

Construction & Building Materials Conference

“The growth of infrastructures: a chance for the sector?”

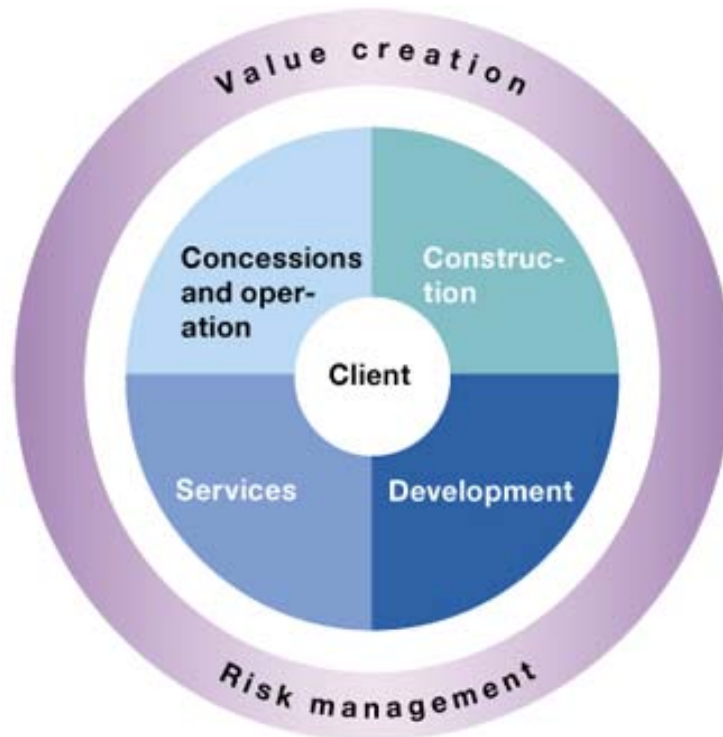
Société Générale, Paris

8 March 2007

Dr. Peter Noé, CFO



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



Sales 05:
(EUR m)

n.a.

925

5,934

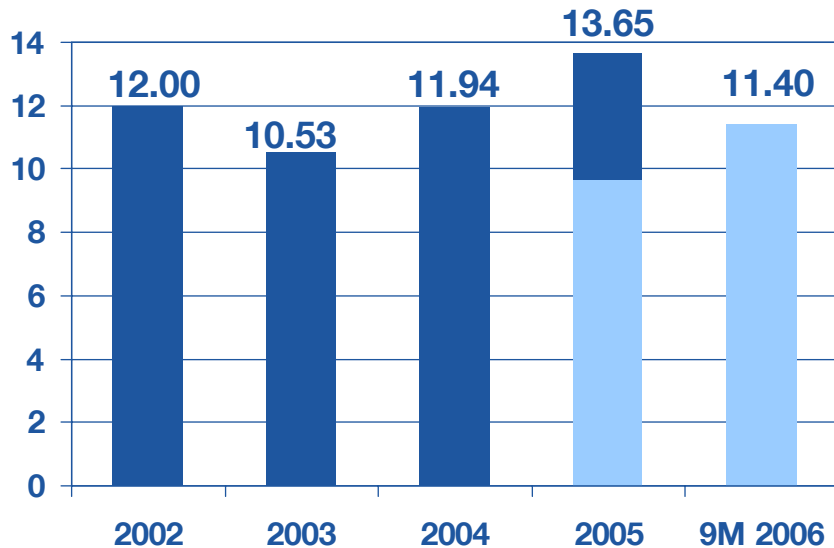
4,578

2,110



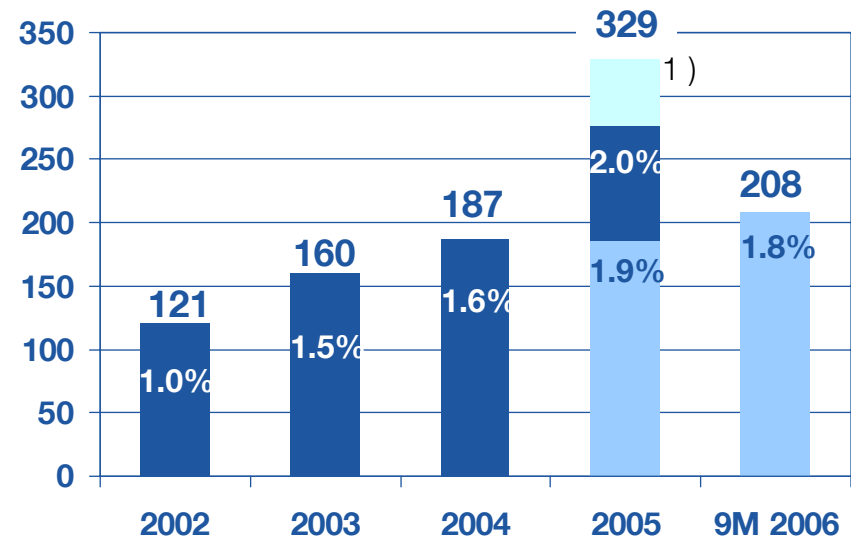
Healthy business performance...

