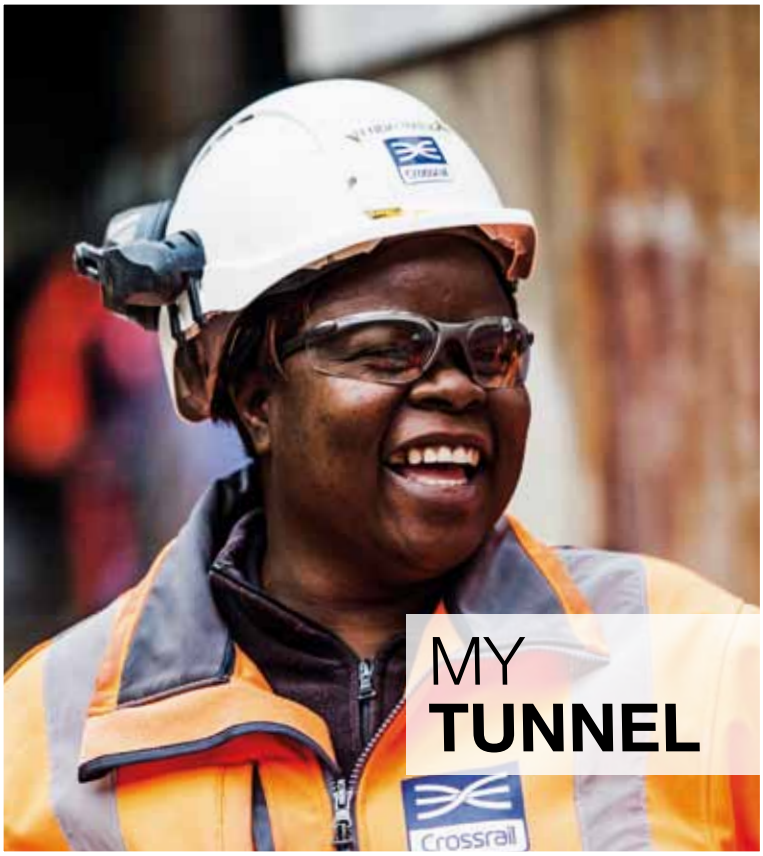
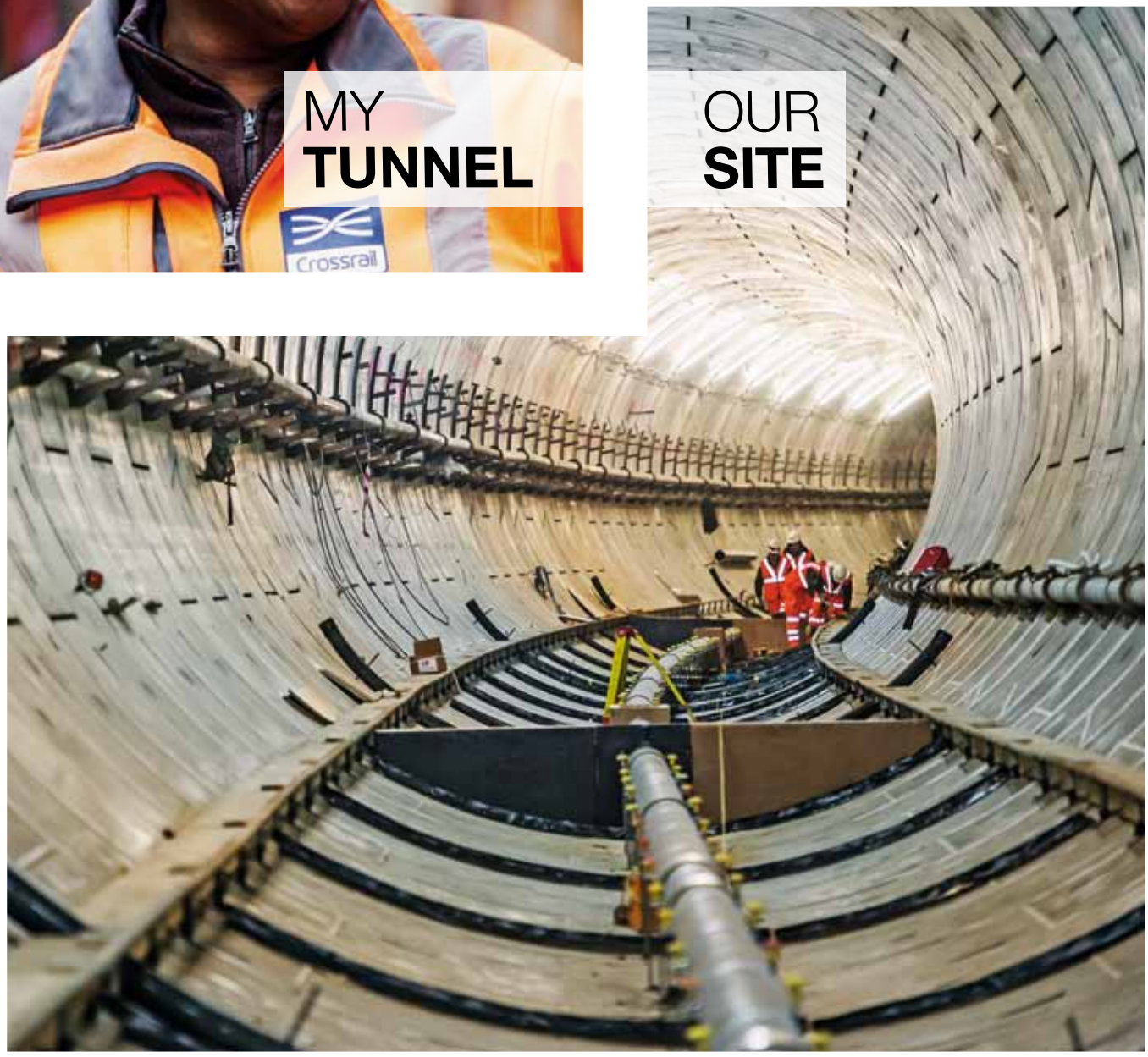
Quarterly Report
January to March 2015





