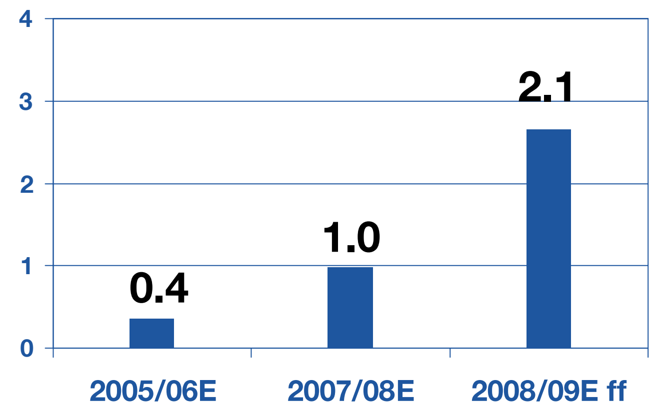
**Public buildings, Germany:**[1)]
(contract volume p. a.)




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

### **Toll Roads** (EUR bn)

**Germany:**
(investment volume p. a.)




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

1) Internal estimation of tenders for the segments education, accommodation and health

# HOCHTIEF is about…quality

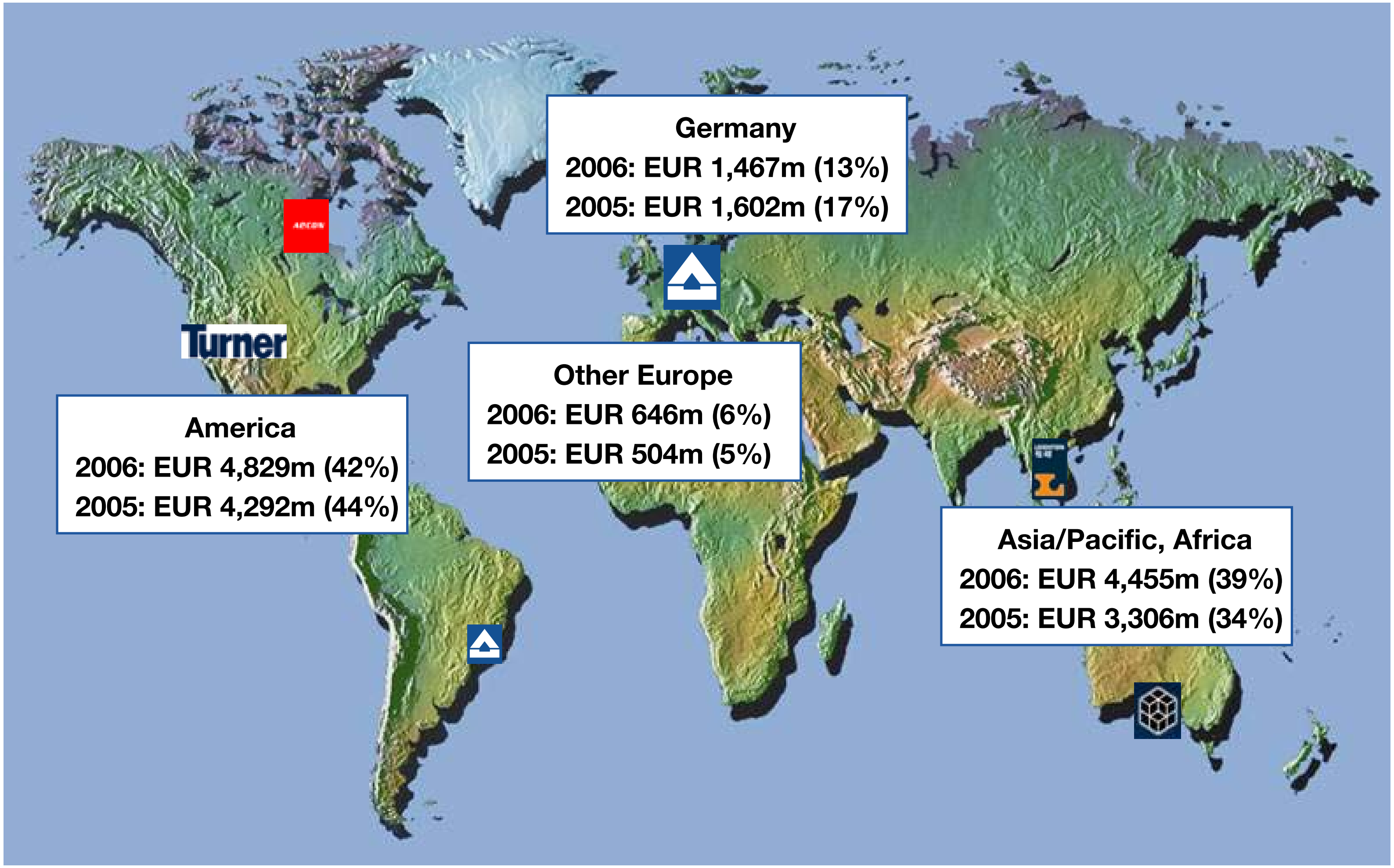

- We have the best people
- We offer our clients the best individual, integrated solutions
- We shape markets and set new standards
- We always act responsibly

- AND WE'RE WORKING TO GET BETTER

# APPENDIX

# Split by regional sales

## Jan-Sep 2006: EUR 11,397m; Jan-Jun 2005: EUR 9,704m



# HOCHTIEF Airport

## Essentials

- Sustainable EBT increase (w/o HTAC effect)
- HOCHTIEF airports Jan-Sep PAX: 56m (+6%)
- Worldwide PAX growth prediction (ACI World) until 2005-2010: 5% p.a.
- >20% average growth in non-aviation revenues per passenger since HOCHTIEF Airport entry
- Continuing analysis of further airports
- EBT 06E: above adjusted 05 figure

## **Financials** (EUR m)

| Jan-Sep (EUR m) | 2006 | 2005 | % change | FY 2005 |
|---|---|---|---|---|
| Net income from participations | **32.3** | 33.5 | -3.6 | 54.3 |
| EBITA | **29.0** | 83.3 | -65.2 | 87.0 |
| *adjusted for HTAC effect* | | *31.5* | *-7.9* | *35.2* |
