

Half-Year Report
January to June 2012



Turning Vision into Value.



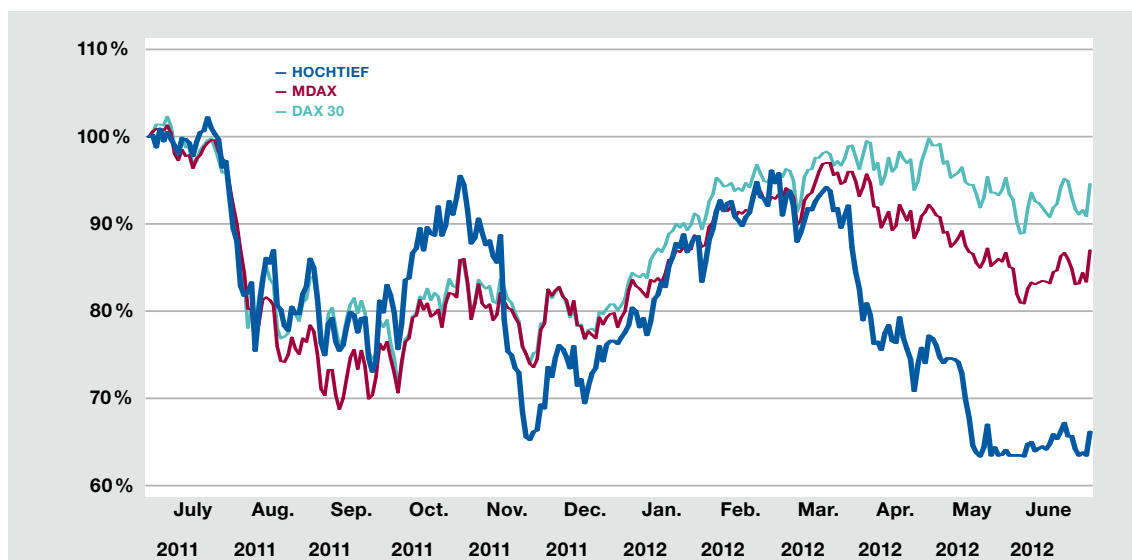
The HOCHTIEF Group

(EUR million)	H1 2012	H1 2011 (restated)*	Percentage change	Q2 2012	Q2 2011 (restated)*	Full year 2011 (restated)*
New orders	16,339.9	13,045.0	25.3	8,650.6	7,632.5	25,368.3
Work done	13,875.1	11,609.7	19.5	7,511.5	6,505.2	25,789.9
Order backlog	52,965.8	46,974.7	12.8	52,965.8	46,974.7	48,668.5
Divisional sales	12,020.2	10,387.0	15.7	6,444.8	5,460.7	23,306.7
External sales**	12,013.1	10,375.0	15.8	6,441.2	5,455.7	23,282.2
Operating earnings (EBITA)**	183.8	(350.3)	–	229.9	54.0	62.0
Profit before taxes**	75.2	(434.6)	–	166.1	10.2	(127.0)
Consolidated net profit/(loss)**	(49.1)	(155.6)	–	(15.0)	13.8	(160.3)
Earnings per share (EUR)	(0.67)	(2.12)	–	(0.20)	0.19	(2.18)
Capital expenditure**	1,026.4	1,119.7	-8.3	771.8	853.8	2,023.3
Net assets	8,856.9	6,859.2	29.1	8,856.9	6,859.2	7,897.6
Employees	80,213 (End H1 2012)	74,961 (End H1 2011)	7.0	80,213 (End Q2 2012)	74,961 (End Q2 2011)	75,449 (2011 average)

* For details on the restatement, please see page 18.

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

HOCHTIEF stock



Cover image:

Top-flight teamwork: Right in the heart of Germany's banking capital Frankfurt, a state-of-the-art urban district—the Europaviertel—is taking shape. It brings together office and service areas, living space, social facilities, restaurants and cafes as well as shops to meet everyday needs. The real estate specialists at HOCHTIEF Solutions are working together to build projects, including the residential complex BelVista. The Belvivo wing (pictured) with 122 rental apartments and 1,600 square meters of commercial space was sold in June, even before the start of construction. Building work begins in September and is slated for completion in June 2014. The BelVista residential project is just one example of cutting-edge urban buildings from HOCHTIEF: According to a study by Germany-based market research and consulting company BulwienGesa, the company is the largest developer of office and residential real estate in Germany.

Dear Shareholders,



Dr. Frank Stieler,
Chairman of the
Executive Board (CEO)

During the past six eventful months, HOCHTIEF reaffirmed its strong position in the markets it serves. We once again increased our order backlog by securing new orders. This provides a sound basis for the future. At the same time, we worked systematically on existing challenges. This enabled us to reach some important milestones in tackling numerous issues which, in the past, have caused us problems and impacted negatively on our earnings.

The technically challenging Airport Link road project in Brisbane was opened to traffic on July 24. The Victorian Desalination Plant delivered first water in July and will ramp up production over the coming months.

On the Elbe Philharmonic Hall project, we and the City of Hamburg were able to pave the way for a fresh start: It has been agreed that planning responsibilities will be reorganized and a timetable set for the project's completion. We will upgrade the hall roof, continue construction work as quickly as possible and without compromising on safety, and complete the planning for the building together with the general planner, Herzog & de Meuron. By doing so, we are investing considerable upfront resources in our contribution towards the completion of this unique building. We also made provisions in the accounts, which had a significant impact on the earnings of the HOCHTIEF Europe division. This does not affect our claims for reimbursement of these costs. Ultimately, however, we do not see any other responsible way of completing this project.

We sold a concession that we had previously developed through to market readiness—in line with our strategy of reducing capital intensity and increasing capital turnover. In July, we sold our 45.45 percent stake in the company responsible for the operation of the Vespucio Norte Express toll highway in Santiago de Chile. The transaction is worth approximately EUR 230 million and is due to close by the end of the year. We expect this transaction to be able to

largely offset the negative impacts of the Elbe Philharmonic Hall project.

Leighton was also successful on this front: July saw an agreement on the sale of its subsidiary Thiess Waste Management. As well as releasing tied-up capital, this measure is intended to refocus our Australian company more on its core business. Contract mining is an extremely important segment and one in which the Leighton Group has been successful for many years, completing orders worth billions. In the mining sector, the Group secured new orders worth over EUR 5.35 billion in the first seven months of the current year. Leighton is benefiting substantially from projects to produce and transport Australian liquid natural gas. These projects are a consequence of Japan's switching off its nuclear power plants and will result in increased demand for infrastructure services for many years to come.

Energy and transportation infrastructure, the shaping of major cities, and mining are particularly important markets when it comes to implementing our strategy. We see increased growth in energy and transportation infrastructure in particular. In all divisions, our operational units have secured numerous new orders and successfully pursued and completed projects in these areas.

In transportation infrastructure, a consortium including HOCHTIEF PPP Solutions reached financial close on the Presidio Parkway project in San Francisco in mid-June. Our subsidiary is to design, build, operate, and partly finance the new southern approach to the Golden Gate Bridge together with its partner, Meridiam, in a public-private partnership project. In addition, our US subsidiary Flatiron is to carry out the construction work in its capacity as design-build lead. These projects exemplify the potential available to HOCHTIEF in the North American market: Studies indicate that USD 2.2 trillion of investment will be needed to bring US transportation infrastructure to a good condition by 2017. PPP projects are an excellent option, enabling these com-

plex projects to be carried out by the private sector despite the challenges facing public-sector budgets. HOCHTIEF has the expertise, experience, and financial resources to deliver such projects. The Northeast Anthony Henday Drive road construction project in Canada is another example. May saw a consortium including HOCHTIEF PPP Solutions and ACS reach financial close on the project. Other partners from within the corporate group are also involved: Flatiron and Dragados are part of a joint venture carrying out the construction work.

We also have good news to report on the shaping of major cities. The trend towards urbanization is resulting in strong demand for solutions that enable modern, cutting-edge living and work spaces. HOCHTIEF was quick to spot the trends and potential. According to an analysis by market research company BulwienGesa, HOCHTIEF Solutions is currently Germany's largest developer of office and residential property, with 689,000 square meters under development. The many project completions, sales, rental successes, and foundation stone layings notched up by our real estate developers in the second quarter demonstrate impressively why it ranks first.