Sales (EUR bn)



- Sales 9M 06: +17.5%

EBT (EUR m) / EBT margin (%)

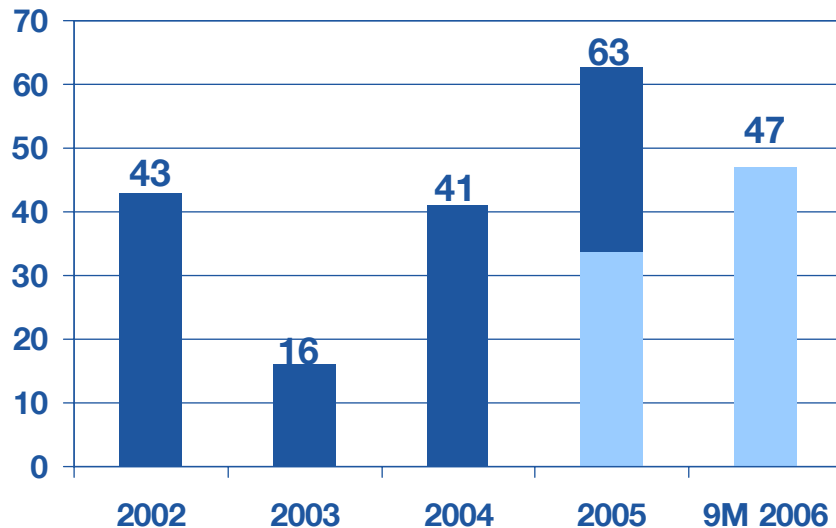


- EBT: EUR 208m (+12.2%)²⁾
 - EBT margin: 1.8% (-5.3%)²⁾

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

...growth in bottom line earnings as well as in volume...

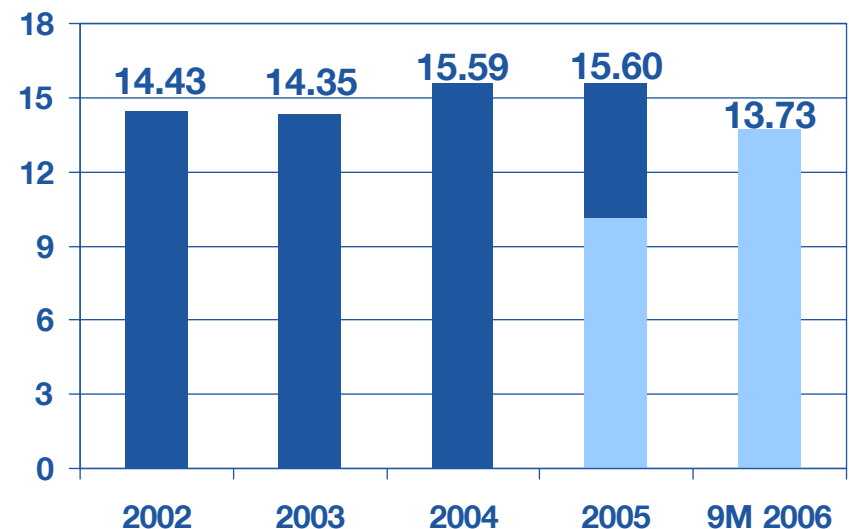
Net profit (EUR m)



