

# SOLID BASE

- Operating performance bears out successful Group positioning
- Consolidated net profit up 49 percent to EUR 105 million
- Guidance raised for fiscal 2008 new orders and order backlog
- EUR 32.73 billion order backlog lays solid base for ongoing success
- HOCHTIEF stock continues to be listed in Dow Jones Sustainability Index



## Interim Report January to September 2008

Turning Vision into Value.

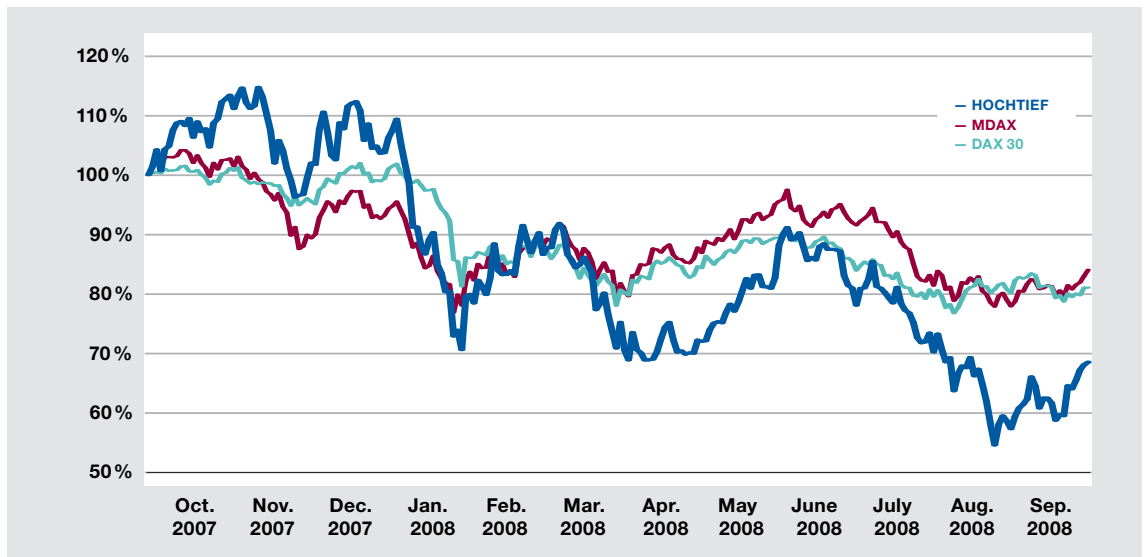


## The HOCHTIEF Group

(EUR million)	Q1-3 2008	Q1-3 2007	Percentage change	Q3 2008	Q3 2007	Full year 2007
New orders	<b>19,510.2</b>	15,911.6	<b>22.6</b>	<b>7,181.0</b>	6,767.8	23,508.8
Work done	<b>15,768.0</b>	13,658.0	<b>15.4</b>	<b>5,552.9</b>	4,760.2	18,772.9
Order backlog	<b>32,733.6</b>	27,127.6	<b>20.7</b>	<b>32,733.6</b>	27,127.6	29,894.0
Divisional sales	<b>14,139.2</b>	12,388.8	<b>14.1</b>	<b>4,976.3</b>	4,390.3	16,688.8
External sales*	<b>14,010.9</b>	12,228.9	<b>14.6</b>	<b>4,949.0</b>	4,329.8	16,451.8
Operating earnings (EBITA)*	<b>549.5</b>	344.1	<b>59.7</b>	<b>193.3</b>	168.4	539.5
Profit before taxes*	<b>415.3</b>	343.1	<b>21.1</b>	<b>123.1</b>	161.3	501.3
Consolidated net profit*	<b>105.2</b>	70.7	<b>48.8</b>	<b>26.1</b>	56.9	140.7
Earnings per share (EUR)	<b>1.50</b>	1.05	<b>42.9</b>	<b>0.37</b>	0.82	2.07
Capital expenditure*	<b>1,065.1</b>	1,398.3	<b>-23.8</b>	<b>383.8</b>	767.8	1,774.2
Net assets	<b>5,646.6</b>	4,216.1	<b>33.9</b>	<b>5,646.6</b>	4,216.1	4,909.3
Employees	<b>67,887</b>	52,363	<b>29.6</b>	<b>67,887</b>	52,363	52,449
	(End Q3 2008)	(End Q3 2007)		(End Q3 2008)	(End Q3 2007)	(2007 average)

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

## HOCHTIEF stock



# Dear Shareholders and Friends of HOCHTIEF,



every commitment very carefully and critically in light of recent developments. Our utmost priority is to maintain the HOCHTIEF Group's strong balance sheet ratios and sustain our very healthy earnings growth.

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

We have planned conservatively at all times in recent years, cherry-picking the best projects in market segments with strong demand. Our order books are full, with the order backlog equivalent to a year and a half's work at full capacity. We sustained our strong operating performance throughout the third quarter. And we notched up successes in all six divisions.

I am pleased to present another set of excellent figures at the end of the third quarter 2008. We maintained our track record of superb performance and quality throughout the quarter. Our consolidated net profit climbed almost 50 percent to EUR 105 million. We are extremely pleased to see our commitment to responsible, sustainable business once again duly rewarded: For the third time running, HOCHTIEF's stock features in the Dow Jones Sustainability Index.

In the **HOCHTIEF Americas\*** division, our subsidiaries Turner and Flatiron stand strong in their chosen segments. Newly awarded contracts include schools, hospitals and administrative buildings in the USA, plus road and bridge projects. To name but one, Flatiron is to lead the design-build team for a portion of the ring road around Edmonton, Canada. This major contract is worth a total of EUR 624 million.

**\*For a closer look at our North American business, please see in the Spotlight on page 14.**

As we forge ahead with developing our operating business, we are keeping a close eye on the uncertainties in the financial markets. We do not presently see these as having any lasting impact on our business. The current turbulence has, however, affected our stock price, as it has that of other companies. The price of HOCHTIEF stock now in no way does justice to the operational strength and value of our Group.

In Australia, Asia and the Middle East, Leighton and its subsidiaries continue to be very successful indeed. Our **HOCHTIEF Asia Pacific** division has secured a series of major infrastructure and building contracts, including an Abu Dhabi development worth nearly EUR 1.2 billion awarded to the Al Habtoor Leighton Group.

HOCHTIEF goes from strength to strength. Our strategy of spanning the entire project life cycle has once again proven its value. The key is to focus on individual assets—buildings, facilities and infrastructure projects—and to deliver a full package around them: from finance to design, from construction to operation. We orchestrate the knowledge and experience of our experts and perform together as an integrated Group. The resulting competitive advantage and our broad regional presence have allowed us to make up very well for any potential weaknesses in individual markets that have presented themselves to date.

Leighton's dynamic growth was reflected in August in a EUR 410 million share sale. HOCHTIEF took full advantage of the opportunity, buying just short of eleven million new shares for nearly EUR 226 million. We consequently remain Leighton's biggest shareholder with an approximately 55 percent stake. The proceeds from the share sale are mainly to fund Leighton's contract mining business—a segment boasting long-lasting contracts and dependable cash flows for our Group.

It goes without saying that we have run a range of scenarios to gauge the impact of the financial crisis on our business—for example, by assuming increased capital requirements for project finance or higher interest rates for borrowing. We are ready for such changes if they come. We have therefore taken the precaution of boosting our cash reserves and, like the rest of the industry, we weigh

In the **HOCHTIEF Concessions** division, HOCHTIEF AirPort continues to cruise ahead with strong growth in our airport holdings. At HOCHTIEF PPP Solutions, August brought the financial close on the Elefsina-Patras-Tsakona toll road, a project comprising EUR 2.1 billion in construction work and a 30-year concession. HOCHTIEF Construction is contracted for a portion of the construction work.

In the **HOCHTIEF Europe** division, new awards to HOCHTIEF Construction during the third quarter centered

on Eastern Europe and Russia, including a EUR 95 million deal to build a factory for the Ferrero confectionery group. Restructuring of the German building construction business continues according to plan. We will have further scaled back our building construction output in Germany by 2010 and aim for a three percent pretax rate of return in the HOCHTIEF Europe division.

In the **HOCHTIEF Real Estate** division, HOCHTIEF Property Management secured several major contracts, among other things with aurelis Real Estate now entrusting management of its entire portfolio to HOCHTIEF from January 2009. This makes us the largest property manager in Germany. In the third quarter, our real estate development company HOCHTIEF Projektentwicklung began construction of Lindley Carrée in Hamburg, an office building designed along sustainable principles.

In the **HOCHTIEF Services** division, we secured a contract in October from Siemens to operate a large number of German locations for a further six years. The relationship between HOCHTIEF and Siemens is a best practice model of how to succeed at outsourcing: We have served the technology group as facility managers since taking over parts of its facility management activities in 2004, integrating 1,500 employees into our workforce.

The sustained upward trend in orders through the third quarter is a further striking illustration of the Group's growth. **New orders** to September 30, 2008 reached EUR 19.51 billion, up 22.6 percent on the prior-year period. Most of the increase came from HOCHTIEF's international operations, with major contracts in the Asia-Pacific region and a growing influx of orders at HOCHTIEF Americas. In Germany, new orders came to EUR 1.92 billion—down 20.1 percent from the comparative period, as planned. Most of the decrease is accounted for by the German building construction business.

