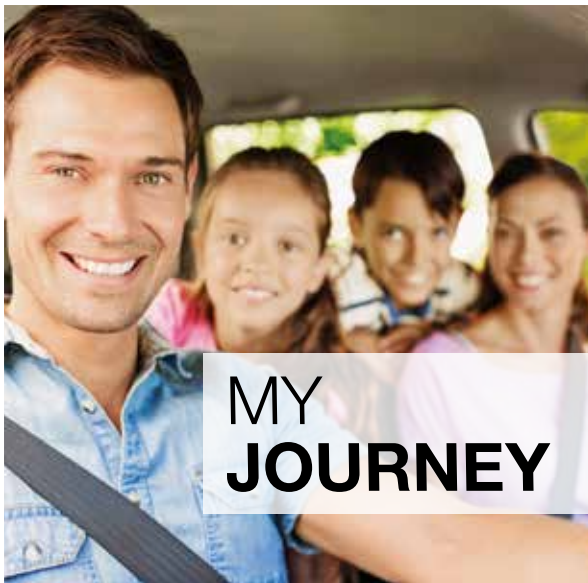
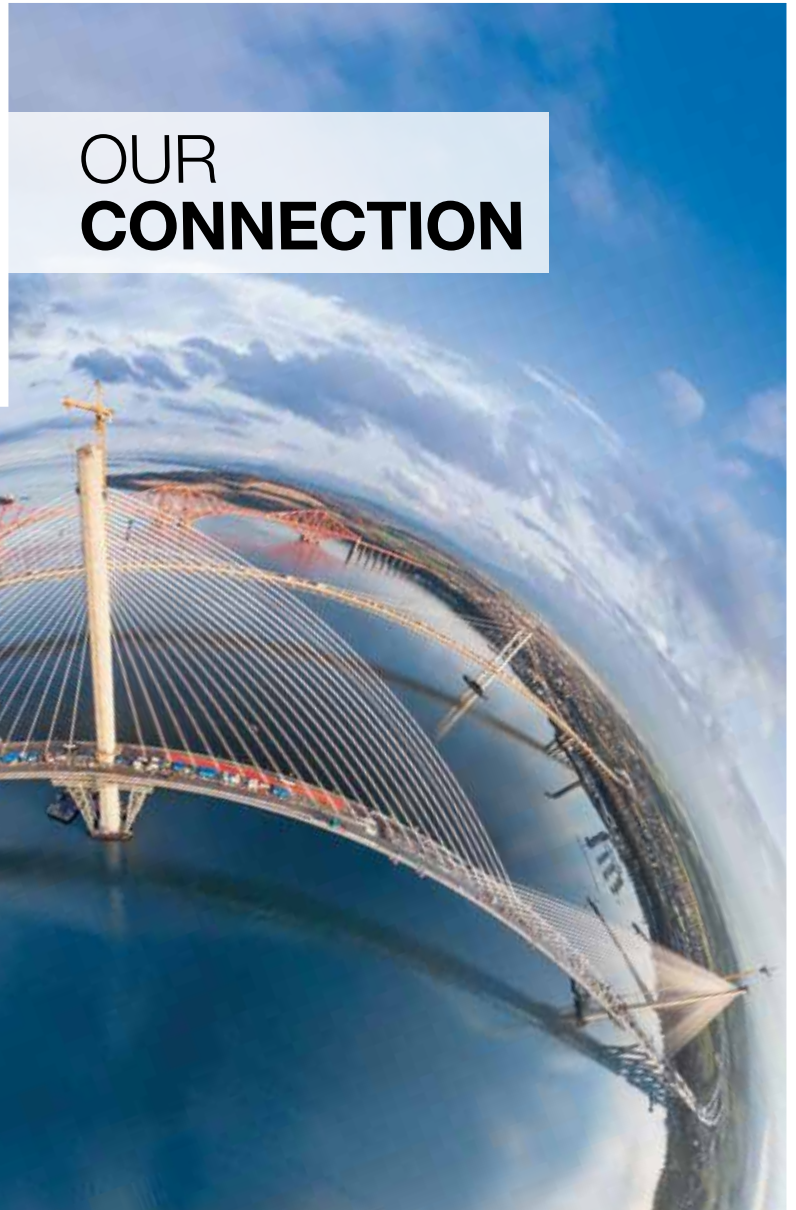




**MY
JOURNEY**



**OUR
CONNECTION**

Q1 2017: Financial Highlights

- EUR 93 million operational net profit, +30% year on year; EUR 88 million nominal, +40%
- Over EUR 100 million year on year improved net cash from operating activities; EUR 1.3 billion last twelve months
- EUR 341 million net cash position significantly positive, +EUR 317 million year on year
- EUR 45 billion order backlog, +23% year on year, +4% year to date
- Guidance confirmed: Operational net profit FY 2017 of EUR 410–450 million (+13–25% year on year)

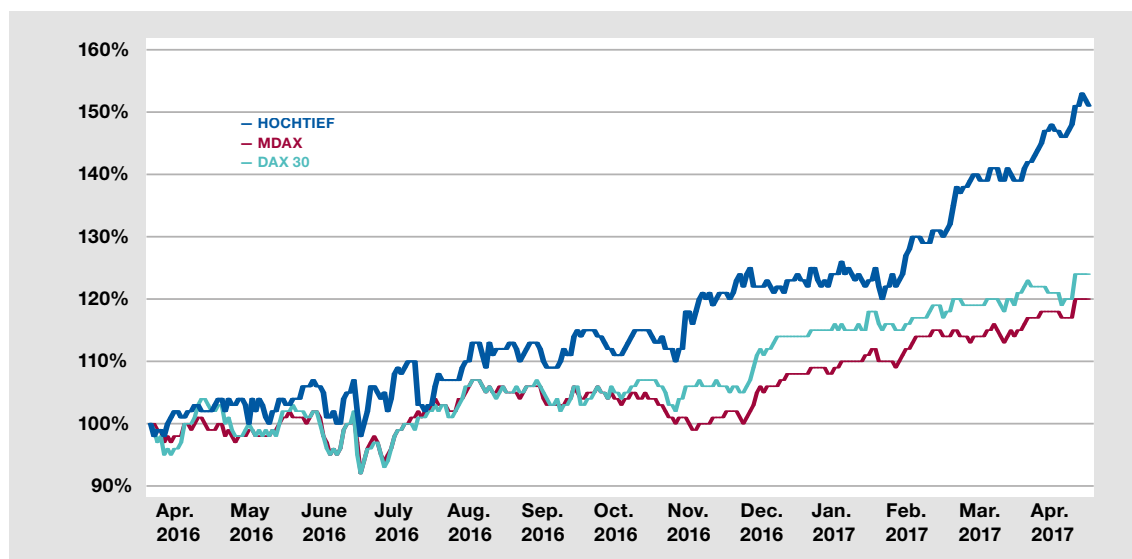
*All figures are nominal unless otherwise indicated

1) Operational earnings are adjusted for deconsolidation effects and other one-off impacts
2) Actual 2016 adjusted for two large Middle East projects at HOCHTIEF Europe division
3) incl. workforce UGL (6,801 as of Dec. 31, 2016)