- **Net profit 9M: +38.3%**¹⁾

¹⁾ Referring to adjusted 05 figure

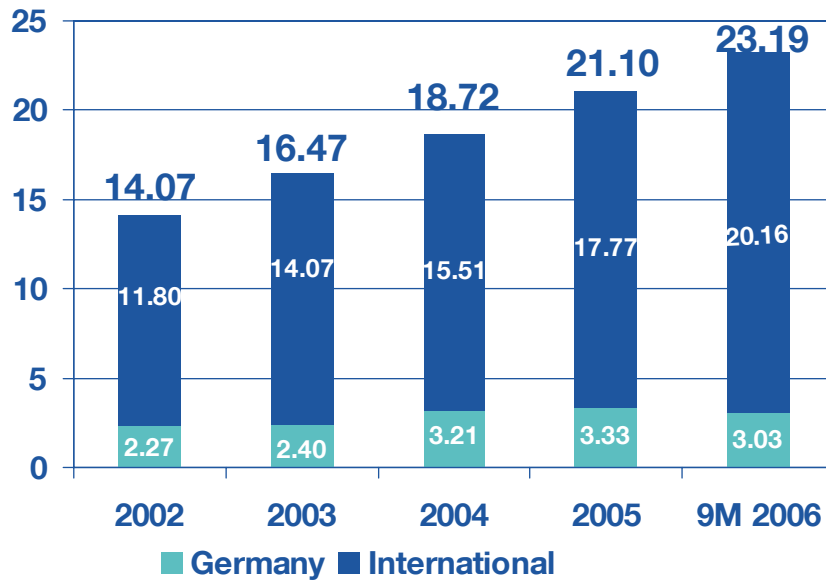
New orders (EUR bn)



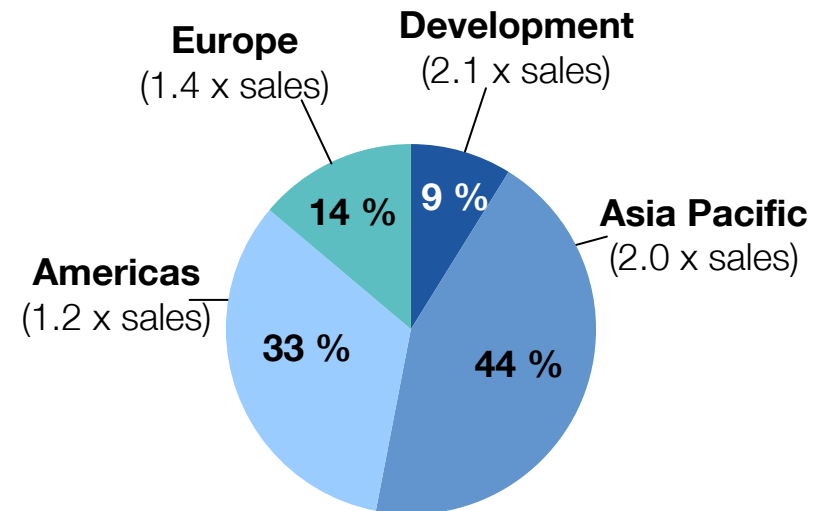
- **New orders: EUR 13.73bn** (+35.3%)
taken in under rigorous selection criteria

...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

- **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 targets²⁾

On the right path...

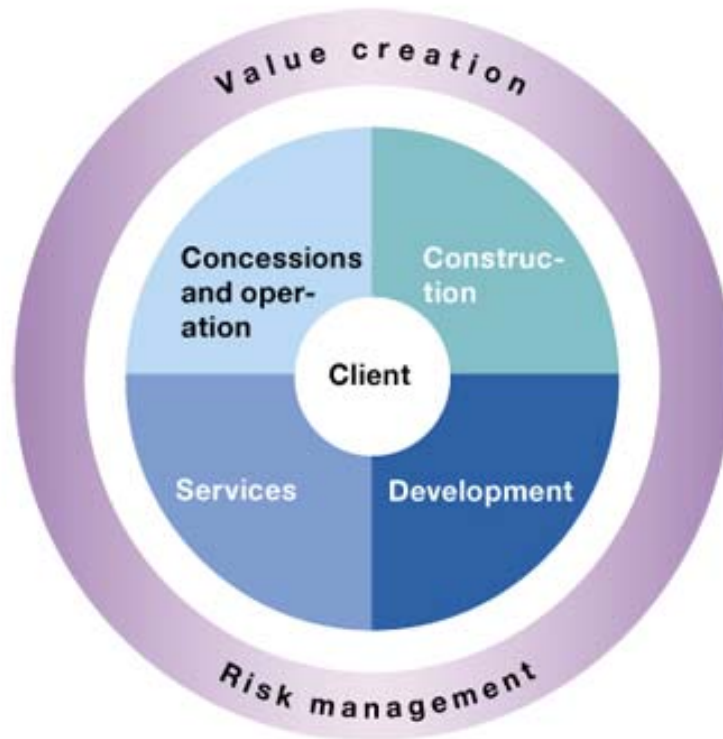
	2005		9M 06	2006E
	as reported	adjusted ¹⁾		
Sales	EUR bn 13.65		EUR bn 11.4	 > EUR 14bn
EBT²⁾	EUR m 329	EUR m 277	EUR m 208	 Above previous year's level²⁾ (referring to adjusted 05 figure)
Net profit²⁾	EUR m 63		EUR m 47	 Significant step towards mid-term target of EUR 100m²⁾
New orders	EUR bn 15.60		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