| EBT | **15.1** | 61.6 | -75.5 | 65.0 |
| *adjusted for HTAC effect* | | *9.8* | *54.1* | *13.2* |
| Capex | **1.5** | 1.6 | -6.3 | 2.0 |

# HOCHTIEF Development

## Essentials

- Sales growth includes high volume of current PPP projects
- Improved interest income due to lower interest expenses
- Germany:
  A4, A8: tender stage
  A1, A5: prequalified
  Austria:
  award of Vienna North-East beltway (A5)
- Q4 to deliver typical seasonal high year end earnings (esp. real estate development)
- EBT 06E: now above previous year's figure

## **Financials** (EUR m)

| Jan-Sep (EUR m) | 2006 | 2005 | % change | FY 2005 |
|---|---|---|---|---|
| New orders | **837.8** | 901.0 | -7.0 | 1,156.5 |
| Order backlog | **2,061.0** | 1,974.9 | 4.4 | 1,934.0 |
| External sales | **693.1** | 588.9 | 17.7 | 924.9 |
| EBITA | **6.5** | 18.2 | -64.3 | 39.7 |
| EBT | **13.1** | 15.0 | -12.7 | 38.6 |
| EBT margin (%) | **1.9** | 2.5 | -24.0 | 4.2 |
| Capex | **12.3** | 35.9 | -65.7 | 51.5 |
| Net assets | **798.1** | 915.7 | -12.8 | 768.7 |

# HOCHTIEF Construction Services Americas

## Essentials

- Significant growth in new orders driven by strong demand and higher resources prices
- Quality of project portfolio continues to increase
- Program to upgrade project management resources well advanced
- Long-term 1.5% EBT margin target
- EBT 06E: now significantly above 05

