

Press Release

HOCHTIEF AGM: 2020 Nominal net profit of EUR 427 million, despite Covid-19 effects // Prioritizing sustainability agenda // Positive business outlook

- **2020 Nominal net profit of EUR 427 million, despite Covid-19 effects**
 - Operational net profit of EUR 477 million; -9.6% pre-Abertis
 - Sales of EUR 23.7 billion, yoy -6% f/x-adjusted, robust operational margins
- **Strong order backlog of EUR 46 billion; new orders of EUR 23.1 billion**
- **Solid balance sheet with net cash of EUR 618 million**
- **2020 Dividend proposal of EUR 3.93 per share, Payout ratio of 65% unchanged**
- **Developing science-based carbon reduction targets for sustainability plan 2021 to 2025**
 - Group supports targets of the Paris Climate Agreement and aims to be environmentally neutral well ahead of 2050
 - Digitalization is key to deliver ESG-strategy
 - HOCHTIEF-Group joined the MIT Climate and Sustainability Consortium
- **Guidance for 2021 confirmed: Operational net profit of EUR 410–460 million**
 - Strong position in core markets, solid tender pipeline of more than EUR 570 billion for 2021 and beyond

At the Annual General Meeting today in Essen, CEO Marcelino Fernández Verdes looked back on the past year in which HOCHTIEF achieved **robust results** despite the Corona pandemic. The Group delivered nominal net profit of EUR 427 million and EUR 477 million at the operational level. Margins remained stable, and sales on a comparable basis were EUR 23.7 billion. HOCHTIEF's net cash position amounted to EUR 618 million at the end of 2020. Share buybacks and the acquisition of CIMIC shares increased HOCHTIEF's stake in the Sydney-based group to 78.6 percent.

Despite the impact of the Corona pandemic, HOCHTIEF secured new orders worth EUR 23.1 billion, with all divisions maintaining their disciplined bidding approach. Consequently, the order backlog remained robust at around EUR 46 billion. At the end of December 2020, the Group's regional teams have identified a pipeline of relevant projects worth more than EUR 570 billion, supported by PPP projects worth EUR 180 billion and numerous government stimulus packages.

In view of the Group's stable performance in terms of earnings and cash generation, and supported by a positive outlook for the key markets, the proposed **dividend** amounts to EUR 3.93 per share or EUR 278 million despite the Corona pandemic. This corresponds to an unchanged payout ratio of 65 percent of nominal net profit.

HOCHTIEF reaffirmed the **guidance** published in February: the Group is aiming for an operational net profit of EUR 410 to 460 million in 2021. This represents an increase of 11% to 25% year on year compared with EUR 368 million of 2020 adjusted for the divestment of 50% Thiess.

ESG strategy

HOCHTIEF is accelerating the pace in the Group's transformation into an even greener, more digital and more efficient company. "We are further accelerating our efforts around ESG—environmental, social and governance priorities, leveraging the digital technologies we are developing," said CEO Fernández Verdes.

"With our new 2021 to 2025 sustainability plan, we are prioritizing our sustainability drive and working on science-based CO₂ reduction targets." HOCHTIEF fully supports the goals of the Paris Climate Agreement to stop global warming and to reach climate neutrality by 2050. "We have the ambition to achieve this goal for our Group well ahead of schedule," CEO Fernández Verdes underlined.

In the USA, HOCHTIEF is a leader in green buildings with Turner. The company has completed more than 1,200 green-certified buildings and is currently constructing “The Spiral”, a spectacular new skyscraper in New York City. Unique and iconic elements of the 65-floor green-skyscraper include wraparound terraces and hanging gardens. HOCHTIEF supports the trend toward making the industry more sustainable.

The Group is working with leading suppliers and subcontractors to significantly improve the environmental footprint of the machinery and materials used. HOCHTIEF anticipates major further progress to be made by, for example, using hydrogen for steel and concrete production as well as the use of electrically powered construction machinery that runs on green electricity.

A key tool for implementing the sustainability strategy is **digitalization**. Nexlore, the innovation company founded by HOCHTIEF in 2018, is working on numerous solutions to make the construction process more sustainable with the help of blockchain, artificial intelligence, and machine learning. In collaboration with leading technology companies and universities, including the Massachusetts Institute of Technology and the University of Darmstadt, Nexlore has launched an initial series of hardware and software applications. These are already in use on construction sites in the US, Europe, Hong Kong and Australia. Among other things, they make it possible to monitor construction progress on major projects in real time, continuously track work quality, improve safety, identify potential savings with machines and analyze complex contracts. During the first quarter of 2021, Nexlore has already launched a software tool, based on Internet of Things, that measures and monitors, in real time, the energy consumption at job sites. Another application under development, based on Blockchain technology, will allow to trace the life cycle of concrete from production to site delivery enabling the reduction of CO₂ emissions.

Nexlore recently joined the MIT Climate and Sustainability Consortium. It gathers an alliance of leading companies from a wide range of industries such as

Apple, IBM, Boeing, Dow or PepsiCo and aims to significantly accelerate the real-world implementation of solutions to address the threat of climate change.

CEO Fernandez Verdes: “Our twin transition drive in digitalization and sustainability is for the benefit of the people on our projects, the environment, our customers and all other stakeholders and will enable us to further strengthen HOCHTIEF’s leading market positions”.

HOCHTIEF is an engineering-led global infrastructure group with leading positions across its core activities of construction, services and concessions/public-private partnerships (PPP) focused on Australia, North America and Europe. With around 47,000 employees and a sales volume of about EUR 24 billion in 2020, HOCHTIEF’s global presence is focused on developed markets. Via CIMIC, the Group is market leader in Australia. In the USA, HOCHTIEF is the No. 1 general builder via Turner. Flatiron ranks among the most important players in the field of civil works, mainly in transportation infrastructure. HOCHTIEF owns a 20% stake in Abertis, the leading international toll road operator. Thanks to its commitment to sustainability, HOCHTIEF has been listed in the Dow Jones Sustainability Indexes since 2006. Further information is available at www.hochtief.com/press.