We are building the world of tomorrow. HOCHTIEF

*Restated for IFRS 5. For details on the restatement, please see page 18.

1) Adjusted for deconsolidation effects and other one-off-effects

**Including receivables from the sale of discontinued operations

The HOCHTIEF Group: Key Operational Variables (like-for-like)

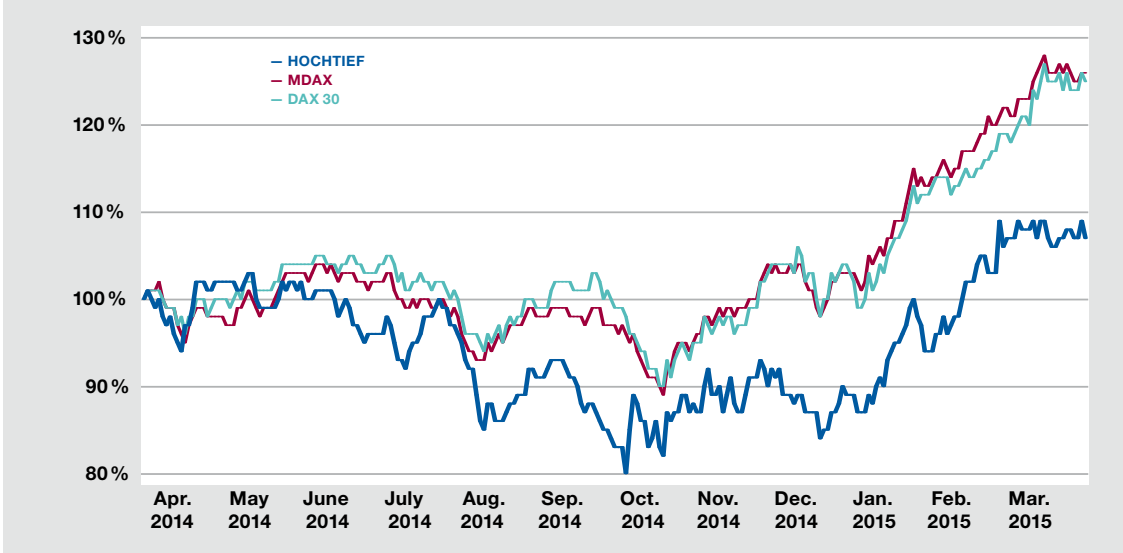
(EUR million)	**Q1 2015**	Q1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT[1)]	**195.4**	149.6	**30.6%**	785.0
Profit before tax/EBT[1)]	**151.2**	99.5	**52.0%**	564.5
EBT margin[1)]	**3.0**	2.1	**0.9**	2.6
Net profit[1)]	**60.1**	41.7	**44.1%**	190.0
Earnings per share (EUR)[1)]	**0.88**	0.60	**46.7%**	2.75
Net cash (+)/net debt (-)**	**(74.6)**	(574.5)	**87.0%**	420.8

