Corporate Structure of HOCHTIEF Aktiengesellschaft

Corporate Headquarters (management holding company)

HOCHTIEF Americas

- Turner (USA)
- Flatiron (Canada, USA)
- E.E. Cruz (USA)

HOCHTIEF Asia Pacific

- Leighton Holdings (Australia)
- Leighton Contractors (Australia, New Zealand)
- Thiess (Australia, India, Indonesia)
- John Holland Group (Australia)
- Leighton International (India, Qatar, United Arab Emirates)
- Leighton Properties (Australia)
- Leighton Asia (Brunei, Cambodia, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Mongolia, Philippines, Singapore, Taiwan, Thailand, Vietnam)
- Al Habtoor Engineering (Qatar, United Arab Emirates)

HOCHTIEF Concessions

- HOCHTIEF Concessions (Germany)
- HOCHTIEF AirPort (Germany)
- HOCHTIEF AirPort Capital (Germany)
- Airport Partners (Germany)
- Sydney Airport Intervest (Germany)
- FHK Flughafen Hamburg Konsortial- und Service-Gesellschaft (Germany)
- HAP Hamburg Airport Partners (Germany)
- HAP Hamburg Airport Partners Holding Verwaltungsgesellschaft (Germany)
- HOCHTIEF AirPort Retail (Albania)
- HOCHTIEF PPP Solutions (Canada, Chile, Germany, Greece, Ireland, UK, USA)
- HOCHTIEF PPP Schools Capital (UK)

HOCHTIEF Europe

- HOCHTIEF Solutions (Austria, Bahrain, Bulgaria, Chile, Czech Republic, Denmark, Germany, Greece, Hungary, India, Ireland, Luxembourg, Peru, Poland, Qatar, Romania, Russia, South Africa, Sweden, Switzerland, UK, Ukraine)
- HOCHTIEF Global Trade (Germany)
- HOCHTIEF Procurement Asia (Hong Kong)
- HOCHTIEF ViCon (Germany, Qatar)
- Durst-Bau (Austria)
- Streif Baulogistik (Austria, Bulgaria, Denmark, Germany, Poland, Qatar, Russia, Ukraine)
- HOCHTIEF Property Management (Germany)
- aurelis Real Estate (Germany)

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

Financial Calendar

November 10, 2011
Interim Report at September 30, 2011
Conference Call with Analysts and Investors

March 29, 2012
Business Results Press Conference
Analysts' and Investors' Conference

May 10, 2012
General Shareholders' Meeting
10.30 a.m., Grugahalle, Norbertstrasse 2, Essen

May 15, 2012
Quarterly Report at March 31, 2012
Conference Call with Analysts and Investors

The editorial deadline for this quarterly report was August 3, 2011; the report was published on August 17, 2011.

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.

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Half-Year Report
January to June 2011

- Results impacted by problem projects at Leighton
- HOCHTIEF well positioned as before—strong performance from remaining divisions
- Group guidance reaffirmed for 2011, 2012 and 2013
- Order backlog just under EUR 47 billion—equivalent to some two years of forward orders
- Huge expectations of growth markets

Dow Jones Sustainability Indexes
Member 2010/11

Turning Vision into Value. HOCHTIEF

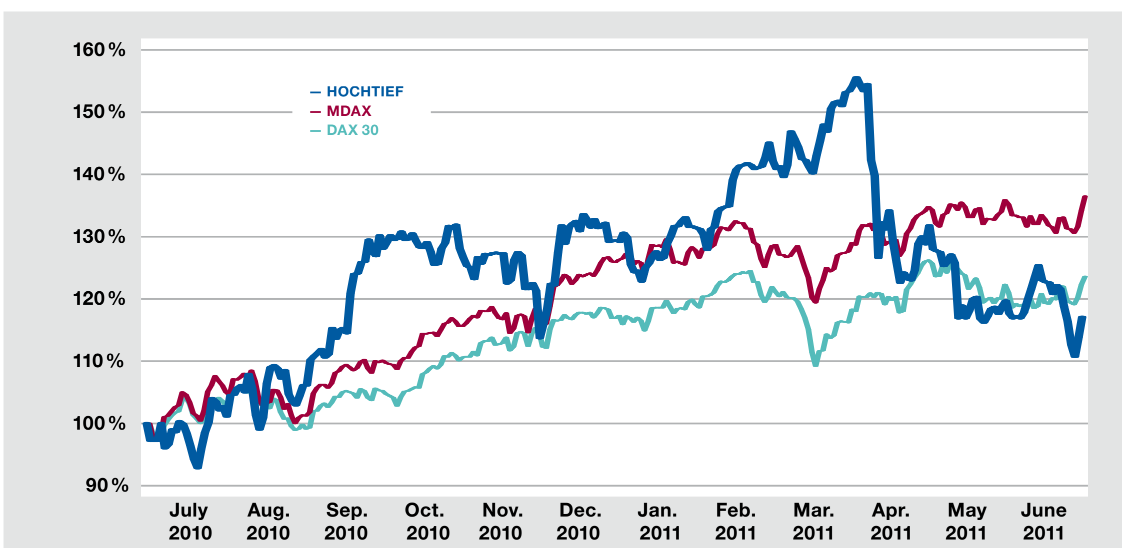
The HOCHTIEF Group

(EUR million)	H1 2011	H1 2010 (restated)*	Percentage change	Q2 2011	Q2 2010 (restated)*	Full year 2010 (restated)*
New orders	**13,045.0**	12,920.9	**1.0**	**7,632.5**	9,470.4	29,627.4
Work done	**11,609.7**	10,623.8	**9.3**	**6,505.2**	5,868.0	23,233.9
Order backlog	**46,974.7**	42,299.8	**11.1**	**46,974.7**	42,299.8	47,486.1
Divisional sales	**10,392.6**	9,565.5	**8.6**	**5,463.0**	5,098.5	20,260.9
External sales**	**10,375.0**	9,525.5	**8.9**	**5,455.7**	5,077.5	20,159.3
Operating earnings (EBITA)**	**(350.3)**	391.2	**–**	**54.0**	239.2	947.5
Profit before taxes**	**(434.6)**	301.6	**–**	**10.2**	181.0	756.6
Consolidated net profit/(loss)**	**(155.6)**	88.1	**–**	**13.8**	54.1	288.0
Earnings per share (EUR)	**(2.12)**	1.32	**–**	**0.19**	0.81	4.31
Capital expenditure**	**1,119.7**	611.1	**83.2**	**853.8**	443.1	1,127.7
Net assets	**6,859.2**	6,736.0	**1.8**	**6,859.2**	6,736.0	7,408.9
Employees	**74,961** (End H1 2011)	70,099 (End H1 2010)	**6.9**	**74,961** (End Q2 2011)	70,099 (End Q2 2010)	70,657 (2010 average)

***For details on the restatement, please see pages 17–19.**

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

HOCHTIEF stock



Cover image:
Powering up: Our Thor jack-up platform is helping to assemble some 80 wind turbines for the Bard 1 offshore wind farm in the North Sea. HOCHTIEF itself developed this special-purpose platform for the erection of wind power installations. Its long legs extend to depths of 50 meters. The heavy-lift crane can pick up tower segments, turbines, and blade assemblies weighing several hundred tons and install them at sea. Thor's charter on the Bard wind farm has just been extended to May 2012. (Photo: BARD Group/TSO)

Dear Shareholders,

Dr. Frank Stieler,
Chairman of the
Executive Board

The first six months of fiscal year 2011 are behind us. We have taken the public debate about our future in our stride. HOCHTIEF performed well in the second quarter: New orders shaped business in all four divisions. Our services are in demand—with our integrated life cycle approach and our expertise, we deliver quality and efficiency to our clients.

However, the problems at our subsidiary Leighton in the first quarter of 2011 have also taken their toll on HOCHTIEF's performance figures: For instance, operating earnings stood at negative EUR 350.3 million, significantly lower than the prior-year figure of EUR 391.2 million, and a consolidated net loss of EUR 155.6 million was generated. However, our order situation remained stable. The order backlog grew 11 percent to nearly EUR 47 billion, translating into a forward order book of two years.

