

**Cover image:**

**Opening the gates: Budapest Airport's brand new SkyCourt terminal building opened for passenger operations at the end of March 2011. HOCHTIEF Concessions has an ownership stake in Hungary's biggest international airport through HOCHTIEF AirPort. The new terminal hall with its large expanse of glazing and strikingly sweeping roof design connects and augments the existing terminals 2A and 2B. SkyCourt is the centerpiece of the BUD Future investment program that is upgrading Budapest Airport to a regional hub for Central and Eastern Europe.**

# Quarterly Report

## January to March 2011

- Very strong order backlog sustained
- Consolidated net profit impacted by HOCHTIEF Asia Pacific
- Group guidance for 2011 substantially reduced as a result
- Outstanding earnings performance at HOCHTIEF Americas, Concessions, and Europe
- Group guidance 2012 and 2013 confirmed without change



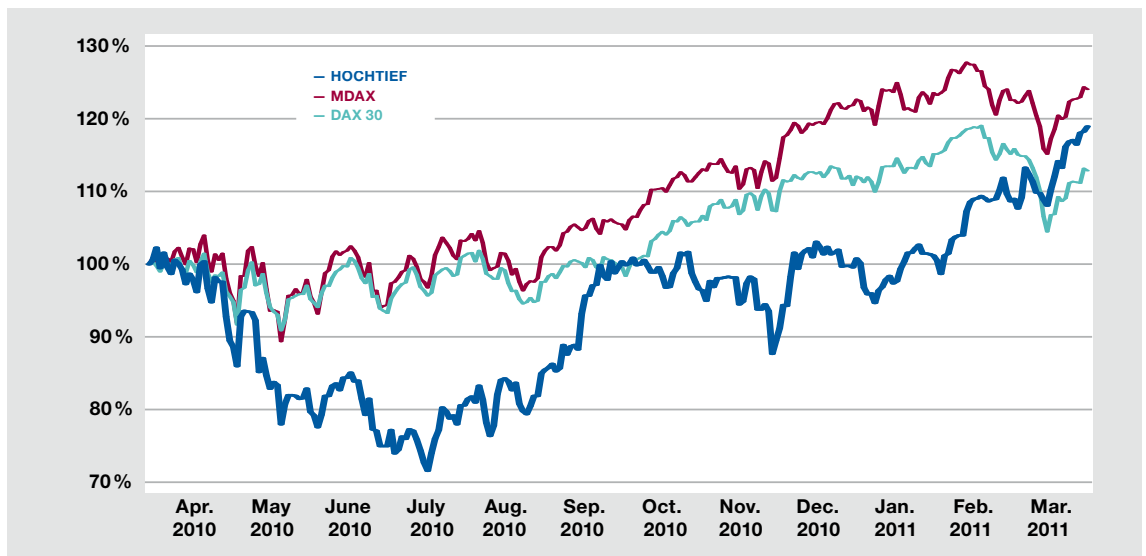
## The HOCHTIEF Group

(EUR million)	Q1 2011	Q1 2010 (restated)*	Percent- age change	Full year 2010 (restated)*
New orders	<b>5,412.5</b>	3,450.5	<b>56.9</b>	29,627.4
Work done	<b>5,104.5</b>	4,755.8	<b>7.3</b>	23,233.9
Order backlog	<b>45,605.5</b>	36,516.9	<b>24.9</b>	47,486.1
Divisional sales	<b>4,929.6</b>	4,467.0	<b>10.4</b>	20,260.9
External sales**	<b>4,919.3</b>	4,448.0	<b>10.6</b>	20,159.3
Operating earnings (EBITA)**	<b>(404.3)</b>	152.0	–	947.5
Profit before taxes**	<b>(444.8)</b>	120.5	–	756.6
Consolidated net profit/(loss)**	<b>(169.5)</b>	34.1	–	288.0
Earnings per share (EUR)	<b>(2.30)</b>	0.51	–	4.31
Capital expenditure**	<b>265.9</b>	168.0	<b>58.3</b>	1,127.7
Net assets	<b>6,831.6</b>	6,611.3	<b>3.3</b>	7,408.9
Employees	<b>73,682</b>	68,833	<b>7.0</b>	70,657
	(End Q1 2011)	(End Q1 2010)		(2010 average)

\*For details on the restatement, please see pages 16–18.

\*\*Note: The percentage changes are calculated at the level of precision used in the interim financial statements (thousands of euros).

## HOCHTIEF stock



## Dear Shareholders,

The first quarter of 2011 was operationally another successful quarter at HOCHTIEF with many new orders the world over. However, our results were hit by the collapse in earnings in the HOCHTIEF Asia Pacific division. Leighton significantly reduced its earnings guidance in April 2011. The impacts on earnings largely relate to an expected loss on the AirportLink road project in Brisbane, a substantially lower expected profit on the Victorian Desalination Plant project near Melbourne, and provisioning for outstanding receivables at the Habtoor Leighton Group.

There have been key changes at HOCHTIEF. Following expiration of all relevant periods relating to its takeover offer, our major shareholder ACS Actividades de Construcción y Servicios announced on February 3, 2011 that it then held 33.49 percent of HOCHTIEF shares. ACS has since further increased its shareholding. ACS stated that it held 42.6 percent of HOCHTIEF on April 14. The Spanish group's goal is to take over the majority of HOCHTIEF. The Executive Board of HOCHTIEF Aktiengesellschaft is in dialog with the ACS management to shape the future working relationship. According to ACS, HOCHTIEF is to remain an independent company listed on the Frankfurt Stock Exchange.

Our divisions delivered outstanding operating performance in the first quarter overall. Attractive new contracts the world over once again confirm HOCHTIEF's effective strategy. The HOCHTIEF Europe division, where our service portfolio is integrated better than ever under the roof of HOCHTIEF Solutions AG, made a strong start to 2011. The sale process for HOCHTIEF Concessions is progressing as planned and we expect its completion before the end of 2011.

### Group outlook

Following the impact on earnings at Leighton, we have had to significantly reduce our guidance for 2011. For the current fiscal year, we continue to expect that new orders, work done and the order backlog will normalize at a level below the record figures of 2010 and that sales will be broadly on a par with 2010. Depending on the size and outcome of the sale of interests at HOCHTIEF Concessions, we now expect profit before taxes, however, to be about half of the prior-year figure, but consolidated net profit to be above the level recorded in the prior year.

Our guidance for 2012 and 2013 remains unchanged: For 2012, the Group anticipates a pretax profit of approximately EUR 1 billion and consolidated net profit of some EUR 500 million—according to the outcome of the aurelis Real Estate divestiture. In 2013, HOCHTIEF plans to attain pretax profit in excess of EUR 1 billion and consolidated net profit of around EUR 450 million excluding non-recurring income—that is, from the operating business.

Our planning is based on the assumption that the financial and capital markets will continue to normalize, and there will not be a sustained recession in the world economy or actions by specific governments that materially affect our business.

## The Executive Board HOCHTIEF Aktiengesellschaft

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the Executive Board of HOCHTIEF Aktiengesellschaft and are based on information currently available to the Executive Board of HOCHTIEF Aktiengesellschaft. Such statements involve risks and uncertainties and do not guarantee future results (such as profit before tax or consolidated net profit) or developments (such as with regard to possible future divestments, general business activities or business strategy). Actual results (such as profit before tax or consolidated net profit), dividends and other developments (such as with regard to possible future divestments, general business activities or business strategy) relating to HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group may therefore differ materially from the expectations and assumptions described in such statements due to, among other things, changes in the general economic, sectoral and competitive environment, capital market developments, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, the conduct of other shareholders, and other factors. Aside from statutory publication obligations, HOCHTIEF Aktiengesellschaft does not assume any obligations to update any forward-looking statements.

# Interim Management Report

## Orders and work done

The HOCHTIEF Group's orders and work done showed increases in all reporting items as of March 31, 2011. **New orders** in the first quarter of 2011 totaled EUR 5.41 billion, 56.9 percent (exchange rate adjusted 48 percent) higher than the comparative prior-year figure. The increase was accounted for by the HOCHTIEF Asia Pacific division, which secured many major new contracts. The change in new orders in Germany (down 33.0 percent) is spread across all divisions operating in the country.