The HOCHTIEF Group: Key Figures*

(EUR million)	Q1 2017	Q1 2016	Change	Full year 2016
Sales	5,149.0	4,414.4	16.6%	19,908.3
Operational profit before tax/PBT ¹⁾	194.3	159.0	22.2%	677.5
Operational PBT margin ¹⁾ (%)	3.8	3.6	0.2	3.4
Operational net profit ¹⁾	93.3	71.7	30.1%	361.2
Operational earnings per share (EUR) ¹⁾	1.45	1.11	30.6%	5.62
EBITDA	325.1	240.9	35.0%	1,104.4
EBITDA margin (%)	6.3	5.5	0.8	5.5
EBIT	231.1	173.5	33.2%	816.7
Profit before tax/PBT	188.9	148.2	27.4%	620.7
Net profit	88.3	63.3	39.4%	320.5
Earnings per share (EUR)	1.37	0.98	39.8%	4.98
Net cash from operating activities	(262.6)	(369.4)	28.9%	1,173.4
Gross operating capital expenditure	86.6	44.9	92.9%	272.6
Free cash flow from operations	(323.9)	(399.8)	19.0%	986.1
Net cash (+)/net debt (-)	341.3	24.7	1,281.8%	703.9
New orders	7,445.3	6,329.7	17.6%	24,813.5
Work done	5,767.6	5,034.5	14.6%	22,291.5
Order backlog ²⁾	44,967.0	36,504.5	23.2%	43,087.6
Employees (end of period) ³⁾	53,505	42,593	25.6%	51,490

HOCHTIEF stock



Dear shareholders and friends,



Marcelino Fernández Verdes, Chairman of the Executive Board

I am pleased to report that HOCHTIEF has continued its positive progress during the first quarter of 2017, increasing sales and profits as well as an improving cash flow performance and achieving strong order book growth. Furthermore, CIMIC completed its acquisition of diversified services company UGL, and our strong balance sheet provides the Group with flexibility for further capital allocation opportunities.

The positive trend in profit growth has continued in the first three months of 2017. Operational net profit, which excludes one-off impacts, increased by 30% year on year to EUR 93 million. Nominal net profit rose even faster, by 40% year on year, to EUR 88 million.

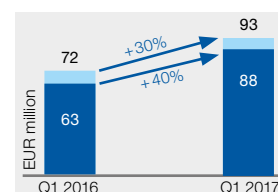
The increase in profits is a consequence of both a higher profit margin and an acceleration in sales growth. The Group operational PBT margin increased by 20 basis points from 3.6% in Q1 2016 to 3.8% in this first quarter of 2017. Sales have risen by 17% year on year to EUR 5.1 billion. This strong top-line progress reflects both the contribution of UGL and the organic growth of the business in HOCHTIEF's core markets.

Our profit growth is backed by cash. Net cash flow from operating activities in the last twelve months (LTM) stands at EUR 1.3 billion, helped by continuing improvements in our cash generation both before, and after, working capital movements. During the first quarter of 2017, our net cash from operating activities improved by over EUR 100 million compared with Q1 2016, resulting in a significant reduction in the level of seasonal cash outflow. We are consistently converting profit into cash, as evidenced by an EBITDA cash-conversion rate of 108% in the last twelve months.

Q1 2017 Financial Highlights:

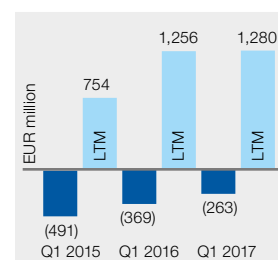
EUR 93 million operational net profit, +30% yoy; EUR 88 million nominal, +40%

- Operational PBT margin at 3.8%, +20 bps yoy
- Sales growth accelerating to 17% Q1 2017 yoy, (Q4 2016 +9% yoy) due to organic growth and UGL contribution



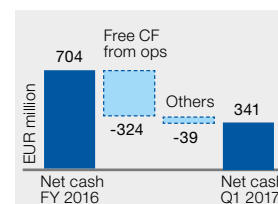
Over EUR 100 million yoy improved net cash from op. activities; EUR 1.3 billion LTM

- Significant improvement in Group net cash from operating activities of over EUR 100 million yoy; pre NWC over EUR 210 million yoy
- EBITDA cash conversion rate remains very high at 108% LTM
- Further reduction in seasonally typical cash outflow



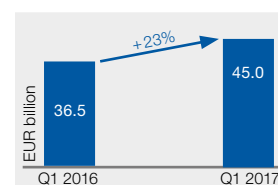
EUR 341 million net cash position significantly positive, +EUR 317 million yoy

- Solid net cash position of EUR 341 million in Q1 2017, significant improvement vs. prior years (EUR 25 million Q1 2016, EUR 10 million Q1 2015)
- Net cash would stand at approx. EUR 1 billion, if adjusted for net investments and dividends LTM



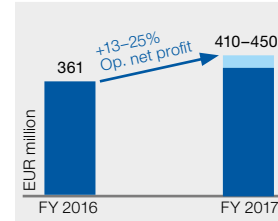
EUR 45 billion order backlog, +23% yoy, +4% ytd

- Order backlog at highest level since transformation initiated; +13% yoy excluding UGL
- All divisions show double-digit yoy increases in order backlog
- New orders EUR 7.4 billion, +18% yoy, strong Q1 growth at CIMIC and HOCHTIEF Europe



Guidance confirmed: Operational net profit FY 2017 of EUR 410–450 million (+13–25% yoy)

- Healthy tender pipeline in all our markets, about EUR 120 billion tender pipeline identified for 2017 in core markets; currently EUR 350 billion for 2018 and beyond
- Sales growth of over 10% expected in 2017
- Strong balance sheet provides flexibility for further capital allocation opportunities



bps = basis points
LTM = last twelve months
NWC = net working capital

yoy = year on year
ytd = year to date

As a consequence of our strong cash flow performance, the Group balance sheet remains robust. HOCHTIEF ended March 2017 with over EUR 340 million of net cash, compared with EUR 25 million in March 2016. Furthermore, if we adjust for the almost EUR 670 million of net investments, share buybacks and dividend payments made during the last twelve months, net cash would stand at over EUR 1 billion.

HOCHTIEF's period-end EUR 45 billion order book is at its highest level since the Group transformation began in 2013 and stands 23% above the Q1 2016 figure, or 13% if we adjust for the EUR 3.7 billion of orders at services business UGL. Whilst maintaining our disciplined approach to risk management, the Group achieved an 18% increase in new orders to EUR 7.4 billion.

The many new projects we were awarded in the first quarter show that our customers have great confidence in our work. At the HOCHTIEF Americas division, one significant new order is the Jacob K. Javits Convention Center in New York, which our Group company Turner is expanding under a joint venture. This is the busiest convention center in the United States. The total contract value is around EUR 1.4 billion.

One of the HOCHTIEF Asia Pacific division's most important new projects is an expansion project at Hong Kong International Airport by Leighton Asia (approximately EUR 197 million). The New Zealand government has a growing interest in public-private partnership (PPP) projects (around EUR 73 million). This is reflected in the contract awarded to CIMIC companies Pacific Partnerships and CPB Contractors to design, finance, and construct new school buildings.

We are also carrying out a major project in the HOCHTIEF Europe division: Under a joint venture in the Netherlands, we are responsible for the Zuidasdok project (EUR 990 million) to increase the capacity of the Amsterdam Zuid railway station and the A10 freeway. This is one of the biggest transportation infrastructure projects in the Netherlands. Additionally, HOCHTIEF will construct the office and residential project Schwabinger Carré II in Munich, slated for completion in 2019 (EUR 54 million).

Our Annual General Meeting will decide on the proposed dividend for 2016 of EUR 2.60 per share, which represents an increase of 30%, compared with 2015, reflecting the Group's strong performance in 2016 and your management's confidence in the future.

We work continuously to optimize our financing instruments. For example, in March, HOCHTIEF successfully placed a promissory note issue in the market; the offer was significantly oversubscribed.

The strength of HOCHTIEF's balance sheet, positive business performance and outlook has been recognized by rating agency Standard & Poor's which has just accorded HOCHTIEF a solid investment grade rating of BBB with a stable outlook. The BBB rating will contribute toward a further optimization of HOCHTIEF's Group financing.

Group Outlook

The outlook for HOCHTIEF's core businesses of Construction, Mining, PPPs and Services is very promising. For the remainder of 2017 we have identified a pipeline worth EUR 120 billion of relevant projects coming to our markets in North America, Asia-Pacific and Europe, with a further EUR 350 billion in 2018 and beyond. The global nature and solid financial position of HOCHTIEF leave our Group well positioned to take advantage of the organic and strategic growth opportunities in our different regional markets.

