

POTENTIAL

- Consolidated profit before taxes up nearly 25 percent to EUR 181.8 million
- HOCHTIEF Europe division losses reported in full in second quarter results
- Strong performance in all other divisions
- Earnings forecast for 2007 confirmed
- Value of concessions portfolio increased to EUR 1.5 billion



Half-Year Report January to June 2007

Turning Vision into Value.



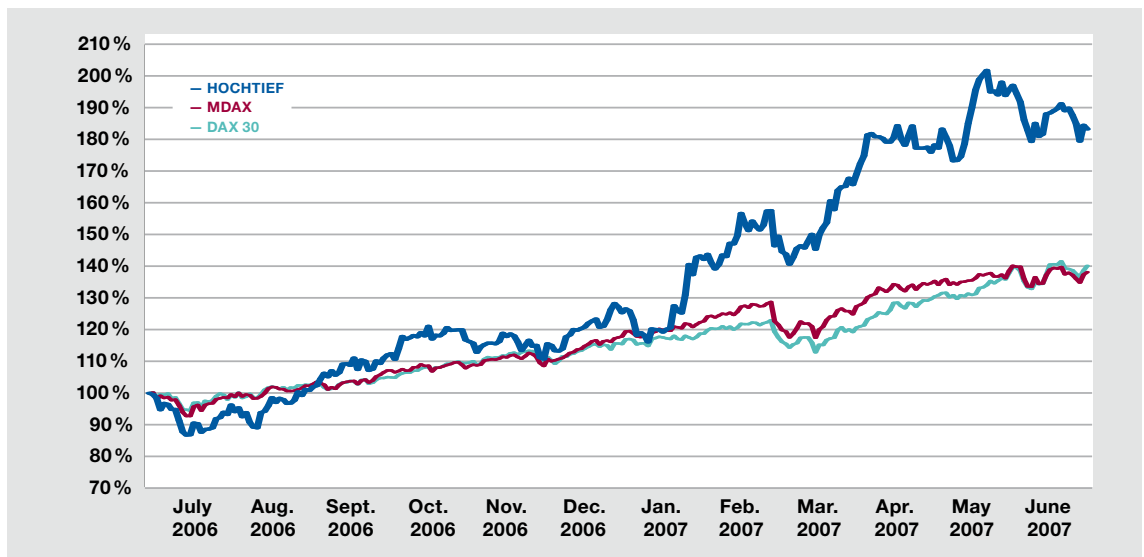
The HOCHTIEF Group

(EUR million)	H1 2007	H1 2006 (restated)*	Percentage change	Q2 2007	Q2 2006 (restated)*	Full year 2006
New orders	9,143.8	7,910.4	15.6	5,202.8	4,575.2	20,565.1
Work done	8,897.8	7,831.7	13.6	4,775.0	4,167.2	16,719.3
Order backlog	25,631.1	21,525.9	19.1	25,631.1	21,525.9	25,134.4
External sales**	7,933.7	7,134.7	11.2	4,239.1	3,716.6	15,508.0
Operating earnings (EBITA)**	165.5	147.5	12.2	98.8	100.0	327.3
Profit before taxes**	181.8	145.8	24.7	115.9	95.6	338.1
Consolidated net profit**	13.8	31.5	-56.3	4.2	22.9	89.1
Earnings per share (EUR)	0.21	0.49	-57.1	0.06	0.35	1.37
Capital expenditure**	630.5	471.1	33.8	398.7	241.8	1,043.6
Net assets	3,648.9	3,328.3	9.6	3,648.9	3,328.3	3,305.1
Employees	51,480 (End H1 2007)	46,351 (End H1 2006)	11.1	51,480 (End Q2 2007)	46,351 (End Q2 2006)	46,847 (2006 average)

* Explanations are provided on page 15.

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

HOCHTIEF stock



Portfolio value of HOCHTIEF concessions projects

*HTA HOCHTIEF Airport
HTD HOCHTIEF Development

Status: Financial close (EUR million)	Division*	Total capital required	Capital provided by June 30, 2007	NPV of expected cash flows at June 30, 2007	NPV of expected cash flows at Dec. 31, 2006	Difference due to portfolio growth	Difference due to value growth
Airports	HTA	747.2	747.2	1,243.7	825.2	416.9	1.6
PPP projects	HTD	150.0	119.5	260.7	242.8	-	17.9
Total		897.2	866.7	1,504.4	1,068.0	416.9	19.5

Dear Shareholders and Friends of HOCHTIEF,



**Dr.-Ing. Herbert
Lütkestratkötter,
Chairman of the
Executive Board**

At the end of the first half of 2007, I can once again present to you healthy figures for the HOCHTIEF Group. For example, we succeeded in raising Group profit before taxes by almost 25 percent to EUR 181.8 million.

With our service portfolio broken down into four modules—development, construction, services as well as concessions and operation—we continue to enjoy overall success. Losses in our Europe division can be compensated for by the sound performance of all other areas. For HOCHTIEF Europe, we continue to forecast pretax profit to the tune of up to negative EUR 120 million for the year as a whole. While in the first six months of the year substantial losses accrued in the German building construction business of this division, we anticipate a positive contribution to earnings in the second half of the year.

To make this happen, we are working very systematically in Germany's general building segment to eliminate the problems which occurred at HOCHTIEF Construction. The countermeasures we have implemented, essentially affecting tender preparation, are showing first signs of success. We have further reduced our activities in the traditional general contracting business on the German construction market. In contrast, we aim to forge ahead with high-margin segments such as real estate development.

The **concessions and operation** module clearly reflects our company's excellent position. We succeeded in boosting the value of our concessions portfolio once again: As of June 30, 2007, projects totaled a net present value of EUR 1.5 billion, equivalent to a gain of EUR 436.4 million compared with December 31, 2006. In the second quarter, we scored a major success with the contract to acquire a majority stake in Budapest Airport* where HOCHTIEF AirPort already took over operational management in June.

HOCHTIEF PPP Solutions can also report an upward curve, both in Germany and internationally: In July, we were awarded the contract to refurbish, build and operate four schools in

Frankfurt and, together with partners, signed the concession agreements for two toll highways in Greece. Together, the Elefsina-Patras-Tsakona and Maliakos-Kleidi road links are worth over EUR 3 billion. HOCHTIEF Construction will be extensively involved in the construction work on these projects.

In our mining concessions business in the Asia-Pacific region, we have once again acquired several large-scale contracts which serve to secure our already high capacity utilization levels. In July alone, we won new orders to the tune of around EUR 410 million. Our subsidiary Leighton currently mines more than 100 million tonnes of coal and over 100 million tonnes of iron ore a year, which makes us the world's largest contract miner.

In our **development** module, our activities continue to reap success. A recent study by the market research institute Bulwien-Gesa indicates that HOCHTIEF is the "most active project developer" on the German market: On June 30, 2007, projects worth a total of around EUR 1.88 billion were under development. Of these, projects worth EUR 816 million were already under construction. We continually tap new growth potential through innovations such as Quartier 21. With this pioneering project in Hamburg, we are giving shape to a concept for cross-generational living.

In our **services** module, we have strengthened our position: On July 1, HOCHTIEF took over the property management activities from Allianz Immobilien GmbH, thus complementing our portfolio with professional property management services. HOCHTIEF Property Management GmbH will be one of the leading providers in this field in Germany. We now offer end-to-end coverage of today's property management spectrum.

We aim to harness the strong potential in the dynamic health-care facilities market. In the second quarter, we succeeded in expanding HOCHTIEF Facility Management's involvement in the healthcare field: The company has taken over technical facility management for all hospitals run by SRH Kliniken GmbH.

In our **construction** module, the strong regional diversification trend continues unabated at HOCHTIEF: In the Asia Pacific division, our earnings trend is once again outstanding. In the US market, our subsidiary Turner is putting in an impressive performance with a large number of profitable new contracts. In Eastern Europe, too, we are well poised with our Europe division, garnering several large-scale projects in the second quarter.

***Further information
about Budapest Air-
port can be found
under In the Spot-
light on page 14.**

Helping to shape new trends is an important goal in our operational business. That includes, for instance, promoting sustainable construction in Germany. This is why HOCHTIEF Aktiengesellschaft is a founding member of the German Sustainable Building Council (GeSBC) which came into being in June. The initiative has set itself the task of developing certification standards for sustainable real estate projects. Through Turner, HOCHTIEF is already pioneering so-called “green building” in the USA: As a longstanding member of the US Green Building Council, Turner has built more than 175 such projects over the last ten years.