***Including discontinued operations 2014

The HOCHTIEF Group: Nominal Figures

(EUR million)	**Q1 2015**	Q1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT	**195.8**	134.8	**45.3%**	558.7
Profit before tax/EBT	**142.0**	79.7	**78.2%**	(177.1)
Net profit***	**51.8**	44.1	**17.5%**	251.7
Earnings per share (EUR)***	**0.76**	0.64	**18.8%**	3.64
Cash flow from operations	**(490.6)**	(488.9)	**-0.3%**	756.0
Gross operating capital expenditure	**65.0**	121.6	**-46.5%**	575.3
Free operational cash flow	**(548.5)**	(543.8)	**-0.9%**	322.1
Sales	**5,058.9**	4,881.5	**3.6%**	22,099.1
New orders	**4,842.4**	5,318.8	**-9.0%**	21,529.6
Work done	**5,808.9**	5,348.7	**8.6%**	24,305.8
Order backlog (end of period)	**37,644.2**	36,480.8	**3.2%**	35,704.2
Employees	**46,607** (End Q1 2015)	72,506 (End Q1 2014)	**-35.7%**	68,426 (2014 average)

HOCHTIEF stock



Dear shareholders,

Marcelino Fernández Verdes, Chairman of the Executive Board

HOCHTIEF results for the first quarter of 2015 continue to show the positive progress we are making in terms of transforming the Group and improving our performance in a sustainable manner. Operational net profits rose by over 44% to EUR 60 million with all divisions showing improved results. At the operational EBT level, profits showed a similarly firm rise reaching EUR 151 million (+52%). We are particularly pleased to highlight the significantly higher EBT margins achieved by all our divisions—Americas, Asia Pacific and Europe—and which for the Group reached 3.0% in Q1 2015 versus 2.1% in the corresponding period of 2014. Nominal results, which include one-off items, also evolved in a positive manner with a 78% increase at the EBT level and a 17% rise for net profit.

Strengthening and de-risking our balance sheet is a key objective for us and we continue to deliver on this front. In the last twelve months our net debt, which ended the quarter at EUR 75 million, has been reduced by EUR 500 million. This is a consequence of the efforts made by all our businesses to focus on cash and improve the approach to risk management. It also reflects the successful completion of the two very important divestments we announced at the end of 2014 (John Holland Group and Services) and the EUR 669 million we invested in increasing our stake in Leighton and in our share buyback program.

Our Group order book remained solid at around EUR 38 billion at the end of March (+5% ytd) with an increase of new orders at the Europe division and in American civil engineering as well as a significant positive exchange rate effect compensating for the impact of tighter bidding discipline at CIMIC (Leighton) and the timing of the transition from resources to infrastructure development in Australia.