We confirm the positive guidance given at the beginning of the year. We expect sales growth for HOCHTIEF of over 10% in 2017 and an operational net profit in the range of EUR 410-450 million. This represents an increase of 13-25% on 2016, with all our divisions driving this further improvement in our Group results.

Yours,



Marcelino Fernández Verdes,
Chairman of the Executive Board

Interim Management Report

Financial review

Overview

HOCHTIEF has made a good start to the new year with year-on-year growth in sales and orders, as well as in earnings, cash flow, and margins in the first quarter of 2017.

Earnings

HOCHTIEF Group **sales** came to EUR 5.1 billion, up 17% on the comparable prior-year figure (EUR 4.4 billion). This strong top-line progress reflects both the contribution of UGL and the organic growth of the business in HOCHTIEF's core markets. The positive trend that began in the previous year has continued into the start of the new year.

Sales

(EUR million)	Q1 2017	Q1 2016	Change
HOCHTIEF Americas	2,595.5	2,518.8	3.0%
HOCHTIEF Asia Pacific	2,144.5	1,575.7	36.1%
HOCHTIEF Europe	378.5	293.0	29.2%
Corporate	30.5	26.9	13.4%
Group	5,149.0	4,414.4	16.6%

HOCHTIEF Americas achieved further sales growth in the first quarter of 2017. Sales of EUR 2.6 billion were generated, 3% above the equivalent prior-year figure.

HOCHTIEF Asia Pacific paved the way for further growth with the acquisition of UGL and Sedgman in 2016. CIMIC will continue to drive forward the integration of these new units into the corporate group in 2017 to optimally leverage the existing potential of the new business segments. CIMIC continued the upward trend that began in the previous year with sales of AUD 3.0 billion in the first quarter of 2017, an increase of 26% compared with the prior-year quarter. Alongside the additional sales contributed by UGL, which was not yet included in the first quarter of 2016, this was also attributable to organic sales growth in the remaining business segments. At divisional level, sales generated by HOCHTIEF Asia Pacific grew by 36% to EUR 2.1 billion.

HOCHTIEF Europe recorded sales of EUR 378 million in the first quarter of 2017, a significant year-on-year improvement of 29%. The division focuses on growth opportuni-

ties in its core businesses of infrastructure and building construction, PPP, and engineering. It already secured a number of new orders early in the year. Sales developed particularly strongly in infrastructure construction.

HOCHTIEF generated EUR 4.9 billion, or 96%, of sales in markets outside of Germany in the first quarter of 2017.

Earnings improved significantly compared with the previous year and HOCHTIEF further increased both nominal and operational **profit before tax (PBT)**. Nominal PBT for the reporting period from January to March 2017 was EUR 189 million, up 27% on the corresponding prior-year figure (EUR 148 million). Operational PBT, which is nominal PBT adjusted for one-off items and divestments, also improved, rising by 22% to EUR 194 million.

Profit before tax (PBT)

(EUR million)	Q1 2017	Q1 2016	Change
HOCHTIEF Americas	57.6	52.0	10.8%
HOCHTIEF Asia Pacific	136.4	101.1	34.9%
HOCHTIEF Europe	4.6	2.9	58.6%
Corporate	(9.7)	(7.8)	-24.4%
Group nominal PBT	188.9	148.2	27.4%
Group operational PBT	194.3	159.0	22.2%

HOCHTIEF Americas delivered a strong earnings performance in the first quarter of 2017. Turner and Flatiron benefited from the robust order situation in the U.S. building and infrastructure construction segment. Both companies secured further attractive contracts in their respective segments and increased their margins. Overall, nominal PBT in the HOCHTIEF Americas division increased by 11% year on year to EUR 58 million.

Nominal PBT for the CIMIC Group improved by 22% compared with the previous year to AUD 219 million in the first quarter of 2017. At divisional level, the good earnings performance was further supported by the trend in the Australian dollar exchange rate. As a result, PBT in the HOCHTIEF Asia Pacific division including associated financing and holding costs rose by 35% to EUR 136 million.

HOCHTIEF Europe confirmed its positive earnings trend in the first quarter of 2017. Nominal PBT increased year on year, reaching EUR 5 million. This was primarily due to the positive performance in the core business.

In March 2017, a maturing HOCHTIEF corporate bond with a volume of EUR 500 million was repaid in full and refinanced with improved conditions by issuing a EUR 500 million promissory note. **Net investment and interest income** came to minus EUR 37 million in the first quarter of 2017, on a par with the previous year (minus EUR 34 million); the better conditions of the promissory note will have a positive impact in the future.

At EUR 64 million, **income tax** expense in the period from January to March 2017 was largely unchanged with a lower, more normalized tax rate compared to the previous year.

HOCHTIEF increased operational **consolidated net profit** by 30% to EUR 93 million in the first quarter of 2017. Nominal consolidated net profit also increased, rising by 40% to EUR 88 million. The non-controlling interest (minority interest) in the reporting period was EUR 37 million (Q1 2016: EUR 23 million) and primarily related to the CIMIC Group.

Consolidated net profit

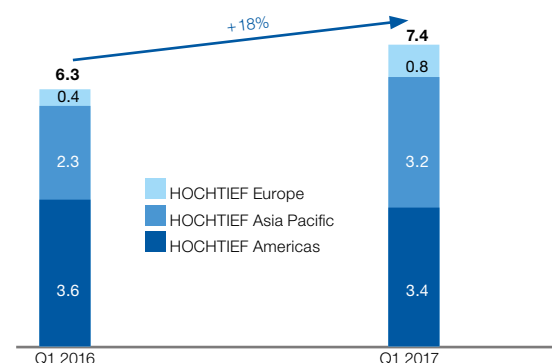
(EUR million)	Q1 2017	Q1 2016	Change
HOCHTIEF Americas	35.0	29.6	18.2%
HOCHTIEF Asia Pacific	62.6	43.6	43.6%
HOCHTIEF Europe	2.0	0.0	–
Corporate	(11.3)	(9.9)	-14.1%
Group nominal net profit	88.3	63.3	39.4%
Group operational net profit	93.3	71.7	30.1%

Orders

New orders for the first quarter of 2017 increased by 18% over the prior-year level to EUR 7.4 billion.

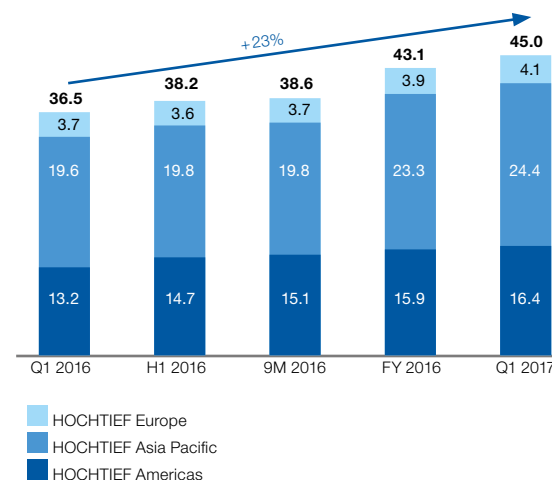
In the Americas division, new orders remain high at EUR 3.4 billion but are slightly below the quarterly record in the previous year, which included a number of large-scale projects. The HOCHTIEF Asia Pacific division lifted new orders by a significant 37% to EUR 3.2 billion in the first quarter. At EUR 0.8 billion, new orders in the HOCHTIEF Europe division doubled year on year.

