



Conference Call

HOCHTIEF acquires Flatiron Construction Corp.

25 September 2007

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1. Overview of the transaction

- **25 September 07: Signing of contract with BAM Group to acquire Flatiron Construction (US)**
 - 100% acquisition
 - Full consolidation after closing (approx. Q4.07)
- **Transaction to be approved by US cartel authorities**
- **Full backing by surety companies, however final agreement still outstanding**
- **Purchase price: USD 240m (Enterprise value USD 242m) plus USD 1m interest per month from July 1st, 07**
- **Attractive IRR (>14%)**

- **Participating in infrastructure boom and expected PPP development in the US and Canada**
- **Rounding up US portfolio by supplementing the already strong general building activities with civil competence**
- **HOCHTIEF operating now through two well known brands in the US**
 - Turner (general building)
 - Flatiron (civil engineering)



Arthur Ravenel Bridge , Charleston, South Carolina

2. Investment rationale

- **Very good fit with HOCHTIEF strategy**
- **Expansion of civil engineering - one of HOCHTIEF's core competencies in a so far uncovered market**
- **US and Canadian civil construction markets allow attractive margins**
- **High potential in civil PPP market**
- **100% acquisition of profitable company with strong management team in high-growth region**
 - a company with critical mass and solid economic performance with room for further improvement
 - significant synergy potential
- **EPS accretive from FY year 09 for HOCHTIEF Group (prior synergies), but positive operating cash-flow contribution from FY 08 on**
- **Attractive IRR (> 14%)**



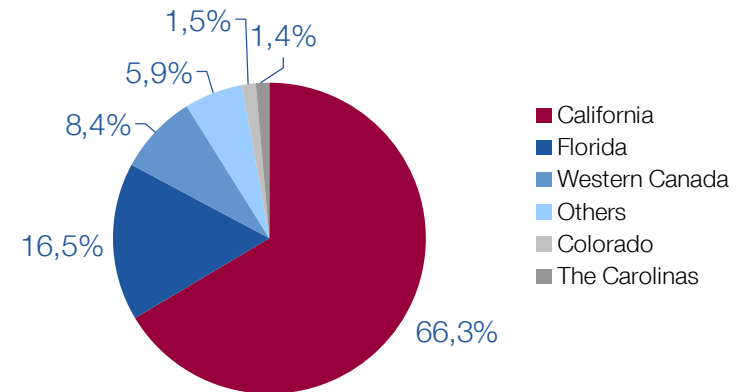
Genessee Dam #3 project in Genessee, Colorado

3.1. The new asset: Flatiron

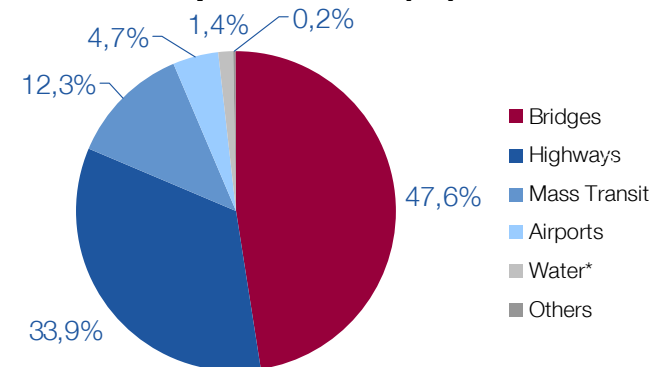
Facts and figures (1)

- **Founded in 1950's, headquarters at Longmont, Colorado**
- **Operating in USA and Western Canada**
- **Successful civil business focused primarily on transportation**
- **Reputation founded on ability to “self perform” large and complex projects**
- **Already acting as contractor in PPP projects in Canada**

Sales 06 per region (%):



Sales 06 per market (%):



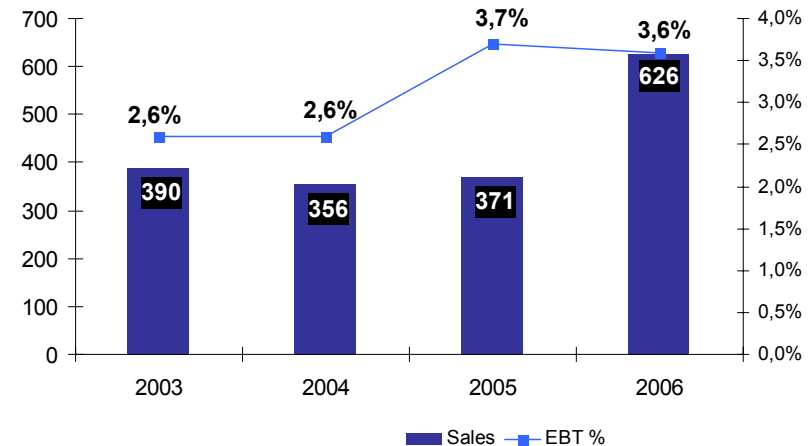
* = Water supply dams and transmission lines.