As the results of the first quarter show, HOCHTIEF has made a positive start to the year and we are delivering a solid performance which we aim to sustain, and improve upon, going forward.

In 2014, we laid down the crucial cornerstone for the long-term success of the Group as a whole: Our strategic goal is to enhance earnings quality as well as boost efficiency and sustainable profitability. That is what we are focusing on this year.

We have made substantial progress in the transformation of CIMIC (Leighton). In the first quarter of 2015, the investment partnership with Apollo for the service activities was officially established. The disposal of John Holland was approved by the authorities in March and financial close was achieved in April. Our Australian Group company has been streamlined and is now clearly structured and operating under a new model. In order to underscore the transformation, the main company Leighton Holdings has now been renamed. The new name “CIMIC Group Limited” stands for the four core activities: Construction, Infrastructure, Mining, and Concessions.

One company will be responsible for each activity: Leighton Contractors is in charge of construction, which brings together the former construction activities of Leighton Contractors, Thiess, and Leighton Asia. The mining business is bundled under the Thiess brand. New companies have been set up for the PPP and engineering businesses. The engineering business, with its highly specialist knowledge, will primarily support its three sister entities in submitting bids as well as in the construction process.

We are currently looking into the possibilities for continuing to release tied-up capital. Amongst others, these include Leighton Properties and the Fleet Co business, through which we manage our large vehicle fleet.

Our American subsidiaries continue to perform very well and once again generated numerous new orders. Notably in North America, we see a lot of potential in PPP projects in the transportation infrastructure segment. In 2014, ratings agency Moody's suggested that the USA has the potential to become one of the world's biggest PPP markets going forward.

The restructuring measures in the HOCHTIEF Europe division have already taken hold and are showing favorable results. We sold some PPP projects in Germany, the UK and Canada. The proceeds are to be used for new projects and thus enable further growth, especially in the PPP segment.

Now to our new orders in these initial months of 2015. In the United States, our subsidiary Turner Construction won contracts including the construction of new buildings at the Northwestern Lake Forest Hospital in Illinois. At San Diego International Airport in California, the company is modernizing Terminal 1. Flatiron's infrastructure specialists secured a contract in Colorado to upgrade bridges on Interstate 25. Among other projects, E.E. Cruz will be responsible for constructing a pumping station in Washington D.C.

In Hong Kong, our Australian Group company CIMIC (Leighton) won a contract together with a partner on one of the most important transportation projects in the Special Administrative Region: the "Shatin to Central Link" rail project.

In the HOCHTIEF Europe division, HOCHTIEF Infrastructure GmbH will build the Granitztal tunnel chain as part of a consortium project for the future Koralm high-speed rail link in Austria. Here, we will be able to bring our extensive tunnel building expertise to bear. We also achieved key project successes in building construction. HOCHTIEF Building, for example, will renovate the BMW Research and Innovation Center in Munich.

Outlook

HOCHTIEF reaffirms the Group guidance for 2015. The Group continues to expect to achieve further progress with an operational Group net profit in the range of EUR 220-260 million, representing an increase of 15%-35% on a comparable basis. The performance of our business in the first quarter of 2015 shows that we are on the right track.

Yours,

Marcelino Fernández Verdes,
Chairman of the Executive Board

Interim Management Report

Divisions

HOCHTIEF Americas division

In the HOCHTIEF Americas division, **operational earnings before tax** increased significantly year-on-year, reaching EUR 46 million during the reporting period. **Operational net profit** also showed a strong increase to EUR 24 million. **EBT margins** increased substantially to 2.0% compared with the 1.2% of the prior-year period as both Turner and Flatiron saw significantly improved results. **Sales** of EUR 2.27 billion were nearly 25% higher than in the first quarter of 2014, also positively impacted by exchange rate movements.

Cash flow from operations improved by 8% year-on-year and Americas ended the quarter with a EUR 371 million **net cash** position, over EUR 100 million higher than a year ago.