New orders (EUR billion)

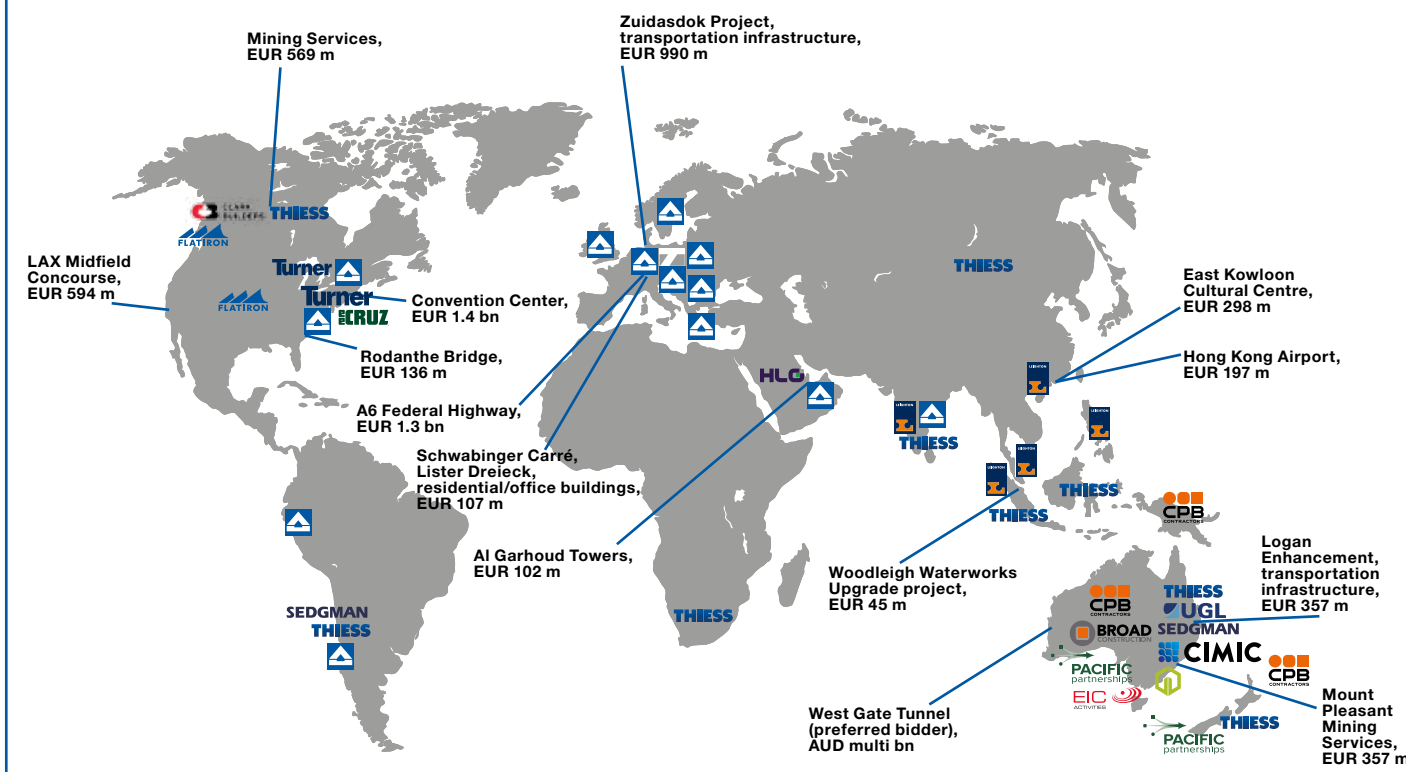


The **order backlog** stood at EUR 45 billion at the end of March 2017, an increase of 23% compared with the prior-year quarter and 4% since the beginning of the year. Adjusted for the order backlog acquired with UGL, the year-on-year increase was 13%. The prospects for the rest of 2017 and beyond remain positive based on a strong tender pipeline in all divisions.

Order backlog (EUR billion)



HOCHTIEF Group—Selected Recent Significant Project Announcements



Cash flow

The high quality of the HOCHTIEF Group's earnings are reflected in its cash flow. We are committed to rigorous working capital management with a particular focus on cash generation in the operating business. The high EBITDA cash-conversion rate of 108% for the twelve-month period from April 2016 to March 2017 underscores this sound performance.

HOCHTIEF achieved a solid performance over the past twelve months with **net cash from operating activities** of EUR 1.3 billion. Ongoing improvements in cash generation both before and after working capital movements contributed to this result. In the first quarter of 2017, net cash from operating activities improved significantly and was up EUR 107 million on the prior-year figure at the beginning of

the year. This was primarily driven by the increase in cash-driven profits across all divisions. Thus, we managed to considerably reduce the seasonal cash outflow typically seen at the beginning of the year.

HOCHTIEF has made significant progress in capex management over the past few years. It streamlined procurement management and established more efficient processes that are better aligned with needs. Capital expenditure at CIMIC in the first quarter of 2017 was mainly influenced by the higher volumes in the mining business as well as by the acquisition of project-related technical equipment (tunneling equipment) for the construction business. **Gross operating capital expenditure** in the first quarter of 2017 rose year on year to EUR 87 million (Q1 2016: EUR 45 million). Proceeds from asset disposals stood at EUR 25 million

*last twelve months

Cash flow components

(EUR million)	Q1 2017	Q1 2016	Change	LTM* 4/2016–03/2017	Full year 2016
Net cash from operating activities pre net working capital change	289.5	75.6	213.9	1,002.5	788.6
Net working capital change	(552.1)	(445.0)	(107.1)	277.7	384.8
Net cash from operating activities	(262.6)	(369.4)	106.8	1,280.2	1,173.4
– Gross operating capital expenditure	(86.6)	(44.9)	(41.7)	(314.3)	(272.6)
– Operating asset disposals	25.3	14.5	10.8	96.1	85.3
Net operating capital expenditure	(61.3)	(30.4)	(30.9)	(218.2)	(187.3)
Free cash flow from operations	(323.9)	(399.8)	75.9	1,062.0	986.1

(Q1 2016: EUR 14 million) and were primarily generated by the sale of project-specific property, plant or equipment in HOCHTIEF Europe's construction business. The cash outflow from net operating capital expenditure amounted to EUR 61 million, EUR 31 million higher than in the previous year (EUR 30 million).

Free cash flow from operations improved by EUR 76 million compared with the previous year (minus EUR 400 million) to minus EUR 324 million in the first quarter of 2017. In both years, seasonal factors in the first quarter led to a cash outflow. The HOCHTIEF Group recorded a cash inflow of EUR 1.1 billion in the twelve-month period from April 2016 to March 2017.

Balance sheet

In the first quarter of 2017, the main changes within the balance sheet were due to changes in trade receivables and trade payables as a result of seasonal factors as well as the increase in our securities investment portfolio. As at the start of the prior year, this reduced net cash and cash equivalents. Overall, the Group has maintained its strong, well-structured balance sheet. At EUR 14.0 billion, **total assets** at the end of the first quarter of 2017 remained on a par with December 2016.

Non-current assets stood at EUR 4.5 billion as of March 31, 2017, marking a decrease of EUR 93 million on the figure of EUR 4.6 billion reported at year-end 2016. Property, plant and equipment declined by EUR 55 million to EUR 1.1 billion. Amongst others, the sale of construction property, plant and equipment in the HOCHTIEF Europe division impacted the decrease. At EUR 838 million, non-current financial receivables consisted mainly of loans to Group companies by CIMIC and by the PPP business in the HOCHTIEF Europe division.

HOCHTIEF registered a slight rise in **current assets** of EUR 48 million in the first quarter of 2017. The total of EUR 9.5 billion was thus almost the same as the figure recorded as of December 31, 2016. As is typical for the season, trade receivables increased by EUR 326 million to EUR 5.4 billion in the first quarter of 2017. HOCHTIEF Aktiengesellschaft invested surplus cash into short-term securities, resulting in a total increase of EUR 72 million to EUR 535 million in the first quarter of 2017. Cash and cash equivalents were down by EUR 366 million compared with year-end 2016 due to the seasonal effects mentioned. At EUR 2.5 billion, cash and cash equivalents were up by EUR 403 million on the figure as of March 31, 2016 (EUR 2.1 billion).