Surveys such as the "tendence Absolventenbarometer 2012" confirm that HOCHTIEF remains one of the most popular employers in Germany. We are particularly interested in what our own employees think, however. We therefore surveyed the HOCHTIEF team in Europe and received suggestions on how to increase their satisfaction. We will implement those suggestions together.

At the end of June, there was a change on the Supervisory Board when Dr. Eggert Voscherau stepped down for personal reasons. We are pleased to have quickly found a highly capable successor familiar with the industry in Christine Wolff—the first woman to sit on the Supervisory Board.

Group outlook

We confirm our guidance for the order backlog and sales for fiscal year 2012. Both key figures will normalize below the 2011 record. We now expect new orders to be on a par with the previous year's high level. We continue to anticipate a Group pretax profit from operating activities of just under EUR 550 million and consolidated net profit of just under EUR 180 million. After the provisions recognized in Europe in the first half of the year, though, it will be much more challenging to achieve these targets. This guidance does not include any extraordinary items.

This planning is based on the assumption that there will not be a further sharp slowdown in the global economy, an escalation of the financial and debt crisis, or any action on the part of individual governments that impacts significantly on HOCHTIEF's business.



Dr. Frank Stieler
Chairman of the Executive Board (CEO)

Interim Management Report

Orders and work done

At EUR 16.34 billion, **new orders** as of June 30, 2012 were up on their prior-year level (an increase of EUR 3.29 billion). Excluding exchange rate effects, new orders still beat the prior-year figure by 16.2 percent.* The main drivers were the HOCHTIEF Americas division with major transportation infrastructure contracts and HOCHTIEF Asia Pacific with large-scale orders in the resources and infrastructure markets. The HOCHTIEF Europe division was down on the prior-year period (with a decrease of EUR 0.54 billion). Besides a strong second quarter in 2011, this was largely due to delays in contract awards in Eastern Europe and the Gulf region in the current fiscal year.

Work done in the first half of the year, at EUR 13.88 billion, exceeded the prior-year figure by 19.5 percent (exchange rate adjusted: 11.1 percent). The increase mainly reflects the HOCHTIEF Asia Pacific division continuously working through its large order backlog. HOCHTIEF Americas likewise outperformed the prior-year period, including on an exchange rate adjusted basis. The HOCHTIEF Europe division (down EUR 0.17 billion) came in below the prior-year period in terms of work done due to the lack of new orders.

The **order backlog** reached an all-time high with an absolute figure of EUR 52.97 billion. This is 12.8 percent higher (exchange rate adjusted: 3.5 percent higher) than the comparative prior-year figure. The Group started fiscal 2012 with a record order backlog of EUR 48.67 billion from the prior year. Key factors in the increase in 2012 are positive exchange rate effects relative to the Australian and the US dollar, new orders in excess of work done in the first half of the year, and the initial consolidation of Clark Builders. Even with work done at a sustained high level, the order backlog represents a forward order book of almost 23 months.

Financial review

Earnings

The further year-on-year rise in **sales** in the first half of 2012 mirrors HOCHTIEF's very strong overall orders position. With sales of EUR 12.01 billion, the Group achieved 15.8 percent growth relative to the prior-year period (EUR 10.37 billion). A major share of this was due to the positive trend in the HOCHTIEF Asia Pacific division, where our subsidiary Leighton benefited from good economic condi-

tions in the Asia-Pacific market and enhanced focus on the growth segment of energy infrastructure. Sales in the HOCHTIEF Asia Pacific division, at EUR 7.22 billion, were up 20.5 percent on the comparative prior-year figure (EUR 5.99 billion). The favorable trend in the Australian dollar exchange rate contributed EUR 546.4 million to this sales increase. The HOCHTIEF Americas division likewise recorded substantial sales growth. Our Canadian subsidiary Clark Builders has been included in this division as a fully consolidated subsidiary since the beginning of the year. Sales went up in the first half year by 23.2 percent to EUR 3.43 billion (H1 2011: EUR 2.78 billion). Operating sales growth was supplemented here by positive exchange rate effects totaling EUR 295 million. The HOCHTIEF Europe division underwent reorganization as of the start of the fiscal year. To reap available synergies, the public-private partnership (PPP) business was transferred to the HOCHTIEF Europe division. This brings together our development, construction, and operation capabilities in Europe under a single roof. On a like-for-like basis, sales decreased by 15.5 percent from the prior-year period (EUR 1.55 billion) to EUR 1.31 billion. The main factor here was a fall in sales in line with the marked decrease in work done on major projects in the Gulf region and in Germany.

While the HOCHTIEF Group's earnings performance has improved significantly, it was not up to our demanding expectations in the first half of 2012. Earnings were impacted primarily by provisions for the Victorian Desalination Plant and Elbe Philharmonic Hall projects as well as by smaller volumes of work done in US infrastructure construction and in European operations outside Germany. We nonetheless achieved turnaround compared with the prior year and are once again able to report positive **operating earnings (EBITA)** of EUR 183.8 million. The negative comparative figure of EUR 350.3 million in the prior-year period was mainly a result of the loss situation at Leighton.

Due to the increasing amount of work being completed on the loss-making projects at Leighton and base operations remaining very stable, earnings in the HOCHTIEF Asia Pacific division rose sharply. Operating earnings (EBITA) improved by EUR 711.1 million from minus EUR 547.2 million in the prior-year period to a positive EUR 163.9 million in the first half of 2012. We likewise generated positive operating earnings in the HOCHTIEF Americas division, at EUR 30.2 million.

*Calculated on basis of figures in EUR million

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

Earnings performance differed strongly, however, between our subsidiaries Turner and Flatiron. Whereas Flatiron was hit both by impacts to earnings on individual projects and by the current weakness of the US infrastructure market leading to the company operating at lower capacity, Turner profited from a well-filled, high-margin order book. The EUR 86.8 million operating earnings (EBITA) generated by the HOCHTIEF Americas division in the first half of the prior year resulted partly from the strong operating business and partly from reversals of risk provisioning that was no longer required.

The HOCHTIEF Europe division returned negative operating earnings (EBITA) of EUR 59.8 million in the first half of 2012. Besides the failure to cover overheads due to a smaller volume of orders and work done in the first half of the year, this primarily reflects provisions for the Elbe Philharmonic Hall. The comparative prior-year figure was significantly higher at a positive EUR 67.6 million due to good contributions to earnings from the international business and solid margins on building construction projects.

Net income from participating interests was well into positive figures at EUR 54.1 million in the first half of fiscal 2012, despite the further impacts from the Victorian Desalination Plant project. The exceptionally large prior-year loss of EUR 467.7 million was primarily the result of the collapse in earnings at Leighton, which has since largely recovered from the losses. At minus EUR 68.9 million, net income from participating interests in the HOCHTIEF Asia Pacific division was still negative due to the loss on the Victorian Desalination Plant project incurred at the beginning of the year, but significantly better than in the prior-year period (minus EUR 564.3 million). Net income from participating interests in the HOCHTIEF Americas division remained stable through the year so far at EUR 22.7 million, on a par with the prior-year figure. The HOCHTIEF Europe division significantly improved net income from participating interests to achieve a positive contribution of EUR 9.9 million in the reporting period (H1 2011: minus EUR 1.2 million). Notable improvements came from the PPP segment and the real estate business.

HOCHTIEF continues to pursue the aim of selling its airports business. In view of the planned sale, and in conformity with financial reporting rules under IFRS 5, the investments in the airport holdings were not accounted for using the equity method in the first six months of 2012. HOCHTIEF's

net income from participating interests consequently only includes dividends distributed by the airport holdings in the reporting period plus income from loans, at a total amount of EUR 90.3 million. The prior-year figure was EUR 77.7 million.

HOCHTIEF pursues a balanced and broadly spread financing strategy to secure capital and liquidity resources. A new source of finance was tapped into for the first time at the beginning of the fiscal year with the first ever corporate bond issue by HOCHTIEF Aktiengesellschaft. **Net investment and interest income** came to minus EUR 103.4 million in the first half of 2012, EUR 24.9 million below the prior-year comparative figure (minus EUR 78.5 million). The key factor here was reduced net interest income, mainly due to higher interest expense.