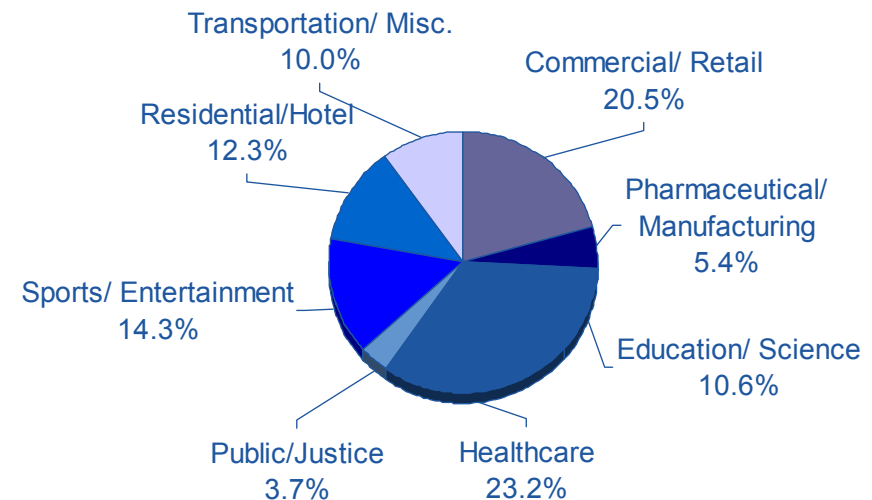
...Construction

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

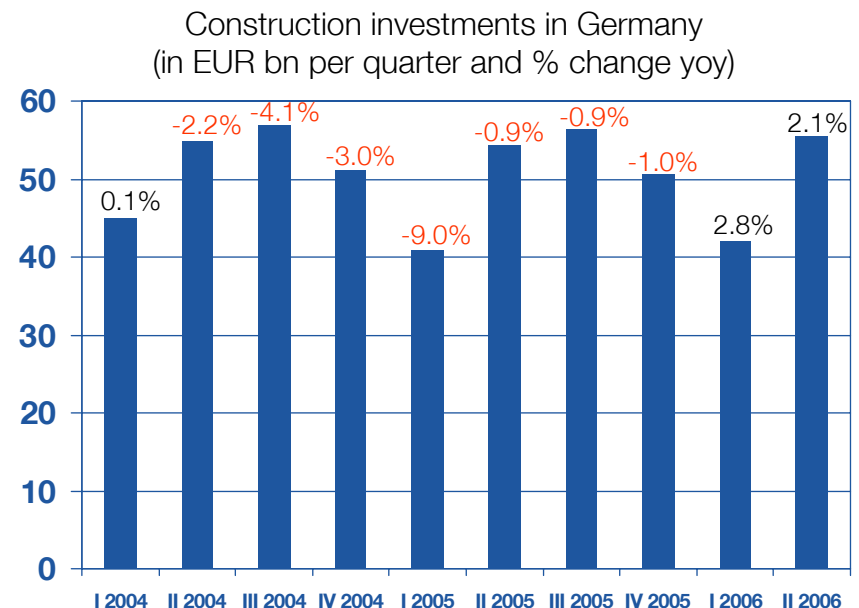
Consequent improvement of European margins

