

PERFORMANCE

- Profit before taxes raised by 31 percent
- Consolidated net profit up 11 percent
- 2007 forecast confirmed despite losses in German construction market
- HOCHTIEF AirPort on the way to becoming a key earnings driver
- Successfully forging ahead with Group-wide networking



Elbe Philharmonic Hall, Hamburg (visualization: Herzog & de Meuron)

Quarterly Report January to March 2007

Turning Vision into Value.  **HOCHTIEF**

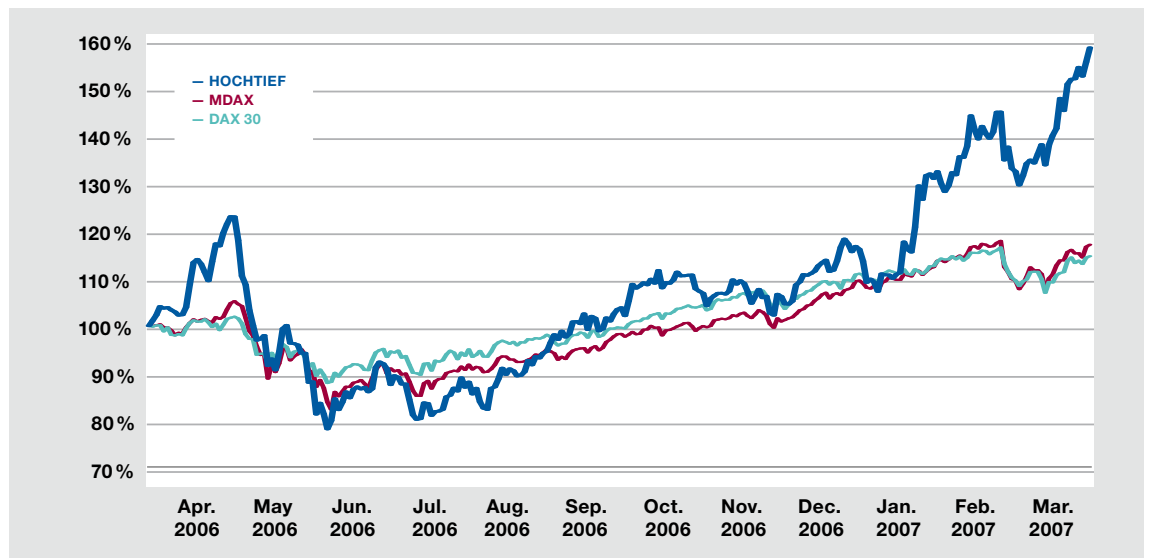
The HOCHTIEF Group

(EUR million)	Q1 2007	Q1 2006 (restated)*	Percentage change	Full year 2006
New orders	3,941.0	3,335.2	18.2	20,565.1
Work done	4,122.8	3,664.5	12.5	16,719.3
Order backlog	24,828.6	21,556.8	15.2	25,134.4
External sales**	3,694.6	3,418.1	8.1	15,508.0
Operating earnings (EBITA)**	66.7	47.6	40.3	327.3
Profit before taxes**	65.9	50.2	31.1	338.1
Consolidated net profit**	9.6	8.6	11.2	89.1
Earnings per share (EUR)	0.15	0.14	7.1	1.37
Capital expenditure**	231.8	229.3	1.1	1,043.6
Net assets	3,445.6	3,328.6	3.5	3,305.1
Employees	48,748	45,343	7.5	46,847
	(End Q1 2007)	(End Q1 2006)		(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



Dear Shareholders and Friends of HOCHTIEF,



mover advantage in this segment and our staying power are paying off.

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

On April 1, 2007, I took over as Chairman of the HOCHTIEF Executive Board. I am now very pleased to announce good overall results for the first quarter of 2007, with a 40 percent rise in operating earnings and a 31 percent increase in profit before taxes. We have achieved this despite losses in the German building construction business.

We have now transferred the investment partnership idea from the Airport division to our public-private partnership business. In launching HOCHTIEF PPP Schools Capital, we have created an innovative vehicle that opens up our PPP schools contracts in the UK and Ireland to outside investors. This allows us not just to reap even greater rewards as we implement our strategy of sustained value creation, but also to generate higher earnings while still building our portfolio.

All told, this means our company is living up to the high expectations set by clients, others we do business with, and investors. And speaking of investors, we are happy to welcome Actividades de Construcción y Servicios (ACS) as a new major shareholder. The Spanish construction group has purchased a 25.08 percent stake in HOCHTIEF. We have known ACS for many years from working partnerships on various major contracts, including joint operation of the Vespucio Norte Express toll road in Chile. We are pleased that the purchase by ACS restores stability to our ownership structure and allows us to forge ahead as planned with our successful Group strategy. Together, we are now exploring selected openings for cooperation as a way of creating extra shareholder value.

We also successfully expanded our Australian concessions business in contract mining. In the first quarter, we added to our range of mining services by acquiring CE Marshall and Sons Earthmoving Pty Ltd.

In our **development** module, a further acquisition effected in April gives new impetus to Leighton's real estate development business: Leighton has repositioned itself in this market by purchasing a stake in Devine Limited, a leading residential developer in Australia.

In this connection, it clearly pays that we have invested strongly in HOCHTIEF's ongoing development over the last few years. Our capabilities and services are tightly integrated throughout the Group. This is shown by the many contracts in which we bring together the abilities of multiple HOCHTIEF units to form full service packages spanning the entire value chain. We will continue to actively pursue strategic integration across our full range of capabilities. In doing so, we foster innovation—the inHaus2* project is one example.

In Germany, HOCHTIEF Projektentwicklung reported an excellent first quarter with high-quality new development projects. We are also notching up successes in the Central and Eastern European markets, for example, in the growth segment of logistics.

Growth in our **construction** module showed major regional variation. The Asia Pacific division achieved outstanding gains both in orders and in earnings. Our subsidiary Leighton is carrying out numerous major contracts, especially in the strong infrastructure business. We are also ideally positioned in the Americas division with Turner, which has recorded notable new contracting successes in the health-care real estate segment.

In our strong **concessions and operation** module, we are able to report continued value growth across the project portfolio. HOCHTIEF AirPort as a whole has grown to become a major earnings driver for the Group. Our early

In the German building business, we have had to sustain losses and now face major challenges ahead. The recovery in the construction industry led to sharply rising material prices. On several large fixed-price contracts, we have not yet been able to pass on price rises for subcontracting and materials to customers. We have taken corrective action, tightening the selection criteria for new contracts and revising the internal requirements regarding bid calculation and terms of contract when bidding. We will exercise greater restraint than ever in low-margin general contracting. And

***For more on inHaus2,
please turn to page 14.**

we will continue to press ahead with the internationalization of our business.