HOCHTIEF is back in the black and reports **profit before taxes** of EUR 75.2 million for the period January to June 2012. The comparative prior-year period showed a loss of EUR 434.6 million.

Tax expense in the first half of 2012 was EUR 52.1 million, compared with tax income of EUR 108.1 million a year earlier. The prior-year figure mainly reflected the recognition of deferred tax assets in connection with the large losses on projects at Leighton.

Profit after taxes improved to EUR 23.1 million, up EUR 349.6 million on the corresponding prior-year figure (a loss of EUR 326.5 million).

A large proportion of the impacts on earnings incurred in the first half of 2012 related to Group companies in which there is little or no minority stake. For this reason, the **consolidated net loss** attributable to HOCHTIEF shareholders came to EUR 49.1 million, a significant reduction on the prior-year period (a loss of EUR 155.6 million). The minority interest in profit after taxes was positive in the first six months of the fiscal year, at EUR 72.2 million (H1 2011: minus EUR 170.9 million).

Cash flow

Net cash used in operating activities amounted to EUR 96.2 million in the first half of 2012. Trade receivables rose compared with the prior-year period. Working capital increased notably in the HOCHTIEF Asia Pacific division due to the very good trend in orders and the ongoing general expansion of the operating business. The accelerated progress of construction work and the related use of risk provisioning recognized in the previous year at the Airport Link project in Brisbane also resulted in a large cash outflow. The prior-year comparative period, in contrast, showed a fall in working capital and a cash inflow from operating activities of EUR 704.2 million due to an increase in payables. In the main, the losses incurred at Leighton in the first half of the previous year did not impact on cash flow as they mostly related to the Group's share of losses from and impairments of equity-method investments as well as to provisions for project risks.

Net cash used in investing activities totaled EUR 1.04 billion in the first six months of fiscal 2012 (H1 2011: EUR 675.6 million). Capital spending on intangible assets and property, plant and equipment accounted for EUR 622.5 million of the total (H1 2011: EUR 881.6 million). Most of this figure—EUR 589.2 million (H1 2011: EUR 826.8 million)—went on modernization measures and additions to plant and equipment capacity in the capital-intensive contract mining business at the HOCHTIEF Asia Pacific division. Whereas strong demand for the company's services necessitated a comprehensive capital expenditure program at Leighton in the prior year, the company is now focused on improving capital recycling and capital efficiency. In this connection, Leighton achieved a significant reduction in capital expenditure on property, plant and equipment relative to the prior year by entering into new leases. Capital investment in financial assets increased substantially to EUR 403.9 million, up EUR 165.8 million on the prior-year figure (EUR 238.1 million). Whereas spending on financial assets in the prior-year period was concentrated on the investment in Budapest Airport, the focus in fiscal 2012, with EUR 294.9 million, is on capital injections in the Leighton business portfolio and expansion into the Canadian building construction market. This brought the takeover at the beginning of the year of a majority stake in Clark Builders, one of the leading building construction companies in western Canada. In addition to capital expenditure, changes in securities holdings and financial receivables produced a

cash outflow of EUR 252.3 million. The resources were mainly used for additions to the securities portfolio at Turner and the Luxembourg fund management companies. In the prior-year period, in contrast, HOCHTIEF recorded a cash inflow of EUR 213.4 million, with additions to cash from the streamlining of our securities portfolio exceeding the cash outflow from the granting of loans to participating interests. In the reporting period, proceeds from asset disposals and divestments came to EUR 183 million (H1 2011: EUR 217.3 million). The majority of this was accounted for by the HOCHTIEF Asia Pacific division. The initial consolidation of Clark Builders resulted in an inflow of cash resources for the Group of EUR 56.2 million.

HOCHTIEF's financing approach is geared both to covering short-run liquidity needs in the operating business and to procuring long-term resources to fund growth. The financial transactions entered into for these purposes resulted in EUR 897.1 million in **net cash provided by financing activities** in the first half of 2012 (H1 2011: EUR 416.8 million net cash used in financing activities). The issue of HOCHTIEF Aktiengesellschaft's first corporate bond for EUR 500 million placed the Group's financing structure on an even broader base and provided the company with enhanced access to the capital market. Alongside this, Leighton generated a cash inflow of EUR 677.1 million in a mix of long-term and short-term bank borrowing and lease finance. Total new borrowing by the HOCHTIEF Group amounted to EUR 1.83 billion and was partly used to refinance loan arrangements. In this connection, Corporate Headquarters paid back prior-year drawings on the revolving credit facility in the amount of EUR 400 million and short-term bank borrowings in the amount of EUR 129.5 million. Service of debt accounted in total for a EUR 868.9 million outflow of cash from the HOCHTIEF Group in the first half of 2012 (H1 2011: EUR 1 billion). Cash and cash equivalents were reduced by a further EUR 89.9 million as a result of dividend payments, mostly to minority interest at Leighton (H1 2011: EUR 249 million).

As of the June 30, 2012 balance sheet date, HOCHTIEF has cash and cash equivalents totaling EUR 2.09 billion. This represents a decrease of EUR 179 million from the end of fiscal 2011. Exchange rate changes made for EUR 56.3 million of this decrease.

Free cash flow was substantially negative in the first half of 2012, at minus EUR 1.14 billion (H1 2011: positive EUR 28.6 million). This consisted of the EUR 96.2 million net cash used in operating activities (H1 2011: EUR 704.2 million net cash provided by operating activities) and the EUR 1.04 billion net cash used in investing activities (H1 2011: EUR 675.6 million net cash used in investing activities).

Balance sheet

Our **total assets** further increased in the first six months of the fiscal year to attain a total of EUR 17.1 billion. This was EUR 1.31 billion (8.3 percent) higher than the figure as of December 31, 2011 (EUR 15.8 billion).

Non-current assets rose compared to the end of the prior year (EUR 5.21 billion) by EUR 250.8 million to EUR 5.46 billion. The initial consolidation of Clark Builders as a subsidiary following the acquisition of a majority stake at the beginning of the year and the resulting recognition of goodwill combined with purchases of concession rights pushed up intangible assets by a total of EUR 71 million to EUR 764.3 million. The main changes in property, plant and equipment related to capital expenditure at Leighton and, in the opposite direction, to disposals and depreciation of plant and equipment. The net outcome was a slight increase in property, plant and equipment by EUR 62.9 million to EUR 2.3 billion. Financial assets were likewise slightly up on December 31, 2011 (EUR 1.1 billion). The increase of EUR 40.2 million to EUR 1.14 billion was mainly in connection with equity-method investments. Non-current financial receivables attained a level of EUR 667.2 million as of June 30, 2012. This put them EUR 35.1 million higher than the comparative figure at the end of fiscal 2011 (EUR 632.1 million). The primary effect here consisted of loans granted to companies in the Leighton business portfolio. Deferred tax assets on the Group Balance Sheet increased by EUR 33.6 million to EUR 308.3 million, mainly due to remeasurements at Leighton.

Current assets went up substantially compared with December 31, 2011 (EUR 10.58 billion), with an increase of EUR 1.06 billion to EUR 11.64 billion. Within the total, inventories came to EUR 1.38 billion, up EUR 88.3 million on the figure as of the fiscal 2011 year-end. The main factor here was an increase in raw materials and supplies as well as in work in progress at Leighton. Trade receivables rose sharply, also due to the expansion of the operating business, with an increase of EUR 852.5 million to EUR 5.53 billion.

This was mainly driven by growth in the HOCHTIEF Asia Pacific and HOCHTIEF Americas divisions. The HOCHTIEF Group's holdings of marketable securities also increased. Additions of fixed-interest securities and equities to the Turner portfolio and at the Luxembourg fund management companies made for an increase of EUR 197.4 million to EUR 590.2 million. Cash and cash equivalents on the Group Balance Sheet stood at EUR 2.09 billion as of June 30, 2012, EUR 179 million below the comparative figure as of December 31, 2011 (EUR 2.26 billion). The main allocation of cash resources was for capital spending. In accordance with IFRS 5, non-current assets and liabilities held for sale are reported separately in the Group Balance Sheet. The EUR 1.53 billion in assets held for sale mostly relate to the airports business.