Sustainability is also a key internal topic, for instance, when it comes to our human resources policy. We are proud of the fact that this year for the first time HOCHTIEF was awarded the Hertie Foundation’s “berufundfamilie” work and family certificate for its family-friendly human resources policy.

First-half 2007 **new orders** came to EUR 9.14 billion, up 15.6 percent on the prior-year period. The increase was primarily due to the healthy trend in the stable Asia-Pacific region markets and to strong order taking at HOCHTIEF Development and HOCHTIEF Europe, with major contracts in Germany.

At EUR 8.9 billion, **work done** for the first half year exceeded the first six months of 2006 by 13.6 percent. Most of the growth is attributable to major contracts in the infrastructure and contract mining segments at HOCHTIEF Asia Pacific and to a positive trend in business at HOCHTIEF Americas.

The Group **order backlog** swelled by 19.1 percent to set a new record at EUR 25.63 billion. Adjusted for exchange rate effects (a EUR 0.43 billion gain), the increase was 17.0 percent.

HOCHTIEF sustained its strong sales trend from the first quarter. High growth rates, especially in the Group’s international business, raised **external sales** by 11.2 percent, from EUR 7.13 billion in the first half of 2006 to EUR 7.93 billion in the same period of 2007.

Although earnings growth was held back by losses in the Europe division, the HOCHTIEF Group nonetheless has strong earnings to report. **Operating earnings** for the first half of 2007 amounted to EUR 165.5 million, up EUR 18 million on the EUR 147.5 million recorded in the prior-year period. **Profit before taxes**, at EUR 181.8 million, likewise exceeded the figure for the first half of 2006 by a substantial EUR 36 million. Due to an increase in the minority interest, however, **consolidated net profit** was down from EUR 31.5 million in the first six months of 2006 to EUR 13.8 million in the period under review.

Capital expenditure climbed 33.8 percent to EUR 630.5 million (first half of 2006: EUR 471.1 million). Within this total, capital expenditure on property, plant and equipment and intangible assets was down, from EUR 366.2 million in the prior-year period to EUR 335.9 million in January to June 2007. The main factor at work here was the takeover of the Henry Walker Eltin Group in 2006. Capital expenditure on financial assets showed a contrasting trend, rising EUR 189.7 million from EUR 104.9 million in the first half of 2006 to EUR 294.6 million in the period under review. Major factors in this increase were a purchase of additional shares in Sydney Airport, the acquisition of shares in Budapest Airport, and Leighton’s acquisition of CE Marshall and of an ownership share in Devine Limited.

Group outlook

Despite the losses in the HOCHTIEF Europe division, we are confirming our earnings forecast for the current fiscal year. These losses will be compensated for by earnings from other divisions, in some cases well above expectations. HOCHTIEF Airport in particular will substantially improve on its previous year’s earnings. Aside from the strong performance of the division’s airport holdings, reasons for this improvement include the special dividend from the refinancing of Sydney Airport, and an anticipated positive impact on Hamburg Airport earnings in the wake of tax reforms.

Assuming that there will be no crisis-scale weakening of the economy during 2007, the international financial markets will not be restrained by turbulence and the situation in areas of political tension will not worsen, our forecast is as follows:

New orders, order backlog and **group sales** above the 2006 figures. We also expect that both **profit before taxes** and **consolidated net profit** will be above prior-year levels. Consolidated net profit is set to pass the EUR 100 million mark, meaning that 2007 will already see us exceeding the medium-term target we communicated during 2006.

Our company is very well positioned for the future. We aim to deliver incremental further improvement in every part of our business every day—because we believe in creating and increasing value, for clients, for shareholders and our workforce.

Sincerely yours
Herbert Lütkestratkötter

Dr.-Ing. Herbert Lütkestratkötter

Interim Management Report

Financial Review

Earnings

Strong sales performance in all divisions, and especially in international markets, generated a further rise in **sales**.

Group sales were up 11.2 percent, from EUR 7.13 billion in the first half of 2006 to EUR 7.93 billion in the same period of 2007. Particularly strong growth came from the Asia Pacific division, where sales were nearly EUR 370 million higher than in the prior-year period, reaching EUR 3.12 billion. Leighton benefited to an exceptional degree from strong demand for resources and public infrastructure contracting in the booming Asia-Pacific region. Sales in the American market likewise rose substantially, by 9.1 percent from EUR 3.04 billion in the previous year to EUR 3.31 billion in the period under review. This gain would have been even stronger without the adverse US dollar-euro exchange rate. The Development and Europe divisions also reported increased sales. While HOCHTIEF Development moved ahead notably with PPP contracts, HOCHTIEF Europe benefited from the growing Eastern European markets.

Profit from operating activities, at EUR 95.2 million, did not match the EUR 118.2 million reported for the prior-year period. The decrease is due to the large loss generated by the Europe division. Much of the negative impact from the German building business was satisfactorily compensated for by excellent performance in the remaining divisions. The Asia Pacific division continued to deliver outstanding earnings performance, raising its profit from operating activities by 50.2 percent to EUR 202.7 million. The Americas and Airport divisions likewise contributed substantially increased earnings.

In line with the successful performance of our Airport division, **net income from participating interests** climbed strongly in the period under review. The total figure more than doubled from EUR 26.5 million in the prior-year period to EUR 63.9 million in the first half of 2007. All airport holdings contributed to this success with higher earnings. One notable development involved Sydney Airport, which was able to pay shareholders a special dividend following its successful refinancing.

Net investment and interest income likewise improved significantly. After investment and interest income and expenses came close to netting out at EUR 1.1 million in the prior-year period, the first half of 2007 produced a strong positive balance of EUR 22.7 million. Improved, very positive

net interest income was accompanied by higher income from securities.

Profit before taxes grew strongly despite the losses in the Europe division. The 24.7 percent gain to EUR 181.8 million (up from EUR 145.8 million in the prior-year period) is compelling testimony to the enduring earning power of the HOCHTIEF Group as a whole.

Income taxes came to EUR 76.4 million, up EUR 13.4 million on the EUR 63 million recorded in the first half of 2006. The increase is due to improved earnings from our subsidiaries Leighton and Turner, leading to higher current income tax expense. In contrast, deferred tax expense was down. As a result, the effective tax rate remained almost unchanged, at 42 percent compared with 43.2 percent in the prior-year period.

Profit after taxes increased by 27.2 percent to EUR 105.4 million, up from EUR 82.8 million in January to June 2006. This good overall result reflected strong earnings performance in all divisions with the exception of HOCHTIEF Europe.

Consolidated net profit came to EUR 13.8 million, down from EUR 31.5 million in the prior-year period. The minority interest, in contrast, increased by a very substantial 78.5 percent to EUR 91.6 million. This was mostly due to sharp growth in earnings at the Asia Pacific and Airport divisions. The minority stakes in Leighton and our airport holdings mean that a large share of earnings from these businesses are apportioned to outside shareholders.

Cash flow

The HOCHTIEF Group generated a strong positive net cash inflow from **operating activities** of EUR 113.5 million in the first half of 2007. This nonetheless fell short of the prior-year period figure of EUR 185.5 million. The decrease was primarily a result of the loss situation in the Europe division. The attendant outflow of funds was partly offset, however, by higher cash inflows from the Asia Pacific and Development divisions.

Capital expenditure was stepped up by a substantial 33.8 percent compared with the prior-year period, from EUR 471.1 million to EUR 630.5 million. Within this total, capital expenditure on property, plant and equipment and on intangible assets was slightly down on the comparable prior-year

Figures in table form are provided in the Interim Financial Statements starting on page 15.

figure, from EUR 366.2 million to EUR 335.9 million. Almost all of this (EUR 314.4 million) was accounted for by Leighton. Conversely, capital expenditure on financial assets was well up on the same period of 2006, from EUR 104.9 million to EUR 294.6 million. Following the acquisition of mining services provider CE Marshall in the first quarter, Leighton invested EUR 57 million on shares in Devine Limited, an Australian real estate development company. HOCHTIEF Airport also increased its capital expenditure on financial assets, to EUR 123.5 million. Factors here included the purchase of additional shares in Sydney Airport (EUR 73 million) and, together with a consortium, the acquisition of a stake in Budapest Airport (EUR 49.7 million). HOCHTIEF Airport also granted the consortium a loan of 130.3 million—like the remaining consortium members, in proportion with its equity stake. Including a positive cash flow from securities disposals, securities and financial receivables generated a net cash inflow of EUR 29.2 million at Group level. Adding to this EUR 151.5 million in proceeds from asset disposals and subtracting total capital expenditure gives a net cash outflow from **investing activities** of EUR 449.8 million in the period under review, compared with EUR 167.7 million in the prior-year period.