**Work done** came to EUR 5.1 billion as of March 31, 2011, an increase of 7.3 percent on the prior-year period (exchange rate adjusted EUR 4.84 billion and an increase of 1.9 percent). The rise was mainly driven by the HOCHTIEF Asia Pacific and HOCHTIEF Europe divisions. The prior-year figure was also exceeded in Germany as a result of strong performance by the HOCHTIEF Europe division, with growth of 23.8 percent.

The **order backlog** stood at EUR 45.61 billion, an improvement of 24.9 percent (exchange rate adjusted 20.1 percent) on the comparative figure for the prior year. The Group started 2011 with a record order backlog of EUR 47.49 billion from the prior year. A material factor alongside new orders and work done in the first quarter of 2011 was an exchange rate adjustment (of minus EUR 1.98 billion) to the order backlog due to current changes in the US dollar and the Australian dollar exchange rate. The order backlog is currently equivalent to a forward order book of more than two years.

## Financial review

### Earnings

The beginning of fiscal 2011 brought a strong upward trend in **sales**. In the first quarter of 2011, the HOCHTIEF Group generated sales of EUR 4.92 billion. This represents an increase of 10.6 percent (exchange rate adjusted 4.6 percent) compared with the prior-year period, when sales amounted to EUR 4.45 billion. The main driver of this development was once again the HOCHTIEF Asia Pacific division with our subsidiary Leighton Holdings. Clients continued to show strong demand for services provided by the Leighton Group. Alongside construction services, these notably included coal and iron ore extraction in the contract mining segment. Sales in the HOCHTIEF Asia Pacific division came to EUR 2.91 billion in the first quarter of 2011, an increase of EUR 436.8 million on the prior-year quarter (EUR 2.47 billion). At EUR 1.3 billion, sales in the HOCHTIEF Americas division likewise maintained a high

level in the first three months of 2011, marking a slight rise of 1.1 percent on the prior-year period (EUR 1.29 billion).

This primarily reflected steady business performance at Turner and Flatiron. The trend in the US dollar exchange rate impacted negatively on first quarter 2011 sales as expressed in euros, the Group currency. The resulting adverse exchange rate effect for the HOCHTIEF Americas division totaled EUR 22.5 million. The HOCHTIEF Europe division generated external sales of EUR 677.8 million in the first quarter of 2011. The EUR 647.8 million comparative prior-year figure was thus exceeded by 4.6 percent. The key item here was a further rise in sales on the large-scale Barwa Commercial Avenue project in Qatar.

**Operating earnings (EBITA)** dropped steeply in the first quarter of 2011, with a negative figure of EUR 404.3 million marking a sharp deterioration from the EUR 152 million positive amount in the comparative prior-year period. This mainly related to a substantial decrease in earnings at Leighton. Notable factors in that decrease comprise an expected loss on the AirportLink road project in Brisbane, a significant reduction in expected profit on the Victorian Desalination Plant project near Melbourne and provisioning for outstanding receivables at the Habtoor Leighton Group. The operating earnings figure for the HOCHTIEF Asia Pacific division—a loss of EUR 530 million—was consequently far below the positive operating earnings figure of EUR 124.5 million recorded in the prior-year quarter. The remaining operating divisions in the HOCHTIEF Group were highly successful in their various markets at the start of the new fiscal year. Our HOCHTIEF Americas division serving the North American continent generated operating earnings of EUR 47.7 million in the first quarter. This constitutes more than a doubling in divisional earnings compared with the prior-year period (EUR 23.4 million). The division profited in this connection from the strong positions of its subsidiaries Turner, Flatiron and E.E. Cruz in their respective market segments, together with good earnings quality in the order backlog. A further positive factor came from the reversal of risk provisioning that had become surplus to requirements. The HOCHTIEF Concessions division likewise made an excellent start to fiscal 2011 with operating earnings of EUR 33.3 million (Q1 2010: EUR 18 million). The improvement resulted from reversal of a provision for investment risk that was no longer needed at Düsseldorf Airport, a cost refund on a road project in the PPP segment and stronger net income from participating interests due to overall growth in passenger numbers in the airports business. In the HOCHTIEF Europe division, we have laid the ground-

Figures in table form are provided in the interim financial statements starting on page 13.

work for synergies and cost savings by bringing together construction, real estate development and service activities under a single roof. We are also developing the business on an ongoing basis, applying our expertise to new segments such as the construction of offshore wind farms. Operating earnings in the first quarter of 2011, at EUR 30.6 million, represented a significant increase on the same period a year earlier (EUR 7.6 million). Notable factors included improved project margins in the German building construction business and successes in our international activities.

**Net income from participating interests** was likewise heavily impacted by the negative development at Leighton. HOCHTIEF's net income from participating interests was down from EUR 89.9 million in the prior-year quarter to minus EUR 169.8 million in the first quarter of 2011. The key factor in this was the steep drop in the earnings contribution from the HOCHTIEF Asia Pacific division due to losses on the Victorian Desalination Plant joint venture project and at the Habtoor Leighton Group. After a positive figure of EUR 51 million in the prior-year period, net income from participating interests in the HOCHTIEF Asia Pacific division came to minus EUR 208 million in the period under review. Net income from participating interests in the HOCHTIEF Concessions division held steady at EUR 24.5 million compared with EUR 24.4 million in the same quarter of the previous year. In the airports business, the division profited here from overall growth in passenger numbers at HOCHTIEF's airport holdings. Our US subsidiaries boosted net income from their business portfolios in the first quarter of 2011. The HOCHTIEF Americas division consequently reports a 24.2 percent improvement in net income from participating interests, to EUR 11.8 million compared with EUR 9.5 million in the prior-year quarter. In the HOCHTIEF Europe division, net income from participating interests in the first three months of the new fiscal year ran to EUR 2 million (Q1 2010: EUR 6.2 million). The decrease is partly due to a seasonally lower contribution to earnings from aurelis Real Estate.

HOCHTIEF successfully implemented further measures in the past fiscal year to secure the Group's long-term finances. In doing so, we laid the financial foundations for the future growth of the Group. As a result of these financing measures, interest expense further increased compared with the prior-year period. Interest income showed a slight improvement year on year. Net investment income was more or less neutral in the first quarter of 2011 due to stable investment markets. In total, **net investment and interest income** came to a negative figure of EUR 40.5 million, EUR 9.1 million below the level from the prior-year period (minus EUR 31.4 million).

Due to the substantial impact on earnings at Leighton, HOCHTIEF reports for **profit before taxes** in the first quarter 2011 a loss of EUR 444.8 million. This places the Group substantially down on the profit of EUR 120.5 million in the prior-year period.

The project losses incurred at Leighton led to the recognition of substantial deferred tax assets in the first quarter of 2011. This resulted in the HOCHTIEF Group income tax item showing an income figure of EUR 105.7 million, contrasting with a **tax expense** in the first quarter of the prior year of EUR 38.6 million.

**Profit after taxes** dropped compared with the prior-year period (EUR 82 million) to a loss of EUR 339.1 million.

EUR 169.5 million of the post-tax loss is allocated as **consolidated net loss** attributable to HOCHTIEF shareholders. This contrasts with a EUR 34.1 million consolidated net profit generated in the comparative prior-year period. A loss of EUR 169.6 million is allocated as minority interest—likewise a steep drop from the prior-year quarter. Within this figure, the minority interest in losses at Leighton was primarily countered by the minority interest in profit from the airports segment and from the Europe division. In the comparative prior-year period, minority interest was allocated a profit of EUR 47.9 million.

#### Cash flow

**Net cash used in operating activities** in the period January to March 2011 totaled EUR 186.5 million. This was only EUR 34 million more than the comparative prior-year figure of EUR 152.5 million. An increased cash outflow in the HOCHTIEF Americas and Europe divisions was countered by additions to cash from changes in working capital in the HOCHTIEF Asia Pacific division. The loss incurred at Leighton did not affect cash flow in the first quarter.