Shareholders' equity came to EUR 4.05 billion as of June 30, 2012, slightly down on the figure at the end of the prior fiscal year (EUR 4.11 billion). Positive factors within shareholders' equity in the first half of 2012 comprised profit after taxes of EUR 23.1 million, currency translation differences and changes in fair value of financial instruments totaling EUR 59.9 million, and other changes not recognized in the Statement of Earnings in the amount of EUR 24.6 million. These were countered by dividend payments (a reduction of EUR 89.9 million) as well as changes in actuarial gains and losses (a reduction of EUR 79.7 million).

The equity ratio (shareholders' equity to total assets) was 23.7 percent as of June 30, 2012, below the figure as of December 31, 2011 (26 percent).

Non-current liabilities increased during the first half of 2012 by EUR 733.7 million to EUR 3.93 billion. The main influence here consisted of changes in the financing structure of the HOCHTIEF Group. As a result of the corporate bond issue by HOCHTIEF Aktiengesellschaft (for EUR 500 million), additional leases and borrowing at Leighton and, in the opposite direction, the repayment of prior-year drawings on the revolving credit facility (EUR 400 million), non-current financial liabilities were swelled by a net EUR 571.6 million to EUR 2.87 billion. Non-current provisions increased relative to the figure as of December 31, 2011 by EUR 138.1 million to EUR 778.5 million. This mainly related to growth in provisions for pensions and similar obligations, which increased by EUR 120 million to EUR 308.8 million as a result of the need to adjust the discount rate to the decreased market rate of interest. Other non-current provisions

increased only slightly by EUR 18.1 million to EUR 469.7 million. There were also minor changes in other liabilities and deferred tax liabilities. While other liabilities rose by EUR 11.7 million to EUR 190.4 million, mostly due to changes in derivatives, deferred tax liabilities increased by EUR 12.2 million to EUR 91 million as a result of remeasurement adjustments.

Current liabilities grew in the course of the reporting period by EUR 636.1 million to EUR 9.12 billion. The comparative figure as of December 31, 2011 was EUR 8.49 billion. The main focus here was on the provision of funding needed for growth in the operating business. The borrowings made for this purpose produced a EUR 351.1 million increase in current financial liabilities to EUR 1.84 billion. Expansion of the operating business also pushed up trade payables by EUR 228.5 million to EUR 5.86 billion. Increased personnel-related liabilities and the inclusion of Clark Builders as a fully consolidated subsidiary were the main factors driving a EUR 55.6 million rise in other liabilities to EUR 434.8 million. Current provisions showed only a slight change, decreasing by EUR 18.4 million to EUR 938.1 million.

Risk and opportunities report

The presentation of the opportunities and risks* of likely future developments given in the combined company and Group management report as of December 31, 2011 continues to apply. There has been no material change in the situation of the Group from that presented in our 2011 Annual Report with regard to the general economic environment and to the company-specific risks presented in this report.

The overall economic situation poses risks notably due to the debt crisis in the euro area and primarily the situation in Greece, the developments in Hungary, the ongoing political uncertainties in the Arabian region, and exchange rate movements. We monitor and assess these risks on a continuous basis. From today's perspective, they raise no doubts about the HOCHTIEF Group's ability to continue as a going concern. The economic situation is subject to continuous assessment as part of our risk management system.

Despite extensive control mechanisms and ongoing project reviews, we cannot rule out the future necessity in individual instances of recognizing impairment losses on investments within the portfolio.

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

The forecasts and other statements regarding the likely future development of HOCHTIEF published in the quarterly report as of March 31, 2012 have not changed during the second quarter of 2012. The additional statements made in the Annual Report 2011 continue to apply.

Post balance-sheet events

By decision of Essen Local Court, Christine Wolff was appointed to succeed Dr. Eggert Voscherau as a member of the Supervisory Board on July 27, 2012. There were no other material events to report between the close of the second quarter of 2012 and the editorial deadline for this half-year report.

News from the Boards

By decision of Essen Local Court, Dr. Francisco Javier Garcia Sanz was appointed a member of the Supervisory Board on April 23, 2012. Dr. Garcia Sanz takes the place of Marcelino Fernández Verdes, who switched to the HOCHTIEF Executive Board on April 15, 2012.

Dr. Eggert Voscherau stepped down from his office as member of the Supervisory Board for personal reasons with effect from June 30, 2012.

***Our risk report is provided starting on page 121 of our 2011 Annual Report and on our website, www.hochtief.com.**

Divisions

HOCHTIEF Americas Division

(EUR million)	H1 2012	H1 2011	Percent- age change	Q2 2012	Q2 2011	Full year 2011
New orders	4,327.7	3,125.2	38.5	2,209.1	1,589.4	7,036.5
Work done	3,710.9	3,013.9	23.1	1,993.4	1,606.5	6,714.5
Order backlog	10,493.5	7,733.1	35.7	10,493.5	7,733.1	8,923.9
Divisional sales	3,428.9	2,783.4	23.2	1,873.5	1,481.9	6,178.9
External sales	3,428.9	2,783.4	23.2	1,873.5	1,481.9	6,178.9
Operating earnings (EBITA)	30.2	86.8	-65.2	15.2	39.1	148.4
Profit before taxes	25.3	85.8	-70.5	12.1	38.7	142.4
Capital expenditure	78.3	33.1	136.6	2.7	8.7	55.2
Net assets	706.6	606.0	16.6	706.6	606.0	720.3
Employees	8,534 <small>(End H1 2012)</small>	7,382 <small>(End H1 2011)</small>	15.6	8,534 <small>(End Q2 2012)</small>	7,382 <small>(End Q2 2011)</small>	7,280 <small>(2011 average)</small>

The HOCHTIEF Americas division sustained the strong trend in orders through the second quarter of 2012. Flatiron was awarded two new major contracts in the roads segment and Turner secured numerous attractive new orders in building construction. Total **new orders** were up 38.5 percent on the prior-year quarter. The strengthening of the US dollar led to a positive exchange rate effect of EUR 373 million (11.9 percent). **Work done** rose by 23.1 percent compared with the prior-year period (exchange rate adjusted: 12.5 percent), with the increase accounted for by the building construction segment. Thanks to the strong trend in orders, the divisional **order backlog** set a new record at EUR 10.49 billion. This includes EUR 1.44 billion in positive exchange rate effects. In line with the rise in work done, **divisional and external sales** went up by 23.2 percent. **Operating earnings**, at EUR 30.2 million, were down on the exceptionally large prior-year amount. As a result, **profit before taxes**, at EUR 25.3 million, likewise fell short of the prior-year figure, which was boosted by an extraordinary income item from the reversal of risk provisioning that had ceased to be needed. Operating earnings in the civil engineering segment were also below expectations in the period under review. Besides impacts to earnings on individual projects, the factors at play here include the low order intake in the previous year and the long lead times, which result in low capacity utilization. The earnings situation is expected to improve in the second half of 2012. The increase in **capital expenditure** results from the acquisition of a majority stake in Clark Builders, Canada. HOCHTIEF included the company as a fully consolidated subsidiary for the first time as of January 1, 2012. The number of **employees** rose by 1,152 compared with the prior-year period. This is partly accounted for by Clark Builders and additionally by the building construction segment adjusting capacity to the current order situation.

Among the contracts our US subsidiary Turner secured during the second quarter were two from the US Army Corps of Engineers. In Alabama, the general building specialist is to lead the design and construction of phase four of the Von Braun Complex at Redstone Arsenal. The contract is

worth more than EUR 40 million. In San Bernardino, California, Turner is responsible for building the EUR 124 million Fort Irwin Replacement Hospital. Both projects are to be designed and constructed to sustainability standards and aim for LEED certification from the United States Green Building Council. Demand for green buildings continues to be strong in the public and the private sector despite the strained economic situation. Turner has led the US market in this segment for some years.

Turner is to undertake project and construction management for a five-star hotel in Ho Chi Minh City. The 28-story Pullman Saigon Centre is due to be opened in late 2013. For years, Turner has been operating in Vietnam through a unit of its own, offering project and construction management services. There are currently three active projects in the country.