## Financials (EUR m)

| Jan-Sep (EUR m) | 2006 | 2005 | % change | FY 2005 |
|---|---|---|---|---|
| New orders | **6,280.2** | 4,131.4 | 52.0 | 6,308.6 |
| Order backlog | **8,241.2** | 6,295.8 | 30.9 | 6,901.7 |
| External sales | **4,744.0** | 4,248.5 | 11.7 | 5,934.2 |
| EBITA | **41.9** | 43.3 | -3.2 | 54.1 |
| EBT | **36.0** | 34.1 | 5.6 | 39.5 |
| EBT margin (%) | **0.8** | 0.8 | 0.0 | 0.7 |
| Capex | **14.4** | 13.4 | 7.5 | 16.9 |
| Net assets | **306.7** | 304.1 | 0.9 | 314.7 |

# HOCHTIEF Construction Services Asia Pacific

## Essentials

- Strong increase in new orders
- Contract mining and large volume infrastructure projects main growth drivers
- Expansion of Contract Mining to further strengthen Asia Pacific business
- Strong growth in CAPEX mainly related to expansion of contract mining
- Business outlook remains promising; predicted market 06/07:
  Australian Civil: 6.6%
  Contract Mining: 9.4%
- Continued geographical diversification
- EBT 06E: now significant increase on 05

## **Financials** (EUR m)

| Jan-Sep (EUR m) | **2006** | 2005 | % change | FY 2005 |
|---|---|---|---|---|
| New orders | **4,941.5** | 3,300.2 | 49.7 | 5,248.0 |
| Order backlog | **10,092.5** | 9,003.8 | 12.1 | 9,274.9 |
| External sales | **4,431.3** | 3,258.3 | 36.0 | 4,577.9 |
| EBITA | **191.9** | 139.4 | 37.7 | 220.1 |
| EBT | **170.9** | 126.4 | 35.2 | 203.3 |
| EBT margin (%) | **3.9** | 3.9 | 0.0 | 4.4 |
| Capex | **657.3** | 336.5 | 95.3 | 464.5 |
| Net assets | **931.0** | 752.3 | 23.8 | 837.8 |

# HOCHTIEF Construction Services Europe

## Essentials

- German market – despite signs of recovery – still under strong price pressure
- EBT suffering from disproportionate increases in raw materials and input costs
- Consequent continuation of long-term strategy:
    - Internationalization, especially in CEE
    - Partnership based models, e.g. PreFair

  to raise quality of future earnings
- EBT 06E: now below previous year's figure

## Financials (EUR m)

| Jan-Sep (EUR m) | 2006 | 2005 | % change | FY 2005 |
|---|---|---|---|---|
| New orders | **1,593.1** | 1,749.5 | -8.9 | 2,780.6 |
| Order backlog | **2,790.9** | 2,640.6 | 5.7 | 2,985.0 |
| External sales | **1,445.0** | 1,532.0 | -5.7 | 2,109.7 |
| EBITA | **3.0** | 13.7 | -78.1 | 28.0 |
| EBT | **9.8** | 18.6 | -47.3 | 42.3 |
| EBT margin (%) | **0.7** | 1.2 | -41.7 | 2.0 |
| Capex | **17.7** | 18.5 | -4.3 | 29.2 |
| Net assets | **451.2** | 481.8 | -6.4 | 444.2 |

# Consolidated Group figures

| Jan-Sep (EUR m) | 2006 | 2005 | % Change | FY 2005 |
|---|---|---|---|---|
| **Sales** | 11,397.4 | 9,704.3 | 17.4 | 13,653.2 |
| Other operating income | 68.3 | 190.2 | -64.1 | 274.4 |
| Other operating expenses | -677.8 | -548.2 | -23.6 | -777.7 |
| Net income from participating interests | 37.5 | 39.5 | -5.1 | 63.4 |
| **EBITDA** | 443.6 | 447.1 | -0.8 | 652.6 |
| *adjusted for HTAC effect* | | *426.4* | *4.0* | *600.8* |
| Depreciation | -233.0 | -211.4 | -10.2 | -286.9 |
| **EBITA / EBIT** | 210.6 | 235.7 | -10.6 | 365.7 |
| *adjusted for HTAC effect* | | *215.0* | *-2.0* | *313.9* |
| Net investment and interest income | -0.2 | -20.1 | 99.0 | -22.0 |
| Non-operating earnings | -2.3 | -9.5 | 75.8 | -14.7 |
| **EBT** | 208.1 | 206.1 | 1.0 | 329.0 |
| *adjusted for HTAC effect* | | *185.4* | *12.2* | *277.2* |
| Income taxes | -88.9 | -99.0 | -10.2 | -177.7 |
| **EAT** | 119.2 | 107.1 | 11.3 | 151.3 |
| *adjusted for HTAC effect* | | *86.4* | *38.0* | *99.5* |
| of which: **Consolidated net profit** | 46.6 | 54.4 | -14.3 | 62.8 |
| *adjusted for HTAC effect* | | *33.7* | *38.3* | *11.0* |
| of which: Minority interest | 72.6 | 52.7 | 37.8 | 88.5 |