The divisional **order book** shows a strong year-on-year increase at the nominal level to EUR 13.1 billion, impacted by a positive exchange rate effect but also reflecting strong improvement in our civil business. The Q1 2014 **new order** figure included several large-scale building projects.

Contracts generated during the first quarter by our building construction subsidiary Turner include the renovation of Terminal E at Dallas/Fort Worth International Airport in Texas. Turner is already construction manager for multiple projects at the airport, ranging from office buildings and terminals to parking and transit stations. Turner secured a further international airport contract at San Francisco, where it is providing construction services for Temporary Boarding Area B and Security Screening in Terminal 1.

At the Northwestern Lake Forest Hospital in Lake Forest, Illinois, Turner has been contracted with new building work. The campus is to gain a new hospital and an office building. Combining reduced energy and water consumption with an architectural design featuring collaborative spaces, the project seeks LEED Silver certification. In Washington, DC, Turner is to lead construction of a 195-suite hotel for the Hilton Group, to open in summer 2016.

HOCHTIEF Americas Division: Key Operational Variables (like-for-like)

(EUR million)	**Q1 2015**	Q1 2014	**Change yoy**	Full year 2014
EBIT[1)]	**49.8**	26.8	**85.8%**	131.9
Profit before tax/EBT[1)]	**46.4**	22.7	**104.4%**	117.5
EBT margin[1)]	**2.0**	1.2	**0.8**	1.4
Net profit[1)]	**23.7**	18.2	**30.2%**	68.7
Net cash (+)/net debt (-)	**371.0**	267.5	**38.7%**	400.7

1) Adjusted for deconsolidation effects and other one-off-effects

HOCHTIEF Americas Division: Nominal Figures

(EUR million)	**Q1 2015**	Q1 2014	**Change yoy**	Full year 2014
EBIT	**49.8**	26.8	**85.8%**	122.8
Profit before tax/EBT	**46.4**	22.7	**104.4%**	108.4
Net profit	**23.7**	18.2	**30.2%**	63.2
Gross operating capital expenditure	**8.1**	5.9	**37.3%**	27.6
Divisional sales	**2,271.7**	1,829.7	**24.2%**	8,615.2
New orders	**2,643.6**	2,812.7	**-6.0%**	10,191.6
Work done	**2,360.2**	1,960.0	**20.4%**	9,164.0
Order backlog (end of period)	**13,116.3**	10,139.5	**29.4%**	11,603.1
Employees	**9,431** (End Q1 2015)	8,902 (End Q1 2014)	**5.9%**	9,503 (2014 average)

Our transportation infrastructure subsidiary Flatiron secured numerous contracts in the first three months of the year. In work due to finish in 2017, Flatiron is contracted to replace aging bridges on the Interstate 25 in Colorado. Work on the project has already started. The company is additionally working on the Interstate 5/Genesee Avenue Interchange in San Diego, California. Flatiron will replace a six-lane overpass with a ten-lane structure over a length of more than 100 meters to meet future traffic demands.

In Washington, DC, E.E. Cruz is replacing the Division Z – Poplar Point pumping station. The project is scheduled for completion in early 2017. In Brooklyn, New York, Flatiron's subsidiary is renovating six rail stations—undertaking work such as replacing platforms and repairing floor coverings—while carrying out structural changes on a seventh. The project is to be completed in 2017.

HOCHTIEF Americas Outlook

The positive trend is expected to continue during the year and the division continues to forecast operational earnings before tax of EUR 130 to 160 million for 2015.