Turner continued its string of successes with Building Information Modeling (BIM). The New York City Department of Buildings has now accepted and is making use of BIM site safety plans for the first time. The virtual plans developed by Turner make it possible to identify and manage risks and optimize construction processes from an early stage. They also significantly expedite the approval process.

Our civil engineering subsidiary Flatiron secured two major projects in the strategic growth area of transportation infrastructure. One of these is the construction contract for the Northeast Anthony Henday Drive in Edmonton, Canada. A consortium including HOCHTIEF PPP Solutions and ACS was awarded the public-private partnership (PPP) project and commissioned a joint venture of Flatiron and Dragados with the construction work. For Flatiron, the project is worth more than EUR 350 million. The contract includes the construction of a 27-kilometer section of the six and eight-lane divided roadway, nine interchanges and a total of 46 bridge structures. Construction started in June 2012 and completion is scheduled for the fall of 2016. Flatiron is also involved in a second landmark PPP project: The company is the design-build lead for the Presidio Parkway in San Francisco, California, with a 65 percent stake in the project. The new southern approach to the Golden Gate Bridge is set to be completed in 2015. The contract is worth EUR 197 million. The New York heavy engineering subsidiary E.E. Cruz secured a total of over EUR 48 million in new orders during the second quarter of 2012, including the replacement of the Bronx River Parkway Bridge.

HOCHTIEF Americas outlook

In light of the strong trend in orders in the first half of the year, the large order backlog, and the enlarged portfolio as a result of acquisitions, the division continues to anticipate a good pretax profit in 2012, although this is expected to be below the high level attained in the prior year due to weaker earnings in the civil engineering segment.

HOCHTIEF Asia Pacific Division

The HOCHTIEF Asia Pacific division again achieved substantial growth in **new orders** with an operating increase of 23 percent (EUR 1.83 billion) based on a number of new awards across the resources and infrastructure markets. Appreciation of the Australian dollar had a positive impact on new orders to the tune of EUR 802.5 million. The **order backlog** likewise benefited from the exchange rate effect (by EUR 2.83 billion) and also showed an operating increase of EUR 595.9 million (1.8 percent). **Work done** (up 15.8 percent) and **external sales** (up 11.3 percent) also rose significantly on an exchange rate adjusted basis. The division reported solid **operating earnings** of EUR 163.9 million and **profit before taxes** of EUR 85.1 million in the first half of the year. As expected, this represents a sharp increase on last year's result, which was notably affected by substantial losses resulting from the known problems on two major projects and by the impairment at the Habtoor Leighton Group. **Capital expenditure** is a slight 4.8 percent up on the prior year due to the exchange rate effect, with an operating decrease of 3.1 percent. Due to the substantial new orders and the strong order backlog, the number of **employees** grew to 56,117. Early July saw an agreement on the sale of Thiess Waste Management for a total purchase price of EUR 181 million. The transaction is expected to be completed during the current financial year. During the period, Leighton also successfully completed syndication of a new EUR 342 million (AUD 425 million) Syndicated Lease Facility. Originally launched at EUR 242 million, the facility was oversubscribed by 42 percent.

The Leighton Group is currently involved in a number of state-of-the-art transportation projects. John Holland secured a EUR 448 million alliance contract to design and construct a key section of the first major new rail line for metropolitan Melbourne in 80 years. In Brisbane, the Airport Link project was completed and was opened to traffic on July 24, 2012. In Saudi Arabia, a joint venture including the Habtoor Leighton Group was awarded a contract for the design and construction of a new maintenance, repair, and overhaul facility at the King Abdulaziz International Airport in Jeddah. The contract share of the Leighton Group company is worth EUR 118 million.

In the energy market, Leighton is delivering numerous advanced infrastructure projects. Thiess secured a EUR 356 million contract to undertake works for the downstream portion of the Wheatstone project, a liquefied natural gas (LNG) and domestic gas project in Western Australia. This is already Thiess' fourth contract on the project. On the Gorgon project, Leighton Contractors was able to bring negotiations on change orders to a successful close, increasing the total size of the contract to EUR 1.47 billion. In Queensland, Leighton Contractors will deliver EUR 626

(EUR million)	H1 2012	H1 2011	Percentage change	Q2 2012	Q2 2011	Full year 2011
New orders	10,599.8	7,964.9	33.1	5,814.8	4,615.3	14,780.8
Work done	8,590.6	6,855.7	25.3	4,663.6	3,999.5	15,515.7
Order backlog	36,241.4	32,815.1	10.4	36,241.4	32,815.1	33,426.1
Divisional sales	7,216.8	5,991.7	20.4	3,804.1	3,082.2	13,631.3
External sales	7,216.8	5,991.5	20.5	3,804.1	3,082.0	13,631.1
Operating earnings (EBITA)	163.9	(547.2)	-	248.6	(17.2)	(168.2)
Profit before taxes	85.1	(598.2)	-	206.6	(41.2)	(285.4)
Capital expenditure	884.1	843.6	4.8	739.2	634.2	1,666.7
Net assets	4,758.7	3,563.7	33.5	4,758.7	3,563.7	4,367.1
Employees	56,117 (End H1 2012)	51,491 (End H1 2011)	9.0	56,117 (End Q2 2012)	51,491 (End Q2 2011)	52,220 (2011 average)

million worth of gas and water infrastructure after having been awarded two key contracts by Australia Pacific LNG. Leighton Welspun was awarded its fifth project by India's Oil & Natural Gas Corporation, the EUR 196 million Pipeline Replacement Project 3. In Abu Dhabi, Habtoor Leighton Group secured a major contract for the design and construction of accommodation and utilities for the Upper Zakum offshore oil field development.

In contract mining, Leighton Contractors secured a three-year contract worth EUR 472 million for the provision of services at the Peak Downs coal mine. In July, the company was also awarded a three-and-a-half-year contract extension worth approximately EUR 620 million at the Sonoma coal mine. In Indonesia, Thiess won a EUR 302 million coal mining contract to provide mining services for the delivery of 7.5 million metric tons of coal at Muara Teweh in the province of Kalimantan Tengah. Also in Kalimantan Tengah, Leighton Asia received a seven-year contract worth EUR 331 million to provide mining services to the MGM coal mine.

The Leighton Group is contributing in various projects to the development of cities in Australia. In health infrastructure, Thiess is undertaking additional work on the Townsville Hospital Redevelopment project for over EUR 165 million. Subsidiary Visionstream is expanding the broadband network across Victoria and Queensland in a contract worth up to EUR 82 million.

HOCHTIEF Asia Pacific outlook

Based on the stable results generated by ongoing operations and the fact that the loss-making Airport Link and Victorian Desalination Plant projects are coming to an end, the Leighton Group expects that operating performance will continue to improve in the second half of the year. We continue to anticipate a pretax profit of approximately EUR 300 million.

HOCHTIEF Europe Division

(EUR million)	H1 2012	H1 2011 (restated)*	Percent- age change	Q2 2012	Q2 2011 (restated)*	Full year 2011 (restated)*
New orders	1,373.7	1,913.2	-28.2	612.9	1,405.4	3,456.1
Work done	1,533.7	1,699.3	-9.7	838.6	876.9	3,467.3
Order backlog	6,245.9	6,441.9	-3.0	6,245.9	6,441.9	6,332.4
Divisional sales	1,314.1	1,556.0	-15.5	735.5	868.3	3,377.7
External sales	1,310.2	1,550.9	-15.5	733.6	865.0	3,365.9
Operating earnings (EBITA)	(59.8)	67.6	-	(57.8)	40.8	47.1
Profit before taxes	(85.3)	38.4	-	(71.6)	24.6	(9.0)
Capital expenditure	58.4	28.0	108.6	28.0	11.1	75.7
Net assets	1,735.4	1,945.0	-10.8	1,735.4	1,945.0	1,867.9
Employees	15,222 (End H1 2012)	15,735 (End H1 2011)	-3.3	15,222 (End Q2 2012)	15,735 (End Q2 2011)	15,598 (2011 average)

*For details on the restatement, please see page 18.