Financing activities generated a net cash inflow of EUR 133.1 million, up from EUR 62.7 million in the prior-year period. Proceeds from sales of own shares amounting to EUR 116.2 million were almost matched by dividend payments—mostly to HOCHTIEF and other Leighton shareholders—of EUR 112.8 million. New borrowing of EUR 245.4 million was required to finance growth in our operating business. In the opposite direction, EUR 115.6 million in cash went on debt repayment.

Taking into account the above factors and exchange rate changes, the HOCHTIEF Group's cash and cash equivalents decreased overall by EUR 198.3 million to EUR 1.2 billion.

Free cash flow for the period January to June 2007 was a negative amount of EUR 336.3 million (compared with a positive EUR 17.8 million in the prior-year period). The free cash flow figure comprises net cash provided by operating activities (EUR 113.5 million) minus net cash used in investing activities (EUR 449.8 million).

Balance sheet

Total assets increased by 5.5 percent compared with December 31, 2006, from EUR 8.36 billion to EUR 8.81 billion. The increase was driven by business expansion in the Asia Pacific division and capital expenditure in the Airport division.

Non-current assets came to EUR 3 billion, an increase of EUR 586.1 million or 24.3 percent on the end of 2006. Major capital expenditure at Leighton added a substantial EUR 177 million to property, plant and equipment, taking the total up to EUR 928.8 million. Financial assets rose by EUR 202.9 million from EUR 950.8 million to EUR 1.15 billion. This mostly reflected the purchase of additional shares in Sydney Airport (EUR 73 million) and of a 40 percent stake in Australian real estate developer Devine Limited (EUR 57 million). The acquisition of shares in Budapest Airport and the loan granted in this connection (see above) accounted for a total of EUR 180 million. The granting of this loan was the main reason for the EUR 135.4 million increase in non-current receivables to EUR 169.7 million. The EUR 67.9 million rise in other receivables and other assets to EUR 116.7 million primarily results from growth in pension fund balances carried on the assets side of the balance sheet.

Compared with December 31, 2006, **current assets** decreased by EUR 129.6 million or 2.2 percent to EUR 5.81 billion. The Group's substantial securities holdings decreased from EUR 931 million to EUR 769.7 million due to disposals effected in the course of active management of our portfolio. Cash and cash equivalents, at EUR 1.2 billion, were down EUR 198.3 million from the end of the prior year. This outflow of funds was used to finance part of the major capital expenditure during the period. In the opposite direction, trade receivables rose by EUR 198.9 million to EUR 3.53 billion. This reflects the expansion in the Asia Pacific division's business.

Shareholders' equity rose by EUR 176 million or 7.5 percent to EUR 2.52 billion. Profit after taxes accounted for an increase of EUR 105.4 million and other changes not recognized in the Statement of Earnings for EUR 108.7 million. The latter item was mostly due to sales of own shares. Amounts recognized in equity for currency translation differences, for changes in the fair value of financial instruments and for changes in actuarial gains and losses added up to an increase of EUR 74.7 million. Conversely, dividend payments to HOCHTIEF and minority shareholders decreased shareholders' equity by EUR 112.8 million.

Our equity ratio (shareholders' equity as a percentage of total assets) came to 28.6 percent at the June 30, 2007 reporting date—a very sound figure as before and a further improvement on the year-end 2006 ratio of 28.1 percent.

Non-current liabilities showed a slight increase on the end of the prior fiscal year, gaining EUR 36.7 million from EUR 1.08 billion to EUR 1.12 billion. The financial liabilities (EUR 806 million) in this figure include amounts owed to banks and notes issued in past years by Leighton. Provisions for pensions, at EUR 33.1 million, remained at the previous year's level. This relatively low total is due to contractual trust arrangements (CTAs) entered into in the last few years.

Current liabilities totaled EUR 5.17 billion and were up EUR 243.8 million or 4.9 percent on the year-end 2006 figure of EUR 4.93 billion. The largest share of the increase was accounted for by financial liabilities, which were up EUR 113.6 million to EUR 385.5 million. These mostly consist of amounts owed to banks. The moderate rise in other provisions, trade payables and other liabilities results from expansion in our business on the Asia-Pacific market.

Risks and opportunities report

In the previous quarter, we reported on risks posed by major price increases in raw materials as well as goods and services inputs in the German building sector for contracts awarded in 2006 or before and calculated on the basis of earlier prices. This risk has been taken into account in our valuation of contracts in hand as of June 30, 2007. We assume for the second half of 2007 that it will be possible to offset the reported residual risk. This reflects progress on more recently secured contracts that are much improved in terms of pricing. Accordingly, we continue to anticipate that the HOCHTIEF Europe division will generate a loss of up to EUR 120 million in fiscal 2007.

In all other respects, the description of the opportunities and risks of likely future developments given in the combined company and Group management report as of December 31, 2006 continues to apply.

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

There is at present no indication of any significant change in the earnings forecasts regarding the likely future development of the HOCHTIEF Group published in the combined company and Group management report as of December 31, 2006 and in the quarterly report for January to March 2007. Those earnings forecasts therefore continue to apply.

Post balance-sheet events

On July 6, 2007, the German Bundesrat gave its approval to Germany's corporate tax reform. The reform enters into force on January 1, 2008 and provides for a reduction in the tax burden on corporations in Germany. We expect that it will have a positive impact on our 2007 annual results.

News from the Boards

Marcelino Fernández Verdes and **Angel García Altozano** have been appointed as members of the Supervisory Board of HOCHTIEF Aktiengesellschaft following the departure from the Supervisory Board of Sergio Marchionne and Gerd Peskes.

Divisions

HOCHTIEF Airport Division

(EUR million)	H1 2007	H1 2006	Percent- age change	Q2 2007	Q2 2006	Full year 2006
New orders	22.9	0.6	–	22.9	0.6	3.8
Work done	22.9	0.6	–	22.9	0.6	3.8
Order backlog	0.0	0.0	–	0.0	0.0	0.0
External sales	22.9	0.6	–	22.9	0.6	3.8
Operating earnings (EBITA)	69.0	18.3	277.0	49.7	10.1	52.1
Profit before taxes	58.8	9.0	553.3	44.0	5.6	35.1
Capital expenditure	123.8	1.5	–	50.2	0.8	33.2
Net assets	977.6	648.6	50.7	977.6	648.6	680.1
Employees	68 (End H1 2007)	54 (End H1 2006)	25.9	68 (End Q2 2007)	54 (End Q2 2006)	54 (2006 average)

HOCHTIEF AirPort added a further highly attractive asset to its business portfolio in the second quarter of 2007: Together with three consortium partners, the company now holds a nearly 75 percent stake in Budapest Airport*. The acquisition has already begun to have a positive impact on earnings in 2007.

*Further information about Budapest Airport can be found under In the Spotlight on page 14.

The growth in **external sales** compared with the prior-year period is connected with the Budapest Airport purchase. Earnings from all airport holdings increased, generating **profit before taxes** of EUR 58.8 million, a substantial increase on the comparable prior-year figure of EUR 9 million. The earnings contribution from Sydney Airport includes a pro rata special dividend already paid out in the first half-year following the airport's refinancing. This item comes under operating income but will not be recurring annually.

All six HOCHTIEF airport holdings performed well and increased air traffic compared with the same period of 2006. Average growth in passenger numbers was 6.6 percent. Athens and Tirana airports in particular significantly outperformed the positive industry trend, respectively handling 10.1 percent and 22 percent more passengers. Athens showed especially strong growth in international flights and in the low-cost segment. The addition of new routes accounted for most of the strong business growth at Tirana. Among others, Lufthansa added Tirana to its flight schedule. In June, Tirana gained its first intercontinental air link to the USA when ATA Airlines began a direct service to New York's John F. Kennedy Airport.