As part of this drive, Central and Eastern European business is becoming increasingly important to HOCHTIEF and is making an increasing contribution with high-margin contracts. Our strategy of stepping up our involvement in these growth markets is proving successful. We are also working to good effect at opening up further potential with our innovative, integrated capabilities: HOCHTIEF Construction already undertakes numerous contracts in conjunction with its sister companies HOCHTIEF PPP Solutions, HOCHTIEF Projektentwicklung and HOCHTIEF Facility Management. The best example of success through cooperation is the contract for Hamburg's Elbe Philharmonic Hall secured in the first quarter.

We also won further major contracts in our **services** module. In the process, our subsidiary HOCHTIEF Facility Management entered into a new segment. It now additionally undertakes property management for major customers with large real estate portfolios, for instance, a portfolio of 150 buildings owned by AMB Generali and another of 80 buildings belonging to Värde Partners Inc. In the chemical/pharmaceutical industry segment, too, we strengthened our position with new contracts.

Group **new orders** to the end of March 2007 totaled EUR 3.94 billion, up 18.2 percent on the first quarter of 2006. The increase was largely down to stable markets in America and the Asia-Pacific region as well as to the large Elbe Philharmonic Hall contract in the HOCHTIEF Europe division.

Work done likewise rose in the first quarter, to EUR 4.12 billion—a 12.5 percent increase on the prior-year period. Most of this growth is due to major contracts in the infrastructure and contract mining segments at HOCHTIEF Asia Pacific.

The Group **order backlog** amounted to EUR 24.83 billion, an increase of 15.2 percent on the prior-year period. Adjusted for EUR 0.47 billion worth of exchange rate effects, the increase was 17.4 percent.

The outstanding orders position is reflected in higher **external sales**. In raising sales by 8.1 percent to EUR 3.69 billion (Q1 2006: EUR 3.42 billion), we sustained the previous year's already strong growth trend.

The first quarter of 2007 contributed impressively toward achieving our goal of continuous earnings growth. **Operating earnings** climbed to EUR 66.7 million, compared

with EUR 47.6 million in the prior-year quarter—an increase of 40.3 percent.

The HOCHTIEF Group's **profit before taxes** came to EUR 65.9 million, up from EUR 50.2 million in the same period of 2006—a gain of 31.1 percent. **Consolidated net profit**, at EUR 9.6 million versus EUR 8.6 million in the same quarter a year earlier, increased by 11.2 percent.

Capital expenditure amounted to EUR 231.8 million, slightly higher than the EUR 229.3 million recorded in the first quarter of 2006. A substantially smaller amount of the total was spent on property, plant and equipment and intangible assets (EUR 102.6 million, versus EUR 189.9 million in Q1 2006). This was due to the prior-year figure being boosted by Leighton's purchase of mining activities from the Henry Walker Eltin Group. In contrast, capital expenditure on financial assets increased sharply, by EUR 89.8 million to EUR 129.2 million. Notable items here included the Airport division's purchase of additional shares in Sydney Airport and the Leighton Group's acquisition of CE Marshall.

Group outlook

Despite the losses in the HOCHTIEF Europe division, we confirm our outlook for the current fiscal year. 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** will steady off at a high level short of the prior-year total.
- The **order backlog** will be on a par with the prior-year figure.
- **Group sales** will be close to their 2006 peak.
- We 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.

HOCHTIEF has vast potential and we work on a daily basis to further exploit it. In doing so, we hold by our strategy of spanning the entire real estate, facility and infrastructure contract value chain—always with a keen eye to value growth for clients, shareholders and all we do business with.

*Sincerely yours,
Herbert Lütkestratkötter*

Dr.-Ing. Herbert Lütkestratkötter

Interim Management Report

Financial Review

Earnings

Sales came to EUR 3.69 billion, another substantial rise compared with the prior-year period (Q1 2006: EUR 3.42 billion). The increase—8.1 percent or about a quarter of a billion euros—reflects successful, targeted expansion in HOCHTIEF's chosen markets. The Asia Pacific division sustained its growth trend from the previous year into the beginning of 2007. Sales in this flourishing region surged ahead by 13.2 percent compared with a year earlier, from EUR 1.32 billion to EUR 1.5 billion. The Europe and Development divisions likewise achieved double-digit sales growth. On the important US market, Turner secured further sales growth as measured in local currency. The adverse trend in the US dollar-euro exchange rate, however, meant that Americas division sales as measured in euros were slightly down on the prior-year quarter, at EUR 1.46 billion in Q1 2007 compared with EUR 1.49 billion in Q1 2006.

Earnings likewise held their established upward trend. **Profit from operating activities** improved by almost one-third, from EUR 30.6 million to EUR 39.9 million. The individual divisions contributed to varying degrees to this overall positive trend. The Asia Pacific division again stood out, more than doubling its profit from operating activities. In contrast, the prior year's unforeseeable price hikes on the German construction market both for raw materials and goods and services inputs continued to squeeze earnings in the Europe division during the period under review.

All HOCHTIEF airport holdings maintained their strong business trend through the first quarter and generated higher contributions to Group earnings than in the previous year. A highlight is Sydney Airport, which substantially boosted its earnings contribution. The outcome was a marked improvement in **net income from participating interests**, which rose by 54.2 percent from EUR 16.9 million to EUR 26 million.

Net investment and interest income was slightly down. After a EUR 2.7 million positive balance in the prior-year quarter, HOCHTIEF's investment and interest income and expenses more or less canceled out in the period under review. This was due to lower income from securities.

Profit before taxes climbed by 31.1 percent to EUR 65.9 million, a marked improvement on the prior-year quarter's EUR 50.2 million. The main factor here was the excellent earnings performance from the Airport and Asia Pacific divisions.

Income taxes came to EUR 23.8 million, eleven percent below the figure for the prior-year period of EUR 26.7 million. The current tax included in the total was mostly accounted for by the Leighton Group and tracked Leighton's increased earnings. In contrast, deferred tax expense decreased compared with the prior-year quarter.

The 36.1 percent effective tax rate was significantly below the 53.1 percent recorded in the first quarter of 2006. The Group benefited here from healthy earnings growth at the Leighton Group, which faces a relatively low rate of income tax.

Profit after taxes came to EUR 42.1 million, a very substantial near-80 percent rise on the prior-year quarter (Q1 2006: EUR 23.5 million). All operating divisions except HOCHTIEF Europe contributed positively to this achievement.

Consolidated net profit totaled EUR 9.6 million, up 11.2 percent on the prior-year quarter. The minority interest more than doubled compared with Q1 2006, from EUR 14.9 million to EUR 32.5 million. There are two main reasons for this large increase: Firstly, the higher earnings at Leighton, which has significant minority shareholders, meant a marked rise in earnings earmarked for them. Secondly, the Airport division shows a larger minority interest due to greater earnings contributions from its airports. Outside shareholders also hold substantial interests in the Group's airport holdings through our investment partnership.