In the first half of the year, **new orders** in the HOCHTIEF Europe division stood at EUR 1.37 billion, EUR 539.5 million (28.2 percent) down on the prior-year period. This was due in part to the exceptionally strong second quarter of 2011, with large contracts in the infrastructure and property development segments, and in part to delays in the awarding of contracts, especially in Eastern Europe and the Gulf region. As a result, **work done** remained EUR 165.6 million (9.7 percent) below the prior-year level and below expectations at EUR 1.53 billion. In line with this decrease, **divisional and external sales** were both 15.5 percent down on the comparable figures from 2011. At EUR 6.25 billion, the **order backlog** fell slightly year on year and provides a forward order book of more than two years. **Operating earnings** and **profit before taxes** were badly affected mainly by the Elbe Philharmonic Hall project as well as by the failure to fully cover overheads due to reduced capacity utilization. Additional costs are being incurred at the Elbe Philharmonic Hall due to construction delays despite the letter of intent with the City of Hamburg, which will enable the project to be completed. Although these additional costs will be borne mainly by the City of Hamburg on the reorganization, we have had to recognize provisions for them. In addition, the prior year was positively impacted by nonrecurring items and the reversal of provisions. The EUR 30.4 million increase in **capital expenditure** primarily relates to our PPP activities. The decrease in the number of **employees** is mainly due to the development of business in Eastern Europe and in German building construction, as well as to project-related changes in the Gulf region and in South America. The number of employees involved in our offshore activities rose.

In the second quarter, HOCHTIEF Solutions chalked up numerous project successes in the strategic growth areas of energy and transportation infrastructure as well as shaping major cities. In May, a consortium including HOCHTIEF PPP Solutions, ACS, and Meridiam reached financial close for the design, building, partial financing, and operation of

27 kilometers of ring road in Edmonton, Canada. The contract is worth almost EUR 1.4 billion in total over 34 years. June saw the financial close on the Presidio Parkway project in San Francisco. This project has a total volume of some EUR 800 million, with HOCHTIEF holding a 50 percent stake in the concession company.

At Munich Airport, HOCHTIEF is constructing the shell for the "Satellit" project, in which a baggage sorting hall is being developed into a new terminal. The contract is worth some EUR 50 million. In Pilsen in the Czech Republic, HOCHTIEF Solutions will build a theater together with office buildings and, in Prague, a sports and leisure center. Together, the contracts add up to around EUR 46 million.

At Hamburg harbor, HOCHTIEF Solutions will work in a joint venture to build a flood protection installation of some 320 meters. The overall contract is worth approximately EUR 21 million, of which HOCHTIEF's share amounts to 50 percent.

According to a study by BulwienGesa, HOCHTIEF Solutions is the most active developer of office and residential property in Germany. This is confirmed by the number of foundation stones laid and sales successes in the second quarter: In Frankfurt, the Belvivo residential building was sold before construction even began. HOCHTIEF also sold the Atos headquarters in Essen, as well as numerous residential units on projects in Leinfelden-Echterdingen and Heidelberg. The topping-out ceremony for the Loftwerk office building in Eschborn took place in June. In the second quarter, construction work began on residential properties in Munich, Cologne, and Berlin.

HOCHTIEF received another contract from regular client Commerzbank with a five-year agreement for technical facility management. One of the properties managed is the Commerzbank Tower in Frankfurt, which was also built by HOCHTIEF.

In the future, HOCHTIEF Energy Management will provide the automotive supplier Saint-Gobain Sekurit with process energy under energy supply contracting. Thanks to modernization measures, the client is also saving around 70,000 metric tons of CO₂. The pharmaceuticals manufacturer medac commissioned HOCHTIEF facility managers, among other things, to set up laboratories while production is ongoing.

HOCHTIEF Europe outlook

Following the additional expenses in the second quarter, we anticipate a satisfactory pretax profit for fiscal year 2012.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	H1 2012	H1 2011	Percentage change	Q2 2012	Q2 2011	Full year 2011
Sales	12,013,134	10,374,977	15.8	6,441,209	5,455,683	23,282,237
Changes in inventories	38,651	1,382	-	(35,815)	(43,662)	(143,629)
Other operating income	65,183	221,304	-70.5	27,034	147,530	499,503
Materials	(8,208,916)	(7,181,285)	14.3	(4,333,884)	(3,561,120)	(15,572,201)
Personnel costs	(2,624,725)	(2,193,880)	19.6	(1,378,336)	(1,110,727)	(4,863,639)
Depreciation and amortization	(453,752)	(333,767)	35.9	(251,418)	(143,235)	(782,914)
Other operating expenses	(705,135)	(777,119)	-9.3	(328,093)	(398,399)	(1,792,880)
Profit from operating activities	124,440	111,612	11.5	140,697	346,070	626,477
Share of profits and losses of equity-method associates and jointly controlled entities	10,148	(511,765)	-	60,290	(330,373)	(649,894)
Net income from other participating interests	43,921	44,106	-0.4	24,664	32,541	65,171
Investment and interest income	45,716	53,958	-15.3	17,848	38,401	108,680
Investment and interest expenses	(149,072)	(132,495)	12.5	(77,429)	(76,435)	(277,392)
Profit before taxes	75,153	(434,584)	-	166,070	10,204	(126,958)
Income taxes	(52,103)	108,059	-	(89,367)	2,407	(40,932)
Profit after taxes	23,050	(326,525)	-	76,703	12,611	(167,890)
Of which: Consolidated net loss	[(49,138)]	[(155,632)]	-	[(14,990)]	[13,844]	[(160,287)]
Of which: Minority interest	[72,188]	[(170,893)]	-	[91,693]	[(1,233)]	[(7,603)]
Diluted and undiluted earnings per share (EUR)	(0.67)	(2.12)	-	(0.20)	0.19	(2.18)

Consolidated Balance Sheet

(EUR thousand)	June 30, 2012	Dec. 31, 2011	(EUR thousand)	June 30, 2012	Dec. 31, 2011
Assets			Liabilities and Shareholders' Equity		
Non-current assets			Shareholders' equity		
Intangible assets	764,285	693,250	Attributable to the Group	2,506,081	2,598,388
Property, plant and equipment	2,298,000	2,235,136	Minority interest	1,542,305	1,511,976
Investment properties	21,347	21,727		4,048,386	4,110,364
Equity-method investments	1,069,862	1,033,203	Non-current liabilities		
Other financial assets	68,552	64,978	Provisions for pensions and similar obligations	308,796	188,815
Financial receivables	667,202	632,063	Other provisions	469,689	451,555
Other receivables and other assets	267,116	258,785	Financial liabilities	2,873,172	2,301,549
Deferred tax assets	308,282	274,697	Other liabilities	190,420	178,695
	5,464,646	5,213,839	Deferred tax liabilities	90,974	78,734
Current assets				3,933,051	3,199,348
Inventories	1,375,072	1,286,753	Current liabilities		
Financial receivables	195,243	149,958	Other provisions	938,118	956,479
Trade receivables	5,533,831	4,681,313	Financial liabilities	1,843,904	1,492,837
Other receivables and other assets	238,941	226,525	Trade payables	5,858,761	5,630,217
Current income tax assets	94,588	124,194	Other liabilities	434,832	379,279
Marketable securities	590,211	392,831	Current income tax liabilities	6,997	8,270
Cash and cash equivalents	2,085,772	2,264,821	Liabilities associated with assets held for sale	39,829	19,271
Assets held for sale	1,525,574	1,455,831		9,122,441	8,486,353
	11,639,232	10,582,226		17,103,878	15,796,065
	17,103,878	15,796,065			