In April 2011, Leighton announced the need to recognize impairments on two projects. We have taken action in response to the cost and schedule overruns on the projects concerned. A group risk manager has been appointed at Leighton. Large-scale projects have been subjected to in-depth analysis. The risk management system has been examined and a program initiated to deal with identified weaknesses. No new problem cases were identified in these examinations. Work on the two critical major projects is progressing well. Ongoing poor weather and disputes with unions have had an additional impact at the Victorian Desalination Plant, however. Halfway through the year, Leighton has consequently further raised provisioning to a level sufficient to cover extra risks. The Airport Link project is going to plan. However, an updated estimate of the expected costs and of the claims for supplementary work considered to be recoverable has resulted in a markdown to the expected earnings contribution. The impairment test at the Habtoor Leighton Group performed as planned as of June 30, 2011 resulted in recognition of an impairment loss.

The economic crisis in Greece also had an impact: Traffic on our toll roads declined and, contrary to the positive trend at our other airport holdings, where passenger numbers are rising across the board, we recorded a decrease in passenger traffic at Athens Airport. Completion of the toll roads will be further delayed and we no longer expect them to contribute to earnings in the current fiscal year. However, our long-term projects are of great importance to the Greek economy. The Greek government is therefore working hard to set the framework for these projects to continue.

On June 16, 2011, our major shareholder ACS Actividades de Construcción y Servicios announced that it then held 50.16 percent of the voting rights in HOCHTIEF. Treasury stock held by HOCHTIEF Aktiengesellschaft accounts for 4.46 percent of this total. ACS announced its intention to continue purchasing HOCHTIEF shares in order to increase its shareholding to somewhat more than 50 percent over the next twelve months. HOCHTIEF will then still remain an independent listed group based in Essen.

We generate value from our existing portfolio and continue to actively pursue our sales plans for the airport business. The twin-track process is underway and we still expect it to be successfully completed in fiscal 2011. HOCHTIEF will go on operating in the public-private partnership business, in which we won more new orders in the second quarter. We plan to harness the great potential of public-private partnerships and leverage more synergies in this segment. To this end, the PPP business will be brought under the HOCHTIEF Europe division. We plan to develop more infrastructure projects with our own capital. We aim to develop, design, build, and operate these projects and then pass them on with stable cash flows to asset managers, thus releasing the committed capital for new projects. We also continue to prepare the sale of our shareholding in aurelis Real Estate for 2012. Overall, we aim to increase asset turnover and reduce tied-up capital.

HOCHTIEF will continue to provide services spanning the development, construction, and operation of real estate and infrastructure projects. We will increasingly profit here from combining these capabilities for the benefit of our clients. To this end, we have brought together our development, construction, and services business lines in Europe under the umbrella of HOCHTIEF Europe at the beginning of the year and created a more streamlined structure. As a result, many of our clients now benefit from development and construction or construction and operation. At the same time, through the more streamlined structure, we plan to generate savings of EUR 30 million a year. In addition, we have high expectation of markets that promise growth and high margins. As part of this, we are making acquisitions to boost our activities in India and Canada. The market in the Middle East also remains very important for us.

Another sector we see major opportunities in is energy. The decision of the German Bundestag to phase out nuclear power means the switchover to renewable energy can be made reality in Germany. Massive spending is needed to provide the infrastructure for renewable energy. Governments are called upon to set the framework for a rapid expansion of sustainable energy infrastructure. HOCHTIEF can significantly contribute toward meeting this challenge for society.

We want to play our part as a developer, constructor, and operator in tasks such as upgrading the German electrical distribution network: In the alternative-energy-based future, power plants will no longer be built near consumers, but in some cases hundreds of kilometers away. In Germany alone, some 3,600 kilometers of power lines are needed to transport energy. We can use our tunnel and power plant construction expertise, for example, to build power tunnels—currently the best option for such transmission lines from a technical and environmental perspective. In the construction of overhead lines we can benefit from the experience of the ACS Group, which built the majority of the Spanish high voltage grid.

We will also actively position HOCHTIEF in the market for construction of storage infrastructure for energy generated from renewables. This takes in projects such as building pumped storage power plants—highly efficient, long-life facilities that help safeguard grid stability.

HOCHTIEF is already a key player in the offshore wind power market. The company is involved in erecting almost all German offshore wind farms and is now a leading provider of construction and logistics services at sea. We possess our own specialist equipment for wind farm construction, which we also successfully charter out, and we are now also expanding our capabilities to include servicing and maintenance work for offshore wind farms. We additionally have a hand in renewables-related development activities and are working with scientists on topics such as research into deep-sea pumped storage systems.

Group outlook

After adjusting our guidance after the first quarter, we now still expect new orders, work done, and the order backlog for 2011 to normalize at a level below the record figures of 2010 and sales to be broadly on a par with 2010. Depending on the size and outcome of the sale of interests at HOCHTIEF Concessions, we continue to expect profit before taxes to be about half of the prior-year figure, and consolidated net profit to be above the level recorded in the prior year.

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

Sincerely yours,

Dr. Frank Stieler
Chairman of the Executive Board

Interim Management Report

Orders and work done

Group orders and work done held a stable trend in the second quarter of 2011. At EUR 13.04 billion, **new orders** in the first half of 2011 were higher than in the same period a year earlier. Adjusted for exchange rate effects, new orders were 2.1 percent down on the comparative prior-year period. While HOCHTIEF Americas fell short of the prior-year period solely as a result of exchange rate effects, HOCHTIEF Asia Pacific also came in below the prior-year figure on an exchange rate adjusted basis. The change in Germany (an increase of 6.7 percent) mainly relates to project successes at HOCHTIEF Europe.

Work done came to EUR 11.61 billion as of June 30, 2011, an increase of 9.3 percent on the prior-year period (exchange rate adjusted, 6.5 percent). The main factor in the increase was the ongoing process of working off the large order backlog in the HOCHTIEF Asia Pacific division. HOCHTIEF Americas was likewise up on the prior-year period on an exchange rate adjusted basis. The comparative prior-year figure was similarly exceeded in Germany as a result of the continued strong performance of the HOCHTIEF Europe division, with growth of 19.2 percent.

The **order backlog** stood at EUR 46.97 billion, an improvement of 11.1 percent (exchange rate adjusted, 9.5 percent) on the comparative figure for the prior year. The Group entered 2011 with a record EUR 47.49 billion order backlog from the prior year. Alongside new orders and work done in the first half of 2011, the increase partly reflected an exchange rate adjustment (of minus EUR 1.53 billion) to the order backlog largely due to recent changes in the US dollar and the Australian dollar exchange rate. The order backlog is currently equivalent to a forward order book of about two years.

Financial review

Earnings

The HOCHTIEF Group sustained its positive trend in **sales** through the first half of 2011. Sales growth on the same period a year earlier came to 8.9 percent. In total, HOCHTIEF generated sales of EUR 10.37 billion in the first six months of 2011 (H1 2010: EUR 9.53 billion). A large part of the strong sales trend was accounted for by the activities of our subsidiary Leighton. Aside from a positive exchange rate effect of EUR 488.1 million, HOCHTIEF Asia Pacific notably benefited in its contract mining operations from the outstanding orders situation in the raw materials sector. The Leighton Group also has a number of major projects on the Australian market in progress in its infrastructure business. Overall, the HOCHTIEF Asia Pacific division recorded sales of EUR 5.99 billion in the period under review, compared with EUR 5.06 billion in the prior-year period. The HOCHTIEF Americas division once again increased sales on a US dollar basis in the first half of 2011 as a result of its strong market position. The weak trend in the US dollar exchange rate compared with the prior year, however, resulted in a negative exchange rate effect of EUR 228.6 million. At EUR 2.78 billion, sales were consequently EUR 148.1 million down on the comparative prior-year figure (EUR 2.93 billion). Sales in the HOCHTIEF Europe division reached EUR 1.53 billion in the first half of 2011. This marked a 5.9 percent improvement on the prior-year figure of EUR 1.44 billion. The Real Estate Solutions business line accounted for a major share of this outcome.