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

Cash flow

Operating activities resulted in a net cash outflow of EUR 374.6 million in the first three months of 2007 (Q1 2006: EUR 47.5 million). The net cash outflow generally recorded in the first quarter of each year reflects a seasonal increase in net current assets. This increase was substantially larger in the first quarter of 2007 than in the same period of 2006. As in previous years, Turner effected a major reduction in operating payables. The HOCHTIEF Europe division also scaled back trade payables in the period under review. In the prior-year period, a large advance payment from a client produced a cash inflow.

Capital expenditure increased slightly compared with the prior-year quarter, from EUR 229.3 million to EUR 231.8 million. The total figure for capital expenditure included EUR 102.6 million (Q1 2006: EUR 189.9 million) for property, plant and equipment and intangible assets. By far the largest share of this was accounted for by the Asia Pacific division (EUR 91.4 million, compared with EUR 172.8 million in the prior-year quarter). The substantially higher figure for Q1 2006 included a purchase of mining activities from the Henry Walker Eltin Group. HOCHTIEF spent EUR 129.2 million on financial assets, a major increase on the prior-year period (Q1 2006: EUR 39.4 million). Approximately EUR 73 million went on increasing the company's stake in Sydney Airport by 2.77 percentage points. The Leighton Group also bought the entire capital stock of CE Marshall for a EUR 51 million purchase price. This further extends the Group's lead in contract mining services. In total, **investing activities** produced a net cash outflow of EUR 162.5 million (Q1 2006: EUR 198.7 million).

In connection with the ongoing expansion of its business, the Group took on new borrowing in the amount of EUR 133.8 million (Q1 2006: EUR 62.9 million). Debt repayment was down, at EUR 12.4 million compared with EUR 35.7 million in the prior-year quarter. After dividend payments to the Leighton Group's minority shareholders, **financing activities** generated a net cash inflow of EUR 87.1 million (Q1 2006: EUR 6.4 million).

After accounting for the above factors and exchange rate changes, the HOCHTIEF Group's cash and cash equivalents decreased by a total of EUR 452.1 million to EUR 944.9 million.

Free cash flow for the period January to March 2007 was a negative amount of EUR 537.1 million (compared with minus EUR 246.2 million in the prior-year period). This figure comprises net cash used in operating activities (EUR 374.6 million) and net cash used in investing activities (EUR 162.5 million).

Balance sheet

Total assets decreased between the end of fiscal 2006 and the March 31, 2007 reporting date, from EUR 8.36 billion to EUR 8.12 billion. The main factor here was the substantial reduction in payables in the Americas and Europe divisions.

Our **non-current assets** increased by six percent relative to December 31, 2006, from EUR 2.41 billion to EUR 2.56 billion. Property, plant and equipment grew by 4.6 percent to EUR 786.3 million due to capital spending on technical equipment—notably at Leighton to carry out its demanding infrastructure and mining contracts. The 9.5 percent gain in financial assets to EUR 1.04 billion mostly reflects the purchase of additional shares in Sydney Airport totaling some EUR 73 million. Other receivables and other assets were boosted by EUR 17.5 million to EUR 66.2 million, largely as a result of rising pension fund balances reported in non-current assets. Deferred tax assets, at EUR 180.9 million, remained on a par with the EUR 183.9 million reported at the past year-end.

Current assets amounted to EUR 5.56 billion, down 6.4 percent on the December 31, 2006 figure of EUR 5.94 billion. Our portfolio management activities during the quarter included a sale of selected fixed-interest bonds. This reduced our large portfolio of marketable securities by EUR 62.9 million, from EUR 931 million at the end of fiscal 2006 to EUR 868.1 million at the end of March 2007. Cash and cash equivalents also dropped by EUR 452.1 million to EUR 944.9 million. The cash was used to finance capital spending and to substantially reduce current operating payables. To opposite effect, trade receivables gained by EUR 114.3 million to EUR 3.44 billion. The primary factor here was business expansion at Leighton.

Shareholders' equity showed a EUR 10 million net increase compared with the December 31, 2006 reporting date, from EUR 2.35 billion to EUR 2.36 billion. The factors positively impacting on shareholders' equity consisted of consolidated net profit (EUR 42.1 million), changes recog-

nized in equity for currency translation differences and on marking financial instruments to fair value (EUR 2.7 million), and amounts recognized directly in equity for actuarial gains and losses relating to pension obligations (EUR 4.9 million). The negative impacts comprised dividend payments (EUR 34.3 million) and other changes not recognized in the statement of earnings (EUR 5.4 million).

The HOCHTIEF Group's equity ratio—shareholders' equity as a percentage of total assets—improved compared with the 2006 year-end from 28.1 percent to 29 percent.

Non-current liabilities showed only a marginal, 1.7 percent increase, from EUR 1.08 billion at December 31, 2006 to EUR 1.1 billion at March 31, 2007. This includes provisions totaling EUR 232.1 million, on a par with the EUR 230.1 million reported at the past year-end. Due to implementation of the contractual trust arrangement (CTA) model over the preceding few years, HOCHTIEF's provisions for pensions are a relatively small EUR 32.9 million. Non-current financial liabilities increased by 1.8 percent to EUR 786.1 million. The EUR 14 million increase mostly served the expansion of project business in the Development division.

Current liabilities were down EUR 262.6 million or 5.3 percent to EUR 4.66 billion as of the March 31, 2007 reporting date, mainly reflecting the reduction in operating payables. This reduction was particularly notable in the Americas and Europe divisions. The HOCHTIEF Group's remaining trade payables come to EUR 3.26 billion (down 10.5 percent). In the opposite direction, current financial liabilities increased by EUR 110.7 million to EUR 382.5 million. This was largely accounted for by bank loans to expand our operating business.

Risk and opportunities report

The trend since 2006 toward sharp price increases in raw materials and goods and services inputs poses a risk that ongoing major building contracts in Germany awarded in 2006 or before and calculated on the basis of earlier prices will not generate the margins originally projected. With this reservation, 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 forecasts regarding the likely future development of the HOCHTIEF Group published in the combined company and Group management report as of December 31, 2006. Those forecasts therefore continue to apply despite the expected losses in the HOCHTIEF Europe division, as all other divisions are performing very positively. Notice has been given of the risks posed by the German building construction business.

Post balance-sheet events

Actividades de Construcción y Servicios, S.A., Madrid, Spain, notified us that the voting share in HOCHTIEF Aktiengesellschaft held by its subsidiary CARIÁTIDE S.A. attained 25.08 percent on April 24, 2007. Custodia Holding AG, Munich, Germany, notified us that its voting share in HOCHTIEF Aktiengesellschaft decreased to zero on April 24, 2007.

On May 9, 2007, a consortium led by HOCHTIEF AirPort GmbH signed a contract with BAA Ltd. to acquire all its shares in Budapest Airport Zrt. The relevant Hungarian state entities have already given their approval to the acquisition.