- **New orders:** EUR 13.7bn (+35.3%)
- **Order backlog:** record high EUR 23.2bn (+16.4%)
- **Sales:** growth mainly driven by Asia Pacific, Americas and Development
- **Net investment and interest income:** increase mainly due to improved financing structure
- **Income taxes:** 05 figure included EUR 15m precautionary impairment charges on deferred tax assets
- **Minority interests:** growth mainly related to increased Australian contribution

# Consolidated Group balance sheet (assets)

| (EUR thousand) | 30 Sep 06 | 31 Dec 05 |
|---|---|---|
| Intangible assets | 381,249 | 330,298 |
| PP&E | 715,469 | 682,220 |
| Investment properties | 45,191 | 206,631 |
| Equity-method investments | 710,187 | 718,167 |
| Other financial assets | 311,631 | 194,362 |
| Financial receivables | 28,686 | 28,278 |
| Other receivables and other assets | 114,646 | 110,198 |
| Deferred tax assets | 148,385 | 144,726 |
| **Non-current assets** | **2,455,444** | **2,414,880** |
| Inventories | 54,709 | 35,333 |
| Financial receivables | 68,845 | 50,697 |
| Trade receivables | 3,656,147 | 3,376,967 |
| Other receivables and other assets | 72,823 | 150,900 |
| Current income tax assets | 12,125 | 42,243 |
| Marketable securities | 625,679 | 963,182 |
| Cash and cash equivalents | 1,159,963 | 1,061,301 |
| **Current assets** | **5,650,291** | **5,680,623** |
| **Assets** | **8,105,735** | **8,095,503** |

**Non-current assets:**

- Investment properties: continued reduction, sale to market in H1 06
- Other financial assets: systematic expansion in Leighton business portfolio

**Current assets:**

- Trade receivables: growth mainly in Asia Pacific and Development
- Marketable securities: complete sale of special funds in Q3 06

# Consolidated Group balance sheet (equity and liabilities)

**Shareholders' equity:**

- Equity ratio: 28.7%

**Non-current liabilities:**

- Reduction of provisions (CTA in H1)
- Indonesian bond (Asia Pacific)

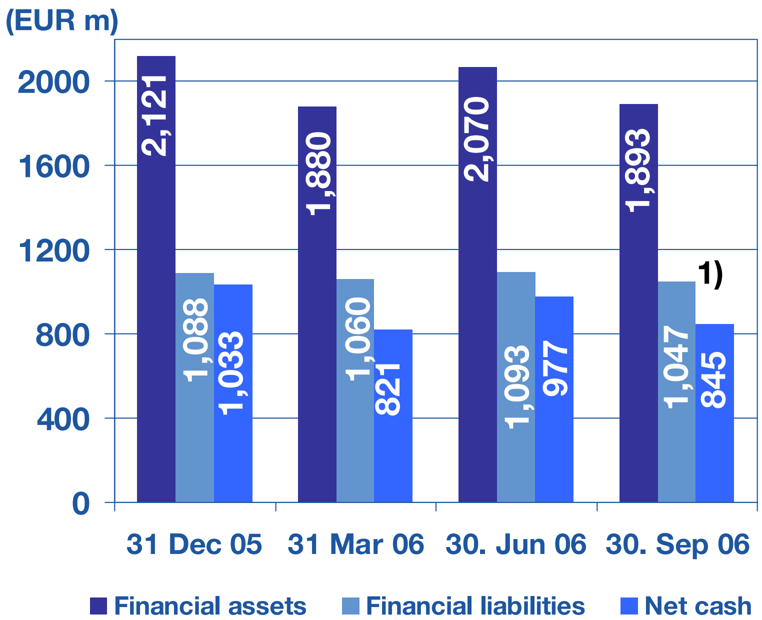
**Current liabilities:**

- Decrease in financial liabilities due to service of debt
- Increase in trade liabilities related to expansion of business activities