Earnings performance in the first half of 2011 was heavily impacted by a steep drop in earnings at HOCHTIEF Asia Pacific. HOCHTIEF Group **operating earnings (EBITA)**, with a negative figure of EUR 350.3 million, fell far short of the prior-year figure of EUR 391.2 million. Major effects here included losses from two major infrastructure projects—Airport Link in Brisbane and the Victorian Desalination Plant in Melbourne. A valuation of the two projects as of the June 30, 2011 balance sheet date resulted during the second quarter in the recognition of additional costs up to the end of the construction phase. Leighton additionally took a charge against earnings in the first quarter for provisioning to cover outstanding receivables at the Habtoor Leighton Group. The carrying amount of the investment in Al Habtoor was also subjected as planned to thorough appraisal during the second quarter in an impairment test. This resulted in recognition of an extra EUR 147 million impairment loss on the carrying amount of the investment in Al Habtoor. The HOCHTIEF Americas division, on the other hand, recorded a strong first half and increased operating earnings relative to the prior-year period (EUR 53.2 million) by 63.2 percent to EUR 86.8 million. The improved earnings contribution from the operating business reflected the stabilization of the American construction market and the high quality of projects secured by Turner and Flatiron. Another positive effect came from the reversal of risk provisioning that was no longer required. The HOCHTIEF Concessions division likewise significantly improved operating earnings in the first half of 2011. Its EUR 80.6 million operating earnings exceeded the prior-year figure (EUR 37 million) by EUR 43.6 million. Key factors here include the positive operating performance of our airport holdings except Athens Airport combined with the reversal of provisions for investment risk at Düsseldorf Airport and for capital expenditure commitments at Budapest Airport. On top of these came the positive impact at Athens Airport of a cut in dividend taxation in Greece along with success fees for winning bids on PPP projects. The HOCHTIEF Europe division in its new line-up was also highly successful in the first half year and improved operating earnings

Figures in table form are provided in the interim financial statements starting on page 14.

compared with the prior-year period (EUR 30.9 million) by EUR 41.3 million to EUR 72.2 million. The main earnings drivers continued to be the international activities under the International Project Solutions business line and a recovery in project margins on building construction projects in the Classic Solutions business line. We also secured a new strategic partner for our offshore business to whom we sold 50 percent of the interests in our offshore company, delivering a once-only boost to earnings.

Net income from participating interests, at minus EUR 467.7 million in the first half of the current fiscal year, was a very long way below the comparative figure for the prior year (plus EUR 65.3 million). The dominant factors in this were the collapse in net income from participating interests at Leighton from the joint venture-basis Victorian Desalination Plant project, recognition of the Group's share of losses from the equity-method investment in the Habtoor Leighton Group, and the impairment loss on the carrying amount of that investment. Net income from participating interests at the HOCHTIEF Asia Pacific division consequently sank from minus EUR 1.8 million in the first half of the prior year to minus EUR 564.3 million in the period under review. Net income from participating interests at the HOCHTIEF Concessions division, on the other hand, improved sharply with an increase of EUR 27.5 million to EUR 69.8 million. All airport holdings contributed to this result. Notable amounts comprised the increase from Athens Airport as a result of the cut in taxation on dividends in Greece and the positive impact of reversing provisions for capital expenditure commitments at Budapest Airport. The HOCHTIEF Americas division likewise generated increased contributions to earnings from its business portfolio in the first half of the year. At EUR 22.7 million, net income from participating interests was EUR 4.2 million higher than the comparative prior-year figure (EUR 18.5 million). The EUR 4.5 million net income from participating interests in the HOCHTIEF Europe division was on a par with the prior-year level.

Net investment and interest income came to minus EUR 78.5 million in the first half of 2011, an improvement of EUR 7.7 million on the same period a year earlier (minus EUR 86.2 million). This mainly reflected a significant rise in net interest income, resulting both from higher interest income on bank deposits and lower interest expense due to increased loan repayments.

Profit before taxes fell significantly compared with the prior-year period, largely as a result of the impact on earnings at Leighton. In total, profit before taxes for the months January to June 2011 was a loss of EUR 434.6 million (H1 2010: profit of EUR 301.6 million).

In the income tax item, the HOCHTIEF Group shows an income figure of EUR 108.1 million for the period under review. This related to the recognition at Leighton of deferred tax assets for loss-making projects. The prior-year period, in contrast, showed a **tax expense** of EUR 101.5 million.

Profit after taxes—a loss of EUR 326.5 million—was substantially down on the prior-year profit of EUR 200.1 million.

The portion of the post-tax loss for the first half of 2011 allocated as consolidated net loss attributable to shareholders came to EUR 155.6 million. This compares with a consolidated net profit of EUR 88.1 million in the same period a year earlier. Minority interest for the period under review was likewise well into negative figures, at minus EUR 170.9 million. Minority interest in the prior-year period had been positive, at EUR 112 million. The negative figure was mainly accounted for by the losses at Leighton, which due to HOCHTIEF's approximately 53 percent stake in the company had a significant impact both on the net amount attributable to HOCHTIEF shareholders and on the minority interest.

Cash flow

Net cash provided by operating activities came to EUR 704.2 million in the first half of the current fiscal year. The HOCHTIEF Group generated a cash inflow of EUR 615.3 million in the comparative period of the prior year. As in the prior-year period, most of the inflow of cash was accounted for by the HOCHTIEF Asia Pacific division. The losses incurred at Leighton in the period under review did not impact on cash flow as they mostly related to the Group's share of losses from and impairments of equity-method investments and from provisions for project risks.

HOCHTIEF committed EUR 881.6 million in capital expenditure on intangible assets and property, plant and equipment in the first half of 2011. This was EUR 425.9 million higher than the comparative prior-year figure (EUR 455.7 million). The main factor in the increase was the substantial level of capital expenditure needed in the HOCHTIEF Asia Pacific division. Sustained strong demand for raw materials and the resulting expansion of the mining business at Leighton occasioned purchases of additional plant and equipment. At EUR 826.8 million, capital expenditure on property, plant and equipment was consequently up EUR 400.5 million compared with the prior-year figure (EUR 426.3 million). Capital expenditure on property, plant and equipment in the HOCHTIEF Europe division similarly increased by 67.5 percent to EUR 24.2 million. Capital spending on financial assets was concentrated in the period under review on the airport segment in the HOCHTIEF Concessions division. The lion's share of this spending, which totaled EUR 238.1 million, related to Budapest Airport. The EUR 155.4 million in investment spending on financial assets in the prior-year period was mainly connected to the acquisition of the heavy construction company E.E. Cruz in the HOCHTIEF Americas division and the increase in the stake in Devine Ltd. in the HOCHTIEF Asia Pacific division. Changes in securities holdings and financial receivables produced a substantial EUR 213.4 million cash inflow in the first half of 2011. Within this figure, a large inflow of cash from sales of securities was countered by cash outflows from loans to companies in the business portfolio. The EUR 144.7 million cash outflow in the prior-year period was mostly attributable to purchases in the securities portfolio at Turner, the Luxembourg insurance companies and Corporate Headquarters. The total figure for **net cash used in investing activities** in the first half of 2011 amounted to EUR 675.6 million, an increase of EUR 37.5 million on the prior-year figure (EUR 638.1 million).

HOCHTIEF took out new borrowing in the amount of EUR 569.5 million during the period under review. This showed an increase of EUR 91.7 million compared with the prior-year figure of EUR 477.8 million. The largest portion of new borrowing was in connection with the contractually agreed payment of the second purchase price installment for Budapest Airport. In the prior year, EUR 240 million related to a promissory note loan issue. Service of debt resulted in a very large cash outflow of EUR 1 billion in the period under review (H1 2010: EUR 244.3 million). An additional EUR 249 million in cash was used for dividend payments to shareholders (H1 2010: EUR 185.5 million). In the opposite direction, payments into equity by minority shareholders, mainly resulting from the capital raising at Leighton, provided a cash inflow of EUR 264.5 million. Overall, **net cash used in financing activities** in the first six months of fiscal 2011 came to EUR 416.8 million (H1 2010: net cash provided by financing activities of EUR 83.3 million).

As of the June 30, 2011 balance sheet date, the HOCHTIEF Group held EUR 1.94 billion in cash and cash equivalents. The EUR 388.1 million net cash decrease in the first six months combined with a EUR 125.3 million negative effect of exchange rate changes reduced cash and cash equivalents by EUR 513.4 million compared with the figure as of December 31, 2010 (EUR 2.45 billion).