News from the Boards

As already announced in November 2006, **Dr.-Ing. Hans-Peter Keitel**, who had headed HOCHTIEF since 1992, retired from office as member and Chairman of the Executive Board at his own wish as of March 31, 2007. The Supervisory Board complied with his request to relieve him of his office as Chairman of the Executive Board at that juncture and to terminate his appointment as member of the Executive Board by mutual consent.

Dr.-Ing. Herbert Lütkestratkötter, member of the Executive Board since 2003 and Deputy Chairman of the Executive Board from November 21, 2006, was appointed Chairman of the Executive Board by the Supervisory Board as of April 1, 2007.

Divisions

HOCHTIEF Airport Division

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
New orders	0.0	0.0	-	3.8
Work done	0.0	0.0	-	3.8
Order backlog	0.0	0.0	-	0.0
External sales	0.0	0.0	-	3.8
Operating earnings (EBITA)	19.3	8.2	135.4	52.1
Profit before taxes	14.8	3.4	335.3	35.1
Capital expenditure	73.6	0.7	-	33.2
Net assets	772.6	646.2	19.6	680.1
Employees	61	51	19.6	54
	(End Q1 2007)	(End Q1 2006)		(2006 average)

There were already signs in the first quarter of fiscal 2007 that, as expected, the HOCHTIEF Airport division will once again succeed in significantly improving earnings this year.

Operating earnings were up by 135 percent over the prior-year period to a total of EUR 19.3 million. Net income from participating interests in the Athens, Sydney and Düsseldorf airports was in some cases considerably higher than in the prior year. **Profit before taxes** even increased to more than four times the previous figure (+335.3 percent).

In March 2007, HOCHTIEF AirPort upped its interest in Sydney Airport by 2.77 percent to 8.13 percent for a purchase price of EUR 73 million. Along with the investment partnership HOCHTIEF AirPort Capital, the company now holds a total stake of 13.27 percent in Australia's most important airport.

As anticipated, our airport holdings performed gratifyingly well. In the period under review, all five airports reported higher traffic figures than in the previous year with an average increase of 8.5 percent. Above-average growth in passenger numbers was recorded in the first quarter notably by Düsseldorf (11.1 percent) and Tirana (25.6 percent) airports.

A key event in previous months was the commissioning of the new terminal at Tirana International Airport in March 2007. This is the first airport under our management. Two years after the airport was transferred to private management, the most important expansion and modernization measures have been completed. On the whole, the airport company, in which HOCHTIEF AirPort holds a 47 percent

stake, invested around EUR 50 million to organize workflows and facilities as well as the airport's services and security in line with international standards.

The Tirana project is an excellent example of how HOCHTIEF AirPort generates synergies and adds value through close dovetailing within the Group and its airport network. For instance, HOCHTIEF AirPort relied on the expertise of specialists from other Group companies to expand and reorganize the Albanian airport. Employees from HOCHTIEF Construction were available on site to consult on construction of the new terminal throughout the duration of the project, while HOCHTIEF Facility Management assisted the airport company in reviewing facility management processes and contracts. In addition, HOCHTIEF's Group auditing unit consulted on setting up the airport's own auditing systems. The HOCHTIEF AirPort specialists have also been available to the airport team directly and continually since the founding of the airport operating company. Finally, intensive human resources support was also provided to the airport during preparations for commissioning and the test phase.

Experts from other airports in the business portfolio similarly contributed their knowledge: Hamburg Airport measured aircraft noise, Athens Airport provided extensive IT support and Düsseldorf International advised the airport on developing a marketing strategy and during commissioning. HOCHTIEF AirPort is fully responsible for retail management (developing retail spaces) at the airport.

HOCHTIEF Airport outlook

The HOCHTIEF Airport division is developing into a value creator for the entire HOCHTIEF Group and, in this fiscal year, will be able to greatly exceed the pretax profit generated in the previous year.

HOCHTIEF Development Division

In the first quarter of 2007, the Development division continued its positive business performance of the previous year.

New orders were up 27.4 percent over the comparable prior-year figure. A major share of this very satisfactory performance was contributed by HOCHTIEF Projektentwicklung by securing additional new projects in Germany and Eastern Europe. **Work done** increased sharply compared to the previous year due to the positive performance in all operational units. The primary factors here are the impetus for growth coming from the domestic economy and the expansion of HOCHTIEF Projektentwicklung's business in Austria. The **order backlog** also exceeded the prior-year figure.

As in the case of work done, **external sales** increased compared to the prior year. This success is based on the one hand on project development contracts signed in previous years which are now in the construction phase and resulting in higher sales. On the other hand, it is due to the excellent business performance of HOCHTIEF Facility Management and the large number of projects under construction by HOCHTIEF PPP Solutions.

In the prior year, **operating earnings** and **profit before taxes** were marked by a success fee which HOCHTIEF PPP Solutions received on being awarded a contract in Scotland. In line with expectations and as in the previous year, first-quarter profit before taxes at HOCHTIEF PPP Solutions was negative due to ongoing contract acquisition costs for public-private partnership (PPP) projects. A large share of earnings was generated in project development and asset management due to the sale of a property in the prior-year period. The first quarter in the real estate business is typically weak due to seasonal factors. We continue to anticipate growth and expect that both segments together will generate earnings in excess of EUR 30 million. Thanks to its positive business development in Germany and abroad, HOCHTIEF Facility Management recorded profit before taxes above the level of the prior-year quarter, a key step in accomplishing the goal of a pretax margin of four percent in 2008. We aim to increase sales to around EUR 800 million in the medium term, primarily as a result of acquisitions of service providers abroad.

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
New orders	400.7	314.5	27.4	1,265.8
Work done	258.9	205.7	25.9	1,076.2
Order backlog	2,128.4	2,045.4	4.1	2,017.0
External sales	253.6	204.5	24.0	1,016.7
Operating earnings (EBITA)	1.8	5.2	-65.4	38.8
Profit before taxes	3.7	6.1	-39.3	45.4
Capital expenditure	1.4	8.5	-83.5	19.4
Net assets	626.5	794.7	-21.2	653.8
Employees	4,760	4,906	-3.0	4,887
	(End Q1 2007)	(End Q1 2006)		(2006 average)

In the first quarter of 2007, **capital expenditure** was below the prior-year figure due to injections of new capital in PPP project companies in the UK and Latin America in the previous year.

HOCHTIEF PPP Solutions

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
External sales	37.7	18.5	103.8	138.6
Profit before taxes	(2.4)	(1.8)	-33.3	(6.2)

Starting with this quarterly report, we will in future be providing detailed information about the division's individual business segments.

In March, HOCHTIEF PPP Solutions handed over to the city and school communities seven schools in Cologne refurbished under a PPP contract. The company will be responsible for operating the buildings for another 23 years. The modernization work was completed by HOCHTIEF Construction.

We are fully on schedule with the Offenbach schools project (eastern section); modernization work on the eighth school was completed in March.