- **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

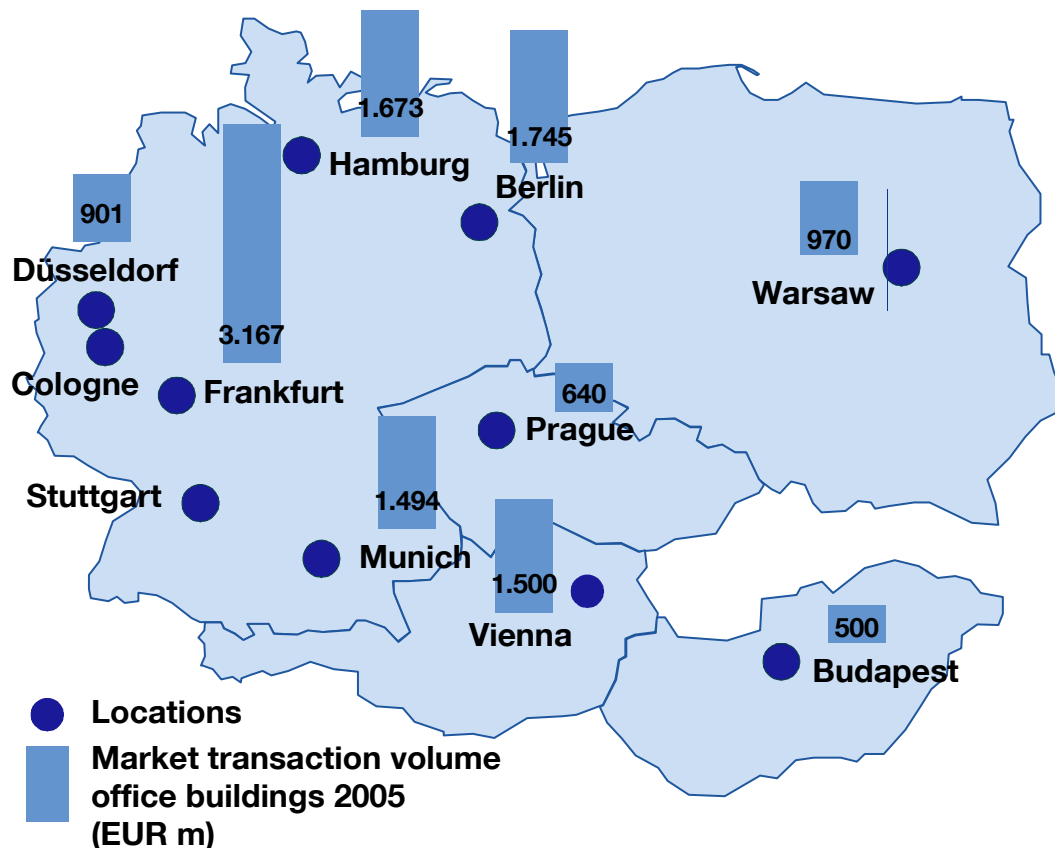


■ = investment in EUR bn

Source: Main Association of German Construction Industry.

...Development

Property development: Selected projects yield strong returns



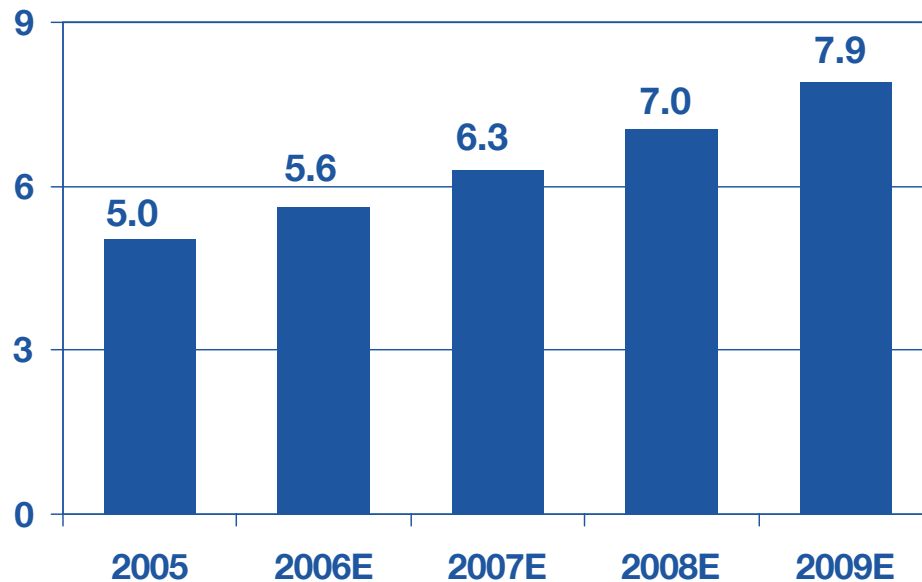
Success factors:

- **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⁾:



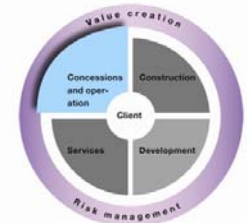
- Growth of German market for integrated FM services >10% p.a.
- Recently won projects:
 - New stadium Magdeburg
 - BMW Welt and BMW Museum, Munich
 - Airbus contracts, Hamburg
 - Lurgihaus, Frankfurt am Main



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	
						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, Offenbach

- **Pipeline:**

- Projects won (not yet included in above NPV): East Ayrshire, Bangor&Comber, 5 schools project, Salford, Ypsilon
- Preferred Bidder: 1 public building and 3 toll road projects
- Tender phase: 11 public building and 4 toll road projects

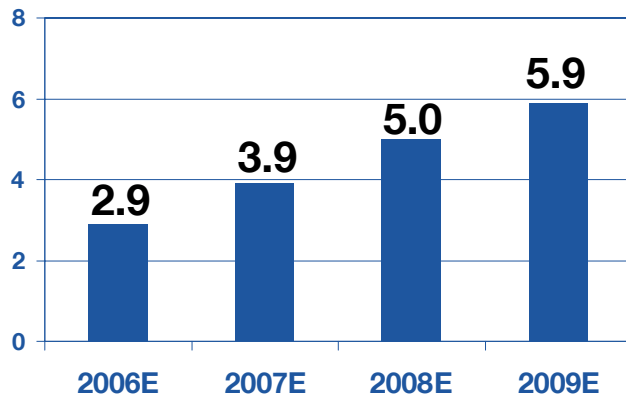
...Concessions and operation PPP



Building/Social Infrastructure (EUR bn)

Public buildings, Germany:¹⁾

(contract volume p. a.)