In May, the Higher Administrative Court in Münster confirmed in full the current operating license for Düsseldorf International Airport. The permission to continue operating more flights in the six busiest months of the year is a key prerequisite for the airport's ongoing growth.

HOCHTIEF AirPort's objectives in airport management include promoting non-aviation business. Work currently underway at Sydney will result in a boost in parking revenues. A new multi-level parking facility being built in front of Terminal T1 will more than double the available parking spaces.

Another important aspect of the non-aviation business is real estate development. Not far from the Düsseldorf terminal, for example, construction is currently in progress on the Airport City office complex. Two-thirds of the space is already spoken for. The anchor project, a four-star hotel belonging to the Maritim chain, had its topping-out ceremony in March and will open its doors at the end of 2007.

At Athens International Airport, HOCHTIEF AirPort is planning a trade show and congress center with a gross floor area of 50,000 square meters. The contract was signed in mid-June. The center is due to open in 2009.

At Budapest Airport, we are beginning to carry out the capital expenditure plans committed to in the privatization agreement. In an initial phase, the company is working on improvements to operational procedures, particularly in check-in and security. Parking facilities are also being expanded.

HOCHTIEF Airport outlook

This year will see the HOCHTIEF Airport division substantially exceed its prior-year pretax profit. Alongside the positive business trend at all airport holdings, the main factors contributing to this outcome include the special dividend from the refinancing of Sydney Airport, and the anticipated once-only boost to earnings at Hamburg Airport as a result of the tax reform.

HOCHTIEF Development Division

The Development division sustained its positive business trend through the first half of 2007 and further expanded its international activities.

New orders exceeded the comparable prior-year figure by 42.3 percent. Several factors produced this excellent outcome: HOCHTIEF Projektentwicklung secured a number of new contracts at home and abroad, and both HOCHTIEF Facility Management and the newly launched HOCHTIEF Property Management were awarded important new contracts, including one for property management on behalf of Allianz Immobilien GmbH. Divisional **work done** increased compared with the prior-year period across all operational units.

In line with work done, **external sales** were up 24.8 percent on the same period in 2006. One factor at play here is that HOCHTIEF PPP Solutions was able to increase sales on a number of projects under construction. HOCHTIEF Projektentwicklung currently has 19 development projects in the construction phase, worth a total of EUR 816 million. This represents a major increase compared with the prior-year period and is reflected in the sales figures.

The Development division raised **operating earnings** and **profit before taxes** compared with the prior-year figures. HOCHTIEF PPP Solutions boosted earnings thanks to projects in the implementation phase—despite the continued high cost of securing major new contracts and the previous year's results having included a success fee for winning a contract in Scotland. The contribution to earnings made by HOCHTIEF Projektentwicklung and in asset management increased due to the marked rise in the number of projects under construction and the sale of real estate developments in Berlin, Hamburg and Munich. Earnings were down overall, however, because the figures for the prior-year period were boosted by a major portfolio sale.

Earnings at HOCHTIEF PPP Solutions continue to be squeezed by costs of pursuing new business. We aim to break even on a pretax basis by year-end with the aid of new concessions projects, including two toll roads in Greece. We anticipate a continuation of the positive trend at HOCHTIEF Projektentwicklung as well as in our asset management activities and expect to see the two segments deliver pretax earnings in excess of EUR 30 million. Pretax return on sales at HOCHTIEF Facility Management likewise grew in

(EUR million)	H1 2007	H1 2006	Percent- age change	Q2 2007	Q2 2006	Full year 2006
New orders	744.9	523.3	42.3	344.2	208.8	1,265.8
Work done	532.7	431.6	23.4	273.8	225.9	1,076.2
Order backlog	2,214.3	2,009.4	10.2	2,214.3	2,009.4	2,017.0
External sales	526.7	421.9	24.8	273.1	217.4	1,016.7
Operating earnings (EBITA)	7.0	6.9	1.4	5.2	1.7	38.8
Profit before taxes	11.6	10.1	14.9	7.9	4.0	45.4
Capital expenditure	8.0	10.4	-23.1	6.6	1.9	19.4
Net assets	597.9	776.2	-23.0	597.9	776.2	653.8
Employees	4,824 (End H1 2007)	4,934 (End H1 2006)	-2.2	4,824 (End Q2 2007)	4,934 (End Q2 2006)	4,887 (2006 average)

the period under review and is approaching the four percent target set for 2008.

Net assets have been substantially reduced. This healthy development is a result of our successfully marketing a large number of real estate developments and scaling back investment properties over the last twelve months.

HOCHTIEF PPP Solutions

(EUR million)	H1 2007	H1 2006	Percent- age change	Q2 2007	Q2 2006	Full year 2006
External sales	85.1	49.4	72.3	47.4	30.9	138.6
Profit before taxes	(7.3)	(7.5)	2.7	(4.9)	(5.7)	(6.2)

In Germany, HOCHTIEF PPP Solutions is one of two remaining bidders for the A4 Hørselberge bypass, an A-model highway project in Thuringia. The contract award announcement is expected in August. Together with its consortium partners, HOCHTIEF PPP Solutions is one of the three remaining bidders for the Hungarian M6/M60 toll road contract—a design-finance-build-operate contract for an 80 kilometer road concession. The preferred bidder is to be named before year-end.

In Austria, work began during the reporting period on the first segment of the Vienna northeastern bypass. Together with its partners, HOCHTIEF PPP Solutions will complete Austria's first PPP infrastructure contract by 2010.

In July, HOCHTIEF PPP Solutions signed concessions for two toll expressways in Greece. The company is to design, finance, build and operate for thirty years the Elefsina-Patras-

Tsakona road link worth EUR 2.1 billion and the Maliakos-Kleidi road link worth nearly EUR 1 billion. HOCHTIEF Construction is substantially involved in the construction work on all three infrastructure projects.

HOCHTIEF Projektentwicklung and asset management

(EUR million)	H1 2007	H1 2006	Percentage change	Q2 2007	Q2 2006	Full year 2006
External sales	192.8	143.8	34.1	96.2	68.2	378.4
Profit before taxes	10.4	15.2	-31.6	7.7	8.9	38.0

HOCHTIEF Projektentwicklung further stepped up its activities in the Central and Eastern European market in the second quarter of 2007. The company added a fifth, Romanian office to its international branch network. We have a clear aim in Central and Eastern Europe of securing ourselves a position as a leading project developer. In Germany, HOCHTIEF Projektentwicklung is already considered market leader in the development of high-quality hotel and office properties.

Development successes in the second quarter included the sale of Warsaw's Lipowy Office Park with a gross floor area of 47,000 square meters to a wholly-owned subsidiary of Europolis Real Estate Asset Management GmbH. Construction began during the second quarter of 2007.

Prague saw construction commence on the Trianon office development. With a gross floor area of some 23,000 square meters, the property has already been sold to Union Investment Real Estate AG.

On the Strandkai in Hamburg's HafenCity harbor development, HOCHTIEF Projektentwicklung is building the new German headquarters of Unilever with a gross floor area of approximately 25,000 square meters. The 17-floor Marco Polo Tower on an adjoining site is being built concurrently. This prestige residential property will have a gross floor area of some 11,000 square meters. Also in Hamburg, the second quarter of 2007 saw the laying of the foundation stone for The George, a four-star-plus designer hotel.

Topping-out ceremonies were held for the X-House development in Heidelberg and the WilhelmGalerie center in Ludwigsburg. The 12,000 square meter X-House is rented out in its entirety to Heidelberger Druckmaschinen AG and has been sold to Fondhaus Hamburg. Almost all units are

rented out in the 27,000 square meter WilhelmGalerie shopping center. The buyer is Hannover Leasing GmbH & Co. KG.