In the successful education sector, we are the preferred bidder for two other PPP school projects in Germany. In Frankfurt am Main, the plans involve designing, financing, refurbishing and operating four schools based on a public-private partnership. A new comprehensive school is scheduled to be built in Cologne. HOCHTIEF PPP Solutions (UK) has also been named the preferred bidder for a PPP school project in West Lothian county in Scotland. The financial close is slated for the second quarter of 2007. The project comprises the construction of two new schools for a total of around 2,300 pupils.

In April, HOCHTIEF PPP Solutions was named the preferred bidder on the Elefsina Patras toll road project in Greece, along with partners. HOCHTIEF holds a 25 percent stake in the Apion Kleos bidding consortium. The project comprises designing, financing, construction, refurbishment and operation of a 365 kilometer stretch of highway between Athens and the Peloponnese.

HOCHTIEF PPP Solutions also does business in Russia. In March, a consortium involving the company was named one of four prequalified bidders for the Western Highspeed Diameter in St. Petersburg. The nearly 50 kilometer-long toll route will be realized as a PPP project.

Thanks to the increasing number of PPP projects and intensive networking throughout the Group, our other operational Group units are increasingly benefiting from HOCHTIEF's PPP activities.

HOCHTIEF Projektentwicklung/Asset Management

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
External sales	96.6	75.6	27.8	378.4
Profit before taxes	2.7	6.3	-57.1	38.0

In the first quarter of 2007, HOCHTIEF Projektentwicklung further expanded its presence in Central and Eastern Europe. Entry into the Hungarian market was successful with the sale of "Capital Square," our first office property development in Budapest. CA Immo International acquired the property for approximately EUR 71 million.

In Stuttgart, an office building is being developed on Vordernbergstrasse. Two-thirds of the floor space has already been leased to Reader's Digest for the long term. A residential property is also being built on this parcel. In Hamburg, the "ABC 21" office property was sold to DB Real Estate Spezial Invest before the construction phase. Two buildings are being erected on the property of the TZ Rhein Main technology center in Darmstadt; the investment volume for this project totals EUR 56 million. Virtually 90 percent of the "Auge" office project and parking garage have been leased for the long term.

In the logistics segment, HOCHTIEF Projektentwicklung built on the success of the Dobrovic cargo port in Prague

in the first quarter by laying the cornerstone for the new branch of TNT Express in Hamburg.

HOCHTIEF Facility Management

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
External sales	119.3	110.4	8.1	499.7
Profit before taxes	3.2	2.2	45.5	15.7

With the award of a contract to manage over 80 properties in the portfolio of international financial investor Värde Partners Inc. across Germany, HOCHTIEF Facility Management as an owner representative is increasingly taking responsibility for developing real estate portfolios for investors. Since January, the company has also been responsible for strategic development as well as technical facility management of around 150 properties on behalf of AMB Generali Immobilien. This includes services such as the preparation of individual utilization concepts, the leasing of space and business management of the properties.

In the next six years, we will take over technical facility management of 60 buildings and properties across Germany for DFS Deutsche Flugsicherung GmbH. In addition, HOCHTIEF Facility Management will be responsible for ensuring that highly sensitive air traffic control areas, including the largest radar control center in Europe, are supplied with power.

HOCHTIEF also received a new contract for technical facility management from the pharmaceutical company Baxter Deutschland GmbH. We will create suitable conditions for the pharmaceutical company's operations at three locations.

As a key component of the Group's tightly integrated range of products and services, HOCHTIEF Facility Management works closely with its fellow Group companies on projects such as the Elbe Philharmonic Hall in Hamburg. Following completion of the building works by HOCHTIEF Construction, the company will operate the new concert hall for 20 years.

HOCHTIEF Development outlook

The division expects profit before taxes to 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 construction market in the USA and Brazil continued on a stable course. In the first quarter, the HOCHTIEF subsidiaries surpassed the previous year's record-level order backlog: Both Turner and HOCHTIEF do Brasil chalked up numerous major contracts in the first three months of the year. The division's **new orders** therefore increased by EUR 132.3 million over the prior-year figure. **Work done** and **external sales** remained at previous year's levels, while the **order backlog** climbed by EUR 790.4 million.

Operating earnings as of the current reporting period are 17.2 percent down in the year-on-year comparison (15.2 percent adjusted for exchange rates). An exceptional effect relating to the equity accounting of the then Canadian associate Aecon had caused a disproportionate increase in earnings in the first quarter of 2006. First-quarter earnings in 2007 were also affected by ramp-up costs for business expansion in new segments. Net investment and interest income increased due to the higher liquidity in the division resulting from last year's sale of the Aecon shares. **Profit before taxes** therefore slightly surpassed the high level of the prior-year period.

The number of **employees** in the division rose by a total of 1,764. Mainly, this was caused by an increased demand for workers in Brazil that are temporarily deployed on major project sites. In the US, Turner has implemented various measures to address the industry-wide shortage of skilled construction staff. Turner's college recruiting program and the staff retention program are showing positive effects.

In the first quarter, Turner landed several major contracts notably for healthcare facilities. Turner was selected to serve as the general contractor for two healthcare projects in Seattle, Washington—the EUR 67 million Harborview Ninth and Jefferson Medical Office Building and the Mirabella, a EUR 112 million Continued Care Community. Turner was also selected to build the EUR 41 million critical care addition to St. Luke's Hospital in Allentown, Pennsylvania.

In the hospitality market, Turner signed a EUR 117 million contract to erect a 14-story building for Hilton Grand Vacations in Orlando, Florida.

Traditionally, Turner has exercised its responsibility in community affairs and is specifically committed to working with minority and women owned business enterprises (M/WBES).

(EUR million)	Q1 2007	Q1 2006 (restated)*	Percent- age change	Full year 2006
New orders	2,071.2	1,938.9	6.8	8,376.4
Work done	1,518.6	1,519.9	-0.1	6,843.8
Order backlog	8,427.5	7,637.1	10.3	8,110.9
External sales	1,461.5	1,485.8	-1.6	6,625.4
Operating earnings (EBITA)	12.0	14.5	-17.2	60.5
Profit before taxes	13.0	12.8	1.6	58.8
Capital expenditure	4.4	4.4	-	19.9
Net assets	246.8	251.4	-1.8	239.3
Employees	8,719	6,955	25.4	7,332
	(End Q1 2007)	(End Q1 2006)		(2006 average)

Turner not only increases their visibility but also enhances their economic viability. In the first quarter, Turner announced that it had awarded minority and women owned business enterprises contracts amounting to more than USD 1 billion in 2006. This commitment will continue in 2007.