Free cash flow—consisting of net cash provided by operating activities (EUR 704.2 million) less net cash used in investing activities (EUR 675.6 million)—was slightly positive, at EUR 28.6 million in the first half of 2011. Free cash flow in the prior year period was negative, at minus EUR 22.8 million.

Balance sheet

The HOCHTIEF Group had **total assets** of EUR 14.94 billion as of the June 30, 2011 balance sheet date. This represented a slight decrease of EUR 48.4 million on the prior year, which closed with total assets of EUR 14.99 billion as of December 31, 2010. The main factor in the decrease consisted of negative exchange rate effects totaling EUR 563.4 million. These were almost entirely compensated for by the expansion of the operating business.

Non-current assets stood at EUR 6.23 billion at the end of the first half of fiscal 2011. This was EUR 365.4 million higher than at the fiscal 2010 year-end (EUR 5.87 billion). Property, plant and equipment increased substantially to EUR 2.18 billion, exceeding the comparative figure as of December 31, 2010 (EUR 1.81 billion) by EUR 376.1 million. This increase was largely driven by capital expenditure in a plant capacity maintenance and expansion program completed at Leighton. Financial assets decreased compared with December 31, 2010 (EUR 2.51 billion) by EUR 353.4 million to EUR 2.16 billion. The biggest factor here consisted of the losses in the business portfolio at Leighton—notably on the Victorian Desalination Plant infrastructure project—and the impairment loss on the carrying amount of the investment in the Habtoor Leighton Group. This was countered by the addition to financial assets on payment of the contractually agreed second purchase price installment for Budapest Airport and the positive impact of recognizing the Group's share of profits from equity-method investments in the HOCHTIEF Americas division. Loans granted by Leighton to Al Habtoor and by HOCHTIEF AirPort GmbH to Budapest Airport contributed substantially to the increase in financial receivables by EUR 300.8 million to EUR 807.6 million. Deferred tax assets rose significantly by EUR 105.9 million to EUR 366.5 million. This reflected deferred tax assets recognized by Leighton as a result of the losses incurred.

Current assets, at EUR 8.7 billion, were significantly down on the figure as of the prior year-end (EUR 9.12 billion). The expansion of the operating business continued in the first half of 2011. The resulting increase in trade receivables by EUR 295.9 million to EUR 4.28 billion—primarily accounted for by the HOCHTIEF Europe division and Leighton—was partly offset by negative exchange rate effects. Inventories rose substantially to reach a total of EUR 1.61 billion. The EUR 339.9 million increase in inventories chiefly related to the first-time inclusion of real estate developer Devine Ltd. as a fully consolidated subsidiary at Leighton. HOCHTIEF's holdings of marketable securities came to EUR 428.1 million as of the June 30, 2011 balance sheet date. Major changes to our portfolio were effected in the first half of the year with the sale of securities to streamline the financial structure of the HOCHTIEF Group. The comparative figure as of December 31, 2010 was consequently EUR 509.5 million higher, at EUR 937.6 million. Service of debt and negative exchange rate effects were the main factors resulting in a EUR 513.4 million reduction in cash and cash equivalents during the period under review. This brought the total figure for cash and cash equivalents as of June 30, 2011 down to EUR 1.94 billion.

*Our risk report is provided starting on page 119 of our 2010 Annual Report and on our website, www.hochtief.com.

HOCHTIEF reported EUR 3.84 billion **shareholders' equity** as of June 30, 2011, compared with EUR 4.26 billion at the end of fiscal 2010. The largest item accounting for the decrease totaling EUR 425.7 million was the EUR 326.5 million post-tax loss. Other negative impacts consisted of EUR 249 million in dividend payments and EUR 232.9 million for currency translation differences and changes in the fair value of financial instruments. These were countered by the positive effect of other changes not recognized in the Statement of Earnings (EUR 365.8 million) and changes in actuarial gains and losses (EUR 16.9 million). The other changes not recognized in the Statement of Earnings include EUR 255.9 million for the minority share in the capital raising at Leighton Holdings.

The equity ratio (shareholders' equity to total assets) as of the June 30, 2011 balance sheet date stood at 25.7 percent, 2.8 percentage points down on the comparative figure as of December 31, 2010 (28.5 percent).

Non-current liabilities decreased from EUR 3.37 billion at the end of the prior fiscal year to EUR 2.77 billion as of June 30, 2011. The major influence here was a decrease in financial liabilities, which fell by EUR 554.6 million to EUR 2.02 billion. This included substantial repayments of amounts owed to banks by Corporate Headquarters. Changes in maturities also resulted in reclassifications to current financial liabilities. Non-current provisions changed only slightly with a EUR 29.6 million decrease to EUR 513.9 million. This includes EUR 105.3 million in provisions for pensions and similar obligations. The reduction here compared with the figure as of December 31, 2010 (EUR 116.6 million) mostly relates to an adjustment of the discount rate in Germany and the higher level of market interest rates. Other current provisions totaling EUR 408.5 million (December 31, 2010: EUR 426.9 million) primarily cover personnel and insurance-related obligations. Other liabilities came to EUR 165.2 million, EUR 21.2 million down on the figure as of December 31, 2010 (EUR 186.4 million). The main factor here comprises a reduction in obligations under interest rate derivatives at Corporate Headquarters.

Current liabilities increased compared with December 31, 2010 (EUR 7.35 billion) by EUR 978.9 million to EUR 8.33 billion. Trade receivables rose from EUR 5.36 billion at the end of fiscal 2010 by EUR 554.5 million to EUR 5.92 billion. A substantial factor in this was a EUR 844.4 million increase at Leighton. Current financial liabilities went up by EUR 544 million to EUR 1.19 billion as a result of higher financial liabilities to participating interests at Leighton and of reclassifications from non-current liabilities. Other liabilities, with a total of EUR 386.7 million, showed an increase of EUR 23.4 million on the figure as of December 31, 2010 (EUR 363.3 million).

Risks 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, 2010 continues to apply. There has been no material change in the situation of the Group or its general economic operating environment from that presented in our 2010 Annual Report. The overall economic situation continues to pose risks due to the debt crisis in individual states, the political unrest in the North African region and from 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 risk 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 necessity in individual instances of recognizing further impairment losses on investments within the portfolio.

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

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

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

Post balance-sheet events

There were no material events to report between the close of the second quarter of 2011 and the editorial deadline for this half-year report.

News from the Boards

The following were elected onto the Supervisory Board at the HOCHTIEF General Shareholders' Meeting on May 12, 2011: Abdulla Abdulaziz Turki AlSubaie, JoséLuis del Valle Pérez, Thomas Eichelmann, Marcelino Fernández Verdes, Àngel García Altozano, Pedro López Jiménez, Dr. h. c. Eggert Voscherau, and Manfred Wennemer. At its constituting meeting following the General Shareholders' Meeting, the Supervisory Board elected **Manfred Wennemer** as its new chairman.

On June 27, 2011, HOCHTIEF announced that for personal reasons and by mutual agreement, **Dr. Peter Noé** was going to step down from the Executive Board of HOCHTIEF Aktiengesellschaft at the end of that month.

Divisions

HOCHTIEF Americas Division

The HOCHTIEF Americas division continued on its course of stable business development in the second quarter of 2011. However, the substantial weakening of the US dollar compared with the prior-year period resulted in tangible negative exchange rate effects. **New orders**, for example, declined by 7.5 percent in the first half of the year. Adjusted for exchange rate effects, however, they remained on a par with the prior-year level. In euros, **work done** fell year on year (down 2.5 percent), whereas adjusted for exchange rate effects it rose by 5.5 percent. In line with this development, **divisional and external sales** adjusted for exchange rate effects also exceeded the previous year's figures. The decrease in the **order backlog** is also attributable to the exchange rate effect; adjusted for this effect, it increased by EUR 214.6 million.

Both **operating earnings** and **profit before taxes** improved substantially compared with the prior-year period, increasing by EUR 33.6 million (exchange rate adjusted, up EUR 38.2 million) and EUR 36.7 million (exchange rate adjusted, up EUR 41.8 million), respectively. The increase in earnings figures is the result of excellent project quality and a reversal of risk provisions no longer needed, made in the first six months of 2011.