Capital expenditure on intangible assets and property, plant and equipment attained a level of EUR 241.3 million in the HOCHTIEF Group in the first quarter of 2011, a significant increase on the prior-year period (EUR 122.4 million). A notable factor here was the increased need for high-quality plant and equipment in line with further growth in the volume of business in Leighton's mining activities. At EUR 203.7 million, capital expenditure on property, plant and equipment in the HOCHTIEF Asia Pacific division was consequently up 88.9 percent on the prior-year quarter (EUR 107.8 million). The HOCHTIEF Europe division likewise recorded higher capital expenditure on property, plant and equipment, at EUR 15.5 million (Q1 2010: EUR 7.5 million). Investment spending on financial assets was down on the same period a year earlier, reaching a figure of EUR 24.6

million in the first quarter of 2011 (Q1 2010: EUR 45.6 million). The largest portion, EUR 17.4 million, was accounted for by the HOCHTIEF Americas division. This chiefly consists of payments into capital at Flatiron joint ventures. Changes in securities holdings and financial receivables produced a cash outflow of EUR 92.7 million in the period under review. A considerable share of this consisted of loans to companies in the Leighton business portfolio. In the same quarter of the prior year, additions to securities holdings at the Luxembourg insurance companies and Group headquarters were the main factor resulting in a cash outflow of EUR 101.2 million. All told, the first quarter saw **net cash used in investing activities** total EUR 277.7 million (Q1 2010: EUR 218 million).

HOCHTIEF took out new borrowing in the first quarter to fund its operating business and capital expenditure. Proceeds from new borrowing came to EUR 336.4 million, compared with EUR 298.2 million in the prior-year period. In the opposite direction, service of debt brought about a cash outflow of EUR 198.1 million (Q1 2010: EUR 56.6 million). Dividends to minority interests resulted in an additional EUR 74.9 million outflow of cash (Q1 2010: EUR 66.6 million) from the HOCHTIEF Group. Overall, **net cash provided by financing activities** amounted to EUR 75 million in the period under review, compared with EUR 202.9 million in the same period a year earlier.

The HOCHTIEF Group retained a large sum in cash and cash equivalents totaling EUR 1.96 billion at the March 31, 2011 reporting date. This was nonetheless EUR 492.4 million down on the figure as of December 31, 2010 (EUR 2.45 billion) due to a EUR 389.3 million net cash decrease in cash and cash equivalents and a EUR 103.1 million decrease due to the effect of exchange rate changes.

Free cash flow amounted to minus EUR 464.2 million in the period under review compared with minus EUR 370.5 million in the prior-year period. Free cash flow consists of net cash used in operating activities (EUR 186.5 million) and net cash used in investing activities (EUR 277.7 million).

### Balance sheet

The HOCHTIEF Group's **total assets** decreased by EUR 640.9 million from EUR 14.99 billion at the prior year-end to EUR 14.35 billion as of the March 31, 2011 balance sheet date. The main factors in the decrease were EUR 487.3 million in exchange rate effects and the losses on projects and investments to be taken into account at Leighton.

**Non-current assets** in the HOCHTIEF Group dropped by EUR 70.7 million or 1.2 percent in the first quarter of

2011. This took the figure at the end of the quarter down to EUR 5.8 billion, as against EUR 5.87 billion at the end of 2010. Property, plant and equipment stood at EUR 1.74 billion—still a high figure though slightly down on the comparative figure of EUR 1.81 billion as of December 31, 2010. Within this figure, major additions due to capital expenditure on plant and equipment at Leighton were countered by disposals and large adverse exchange rate effects on currency translation from the Australian dollar. HOCHTIEF also recorded a EUR 262.5 million reduction in financial assets, taking the carrying amount down to EUR 2.25 billion at the March 31, 2011 balance sheet date. In this connection, increases in the carrying amount of equity-accounted investments in the HOCHTIEF Americas division and the airports business were offset mainly by reductions due to losses to be taken into account in the Leighton business portfolio. Financial receivables increased, primarily from the granting of further loans to portfolio companies by Leighton, by EUR 126.6 million to EUR 633.4 million. Deferred tax assets increased by a substantial EUR 137.8 million to EUR 398.4 million. This mostly related to deferred tax assets recognized in connection with the losses at Leighton.

**Current assets** fell significantly from EUR 9.12 billion as of December 31, 2010 to EUR 8.55 billion at the end of the period under review. Trade receivables from the operating business further increased despite substantial negative exchange rate effects, gaining EUR 62.1 million to EUR 4.05 billion. A large share of this growth came from the HOCHTIEF Europe division's international activities. Inventories stood at EUR 1.22 billion, close to their prior year-end level of EUR 1.27 billion. Marketable securities came to EUR 827.1 million at the March 31, 2011 balance sheet date. The EUR 110.5 million decrease relative to the end of the prior year mainly relates to sales of shares by Turner. HOCHTIEF had cash and cash equivalents totaling EUR 1.96 billion as of the March 31, 2011 balance sheet date, a reduction of EUR 492.4 million on the figure as of December 31, 2010. Alongside the cash outflow for the operating business and to fund capital expenditure, this also included a negative EUR 103.1 million in exchange rate effects.

**Shareholders' equity** contracted by EUR 500.4 million, from EUR 4.26 billion at the end of fiscal 2010 to EUR 3.76 billion as of March 31, 2011. A substantial, EUR 339.1 million portion of the decrease was accounted for by profit after taxes. On top of this came a EUR 114.4 million deduction for currency translation differences and changes in the fair value of financial instruments as well as a EUR 74.9 million deduction for dividend payments to minority shareholders. Additions to shareholders' equity took the form of actuarial gains and losses (EUR 16.3 million) and other changes

not recognized in the Statement of Earnings (EUR 11.7 million). The equity ratio (shareholders' equity to total assets) maintained a strong level at 26.2 percent, although this was 2.3 percentage points down on the figure of 28.5 percent as of December 31, 2010.

**Non-current liabilities** were reduced by EUR 309.3 million from EUR 3.37 billion on December 31, 2010 to EUR 3.06 billion as of the balance sheet date. The key factor here was a EUR 250.9 million decrease in financial liabilities to EUR 2.33 billion. This primarily related to reclassifications to current maturities and repayment of amounts due to banks by Corporate Headquarters. Non-current provisions declined by EUR 45.6 million to EUR 497.8 million. This consists of EUR 102.3 million in provisions for pensions and similar obligations as well as EUR 395.5 million in other non-current provisions. The other non-current provisions mostly relate to personnel and insurance-related obligations. While other liabilities decreased slightly over the quarter by EUR 13.7 million to EUR 172.6 million, deferred tax liabilities barely changed at EUR 66.8 million.

**Current liabilities** increased during the first three months by EUR 168.8 million, from EUR 7.35 billion to EUR 7.52 billion. As before, the greater part relates to trade payables, which, at EUR 5.32 billion, were slightly down on the level as of December 31, 2010 (EUR 5.36 billion). The increase from the operating business and the decrease from negative exchange rate effects more or less canceled each other out. Current financial liabilities grew in contrast by EUR 325.2 million to EUR 971 million. Alongside reclassifications of borrowings previously carried under non-current liabilities, the increase reflected drawings on short-term bank credit facilities by Corporate Headquarters, Leighton and the HOCHTIEF Europe division. Other liabilities and current income tax liabilities remained virtually unchanged compared with December 31, 2010.

## Risks and opportunities report

The description of the opportunities and risks\* of likely future developments given in the combined company and Group management report as of December 31, 2010 continues to apply. There has likewise been no material change in the situation of the Group or its operating environment from that presented in our 2010 Annual Report. Please note that it may be necessary to recognize further impairment losses on investments within the business portfolio. In particular, market and business developments in the Middle East can result in impairments of such investments. This affects the carrying amount of the investment in the Habtoor Leighton Group, which is to be tested for impairment as of June 30, 2011.

## Report on forecasts and other statements relating to the company's likely future development

The forecasts and other statements regarding the likely future development of HOCHTIEF\*\* published in the combined company and Group management report as of December 31, 2010 have changed in some regards since the end of the first quarter. The Group published the modified earnings and profit guidance in an ad-hoc announcement on April 11, 2011. The remaining statements made in the Annual Report continue to apply.