**Work done** to the end of the third quarter amounted to EUR 15.77 billion, up 15.4 percent on the comparative 2007 figure. HOCHTIEF's international activities showed a 15 percent rise in work done due to a surge in output at HOCHTIEF Asia Pacific and HOCHTIEF Americas. An 18.4 percent increase in Germany was mostly generated by HOCHTIEF Real Estate, HOCHTIEF Services and HOCHTIEF Concessions.

The Group **order backlog** swelled to EUR 32.73 billion, an increase of 20.7 percent and an all-time record for HOCHTIEF. Adjusted for the unfavorable exchange rate effect (a negative impact of EUR 1.83 billion) as of the September 30 reporting date, the order backlog came to EUR 34.56 billion (up 27.4 percent).

The strong business performance of the last nine months is additionally tracked by **external sales**. At EUR 14.01 billion, this figure was up 14.6 percent on the comparative prior-year amount (EUR 12.23 billion).

HOCHTIEF also has outstanding earnings figures to present for the period under review. **Operating earnings** improved by EUR 205.4 million compared with the prior-year period, from EUR 344.1 million to EUR 549.5 million. We boosted **profit before taxes** by EUR 72.2 million, from EUR 343.1 million to EUR 415.3 million. And we improved **consolidated net profit** by 48.8 percent compared with the same period of 2007, from EUR 70.7 million to EUR 105.2 million.

The continued growth of our company necessitated EUR 1.07 billion in **capital expenditure** on property, plant and equipment and financial assets. This was not as much as the comparative 2007 figure, however, due to an exceptionally large capital investment program amounting to EUR 1.4 billion in the first three quarters of 2007. Group expenditure on property, plant and equipment and intangible assets came to EUR 678.2 million, up from EUR 504.8 million in the prior-year period. The lion's share of this spending went on the capital-intensive mining business as well as plant and equipment needed to carry out large infrastructure projects in the HOCHTIEF Asia Pacific division. Investment spending on financial assets was down as planned to EUR 386.9 million, compared with EUR 893.5 million in the prior-year period. This was largely due to the acquisition of a 45 percent stake in the Al Habtoor Leighton Group for roughly EUR 520 million in the third quarter of 2007.

#### Group outlook

Despite the current turbulence on international financial markets and its current impact on the real economy, we are once again raising our forecast for **new orders** and the **order backlog** in fiscal 2008 and expect that these two figures will be no longer on a par with the high prior-year level but will exceed it. For the remaining measures of performance, we reaffirm the increased forecast announced with the half-year results and expect for fiscal 2008:

- **Group sales** to top the record level achieved in 2007
- **Pretax profit** above the high level achieved in 2007
- **Consolidated net profit** in excess of the prior-year figure.

Shareholders' confidence in the company is crucial, and not just in times of crisis. Thank you for supporting HOCHTIEF.

*Sincerely yours,  
Herbert Lütkestratkötter*

Dr.-Ing. Herbert Lütkestratkötter

# Interim Management Report

## Financial Review

### Earnings

HOCHTIEF substantially boosted sales in the first nine months of the year. Group **sales** totaled EUR 14.01 billion, an increase of 14.6 percent on the comparative prior-year figure of EUR 12.23 billion.

This very healthy growth was largely driven by our international activities. Sales generated by our American subsidiaries Turner and Flatiron grew 11.5 percent to EUR 5.8 billion, up from EUR 5.2 billion in the prior-year period. The HOCHTIEF Asia Pacific division increased sales by a significant 18.4 percent to EUR 5.36 billion. HOCHTIEF Europe likewise sustained its upward trend in sales, benefiting from the continued strength of Eastern European markets. This resulted in a 10.8 percent rise in divisional sales to EUR 1.69 billion, up from EUR 1.52 billion in the first three quarters of 2007. Successful outcomes on real estate developments and expansion in the promising sector of energy management also produced high double-digit sales growth at the HOCHTIEF Services and HOCHTIEF Real Estate divisions.

HOCHTIEF delivered impressive growth on all measures of earnings through the first nine months of 2008. **Operating earnings** were up to EUR 549.5 million, an increase of almost 60 percent on the EUR 344.1 million figure for the prior-year period. This was largely accounted for by marked improvements in earnings at the HOCHTIEF Asia Pacific and HOCHTIEF Europe divisions. The strong business trend at Leighton enabled HOCHTIEF Asia Pacific to raise operating earnings by 45.3 percent to EUR 443.5 million, up from EUR 305.2 million in the first three quarters of 2007. Operating earnings at HOCHTIEF Europe were still negative due to overheads on ongoing loss-making projects started in previous years, but the loss was narrowed significantly from EUR 128.6 million in the prior-year period to EUR 46.8 million in the period under review.

**Net income from participating interests** came to EUR 192.2 million—only slightly short of the EUR 208.4 million comparative figure for 2007, which was swelled by nonrecurring items. There was substantial extraordinary income in 2007 due to a special dividend from Sydney Airport and a corporate tax reform in Germany (prompting a remeasurement of deferred taxes included in the carrying amount of the equity-accounted investment in Hamburg Airport). Adjusted for these items, net income from participating interests from airport activities was up on the first three quarters of 2007. This underscores the sustained positive operational trend at HOCHTIEF's airport holdings. The HOCHTIEF Asia Pacific division contributed EUR 67.2 million toward Group

net income from participating interests, compared with EUR 80.9 million in the prior-year period. Strong net income from equity-method investments (EUR 194.1 million)—including income from major contracts carried out in joint ventures—was countered by EUR 144.4 million in impairment charges which it was necessary to recognize on individual investments. In the HOCHTIEF Americas division, net income from participating interests was significantly increased by Turner and Flatiron. A further substantial boost in earnings came from aurelis, the real estate company acquired in the prior year.

**Net investment and interest income** was a negative EUR 92.2 million, well below the positive EUR 27.7 million figure for the prior-year period. Expansion into new segments and the substantially increased volume of business together with the requisite level of capital expenditure led to corresponding borrowing on the capital market and hence to a significant rise in interest expense.

The improvement in earnings contributed by the various divisions, in some cases substantial, fed through to **profit before taxes** totaling EUR 415.3 million. This represents an increase of 21.1 percent on the EUR 343.1 million figure for the prior-year period.

**Income taxes** were higher than the comparative prior-year figure as expected in line with earnings growth, up from EUR 127.3 million to EUR 147.7 million. The effective tax rate, at 35.6 percent, shows a further decrease from the 37.1 percent recorded for the same period a year earlier.

**Profit after taxes** accordingly exceeds the comparative prior-year figure by 24 percent, increasing from EUR 215.7 million to EUR 267.6 million.

**Consolidated net profit** grew even more strongly, increasing by 48.8 percent to EUR 105.2 million compared with EUR 70.7 million in the first three quarters of 2007. Consolidated net profit attributable to minority shareholders rose by 12 percent to EUR 162.4 million, up from EUR 145.1 million in the prior-year period.

### Cash flow

The HOCHTIEF Group's **operating activities** generated a strong cash inflow of EUR 297.5 million. This was nonetheless below the EUR 513.3 million reported for the same period of 2007. While the improved earnings position had a positive impact on cash flow in the HOCHTIEF Europe division, the year-on-year increase in business volume at

**Figures in table form are provided in the interim financial statements starting on page 15.**

the HOCHTIEF Asia Pacific and HOCHTIEF Real Estate divisions resulted in a larger commitment of funds to working capital.

Capital expenditure once again topped the one billion mark in the first nine months of 2008, reaching EUR 1.07 billion. However, this was EUR 333.2 million down on the EUR 1.4 billion comparative figure for the prior year. Capital expenditure on intangible assets and property, plant and equipment once again showed a strong increase, climbing 34.4 percent from EUR 504.8 million in the prior-year period to EUR 678.2 million. The lion's share of this amount—EUR 600.9 million, up from EUR 469.6 million a year earlier—related to the HOCHTIEF Asia Pacific division. Leighton accounted for over 90 percent of the EUR 386.9 million capital expenditure on financial assets. The exceptionally large figure of EUR 893.5 million for the prior-year period included EUR 520 million for the acquisition of 45 percent of shares in Al Habtoor. In total, **investing activities** generated a net cash outflow of EUR 836 million in the period January to September 2008, compared with EUR 1.32 billion in the same period of 2007.

The HOCHTIEF Group's net cash inflow from **financing activities** amounted to EUR 704.5 million, up from EUR 628.3 million in the prior-year period. The payments into equity by minority shareholders contained in this total included EUR 188 million from the stock issue by Leighton in the third quarter. Dividends amounting to EUR 210.8 million were paid out to HOCHTIEF's and minority shareholders, compared with EUR 162.6 million in the same period of 2007. Proceeds from new borrowing less debt servicing gave a net cash inflow for the Group of EUR 725 million, up from EUR 454.6 million in the prior-year period. Net cash provided by financing activities in the first three quarters of 2007 also included EUR 336.4 million in proceeds from the sale of treasury stock.

Due to the large amount of capital expenditure, free cash flow for the period January to September 2008 came to minus EUR 538.4 million, compared with minus EUR 803.8 million in the equivalent period a year earlier.

#### Balance sheet

**Total assets** increased by 10.4 percent, from EUR 10.66 billion at the end of fiscal 2007 to EUR 11.77 billion as of the September 30, 2008 balance sheet date.

**Non-current assets** grew from EUR 4.26 billion at December 31, 2007 to EUR 4.66 billion, a substantial EUR 401.7 million rise. The high level of capital expenditure on property, plant and equipment and financial assets at Leighton swelled property, plant and equipment by 19.3 percent to

EUR 1.23 billion and financial assets by EUR 162 million to EUR 2.18 billion. The EUR 37.4 million growth in other receivables and other assets to EUR 168.3 million reflects an increase in pension fund balances on the assets side of the balance sheet. This was due to a rise in the discounting rate used to measure pension obligations.