HOCHTIEF Group **shareholders' equity** rose by EUR 36 million in the first quarter of 2017 to reach EUR 2.6 billion as of March 31, 2017. The profit after tax of EUR 125 million positively impacted the above figure. Currency translation (minus EUR 58 million) and dividends (minus EUR 44 million) reduced the increase in shareholders' equity.

The ratio of equity to total assets rose slightly compared with December 31, 2016 (18.4%) and was at a solid level of 18.7% as of March 31, 2017.

Non-current liabilities reached a level of EUR 3.0 billion at the end of the first quarter, an increase of EUR 480 million on the comparable figure as of December 31, 2016 (EUR 2.6 billion). The key factor in the increase was a promissory note issued by HOCHTIEF Aktiengesellschaft in a principal amount of EUR 500 million. The new loan was used to refinance a corporate bond that fell due and was repaid in March 2017.

HOCHTIEF Group net cash (+)/net debt (-) development

(EUR million)

	Mar. 31, 2017	Mar. 31, 2016	Change	Dec. 31, 2016
HOCHTIEF Americas	626.9	449.1	177.8	844.2
HOCHTIEF Asia Pacific	168.5	266.6	(98.1)	265.1
HOCHTIEF Europe	(5.5)	(186.8)	181.3	44.6
Corporate	(448.6)	(504.2)	55.6	(450.0)
Group	341.3	24.7	316.6	703.9

Current liabilities decreased by EUR 561 million to EUR 8.3 billion during the first quarter of 2017 (December 31, 2016: EUR 8.9 billion). This included a reduction of EUR 391 million in current financial liabilities, above all as a result of repayment of HOCHTIEF Aktiengesellschaft's EUR 500 million corporate bond due in March 2017. Trade payables decreased due to seasonal factors. As of March 31, 2017, they totaled EUR 6.2 billion, down EUR 235 million on the comparable figure as of December 31, 2016 (EUR 6.5 billion).

The HOCHTIEF Group's **net cash position** amounted to EUR 341 million as of March 31, 2017, an improvement of EUR 317 million on March 31, 2016. Notably HOCHTIEF Europe and HOCHTIEF Americas recorded substantial increases. Net cash registered a decrease of EUR 363 million in the first quarter of 2017 compared with the level as of December 31, 2016 (EUR 704 million) due to seasonal factors. Adjusted for the net impact of the acquisitions made by CIMIC in the last twelve months as well as stock buy-back programs and dividend payments, the adjusted net cash position would amount to approximately EUR 1.0 billion.

Risk and opportunities report

There has been no material change in the situation of the Group from that presented in our 2016 Group Report with regard to opportunities and risks*. The statements regarding the opportunities and risks made in the Group Report as of December 31, 2016 therefore continue to apply.

Report on forecast and other statements relating to the Company's likely future development

We confirm the positive guidance given at the beginning of the year. We expect sales growth for HOCHTIEF of over 10% in 2017 and an operational net profit in the range of EUR 410-450 million. This represents an increase of 13-25% on 2016, with all our divisions driving this further improvement in our Group results.

* Our risk report is provided starting on page 127 of our 2016 Group Report and on our website, www.hochtief.com.

Divisions

HOCHTIEF Americas

HOCHTIEF Americas Division: Key Figures*				
(EUR million)	Q1 2017	Q1 2016	Change	Full year 2016
Operational profit before tax/PBT ¹⁾	59.0	53.7	9.9%	213.9
Operational PBT margin ¹⁾ (%)	2.3	2.1	0.2	2.0
Operational net profit ¹⁾	35.9	30.7	16.9%	134.9
Profit before tax/PBT	57.6	52.0	10.8%	203.8
Net profit	35.0	29.6	18.2%	128.1
Net cash from operating activities	(186.8)	(67.2)	-178.0%	433.8
Gross operating capital expenditure	6.1	6.9	-11.6%	36.8
Net cash (+)/net debt (-)	626.9	449.1	39.6%	844.2
Divisional sales	2,595.5	2,518.8	3.0%	10,905.8
New orders	3,445.2	3,581.1	-3.8%	13,659.3
Work done	2,701.0	2,585.1	4.5%	11,122.2
Order backlog (end of period)	16,413.1	13,199.0	24.4%	15,896.8
Employees (end of period)	9,780	9,279	5.4%	9,490

*All figures are nominal unless otherwise indicated
¹⁾ Operational earnings are adjusted for deconsolidation effects and other one-off impacts

HOCHTIEF Americas made a solid start to the year. **Operational PBT** in the first quarter of 2017 was 10% higher year on year at EUR 59 million on sales of EUR 2.6 billion, a 3% increase on Q1 2016. The operational PBT margin increased significantly, by 20 basis points to 2.3%, compared with 2.1% a year ago, a result of the positive performance at both Turner's building activities and at our civil business, Flatiron.

Divisional **net cash** ended the quarter at EUR 627 million, up by EUR 178 million year on year. The characteristic seasonal movement in working capital resulted in a cash outflow during the first quarter but over the last twelve months **net cash from operating activities** of over EUR 300 million has been generated with both Turner and Flatiron making a significant positive contribution.

A key highlight at the HOCHTIEF America's division was the continued increase on the **order book** which at EUR 16.4 billion is 24% higher than at the end of Q1 2016. **New orders** continued to be strong at EUR 3.4 billion (Q4 2016 EUR 2.7 billion), slightly below the record level of Q1 2016, which was bolstered by several large-scale projects. Project wins during the first three months of the year included a EUR 1.4 billion JV contract (50% Turner) for the Jacob K. Javits Convention Center Expansion in New York and Flatiron's Rodanthe Bridge project in North Carolina (EUR 136 million).

Scheduled for completion in 2020, the Rodanthe Bridge measuring just under 3.9 kilometers is being designed and built in North Carolina by HOCHTIEF Group company Flatiron. Flatiron additionally won the contract to expand a section of the Tarrant County State Highway 199 in Fort Worth, Texas.

In the building construction segment, HOCHTIEF subsidiary Turner is to expand the Jacob K. Javits Convention Center in New York as part of a joint venture. In Cincinnati, Ohio, Turner is in charge of building the Lindner College of Business for the University of Cincinnati under a contract worth around EUR 80 million. The Lindner College of Business will be a state-of-the-art, four-story new building.

In Nashville, Tennessee, Turner has taken charge of the "12th and Broadway" project, a 27-story high-rise housing 360 apartments as well as retail stores.

HOCHTIEF Americas Outlook

We continue to expect a further improvement at HOCHTIEF Americas in 2017 with operational profit before tax in the range of EUR 235-250 million compared with EUR 214 million in 2016.

HOCHTIEF Asia Pacific

The performance of the **HOCHTIEF Asia Pacific** division reflects HOCHTIEF's stake in CIMIC (72.7% at the end of March 2017 vs 71.5% March 2016) as well as associated financing and holding costs, and the impact of variations in the AUD/EUR exchange rate.

Nominal **profit before tax (PBT)** at HOCHTIEF Asia Pacific increased strongly by 35% to EUR 136 million driven by 36% sales growth, partly due to the contribution from services company UGL (acquired in Q4 2016) as well as organic growth in the core markets in which CIMIC operates. The PBT margin remained firm at 6.4% with solid contributions from Construction, Contract Mining, Services and PPPs.

A strong **cash flow** performance, in a quarter where seasonal working capital cash outflows are normally significant, resulted in HOCHTIEF Asia Pacific ending March 2017 with a sound **net cash** position of EUR 169 million. Another highlight of the division's first quarter was the 24% year-on-year increase in the **order book** to EUR 24.4 billion—a consequence of both organic growth and the contribution of UGL's services activities.