**\*\*The relevant information is provided under "Looking Ahead: Outlook and Opportunities" starting on page 129 of our 2010 Annual Report and on our website, [www.hochtief.com](http://www.hochtief.com).**

## Post balance-sheet events

On April 7, 2011, HOCHTIEF reported in an ad-hoc announcement that its Australian subsidiary Leighton had requested the Australian stock exchange to suspend trading in Leighton stock with immediate effect until no later than commencement of trading on April 11, 2011. On April 11, 2011, HOCHTIEF reported in a further ad-hoc announcement, due to the reduced profit forecast at Leighton, that the Group had reduced its own forecast for the current 2011 fiscal year. Depending on the size and outcome of the sale of interests in HOCHTIEF Concessions, the HOCHTIEF Executive Board now expects Group profit before taxes to be reduced, potentially to half the prior-year figure. Consolidated net profit is expected to exceed the prior year. HOCHTIEF's earnings projections for 2012 and 2013 remain unaffected. Also on April 11, 2011, Leighton additionally announced a AUD 757 million capital raising. HOCHTIEF will participate in this capital raising in proportion to the size of its shareholding in Leighton.

## News from the Boards

On April 10, 2011, HOCHTIEF announced that **Dr. Herbert Lütkestratkötter**, longstanding Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, will step down from the HOCHTIEF Executive Board by best mutual agreement as of the end of the General Shareholders' Meeting on May 12, 2011. His successor is **Dr. Frank Stieler**, who has been a member of the Executive Board since March 2009.

**Dr. Peter Noé**, member of the Executive Board of HOCHTIEF Aktiengesellschaft with responsibility for the HOCHTIEF Asia Pacific and HOCHTIEF Concessions divisions, exercised his special right of termination in connection with ACS exceeding the 30 percent control threshold and will resign from office on the Executive Board with effect from September 10, 2011. This was announced by HOCHTIEF on March 11, 2011. **Dr. Burkhard Lohr**, member of the Executive Board of HOCHTIEF Aktiengesellschaft, Chief Financial Officer and Executive for Labor Relations, likewise exercised his special right of termination in connection with ACS exceeding the 30 percent control threshold and will resign from office on the Executive Board with effect from October 18, 2011. This was announced by HOCHTIEF on April 18, 2011.

**\*Our risk report is provided starting on page 119 of our 2010 Annual Report and on our website, [www.hochtief.com](http://www.hochtief.com).**

# Divisions

## HOCHTIEF Americas Division

(EUR million)	Q1 2011	Q1 2010 (restated)*	Percentage change	Full year 2010 (restated)*
New orders	1,535.8	1,626.4	-5.6	6,987.6
Work done	1,407.4	1,364.7	3.1	6,793.6
Order backlog	7,819.5	7,866.9	-0.6	8,136.4
Divisional sales	1,301.5	1,287.1	1.1	6,396.4
External sales	1,301.5	1,287.1	1.1	6,396.4
Operating earnings (EBITA)	47.7	23.4	103.8	134.3
Profit before taxes	47.1	21.5	119.1	126.5
Capital expenditure	24.4	17.5	39.4	99.6
Net assets	661.8	547.0	21.0	656.3
Employees	7,151 (End Q1 2011)	7,250 (End Q1 2010)	-1.4	7,334 (2010 average)

\*For details on the restatement, please see pages 16-18.

The HOCHTIEF Americas division performed well in the first quarter of 2011. **New orders** were still slightly below the prior-year figure and included negative exchange rate effects resulting from the fall in the value of the US dollar since the same period of 2010. Adjusted for exchange rate effects, new orders were down 3.9 percent. In contrast, **work done** exceeded the previous year's figure by 3.1 percent (up 4.9 percent when adjusted for exchange rate effects). At EUR 7.82 billion, the **order backlog** again reached a high level. The order backlog includes negative exchange rate effects of EUR 422.3 million.

**Divisional and external sales** increased slightly over the prior year. The division's earnings situation again proved to be very satisfactory in the opening quarter of the fiscal year: Both **operating earnings** and **profit before taxes** more than doubled compared with the prior-year period. This was the result of excellent project quality as well as a positive effect on earnings from the reversal of risk provisions no longer required in the HOCHTIEF Americas division.

In the first quarter, our US subsidiary **Turner** was able to secure numerous new contracts. In Cincinnati, Ohio, Turner is building a new hospital with a heart center, cancer center, family birth center, women's center, and a comprehensive orthopedics program. The green space surrounding the building is also part of the project. The contract value for 250-bed Mercy Westside Hospital amounts to approximately EUR 100 million.

During the period under review, Turner also completed the 45-story Great American Tower, Cincinnati's tallest building.

The Sacramento Municipal Utility District in California has awarded Turner along with a partner a design-build contract for the more than 20-hectare East Campus-Operations Center focusing on sustainability issues. The campus will be targeting a net zero energy rating. The property and its facilities will themselves generate the energy they consume using photovoltaic and thermal solar panels as well as techniques for low energy heating, cooling, and lighting. Slated to be completed in 2013, the project includes a six-story office building and fleet vehicle fueling, storage, and maintenance facilities. The facility will also be aiming for LEED Platinum certification.

In addition, the company will undertake a public-sector project extending and renovating the judicial center in Rockville, Maryland. The annex will provide ten additional courtrooms and administrative spaces. This EUR 60 million-plus project will also be sustainable, including a green roof and photovoltaic panels as well as harnessing such features as environmentally friendly materials.

Turner was also awarded the contract to renovate the Cleveland Medical Mart and Convention Center, which involves demolishing and rebuilding parts of the existing complex. The contract is worth approximately EUR 225 million.

Both Turner and fellow Group company **Flatiron** were recognized by the Associated General Contractors of America for construction safety excellence in the period under review.

Our civil engineering company Flatiron, which builds infrastructure projects in North America, was awarded attractive new orders in the first quarter, including the construction of new bridge approaches for the Donald Bridges on the Trans Canada Highway 1 in British Columbia. Moreover, Flatiron will also reconstruct parts of Interstate 15 in Utah and a section of California's Route 905. In addition, the company secured a series of electrical contracts throughout California.

### HOCHTIEF Americas outlook

In light of our large order backlog and our subsidiaries' strong position, and assuming the US dollar exchange rate stays stable, we expect the HOCHTIEF Americas division will continue to generate strong profit before taxes again in 2011 at the same high level as the prior year.

## HOCHTIEF Asia Pacific Division

The level of **new orders** in the HOCHTIEF Asia Pacific division was very high in the first quarter. The figure for the first three months more than tripled compared with the prior-year quarter thanks notably to a positive exchange rate effect of EUR 331 million and the award of a number of large-scale projects. **Work done** was up 6.9 percent, also slightly higher than in the same period in 2010. This includes an exchange rate effect of EUR 283 million. At EUR 31.92 billion, the **order backlog** was again strong. The many new orders received in recent months had a positive impact on the order backlog in particular, as did a positive exchange rate effect of around EUR 2.18 billion. **External sales** climbed by 17.7 percent to EUR 2.91 billion. This includes an exchange rate effect amounting to EUR 288.3 million.

The massive drop in **operating earnings** to minus EUR 530 million was mainly due to the large-scale AirportLink and Victorian Desalination Plant infrastructure projects located in Brisbane and Melbourne respectively. Profit projections for the AirportLink project already had to be scaled back in 2010, but the project was still expected to return a profit on completion. The new Leighton management carried out an in-depth review of the project. The once-in-a-century rainfall in Queensland from December to February and the ensuing floods along with delayed official approvals caused further setbacks. The design had to be reworked. The project is now a good 70 percent complete and the design 99 percent, giving very good visibility for cost estimates. In total, the project is expected to incur a loss of EUR 314 million. The Victorian Desalination Plant project in Melbourne came under cost and time pressure as a result of bad weather from December to February; there were also design changes. A costing and schedule review performed at short notice revealed major cost overruns and risks concerning the completion date. Instead of the EUR 210 million anticipated as of December 31, 2010, the project is now expected to deliver a profit of only EUR 4.4 million. A review of the remaining large construction projects showed the problems to be limited to these two. Due to the continuing difficult market environment in Dubai, the Leighton associate Al Habtoor Leighton also reported a loss for the period under review, which in turn was reflected proportionally in Leighton's earnings. The HOCHTIEF consolidated financial statements for the first quarter do not include an impairment on the investment in Al Habtoor Leighton because no new information is available.