**Current assets** were supplemented by EUR 710.9 million or 11.1 percent during the period under review to a total of EUR 7.11 billion. By far the largest line item in this category is trade receivables with EUR 4.26 billion. Driven by growth in the volume of business compared with the previous year, trade receivables increased by EUR 568.7 million or 15.4 percent. Derivatives reaching maturity and the settlement of receivables from project sales effected in the prior year caused other receivables and other assets to decrease sharply by EUR 104.9 million to EUR 206.8 million. At EUR 1.59 billion, cash and cash equivalents were up EUR 187.4 million on the balance at December 31, 2007. An outflow of cash to fund the high level of capital expenditure was countered here by larger inflows from operating activities and external borrowing.

Group **shareholders' equity** remained almost unchanged, at EUR 3.03 billion as against EUR 3 billion as of December 31, 2007. Profit after taxes (EUR 267.6 million) and changes in actuarial gains and losses accounted for directly in equity (EUR 17 million) impacted positively on the total. The EUR 178.4 million figure for other changes not recognized in the Statement of Earnings largely related to the stock issue by our subsidiary Leighton and the resulting payments into equity by minority shareholders. In the other direction, shareholders' equity was diminished by dividend payments (EUR 210.8 million) as well as by changes recognized directly in equity due to currency translation differences and the marking of financial instruments to fair value (EUR 220.9 million).

The equity ratio (shareholders' equity to total assets) stood at 25.8 percent as of September 30, 2008. The reduction compared with the 2007 year-end figure of 28.2 percent is a result of the Group's continued expansion.

**Non-current liabilities** increased by EUR 336.7 million, from EUR 1.83 billion at the end of 2007 to EUR 2.17 billion at the balance sheet date. The main factor here was a EUR 186.5 million rise in financial liabilities due to borrowing to finance our business for the long term. Other liabilities also grew by EUR 75.3 million in connection with the marking to market of derivatives. The EUR 61.3 million increase in provisions mostly relates to personnel-related liabilities and insurance.

**Current liabilities** likewise grew substantially, by EUR 744.7 million to EUR 6.57 billion. The financial liabilities within this total increased to EUR 1.13 billion, up from EUR 642.7 million at the end of 2007. This was mainly accounted for by borrowing to finance Group operating activities. Trade receivables amounted to EUR 4.35 billion, an increase of EUR 204.8 million due to measurement at the balance sheet date.

## Risks and opportunities report

The description of the opportunities and risks\* of likely future developments given in the combined company and Group management report as of December 31, 2007 continues to apply.

The financial crisis does not pose any additional risks to the Group's financial situation: HOCHTIEF has a solid financial structure and uses conservative financing models.

HOCHTIEF Aktiengesellschaft's cash resources include adequate growth and liquidity reserves. We also have sufficient short-term revolving credit facilities available for daily drawing as part of our Group cash pooling arrangements. These credit facilities are broadly diversified. They mostly have a one-year term and are each renewable for an additional year.

As recently as July 2008, we augmented our long-term borrowing with the issuance of EUR 250 million in promissory note loans with tenors of five and seven years. We also have access to other funds, including an internationally syndicated EUR 600 million revolving credit facility. This facility runs to November 2012.

These resources are supplemented with sufficient guarantee facilities to provide bank guarantees and other collateral. The most important of these is an internationally syndicated guarantee facility for EUR 2 billion, half of which is currently in use. This facility has four years left to run. A range of bilateral guarantee facilities are also available. All in all, the HOCHTIEF Group is assured a sufficiently large reserve for project guarantees.

These guarantees are part and parcel of our normal business. We use them to give our clients additional assurance that their contracts will be completed. We are able to furnish guarantees for the Group by virtue of HOCHTIEF's sound financial structure. This gives the HOCHTIEF Group a key competitive edge in project acquisition at any time, but especially so in the current financial market situation. All divisions have sufficiently large undrawn facilities available on a long-term basis. At the end of 2007, for example,

we renegotiated the bonding for our US subsidiaries, raising the total bonding amount to USD 4.81 billion.

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

With the exception of the upward revision to the Group outlook in the half-year and this interim report, there is at present no indication of any significant change in the forecasts and other statements regarding the likely future development of the HOCHTIEF Group published in the combined company and Group management report as of December 31, 2007. Those forecasts and statements therefore continue to apply.

\*Our risk report is provided on page 109 of our 2007 Annual Report and on our website, [www.hochtief.com](http://www.hochtief.com).

## Post balance-sheet events

Our ownership structure changed on October 9, 2008: Basic Element announced in a press release that it had sold its 9.99 percent stake in HOCHTIEF. Commerzbank gave notice on the same day that its share of voting rights in HOCHTIEF Aktiengesellschaft was now 11.53 percent.

On October 21, 2008, HOCHTIEF Aktiengesellschaft made public an Executive Board resolution to buy back the company's own shares on the stock exchange in the ensuing weeks, supplementing its existing holdings of treasury shares to up to five percent of capital stock. The buyback is based on a resolution of the General Shareholders' Meeting of May 8, 2008 giving the Executive Board advance authorization to repurchase up to ten percent of the company's capital stock. HOCHTIEF Pension Trust e.V., Essen, is likewise acquiring up to five percent. The trust administers the corporate pension fund for the HOCHTIEF workforce.

There were no other material events to report between the close of the third quarter of 2008 and the editorial deadline for this interim report.

## News from the Boards

**Dr. Dietmar Kuhnt** stepped down from the Supervisory Board of HOCHTIEF Aktiengesellschaft with effect from the end of the Supervisory Board meeting of September 9, 2008. **Tilman Todenhöfer** was appointed as a new member of the Supervisory Board with effect from September 10, 2008.

# Divisions

## HOCHTIEF Americas Division

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
New orders	<b>6,268.4</b>	5,766.9	<b>8.7</b>	<b>2,381.1</b>	2,062.0	7,715.7
Work done	<b>5,863.5</b>	5,362.4	<b>9.3</b>	<b>2,108.8</b>	1,940.8	7,270.4
Order backlog	<b>9,024.8</b>	7,805.7	<b>15.6</b>	<b>9,024.8</b>	7,805.7	8,379.9
Divisional sales	<b>5,800.9</b>	5,202.2	<b>11.5</b>	<b>2,112.8</b>	1,890.8	6,953.3
External sales	<b>5,800.9</b>	5,202.1	<b>11.5</b>	<b>2,112.8</b>	1,890.7	6,953.2
Operating earnings (EBITA)	<b>79.3</b>	61.9	<b>28.1</b>	<b>33.6</b>	14.0	77.0
Profit before taxes	<b>63.6</b>	63.6	–	<b>25.8</b>	14.2	76.0
Capital expenditure	<b>32.3</b>	14.0	<b>130.7</b>	<b>9.4</b>	5.1	215.3
Net assets	<b>485.7</b>	251.1	<b>93.4</b>	<b>485.7</b>	251.1	482.7
Employees	<b>10,386</b> (End Q3 2008)	9,548 (End Q3 2007)	<b>8.8</b>	<b>10,386</b> (End Q3 2008)	9,548 (End Q3 2007)	9,778 (2007 average)

\*For further information on our companies in North America, please see in the Spotlight on page 14.

Business remained very positive for the HOCHTIEF Americas division\* in the third quarter despite the turbulence experienced by the US economy during the period under review.

**New orders** amounted to EUR 6.27 billion in the period under review, exceeding last year's very high level by EUR 501.5 million. One of the main contributing factors here was the first-time inclusion of Flatiron, acquired in December 2007. Adjusted for exchange rate effects, particularly resulting from the weak US dollar, the increase in new orders was a healthy EUR 1.28 billion (22.2 percent). **Work done** was up over the level reached last year by EUR 1.23 billion adjusted for exchange rate effects. The **order backlog** for the first time topped the EUR 9 billion mark.

**Operating earnings** were up considerably from the previous year's figure. This was due to substantial growth in earnings at Turner in particular. The improvement in Turner's operating earnings more than balanced out the negative effects from currency translation amounting to EUR 14.1 million and the nonrecurring positive effect reflected in last year's earnings resulting from the release of a guarantee assumed for our former associate Aecon. Due to first-time consolidation of Flatiron, profits on Flatiron's contracting work will still be largely canceled out in 2008 by profit shares in the order backlog at the time of acquisition. Our two US subsidiaries were able to offset earnings losses in Brazil, which were due to delays in the construction of small-scale hydropower plants in the first six months. Despite the rise in interest expense relating to the financing for the purchase price of Flatiron, **profit before taxes** therefore remained around the prior-year level in the third quarter.

Once again ranked the largest general builder by Engineering News-Record, Turner secured its 15,000th large-scale contract in its 106-year corporate history in the third quarter: The company will be responsible for the preconstruction planning and construction of buildings for Stanford University in California. The approximately 33,500-square-meter Knight Management Center at the university will comprise eight buildings. The project is seeking the highest level of LEED certification from the United States Green Building Council and is scheduled for completion in spring 2011.

Turner will also build the Readiness Center for the Army National Guard in Arlington, Virginia. Covering more than 23,000 square meters, the EUR 150 million US Army building complex will be constructed in two phases. Elements of this project include landscaping as well as the installation of utilities and communications infrastructure. The project is seeking LEED Silver Certification.