CIMIC's key figures

Q1 2017 **net profit after tax (NPAT)** at CIMIC rose substantially by 23% year on year to AUD 160 million with **PBT** of AUD 219 million up 22% year on year. The PBT margin remained at a sound level of 7.3%. The positive revenue trend continued with sales up 26% year on year to AUD 3.0 billion due to a combination of organic growth and the positive contribution of UGL.

One of the highlights of CIMIC's positive results for the first quarter of 2017 was **cash flow**. Typically the first three months of the year are characterized by seasonal working capital cash outflows. In Q1 2017, however, CIMIC achieved a cash inflow from operating activities of AUD 101 million compared with a cash outflow in the corresponding period of 2016 of AUD 238 million. The company's focus on working capital management to reduce the seasonality impact resulted in this AUD 339 million year-on-year improvement.

As a consequence of this strong cash flow result, the company ended Q1 2017 with a positive **net cash** of AUD 278 million, which would be around AUD 1.0 billion if adjusted for the cash outflow from share buybacks and UGL acquisition and Nextgen divestment in the previous 12-month period. Net contract debtors also evolved in a positive manner, down AUD 221 million year on year to AUD 1.6 billion.

HOCHTIEF Asia Pacific Division: Nominal Figures

(EUR million)	Q1 2017	Q1 2016	Change	Full year 2016
Profit before tax/PBT	136.4	101.1	34.9%	431.9
PBT margin (%)	6.4	6.4	0.0	5.9
Net profit	62.6	43.6	43.6%	217.4
Net cash (+)/net debt (-)	168.5	266.6	-36.8%	265.1
Divisional sales	2,144.5	1,575.7	36.1%	7,303.0
Order backlog (end of period)	24,421.4	19,642.8	24.3%	23,302.0
Employees (end of period) ¹⁾	36,915	26,263	40.6%	35,396

Work in hand at the end of March 2017 was 17% higher year on year at AUD 34 billion with the construction order book at AUD 14.3 billion also up over 10% both compared with December 2016 and March 2016 and also reflecting the contribution of services company UGL. A solid project pipeline with AUD 80 billion of tenders relevant to CIMIC has been identified for the remainder of 2017 with a further AUD 250 billion currently earmarked thereafter.

**1) incl. workforce UGL
(6,801 as of Dec. 31, 2016)**

The CIMIC Group companies secured a series of new orders. Leighton Asia was selected to deliver the Terminal 1 Annex Building and Carpark 4 Expansion Project at Hong Kong International Airport. The project with a contract value of approximately EUR 197 million is scheduled to be completed in 2019.

CPB Contractors took charge of the NorthLink Stage 3 large-scale road project under a contract worth some EUR 124 million, slated for completion in 2019. Traffic in commercial and industrial areas north of Perth in Western Australia will be significantly eased. Under a contract valued at around EUR 103 million, CPB Contractors is to widen a section of the M1 Pacific Motorway in New South Wales. Project completion is expected in 2019. Thiess has secured a new contract and contract extension for operation of adjoining coal mines in Indonesia (contract value: EUR 96 million).

In early April, Leighton Asia was selected by IKEA Group to construct the country's first IKEA retail outlet in Hyderabad, India. The contract is valued at approximately EUR 50 million. In New Zealand, CIMIC companies have been awarded a PPP schools project. The contract is valued at around EUR 73 million.

HOCHTIEF Asia Pacific Outlook

CIMIC confirmed its NPAT guidance (net profit after tax) for 2017 in the range of AUD 640-700 million, subject to market conditions, compared to the AUD 580 million reported for 2016.

HOCHTIEF Europe

HOCHTIEF Europe Division: Key Figures*

(EUR million)	Q1 2017	Q1 2016	Change	Full year 2016
Operational profit before tax/PBT ¹⁾	7.2	6.4	12.5%	36.1
Operational PBT margin ¹⁾ (%)	1.9	2.2	-0.3	2.3
Operational net profit ¹⁾	4.7	3.5	34.3%	30.4
Profit before tax/PBT	4.6	2.9	58.6%	18.7
Net profit	2.0	0.0	-	12.5
Net cash from operating activities	(86.6)	(88.2)	1.8%	61.9
Gross operating capital expenditure	5.6	5.0	12.0%	36.2
Net cash (+)/net debt (-)	(5.5)	(186.8)	97.1%	44.6
Divisional sales	378.5	293.0	29.2%	1,596.5
New orders	761.2	382.4	99.1%	2,097.5
Work done	432.4	403.5	7.2%	1,949.6
Order backlog (end of period) ²⁾	4,133.7	3,665.2	12.8%	3,890.6
Employees (end of period)	6,623	6,868	-3.6%	6,414

*All figures are nominal unless otherwise indicated

1) Operational earnings are adjusted for deconsolidation effects and other one-off impacts
2) Actual 2016 adjusted for two large Middle East projects at HOCHTIEF Europe

HOCHTIEF Europe has had a positive start with the division's financial performance continuing to improve. **Operational PBT** increased to EUR 7.2 million compared with EUR 6.4 million in the first quarter of 2016. Nominal PBT improved to EUR 4.6 million in Q1 2017 compared with EUR 2.9 million last year. Sales increased by 29% to EUR 378 million and, excluding the impact from the non-core Real Estate business, margins were at a similar level compared with Q1 2016.

The division ended the quarter with **net debt** of close to zero, an improvement year on year of over EUR 180 million, and slightly below the 2016 year-end level due to the characteristic seasonality of the first quarter of the year. The substantial improvement in the HOCHTIEF Europe balance sheet reflects the strong increase in cash generation with the focus on working capital management. Over the last twelve months, positive **net cash from operating activities** of over EUR 60 million was achieved.

New orders in the first quarter doubled to EUR 761 million, mainly helped by securing the Zuidasdok project, Netherlands, with a HOCHTIEF Europe share of EUR 421 million. Other new orders in Q1 included the German building projects Schwabinger Carré in Munich (EUR 54 million) and Lister Dreieck in Hanover (EUR 53 million). The divisional **order backlog** of EUR 4.1 billion is up 13% year on year and has risen by 6% since the start of the year.

In the first quarter of 2017, HOCHTIEF was awarded a range of attractive new orders, including the Zuidasdok project in the Netherlands with an overall contract value of EUR 990 million. The Zuidplus joint venture will undertake the design and construction work to widen the A10 highway as well as upgrade and expand Amsterdam Zuid railway station by 2028. This currently ranks among the country's largest infrastructure projects.

HOCHTIEF will build Schwabinger Carré II in Munich. The residential and commercial property is slated for completion in 2019.

Work on the Lister Dreieck office building in Hanover is scheduled for completion by the end of 2018. The project is targeting DGNB (German Sustainable Building Council) gold certification.

HOCHTIEF CZ has been selected to carry out a 27-month refurbishment of the Prague State Opera under a contract worth approximately EUR 32 million. The company has also won two contracts, together valued at around EUR 25 million, to expand the D1 motorway between Brno and Prague. The work will include upgrades to two exits.

Following a good two years under construction, the Museum of the Second World War in Gdańsk was completed in March by a consortium in which HOCHTIEF had a major share. Up to 400,000 people are expected to visit the museum annually.