In the second quarter of 2011, our US subsidiary **Turner** secured several attractive new contracts. Right next to Miami International Airport, the company is to expand the Miami Intermodal Center transportation hub, adding a new transportation center with a large concourse: The East Concourse & Ground Transportation Center will be a new node connecting the South Florida and Miami-Dade County regions to the existing hub. The contract is worth almost EUR 58 million and includes platforms, surface parking, and a bus drop-off area. The almost 10,000-square-meter complex is built around the existing tracks and will feature tracks for Metrorail, Amtrak, intercity as well as a high-speed rail service.

In the healthcare sector, Turner continued to add to its leadership position with two projects: In Austin, Texas, the company is building the Veterans Administration Outpatient Clinic, which will be the largest of its type in the USA. The multispecialty clinic will include cardiology, neurology, and oncology. The contract is worth EUR 56 million. For the pharmaceuticals manufacturer Vertex, Turner is building the new group headquarters in Boston, Massachusetts. The complex on the high-end Fan Pier in Boston Harbor comprises two 18-story buildings with laboratories and offices, plus retail and restaurant space as well as underground parking. The new Vertex headquarters will seek LEED Gold certification from the United States Green Building Council.

(EUR million)	**H1 2011**	H1 2010 (restated)*	**Percentage change**	**Q2 2011**	Q2 2010 (restated)*	Full year 2010 (restated)*
New orders	**3,125.2**	3,380.1	**–7.5**	**1,589.4**	1,753.7	6,987.6
Work done	**3,013.9**	3,092.5	**–2.5**	**1,606.5**	1,727.8	6,793.6
Order backlog	**7,733.1**	8,893.6	**–13.0**	**7,733.1**	8,893.6	8,136.4
Divisional sales	**2,783.4**	2,931.5	**–5.1**	**1,481.9**	1,644.4	6,396.4
External sales	**2,783.4**	2,931.5	**–5.1**	**1,481.9**	1,644.4	6,396.4
Operating earnings (EBITA)	**86.8**	53.2	**63.2**	**39.1**	29.8	134.3
Profit before taxes	**85.8**	49.1	**74.7**	**38.7**	27.6	126.5
Capital expenditure	**33.1**	60.3	**–45.1**	**8.7**	42.8	99.6
Net assets	**606.0**	622.7	**–2.7**	**606.0**	622.7	656.3
Employees	**7,382** (End H1 2011)	7,470 (End H1 2010)	**–1.2**	**7,382** (End Q2 2011)	7,470 (End Q2 2010)	7,334 (2010 average)

***For details on the restatement, please see pages 17–19.**

For the media company Bloomberg, Turner is responsible for the fit-out of the new office building on Park Avenue in New York City. The project encompasses a total of 32,500 square meters of office space over 13 floors.

Flatiron, our US civil engineering subsidiary, opened a major infrastructure project to traffic in the second quarter ahead of the planned deadline: The John James Audubon Bridge in St. Francisville, Louisiana, was opened at the beginning of May. As water levels on the Mississippi River had risen dramatically, the Flatiron team opened the bridge earlier than planned so as to replace the ferry service. The Audubon Bridge is the only structure on the Mississippi River for approximately 90 miles. The cable-stayed bridge has the longest main span in the Western Hemisphere. Flatiron also completed construction of the new Valley Center Road Bridge in the County of San Diego, California. During the 18-month construction period, employees removed the old bridge and constructed a new, wider bridge with sidewalks.

HOCHTIEF Americas outlook

Due to the large order backlog and the strong position of its subsidiaries, the HOCHTIEF Americas division now expects profit before taxes to increase in fiscal 2011 compared with the prior year, assuming a stable US dollar exchange rate.

HOCHTIEF Asia Pacific Division

(EUR million)	**H1 2011**	H1 2010 (restated)*	**Percent-age change**	**Q2 2011**	Q2 2010 (restated)*	Full year 2010 (restated)*
New orders	**7,964.9**	7,928.8	**0.5**	**4,615.3**	6,897.6	18,938.6
Work done	**6,855.7**	5,908.2	**16.0**	**3,999.5**	3,235.4	12,702.8
Order backlog	**32,815.1**	27,083.4	**21.2**	**32,815.1**	27,083.4	33,126.9
Divisional sales	**5,991.7**	5,062.2	**18.4**	**3,082.2**	2,589.4	10,339.5
External sales	**5,991.5**	5,062.0	**18.4**	**3,082.0**	2,589.3	10,339.2
Operating earnings (EBITA)	**(547.2)**	319.2	**–**	**(17.2)**	194.7	653.1
Profit before taxes	**(598.2)**	247.4	**–**	**(41.2)**	151.6	512.7
Capital expenditure	**843.6**	522.2	**61.5**	**634.2**	379.5	958.3
Net assets	**3,563.7**	3,003.9	**18.6**	**3,563.7**	3,003.9	3,343.5
Employees	**51,491** (End H1 2011)	45,344 (End H1 2010)	**13.6**	**51,491** (End Q2 2011)	45,344 (End Q2 2010)	46,376 (2010 average)

***For details on the restatement, please see pages 17–19.**

***For detailed information, please see page 3.**

The HOCHTIEF Asia Pacific division continued to be adversely affected in the second quarter of 2011 by problems reported in the first quarter with two projects in Australia and the investment in the Habtoor Leighton Group in Dubai. Due to developments at the large-scale Airport Link and Victorian Desalination Plant projects and the impairment loss at the Habtoor Leighton Group, the division's **earnings performance*** was unsatisfactory.

New orders rose 0.5 percent over the figure for the same period in the previous year (exchange rate adjusted, down 7.7 percent), primarily due to extraordinarily strong new orders in the same quarter of 2010. **Work done** rose by 16 percent (exchange rate adjusted, 6.6 percent) as a result of working off the record-high order backlog recorded at the beginning of the year, while **external sales** grew by 18.4 percent (exchange rate adjusted, 8.7 percent). The **order backlog** hovered around the high level reached at the beginning of the year and exceeded the prior-year figure by approximately 21.2 percent (exchange rate adjusted, 13.4 percent).

The rise in **capital expenditure** reflected in particular the purchase of mining equipment for newly awarded and extended contract mining projects.

Leighton completed a capital raising in April 2011 totaling around EUR 557 million to fortify its balance sheet and finance planned growth. HOCHTIEF participated in the new stock offering in the amount of EUR 301 million, in proportion to the size of its shareholding in Leighton. In the second quarter, Leighton increased its stake in project developer Devine Limited from 49.66 to 50.06 percent. As a result, Devine Limited is now a fully consolidated subsidiary of Leighton.

The Leighton companies were awarded a number of large-scale projects in the second quarter of 2011. A consortium including Leighton Contractors will design and build the new Royal Adelaide Hospital in South Australia in a project worth a total of EUR 1.35 billion, with Leighton's share amounting to around EUR 658 million. John Holland was appointed managing contractor for the project to build the new children's hospital in Perth, Western Australia, worth a total of EUR 887 million. John Holland's share, which is dependent on progression to the second construction stage, amounts to approximately EUR 592 million. The Australian government awarded a contract to a joint venture including Thiess Services to expand the Australian broadband network for EUR 282 million in the next two years. The contract features an option to extend the project for two years.

In the raw materials sector, Thiess was awarded a contract extension for the Wilpinjong coal mine in New South Wales worth nearly EUR 165 million. Leighton Contractors will expand the Broadmeadow coal mine in Queensland for around EUR 109 million. The company is also participating in a consortium with General Electric to develop and build a 55-megawatt wind farm in Western Australia for EUR 96 million. John Holland secured a contract worth EUR 134 million for the construction of buildings for operations as part of the Gorgon project on Barrow Island.

Leighton was also successful internationally. In Hong Kong, Leighton Asia locked in large-scale contracts for the construction of a stretch of the South Island Line train line totaling a good EUR 408 million. John Holland and Leighton Asia jointly won the EUR 97 million contract for expanding the urban railroad in Singapore. In the Middle East, the Habtoor Leighton Group landed a project worth EUR 95 million for the construction of residential and office complexes at the Qusahwira oil field in Abu Dhabi. Leighton won its first project on the African continent for mine work at the Debswana diamond mine in Jwaneng, Botswana. The contract runs for 66 months and is worth a total of around EUR 409.2 million, with Leighton's share amounting to 60 percent.