**Profit before taxes** declined to minus EUR 557 million. At EUR 209.4 million, **capital expenditure** was significantly higher than in the same period in 2010, primarily because of the purchase of mining equipment.

(EUR million)	Q1 2011	Q1 2010 (restated)*	Percentage change	Full year 2010 (restated)*
New orders	3,349.6	1,031.2	224.8	18,938.6
Work done	2,856.2	2,672.8	6.9	12,702.8
Order backlog	31,921.1	22,341.4	42.9	33,126.9
Divisional sales	2,909.5	2,472.8	17.7	10,339.5
External sales	2,909.5	2,472.7	17.7	10,339.2
Operating earnings (EBITA)	(530.0)	124.5	-	653.1
Profit before taxes	(557.0)	95.8	-	512.7
Capital expenditure	209.4	142.7	46.7	958.3
Net assets	2,608.5	2,992.3	-12.8	3,343.5
Employees	50,519 (End Q1 2011)	44,203 (End Q1 2010)	14.3	46,376 (2010 average)

Contract mining activities especially continued to contribute substantially to the positive trend in orders. Thiess was awarded a EUR 969.7 million contract to extend mining operations at the Burton coal mine in Queensland, and Leighton units secured mining contracts totaling some EUR 593.2 million. In the highly promising gas market, Thiess is to carry out a wide range of work for EUR 101.4 million on a coal seam gas project in Queensland, while John Holland is to build facilities as part of the proposed Curtis Island project, also in Queensland, under a contract worth EUR 107 million. The infrastructure market saw an alliance including John Holland appointed to deliver the EUR 265.1 million Perth City Link rail project in Western Australia. In Abu Dhabi, the Habtoor Leighton Group is part of a joint venture undertaking construction of the Al Mafraq Hospital under a contract worth EUR 428 million and will also build the new headquarters of Abu Dhabi Islamic Bank for EUR 76.8 million.

\*For details on the restatement, please see pages 16–18.

### HOCHTIEF Asia Pacific outlook

The division's quarterly earnings are very disappointing. The early warning system in the Leighton Group is being reviewed and adjusted in view of the size and timing of the profit warning. The Leighton Group's positioning is, however, very solid on the whole. The Australian infrastructure and raw materials markets show very healthy performance, as do the Asian markets in general. The current earnings collapse means the HOCHTIEF Asia Pacific division's pre-tax profit will be well into negative figures for fiscal 2011 as a whole. However, we expect a return to positive earnings in the second half of 2011. The division expects to be back to generating pretax profits on about the same level as 2010 from as soon as 2012.

## HOCHTIEF Concessions Division

(EUR million)	Q1 2011	Q1 2010	Percentage change	Full year 2010
New orders	6.2	51.5	-88.0	157.7
Work done	11.2	23.2	-51.7	112.1
Order backlog	382.8	585.9	-34.7	387.9
Divisional sales	11.2	23.1	-51.5	112.1
External sales	10.5	23.0	-54.3	110.1
Operating earnings (EBITA)	33.3	18.0	85.0	113.2
Profit before taxes	24.9	10.4	139.4	84.3
Capital expenditure	0.1	-	-	1.8
Net assets	1,354.3	1,263.6	7.2	1,330.4
Employees	332 (End Q1 2011)	313 (End Q1 2010)	6.1	317 (2010 average)

First-quarter **new orders** were down in 2011 compared with the prior-year quarter, which was dominated by the award of the Höhenkirchen-Siegertsbrunn school contract. **Work done, divisional sales, and external sales** were below the first-quarter figures for 2010, mainly due to the sale of three schools projects and two city halls from the HOCHTIEF Concessions portfolio to HOCHTIEF Facility Management effective December 31, 2010. **Operating earnings**, at EUR 33.3 million, topped the figure for the prior-year period by EUR 15.3 million. **Profit before taxes** rose in parallel from EUR 10.4 million to EUR 24.9 million. This improvement largely related to reversal of a provision for investment risk at Düsseldorf Airport. Other positive factors include an overall increase in passenger numbers at our airports and a refund of expenditure for work already started on the Slovakian D1 road project, which the state pulled out of during financing negotiations after signing the contract.

As of March 31, 2011, the HOCHTIEF Concessions portfolio comprised six airport holdings, seven roads including two tunnels, 95 schools, 18 police facilities, a community center, a barracks and two geothermal energy installations.

Passenger traffic at the airport holdings in the **airports segment** grew dynamically in the first quarter, with the exception of Athens International Airport. The number of passengers going through Budapest, Düsseldorf, Hamburg, Sydney and Tirana airports totaled 17.7 million—a marked 3.9 percent rise compared with the prior-year quarter (17 million). There was a 15.8 percent year-on-year drop in passenger numbers at Athens Airport as a result of the country's difficult economic situation. Steps taken by the airport to

counter this trend included extending the incentive scheme for airlines in place since June 2010, with notable success: The launch of the summer flight schedule at the end of March brought the announcement of numerous new routes together with more flights on existing routes. Budapest Airport's new SkyCourt terminal building came into operation in March 2011. The spacious glass-skinned building connects the existing terminals 2A and 2B, providing space for central security screening, lounges, plus a wide variety of retail and catering. For Sydney Airport, January was the best month ever for international traffic and another record January for domestic traffic.

The **roads segment** is adversely affected by the economic crisis in Greece among other factors. A rise in fuel tax, the recessionary overall economic situation, and mass toll dodging have led to major shortfalls on traffic projections for our Greek toll road projects, Maliakos-Kleidi and Elefsina-Patras-Tsakona. Slow progress on land seizures and planning approvals combined with archeological finds are delaying road construction work. In contrast, the other large toll road projects in our portfolio are doing well. Traffic volumes are rising especially quickly on our two projects in Chile, with takings on the Vespucio Norte Express up by more than ten percent and those on the San Cristóbal Tunnel by just under 17 percent in the first two months of this year compared with the same period a year earlier.

In the **social infrastructure segment**, work continues apace on our ongoing projects in Canada. The ten schools in Alberta are to be finished somewhat ahead of schedule and the 18 police stations in Ontario as planned.

In the **infrastructure ventures segment**, we secured funding for the Dürrnhaar geothermal project at the end of January 2011, marking the first project financing arrangement for a privately financed geothermal power plant in Germany. This brought the first returns on our invested capital as a result of project financing.

### HOCHTIEF Concessions outlook

The HOCHTIEF Concessions division expects the business environment to continue improving in 2011. Our forecast for the year as a whole remains unchanged, with divisional profit before taxes broadly of the same order as the prior year.

## HOCHTIEF Europe Division

**New orders** in the HOCHTIEF Europe division dropped sharply by EUR 505.8 million (33 percent) in the first quarter of 2011 compared with the first three months of the prior year. The International Project Solutions business line in particular did not acquire orders in the same volume as in 2010. By contrast, **work done** rose by EUR 136.7 million (19.8 percent) compared with the first three months of 2010, with all operating segments recording an improvement against the prior-year quarter. The increase was primarily attributable to projects in Qatar. Work done also increased year on year at **formart**. **Divisional** and **external sales** grew by 4.2 percent and 4.6 percent respectively. The **order backlog** ensures a satisfactory capacity utilization rate for more than 20 months.

**Operating earnings** performed particularly well, increasing by EUR 23 million to EUR 30.6 million (302.6 percent). This improvement was attributable in particular to the measures introduced in prior years to restructure German building construction—now the Classic Solutions business line—which resulted in a return to positive project margins. International business also made a significant contribution to earnings growth. Taking into account net investment and interest income, **profit before taxes** also developed very positively, growing by EUR 13.2 million compared with the prior-year quarter.

**Capital expenditure** increased by EUR 9.4 million compared with the first three months of 2010. It was primarily used for technical equipment and machinery, equipment for the construction of a new hydroelectric power station in Peru, and the expansion of our centrally managed equipment pool for construction logistics.