HOCHTIEF Europe Outlook

Looking forward we continue to expect an improvement in operational PBT to EUR 40-45 million for 2017 compared with EUR 36 million in 2016.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	Q1 2017	Q1 2016	Change	Full year 2016
Sales	5,148,988	4,414,433	16.6%	19,908,328
Changes in inventories	(28,384)	458	–	(93,030)
Other operating income	40,207	84,406	-52.4%	372,477
Materials	(3,474,677)	(3,272,086)	6.2%	(14,778,229)
Personnel costs	(1,048,508)	(763,769)	37.3%	(3,285,214)
Depreciation and amortization	(94,029)	(67,387)	39.5%	(287,721)
Other operating expenses	(327,115)	(267,048)	22.5%	(1,208,075)
Profit from operating activities	216,482	129,007	67.8%	628,536
Share of profits and losses of equity-method associates and joint ventures	(2,407)	42,034	–	75,117
Net income from other participating interests	12,118	11,401	6.3%	39,803
Investment and interest income	23,541	19,150	22.9%	87,415
Investment and interest expenses	(60,876)	(53,378)	14.0%	(210,160)
Profit before tax	188,858	148,214	27.4%	620,711
Income taxes	(63,610)	(62,181)	2.3%	(187,217)
Profit after tax	125,248	86,033	45.6%	433,494
Thereof: Attributable to non-controlling interest	36,957	22,688	62.9%	113,011
Thereof: Attributable to HOCHTIEF shareholders (Group net profit)	88,291	63,345	39.4%	320,483
Earnings per share (EUR)	1.37	0.98	39.8%	4.98

Consolidated Statement of Comprehensive Income

(EUR thousand)	Q1 2017	Q1 2016	Change	Full year 2016
Profit after tax	125,248	86,033	39,215	433,494
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	(58,486)	(121,627)	63,141	97,238
Changes in fair value of financial instruments				
Primary	5,462	(14,538)	20,000	(17,800)
Derivative	1,789	(756)	2,545	(895)
Share of profits and losses of equity-method associates and joint ventures recognized directly in equity	(559)	(14,962)	14,403	(16,174)
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	7,953	(46,306)	54,259	(59,103)
Other comprehensive income (after tax)	(43,841)	(198,189)	154,348	3,266
Total comprehensive income after tax	81,407	(112,156)	193,563	436,760
Thereof: Attributable to non-controlling interest	22,659	(10,996)	33,655	115,713
Thereof: Attributable to HOCHTIEF shareholders	58,748	(101,160)	159,908	321,047

Consolidated Balance Sheet

(EUR thousand)	Mar. 31, 2017	Dec. 31, 2016	(EUR thousand)	Mar. 31, 2017	Dec. 31, 2016
Assets			Liabilities and Shareholders' Equity		
Non-current assets			Shareholders' equity		
Intangible assets	1,319,851	1,307,872	Attributable to HOCHTIEF shareholders	1,881,379	1,824,287
Property, plant and equipment	1,122,071	1,177,551	Attributable to non-controlling interest	740,366	761,210
Investment properties	11,772	12,007		2,621,745	2,585,497
Equity-method investments	669,362	704,897			
Other financial assets	54,958	71,562	Non-current liabilities		
Financial receivables	838,198	818,579	Provisions for pensions and similar obligations	431,584	440,246
Other receivables and other assets	179,717	180,741	Other provisions	418,265	423,256
Non-current income tax assets	20,718	19,695	Financial liabilities	2,121,565	1,633,321
Deferred tax assets	275,636	292,052	Other liabilities	35,039	36,841
	4,492,283	4,584,956	Deferred tax liabilities	42,373	34,917
Current assets				3,048,826	2,568,581
Inventories	532,038	559,168	Current liabilities		
Financial receivables	81,363	55,985	Other provisions	811,626	821,603
Trade receivables	5,351,438	5,025,260	Financial liabilities	655,787	1,046,934
Other receivables and other assets	464,859	450,297	Trade payables	6,233,697	6,468,367
Current income tax assets	34,010	31,152	Other liabilities	625,962	555,341
Marketable securities	535,486	463,424	Current income tax liabilities	8,343	4,064
Cash and cash equivalents	2,481,115	2,847,426		8,335,415	8,896,309
Assets held for sale	33,394	32,719		14,005,986	14,050,387
	9,513,703	9,465,431			
	14,005,986	14,050,387			

Consolidated Statement of Cash Flows

(EUR thousand)	Q1 2017	Q1 2016
Profit after tax	125,248	86,033
Depreciation, amortization, impairments and impairment reversals	90,814	66,121
Changes in provisions	(10,542)	(66,715)
Changes in deferred taxes	34,028	52,856
Gains/(losses) from disposals of non-current assets and marketable securities	12,011	(14)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	37,818	(64,619)
Net working capital change	(552,137)	(445,017)
Changes in other balance sheet items	142	1,975
Net cash from operating activities	(262,618)	(369,380)
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(86,625)	(44,885)
Proceeds from asset disposals	25,351	14,418
Acquisitions and participating interests		
Purchases	(7,688)	(23,615)
Proceeds from asset disposals/divestments	20,290	59
Changes in cash and cash equivalents due to consolidation changes	–	60,550
Changes in securities holdings and financial receivables	(123,879)	81,045
Cash flow from investing activities	(172,551)	87,572
Payments for repurchase of treasury stock	–	(79,656)
Payments for repurchase of treasury stock at CIMIC	–	(175,495)
Payments for the purchase of additional shares in subsidiaries	(20,363)	(80,384)
Payments into equity by non-controlling interests	1,404	–
Other financing activities	(2,411)	(3,706)
Dividends to non-controlling interests	(5,051)	(17,173)
Proceeds from new borrowing	941,311	85,878
Debt repayment	(843,611)	(111,441)
Cash flow from financing activities	71,279	(381,977)
Net cash decrease in cash and cash equivalents	(363,890)	(663,785)
Effect of exchange rate changes	(2,421)	(66,951)
Overall change in cash and cash equivalents	(366,311)	(730,736)
Cash and cash equivalents at the start of the year	2,847,426	2,808,707
Cash and cash equivalents at end of reporting period	2,481,115	2,077,971

Consolidated Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktien-gesellschaft	Capital reserve of HOCHTIEF Aktien-gesellschaft	Revenue reserves including un-appropriated net income	Accumulated other comprehensive income					
				Remeasure-ment of defined benefit plans	Currency translation differences	Changes in fair value of financial instruments	Attributable to HOCHTIEF shareholders	Attributable to non-controlling interest	Total
Balance as of Jan. 1, 2016	177,432	804,163	1,144,034	(287,527)	286,791	19,008	2,143,901	1,002,847	3,146,748
Dividends	–	–	–	–	–	–	–	(39,877)	(39,877)
Profit after tax	–	–	63,345	–	–	–	63,345	22,688	86,033
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	(94,566)	(23,633)	(118,199)	(33,684)	(151,883)
Changes from remeasurement of defined benefit plans	–	–	–	(46,306)	–	–	(46,306)	–	(46,306)
Total comprehensive income	–	–	63,345	(46,306)	(94,566)	(23,633)	(101,160)	(10,996)	(112,156)
Other changes not recognized in the Statement of Earnings*	–	–	(186,847)	–	–	–	(186,847)	(111,972)	(298,819)
Balance as of Mar. 31, 2016	177,432	804,163	1,020,532	(333,833)	192,225	(4,625)	1,855,894	840,002	2,695,896
Balance as of Jan. 1, 2017	164,608	817,427	823,416	(346,630)	371,241	(5,775)	1,824,287	761,210	2,585,497
Dividends	–	–	–	–	–	–	–	(44,294)	(44,294)
Profit after tax	–	–	88,291	–	–	–	88,291	36,957	125,248
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	(43,622)	6,126	(37,496)	(14,298)	(51,794)
Changes from remeasurement of defined benefit plans	–	–	–	7,953	–	–	7,953	–	7,953
Total comprehensive income	–	–	88,291	7,953	(43,622)	6,126	58,748	22,659	81,407
Other changes not recognized in the Statement of Earnings	–	–	(1,656)	–	–	–	(1,656)	791	(865)
Balance as of Mar. 31, 2017	164,608	817,427	910,051	(338,677)	327,619	351	1,881,379	740,366	2,621,745

* Other changes not recognized in the Statement of Earnings include minus EUR 175,495 thousand for the purchase of treasury stock by CIMIC Holdings and minus EUR 79,656 thousand for the purchase of treasury stock by HOCHTIEF Aktiengesellschaft.

Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of March 31, 2017, which were released for publication on May 9, 2017, have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed by our auditor. 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, 2016.

This report has been prepared using the same accounting policies as the 2016 Consolidated Financial Statements. Information on those accounting policies is given in the Group Report 2016.