HOCHTIEF Facility Management

(EUR million)	H1 2007	H1 2006	Percentage change	Q2 2007	Q2 2006	Full year 2006
External sales	248.8	228.7	8.8	129.5	118.3	499.7
Profit before taxes	7.8	3.6	116.7	4.6	1.4	15.7

MI in its healthcare real estate segment, HOCHTIEF Facility Management successfully taps growing hospital demand for modern facility management solutions. In the second quarter of 2007, SRH Kliniken—one of Germany's largest private hospital chains—opted for HOCHTIEF as a service provider. In the seven SRH Kliniken hospitals, HOCHTIEF Facility Management is responsible for the clean room systems in intensive care units and operating facilities as well as for the anesthetic gas supply systems. Our remit also covers refrigeration, air conditioning and fire safety systems. Overall, HOCHTIEF Facility Management looks after 20 healthcare facilities across Germany.

HOCHTIEF Facility Management is responsible for the central building systems in a state-of-the-art shopping mall that forms part of the CityPalais complex in Duisburg. Alongside technical, commercial and infrastructure-related facility management, we are also in charge of running events at the Mercatorhalle entertainment hall in the complex.

HOCHTIEF delivers a full package of technical facility management services for Germany's Federal Highway Research Institute. The contracted services on the 20 hectare site cover a number of office buildings plus ten additional buildings housing laboratory and research facilities. We have also secured the contract for technical and infrastructure-related facility management at Hamburg's Atlantic-Haus, which was built by HOCHTIEF Construction.

HOCHTIEF Development outlook

The division expects that profit before taxes for fiscal 2007 will improve over the previous year. Work done and new orders will continue to post positive results in fiscal 2007.

HOCHTIEF Construction Services Americas Division

The HOCHTIEF Construction Services Americas division saw earnings rise considerably, with our subsidiaries in the USA and also Brazil demonstrating their customary operating strength. Order levels remained high, providing the framework for these satisfactory results.

New orders rose by EUR 71.8 million, which was a moderate increase from the previous year. Adjusted for exchange rate effects, the gain was more pronounced at EUR 351.6 million. **Work done** grew by EUR 280.1 million (exchange rate adjusted, EUR 539.1 million). The growth in work done was particularly pronounced at HOCHTIEF do Brasil, up 150 percent over the prior-year period to EUR 123 million. The division's **order backlog** amounted to EUR 8.54 billion when adjusted for exchange rate effects.

Operating earnings improved by EUR 20.6 million over the previous year. This reflects a further boost in performance in the operational business. Another positive effect was that we succeeded in transferring a guarantee for a project of our former associate Aecon to that company, which meant that the risk provisioning put in place was no longer needed. **Profit before taxes** nearly doubled (plus EUR 24.2 million), also due to an increase in net investment and interest income to EUR 1.5 million for reasons of the improved liquidity position.

The number of **employees** in the division rose sharply. The main reason for this is the need for workers at our major construction sites in Brazil. In line with the increase in work done at HOCHTIEF do Brasil, the number of construction workers rose further. The facility management company newly formed in Brazil in technical collaboration with HOCHTIEF Facility Management also contributed to this increase.

In the second quarter, we added the innovative, high-performance Ducon concrete to our range of products and services in the USA. This product combines the elasticity of steel with the compressive strength of concrete and enables users to manufacture lighter components and prefabricated elements of a previously unknown quality.

(EUR million)	H1 2007	H1 2006 (restated)*	Percent- age change	Q2 2007	Q2 2006 (restated)*	Full year 2006
New orders	3,704.9	3,633.1	2.0	1,633.7	1,694.2	8,376.4
Work done	3,421.6	3,141.5	8.9	1,903.0	1,621.6	6,843.8
Order backlog	8,065.7	7,354.8	9.7	8,065.7	7,354.8	8,110.9
External sales	3,311.4	3,036.4	9.1	1,849.9	1,550.6	6,625.4
Operating earnings (EBITA)	47.9	27.3	75.5	35.9	12.8	60.5
Profit before taxes	49.4	25.2	96.0	36.4	12.4	58.8
Capital expenditure	8.9	9.5	-6.3	4.5	5.1	19.9
Net assets	265.6	253.3	4.9	265.6	253.3	239.3
Employees	9,580 (End H1 2007)	6,941 (End H1 2006)	38.0	9,580 (End Q2 2007)	6,941 (End Q2 2006)	7,332 (2006 average)

Turner's newly acquired projects in the second quarter include a US Department of the Army contract for the construction of six buildings for a new administrative complex in Ft. Knox, Kentucky. The contract is worth EUR 134 million. For Microsoft, Turner is building a data center in San Antonio, Texas as well as the second section of another center in Quincy, Washington.

As the market leader in educational institutions, our US subsidiary has again won numerous contracts from schools and universities. For example, Turner will build five student dormitories for venerable Princeton University in New Jersey under a contract worth EUR 45 million.

HOCHTIEF do Brasil is continually amplifying its presence in the industrial construction market. After a two-year planning and bid phase, our Brazilian subsidiary along with Germany-based HOCHTIEF Consult won a contract from the ThyssenKrupp Group, which is building its first steel plant outside of Germany in Brazil. HOCHTIEF do Brasil is responsible for the concrete foundation and superstructure of the blast furnace segment and will also provide construction services for other segments of this very large-scale project.

HOCHTIEF Americas outlook

The division expects its positive performance to continue through 2007. As a result of the gain in operating results and the return of guarantees to Aecon, profit before taxes will be significantly above the previous year's figure.

* Explanations are provided on page 15.

HOCHTIEF Construction Services Asia Pacific Division

(EUR million)	H1 2007	H1 2006	Percent- age change	Q2 2007	Q2 2006	Full year 2006
New orders	3,216.4	2,593.2	24.0	2,589.9	2,094.8	8,362.3
Work done	3,717.8	3,093.6	20.2	1,934.8	1,651.4	6,229.1
Order backlog	12,132.0	9,195.0	31.9	12,132.0	9,195.0	12,040.0
External sales	3,118.9	2,750.6	13.4	1,621.7	1,428.4	5,733.6
Operating earnings (EBITA)	218.0	136.8	59.4	144.8	101.3	277.4
Profit before taxes	208.1	122.0	70.6	140.6	88.7	262.2
Capital expenditure	479.1	431.0	11.2	333.1	227.1	936.4
Net assets	1,234.5	938.7	31.5	1,234.5	938.7	1,075.7
Employees	27,839 <small>(End H1 2007)</small>	25,411 <small>(End H1 2006)</small>	9.6	27,839 <small>(End Q2 2007)</small>	25,411 <small>(End Q2 2006)</small>	25,499 <small>(2006 average)</small>

The HOCHTIEF Construction Services Asia Pacific division performed very well again in the first half of 2007.

New orders were very strong at EUR 3.22 billion, some 24 percent higher than the previous comparable period.

Work done climbed 20.2 percent to EUR 3.72 billion. Our **order backlog** gained 31.9 percent to attain a record high of EUR 12.13 billion. **External sales** increased by an impressive 13.4 percent to EUR 3.12 billion.

Operating earnings and **profit before taxes** both achieved new record highs, with gains of 59.4 percent and 70.6 percent respectively over the prior-year period. These results reflect strong contributions from a number of large civil engineering projects in Australia and contract mining projects.

Capital expenditure remained high due to the purchase of new mining equipment and the acquisition of mining services provider CE Marshall. During the period under review, Leighton also invested EUR 57 million to obtain a strategic 40 percent investment in listed property developer, Devine Limited, headquartered in Australia.

The Leighton Group again secured a number of large contracts in the second quarter. Leighton International (formerly Leighton Asia (Southern)) was awarded two new contract mining projects in Indonesia worth a total of almost EUR 509 million. The larger of the two is a six-year, EUR 473 million contract at the Wahana coal mine in South Kalimantan.

In Australia, Leighton Contractors has been awarded a new life of mine contract, expected to be worth EUR 335 million over the next five years, at Custom Mining's Middlemount coal project in Central Queensland. HWE Mining was also awarded a two-year contract extension worth EUR 250 million at the Yandi mine in Western Australia. HWE Mining has provided contract mining services there for BHP Billiton Iron Ore since 1991.

A consortium including John Holland was chosen to design, build, operate and maintain the EUR 600 million Sydney Desalination Plant. Leighton's interest in the project is valued at approximately EUR 380 million and construction is expected to take 26 months. Thiess was awarded the design and construction of a EUR 73 million data center in Queensland while Leighton Asia (formerly Leighton Asia (Northern)) was awarded a further extension to Wynn Casino in Macau for a 38-story hotel valued at EUR 295 million in the second quarter.