The 16.8 percent increase in **net assets** compared with the first quarter of 2010 was primarily due to the increase in the project portfolio in the Real Estate Solutions business line.

The year-on-year decrease in the number of **employees** is mainly attributable to project-related changes in our international activities.

The new HOCHTIEF Europe division combines the HOCHTIEF Europe, HOCHTIEF Real Estate, and HOCHTIEF Services divisions. Spearheaded by HOCHTIEF Solutions, it focuses on profitable business segments and growth markets.

(EUR million)	Q1 2011	Q1 2010 (restated)*	Percentage change	Full year 2010 (restated)*
New orders	505.8	755.3	-33.0	3,559.6
Work done	827.7	691.0	19.8	3,612.7
Order backlog	5,631.1	5,869.3	-4.1	5,994.5
Divisional sales	682.9	655.4	4.2	3,280.1
External sales	677.8	647.8	4.6	3,229.4
Operating earnings (EBITA)	30.6	7.6	302.6	113.2
Profit before taxes	16.4	3.2	412.5	82.5
Capital expenditure	16.9	7.5	125.3	66.3
Net assets	1,895.9	1,623.7	16.8	1,737.7
Employees	15,473 (End Q1 2011)	16,450 (End Q1 2010)	-5.9	16,035 (2010 average)

HOCHTIEF Solutions offers its customers integrated services: from development, planning, construction, and management through to comprehensive facility, property and energy management services. We are able to make use of our pooled expertise in all our activities. We harness our experience to continuously extend our product and service spectrum and offer our customers sophisticated, cost-effective one-stop solutions. HOCHTIEF Solutions has six business lines in total: Service Solutions, Real Estate Solutions, Energy and Infrastructure Solutions, International Project Solutions, Classic Solutions and Engineering Solutions. The operational business units were assigned to these business lines.

\*For details on the restatement, please see pages 16–18.

The **Service Solutions business line** pools facility management and energy management services. The **Facility Management business unit** extended its collaborations with the state of Hesse and the Siemens Technopark. For Hessisches Immobilienmanagement, Facility Management will operate ten more public-sector properties under a new agreement with an initial term of three years. With the Siemens Technopark in Mülheim an der Ruhr, we are continuing our partnership which started back in 2002, initially until the end of 2012. The business unit is responsible for technical and infrastructural facility management of the 240,000-square-meter Technopark. Facility Management received a new order from the Soci t  G n rale Group in Germany. We are assuming the technical and infrastructural building management for 41 properties covering a total area of almost 80,000 square meters, for the time being on a three-year basis. The contract is worth almost EUR 4.2 million. The **Energy Management business unit**

built on its success in healthcare properties. The energy services provider will reduce the energy costs of the Krankenhaus vom Roten Kreuz hospital in Stuttgart-Bad Cannstatt by around 30 percent in total over the next seven years through energy performance contracting. At the same time, the medical facility's CO<sub>2</sub> emissions are to be reduced by some 500 metric tons per year.

In the **Real Estate Solutions business line**, HOCHTIEF Solutions manages real estate projects, from comprehensive analyses of the market and location, and acquisition of land, through to marketing, financing, implementation, and property services. In the reporting period, the **HTP business unit**, which emerged from the former HOCHTIEF Real Estate division, concluded rental agreements for a total of 21,100 square meters of gross floor area. The VivaKi Group leased 12,000 square meters in La Cour in Düsseldorf and an agreement was concluded with St. Jude Medical for the Loftwerk in Eschborn. Leases were arranged for further office space at the Casa Nova property in Stuttgart. HTP also concluded several rental agreements for retail space in the Mercatura in Aalen. ABG Frankfurt Holding Wohnungsbau- und Beteiligungsgesellschaft acquired the "Am Europagarten" residential and commercial property in Frankfurt in the reporting period. In the care segment, construction work began on the nursing care facility in Schwalbach and the building in Langweid became operational.

In the first quarter of 2011, **aurelis Real Estate** sold properties worth some EUR 26 million, including space in Regensburg and in Düsseldorf's Le Quartier Central district. In addition, aurelis disposed of an area from its portfolio of around 14,000 square meters with a shipping warehouse in Diez. It also concluded new rental agreements with an annual rental volume of EUR 5.5 million.

The **formart business unit**, which emerged from the former HOCHTIEF Europe division, also had a successful first quarter and sold 230 apartments worth a total EUR 69 million, including the 34 residential units in the Water Houses in Hamburg, which were sold to individual investors in just three months. There are currently about 50 projects up for sale in Germany, Austria, and Luxembourg, including commercial real estate and several hundred residential units—sales volumes are high here, too. For example, an institutional investor acquired a parking garage in Kiel for some EUR 10 million. An office building in Jena was sold to an investor for around EUR 6 million.

The **Energy and Infrastructure Solutions business line** pools infrastructure services. At Frankfurt Airport, we are building a new waste water treatment plant. It will have a capacity of 30 cubic meters per hour and, from 2013, will treat the communal waste water from the Fraport City Süd industrial park. The project is worth almost EUR 14 million.

The **International Project Solutions business line** forms the framework for our largest European foreign companies as well as covering major international projects such as Barwa Commercial Avenue, where work continues on schedule. In the first quarter, we received an order for a waste water treatment plant in Moravská Třebová in the Czech Republic. The expansion of Lawika Airport in Poznań is already our fourth consecutive airport project in Poland. The extensive work at Lawika Airport includes construction of a new terminal, office space and a road. The contract is worth about EUR 24 million. In Warsaw, HOCHTIEF Polska is building a seven-story hotel and an office building with 58,000 square meters of gross floor space overall. The project also includes infrastructure and a park. In addition, the unit is constructing two apartment blocks in the Polish capital for Ronson Development Buildings, with 167 apartments, retail spaces, office spaces and underground parking. The Romanian market is similarly developing well. The IAC Group awarded us the contract to design and build a production facility and office building for around EUR 10 million.

The **Classic Solutions business line** combines building construction and construction logistics solutions and offers tailored service packages ranging from equipment through to turnkey buildings.

The **Engineering Solutions business line** represents HOCHTIEF Solutions' worldwide engineering services. Current projects include consulting services in Qatar.

#### **HOCHTIEF Europe outlook**

The HOCHTIEF Europe division realigned its core European business in the first quarter of 2011 and will systematically forge ahead with its expansion into major growth markets in the course of the year, which include the offshore wind power market as well as infrastructure construction. Overall, the division expects profit before taxes for 2011 to top the previous year's level and that the new organization will bring substantial cost savings and synergies in the future.

# Interim Financial Statements (Condensed)

## Consolidated Statement of Earnings

(EUR thousand)

	Q1 2011	Q1 2010	Percentage change	Full year 2010
Sales	4,919,294	4,448,041	10.6	20,159,286
Changes in inventories	45,044	19,885	126.5	154,350
Other operating income	73,774	36,983	99.5	478,756
Materials	(3,620,165)	(2,917,008)	24.1	(13,763,981)
Personnel costs	(1,083,153)	(1,039,686)	4.2	(4,080,859)
Depreciation and amortization	(190,532)	(157,897)	20.7	(678,543)
Other operating expenses	(378,720)	(328,264)	15.4	(1,553,665)
<b>Profit/(loss) from operating activities</b>	<b>(234,458)</b>	<b>62,054</b>	<b>-</b>	<b>715,344</b>
Share of profits and losses of equity-method associates and jointly controlled entities	(181,392)	79,469	-	189,820
Net income from other participating interests	11,565	10,428	10.9	32,885
Investment and interest income	15,557	16,521	-5.8	81,564
Investment and interest expenses	(56,060)	(47,925)	17.0	(263,041)
<b>Profit before taxes</b>	<b>(444,788)</b>	<b>120,547</b>	<b>-</b>	<b>756,572</b>
Income taxes	105,652	(38,572)	-	(210,294)
<b>Profit after taxes</b>	<b>(339,136)</b>	<b>81,975</b>	<b>-</b>	<b>546,278</b>
Of which: Consolidated net profit/(loss)	(169,476)	34,076	-	288,030
Of which: Minority interest	(169,660)	47,899	-	258,248
Diluted and undiluted earnings per share (EUR)	(2.30)	0.51	-	4.31