Consolidated Statement of Cash Flows

(EUR thousand)	H1 2012	H1 2011
Profit after taxes	23,050	(326,525)
Depreciation, amortization, impairments and impairment reversals	455,392	481,350
Changes in provisions	(20,134)	(80,408)
Changes in deferred taxes	16,758	(151,489)
Gains/(losses) from disposals of non-current assets and marketable securities	(14,034)	(36,032)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	187,459	447,777
Changes in working capital (net current assets)	(744,770)	370,014
Changes in other balance sheet items	51	(452)
Net cash (used in)/provided by operating activities	(96,228)	704,235
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(622,517)	(881,563)
Proceeds from asset disposals	119,642	49,341
Acquisitions and participating interests		
Purchases	(403,866)	(238,090)
Proceeds from asset disposals/divestments	63,383	167,918
Changes in cash and cash equivalents due to consolidation changes	56,227	13,386
Changes in securities holdings and financial receivables	(252,258)	213,447
Net cash used in investing activities	(1,039,389)	(675,561)
Payments received from sale of treasury stock	652	–
Payments into equity by minority shareholders	21,438	264,486
Dividends to HOCHTIEF's and minority shareholders	(89,854)	(248,976)
Proceeds from new borrowing	1,833,740	569,542
Service of debt	(868,859)	(1,001,813)
Net cash provided by/(used in) financing activities	897,117	(416,761)
Net cash decrease in cash and cash equivalents	(238,500)	(388,087)
Effect of exchange rate changes	56,345	(125,292)
Overall change in cash and cash equivalents	(182,155)	(513,379)
Cash and cash equivalents at the start of the year	2,280,720	2,451,057
Of which: Included in assets held for sale	[15,899]	[-]
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	[2,264,821]	[2,451,057]
Cash and cash equivalents at end of reporting period	2,098,565	1,937,678
Of which: Included in assets held for sale	[12,793]	[-]
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	[2,085,772]	[1,937,678]

Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktiengesellschaft	Capital reserve of HOCHTIEF Aktiengesellschaft	Revenue reserves* including unappropriated net income	Accumulated other comprehensive income			Attributable to the Group	Attributable to minority interest	Total
				Currency translation differences	Changes in fair value of financial instruments	Actuarial gains and losses			
Balance as of Jan. 1, 2011	197,120	783,142	2,008,824	160,781	(71,589)	(112,785)	2,965,493	1,298,679	4,264,172
Dividends paid	-	-	(147,130)	-	-	-	(147,130)	(101,846)	(248,976)
Profit after taxes	-	-	(155,632)	-	-	-	(155,632)	(170,893)	(326,525)
Currency translation differences and changes in fair value of financial instruments	-	-	-	(146,161)	(14,130)	-	(160,291)	(72,597)	(232,888)
Changes in actuarial gains and losses	-	-	-	-	-	16,910	16,910	-	16,910
Total comprehensive income	-	-	(155,632)	(146,161)	(14,130)	16,910	(299,013)	(243,490)	(542,503)
Other changes not recognized in the Statement of Earnings	-	-	23,168	-	-	-	23,168	342,642	365,810
Balance as of June 30, 2011	197,120	783,142	1,729,230	14,620	(85,719)	(95,875)	2,542,518	1,295,985	3,838,503
Balance as of Jan. 1, 2012	197,120	783,552	1,719,710	174,050	(119,600)	(156,444)	2,598,388	1,511,976	4,110,364
Dividends paid	-	-	-	-	-	-	-	(89,854)	(89,854)
Profit after taxes	-	-	(49,138)	-	-	-	(49,138)	72,188	23,050
Currency translation differences and changes in fair value of financial instruments	-	-	-	56,954	(16,650)	-	40,304	19,642	59,946
Changes in actuarial gains and losses	-	-	-	-	-	(79,588)	(79,588)	(105)	(79,693)
Total comprehensive income	-	-	(49,138)	56,954	(16,650)	(79,588)	(88,422)	91,725	3,303
Other changes not recognized in the Statement of Earnings	-	250	(4,135)	-	-	-	(3,885)	28,458	24,573
Balance as of June 30, 2012	197,120	783,802	1,666,437	231,004	(136,250)	(236,032)	2,506,081	1,542,305	4,048,386

* As of June 30, 2012, treasury stock with a purchase cost of EUR 89,658,000 (2011: 90,411,000) was accounted for as a deduction from revenue reserves.

Consolidated Statement of Comprehensive Income

(EUR thousand)	H1 2012	H1 2011	Change	Full year 2011
Profit after taxes	23,050	(326,525)	349,575	(167,890)
Currency translation differences	84,115	(219,037)	303,152	27,922
Changes in fair value of financial instruments				
Primary	3,136	17,327	(14,191)	11,388
Derivative	7,790	22,160	(14,370)	48,820
Profits and losses of equity-method associates and jointly controlled entities recognized directly in equity	(35,095)	(53,338)	18,243	(97,494)
Actuarial gains and losses	(79,693)	16,910	(96,603)	(43,632)
Other comprehensive income (after taxes)	(19,747)	(215,978)	196,231	(52,996)
Total comprehensive income after taxes	3,303	(542,503)	545,806	(220,886)
Of which: HOCHTIEF Group	[(88,422)]	[(299,013)]	[210,591]	[(238,688)]
Of which: Minority interest	[91,725]	[(243,490)]	[335,215]	[17,802]

Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of June 30, 2012, which were released for publication on July 30, 2012, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed. In accordance with IAS 34, the reported information is presented in condensed form relative to the full Consolidated Financial Statements.

This interim report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2011.

Due to reduced capital market interest rates, the domestic discount factor used to value pension obligations was lowered as of June 30, 2012 to 3.75 percent (December 31, 2011: 4.75 percent) and the foreign discount factor to 3.85 percent (December 31, 2011: 4.38 percent). The rate of increase in pensions was additionally raised domestically to 2.00 percent (December 31, 2011: 1.75 percent).

In all other respects, this report has been prepared using the same accounting policies as the 2011 Consolidated Financial Statements. Information on those accounting policies is given in the 2011 Annual Report.

Consolidation changes

The Consolidated Financial Statements for the first half of fiscal 2012 include three domestic and 23 foreign companies for the first time. One domestic company and 12 foreign companies were removed from the consolidated group.

The number of companies accounted for using the equity method increased by one domestically and 19 internationally.

The Consolidated Financial Statements as of June 30, 2012 include HOCHTIEF Aktiengesellschaft and a total of 68 domestic and 404 foreign consolidated companies plus 20 domestic and 242 foreign companies accounted for using the equity method.

Effective January 1, 2012, a majority stake in Canadian construction company Clark Builders was acquired by payment of a purchase price of EUR 49.91 million. EUR 18,938,000 in non-current assets, EUR 142,937,000 in current assets, EUR 3,250,000 in non-current liabilities and EUR 129,237,000 in current liabilities were acquired for consolidation in the HOCHTIEF Group. As accounting for the business combination is not yet complete, goodwill is presented as preliminary goodwill (EUR 30,314,000).

As an independent listed group, HOCHTIEF Aktiengesellschaft publishes its own consolidated financial statements, which are also included in the consolidated financial statements of ACS Actividades de Construcción y Servicios, S.A., Madrid, Spain.

Non-current assets held for sale (disposal group)

HOCHTIEF Aktiengesellschaft's interests in airports at Athens, Budapest, Düsseldorf, Hamburg, Sydney, and Tirana are held in HOCHTIEF AirPort GmbH. In view of the intention to sell, the airports business has been reported in accordance with IFRS 5 as non-current assets held for sale (comprising a disposal group) since September 30, 2011.

On July 9, 2012, Leighton Holdings signed an agreement for the disposal of Thiess Waste Management. In accordance with IFRS 5, this is reported as non-current assets held for sale as of June 30, 2012.

Under IFRS 5, disposal groups are measured at the lower of carrying amount and fair value less costs to sell.

The assets and liabilities classified as held for sale are presented separately in the Balance Sheet. The table below shows the major classes of assets and liabilities held for sale. Additionally, a cumulative amount of EUR 20,642,000 is recognized in other comprehensive income.

(EUR thousand)	June 30, 2012
Intangible assets and property, plant and equipment	73,833
Financial assets	1,101,853
Other assets	349,888
Total assets	1,525,574
Liabilities	39,829

There are also intra-Group liabilities to HOCHTIEF Group companies totaling EUR 910,391,000.

Most of the above assets and liabilities relate to the airports business. Total passenger numbers in the first half of the year came to 44.4 million, on a par with the prior-year period. On application of IFRS 5, the investments in the airports business have ceased to be accounted for as equity-method

investments. Regular profit distributions from the airports are allocated to Corporate Headquarters*. Operating earnings (EBITA) in the airports business decreased by EUR 610,000 compared with the prior-year period to EUR 87,300,000, and profit before taxes by EUR 4,489,000 to EUR 64,865,000.

Own shares

As of June 30, 2012, HOCHTIEF Aktiengesellschaft held a total of 3,406,471 shares of treasury stock. These shares, which represent EUR 8,720,566 (4.42 percent) of the Company's capital stock, were purchased over the course of fiscal 2008 for the purposes provided for in the resolution of the General Shareholders' Meeting of May 8, 2008.