HOCHTIEF Asia Pacific division

HOCHTIEF Asia Pacific Division: Key Operational Variables (like-for-like)

(EUR million)	**Q1 2015**	Q1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT[1)]	**149.1**	132.0	**13.0%**	686.8
Profit before tax/EBT[1)]	**108.8**	97.2	**11.9%**	503.8
EBT margin[1)]	**4.5**	3.7	**0.8**	4.4
Net profit[1)]	**45.5**	35.9	**26.7%**	175.7
Net cash (+)/net debt (-)**	**42.0**	(815.2)	**–**	407.8

***Restated for IFRS 5. For details on the restatement, please see page 18.**
****Including receivables from the sale of discontinued operations**
1) Adjusted for deconsolidation effects and other one-off-effects

HOCHTIEF Asia Pacific Division: Nominal Figures

(EUR million)	**Q1 2015**	Q1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT	**149.1**	122.9	**21.3%**	574.7
Profit before tax/EBT	**104.9**	84.4	**24.3%**	(114.5)
Net profit**	**43.6**	46.8	**-6.8%**	264.9
Gross operating capital expenditure	**40.1**	108.1	**-62.9%**	498.5
Divisional sales	**2,408.6**	2,626.5	**-8.3%**	11,397.1
New orders	**1,130.7**	2,131.1	**-46.9%**	8,532.1
Work done	**2,974.2**	2,832.6	**5.0%**	12,501.8
Order backlog (end of period)	**20,127.6**	22,486.6	**-10.5%**	20,355.3
Employees***	**30,233** (End Q1 2015)	52,972 (End Q1 2014)	**-42.9%**	50,014 (2014 average)

***Restated for IFRS 5. For details on the restatement, please see page 18.**
****Including discontinued operations**
*****The number of employees in continuing operations was 42,254 (end Q1 2014).**

A solid performance at CIMIC (Leighton) during the first quarter produced an increase in **operational profit before tax** of 12% at our Asia Pacific division. **Operational net profit** went up by 27%.

The increase in **EBT margins** by more than 20% year-on-year illustrates management's focus on delivering improved profitability.

We have transformed and de-risked the HOCHTIEF Asia Pacific balance sheet which ended the first quarter with a **net cash** position of over EUR 40 million, a year-on-year improvement of nearly EUR 860 million. This reflects the stronger cash flow and the successful completion of the two very important divestments we announced at the end of 2014 (John Holland Group and Services).

We are increasing the quality of our **order book** with a more disciplined order intake and an enhanced approach to risk management. The timing of the transition from resources to infrastructure development in Australia has affected new orders but despite this, the nominal order book at the end of the first quarter remains solid at over EUR 20 billion, in line with the level reported at the end of 2014.

After the sale of subsidiary John Holland and 50% of the service business last year, CIMIC (Leighton) management concentrated in the first quarter of 2015 on continuing the review of CIMIC's (Leighton's) business strategy. The review primarily includes a transformation of the operating model and the role of CIMIC (Leighton). The group will now deliver its services through four specialized businesses

focused on construction, contract mining, PPPs, and engineering. As approved by the shareholders at the Leighton Annual General Meeting, the company's name is being changed from Leighton Holdings Limited to CIMIC Group Limited to underscore the new structure. This new name stands for Construction, Infrastructure, Mining and Concessions, reflecting the group's core activities.

CIMIC (Leighton) retains a very strong market position in the Asia/Pacific region. During the reporting period, Leighton Asia, in a joint venture with a Chinese partner, was awarded a major contract by MTR Corporation for works on the Shatin to Central Link in Hong Kong. Total revenue for the project is EUR 660 million, of which Leighton Asia has a 51% share. The contract is the largest civil works contract within this megaproject, reflecting CIMIC's (Leighton's) in-depth experience in delivering transportation projects of this size in busy urban areas. Demand from growing populations and the need to address infrastructure deficits are resulting in continued growth in infrastructure investment in Asia. Hong Kong's government announced plans only in 2014 to further expand its mass transit network in the coming years. Leighton Asia is positioned to be a strong contender for future work there.

CIMIC's (Leighton's) associate Habtoor Leighton Group has recently won a further contract in Qatar worth EUR 557 million. The company is responsible for the construction of a mega-reservoir with pumping stations for Qatar's General Electricity and Water Corporation.