John Holland acquired the former Ansett Aviation Engineering Services business in the second quarter to become Australia's premier independent maintenance and repair and overhaul service provider, offering total aviation maintenance support across the Asia-Pacific region.

In India, Leighton International formed a joint venture with leading developer Emaar/MGF, worth approximately EUR 1.8 billion (Leighton's share: 50 percent) over the next five years. The joint venture will provide design and construction services for Emaar/MGF's projects and will immediately become one of India's leading construction service providers. Emaar/MGF currently has numerous projects planned across India.

HOCHTIEF Asia Pacific outlook

The outlook remains very strong for all of the Asia Pacific division's major markets, which are continuing to provide a good level of opportunities in construction, mining and services. Our subsidiary Leighton's order backlog ensures good capacity utilization, and profit before taxes is expected to be excellent in fiscal year 2007.

HOCHTIEF Construction Services Europe Division

The positive orders trend in the HOCHTIEF Construction Services Europe division continued through the second quarter.

New orders for the first two quarters of 2007 were up 28.1 percent on the comparable prior-year figure. The second quarter brought notable contracting successes in the infrastructure segment in Germany and at our units in the Czech Republic, Poland, Russia and the UK. **Work done** increased by EUR 53.6 million or 4.8 percent on the prior-year period. The strong **order backlog** ensures a good level of capacity utilization and is theoretically enough to keep us busy for well over a year.

The 4.8 percent rise in **external sales** compared with the first half of 2006 was mostly due to the strong business trend in Poland and the Czech Republic.

Operating earnings and **profit before taxes** reflect the earnings expectations already reported in the previous quarter on account of price increases in raw materials as well as goods and services inputs on the German building market. Projected end-of-contract losses have been anticipated by risk provisioning. This explains the substantial second quarter pretax loss of EUR 104.7 million. The immediate action taken in our contracting practices is showing positive results. For example, contracts are only taken on if there are binding subcontractor offers for key trades and materials. Escalator clauses additionally reduce the risk of price increases, of which more are expected. The division is currently subjecting its market segments to critical review. We aim to cut risk in the mainstream building business by using alternative contracting models. At the same time, we apply selectivity in order taking to focus on profitable market segments.

Net assets decreased by some EUR 75.2 million compared with the end of 2006 due to the division's negative business results.

HOCHTIEF Construction secured contracts in Eastern Europe worth over EUR 170 million during the second quarter of 2007. The largest single item in this total is the Prosek Point contract awarded to HOCHTIEF CZ in the Czech Republic. This Prague office complex comprising three buildings is worth over EUR 30 million. The contract is scheduled for completion in spring 2009. In Poland, HOCHTIEF is building the Olbrachta residential development with over 440 units for completion by the end of 2008. The contract is

(EUR million)	H1 2007	H1 2006	Percent- age change	Q2 2007	Q2 2006	Full year 2006
New orders	1,411.4	1,101.7	28.1	592.1	546.0	2,443.2
Work done	1,159.5	1,105.9	4.8	620.5	636.9	2,452.8
Order backlog	3,219.1	2,966.7	8.5	3,219.1	2,966.7	2,966.5
External sales	906.4	865.1	4.8	450.1	489.3	2,010.8
Operating earnings (EBITA)	(130.2)	2.7	-	(102.7)	4.9	(2.7)
Profit before taxes	(129.9)	8.6	-	(104.7)	7.1	2.1
Capital expenditure	9.5	11.7	-18.8	4.2	6.4	25.8
Net assets	371.4	446.6	-16.8	371.4	446.6	486.5
Employees	8,661 (End H1 2007)	8,542 (End H1 2006)	1.4	8,661 (End Q2 2007)	8,542 (End Q2 2006)	8,593 (2006 average)

worth nearly EUR 26 million. The largest contract secured in Russia during the second quarter is for the shell of the rail station building at Sheremetyevo Airport, worth close to EUR 20 million. HOCHTIEF has opened a new business office in Russia to reinforce its presence there.

The focus in Germany during the past quarter was on infrastructure contracting, a market in which HOCHTIEF Construction is excellently positioned. The largest contract is for construction of the U4 underground rail line in Hamburg, which by 2011 will link the new Hafencity to the downtown Jungfernstieg station. Under the contract, HOCHTIEF and two partners are to build two tunnel tubes. The underground rail line will have an overall length of four kilometers. The contract is worth a total of EUR 200 million, with HOCHTIEF's share amounting to approximately EUR 74 million. HOCHTIEF Construction is to build a further underground rail line in Nuremberg. The company's share of the city's U3 underground rail link is worth over EUR 23 million, and work is scheduled for completion by spring 2010.

HOCHTIEF Construction is contracted to build a coal power station unit at Duisburg. The work includes a tower and the entire flue gas desulfurization system. The contract worth over EUR 58 million is slated for completion by fall 2008.

HOCHTIEF Europe outlook

In view of progress on recently secured contracts much improved in terms of pricing, the division expects being able to reduce its pretax losses over the remainder of the 2007 fiscal year. This means it should be possible to meet the forecast published in the first quarter, with a loss of up to EUR 120 million for fiscal 2007 as a whole.

In the Spotlight

HOCHTIEF AirPort: Budapest Airport successfully added to business portfolio

For more information on airport management at HOCHTIEF, visit www.hochtief-airport.com

On June 6, 2007 a consortium led by HOCHTIEF AirPort GmbH purchased all the shares in Budapest Airport previously held by BAA Ltd.—and in doing so added a sixth major asset to our existing airport portfolio. With a stake of 49.67 percent, HOCHTIEF AirPort is the biggest shareholder in the consortium, which it leads as industrial partner. As well as HOCHTIEF, the consortium includes the world-leading infrastructure investors Caisse de dépôt et placement du Québec from Canada, GIC Special Investments from Singapore and Germany's KfW IPEX-Bank. Together, they own 75 percent minus one vote of Hungary's main airport.

The purchase price for the concession period of just under 74 years was EUR 1.9 billion. The first installment of EUR 1.5 billion was paid directly after the deal was closed and the remaining EUR 0.4 billion is due in 2011. The Hungarian Government has a put option to sell its remaining 25 percent interest at a predefined price over the next few years. The price is proportionally significantly less than that paid for the 75 percent minus one vote.

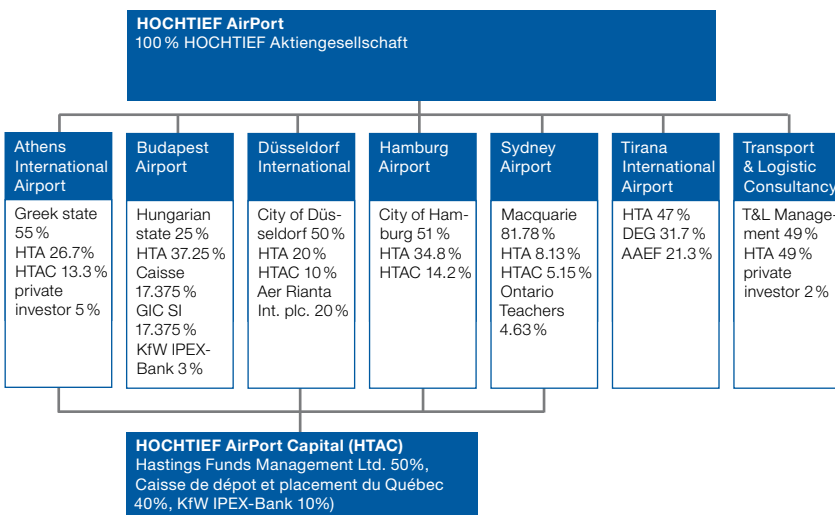
HOCHTIEF was already involved in the airport privatization process in 2005 and was now able to acquire the shareholding without taking part in an auction. At face value, the price paid by our consortium is slightly higher than the purchase price offered in 2005 but, in real terms, it is lower because the staggered payment will allow optimized financing, with lower equity exposure and improved leverage. Added to this are the airport's positive traffic numbers and strong operating performance over the past 18 months. The

future cash flows forecast in our initial bid have thus moved closer. In addition, BAA has already completed initial restructuring steps at the airport, including outsourcing ground handling, and we have optimized the airport's capital expenditure plan.