Flatiron also secured a number of new projects during the period under review. These include a design-build contract with a public-private partnership (PPP) concession team to construct the northwest section of the Edmonton Ring Road, Alberta, Canada. In addition to the new 21-kilometer section of road, the project includes 27 bridge structures and eight interchanges. Flatiron is leading the design-build joint venture with a 66 percent share of the contract, which is valued at nearly EUR 624 million. This is already the second PPP project for the government of Alberta in which our subsidiary has undertaken civil engineering work. Another highlight was Flatiron's outstanding performance constructing the new I-35W Bridge over the Mississippi River in Minneapolis. The work on this project was completed in just eleven months, three months earlier than contractually agreed.

### HOCHTIEF Americas outlook

Due to our excellent operating performance, profit before taxes at the end of the year is expected to match last year's high level. On a comparable operating basis, i.e., adjusted for the aforementioned positive, nonrecurring effect in 2007 and the adverse effects from currency translation compared to the previous year, our profit before taxes at the end of the year is anticipated to considerably exceed the prior-year figure.

## HOCHTIEF Asia Pacific Division

HOCHTIEF's Asia Pacific division recorded a strong operating performance in the third quarter of 2008.

**New orders** were up by 47.1 percent over last year's period to EUR 9.62 billion. **Work done** similarly increased substantially to EUR 6.52 billion, exceeding the previous year result by EUR 1.08 billion (up 19.9 percent), while the **order backlog** rose by 25 percent to EUR 17.04 billion. **External sales** also climbed sharply by 18.4 percent to EUR 5.36 billion.

**Operating earnings** were up 45.3 percent to EUR 443.5 million, with this figure reflecting growth in operating performance and the expansion of high-margin activities.

**Profit before taxes** increased by 22.2 percent to EUR 346.1 million.

**Capital expenditure** was substantially decreased compared to the prior corresponding period, which included the acquisition of a 45 percent stake in Al Habtoor Engineering in 2007.

A highlight in the third quarter was the award of the Airport Link contract in Brisbane to Leighton companies John Holland and Thiess, which will lead a consortium in designing, developing, constructing and operating the project. As Australia's largest public-private partnership (PPP) project ever, the nearly 7-kilometer-long, multi-lane tunnel in Brisbane is valued at a total of EUR 2.9 billion, including the necessary land purchases.

John Holland was also successful in landing additional infrastructure projects. The company won the EUR 141 million construction contract for Westgate Bridge in Melbourne and a EUR 90 million contract for sewer work. In Western Australia, John Holland will redevelop an air force base.

New contracts were also obtained for resources-related projects. John Holland is undertaking the manufacture and building of a ship coal loader in a project valued at EUR 168 million and will expand two alumina refineries. These latter two contracts are worth a total of EUR 151 million.

In Queensland, Thiess secured a EUR 148 million contract for extension of the Curragh North coal mine. Leighton Asia was awarded its first mining contract in Mongolia—a new market for the Group—and will be providing services to Mongolia's Ukhaakhudag coal mine. Since the quarter

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
New orders	9,622.7	6,540.9	47.1	3,830.3	3,324.5	10,415.7
Work done	6,517.5	5,436.6	19.9	2,171.7	1,718.8	7,409.2
Order backlog	17,035.2	13,627.5	25.0	17,035.2	13,627.5	14,928.9
Divisional sales	5,355.4	4,522.8	18.4	1,780.8	1,438.2	5,989.8
External sales	5,355.2	4,522.5	18.4	1,780.7	1,438.2	5,989.4
Operating earnings (EBITA)	443.5	305.2	45.3	127.2	87.2	441.3
Profit before taxes	346.1	283.3	22.2	83.3	75.2	404.5
Capital expenditure	953.5	1,227.5	-22.3	340.8	748.4	1,364.9
Net assets	1,993.4	1,580.6	26.1	1,993.4	1,580.6	1,759.8
Employees	40,763 (End Q3 2008)	27,839 (End Q3 2007)	46.4	40,763 (End Q3 2008)	27,839 (End Q3 2007)	27,940 (2007 average)

end, Thiess obtained a contract for the development and operation of the Teguh Sinar Abadi and Firman Ketaun Perkasa coal mines in Indonesia. The project, which is valued at EUR 517 million, will run for five years.

In project development work, Thiess was nominated as preferred tenderer for the EUR 700 million Royal North Shore Hospital PPP redevelopment. A contract is expected to be awarded within weeks.

We were again also successful in Asia. In Hong Kong, Leighton will be responsible for expanding a major theme park under a contract worth EUR 80 million. Featuring restaurants, retail facilities, lagoons, landscaping and an aquarium, Ocean Park is expected to be completed in late 2010.

In Dubai, the Al Habtoor Leighton Group in alliance was awarded the approximately EUR 1.2 billion Tameer Towers mixed-use development project in Abu Dhabi. Spanning over 920,000 square meters, the site comprises four residential towers with up to 66 floors along with a five-star hotel, a marina and other facilities. The Al Habtoor Leighton Group's share is worth nearly EUR 388 million. In Abu Dhabi, the Al Habtoor Leighton Group was awarded the EUR 385 million Al Bustan mixed-use development featuring five 17-story towers. The target completion date is October 2010.

### HOCHTIEF Asia Pacific outlook

The outlook for the division remains promising despite the current uncertainty in financial markets. Increased infrastructure spending in Australia, continued growth in Asia and demand for resources lead us to still expect an increase in profit before taxes over the prior-year figure.

## HOCHTIEF Concessions Division

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
<b>New orders</b>	<b>186.6</b>	274.1	<b>-31.9</b>	<b>8.2</b>	248.6	415.3
Of which HOCHTIEF AirPort	<b>10.3</b>	24.2	<b>-57.4</b>	<b>4.0</b>	0.8	28.0
Of which HOCHTIEF PPP Solutions	<b>176.3</b>	249.9	<b>-29.5</b>	<b>4.2</b>	247.8	387.3
<b>Work done</b>	<b>121.3</b>	157.3	<b>-22.9</b>	<b>41.9</b>	53.0	196.0
Of which HOCHTIEF AirPort	<b>10.3</b>	24.2	<b>-57.4</b>	<b>4.0</b>	0.9	28.0
Of which HOCHTIEF PPP Solutions	<b>111.0</b>	133.1	<b>-16.6</b>	<b>37.9</b>	52.1	168.0
<b>Order backlog</b>	<b>759.2</b>	592.1	<b>28.2</b>	<b>759.2</b>	592.1	692.7
Of which HOCHTIEF AirPort	<b>0.0</b>	0.0	<b>-</b>	<b>0.0</b>	0.0	0.0
Of which HOCHTIEF PPP Solutions	<b>759.2</b>	592.1	<b>28.2</b>	<b>759.2</b>	592.1	692.7
<b>Divisional sales</b>	<b>121.3</b>	159.4	<b>-23.9</b>	<b>41.1</b>	50.9	198.6
Of which HOCHTIEF AirPort	<b>10.3</b>	24.2	<b>-57.4</b>	<b>4.0</b>	0.8	28.0
Of which HOCHTIEF PPP Solutions	<b>111.0</b>	135.2	<b>-17.9</b>	<b>37.1</b>	50.1	170.6
<b>External sales</b>	<b>120.2</b>	158.9	<b>-24.4</b>	<b>41.0</b>	50.9	197.9
Of which HOCHTIEF AirPort	<b>9.2</b>	23.7	<b>-61.2</b>	<b>3.9</b>	0.8	27.4
Of which HOCHTIEF PPP Solutions	<b>111.0</b>	135.2	<b>-17.9</b>	<b>37.1</b>	50.1	170.5
<b>Operating earnings (EBITA)</b>	<b>88.4</b>	125.2	<b>-29.4</b>	<b>32.2</b>	60.8	185.3
Of which HOCHTIEF AirPort	<b>77.9</b>	136.2	<b>-42.8</b>	<b>19.5</b>	67.0	168.3
Of which HOCHTIEF PPP Solutions	<b>10.5</b>	(11.0)	<b>-</b>	<b>12.7</b>	(6.2)	17.0
<b>Profit before taxes</b>	<b>61.6</b>	102.3	<b>-39.8</b>	<b>23.8</b>	50.8	155.3
Of which HOCHTIEF AirPort	<b>56.5</b>	117.1	<b>-51.8</b>	<b>11.8</b>	58.3	142.4
Of which HOCHTIEF PPP Solutions	<b>5.1</b>	(14.8)	<b>-</b>	<b>12.0</b>	(7.5)	12.9
<b>Capital expenditure</b>	<b>10.3</b>	127.8	<b>-91.9</b>	<b>6.3</b>	3.4	131.3
Of which HOCHTIEF AirPort	<b>0.1</b>	123.8	<b>-99.9</b>	<b>0.1</b>	-	123.8
Of which HOCHTIEF PPP Solutions	<b>10.2</b>	4.0	<b>155.0</b>	<b>6.2</b>	3.4	7.5
<b>Net assets</b>	<b>1,236.4</b>	1,181.9	<b>4.6</b>	<b>1,236.4</b>	1,181.9	1,242.9
Of which HOCHTIEF AirPort	<b>1,012.3</b>	1,014.6	<b>-0.2</b>	<b>1,012.3</b>	1,014.6	1,013.5
Of which HOCHTIEF PPP Solutions	<b>224.0</b>	167.3	<b>33.9</b>	<b>224.0</b>	167.3	229.4
<b>Employees</b>	<b>228</b>	195	<b>16.9</b>	<b>228</b>	195	186
Of which HOCHTIEF AirPort	<b>83</b>	68	<b>22.1</b>	<b>83</b>	68	66
Of which HOCHTIEF PPP Solutions	<b>145</b>	127	<b>14.2</b>	<b>145</b>	127	120
	(End Q3 2008)	(End Q3 2007)		(End Q3 2008)	(End Q3 2007)	(2007 average)

The performance of the HOCHTIEF Concessions division continued to be strong in the third quarter. **New orders** were below the prior-year figure. **Profit before taxes** amounted to EUR 61.6 million in the period under review. The figure was positively impacted by HOCHTIEF AirPort Capital's payment of a further contingent purchase price, the excellent performance of the airports and success fees from the Maliakos-Kleidi and Elefsina-Patras-Tsakona toll road projects. The prior-year figure was influenced by items such as the special dividend from Sydney Airport. The decline in **divisional** and **external sales** related primarily to last year's acquisition of Budapest Airport and the success fee associated with that acquisition.