## Consolidated Balance Sheet

(EUR thousand)

	Mar. 31, 2011	Dec. 31, 2010	(EUR thousand)	Mar. 31, 2011	Dec. 31, 2010
<b>Assets</b>			<b>Liabilities and Shareholders' Equity</b>		
<b>Non-current assets</b>			<b>Shareholders' equity</b>		
Intangible assets	561,894	582,879	Attributable to the Group	2,740,037	2,965,493
Property, plant and equipment	1,738,743	1,807,472	Minority interest	1,023,687	1,298,679
Investment properties	23,872	24,010		<b>3,763,724</b>	<b>4,264,172</b>
Equity-method investments	1,741,265	2,005,642	<b>Non-current liabilities</b>		
Other financial assets	506,976	505,088	Provisions for pensions and similar obligations	102,370	116,566
Financial receivables	633,358	506,757	Other provisions	395,476	426,850
Other receivables and other assets	193,256	176,072	Financial liabilities	2,326,074	2,576,954
Deferred tax assets	398,384	260,555	Other liabilities	172,648	186,359
	<b>5,797,748</b>	<b>5,868,475</b>	Deferred tax liabilities	66,826	66,005
<b>Current assets</b>				<b>3,063,394</b>	<b>3,372,734</b>
Inventories	1,219,938	1,268,333	<b>Current liabilities</b>		
Financial receivables	180,340	144,339	Other provisions	843,529	959,553
Trade receivables	4,046,833	3,984,763	Financial liabilities	971,005	645,766
Other receivables and other assets	234,591	232,420	Trade payables	5,320,049	5,363,733
Current income tax assets	79,920	99,058	Other liabilities	367,385	363,263
Marketable securities	827,110	937,640	Current income tax liabilities	16,057	16,864
Cash and cash equivalents	1,958,663	2,451,057		<b>7,518,025</b>	<b>7,349,179</b>
	<b>8,547,395</b>	<b>9,117,610</b>		<b>14,345,143</b>	<b>14,986,085</b>
	<b>14,345,143</b>	<b>14,986,085</b>			

# Consolidated Statement of Cash Flows

(EUR thousand)	Q1 2011	Q1 2010
Profit after taxes	(339,136)	81,975
Depreciation, amortization, impairments and impairment reversals	191,070	157,898
Changes in provisions	(117,222)	(36,342)
Changes in deferred taxes	(153,975)	9,810
Gains/(losses) from disposals of non-current assets and marketable securities	(2,367)	(6,365)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	193,076	(65,102)
Changes in working capital (net current assets)	42,112	(294,261)
Changes in other balance sheet items	(68)	(73)
<b>Net cash used in operating activities</b>	<b>(186,510)</b>	<b>(152,460)</b>
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(241,337)	(122,390)
Proceeds from asset disposals	41,756	51,196
Acquisitions and participating interests		
Purchases	(24,588)	(45,585)
Proceeds from asset disposals/divestments	39,088	5
Changes in securities holdings and financial receivables	(92,657)	(101,212)
<b>Net cash provided by financing activities</b>	<b>(277,738)</b>	<b>(217,986)</b>
Payments into equity by minority shareholders	11,601	27,844
Dividends to minority shareholders	(74,916)	(66,631)
Proceeds from new borrowing	336,383	298,245
Service of debt	(198,076)	(56,554)
<b>Net cash used in investing activities</b>	<b>74,992</b>	<b>202,904</b>
<b>Net cash decrease in cash and cash equivalents</b>	<b>(389,256)</b>	<b>(167,542)</b>
Effect of exchange rate changes	(103,138)	114,233
<b>Overall change in cash and cash equivalents</b>	<b>(492,394)</b>	<b>(53,309)</b>
Cash and cash equivalents at the start of the year	2,451,057	1,769,644
<b>Cash and cash equivalents at end of reporting period</b>	<b>1,958,663</b>	<b>1,716,335</b>

## Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktiengesellschaft	Capital reserve of HOCHTIEF Aktiengesellschaft	Revenue reserves* including unappropriated net income	Accumulated other comprehensive income			Attributable to the Group	Attributable to minority interest	Total
				Currency translation differences	Changes in fair value of financial instruments	Actuarial gains and losses			
Balance as of Jan. 1, 2010	<b>179,200</b>	<b>400,806</b>	<b>1,795,892</b>	<b>(74,195)</b>	<b>(66,902)</b>	<b>(70,748)</b>	<b>2,164,053</b>	<b>1,100,076</b>	<b>3,264,129</b>
Dividends paid	-	-	-	-	-	-	-	(66,631)	(66,631)
Profit after taxes	-	-	34,076	-	-	-	34,076	47,899	81,975
Currency translation differences and changes in fair value of financial instruments	-	-	-	116,045	(2,250)	-	113,795	57,825	171,620
Changes in actuarial gains and losses	-	-	-	-	-	(11,964)	(11,964)	-	(11,964)
Other changes not recognized in the Statement of Earnings	-	-	9,999	-	-	-	9,999	17,980	27,979
Balance as of March 31, 2010	<b>179,200</b>	<b>400,806</b>	<b>1,839,967</b>	<b>41,850</b>	<b>(69,152)</b>	<b>(82,712)</b>	<b>2,309,959</b>	<b>1,157,149</b>	<b>3,467,108</b>
<b>Balance as of Jan. 1, 2011</b>	<b>197,120</b>	<b>783,142</b>	<b>2,008,824</b>	<b>160,781</b>	<b>(71,589)</b>	<b>(112,785)</b>	<b>2,965,493</b>	<b>1,298,679</b>	<b>4,264,172</b>
Dividends paid	-	-	-	-	-	-	-	(74,916)	(74,916)
Profit after taxes	-	-	(169,476)	-	-	-	(169,476)	(169,660)	(339,136)
Currency translation differences and changes in fair value of financial instruments	-	-	-	(104,210)	29,825	-	(74,385)	(40,047)	(114,432)
Changes in actuarial gains and losses	-	-	-	-	-	16,344	16,344	-	16,344
Other changes not recognized in the Statement of Earnings	-	-	2,061	-	-	-	2,061	9,631	11,692
Balance as of March 31, 2011	<b>197,120</b>	<b>783,142</b>	<b>1,841,409</b>	<b>56,571</b>	<b>(41,764)</b>	<b>(96,441)</b>	<b>2,740,037</b>	<b>1,023,687</b>	<b>3,763,724</b>

\* As of March 31, 2011, own stock with an acquisition cost of EUR 90,411,000 is accounted for as a deduction from revenue reserves (March 31, 2011: EUR 90,953,000).

# Consolidated Statement of Comprehensive Income

(EUR thousand)

	Q1 2011	Q1 2010	Change	Full year 2010 (restated)*
<b>Profit after taxes</b>	<b>(339,136)</b>	<b>81,975</b>	<b>(421,111)</b>	<b>546,278</b>
Currency translation differences	(144,954)	174,260	(319,214)	358,534
Changes in fair value of financial instruments				
– Primary	15,526	14,236	1,290	1,279
– Derivative	14,582	(16,055)	30,637	(5,268)
– Share of profits and losses of equity-method associates and jointly controlled entities recognized directly in equity	414	(821)	1,235	(14,550)
Actuarial gains and losses	16,344	(11,964)	28,308	(42,040)
<b>Other comprehensive income (after taxes)</b>	<b>(98,088)</b>	<b>159,656</b>	<b>(257,744)</b>	<b>297,955</b>
<b>Total comprehensive income</b>	<b>(437,224)</b>	<b>241,631</b>	<b>(678,855)</b>	<b>844,233</b>
Of which: HOCHTIEF Group	(227,517)	135,907	(363,424)	476,282
Of which: Minority interest	(209,707)	105,724	(315,431)	367,951

## Notes to the Consolidated Financial Statements

### Accounting policies

The Interim Consolidated Financial Statements as of March 31, 2011, which were released for publication on April 28, 2011, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed. In accordance with IAS 34, the reported information is presented in condensed form relative to the full Consolidated Financial Statements.

This interim report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2010.