Airport business is part of our concessions and operation module, geared to sustained profitable growth. The new deal reflects our strategy of significantly expanding this business. Budapest Airport is the second-biggest airport in the new EU member states and Hungary's only major international airport. Its size, location, structure and outstanding growth potential make it an excellent fit with our portfolio, which comprises a balanced mix of attractive airports. The deal meets our strict investment criteria—including an internal rate of return of at least 14 percent. The airport will positively contribute to HOCHTIEF earnings from 2007.

More than EUR 261 million will be invested in expanding and modernizing the airport in the period up to 2011. The airport's infrastructure will be extended to handle future traffic growth. The capacities of both terminals will be increased and Terminal 2 will also be fitted with two additional piers with further passenger bridges for handling aircraft at the terminal. A second priority of HOCHTIEF AirPort will be to expand non-aviation business and develop previously untapped potential. This will include restructuring the parking business, driving forward real estate development on the airport site and expanding the range of retail as well as food and beverage outlets in the terminals.

Established in 1997, HOCHTIEF AirPort is one of the world's leading private and independent airport managers and investors. As an industrial shareholder and a dependable, long-term partner, we combine longstanding operating experience, strategic management competency and financing expertise. This enables us to optimize the value chain of airports in an integrated way and add demonstrable value by developing them into fast-growing transportation and commercial hubs.



Interim Financial Statements

Consolidated Statement of Earnings

(EUR thousand)	H1 2007	H1 2006 (restated)*	Percentage change	Q2 2007	Q2 2006 (restated)*	Full year 2006
Sales	7,933,733	7,134,744	11.2	4,239,101	3,716,604	15,508,024
Changes in inventories	1,981	2,464	-19.6	1,251	1,891	(19)
Other operating income	52,182	52,916	-1.4	30,545	23,148	229,147
Materials	(5,912,682)	(5,229,650)	13.1	(3,184,654)	(2,701,214)	(11,682,304)
Personnel costs	(1,345,640)	(1,259,061)	6.9	(685,159)	(647,884)	(2,583,858)
Depreciation and amortization	(141,935)	(160,503)	-11.6	(62,383)	(90,881)	(324,544)
Other operating expenses	(492,422)	(422,669)	16.5	(283,398)	(214,070)	(924,608)
Profit from operating activities	95,217	118,241	-19.5	55,303	87,594	221,838
Net income from equity-method investments	30,765	13,986	120.0	16,092	677	39,179
Net income from other participating interests	33,162	12,505	165.2	21,835	8,952	48,362
Investment and interest income	62,386	56,564	10.3	44,963	33,345	132,168
Investment and interest expenses	(39,732)	(55,484)	-28.4	(22,248)	(34,998)	(103,496)
Profit before taxes	181,798	145,812	24.7	115,945	95,570	338,051
Income taxes	(76,382)	(62,964)	21.3	(52,624)	(36,261)	(136,689)
Profit after taxes	105,416	82,848	27.2	63,321	59,309	201,362
Of which: Consolidated net profit	13,776	31,499	-56.3	4,209	22,894	89,097
Of which: Minority interest	91,640	51,349	78.5	59,112	36,415	112,265

* Restated due to application of the amended IAS 19 together with the option permitting actuarial gains and losses on the measurement of pension provisions to be recognized directly in equity. Detailed information on this change is provided on page 113 of the Annual Report 2006.

The change of accounting treatment reduces personnel costs in H1 2006, thus increasing profit from operating activities by EUR 253,000. Investment and interest expenses were down EUR 2,512,000, making for a total increase of EUR 2,765,000 in profit before taxes.

Deducting EUR 1,076,000 in deferred tax expense, profit after taxes and consolidated net profit are increased by EUR 1,689,000.

Consolidated Balance Sheet

(EUR thousand)	June 30, 2007	Dec 31, 2006	(EUR thousand)	June 30, 2007	Dec 31, 2006
Assets			Liabilities and Shareholders' Equity		
Non-current assets			Shareholders' equity		
Intangible assets	413,330	396,958	Attributable to the Group	1,911,593	1,807,675
Property, plant and equipment	928,830	751,794	Minority interest	610,123	538,028
Investment properties	45,706	46,471		2,521,716	2,345,703
Equity-method investments	813,821	699,403	Non-current liabilities		
Other financial assets	339,937	251,425	Provisions for pensions and similar obligations	33,125	33,017
Financial receivables	169,658	34,260	Other provisions	198,100	197,033
Other receivables and other assets	116,655	48,735	Financial liabilities	805,997	772,264
Deferred tax assets	171,030	183,852	Other liabilities	9,670	15,410
	2,998,967	2,412,898	Deferred tax liabilities	73,611	66,122
Current assets				1,120,503	1,083,846
Inventories	94,437	72,572	Current liabilities		
Financial receivables	58,462	58,292	Other provisions	816,152	788,711
Trade receivables	3,525,450	3,326,541	Financial liabilities	385,512	271,875
Other receivables and other assets	140,181	115,195	Trade payables	3,680,875	3,639,315
Current income tax assets	26,113	41,968	Other liabilities	282,713	220,658
Marketable securities	769,655	931,034	Current income tax liabilities	4,528	5,404
Cash and cash equivalents	1,198,734	1,397,012		5,169,780	4,925,963
	5,813,032	5,942,614		8,811,999	8,355,512
	8,811,999	8,355,512			

Consolidated Statement of Cash Flows

(EUR thousand)

	H1 2007	H1 2006 (restated)*
Profit after taxes	105,416	82,848
Depreciation/write-ups	141,813	167,137
Changes in provisions	(36,853)	(9,254)
Changes in deferred taxes	1,034	22,229
Net gain from disposals of fixed assets and marketable securities	(35,640)	(30,633)
Other non-cash income and expenses (primarily equity valuation) and deconsolidations	(8,253)	(8,284)
Changes in working capital (net current assets)	(55,030)	(49,630)
Changes in other balance sheet items	1,028	11,092
Net cash provided by operating activities	113,515	185,505
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(335,841)	(366,214)
Proceeds from asset disposals	100,261	329,884
Acquisitions and participating interests		
Purchases	(294,614)	(104,923)
Proceeds from asset disposals/divestments	51,202	14,906
Changes in cash and cash equivalents due to consolidation changes	-	363
Changes in securities holdings and liquid investments	29,194	(41,751)
Net cash used in investing activities	(449,798)	(167,735)
Payments received from sale of treasury stock	116,182	82,390
Dividends to minority shareholders	(112,763)	(81,667)
Proceeds from new borrowing	245,357	186,582
Service of debt	(115,632)	(124,609)
Net cash provided by financing activities	133,144	62,696
Net cash (decrease)/increase in cash and cash equivalents	(203,139)	80,466
Effect of exchange rate changes	4,861	(48,807)
Transfer to HOCHTIEF pension fund	-	(86,530)
Overall change in cash and cash equivalents	(198,278)	(54,871)
Cash and cash equivalents at the start of the year	1,397,012	1,061,301
Cash and cash equivalents as of June 30, 2007	1,198,734	1,006,430

* Explanations are provided on page 15.

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 Currency translation differences	Marking of financial instruments to fair value	Actuarial gains and losses	Attributable to the Group	Attributable to minority interest	Total
Balance as of Jan. 1, 2006	179,200	400,806	1,251,421	(30,773)	(9,668)	(126,161)	1,664,825	537,230	2,202,055
Dividends paid	-	-	(58,470)	-	-	-	(58,470)	(23,197)	(81,667)
Profit after taxes	-	-	31,499	-	-	-	31,499	51,349	82,848
Currency translation differences and marking of financial instruments to fair value	-	-	-	(39,777)	1,784	-	(37,993)	(16,378)	(54,371)
Changes in actuarial gains and losses	-	-	-	-	-	20,556	20,556	-	20,556
Other changes not recognized in the Statement of Earnings	-	-	75,516	-	-	-	75,516	(1,947)	73,569
Balance as of June 30, 2006	179,200	400,806	1,299,966	(70,550)	(7,884)	(105,605)	1,695,933	547,057	2,242,990
Balance as of Jan. 1, 2007	179,200	400,806	1,387,593	(77,050)	15,238	(98,112)	1,807,675	538,028	2,345,703
Dividends paid	-	-	(72,446)	-	-	-	(72,446)	(40,317)	(112,763)
Profit after taxes	-	-	13,776	-	-	-	13,776	91,640	105,416
Currency translation differences and marking of financial instruments to fair value	-	-	-	9,065	13,659	-	22,724	19,910	42,634
Changes in actuarial gains and losses	-	-	-	-	-	32,011	32,011	-	32,011
Other changes not recognized in the Statement of Earnings	-	-	107,853	-	-	-	107,853	862	108,715
Balance as of June 30, 2007	179,200	400,806	1,436,776	(67,985)	28,897	(66,101)	1,911,593	610,123	2,521,716

* As of June 30, 2007, own stock with an acquisition cost of EUR 90,325,000 is accounted for as a deduction from revenue reserves (June 30, 2006: EUR 150,689,000).