Leighton Contractors achieved a key milestone in the first quarter of 2015 with completion of the large-scale Curtis Island project. Leighton Contractors' work for this liquid natural gas (LNG) project off the eastern Australian coast included constructing a 2,600 bed workforce village, civil preparation works, in-ground services, heavy duty concrete paving works, permanent plant operations buildings as well as supply and haulage of quarry materials and general fill.

HOCHTIEF Asia Pacific Outlook

CIMIC (Leighton) remains well positioned for the future with a solid level of work in hand and improving profitability. The current focus is on implementing the second phase of the Strategic Review. CIMIC (Leighton) reaffirms its forecast for 2015, with net profit after tax to be within the range of AUD 450 million to AUD 520 million, subject to market conditions.

HOCHTIEF Europe division

The Europe division recorded earnings during the first quarter of the year of EUR 0.3 million at the **operational net profit** level and EUR 2 million at the **pretax** level. This represents a turnaround from the losses of Q1 2014 and reflects an improved performance at all our core activities.

Net debt continues to be reduced year-on-year at the division and is primarily associated with the real estate and PPP businesses.

New orders rose almost threefold (up 191%) year-on-year, driven, in particular, by the substantial increase at Infrastructure. The **order backlog** at the end of the first quarter 2015 stood at EUR 4.4 billion, a 14% increase, above the level of the end of 2014, representing a good forward order book of approximately 21 months.

The companies in the HOCHTIEF Europe division won attractive new orders in infrastructure and building construction during the first quarter. HOCHTIEF Infrastructure Austria is constructing the Granitztal tunnel chain as part of a consortium project, which mainly consists of building a six-kilometer section of the future Koralm high-speed rail link. Scheduled for completion in early 2020, the project is worth EUR 140 million, with HOCHTIEF taking a 50% share.

In Prague, HOCHTIEF CZ is building the new headquarters of Československá obchodní banka (ČSOB) for a private investor as an extension to the existing HQ. Accommodating some 1,400 employees, the new building will be one of the Czech Republic's most sustainable buildings with features such as a green roof.

HOCHTIEF Europe Division: Key Operational Variables (like-for-like)				
(EUR million)	**Q1 2015**	Q1 2014	**Change yoy**	Full year 2014
EBIT[1)]	**9.6**	1.2	**700.0%**	12.6
Profit before tax/EBT[1)]	**2.4**	(7.7)	**–**	(14.4)
EBT margin[1)]	**0.7**	(2.8)	**3.5**	(0.9)
Net profit[1)]	**0.3**	(6.4)	**–**	(27.8)
Net cash (+)/net debt (-)	**(355.5)**	(385.5)	**7.8%**	(236.5)

1) Adjusted for deconsolidation effects and other one-off-effects

HOCHTIEF Europe Division: Nominal Figures				
(EUR million)	**Q1 2015**	Q1 2014	**Change yoy**	Full year 2014
EBIT	**10.0**	(4.5)	**–**	(36.6)
Profit before tax/EBT	**(2.9)**	(14.7)	**80.3%**	(72.7)
Net profit	**(6.1)**	(14.9)	**59.1%**	(80.8)
Gross operating capital expenditure	**16.7**	7.5	**122.7%**	42.8
Divisional sales	**344.9**	403.7	**-14.6%**	1,965.5
New orders	**1,034.8**	355.9	**190,8%**	2,687.0
Work done	**441.5**	536.8	**-17.8%**	2,520.7
Order backlog (end of period)	**4,401.5**	3,856.4	**14.1%**	3,746.5
Employees	**6,709** (End Q1 2015)	10,405 (End Q1 2014)	**-35.5%**	8,670 (2014 average)

The first quarter saw HOCHTIEF Building secure the contract to refurbish the BMW Research and Innovation Center (FIZ) in Munich, to be ready for use in early 2016. FIZ has been the hub of development work on BMW automobiles and technologies since its inception in 1986. The extensive refurbishment includes the entrance area to the building through a glass foyer, an executive suite, and a staff bistro. This contract confirms the Company's strategy of further enhancing its focus on industrial clients.