| (EUR thousand) | 30 Sep 2006 | 31 Dec 05 |
|---|---|---|
| Attributable to the Group | 1,799,075 | 1,753,084 |
| Minority interest | 529,583 | 537,230 |
| **Shareholders' equity** | **2,328,658** | **2,290,314** |
| Provisions | 207,951 | 298,556 |
| Financial liabilities | 912,378 | 830,680 |
| Other liabilities | 14,903 | 20,954 |
| Deferred tax liabilities | 91,965 | 88,223 |
| **Non-current liabilities** | **1,227,197** | **1,238,413** |
| Provisions | 634,290 | 643,474 |
| Financial liabilities | 134,650 | 257,172 |
| Trade payables | 3,550,776 | 3,449,977 |
| Other liabilities | 229,509 | 215,589 |
| Current income tax liabilities | 655 | 564 |
| **Current liabilities** | **4,549,880** | **4,566,776** |
| **Liabilities and shareholders' equity** | **8,105,735** | **8,095,503** |

# Financials

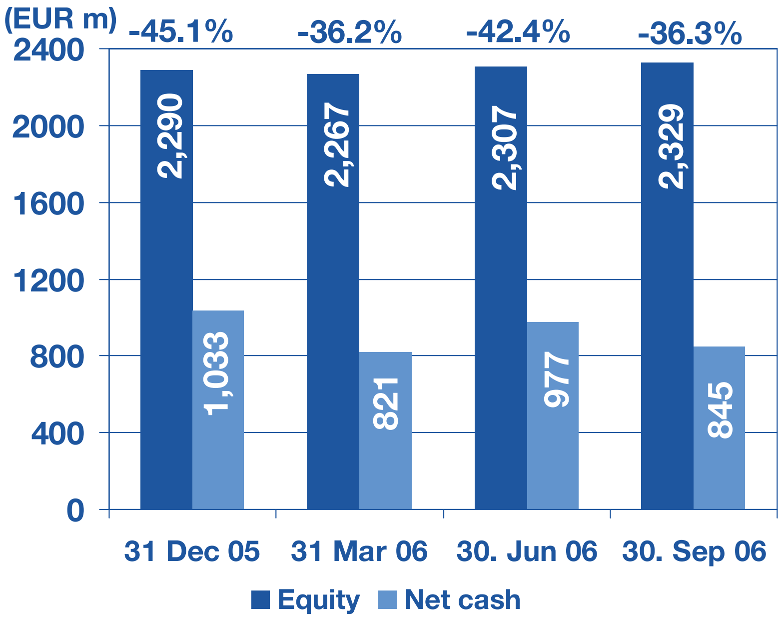
## Finance structure:




1) Net cash covers:

| | |
|---|---|
| • Pension liabilities | 28 |
| • Prepayments | 286 |
| • Pledged securities | 39 |