Statement of Recognized Income and Expense

(EUR thousand)	H1 2007	H1 2006	Change	Full year 2006
Profit after taxes	105,416	82,848	22,568	201,362
Currency translation differences	20,856	(56,155)	77,011	(62,353)
Changes in fair value of financial instruments				
- Primary	(553)	(4,632)	4,079	19,123
- Derivative	22,331	6,416	15,915	19,670
Actuarial gains and losses*	32,011	20,556	11,455	28,049
Income and expense recognized directly in equity	74,645	(33,815)	108,460	4,489
Total income and expense recognized in the reporting period	180,061	49,033	131,028	205,851
Of which: HOCHTIEF Group	68,511	14,062	54,449	95,775
Of which: Minority interest	111,550	34,971	76,579	110,076

*Including amount charged directly to equity due to asset limit under IAS 19.58

Notes to the Consolidated Financial Statements

Accounting policies

The Consolidated Financial Statements as of June 30, 2007 are 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.

This half-year report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2006. With effect from June 30, 2007, the discount factor for valuing domestic pension obligations was increased to 5.00 percent to reflect increased capital market interest rates (December 31, 2006: 4.50 percent). In all other respects, this report has been prepared using the same accounting policies as the 2006 Consolidated Financial Statements. Information on those accounting policies is given in the 2006 Annual Report. All prior-year figures are determined on the same basis.

Consolidation changes

Five domestic and 17 foreign companies were added to the consolidated group in the first six months of fiscal 2007. Two domestic companies were merged and consequently removed from the consolidated group.

The number of foreign companies accounted for using the equity method has increased by a net balance of five.

After these changes, the Consolidated Financial Statements include HOCHTIEF Aktiengesellschaft and a total of 36 domestic and 263 foreign consolidated companies. Six domestic and 70 foreign companies are accounted for using the equity method.

Own shares

As of June 30, 2007, the Company held a total of 2,884,628 of its own shares. These shares were repurchased between September 1999 and October 2001 for purposes laid down by General Shareholders' Meeting resolutions of June 21, 1999 and June 28, 2000. The Company's holdings of its own shares represent EUR 7,384,648 (4.12 percent) of the Company's capital stock.

HOCHTIEF used holdings of its own shares as planned to generate cash in the course of the second quarter, among other things to finance acquisitions. For this purpose, 1,427,431 own shares were sold on the stock exchange between April and June 2007, generating total sale proceeds of EUR 116,182,339. These shares represent EUR 3,654,223 (2.04 percent) of the Company's capital stock.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and letters of comfort; they have decreased since December 31, 2006 by EUR 21,722,000 to EUR 17,872,000.

Segment reporting

Segmental reporting in the HOCHTIEF Group is based on the Group's divisional operations. 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

With the sole exception reported in the following, there has been no change in the companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies. The information provided in this regard in the notes to the most recent Consolidated Financial Statements therefore continues to apply. Since April 24, 2007, Actividades de Construcción y Servicios, S.A. (Madrid, Spain) has been a related party of HOCHTIEF Aktiengesellschaft, with 25.08 percent of voting rights, having purchased this ownership interest from Custodia Holding AG (Munich).

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.

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

(EUR thousand)

	H1 2007	H1 2006 (restated)*	Q2 2007	Q2 2006 (restated)*
Profit from operating activities	95,217	118,241	55,303	87,594
+ Net income from participating interests	63,927	26,491	37,927	9,629
- Non-operating earnings	(+) 644	(+) 1,290	(+) 530	(+) 1,290
+ Interest credited	5,751	1,515	5,080	1,470
Operating earnings (EBITA)	165,539	147,537	98,840	99,983

* Explanations are provided on page 15.

Undiluted and diluted earnings per share

	H1 2007	H1 2006 (restated)*	Q2 2007	Q2 2006 (restated)*
Consolidated net profit (EUR thousand)	13,776	31,499	4,209	22,894
Number of shares in circulation (weighted average)	66,061,133	64,181,009	66,434,325	64,761,152
Earnings per share (EUR)	0.21	0.49	0.06	0.35

* Explanations are provided on page 15.

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 principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Essen, August 6, 2007

The Executive Board

Dr. Lütkestratkötter Ehlers Dr. Lohr

Dr. Noé Dr. Rohr

Financial Calendar

November 14, 2007

Fall Press Conference
Interim Report at September 30, 2007
Conference Call with Analysts and Investors

March 26, 2008

Business Results Press Conference
Analysts' and Investors' Conference

May 8, 2008

General Shareholders' Meeting
10.30 a.m., Congress Center Essen, West Entrance,
Norbertstrasse, Essen

May 15, 2008

Quarterly Report at March 31, 2008
Conference Call with Analysts and Investors

The editorial deadline for this quarterly report was August 6, 2007; the report was published on August 14, 2007.

For further information on HOCHTIEF and our addresses, business units, subsidiaries and associates, please visit our website at 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.

Publication Details and Credits

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HOCHTIEF Aktiengesellschaft

HOCHTIEF Airport Division

HOCHTIEF AirPort GmbH, Germany
HOCHTIEF AirPort Capital Verwaltungs GmbH & Co. KG, Germany
Athens International Airport S.A., Greece
Budapest Airport Zrt., Hungary
Flughafen Düsseldorf GmbH, Germany
Flughafen Hamburg GmbH, Germany
Sydney Airport Corporation Ltd., Australia
Tirana International Airport SHPK, Albania
Transport & Logistics Consultancy Ltd., UK
HOCHTIEF AirPort Retail SHPK, Albania

HOCHTIEF Development Division

HOCHTIEF PPP Solutions GmbH, Germany
HOCHTIEF PPP Solutions (UK) Ltd., UK
HOCHTIEF PPP Solutions (Chile) Ltda., Chile
HOCHTIEF Facility Management GmbH, Germany
HOCHTIEF Polska Facility Management Sp. z o.o., Poland
HOCHTIEF Facility Management Ireland Ltd., Ireland
HOCHTIEF Projektentwicklung GmbH, Germany
Deutsche Bau- und Siedlungs-Gesellschaft mbH, Germany

HOCHTIEF Construction Services Americas Division

The Turner Corporation, USA
Turner Construction Company, USA
HOCHTIEF do Brasil S.A., Brazil

HOCHTIEF Construction Services Asia Pacific Division

Leighton Holdings Limited, Australia
Leighton Contractors Pty Limited, Australia
Thiess Pty Ltd., Australia
John Holland Group Pty Ltd., Australia
Leighton Properties Pty Limited, Australia
Leighton Asia Limited, Hong Kong
Leighton International Limited, Malaysia

HOCHTIEF Construction Services Europe Division

HOCHTIEF Construction AG, Germany
HOCHTIEF (UK) Construction Ltd., UK
Entreprise Générale de Construction HOCHTIEF-Luxembourg S.A., Luxembourg
Durst-Bau GmbH, Austria
Streif Baulogistik GmbH, Germany
HOCHTIEF Polska Sp. z o.o., Poland
HOCHTIEF CZ a.s., Czech Republic
HOCHTIEF Russia
HOCHTIEF Bulgaria
HOCHTIEF Hungary

Cover photo:

Taking off to a bright future: A consortium led by HOCHTIEF AirPort acquired a majority stake in Budapest Airport in the second quarter of 2007. Since June, the new owners have been in charge of operational business at the airport which is regarded as one of Central Europe's most dynamic.