HOCHTIEF do Brasil has entered a new business segment by offering facility management services. The concept for this, developed in 2006 with the support of experts from HOCHTIEF Facility Management, is now being implemented and has already resulted in contracts from two São Paulo shopping centers. HOCHTIEF do Brasil also landed another major contract from repeat client Petrobras. A joint venture has been established to build the headquarters of Brazil's largest corporation in Vitória—a contract worth EUR 170 million. The HOCHTIEF subsidiary in Brazil has gained a strong position in the field of infrastructure projects with six contracts for small-scale hydroelectric power plants in what is the world's largest market in this segment.

HOCHTIEF Americas outlook

Following on from the substantial rise in earnings during fiscal 2006, the division expects to further boost profitability in 2007. Profit before taxes will exceed the prior-year figure.

*Explanations are provided on page 15.

HOCHTIEF Construction Services Asia Pacific Division

(EUR million)	Q1 2007	Q1 2006	Percent- age change	Full year 2006
New orders	626.5	498.4	25.7	8,362.3
Work done	1,783.0	1,442.2	23.6	6,229.1
Order backlog	11,021.1	8,811.4	25.1	12,040.0
External sales	1,497.2	1,322.2	13.2	5,733.6
Operating earnings (EBITA)	73.2	35.5	106.2	277.4
Profit before taxes	67.5	33.3	102.7	262.2
Capital expenditure	146.0	203.9	-28.4	936.4
Net assets	1,097.5	776.7	41.3	1,075.7
Employees	26,117 <small>(End Q1 2007)</small>	24,463 <small>(End Q1 2006)</small>	6.8	25,499 <small>(2006 average)</small>

In the first quarter of 2007, the HOCHTIEF Construction Services Asia Pacific division continued its successful performance of fiscal 2006. Realization of the previous year's record order backlog led to a further significant improvement in the already positive earnings situation.

In the first quarter, **new orders** were up by 25.7 percent from the prior-year period to a total of EUR 626.5 million. This confirms the division's continuous expansion of its business. An equally positive development was reflected in the growth in **work done**, which was up by 23.6 percent to EUR 1.78 billion—due, among others, to the increase in joint ventures and alliance projects. **External sales** were up underproportionately by 13.2 percent.

The **order backlog** also improved significantly by 25.1 percent to EUR 11.02 billion and provides an excellent springboard for the current fiscal year.

Operating earnings (EUR 73.2 million) and **profit before taxes** (EUR 67.5 million) more than doubled compared to the prior-year quarter. The increase in earnings is attributable to the strong performance of Henry Walker Eltin mining projects in Leighton Contractors and the successful expansion of Leighton Asia Southern's activities in India and the Gulf.

Capital expenditure dropped in the first quarter due to the acquisition of the Henry Walker Eltin operations in early 2006.

The mining operation maintains a high level of activity backed by the continuing strong demand of the resources market. Leighton therefore continues to build on its strong positioning in the mining and infrastructure sectors. Through the acquisition of CE Marshall, the John Holland subsidiary will now enter the contract mining business. In the first quarter of 2007, Thiess and BHP Billiton signed a EUR 240 million extension to the Mount Keith Alliance Mine agreement for a further term of three years.

Thiess stepped up its service business with new waste management contracts in New South Wales and Queensland. The local government authorities in Queensland awarded waste collection and recycling work amounting to some EUR 40 million while the New South Wales contract is valued at about EUR 136 million over the next ten years.

The division's major infrastructure projects of EastLink, North South Bypass Tunnel and the Gateway Bridge Duplication are performing well. The Lane Cove Tunnel was successfully completed and opened to traffic in March 2007.

In Australia, Leighton Properties and Thiess are commencing a 33-level commercial office development worth about EUR 219 million.

Leighton continues to systematically pursue its growth strategy for the investment of a 40 percent stake in Devine Limited, one of Australia's leading residential development companies with an annual sales revenue of approximately EUR 360 million. This step will allow us to enter the Australian residential construction market through Devine's operations in Queensland and Victoria. The investment was approved by Devine shareholders in April 2007.

Construction on the City of Dreams and extension to Wynn Casino projects are both proceeding well in Macau.

HOCHTIEF Asia Pacific outlook

The Asia Pacific division again expects an excellent level of profit before taxes in the 2007 fiscal year. The record order backlog at the start of the fiscal year coupled with the continued outstanding growth potential of the Australian and Asian market set the stage for high-level utilization of existing capacity.

HOCHTIEF Construction Services Europe Division

The HOCHTIEF Construction Services Europe division succeeded in increasing **new orders** considerably: This figure was up 47.4 percent over the prior-year quarter. Acquisitions of major high-margin building construction projects in Germany and abroad contributed significantly to this result. The new orders, including some PreFair projects, are high-quality contracts. **Work done** grew by EUR 70 million, or 14.9 percent, over the prior-year figure. This increase was due in particular to the activities of our Central and Eastern European units in Poland, the Czech Republic and Russia. Our **order backlog**, which also rose, ensures a good level of capacity utilization.

The gratifying performance in Eastern Europe also boosted **external sales**, which gained by 21.4 percent over the previous year.

The trend toward price increases for raw materials as well as goods and services inputs noticeable last year is continuing unabated in 2007. Especially in the case of concrete and reinforcing steel as well as key trades such as facade construction and technical building systems, we expect high prices that will negatively impact earnings. These result from contracts already awarded, but are also anticipated in future commissioning of subcontractors; longer fixed-price periods were not accepted by the market in some cases. Building construction in Germany is the segment primarily affected by this development. As a result, **operating earnings** and **profit before taxes** are already clearly negative in the first quarter of 2007. We have responded to the German construction market situation and are focused on mitigating risks when accepting new orders. We only commit to projects if we have been provided binding subcontractor bids for key trades and supplies. In addition, we are increasingly passing on risks of rising material prices to clients by using escalator clauses.

In Hamburg harbor, HOCHTIEF Construction is acting as general contractor, planning and building the Elbe Philharmonic Hall. The volume of the project—which also comprises the construction of a five-star hotel with almost 250 rooms, restaurants and a parking garage—is EUR 241 million. HOCHTIEF Construction's real estate development activities include realization of 43 high-quality condominiums in the building complex. Networking among Group companies was responsible for the successful acquisition of two contracts at once: HOCHTIEF Facility Management will later operate the concert hall.

(EUR million)	Q1 2007	Q1 2006	Percentage change	Full year 2006
New orders	819.3	555.7	47.4	2,443.2
Work done	539.0	469.0	14.9	2,452.8
Order backlog	3,251.6	3,062.9	6.2	2,966.5
External sales	456.3	375.8	21.4	2,010.8
Operating earnings (EBITA)	(27.5)	(2.2)	–	(2.7)
Profit before taxes	(25.2)	1.5	–	2.1
Capital expenditure	5.3	5.3	–	25.8
Net assets	476.8	451.4	5.6	486.5
Employees	8,598	8,500	1.2	8,593
	(End Q1 2007)	(End Q1 2006)		(2006 average)

HOCHTIEF's services segment has also met with success in areas such as project planning. In Russia, we will be responsible for approval planning for Lomonossov harbor. HOCHTIEF also received a planning contract valued at EUR 10 million for the Spartak Moscow stadium.