## Gearing:

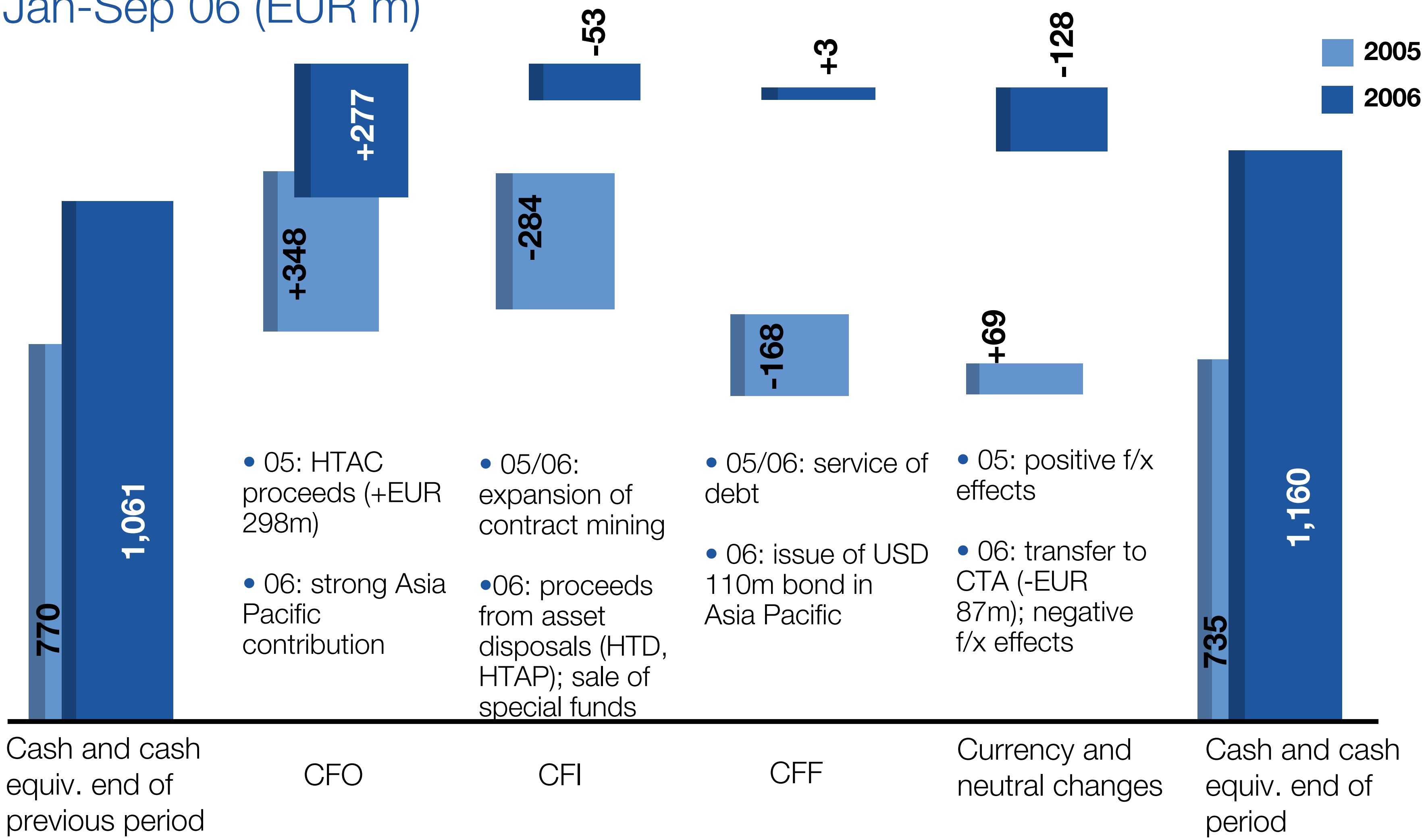



Gearing ratio (net debt / equity):

- HOCHTIEF with positive net cash (= negative net debt) -> negative gearing
- 30 Sep 06: -36.3%

# Consolidated Group Cash flow

## Jan-Sep 06 (EUR m)



HOCHTIEF

## Disclaimer

"Certain of the statements contained herein may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements that are forward-looking by reason of context, the words "may," "will," "should," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements.

The Company assumes no obligation to update any forward-looking statement."

# Financial calendar and IR contact

| | |
|---|---|
| 22 Mar 07 | Full year results 2006 and Analysts’ and Investors’ Conference |
| 09 May 07 | General Shareholders’ Meeting |
| 14 May 07 | Q1 results 2007 and Conference Call |
| 14 Aug 07 | Half year results 2007 and Analysts’ and Investors’ Conference |
| 14 Nov 07 | Nine month results 2007 and Conference Call |

**For further information please contact:**

Investor Relations

HOCHTIEF AG • Opernplatz 2 • 45128 Essen, Germany

Phone: +49 201 824 2127 • Fax: +49 201 824 2750 • investor-relations@hochtief.de