Due to increased capital market interest rates, the discount factor used to value pension obligations in Germany was raised as of March 31, 2011 to 5.00 percent (December 31, 2010: 4.75 percent).

In all other respects, this report has been prepared using the same accounting policies as the 2010 Consolidated Financial Statements. Information on those accounting policies is given in the 2010 Annual Report.

### Consolidation changes

The Consolidated Financial Statements for the first quarter of fiscal 2011 include four domestic and six foreign companies for the first time. Four foreign companies were removed from the consolidated group, one of which was merged.

The number of foreign companies accounted for using the equity method increased by one.

The Consolidated Financial Statements as of March 31, 2011 include HOCHTIEF Aktiengesellschaft and a total of 65 domestic and 398 foreign consolidated companies plus 17 domestic and 212 foreign companies accounted for using the equity method.

### Own shares

As of March 31, 2011, HOCHTIEF Aktiengesellschaft held a total of 3,435,075 shares of treasury stock. These shares were purchased over the course of fiscal 2008 for the purposes provided for in the resolution of the General Shareholders' Meeting of May 8, 2008. These shares represent EUR 8,793,792 (4.46 percent) of the Company's capital stock.

### Dividend payment

A proposal will be submitted to the General Shareholders' Meeting of HOCHTIEF Aktiengesellschaft on May 12, 2011 to pay a dividend of EUR 2.00 per eligible no-par-value share.

### Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and comfort letters; they have decreased since December 31, 2010 by EUR 197,000 to EUR 58,201,000.

### Segment reporting

Segment reporting in the HOCHTIEF Group is based on the Group's divisional operations. Following the change in the Group's structure as of January 1, 2011, the HOCHTIEF Europe division includes the activities of the former HOCHTIEF Europe, HOCHTIEF Real Estate and HOCHTIEF Services divisions. The prior-year figures represent the aggregate of these former divisions, with the sole exception that allowing for that portion of external sales of the three former divisions which—due to the restructuring—now constitutes internal sales of the HOCHTIEF Europe division results in a EUR 4,453,000 lower comparative figure for divisional sales in the prior-year quarter and a EUR 47,049,000 lower comparative figure for divisional sales in the prior year as a whole. The breakdown by divisions and regions mirrors the Group's internal reporting systems. Detailed information on the various segments making up the HOCHTIEF Group is provided herein in the Interim Management Report.

### Related party disclosures

The number of companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies has increased due to the mandatory application of IAS 24 (revised 2009) as of January 1, 2011 with the revised definition of "related party."\*

No material transactions were entered into during the period under review between HOCHTIEF Aktiengesellschaft or any HOCHTIEF Group company and any related party or parties having material influence over the results of operations or financial condition of the Company or the Group.

**\*For further information, please see page 159 of the 2010 Annual Report.**

### Reconciliation of profit from operating activities to operating earnings (EBITA)

(EUR thousand)	Q1 2011	Q1 2010 (restated)*
<b>Profit from operating activities</b>	<b>(234,458)</b>	<b>62,054</b>
+ Net income from participating interests	(169,827)	89,897
<b>Operating earnings (EBITA)</b>	<b>(404,285)</b>	<b>151,951</b>

\*In connection with the change in the Group's structure, interest credited on the average financing balance—a purely statistical item—is no longer included as a separate item in the reconciliation as it has ceased to be material and as such its separate disclosure is no longer required. Operating earnings (EBITA) for the prior-year quarter is reduced as a result by EUR 325,000 to EUR 151,951,000. For the prior year, 2010, as a whole, operating earnings is reduced by EUR 16,808,000 to EUR 947,527,000.

### Undiluted and diluted earnings per share

	01–03 2011	01–03 2010
<b>Consolidated net profit/ (loss) (EUR thousand)</b>	<b>(169,476)</b>	<b>34,076</b>
Number of shares in circulation (weighted average)	73,564,924	66,544,315
<b>Earnings per share (EUR)</b>	<b>(2.30)</b>	<b>0.51</b>

Earnings per share can become diluted as a result of potential shares (mainly stock options and convertible bonds). HOCHTIEF's share-based payment arrangements do not have a dilutive effect on earnings. Consequently, diluted and undiluted earnings per share are identical.

## Responsibility Statement

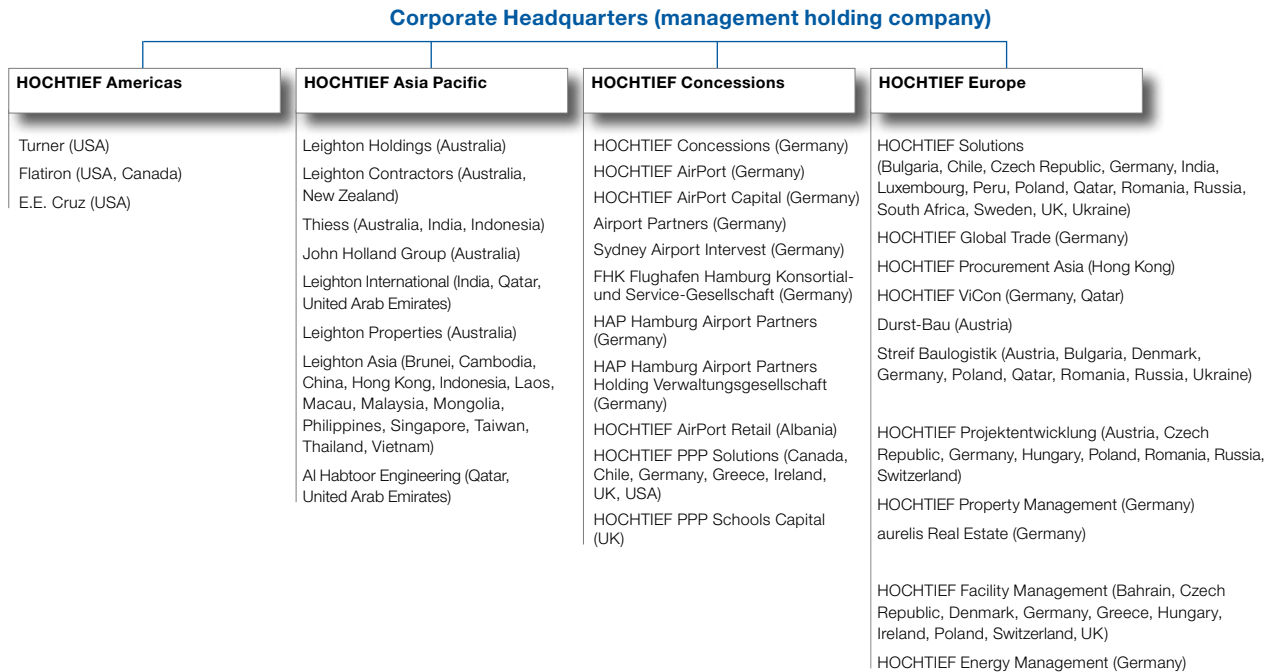
To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Essen, April 28, 2011

The Executive Board

Dr. Lütkestratkötter	Dr. Lohr	Dr. Noé
Dr. Rohr	Dr. Stieler	

# Corporate Structure of HOCHTIEF Aktiengesellschaft



The companies listed exemplify the international reach of HOCHTIEF. For further details, please visit our website at [www.hochtief.com](http://www.hochtief.com).

## Financial Calendar

### August 15, 2011

Half-Year Report at June 30, 2011  
Analysts' and Investors' Conference

### November 10, 2011

Interim Report at September 30, 2011  
Conference Call with Analysts and Investors

### March 29, 2012

Business Results Press Conference  
Analysts' and Investors' Conference

### May 10, 2012

General Shareholders' Meeting  
10.30 a.m., Grugahalle, Norbertstrasse 2, Essen

### May 15, 2012

Quarterly Report at March 31, 2012  
Conference Call with Analysts and Investors

The editorial deadline for this quarterly report was April 28, 2011; the report was published on May 16, 2011.

For further information on HOCHTIEF and our addresses, branches, subsidiaries and associates, please visit our website at [www.hochtief.com](http://www.hochtief.com).

**This quarterly report is a translation of the original German version, which remains definitive. It is also available from the HOCHTIEF website.**

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