Despite the challenging market environment, **HOCHTIEF Airport's** airport holdings—Athens, Budapest, Düsseldorf, Hamburg, Sydney and Tirana—performed well and reported passenger growth of 2.8 percent on average. Sydney and Tirana airports continued to see particularly sharp growth at 4.6 and 11.4 percent respectively.

In Tirana, work began in July on expansion of the passenger terminal. The new building wing will increase the terminal's capacity to 1.5 million passengers and will be operational in 2009. Düsseldorf Airport is also currently scaling its capacity to meet the growing numbers of intercontinental and transfer passengers. The Higher Administrative Court in Münster dismissed the last two actions in Düsseldorf Airport's case in August, thereby fully confirming the legality of the airport's expanded operating permit.

In August, **HOCHTIEF PPP Solutions** reached financial close on the Elefsina-Patras-Tsakona toll road project in Greece. Along with partners, the company will design, finance and build as well as expand and operate the 365-kilometer-long highway. This stretch of road is one of the most heavily traveled traffic corridors in Greece. The construction work will take six years. Work on the San Cristóbal tunnel in Santiago de Chile has been completed. Traffic has been traveling through the approximately two-kilometer tube since June, and a HOCHTIEF PPP Solutions-led consortium will operate the tunnel for 30 years.

During the period under review, HOCHTIEF PPP Solutions (UK) handed over one school in East Ayrshire, Scotland, and two schools in Salford, England, to the school communities. In the Offenbach schools project (eastern section), HOCHTIEF PPP Solutions and the Offenbach district reported a positive energy balance after three years of operation: Heating costs at the 50 schools were 34 percent lower in 2007 than at the start of the project. Water usage dropped by nearly 27 percent.

Süddeutsche Geothermie Projekte-Gesellschaft has begun drilling work for its second geothermal power plant in Kirchstockach in the German state of Bavaria. HOCHTIEF PPP Solutions holds a 40 percent stake in the company.

### HOCHTIEF Concessions outlook

The Concessions division's profit before taxes will exceed the prior-year figure adjusted for operating and non-operating nonrecurring items in fiscal 2008. In view of the current capital market situation, however, HOCHTIEF Concessions will apply even stricter criteria to new acquisitions and thoroughly examine possible commitments.

## HOCHTIEF Europe Division

The third quarter again saw a continuation of the positive trend in order figures in the HOCHTIEF Europe division.

**New orders** in the first nine months were up EUR 128.6 million or 5.5 percent on the same prior-year period. The planned reduction in building construction activities in Germany due to restructuring and newly established structures was more than offset by other business, especially successful projects abroad. In the third quarter, new orders overall fell below the figure achieved in the prior-year quarter, which was influenced by the securing of four major projects.

The increases in **work done** as well as **divisional and external sales** was mainly the result of our activities in Russia, Poland, Qatar and Chile.

The **order backlog**, which also rose, ensures good capacity utilization across the board, representing a forward order book of well over a year.

Due to overheads on loss-making projects started in previous years, the division was still unable to post positive figures for **operating profits** and **profit before taxes** in the period under review. However, the new structure of our building construction business in Germany, revised costing rules and new contract models are already yielding a significant improvement in the margins and the distribution of risk for new contracts.

**Capital expenditure** increased year on year, mainly as a result of purchases of property, plant and equipment for a major project in Chile.

The year-on-year increase in **net assets** in the third quarter stems principally from the inclusion of new companies in the consolidated financial statements.

Driven in particular by business growth in Eastern Europe and large-scale new infrastructure projects, the number of **employees** rose by four percent.

The HOCHTIEF Europe division continued its successful international activities once again in the third quarter. For example, we will build a new chocolate factory near the Russian city of Vladimir for the Ferrero Group. The project has a contract value of around EUR 95 million. HOCHTIEF has already completed projects in Germany, Poland and Canada for repeat client Ferrero.

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
New orders	2,482.2	2,353.6	5.5	663.1	893.5	3,176.1
Work done	2,249.8	1,991.7	13.0	831.1	766.9	2,868.5
Order backlog	3,824.3	3,585.9	6.6	3,824.3	3,585.9	3,545.6
Divisional sales	1,762.3	1,630.2	8.1	619.1	659.4	2,321.3
External sales	1,686.4	1,521.6	10.8	610.5	615.2	2,169.5
Operating earnings (EBITA)	(46.8)	(128.6)	63.6	(12.8)	1.6	(131.7)
Profit before taxes	(49.6)	(127.8)	61.2	(23.9)	2.1	(149.4)
Capital expenditure	35.2	18.5	90.3	18.6	9.0	29.5
Net assets	442.5	380.7	16.2	442.5	380.7	575.0
Employees	9,318 (End Q3 2008)	8,959 (End Q3 2007)	4.0	9,318 (End Q3 2008)	8,959 (End Q3 2007)	8,807 (2007 average)

Our subsidiary HOCHTIEF Polska has been awarded contracts including for two new apartment complexes, warehouses and a logistics center in Warsaw. In addition, we will also be responsible for expansion of a production facility in Nowy Tomyśl operated by electronics company Phoenix Contact. Another project involves modernizing and expanding a spa hotel in the Czech Republic resort town of Luhačovice by December 2009. The contract for the construction work is worth approximately EUR 11.5 million.

In Germany, our focus was on turnkey construction projects. Our business unit in Berlin-Brandenburg was awarded the contract to build a new high-security wing dedicated to animal epidemic research at the Friedrich Loeffler Institute, the German Federal Research Institute for Animal Health, on the Baltic Sea island of Riems. HOCHTIEF's share of the contract amounts to EUR 41.7 million.

### HOCHTIEF Europe outlook

The division anticipates a significant improvement in operating earnings in fiscal 2008. Earnings will be reduced by the overheads incurred in completing the loss-making projects started in previous years. These and the planned capacity reductions in the building construction business in Germany are still adversely affecting earnings. For the year as a whole, we again expect to post a pretax loss of no more than EUR 60 million. Based on the positive earnings generated by our new contracts, we anticipate return on sales of around one percent based on profit before taxes in 2009; for 2010, we are targeting a return of three percent in the HOCHTIEF Europe division.

## HOCHTIEF Real Estate Division

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
New orders	<b>397.3</b>	619.2	<b>-35.8</b>	<b>143.2</b>	100.2	965.0
Work done	<b>570.1</b>	358.3	<b>59.1</b>	<b>254.1</b>	158.9	521.0
Order backlog	<b>831.8</b>	871.1	<b>-4.5</b>	<b>831.8</b>	871.1	1,042.0
Divisional sales	<b>469.0</b>	353.3	<b>32.7</b>	<b>197.9</b>	155.3	493.5
External sales	<b>457.4</b>	345.2	<b>32.5</b>	<b>193.5</b>	152.4	480.4
Operating earnings (EBITA)	<b>39.7</b>	24.0	<b>65.4</b>	<b>17.1</b>	10.2	63.0
Profit before taxes	<b>20.5</b>	20.2	<b>1.5</b>	<b>9.3</b>	9.1	58.6
Capital expenditure	<b>17.9</b>	5.9	<b>203.4</b>	<b>4.2</b>	1.3	12.6
Net assets	<b>970.9</b>	479.4	<b>102.5</b>	<b>970.9</b>	479.4	735.8
Employees	<b>894</b> (End Q3 2008)	593 (End Q3 2007)	<b>50.8</b>	<b>894</b> (End Q3 2008)	593 (End Q3 2007)	455 (2007 average)

The HOCHTIEF Real Estate division's **new orders** rose to EUR 397.3 million as of September 30, 2008. However, this is down on the high prior-year figure due to our systematic selection of new projects. The **order backlog** remains at a very high level, amounting to EUR 831.8 million. At EUR 570.1 million, **work done** climbed significantly higher because of several real estate development projects being launched in Germany.

The upward trend in **operating earnings** to EUR 39.7 million reflects the further growth of HOCHTIEF Projektentwicklung in Germany and abroad. At EUR 20.5 million, **profit before taxes** was slightly up on the prior-year figure. The strong rental performance of ongoing development projects by HOCHTIEF Projektentwicklung in particular contributed positively to earnings in the third quarter.

**Capital expenditure** in the first nine months of 2008 totaled EUR 17.9 million for the acquisition of stakes in project companies.