+ UK PFI market: EUR 6.0bn

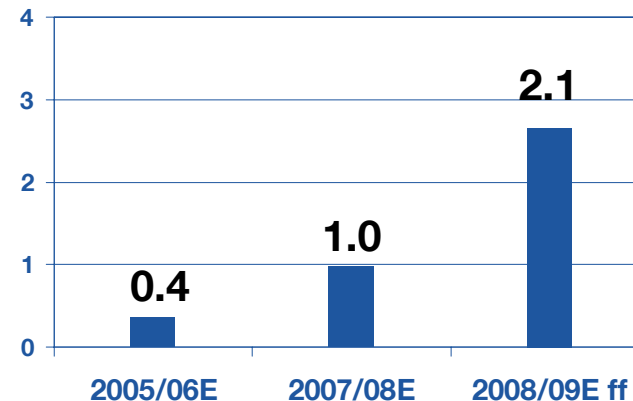
(investment volume p. a.)

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

Toll Roads (EUR bn)

Germany:

(investment volume p. a.)



+ Rest of Europe, 2005-09E: EUR 20bn

(investment volume)

HOCHTIEF is about...quality



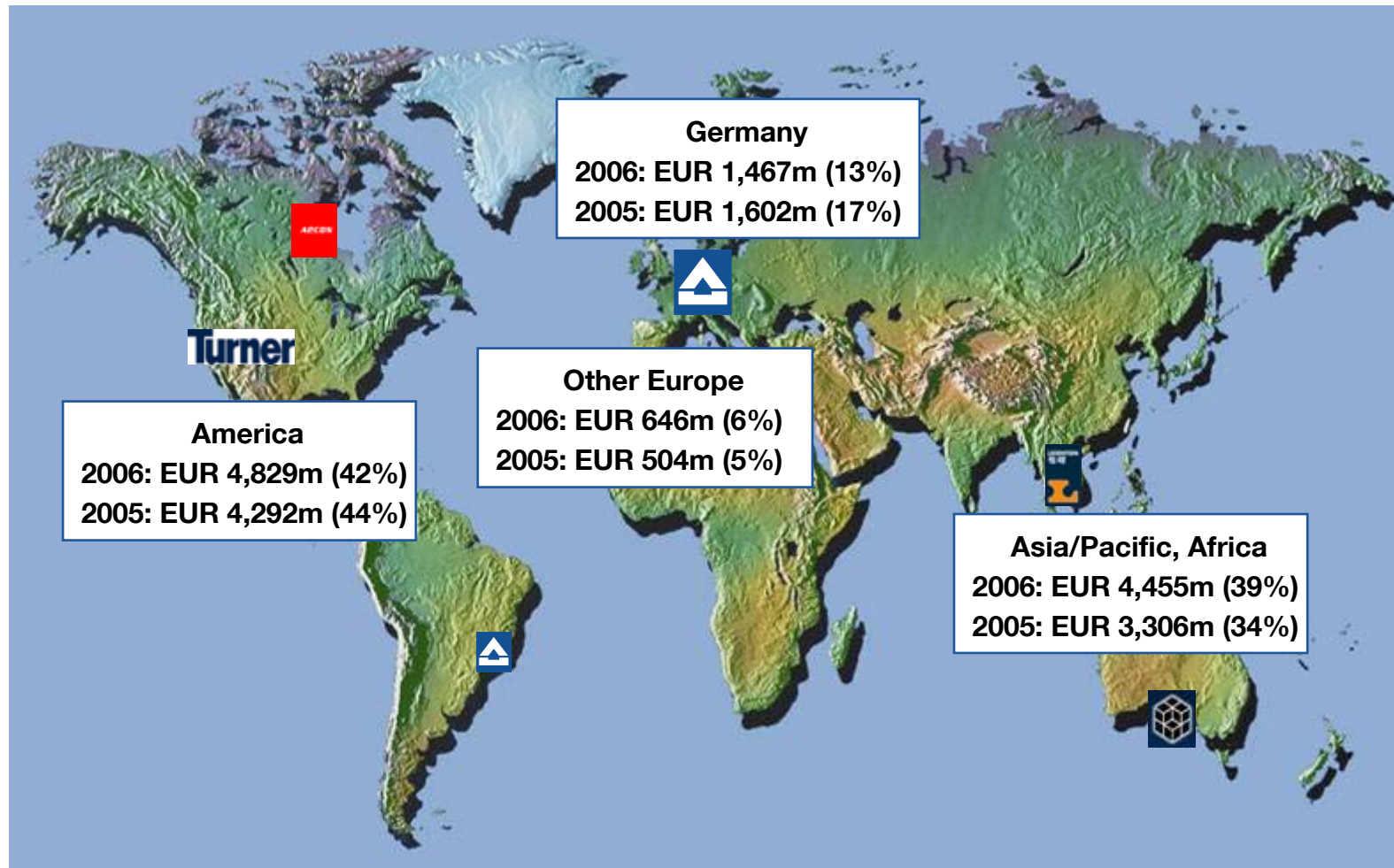
- We have the best people
- We offer our clients the best individual, integrated solutions
- We shape markets and set new standards
- We always act responsibly