In Bremerhaven, HOCHTIEF Construction received a contract to build the Kaiserschleuse lock with a total contract volume of nearly EUR 185 million. The project was awarded based on the competitive dialog procedure which the company helped to develop. This new contract award procedure enables cooperation based on partnerships between public sector clients and innovative bidders.

HOCHTIEF Europe outlook

For fiscal 2007 as a whole, we expect that HOCHTIEF Europe will incur a pretax loss of up to EUR 120 million.

In the Spotlight

Group-wide innovation management—HOCHTIEF builds inHaus2 intelligent building

For more information on inHaus2, visit www.hochtief.com/inhaus2 or www.inhauszentrum.de.

At HOCHTIEF, innovations are an integral part of corporate strategy. They make a major contribution to strengthening the competitiveness of our Group. With our Group-wide innovation management system, we are generating new knowledge to unlock future areas of business and optimize existing processes. One of the areas we are focusing on, together with the Fraunhofer-Gesellschaft research organization and other partners from industry in a project called "inHaus2," is the intelligent utility building of the future.

The goal of the research project is to develop intelligent and networked technologies for commercial buildings. The spectrum extends from construction physics to microelectronics. The inHaus 2 utility building is to be built in Duisburg very close to inHaus1, an innovation laboratory for residential buildings. The foundation stone for the building with a gross floor area of 5,170 square meters will be laid on May 21, 2007. HOCHTIEF is investing a total of EUR 4.3 million in the inHaus2 project.

To be completed in mid-2008, inHaus2 will provide a flexible platform which can be adapted to the requirements of different users. In the research section of the building, rooms can be tested for use in applications such as hotels, hospitals or retirement homes. In addition, specialists will look into the possibilities of flexible office design. For this, rooms with the requisite electronic and IT infrastructure as well as all necessary fittings, furnishings and equipment will be installed on three floors of the building. Thanks to an intelligent

room and building system, completely new features will be possible. A room which reports emergencies automatically, or an air-conditioning system which is linked to the user's calendar and adjusts its output according to presence and absence to save energy—these are just two examples of the use of intelligent systems. Research and development work will continue to mid-2010 in order to test the systems in actual operation, optimize them and bring them to market maturity. HOCHTIEF is organizing the construction of inHaus2 in the form of an "intelligent building site." For example, construction materials will be fitted with chips which will later provide information on the heat insulation of the finished building. The various building site data will be stored, managed and interpreted on a building site web portal.

As one of the world's leading users of virtual design and construction, HOCHTIEF is using this innovative technology in inHaus2, planning the building in 4D. In Virtual Design and Construction (ViCon), each individual building phase is simulated three-dimensionally before the works actually start, with time being added as a fourth dimension. Even the acoustics and climate of the building can be planned in advance. The advantages are diverse: The various trades and construction site logistics can be better coordinated. With the aid of a so-called clash detection module, geometric conflicts can be identified early on with ViCon. This reduces risks for further planning and construction. We are already using ViCon with great success worldwide—by the end of 2006, HOCHTIEF had used ViCon on 186 projects throughout the Group.

inHaus2 is another example of our cross-divisional approach to meeting building requirements at every link in the value chain: HOCHTIEF Consult is designing the high-tech building in collaboration with HOCHTIEF ViCon, HOCHTIEF Construction is building inHaus2 within the space of 14 months with the support of Streif Baulegistik, and HOCHTIEF Facility Management will subsequently operate the research unit. This team effort by HOCHTIEF sister companies reflects the Group's successful networked approach to research, design and construction.

In the inHaus2 project, the four-dimensional building model ViCon today already makes it possible to simulate the individual building phases as well as the acoustics and climate of the finished building.



Interim Financial Statements

Consolidated Statement of Earnings

(EUR thousand)	Q1 2007	Q1 2006 (restated)*	Percentage change	Full year 2006
Sales	3,694,632	3,418,140	8.1	15,508,024
Changes in inventories	730	573	27.4	(19)
Other operating income	21,637	29,768	-27.3	229,147
Materials	(2,728,028)	(2,528,436)	7.9	(11,682,304)
Personnel costs	(660,481)	(611,177)	8.1	(2,583,858)
Depreciation and amortization	(79,552)	(69,622)	14.3	(324,544)
Other operating expenses	(209,024)	(208,599)	0.2	(924,608)
Profit from operating activities	39,914	30,647	30.2	221,838
Net income from equity-method investments	14,673	13,309	10.2	39,179
Net income from other participating interests	11,327	3,553	218.8	48,362
Investment and interest income	17,423	23,219	-25.0	132,168
Investment and interest expenses	(17,484)	(20,486)	-14.7	(103,496)
Profit before taxes	65,853	50,242	31.1	338,051
Income taxes	(23,758)	(26,703)	-11.0	(136,689)
Profit after taxes	42,095	23,539	78.8	201,362
Of which: Consolidated net profit	9,567	8,605	11.2	89,097
Of which: Minority interest	32,528	14,934	117.8	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 Q1 2006, thus increasing profit from operating activities by EUR 127,000. Investment and interest expenses were down EUR 1,256,000, making for a total increase of EUR 1,383,000 in profit before taxes.

Deducting EUR 539,000 in deferred tax expense, profit after taxes and consolidated net profit are increased by EUR 844,000.

Consolidated Balance Sheet

(EUR thousand)	Mar. 31, 2007	Mar. 31, 2006	(EUR thousand)	Mar. 31, 2007	Mar. 31, 2006
Assets			Liabilities and Shareholders' Equity		
Non-current assets			Shareholders' equity		
Intangible assets	401,818	396,958	Attributable to the Group	1,817,708	1,807,675
Property, plant and equipment	786,318	751,794	Minority interest	537,959	538,028
Investment properties	46,141	46,471		2,355,667	2,345,703
Equity-method investments	710,880	699,403	Non-current liabilities		
Other financial assets	330,001	251,425	Provisions for pensions and similar obligations	32,900	33,017
Financial receivables	35,225	34,260	Other provisions	199,194	197,033
Other receivables and other assets	66,224	48,735	Financial liabilities	786,120	772,264
Deferred tax assets	180,874	183,852	Other liabilities	15,082	15,410
	2,557,481	2,412,898	Deferred tax liabilities	69,298	66,122
Current assets				1,102,594	1,083,846
Inventories	83,459	72,572	Current liabilities		
Financial receivables	68,832	58,292	Other provisions	762,280	788,711
Trade receivables	3,440,803	3,326,541	Financial liabilities	382,530	271,875
Other receivables and other assets	123,018	115,195	Trade payables	3,258,275	3,639,315
Current income tax assets	35,007	41,968	Other liabilities	250,129	220,658
Marketable securities	868,128	931,034	Current income tax liabilities	10,193	5,404
Cash and cash equivalents	944,940	1,397,012		4,663,407	4,925,963
	5,564,187	5,942,614		8,121,668	8,355,512
	8,121,668	8,355,512			

Consolidated Statement of Cash Flows

(EUR thousand)

Q1 2007

Q1 2006
(restated)*

* Explanations are provided on
page 15.