During the period under review, topping-out ceremonies were held for three **HOCHTIEF Projektentwicklung** developments: Unilever-Haus in Hamburg, which is leased to Unilever Deutschland; the Capital Square office building in Budapest, which has been sold to CA Immo International, and Z-UP in Stuttgart. A solid 70 percent of the latter building, which was acquired by SEB Immobilien-Investment, has been leased to Reader's Digest. In addition, the cornerstone was laid for an already fully leased office building in Oberursel. Construction also began on a new nursing care facility in Kippenheim. We are now building three facilities with a total of 200 beds in cooperation with the operator BeneVit.

In Hamburg, construction was started on Lindley Carrée. The project, nearly 40 percent of which is already leased, is being built with sustainability in mind. The WestendDuo office property in Frankfurt that we completed in late 2006 won a special prize for its urban planning, energy and social sustainability in the competition for the International Highrise Award in September.

As of September 30, 2008, a total of 29 development projects by HOCHTIEF Projektentwicklung amounting to capital expenditure of nearly EUR 1.3 billion were in the construction phase. The occupancy rate of the projects as of the reporting date was 84 percent, which corresponds to rentable space of 490,000 square meters. On the whole, HOCHTIEF Projektentwicklung was able to lease more than 218,000 square meters of new floor space in the first nine months of the year. In the comparable prior-year period, this figure was 122,854 square meters of leased floor space.

**HOCHTIEF Property Management** will manage around 75 percent of Deka Immobilien GmbH's real estate in Germany for an initial five-year period. The new contract includes commercial and technical property management for the properties held by the funds which were launched for Gesellschaft für Investmentfonds mbH. We will also be responsible for nationwide real estate management for aurelis Real Estate for the next three years as part of a contract won in open competition. The project, which is valued at a total of EUR 26 million, covers 1,500 properties with overall floor space of approximately 25 million square meters.

By the third quarter, **aurelis Real Estate** had arranged leases for around 280,000 square meters of land and 89,000 square meters of building space in Essen, Munich and other cities. Properties in Munich, Heilbronn and Frankfurt were sold as well, with the year-to-date sales volume amounting to EUR 179 million. Since HOCHTIEF's investment in aurelis in September 2007, properties have been sold for a total of more than EUR 300 million.

### HOCHTIEF Real Estate outlook

For fiscal 2008, the HOCHTIEF Real Estate division expects to post a strong profit before taxes at prior-year level despite the difficult financial market situation. However, real estate sales anticipated for 2008 could be delayed due to the financial crisis and may not be realized until fiscal 2009. This would not affect earnings.

## HOCHTIEF Services Division

The HOCHTIEF Services division continued to perform well in the third quarter, exceeding the prior-year results for new orders, work done and earnings.

**New orders** were up by 26.8 percent over the previous year's figure to EUR 538.9 million, mainly due to extensions of contracts with existing clients in the quarter under review. One reason for the year-on-year increase is growth at HOCHTIEF Energy Management.

At EUR 509.5 million, **work done** exceeded the prior-year figure by a substantial 25.4 percent. In Germany, the main reason for this rise was the growing volume of additional work flowing from existing business. Internationally, the division continued to benefit from new contracts acquired last year, particularly the schools projects in the United Kingdom and sports facility projects in Greece. An additional factor in the year-on-year increase in work done is the acquisition in the energy management sector. **External sales** rose accordingly by 27.7 percent, and the **order backlog** was also up on the previous year's figure by a very healthy 70.4 percent.

At EUR 16.3 million, **operating earnings** jumped by 19.9 percent year on year. Despite further expansion activities, **profit before taxes** was slightly up on the previous year. This positive trend was largely attributable to the international business and energy management activities.

Last year's acquisition in the energy management sector was the main reason for the rise in **net assets**, which climbed by 55 percent year on year.

The number of **employees** rose to 5,711 mainly due to growth outside Germany as well as acquisitions.

In the quarter under review, HOCHTIEF Facility Management impressively displayed its efficiency in implementing major supraregional projects. Commerzbank extended the technical facility management contract for more than 500 of its branches throughout Germany to the end of 2011. We operate all technical building systems in the bank branches as part of this contract.

For the next four years, HOCHTIEF Facility Management will be responsible for maintenance of the technical build-

(EUR million)	Q1–Q3 2008	Q1–Q3 2007	Percent- age change	Q3 2008	Q3 2007	Full year 2007
New orders	538.9	425.1	26.8	126.8	195.1	892.6
Work done	509.5	406.4	25.4	180.1	150.4	582.3
Order backlog	1,622.7	952.2	70.4	1,622.7	952.2	1,602.2
Divisional sales	509.4	403.3	26.3	179.6	148.4	582.1
External sales	504.6	395.1	27.7	178.5	146.3	555.9
Operating earnings (EBITA)	16.3	13.6	19.9	6.1	5.2	22.0
Profit before taxes	13.1	12.6	4.0	5.0	4.8	20.4
Capital expenditure	5.3	3.2	65.6	2.2	0.3	16.5
Net assets	207.6	133.9	55.0	207.6	133.9	179.0
Employees	5,711 (End Q3 2008)	4,710 (End Q3 2007)	21.3	5,711 (End Q3 2008)	4,710 (End Q3 2007)	4,771 (2007 average)

ing systems in various terminals at Stuttgart Airport. As the provider of this service, we must adhere to special standards, since the technical systems are located in the high-security zone of the airport's arrivals and departures areas.

HOCHTIEF Facility Management was commissioned by property management company Mayfield to operate five shopping centers in Germany's eastern states. The properties have total retail space measuring 63,500 square meters. This contract represents an extension of our partnership with the Mayfield Group, which operates internationally. Among other projects, HOCHTIEF handles technical and infrastructural facility management at the Biopark Rosental research site in Basel, Switzerland, on behalf of this client.

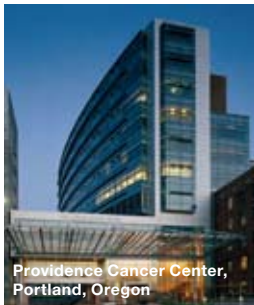
Thanks to a contract extension, we are lending further strength to our position in the industrial services segment. We will continue to operate various Siemens sites in Germany for another six years. In early October, HOCHTIEF Facility Management signed a contract with Siemens Real Estate worth a total of EUR 192 million, thereby continuing the relationship with this long-time client.

### HOCHTIEF Services outlook

HOCHTIEF Services will continue to focus on growing its business in Germany and abroad, as well as augmenting existing activities. The costs associated with this strategy will diminish the division's earnings. We therefore expect profit before taxes to be below the prior-year figure.

# In the Spotlight

## Successful in North America: HOCHTIEF companies impress with strong performance



HOCHTIEF has succeeded in the North American market for ten years now. We have held a leadership position in the world's largest construction market since our 1999 acquisition of the top general builder, Turner Construction Company. The 2007 acquisition of Flatiron Construction, a leading provider of transportation-related construction services, lent additional strategic strength to our company.

**Turner**, which was founded in 1902, has positioned itself favorably in specialized segments of the building construction market and holds the position of market leader in the construction of office buildings and sports facilities as well as educational and healthcare facilities. The HOCHTIEF subsidiary also numbers among the most sought-after providers of construction management services for airport, hotel, data center and pharmaceutical facility building projects. In addition, the company has secured the top position in the USA in the growing green building market focusing on sustainable and environmentally friendly construction. In contrast, Turner has practically not operated in the single family residential construction market and therefore has not been affected by the collapse of this segment.

For years now, our strategy in the US building construction market has been to focus on stable market segments. Despite the potential for a weakening of the US building construction market as a whole, market research institute McGraw-Hill Construction forecasts continued strength in the educational and healthcare facilities segments. Turner is extremely selective in the pursuit of work. The priorities here are high-quality earnings and adequate distribution of risk. The high order backlog ensures that our capacity will be fully utilized in 2008 and 2009 according to calculations. At this time, Turner is already securing projects for 2010 and beyond.

Turner has earned an excellent reputation on the US market. The company acts as a construction manager, initially supporting its clients in designing and costing their projects. During construction, Turner manages the subcontractors. Clients value the quality and reliability of the company's work—the large number of high-caliber repeat clients is evidence of this. Key accounts include universities along with hospitals, corporate and public clients. Open and trust-based cooperation is a major reason for Turner's success.

**Flatiron** is one of the top ten companies in the bridge, road and rail transit segments. The company therefore op-

erates in a booming market in the USA as well as in Canada, with demand for refurbishment and construction of new infrastructure projects in the USA for 2009 estimated at more than USD 270 billion.

The acquisition of Flatiron enabled us to round out the services offered by our Group in North America; we can now successfully serve both the building and civil construction markets. In particular, the cooperation between our two US subsidiaries holds substantial synergy potential. The first joint contract was landed in summer 2008. The companies will jointly handle the expansion of Sacramento International Airport with a completion target of 2012.

Additional synergy opportunities are offered by the public-private partnership (PPP) segment. Flatiron has already gained experience in the design and construction of various PPP projects in Canada. We have combined this expertise with our PPP experience from Germany. We have thus become a competent partner in this still young US market. This is also true in the case of building construction, where we work with Turner to participate in invitations to tender. Here, we benefit from the company's extensive network of offices across the USA and its excellent positioning in local markets. In early 2008, we formed **HOCHTIEF PPP Solutions North America**, a company specializing in the building construction and transportation infrastructure segments. Currently, we are participating in several tender processes and have already prequalified for our first toll road project in the USA. The attractive North American PPP market is expected to generate high rates of growth. We anticipate that in the next two years projects valued at USD 100 billion will be privately financed in the USA alone. The public building construction sector will grow at a slower pace, and the greatest potential here is in educational, healthcare and administrative facilities projects.