In May 2012, 15,260 shares of treasury stock were transferred to members of the Executive Board of the Company and to members of executive boards of companies under its control within the meaning of Section 17 of the German Stock Corporations Act (AktG) at a price of EUR 42.70 per share on condition that the shares be held for at least two years after transfer. The transfer settled the transferees' variable compensation entitlements in place of cash settlement. The shares represent EUR 39,066 (0.02 percent) of the Company's capital stock.

Corporate bond issue

HOCHTIEF Aktiengesellschaft issued a corporate bond effective March 23, 2012. The bond with a face value of EUR 500 million carries a fixed coupon of 5.50 percent p.a. and a five-year term to maturity ending March 23, 2017. The bond is listed on Luxembourg Stock Exchange and was issued in denominations of EUR 1,000.

Dividend

A resolution was adopted at the General Shareholders' Meeting of HOCHTIEF Aktiengesellschaft on May 3, 2012 for the unappropriated net profit of EUR 6,915,804.51 to be carried forward.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and comfort letters; they have decreased since December 31, 2011 by EUR 1,070,000 to EUR 9,413,000.

***For further information, please see page 201 of the Annual Report 2011.**

Segment reporting

HOCHTIEF's structure reflects the operating focus of our business as well as the Group's presence in key national and international regions and markets. Segmental reporting in the HOCHTIEF Group is based on the Group's divisional operations. The breakdown mirrors the Group's internal reporting systems. The public-private partnership activities from the HOCHTIEF Concessions division were brought under HOCHTIEF Solutions AG and hence under the HOCHTIEF Europe division in the period under review, as a result of which the HOCHTIEF Concessions division is no longer reported on separately. The prior-year figures represent the aggregate of the former divisions, with the sole exception that allowing for that portion of sales external to the HOCHTIEF Concessions and HOCHTIEF Europe divisions which—due to the restructuring—now constitutes internal sales of the HOCHTIEF Europe division results in a EUR 5,591,000 lower comparative figure for divisional sales in the first six months of fiscal year 2011 and a EUR 12,913,000 lower figure for the full-year 2011 comparative period.

Detailed information on the individual divisions/segments of the HOCHTIEF Group is contained in the preceding Management Report.

Related party disclosures

The number of companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies is determined in accordance with IAS 24 and has not changed in the period under review, and reference is consequently made in this regard to the information provided in the notes to the last consolidated financial statements.

All transactions with related parties were conducted on an arm's length basis with the exception of an interest-free loan for EUR 91,699,000 to an associate in the HOCHTIEF Asia Pacific division.

The HOCHTIEF Group sold a property (condominium) worth EUR 629,000 to a member of the Executive Board of HOCHTIEF Aktiengesellschaft. The transaction was effected in compliance with the Group's internal directives and with the consent of the Human Resources Committee.

No other material transactions were entered into during the first half of 2012 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 2012	H1 2011	Q2 2012	Q2 2011
Profit from operating activities	124,440	111,612	140,697	346,070
+ Net income from participating interests	54,069	(467,659)	84,954	(297,832)
– Non operating earnings	(+) 5,267	(+) 5,755	(+) 4,273	(+) 5,755
Operating earnings (EBITA)	183,776	(350,292)	229,924	53,993

Undiluted and diluted earnings per share

(EUR thousand)	H1 2012	H1 2011	Q2 2012	Q2 2011
Consolidated net profit (EUR thousand)	(49,138)	(155,632)	(14,990)	13,844
Number of shares in circulation (weighted average)	73,583,354	73,564,924	73,588,441	73,564,924
Earnings per share (EUR)	(0.67)	(2.12)	(0.20)	0.19

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

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material oppor-

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

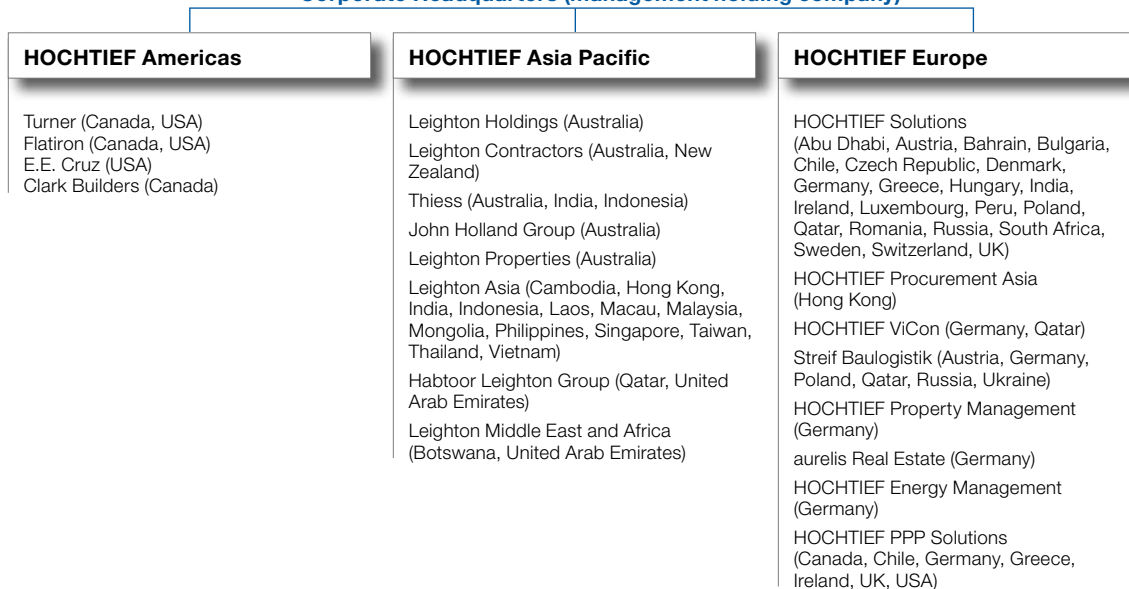
Essen, July 30, 2012

The Executive Board

Dr. Stieler Sassenfeld Fernández Verdes

Corporate Structure of HOCHTIEF Aktiengesellschaft

Corporate Headquarters (management holding company)



The companies listed exemplify the international reach of HOCHTIEF. For further details, please visit our website at www.hochtief.com.

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the Executive Board of HOCHTIEF Aktiengesellschaft and are based on information currently available to the Executive Board of HOCHTIEF Aktiengesellschaft. Such statements involve risks and uncertainties and do not guarantee future results (such as profit before tax or consolidated net profit) or developments (such as with regard to possible future divestments, general business activities or business strategy). Actual results (such as profit before tax or consolidated net profit), dividends and other developments (such as with regard to possible future divestments, general business activities or business strategy) relating to HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group may therefore differ materially from the expectations and assumptions described in such statements due to, among other things, changes in the general economic, sectoral and competitive environment, capital market developments, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, the conduct of other shareholders, and other factors. Any information provided on dividends is additionally subject to the recognition of a corresponding unappropriated net profit in the published separate financial statements of HOCHTIEF Aktiengesellschaft for the fiscal year concerned and the adoption by the competent decision-making bodies of HOCHTIEF Aktiengesellschaft of appropriate resolutions taking into account the prevailing situation of the Company. Aside from statutory publication obligations, HOCHTIEF Aktiengesellschaft does not assume any obligations to update any forward-looking statements.

Financial Calendar

November 7, 2012

Interim Report at September 30, 2012
Conference Call with Analysts and Investors

February 28, 2013

Business Results Press Conference
Analysts' and Investors' Conference

May 7, 2013

General Shareholders' Meeting
10.30 a.m., Congress Center Essen, Entrance West,
Norbertstrasse 2, Essen

May 8, 2013

Quarterly Report at March 31, 2013
Conference Call with Analysts and Investors

The editorial deadline for this quarterly report was July 30, 2012; the report was published on August 14, 2012.

For further information on HOCHTIEF and our addresses, branches, subsidiaries and associates, please visit our website at www.hochtief.com.

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

This half-year report is printed on eco-friendly Maxi Silk coated paper certified in accordance with the rules of the Forest Stewardship Council (FSC).



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