HOCHTIEF Asia Pacific outlook

In the second half of 2011, the HOCHTIEF Asia Pacific division will return to producing a positive result, but will finish 2011 as a whole with a steep loss before taxes. Starting in 2012, the division anticipates again generating a pretax profit approaching the 2010 figure due to the still-excellent prospects in the Asia-Pacific market and the organizational measures introduced.

HOCHTIEF Concessions Division

At HOCHTIEF Concessions, **new orders** in the first half of the year fell short of the prior-year figure, which was particularly dominated by the PPP contracts won in 2010 for a high school in Höhenkirchen-Siegertsbrunn and schools in Offenbach. **Work done, divisional sales, and external sales** were also down on the prior-year levels, mainly due to the disposal of five projects from the social infrastructure segment at the end of 2010. By contrast, at EUR 80.6 million, **operating earnings** increased year on year by EUR 43.6 million in the second quarter. At the same time, **profit before taxes** was up EUR 41.7 million at EUR 64 million. In addition to operational enhancements at our airports, these improved earnings are primarily attributable to reversals of provisions for investment risk at Düsseldorf Airport and for investment obligations at Budapest Airport. The reduction in taxation of dividends for our Greek airport in Athens as well as success fees for the A8 expressway contract received and for a school project in Halton Borough, UK, also had an effect.

As of June 30, 2011, the HOCHTIEF Concessions portfolio comprised six airport holdings, eight roads including two tunnels, 98 schools, 18 police facilities, a community center, a barracks, and two geothermal energy installations.

The number of passengers at the airport holdings in the **airports segment** grew substantially again in the second quarter, with the exception of Athens International Airport. The number of passengers going through Budapest, Düsseldorf, Hamburg, Sydney, and Tirana airports totaled 20.2 million, a marked increase compared with the prior-year quarter (18.6 million), which, however, was negatively impacted by airspace closures in April 2010 due to the ash cloud from an Icelandic volcano. By contrast, passenger traffic at Athens Airport dropped again as a result of the difficult economic situation in Greece, although the decrease was much smaller than in the first quarter of 2011. The second tranche of the contingent purchase price installment for the shares in Budapest Airport due as of June 30, 2011, was paid in accordance with the agreement concluded on purchase of the airport in 2007. At the start of June, the Hungarian government announced its intention to sell its 25 percent stake in Budapest Airport. The stake is to be distributed proportionately among the private shareholders. Once the transaction is complete, HOCHTIEF Concessions will hold a 49.66 percent stake in Budapest Airport.

(EUR million)	**H1 2011**	H1 2010	**Percentage change**	**Q2 2011**	Q2 2010	Full year 2010
New orders	**20.0**	140.4	**–85.8**	**13.8**	88.9	157.7
Work done	**31.9**	52.0	**–38.7**	**20.7**	28.8	112.1
Order backlog	**376.0**	636.4	**–40.9**	**376.0**	636.4	387.9
Divisional sales	**31.9**	52.0	**–38.7**	**20.7**	28.9	112.1
External sales	**31.1**	51.4	**–39.5**	**20.6**	28.4	110.1
Operating earnings (EBITA)	**80.6**	37.0	**117.8**	**47.3**	19.0	113.2
Profit before taxes	**64.0**	22.3	**187.0**	**39.1**	11.9	84.3
Capital expenditure	**200.5**	12.5	**–**	**200.4**	12.5	1.8
Net assets	**1,631.3**	1,228.6	**32.8**	**1,631.3**	1,228.6	1,330.4
Employees	**334** (End H1 2011)	315 (End H1 2010)	**6.0**	**334** (End Q2 2011)	315 (End Q2 2010)	317 (2010 average)

In the **roads segment**, HOCHTIEF PPP Solutions was awarded the contract for another public-private partnership (PPP) project in the German highway network: In a consortium, the company will design, finance, and expand a section of some 58 kilometers of the A8 expressway between Ulm and Augsburg, as well as operate and maintain it for 30 years. The investment volume amounts to approximately EUR 410 million. As lead partner of the consortium, HOCHTIEF PPP Solutions holds 50 percent of the project company. Financial close was reached in June 2011; construction work began in August. HOCHTIEF Europe holds a 50 percent stake in the joint venture commissioned to carry out construction. In Greece, the economic crisis continues to adversely affect the two toll road projects, Maliakos-Kleidi and Elefsina-Patras-Tsakona. The Greek government and the private consortia of operators are currently negotiating a viable solution for the long term.

In the **social infrastructure segment**, a consortium including the HOCHTIEF Concessions subsidiary HOCHTIEF PPP Solutions (UK) was awarded a contract by Halton Borough Council to design, finance, build, and operate two schools. The contract is worth some EUR 181 million and will run für 27 years. HOCHTIEF PPP Solutions (UK) holds a 45 percent share in the project company. Construction work began in June. HOCHTIEF Facility Management (UK) will take over the subsequent operation of the buildings for 25 years.

HOCHTIEF Concessions outlook

Due to the good earnings performance in the first half of the year, the HOCHTIEF Concessions division now expects profit before taxes in 2011 to exceed the prior-year level. PPP business, with its segments roads, social infrastructure, and new activities, will be integrated into the HOCHTIEF Europe division during the year.

HOCHTIEF Europe Division

(EUR million)	H1 2011	H1 2010 (restated)*	Percent-age change	Q2 2011	Q2 2010 (restated)*	Full year 2010 (restated)*
New orders	**1,903.4**	1,465.7	**29.9**	**1,397.6**	710.4	3,559.6
Work done	**1,682.2**	1,563.4	**7.6**	**854.5**	872.4	3,612.7
Order backlog	**6,125.0**	5,815.9	**5.3**	**6,125.0**	5,815.9	5,994.5
Divisional sales	**1,537.8**	1,460.9	**5.3**	**854.9**	805.5	3,280.1
External sales	**1,527.3**	1,442.7	**5.9**	**849.5**	794.9	3,229.4
Operating earnings (EBITA)	**72.2**	30.9	**133.7**	**41.6**	23.3	113.2
Profit before taxes	**41.3**	16.6	**148.8**	**24.9**	13.4	82.5
Capital expenditure	**27.4**	15.0	**82.7**	**10.5**	7.5	66.3
Net assets	**1,807.4**	1,653.4	**9.3**	**1,807.4**	1,653.4	1,737.7
Employees	**15,553** (End H1 2011)	16,364 (End H1 2010)	**−5.0**	**15,553** (End Q2 2011)	16,364 (End Q2 2010)	16,035 (2010 average)

***For details on the restatement, please see pages 17–19.**

On the whole, the first half of 2011 was clearly successful for the HOCHTIEF Europe division due to the positive second quarter. Both the orders and earnings figures in some cases significantly exceeded the prior-year figures. **New orders** rose sharply compared with the first six months of the previous year by EUR 437.7 million (up 29.9 percent), chiefly due to the large-scale transportation infrastructure projects acquired in the second quarter. **Work done** was up by EUR 118.8 million, or 7.6 percent, over the prior-year period, growth that stemmed largely from the Real Estate Solutions business line. Along with work done, **divisional** and **external sales** also rose compared with the first half of the prior year by 5.3 and 5.9 percent, respectively. The **order backlog** saw an increase of 5.3 percent over the prior-year quarter, mathematically securing full utilization of our capacity for more than 21 months.

Operating earnings grew substantially compared with the second quarter of the previous year, increasing EUR 41.3 million, or 133.7 percent, to EUR 72.2 million. Our division's international business continued to perform very well and contributed significantly to earnings. In Germany, the measures taken to restructure building construction operations in the Classic Solutions business line were effective and are again resulting in positive project margins. In the second quarter, the resale of 50 percent of the shares of our offshore company to a new partner led to a positive effect on earnings. The run-up costs were therefore recouped earlier than planned. After taking into account net investment and interest income and negative non-operating earnings relating to additional organizational development measures in the Classic Solutions business line, **profit before taxes** was up by EUR 24.7 million, or 148.8 percent, compared with the prior year, to EUR 41.3 million.

The increase in **capital expenditure** compared with the first half of the previous year of EUR 12.4 million, or 82.7 percent, was primarily due to project-related expenses for property, plant and equipment during the construction of a new hydroelectric power station in Peru as well as the expansion of our construction logistics equipment pool.

Net assets were 9.3 percent higher than the prior-year comparative figure, mainly due to a larger project portfolio in the Real Estate Solutions business line.