Profit after taxes	42,095	23,539
Depreciation/write-ups	79,425	69,689
Changes in provisions	(21,599)	(20,778)
Changes in deferred taxes	5,343	14,413
Net gain from disposals of fixed assets and marketable securities	(3,106)	(6,706)
Other non-cash income and expenses (primarily equity valuation) and deconsolidations	(12,369)	(9,516)
Changes in working capital (net current assets)	(464,696)	(128,116)
Changes in other balance sheet items	290	9,978
Net cash used in operating activities	(374,617)	(47,497)
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(102,628)	(189,888)
Proceeds from asset disposals	18,229	35,524
Acquisitions and participating interests		
Purchases	(129,172)	(39,445)
Proceeds from asset disposals/divestments	-	5,582
Changes in cash and cash equivalents due to consolidation changes	-	47
Changes in securities holdings and liquid investments	51,089	(10,485)
Net cash used in investing activities	(162,482)	(198,665)
Dividends to minority shareholders	(34,291)	(20,753)
Proceeds from new borrowing	133,818	62,887
Service of debt	(12,436)	(35,700)
Net cash provided by financing activities	87,091	6,434
Net cash decrease in cash and cash equivalents	(450,008)	(239,728)
Effect of exchange rate changes	(2,064)	(19,627)
Overall change in cash and cash equivalents	(452,072)	(259,355)
Cash and cash equivalents at the start of the year	1,397,012	1,061,301
Cash and cash equivalents as of March 31, 2007	944,940	801,946

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	-	-	-	-	-	-	-	(20,753)	(20,753)	
Profit after taxes	-	-	8,605	-	-	-	-	8,605	14,934	23,539
Currency translation differences and marking of financial instruments to fair value	-	-	-	(26,193)	21,943	-	-	(4,250)	(15,109)	(19,359)
Changes in actuarial gains and losses	-	-	-	-	-	-	10,278	10,278	-	10,278
Other changes not recognized in the Statement of Earnings	-	-	(5,674)	-	-	-	-	(5,674)	908	(4,766)
Balance as of March 31, 2006	179,200	400,806	1,254,352	(56,966)	12,275	(115,883)	1,673,784	517,210	2,190,994	
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	-	-	-	-	-	-	-	(34,291)	(34,291)	
Profit after taxes	-	-	9,567	-	-	-	-	9,567	32,528	42,095
Currency translation differences and marking of financial instruments to fair value	-	-	-	(3,818)	5,311	-	-	1,493	1,202	2,695
Changes in actuarial gains and losses	-	-	-	-	-	-	4,865	4,865	-	4,865
Other changes not recognized in the Statement of Earnings	-	-	(5,892)	-	-	-	-	(5,892)	492	(5,400)
Balance as of March 31, 2007	179,200	400,806	1,391,268	(80,868)	20,549	(93,247)	1,817,708	537,959	2,355,667	

* As of March 31, 2007, own stock with an acquisition cost of EUR 135,021,000 is accounted for as a deduction from revenue reserves (March 31, 2006: EUR 200,373,000).

Statement of Recognized Income and Expense

(EUR thousand)	Q1 2007	Q1 2006	Change	01-12 2006
Profit after taxes	42,095	23,539	18,556	201,362
Currency translation differences	(2,810)	(41,302)	38,492	(62,353)
Changes in fair value of financial instruments				
- Primary	1,010	16,601	(15,591)	19,123
- Derivative	4,495	5,342	(847)	19,670
Actuarial gains and losses*	4,865	10,278	(5,413)	28,049
Income and expense recognized directly in equity	7,560	(9,081)	16,641	4,489
Total income and expense recognized in the fiscal year	49,655	14,458	35,197	205,851
Of which: HOCHTIEF Group	15,925	14,633	1,292	95,775
Of which: Minority interest	33,730	(175)	33,905	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 March 31, 2007 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

This quarterly report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2006. It 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

Two domestic and five foreign companies were added to the consolidated group in the first three months of fiscal 2007. Two domestic companies were merged and consequently removed from the consolidated group. The number of companies accounted for using the equity method remained constant both in Germany and abroad.

After these changes, the Consolidated Financial Statements include HOCHTIEF Aktiengesellschaft and a total of 33 domestic and 251 foreign consolidated companies. Six domestic and 65 foreign companies are accounted for using the equity method.

Own shares

As of March 31, 2007, the Company held a total of 4,312,059 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 11,038,871 (6.16 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 13,571,000 to EUR 26,023,000.

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 on pages 8–13 in the Interim Management Report.

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

(EUR thousand)	Q1 2007	Q1 2006 (restated)*
Profit from operating activities	39,914	30,647
+ Net income from participating interests	26,000	16,862
– Non-operating earnings	(+) 114	(+) 0
+ Interest credited	671	45
Operating earnings (EBITA)	66,699	47,554

Undiluted and diluted earnings per share

	Q1 2007	Q1 2006 (restated)*
Consolidated net profit (EUR thousand)	9,567	8,605
Number of shares in circulation (weighted average)	65,687,941	63,600,866
Earnings per share (EUR)	0.15	0.14

* 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.

Related party disclosures

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.

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.

Financial Calendar

August 14, 2007

Half-Year Report at June 30, 2007
Analysts' and Investors' Conference

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 May 9, 2007; the report was published on May 15, 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

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HOCHTIEF AirPort Capital VerwaltungsGmbH & Co. KG, Germany
Athens International Airport S.A., Greece
Flughafen Düsseldorf GmbH, Germany
Flughafen Hamburg GmbH, Germany
Sydney Airport Corporation Ltd., Australia
Tirana Airport Partner Sh.p.k., Albania
Transport & Logistics Consultancy Ltd., UK

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 (Northern) Limited, Hong Kong
Leighton Asia (Southern) Pte Ltd., 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 Baulegistik GmbH, Germany
HOCHTIEF Polska Sp. z o.o., Poland
HOCHTIEF CZ a.s., Czech Republic
HOCHTIEF Russia
HOCHTIEF Bulgaria
HOCHTIEF Hungary

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In the first quarter of 2007, a HOCHTIEF consortium was commissioned to build the Elbe Philharmonic Hall in Hamburg. The IQ2 consortium, in which CommerzLeasing und Immobilien AG is involved alongside HOCHTIEF Construction AG, prevailed in a pan-European bid process. HOCHTIEF is to take charge of planning and construction of the Hamburg lighthouse project as general contractor, at the same time drawing on its close-knit service portfolio: On its completion, the new Philharmonic Hall will be maintained by HOCHTIEF Facility Management for a period of 20 years.