3.1. The new asset: Flatiron

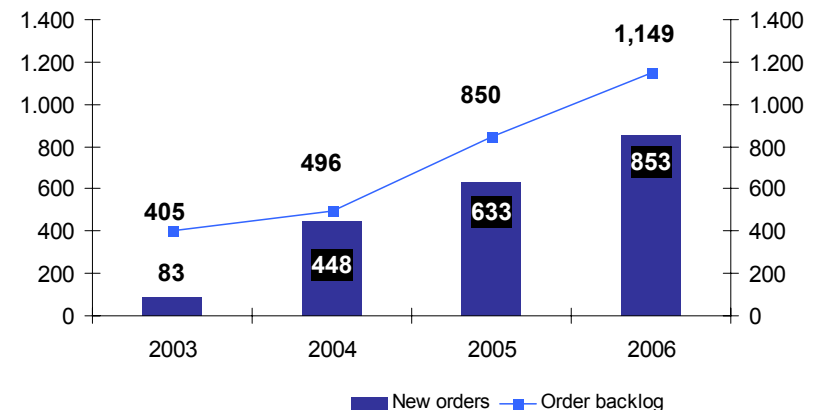
Facts and figures (2)

- **Contract types performed:**
 - Design-build
 - Bid-build
- **Well established in US market and strong joint venture partner with large civil construction firms in the US**
- **ENR (US Contractors):**
 - Ranked 9th in Transportation
 - Ranked 12th in Domestic Heavy Contractors

Sales (in USD m) / EBT margins:¹⁾



New orders / Order backlog (in USD m):

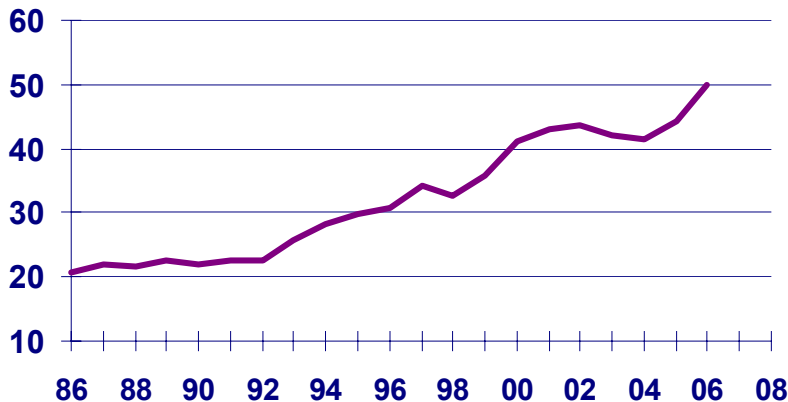


1) acc. to seller's accounting principles, i.e. pro rata consolidation of joint ventures

3.2. The new asset: Flatiron

Value drivers: the market growth

Current spending on highways and bridges in the US: (USD bn)¹⁾



- US Public works spending on highways & bridges
 - 2005: USD 44.2bn (+7%)
 - 2006: USD 49.9bn (+13%)
 - 2007e: USD 54.6bn (+9%)

- **Very large transportation infrastructure spending requirements in the US: > USD 1trn until 2015²⁾**

- **US federal initiatives**

- Transportation bill SAFETEA-LU (2005-09):
 - USD 285bn = 38% higher predecessor TEA-21
 - Beneficiary: mass transit, roads, bridges
- Post-Hurricane rebuilding: USD 2.5bn for roads and bridges

- **US state initiatives**

- Various transportation programs on US state level

- **PPP potential**

- >20 US states have enabling legislation
- Several large toll roads tenders in the US and Canada to start in next ca. 24 months

- **Large infrastructure investments required for tar sand and mining industry in Western Canada**

1) 2007 Outlook for US Construction Activity; McGraw Hill Construction.

2) National Chamber Foundation of U.S. Chamber of Commerce

3.3. The new asset: Flatiron

Value drivers: HOCHTIEF Group

- **International HOCHTIEF PPP know-how combined with Flatiron as local contracting partner in US and Canadian PPP infrastructure markets**
- **Turner network offering broader regional footprint for Flatiron throughout the US**
- **Synergies with HOCHTIEF's world-wide competencies in civil construction with transportation focus**
- **World class safety and insurance management procedures**
- **Increased procurement power**
- **New products (ViCon, DUCON)**



4. The way forward

- **Financial close expected in Q4 07**
- **Flatiron Senior Management to stay in place**
- **Flatiron as sister company to Turner within HOCHTIEF Construction Services Americas**
- **Flatiron board with HOCHTIEF and Turner representatives**
- **Further steps:**
 - Finalization of sureties' agreement
 - Approved by US cartel authorities
 - Integration of Flatiron in HOCHTIEF Group
 - Margin improvement (medium-term)
 - Controlled growth
 - Full technical and commercial support including secondment of HOCHTIEF experts
 - Combine HOCHTIEF's PPP competence with Flatiron's already existing contracting competence for PPP projects



Toll Plaza Approach, Martinez CA

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

14 Nov 07	Nine month results 2007 and Conference Call
26 Mar 08	Full year results 2007 and Analysts' and Investors' Conference
08 May 08	General Shareholders' Meeting
15 May 08	Q1 results 2008 and Conference Call

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