The change in the number of **employees** compared with the first six months of the prior year was principally the result of project-related shifts in our international activities.

Successful business performance was the hallmark of the second quarter for HOCHTIEF Europe.

In the **Energy and Infrastructure Solutions business line**, contracts were signed totaling around EUR 577 million in the second quarter. Of this amount, more than EUR 177 million alone is attributable to a new stretch of the A8 expressway between Ulm and Augsburg, Germany. Other new projects in this business line include two new railroad tunnels under the River Thames in London. The project is part of the Crossrail initiative to solve traffic problems in the British capital.

We are also working on infrastructure projects in the center of Stockholm: HOCHTIEF is building a 135-meter bridge and a nearly four-kilometer tunnel. Construction will take place without road closures, and will include water and wastewater work along with road construction, to be completed by April 2017. The projects aim to relieve traffic bottlenecks and improve road links to the north of Stockholm, particularly the new neighborhood Hagastaden.

In the **International Project Solutions business line**, a bridge and the related traffic connections will be built over the Firth of Forth near Edinburgh. The joint venture led by HOCHTIEF won the contract due to numerous alternative technical proposals producing economic benefits for the client. It includes anchoring the more than 200-meter-high bridge piles in the sea floor along with constructing a cable-stayed bridge with a total length of approximately two kilometers and two 650-meter spans to replace the old crossing. Besides the new bridge, the project also comprises construction of the necessary connecting structures north and south of the Firth of Forth. In total, almost seven kilometers of road infrastructure will be built without disrupting traffic. The construction work will be completed in 2016. The Forth Replacement Crossing project is vital to ensure the smooth operation of the crossing in the Scottish transportation network. This large-scale contract is worth a total of EUR 950 million with HOCHTIEF's share amounting to nearly EUR 250 million.

In addition, we were awarded contracts for a residential complex and the expansion of production facilities in Poland for a total of around EUR 63 million.

The **Classic Solutions business line** also has successes to report. In a partnership-based procurement procedure known as "competitive dialog," we will extensively refurbish a building complex for the engineering department at Ruhr University in Bochum by 2013. The property built in 1965 will be completely renovated according to ecological standards using tried-and-tested, large-scale machinery by HOCHTIEF SurFace to ensure environmentally friendly facade and surface treatment. The project totals approximately EUR 59 million. A further contract worth about EUR 23 million entails construction of an office building in Düsseldorf.

In the **Service Solutions business line**, the Facility Management business unit again provided proof of its outsourcing expertise, taking over technical and infrastructure facility management of Germanischer Lloyd's new corporate headquarters in Hamburg in the second quarter. The contract runs for five years initially. The Energy Management business unit's success was primarily based on solutions for saving energy. Energy Management is expected to lower energy costs at Stuttgart Stock Exchange by a six-figure sum in the coming years. At the same time, the energy service provider will reduce the stock exchange's carbon emissions by some 500 metric tons per year.

On the whole, the **Real Estate Solutions business line** flourished in the first six months with proceeds from sales significantly higher than in the prior-year period. The HTP and formart business units sold properties with a total value of around EUR 482 million. HTP sold the Lindley Carree office building in Hamburg with 23,000 square meters of total rentable space to Deka Immobilien. HTP sold a residential property with nearly 20,000 square meters of gross floor area in the Europaviertel quarter of Frankfurt along with a residential project in Munich with an area measuring 3,200 square meters. The sale of the TriCon office building was completed. Moreover, HTP entered into leases for a total of 40,300 square meters of gross floor area, renting out additional space in the maxCologne and Marximum office buildings, for example. We also sold a package of five nursing care facilities.

In the first half year, formart sold a total of 460 residential units with a value of approximately EUR 187 million to institutional investors and owner-occupants. Some 1,100 apartments and single-family homes are currently for sale in Germany, Austria, and Luxembourg.

During the period under review, aurelis Real Estate sold properties valued at around EUR 58 million, including a construction site in the large-scale Le Quartier Central project in Düsseldorf, two pieces of land in Frankfurt, and one property in Berlin. In total, the company's sales were up slightly over the prior-year period. The company signed new leases with annual rent totaling EUR 6.6 million to date. Rental income amounted to EUR 41.5 million in the first six months.

HOCHTIEF Property Management will assume overall commercial management of four logistics properties. The four properties feature a total rental area of 540,000 square meters.

HOCHTIEF Europe outlook

The HOCHTIEF Europe division will systematically continue to drive expansion into major growth markets while further optimizing its organization with measures such as the planned integration of the HOCHTIEF Concessions division's PPP business into the division. On the whole, the division continues to expect 2011 to bring profit before taxes exceeding the prior-year figure and future cost savings and synergies due to the reorganization.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	**H1 2011**	H1 2010	**Percentage change**	**Q2 2011**	Q2 2010	Full year 2010
Sales	10,374,977	9,525,548	8.9	5,455,683	5,077,507	20,159,286
Changes in inventories	1,382	49,924	−97.2	(43,662)	30,039	154,350
Other operating income	221,304	97,418	127.2	147,530	60,435	478,756
Materials	(7,181,285)	(6,345,876)	13.2	(3,561,120)	(3,428,868)	(13,763,981)
Personnel costs	(2,193,880)	(1,950,128)	12.5	(1,110,727)	(910,442)	(4,080,859)
Depreciation and amortization	(333,767)	(398,237)	−16.2	(143,235)	(240,340)	(678,543)
Other operating expenses	(777,119)	(656,120)	18.4	(398,399)	(327,856)	(1,553,665)
Profit from operating activities	**111,612**	**322,529**	**−65.4**	**346,070**	**260,475**	**715,344**
Share of profits and losses of equity-method associates and jointly controlled entities	(511,765)	53,029	–	(330,373)	(26,440)	189,820
Net income from other participating interests	44,106	12,275	259.3	32,541	1,847	32,885
Investment and interest income	53,958	34,533	56.3	38,401	18,012	81,564
Investment and interest expenses	(132,495)	(120,780)	9.7	(76,435)	(72,855)	(263,041)
Profit before taxes	**(434,584)**	**301,586**	**–**	**10,204**	**181,039**	**756,572**
Income taxes	108,059	(101,457)	–	2,407	(62,885)	(210,294)
Profit after taxes	**(326,525)**	**200,129**	**–**	**12,611**	**118,154**	**546,278**
Of which: Consolidated net profit/(loss)	[(155,632)]	[88,126]	–	[13,844]	[54,050]	[288,030]
Of which: Minority interest	[(170,893)]	[112,003]	–	[(1,233)]	[64,104]	[258,248]
Earnings per share (EUR)						
Diluted and undiluted earnings per share (EUR)	(2.12)	1.32	–	0.19	0.81	4.31

Consolidated Balance Sheet

(EUR thousand)	**June 30, 2011**	Dec. 31, 2010
Assets		
Non-current assets		
Intangible assets	581,445	582,879
Property, plant and equipment	2,183,533	1,807,472
Investment properties	23,739	24,010
Equity-method investments	1,696,578	2,005,642
Other financial assets	460,736	505,088
Financial receivables	807,566	506,757
Other receivables and other assets	113,780	176,072
Deferred tax assets	366,502	260,555
	6,233,879	**5,868,475**
Current assets		
Inventories	1,608,184	1,268,333
Financial receivables	146,113	144,339
Trade receivables	4,280,683	3,984,763
Other receivables and other assets	189,143	232,420
Current income tax assets	113,924	99,058
Marketable securities	428,123	937,640
Cash and cash equivalents	1,937,678	2,451,057
	8,703,848	**9,117,610**
	14,937,727	**14,986,085**

(EUR thousand)	**June 30, 2011**	Dec. 31, 2010
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to the Group	2,542,518	2,965,493
Minority interest	1,295,985	1,298,679
	3,838,503	**4,264,172**
Non-current liabilities		
Provisions for pensions and similar obligations	105,331	116,566
Other provisions	408,529	426,850
Financial liabilities	2,022,323	2,576,954
Other liabilities	165,222	186,359
Deferred tax liabilities	69,785	66,005
	2,771,190	**3,372,734**
Current liabilities		
Other provisions	830,699	959,553
Financial liabilities	1,189,775	645,766
Trade payables	5,918,242	5,363,733
Other liabilities	386,711	363,263
Current income tax liabilities	2,607	16,864
	8,328,034	**7,349,179**
	14,937,727	**14,986,085**