- **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
<i>adjusted for HTAC effect</i>		<i>31.5</i>	<i>-7.9</i>	<i>35.2</i>
EBT	15.1	61.6	-75.5	65.0
<i>adjusted for HTAC effect</i>		<i>9.8</i>	<i>54.1</i>	<i>13.2</i>
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
<i>adjusted for HTAC effect</i>		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
<i>adjusted for HTAC effect</i>		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
<i>adjusted for HTAC effect</i>		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
<i>adjusted for HTAC effect</i>		86.4	38.0	99.5
of which: Consolidated net profit	46.6	54.4	-14.3	62.8
<i>adjusted for HTAC effect</i>		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)

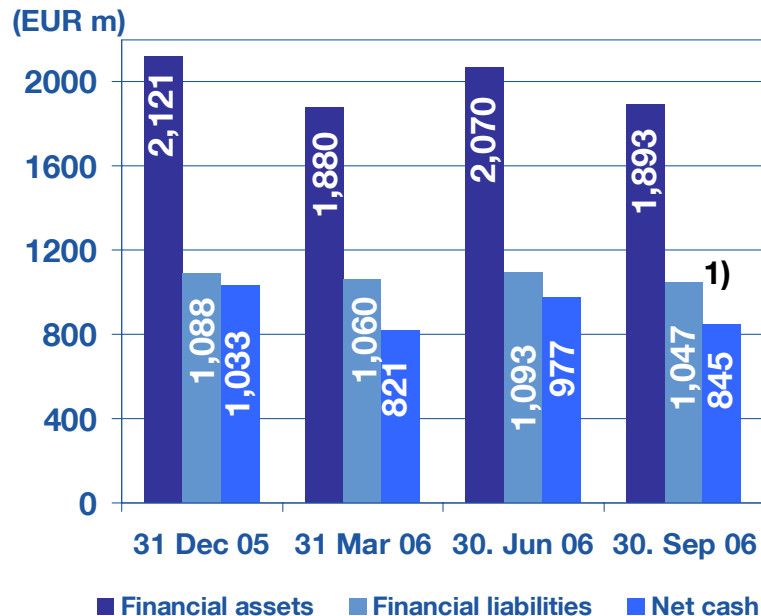
Current liabilities:

- 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

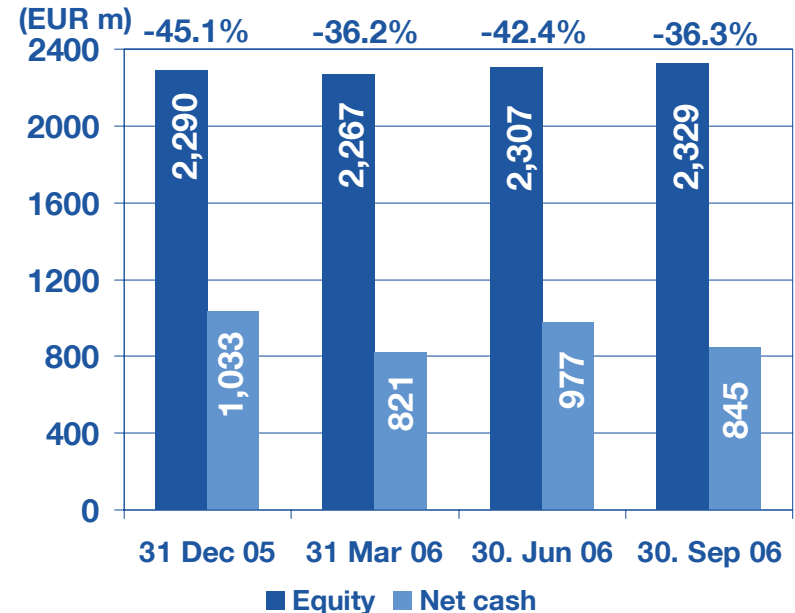
Financials

Finance structure:



- Pension liabilities 28
- Prepayments 286
- Pledged securities 39

Gearing:

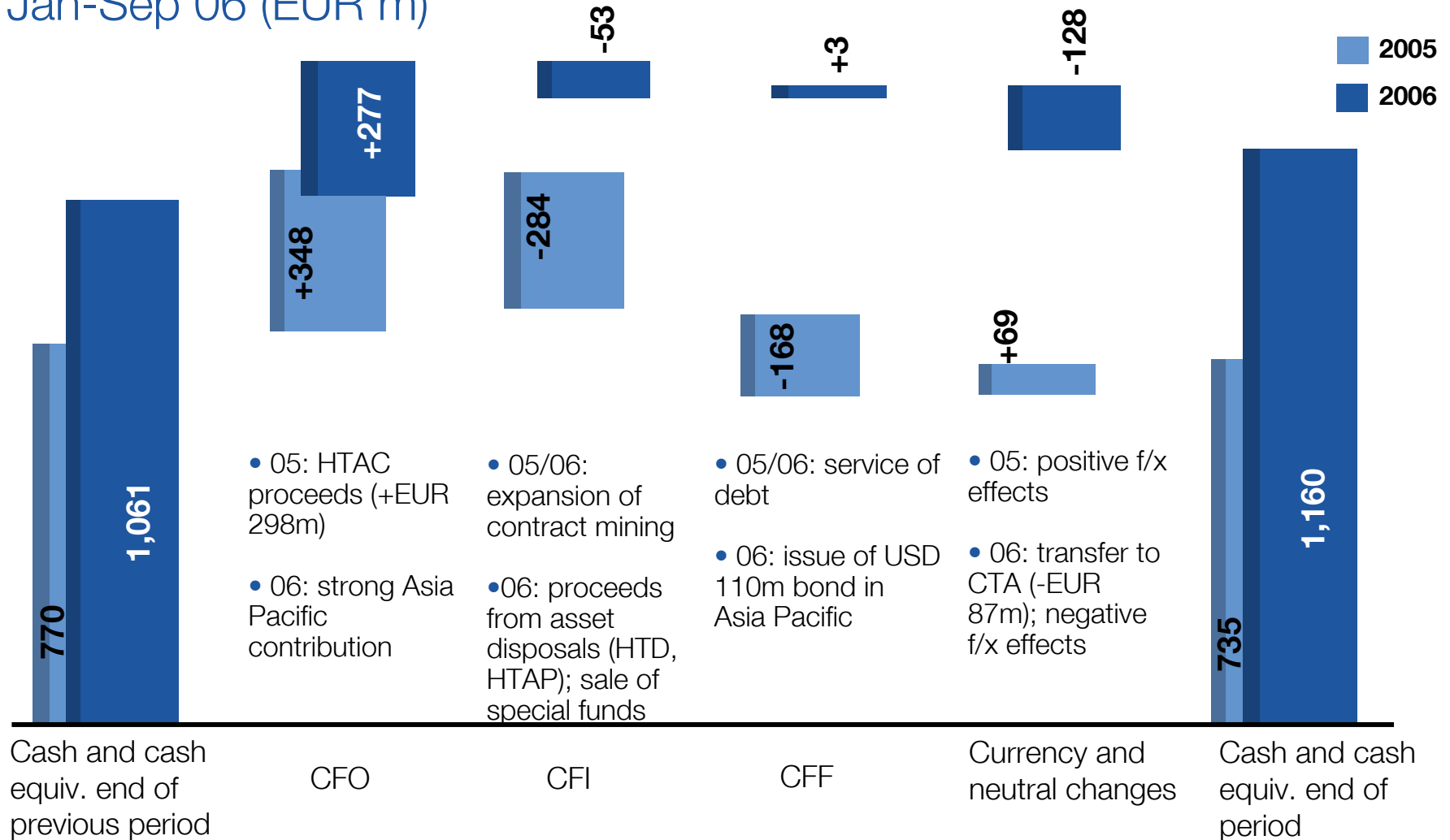


Gearing ratio (net debt / equity):

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

Consolidated Group Cash flow

Jan-Sep 06 (EUR m)



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:

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