On the US market, we will continue to pursue our strategy of providing an optimal range of services to profitable segments of the building construction and civil engineering markets and focusing on partnerships with our clients. We are also making sure that we will be positioned early on to enter newly developing markets and are contributing our existing skills and experience to this effort. Our international expertise is enabling us to gain a firm foothold in the PPP market in particular. In the future, we continue to expect very strong performance from our US business based on our excellent positioning and the efficient operations of our subsidiaries.

For further information on HOCHTIEF's North American business, please see [www.turnerconstruction.com](http://www.turnerconstruction.com) and [www.flatironcorp.com](http://www.flatironcorp.com).

# Interim Financial Statements

## Consolidated Statement of Earnings

(EUR thousand)	Q1-Q3 2008	Q1-Q3 2007	Percentage change	Q3 2008	Q3 2007	Full year 2007
Sales	14,010,923	12,228,925*	14.6	4,948,977	4,329,767	16,451,752
Changes in inventories	1,437	1,700	-15.5	194	(281)	(176)
Other operating income	226,358	80,763	180.3	37,841	28,581	230,795
Materials	(10,487,145)	(9,215,903)	13.8	(3,670,612)	(3,303,221)	(12,326,831)
Personnel costs	(2,312,682)	(2,017,794)	14.6	(755,191)	(672,154)	(2,806,801)
Depreciation and amortization	(249,929)	(231,402)	8.0	(83,017)	(89,467)	(312,490)
Other operating expenses	(873,672)	(739,314)	18.2	(320,880)	(246,892)	(1,113,357)
<b>Profit from operating activities</b>	<b>315,290</b>	<b>106,975</b>	<b>194.7</b>	<b>157,312</b>	<b>46,333</b>	<b>122,892</b>
Share of profits and losses of equity-method associates and jointly controlled entities	197,691	134,172*	47.3	6,928	68,832	265,883
Net income from other participating interests	(5,503)	74,259	-	12,070	41,097	88,420
Investment and interest income	79,004	85,449	-7.5	19,840	23,063	130,608
Investment and interest expenses	(171,157)	(57,757)	196.3	(73,058)	(18,025)	(106,482)
<b>Profit before taxes</b>	<b>415,325</b>	<b>343,098</b>	<b>21.1</b>	<b>123,092</b>	<b>161,300</b>	<b>501,321</b>
Income taxes	(147,744)	(127,349)	16.0	(44,618)	(50,967)	(160,301)
<b>Profit after taxes</b>	<b>267,581</b>	<b>215,749</b>	<b>24.0</b>	<b>78,474</b>	<b>110,333</b>	<b>341,020</b>
Of which: Consolidated net profit	105,182	70,695	48.8	26,149	56,919	140,696
Of which: Minority interest	162,399	145,054	12.0	52,325	53,414	200,324

\* Due to a change in presentation, the Group's share of profits and losses of jointly controlled entities in the first three quarters of 2007—an amount of EUR 70,545,000—is included in the share of profits and losses of equity-method associates and jointly controlled entities instead of in sales as in the previous year.

## Consolidated Balance Sheet

(EUR thousand)	Sep. 30, 2008	Dec. 31, 2007	(EUR thousand)	Sep. 30, 2008	Dec. 31, 2007
<b>Assets</b>			<b>Liabilities and Shareholders' Equity</b>		
<b>Non-current assets</b>			<b>Shareholders' equity</b>		
Intangible assets	506,328	505,145	Attributable to the Group	2,180,109	2,297,720
Property, plant and equipment	1,225,590	1,027,641	Minority interest	851,891	703,100
Investment properties	57,376	41,199		<b>3,032,000</b>	<b>3,000,820</b>
Equity-method investments	1,600,761	1,462,459	<b>Non-current liabilities</b>		
Other financial assets	579,384	555,655	Provisions for pensions and similar obligations	38,284	29,010
Financial receivables	357,035	365,175	Other provisions	368,406	316,382
Other receivables and other assets	168,324	130,958	Financial liabilities	1,510,541	1,324,028
Deferred tax assets	164,580	169,419	Other liabilities	154,700	79,434
	<b>4,659,378</b>	<b>4,257,651</b>	Deferred tax liabilities	95,771	82,103
<b>Current assets</b>				<b>2,167,702</b>	<b>1,830,957</b>
Inventories	150,582	120,088	<b>Current liabilities</b>		
Financial receivables	119,175	81,294	Other provisions	779,492	755,158
Trade receivables	4,259,818	3,691,166	Financial liabilities	1,134,600	642,719
Other receivables and other assets	206,790	311,683	Trade payables	4,348,188	4,143,392
Current income tax assets	16,329	26,144	Other liabilities	291,324	273,902
Marketable securities	767,594	766,384	Current income tax liabilities	16,272	9,989
Cash and cash equivalents	1,589,912	1,402,527		<b>6,569,876</b>	<b>5,825,160</b>
	<b>7,110,200</b>	<b>6,399,286</b>		<b>11,769,578</b>	<b>10,656,937</b>
	<b>11,769,578</b>	<b>10,656,937</b>			

# Consolidated Statement of Cash Flows

(EUR thousand)	Q1-Q3 2008	Q1-Q3 2007
Profit after taxes	267,581	215,749
Depreciation/write-ups	394,103	230,987
Changes in provisions	97,426	(26)
Changes in deferred taxes	51,280	21,465
Net loss from disposals of fixed assets and marketable securities	(45,889)	(45,445)
Other non-cash income and expenses (primarily equity valuation) and deconsolidations	(160,560)	(24,354)
Changes in working capital (net current assets)	(307,367)	113,633
Changes in other balance sheet items	963	1,296
<b>Net cash provided by operating activities</b>	<b>297,537</b>	<b>513,305</b>
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(678,223)	(504,759)
Proceeds from asset disposals	223,062	109,045
Acquisitions and participating interests		
Purchases	(386,913)	(893,497)
Proceeds from asset disposals/divestments	139,629	51,388
Changes in cash and cash equivalents due to consolidation changes	(20,520)	-
Changes in securities holdings and liquid investments	(112,999)	(79,315)
<b>Net cash used in investing activities</b>	<b>(835,964)</b>	<b>(1,317,138)</b>
Payments for repurchase of treasury stock	(3,488)	-
Payments received from sale of treasury stock	1,398	336,360
Payments into equity by minority shareholders	192,482	-
Dividends to HOCHTIEF's and minority shareholders	(210,823)	(162,603)
Proceeds from new borrowing	1,463,487	685,338
Service of debt	(738,507)	(230,763)
<b>Net cash provided by financing activities</b>	<b>704,549</b>	<b>628,332</b>
<b>Net cash increase/(decrease) in cash and cash equivalents</b>	<b>166,122</b>	<b>(175,501)</b>
Effect of exchange rate changes	21,263	(33,091)
<b>Overall change in cash and cash equivalents</b>	<b>187,385</b>	<b>(208,592)</b>
Cash and cash equivalents at the start of the year	1,402,527	1,397,012
<b>Cash and cash equivalents at end of period</b>	<b>1,589,912</b>	<b>1,188,420</b>

## Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktiengesellschaft	Capital reserve of HOCHTIEF Aktiengesellschaft	Revenue reserves* including unappropriated net income	Accumulated other comprehensive income			Attributable to the Group	Attributable to minority interest	Total
				Currency translation differences	Marking of financial instruments to fair value	Actuarial gains and losses			
Balance as of Jan. 1, 2007	<b>179,200</b>	<b>400,806</b>	<b>1,387,593</b>	<b>(77,050)</b>	<b>15,238</b>	<b>(98,112)</b>	<b>1,807,675</b>	<b>538,028</b>	<b>2,345,703</b>
Dividends paid	-	-	(72,446)	-	-	-	(72,446)	(90,157)	(162,603)
Profit after taxes	-	-	70,695	-	-	-	70,695	145,054	215,749
Currency translation differences and marking of financial instruments to fair value	-	-	-	(12,910)	4,171	-	(8,739)	14,835	6,096
Changes in actuarial gains and losses	-	-	-	-	-	19,041	19,041	-	19,041
Other changes not recognized in the Statement of Earnings	-	-	327,958	-	-	-	327,958	874	328,832
Balance as of Sep. 30, 2007	<b>179,200</b>	<b>400,806</b>	<b>1,713,800</b>	<b>(89,960)</b>	<b>19,409</b>	<b>(79,071)</b>	<b>2,144,184</b>	<b>608,634</b>	<b>2,752,818</b>
<b>Balance as of Jan. 1, 2008</b>	<b>179,200</b>	<b>400,806</b>	<b>1,784,855</b>	<b>(131,901)</b>	<b>118,822</b>	<b>(54,062)</b>	<b>2,297,720</b>	<b>703,100</b>	<b>3,000,820</b>
Dividends paid	-	-	(90,931)	-	-	-	(90,931)	(119,892)	(210,823)
Profit after taxes	-	-	105,182	-	-	-	105,182	162,399	267,581
Currency translation differences and marking of financial instruments to fair value	-	-	-	(28,141)	(110,747)	-	(138,888)	(82,050)	(220,938)
Changes in actuarial gains and losses	-	-	-	-	-	16,985	16,985	-	16,985
Other changes not recognized in the Statement of Earnings	-	-	(9,959)	-	-	-	(9,959)	188,334	178,375
Balance as of Sep. 30, 2008	<b>179,200</b>	<b>400,806</b>	<b>1,789,147</b>	<b>(160,042)</b>	<b>8,075</b>	<b>(37,077)</b>	<b>2,180,109</b>	<b>851,891</b>	<b>3,032,000</b>

\*As of September 30, 2008, own stock with an acquisition cost of EUR 2,090,000 is accounted for as a deduction from revenue reserves (September 30, 2007: EUR 0).