Consolidated Statement of Cash Flows

(EUR thousand)	**H1 2011**	H1 2010
Profit after taxes	(326,525)	200,129
Depreciation, amortization, impairments and impairment reversals	481,350	409,038
Changes in provisions	(80,408)	(36,618)
Changes in deferred taxes	(151,489)	(45,888)
Gains/(losses) from disposals of non-current assets and marketable securities	(36,032)	(11,736)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	447,777	31,370
Changes in working capital (net current assets)	370,014	66,189
Changes in other balance sheet items	(452)	2,786
Net cash provided by operating activities	**704,235**	**615,270**
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(881,563)	(455,698)
Proceeds from asset disposals	49,341	33,809
Acquisitions and participating interests		
Purchases	(238,090)	(155,416)
Proceeds from asset disposals/divestments	167,918	78,823
Changes in cash and cash equivalents due to consolidation changes	13,386	5,030
Changes in securities holdings and financial receivables	213,447	(144,696)
Net cash used in financing activities	**(675,561)**	**(638,148)**
Payments into equity by minority shareholders	264,486	35,250
Dividends to HOCHTIEF's and minority shareholders	(248,976)	(185,525)
Proceeds from new borrowing	569,542	477,830
Service of debt	(1,001,813)	(244,289)
Net cash (used in)/provided by investing activities	**(416,761)**	**83,266**
Net cash (decrease)/increase in cash and cash equivalents	**(388,087)**	**60,388**
Effect of exchange rate changes	(125,292)	235,917
Overall change in cash and cash equivalents	**(513,379)**	**296,305**
Cash and cash equivalents at the start of the year	2,451,057	1,769,644
Cash and cash equivalents at end of reporting period	**1,937,678**	**2,065,949**

Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktien-gesellschaft	Capital reserve of HOCHTIEF Aktien-gesellschaft	Revenue reserves* including unappropri-ated net in-come	Accumulated other comprehensive income			Attributable to the Group	Attributable to minority interest	Total
				Currency translation differences	Changes in fair value of financial instruments	Actuarial gains and losses			
Balance as of Jan. 1, 2010	**179,200**	**400,806**	**1,795,892**	**(74,195)**	**(66,902)**	**(70,748)**	**2,164,053**	**1,100,076**	**3,264,129**
Dividends paid	–	–	(99,816)	–	–	–	(99,816)	(85,709)	(185,525)
Profit after taxes	–	–	88,126	–	–	–	88,126	112,003	200,129
Currency translation differences and changes in fair value of financial instruments	–	–	–	204,721	(22,352)	–	182,369	87,399	269,768
Changes in actuarial gains and losses	–	–	–	–	–	(58,203)	(58,203)	–	(58,203)
Other changes not recognized in the Statement of Earnings	–	–	13,151	–	–	–	13,151	22,474	35,625
Balance as of June 30, 2010	**179,200**	**400,806**	**1,797,353**	**130,526**	**(89,254)**	**(128,951)**	**2,289,680**	**1,236,243**	**3,525,923**
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
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**

*** As of June 30, 2011, own stock with an acquisition cost of EUR 90,411,000 is accounted for as a deduction from revenue reserves (June 30, 2010: EUR 90,953,000).**
**** Includes EUR 255,947,000 for the minority interest in the capital raising at Leighton Holdings.**

Consolidated Statement of Comprehensive Income

(EUR thousand)	**H1 2011**	H1 2010	Change	Full year 2010
Profit after taxes	**(326,525)**	**200,129**	**(526,654)**	**546,278**
Currency translation differences	(219,037)	299,702	(518,739)	358,534
Changes in fair value of financial instruments				
– Primary	17,327	(1,816)	19,143	1,279
– Derivative	22,160	(19,486)	41,646	(5,268)
– Share of profits and losses of equity-method associates and jointly controlled entities recognized directly in equity	(53,338)	(8,632)	(44,706)	(14,550)
Actuarial gains and losses	16,910	(58,203)	75,113	(42,040)
Other comprehensive income (after taxes)	**(215,978)**	**211,565**	**(427,543)**	**297,955**
Total comprehensive income	**(542,503)**	**411,694**	**(954,197)**	**844,233**
Of which: HOCHTIEF Group	(299,013)	212,292	(511,305)	476,282
Of which: Minority interest	(243,490)	199,402	(442,892)	367,951

Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of June 30, 2011, which were released for publication on August 3, 2011, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed. In accordance with IAS 34, the reported information is presented in condensed form relative to the full Consolidated Financial Statements.

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

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

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

Consolidation changes

The Consolidated Financial Statements for the first half of fiscal 2011 include five domestic and 21 foreign companies for the first time. One domestic and 35 foreign companies were removed from the consolidated group.

The number of foreign companies accounted for using the equity method decreased by nine internationally.

The Consolidated Financial Statements as of June 30, 2011 include HOCHTIEF Aktiengesellschaft and a total of 65 domestic and 382 foreign consolidated companies plus 17 domestic and 202 foreign companies accounted for using the equity method.

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.

Own shares

As of June 30, 2011, HOCHTIEF Aktiengesellschaft held a total of 3,435,075 shares of treasury stock. These shares were purchased over the course of fiscal 2008 for the purposes provided for in the resolution of the General Shareholders' Meeting of May 8, 2008. These shares represent EUR 8,793,792 (4.46 percent) of the Company's capital stock.

Dividend payment

A resolution was adopted at the General Shareholders' Meeting of HOCHTIEF Aktiengesellschaft on May 12, 2011 to pay a dividend of EUR 2.00 per eligible no-par-value share.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and comfort letters; they have decreased since December 31, 2010 by EUR 33,817,000 to EUR 24,581,000.

Segment reporting

Segment reporting in the HOCHTIEF Group is based on the Group's divisional operations. Following the change in the Group's structure as of January 1, 2011, the HOCHTIEF Europe division includes the activities of the former HOCHTIEF Europe, HOCHTIEF Real Estate, and HOCHTIEF Services divisions. The prior-year figures represent the aggregate of these former divisions, with the sole exception that allowing for that portion of external sales of the three former divisions which—due to the restructuring—now constitutes internal sales of the HOCHTIEF Europe division results in a EUR 11,307,000 lower comparative figure for divisional sales in the first half of the prior year and a EUR 47,049,000 lower comparative figure for divisional sales in the prior year as a whole. The breakdown by divisions and regions mirrors the Group's internal reporting systems. Detailed information on the various segments making up the HOCHTIEF Group is provided herein in the Interim Management Report.

Related party disclosures

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

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

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

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

(EUR thousand)	**H1 2011**	H1 2010 (restated*)	**Q2 2011**	Q2 2010 (restated*)
Profit from operating activities	**111,612**	**322,529**	**346,070**	**260,475**
+ Net income from participating interests	(467,659)	65,304	(297,832)	(24,593)
– Non-operating earnings	(+) 5,755	(+) 3,325	(+) 5,755	(+) 3,325
Operating earnings (EBITA)	**(350,292)**	**396,237**	**53,993**	**243,961**

***In connection with the change in the Group's structure, interest credited on the average financing balance—a purely statistical item—is no longer included as a separate item in the reconciliation as it has ceased to be material and as such its separate disclosure is no longer required. Operating earnings (EBITA) for the first half of the prior year is reduced as a result by EUR 5,079,000 to EUR 391,158,000 and for the second quarter of 2010 by EUR 4,754,000 to EUR 239,207,000. For the prior year, 2010, as a whole, operating earnings is reduced by EUR 16,808,000 to EUR 947,527,000.**

Undiluted and diluted earnings per share

	H1 2011	H1 2010 (restated*)	**Q2 2011**	Q2 2010 (restated*)
Consolidated net profit (EUR thousand)	**(155,632)**	**88,126**	**13,844**	**54,050**
Number of shares in circulation (weighted average)	73,564,924	66,544,315	73,564,924	66,544,315
Earnings per share (EUR)	**(2.12)**	**1.32**	**0.19**	**0.81**

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

Responsibility Statement

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

Essen, August 3, 2011

The Executive Board

Dr. Stieler Dr. Lohr Dr. Rohr