Currency translation

For currency translation purposes, the following exchange rates have been used for the main Group companies outside the euro area:

(All rates in EUR)	Average		Daily average at reporting date	
	Q1 2017	Q1 2016	Mar. 31, 2017	Dec. 31, 2016
1 U.S. dollar (USD)	0.94	0.90	0.94	0.95
1 Australian dollar (AUD)	0.71	0.66	0.72	0.69
1 British pound (GBP)	1.17	1.28	1.17	1.17
100 Polish zloty (PLN)	23.32	22.99	23.66	22.67
100 Qatari riyal (QAR)	25.66	24.91	25.68	25.99
100 Czech koruna (CZK)	3.70	3.70	3.70	3.70
100 Chilean pesos (CLP)	0.14	0.13	0.14	0.14

Consolidation changes

The Consolidated Financial Statements for the first quarter of 2017 include seven foreign companies for the first time. Thirty-four foreign companies have been removed from the consolidated group.

The number of companies accounted for using the equity method showed a net decrease of 13 foreign companies in the first quarter of 2017. In addition, the number of joint operations included in the Consolidated Financial Statements declined by a total of four.

The Consolidated Financial Statements as of March 31, 2017 include HOCHTIEF Aktiengesellschaft as well as a total of 55 domestic and 403 foreign consolidated companies, 16 domestic and 143 foreign companies accounted for using the equity method, and 59 foreign joint operations.

As an independent listed group, HOCHTIEF Aktiengesellschaft, Essen, Germany, Court of Registration: Essen District Court, HRB 279, 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)

In view of the intention to sell, mining assets of PT Thiess Contractors Indonesia (HOCHTIEF Asia Pacific division) are accounted for in accordance with IFRS 5 as assets held for sale. An agreement for the sale of the assets signed in 2016 was largely put into effect. The remaining assets are classified as held for sale and presented separately in the balance sheet. The table below shows the major classes of assets held for sale.

(EUR thousand)	Mar. 31, 2017	Dec. 31, 2016
Property, plant and equipment	30,796	30,230
Inventories	2,598	2,489
Total assets	33,394	32,719

Treasury stock

As of March 31, 2017, HOCHTIEF Aktiengesellschaft held a total of 52,142 shares of treasury stock. These shares were purchased since October 7, 2014 for the purposes provided for in the resolution of the Annual General Meeting of May 7, 2014 and that of May 6, 2015 and for all other purposes permitted under the German Stock Corporations Act (AktG). The holdings of treasury stock represent EUR 133,483.52 (0.081%) of the Company's capital stock.

Promissory note issue

In March 2017, HOCHTIEF Aktiengesellschaft issued a promissary note which met with great interest from domestic and international investors and was significantly oversubscribed. This made it possible to increase the final issue size to EUR 500 million. The entire proceeds from the issue were used to refinance a EUR 500 million bond issue from 2012 that matures on March 23, 2017. The notes have staggered terms of five, seven, and ten years. They significantly reduce financing costs, enabling HOCHTIEF to strengthen its operational development and diversify the maturity profile of its financial liabilities.

Dividend

The Executive Board and Supervisory Board are proposing to the Annual General Meeting of HOCHTIEF Aktiengesellschaft on May 10, 2017 to pay a dividend for 2016 of EUR 2.60 per eligible no-par-value share.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they have decreased since December 31, 2016 by EUR 537 thousand to EUR 4,995 thousand.

Reporting on financial instruments

The fair value of the individual assets and liabilities is stated for each class of financial instrument. A three-level hierarchy is applied that reflects the observability of inputs to the valuation techniques used to measure fair value.

Level 1: Quoted prices in active markets for identical assets or liabilities; e.g. quoted securities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); e.g. interest rate swaps and forward exchange contracts.

Level 3: No relevant observable inputs available; e.g. investments measured at fair value or determined by business valuation.

(EUR thousand)	Mar. 31, 2017			Dec. 31, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Other financial assets	1,288	526	43,328	1,270	20,506	40,103
Other receivables and other assets						
Non-current	–	7,850	50,158	–	14,169	51,384
Current	–	2,818	–	–	1,727	–
Marketable securities	500,006	35,480	–	409,821	53,603	–
Total assets	501,294	46,674	93,486	411,091	90,005	91,487
Liabilities						
Other liabilities						
Non-current	–	441	–	–	557	–
Current	–	2,483	–	–	3,678	–
Total liabilities	–	2,924	–	–	4,235	–

Within each class of financial instrument, where fair value can be measured reliably, fair value generally corresponds to carrying amount.

As in the comparative period, there were no transfers of financial instruments measured at fair value between Levels 1, 2 and 3 of the fair value hierarchy during the first quarter of 2017.

In Level 3, the fair value of investments in unlisted entities is measured using generally recognized valuation techniques based on discounted cash flow analysis. The unobservable inputs are the internal rate of return as well as the growth rate and discount rate. Options are measured using Monte Carlo simulation. Assumed inputs are the expected exercise period, the EBITDA multiplier, and the discount factor. Reconciliation of opening to closing balances for Level 3 measurements of other financial assets as well as other receivables and other assets:

Level 3 reconciliation Q1 2017:

(EUR thousand)	
Balance as of Jan. 1, 2016	91,487
Currency adjustments	536
Gains/(losses) recognized in profit or loss	1,579
Other changes	(116)
Balance as of Mar. 31, 2017	93,486

Level 3 reconciliation FY 2016:

(EUR thousand)	
Balance as of Jan. 1, 2016	83,331
Currency adjustments	1,829
Gains/(losses) recognized in profit or loss	51,534
Other changes	(45,207)
Balance as of Dec. 31, 2016	91,487

As in the comparative year, the gains recognized in profit or loss are accounted for in net income from other participating interests; the remaining changes are accounted for in other comprehensive income.

Segment reporting

HOCHTIEF's divisional/segment structure reflects the operating focus of the Group as well as its presence in key national and international regions and markets. Divisions/segments are identified in the HOCHTIEF Group on the basis of internal reporting.

Detailed information on the individual divisions/segments of the HOCHTIEF Group is contained in the preceding Interim 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; 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 138,212 thousand (December 31, 2016: EUR 141,820 thousand) granted by CIMIC to HLG Contracting.

No other material transactions were entered into during the first quarter of 2017 between HOCHTIEF Aktiengesellschaft or any HOCHTIEF Group company and any related party or parties with a material impact on the results of operations or financial condition of the Company or the Group.

Undiluted and diluted earnings per share

	Q1 2017	Q1 2016
Consolidated net profit (EUR thousand)	88,291	63,345
Number of shares in circulation (weighted average)	64,247,858	64,434,498
Earnings per share (EUR)	1.37	0.98

The difference in the number of shares in circulation results from the stock buyback program in 2016.

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.

Events since the balance sheet date

The strength of HOCHTIEF's balance sheet, positive business performance and outlook has been recognized by rating agency Standard & Poor's which has just accorded HOCHTIEF a solid investment grade rating of BBB with a stable outlook. The BBB rating will contribute toward a further optimization of HOCHTIEF's Group financing.

Essen, May 9, 2017

The Executive Board

Publication Details and Credits

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Current financial calendar

www.hochtief.com/ir-calendar

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

This quarterly 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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About the cover photo:

Bridge to the future

In Scotland, the “Queensferry Crossing,” one of the world’s largest cable-stayed bridges, is taking shape. Traversing the Firth of Forth near Edinburgh, it constitutes a major transport link. The bridge’s steel cable wires measure a total length of 37,000 kilometers and, laid end to end, would stretch once around virtually the earth’s entire cir-

cumference. On completion, the 2.7-kilometer structure’s advanced wind protection system will mean that it can still be used by traffic even in high winds. HOCHTIEF is spearheading the consortium building the bridge that is as elegant and state-of-the-art as it is safe. It is scheduled to be open to traffic this summer.

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