## Statement of Recognized Income and Expense

(EUR thousand)	Q1-Q3 2008	Q1-Q3 2007	Change	Full year 2007
<b>Profit after taxes</b>	<b>267,581</b>	<b>215,749</b>	<b>51,832</b>	<b>341,020</b>
Currency translation differences	(65,375)	(5,920)	(59,455)	(69,510)
Changes in fair value of financial instruments				
- Primary	(73,535)	(10,025)	(63,510)	152,834
- Derivative	(82,028)	22,041	(104,069)	38,774
Actuarial gains and losses*	16,985	19,041	(2,056)	44,026
<b>Income and expense recognized directly in equity</b>	<b>(203,953)</b>	<b>25,137</b>	<b>(229,090)</b>	<b>166,124</b>
<b>Total income and expense recognized in the fiscal year</b>	<b>63,628</b>	<b>240,886</b>	<b>(177,258)</b>	<b>507,144</b>
Of which: HOCHTIEF Group	(16,721)	80,997	(97,718)	233,479
Of which: Minority interest	80,349	159,889	(79,540)	273,665

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

# Notes to the Consolidated Financial Statements

## Accounting policies

The Consolidated Financial Statements as of September 30, 2008 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed.

This interim report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2007. With effect from September 30, 2008, the discount factor for valuing domestic pension obligations was increased to 6.75 percent to reflect increased capital market interest rates (December 31, 2007: 5.5 percent). The change in Group structure has resulted in an adjustment relating to interest credited when determining operating earnings. Unlike in the previous year's published reports, an interest credit is only recognized for the divisions within the construction module, i.e. HOCHTIEF Americas, HOCHTIEF Asia Pacific and HOCHTIEF Europe. In all other respects, this report has been prepared using the same accounting policies as the 2007 Consolidated Financial Statements. Information on those accounting policies is given in the 2007 Annual Report.

## Consolidation changes

Four domestic and 21 foreign companies were added to the consolidated group in the first nine months of fiscal 2008. Five domestic companies have been merged and one foreign company has been removed from the consolidated group.

There has been a net increase of two in the number of domestic and a net decrease of three in the number of foreign companies accounted for using the equity method.

After these changes, the Consolidated Financial Statements include HOCHTIEF Aktiengesellschaft and a total of 49 domestic and 337 foreign consolidated companies plus 15 domestic and 97 foreign companies accounted for using the equity method.

## Own shares

The Company held a total of 31,753 of its own shares as of September 30, 2008. These shares were acquired in January 2008 in order to offer them for purchase by persons in the Company's employment or in the employment of an affiliate. The shares represent EUR 81,288 (0.05 percent) of the Company's capital stock.

In July 2008, the Company sold 21,247 of its own shares to persons in its employment or in the employment of an affiliate. 11,759 of these shares were sold at a price of EUR 50.94 each and 9,488 at a price of EUR 53.94 each. The shares represent EUR 54,392 (0.03 percent) of the Company's capital stock.

## Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and letters of comfort; they have increased since December 31, 2007 by EUR 81,015,000 to EUR 98,886,000.

## Segment reporting

Segmental reporting in the HOCHTIEF Group is based on the Group's divisional operations. The breakdown by divisions and regions mirrors the Group's internal reporting systems. HOCHTIEF changed its Group structure with effect from January 1, 2008. Detailed information on the various segments making up the HOCHTIEF Group is provided herein in the Interim Management Report.

## Related party disclosures

There has been no change in the companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies. The information provided in this regard in the notes to the most recent Consolidated Financial Statements therefore continues to apply.

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

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

(EUR thousand)	Q1-Q3 2008	Q1-Q3 2007	Q3 2008	Q3 2007
<b>Profit from operating activities</b>	<b>315,290</b>	<b>106,975</b>	<b>157,312</b>	<b>46,333</b>
+ Net income from participating interests	192,188	208,431	18,998	109,929
- Non-operating earnings	(+) 7,849	(+) 1,175	(+) 6,355	(+) 531
+ Interest credited*	34,151	27,556	10,624	11,561
<b>Operating earnings (EBITA)</b>	<b>549,478</b>	<b>344,137</b>	<b>193,289</b>	<b>168,354</b>

\*A change in Group structure as of January 1, 2008 resulted in an adjustment relating to the interest credit. Unlike in the previous year's published reports, an interest credit is only recognized for the divisions within the construction module, i.e. HOCHTIEF Americas, HOCHTIEF Asia Pacific and HOCHTIEF Europe.

Undiluted and diluted earnings per share	Q1-Q3 2008	Q1-Q3 2007	Q3 2008	Q3 2007
<b>Consolidated net profit (EUR thousand)</b>	<b>105,182</b>	<b>70,695</b>	<b>26,149</b>	<b>56,919</b>
Number of shares in circulation (weighted average)	69,954,090	67,157,747	69,968,269	69,350,975
<b>Earnings per share (EUR)</b>	<b>1.50</b>	<b>1.05</b>	<b>0.37</b>	<b>0.82</b>

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

## Responsibility Statement

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

Essen, October 30, 2008

The Executive Board

Dr. Lütkestratkötter      Ehlers      Dr. Lohr

Dr. Noé      Dr. Rohr

# Financial Calendar

## Publication Details and Credits

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## March 25, 2009

2008 Annual Report  
Business Results Press Conference  
Analysts' and Investors' Conference

## May 14, 2009

Quarterly Report at March 31, 2009  
Conference Call with Analysts and Investors

## August 14, 2009

Half-Year Report at June 30, 2009  
Analysts' and Investors' Conference

The editorial deadline for this interim report was October 30, 2008; the report was published on November 14, 2008.

For further information on HOCHTIEF and our addresses, business units, subsidiaries and associates, please visit our website at [www.hochtief.com](http://www.hochtief.com).

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

## Corporate Headquarters (management holding company)

HOCHTIEF Americas division	HOCHTIEF Asia Pacific division	HOCHTIEF Concessions division	HOCHTIEF Europe division	HOCHTIEF Real Estate division	HOCHTIEF Services division
HOCHTIEF Americas Inc.  The Turner Corporation, USA  Turner Construction Company, USA  Flatiron Construction Corp., USA  HOCHTIEF do Brasil S.A., Brazil  HOCHTIEF Construction Management Middle East, Abu Dhabi	Leighton Holdings Limited, Australia  Leighton Contractors Pty Limited, in: Australia, New Zealand  Leighton Asia Limited, in: Cambodia, China, Hong Kong, Laos, Macau, Mongolia, Philippines, Thailand, Vietnam  Leighton International Limited, in: India, Indonesia, Malaysia, Singapore, Sri Lanka  Leighton Properties Pty Limited, Australia  Devine Ltd., Australia  Thiess Pty Ltd., in: Australia, India, Indonesia  John Holland Group Pty Ltd., Australia  Al Habtoor Engineering LLC, in: Abu Dhabi, Dubai, Qatar	HOCHTIEF Concessions GmbH, Germany  HOCHTIEF PPP Solutions GmbH, in: Chile, Germany, Ireland, UK, USA  HOCHTIEF Schools Capital Ltd, UK  HOCHTIEF AirPort GmbH, Germany  HOCHTIEF AirPort Capital Verwaltungs-GmbH & Co. KG, Germany  HOCHTIEF AirPort Retail SHPK, Albania  Athens International Airport S.A., Greece  Budapest Airport Zrt., Hungary  Flughafen Düsseldorf GmbH, Germany  Flughafen Hamburg GmbH, Germany  Sydney Airport Corporation Ltd., Australia  Tirana International Airport SHPK, Albania  Transport & Logistics Consultancy Ltd., UK	HOCHTIEF Construction AG, in: Austria, Bulgaria, Chile, Czech Republic, Germany, Hungary, India, Luxembourg, Poland, Qatar, Romania, Russia, South Africa, Sweden, UK, Ukraine  Durst-Bau GmbH, Austria  Streif Baulegistik GmbH, in: Austria, Bulgaria, Denmark, Germany, Poland, Ukraine  HOCHTIEF Global Trade GmbH, Germany  HOCHTIEF Procurement Asia Ltd., Hong Kong	HOCHTIEF Projektentwicklung GmbH, in: Austria, Czech Republic, Germany, Hungary, Poland, Romania, Russia, Switzerland  aurelis Real Estate GmbH & Co. KG, Germany  HOCHTIEF Property Management GmbH, Germany  Deutsche Bau- und Siedlungs-Gesellschaft mbH, Germany	HOCHTIEF Facility Management GmbH, in: Bahrain, Germany, Greece, Hungary, Ireland, Luxembourg, Poland, Switzerland, UK  HOCHTIEF Energy Management GmbH, Germany

## Cover photo:

**Good connection:** The new, ten-lane St. Anthony Falls Bridge carries traffic 370 meters over the Mississippi River in Minneapolis. After the tragic collapse of the previous bridge in August 2007, Flatiron won the contract from the Minnesota Department of Transportation to build the replacement bridge as part of a joint venture. Materials such as high-performance concrete ensure superior stability, and a state-of-the-art sensor and monitoring system protects the security of the structure. Flatiron completed work on the bridge more than three months ahead of the agreed deadline—the new bridge was opened in September.