Under a contract that includes the core and shell of a cutting-edge administration building with five stories above ground and three below, HOCHTIEF Building's Shell Construction/Industrial Construction branch is to build the new headquarters of medical technology group Brainlab at what used to be Munich-Riem Airport. The core and shell is scheduled for completion by the end of 2015 and the landmarked tower from the former airport days is to be integrated into the new ensemble.

We sold some PPP projects in Germany, the UK and Canada. The proceeds are to be used for new projects and thus enable further growth, especially in the PPP segment.

Together with a joint venture partner, HOCHTIEF Projektentwicklung sold upward of half of the residential units in the third segment of the "le flair" development in Düsseldorf.

HOCHTIEF Europe Outlook

We expect the HOCHTIEF Europe division to continue to progress in the positive manner which can already be seen in the results of the first quarter and achieve a further improvement in operational earnings and margins in 2015.

Financial review

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

Earnings

In December 2014, HOCHTIEF Group company CIMIC (Leighton) signed binding agreements for the sale of the John Holland Group and of the Thiess and Leighton Contractors service businesses, and classified these as discontinued operations. In accordance with IFRS, the Consolidated Statement of Earnings for the period from January to March 2014 has been restated and, as in the Group Report for the full 2014 fiscal year, profit after tax is presented separately for continuing operations and discontinued operations. Comparisons of earnings for the period from January to March 2015 with the corresponding prior-year figures relate to the restated amounts.

The HOCHTIEF Group increased **sales** compared with the prior-year period (EUR 4.9 billion) by EUR 177 million or 4% to just under EUR 5.1 billion. This included EUR 589 million in positive exchange rate effects.

CIMIC (Leighton) generated sales of AUD 3.4 billion in the first quarter of 2015. The comparative prior-year figure was AUD 578 million higher at AUD 4.0 billion. The decrease mainly related to lower contributions to sales from largely completed contracts in the energy sector as well as to reduced mining business. There were also initial effects from the review of strategy at CIMIC (Leighton) geared to sustained earnings growth rather than sales growth. Overall, the HOCHTIEF Asia Pacific division saw sales decrease by EUR 218 million to EUR 2.4 billion (Q1 2014: EUR 2.6 billion). The HOCHTIEF Asia Pacific division's sales included a positive exchange rate effect of EUR 160 million. With sales of EUR 2.3 billion in the first quarter of 2015, the HOCHTIEF Americas division recorded a substantial 24% increase on the prior-year period (Q1 2014: EUR 1.8 billion). The main factor here was the EUR 419 million exchange rate effect on translation from the U.S. dollar. In the HOCHTIEF Europe division, sales came to EUR 345 million for the period from January to March 2015, compared with EUR 404 million in the prior-year period. The decrease mainly related to the fact that sales in the first quarter of the prior year still included the formart and Property Management businesses, which were sold later in 2014. HOCHTIEF Europe's building construction and infrastructure construction core businesses, on the other hand, saw sales increase in the first quarter of 2015.

HOCHTIEF focuses in its international business on selected target markets that offer sustained and profitable growth opportunities. The proportion of sales generated outside Germany was 96% in the first three months of 2015, compared with 94% in the same period a year earlier.

The operational earnings figures for the HOCHTIEF Group show earnings performance on a like-for-like basis adjusted for divestments and other one-off items. **Operational earnings before tax (EBT) from continuing operations** was EUR 151 million in the first quarter of 2015, an increase of 52% on the prior-year comparative figure (EUR 100 million). The HOCHTIEF Group's **nominal EBT** came to EUR 142 million, also a significant 78% improvement on the prior-year period (EUR 80 million).

Of this amount, EUR 105 million was contributed by the HOCHTIEF Asia Pacific division (Q1 2014: EUR 84 million). CIMIC (Leighton) delivered very sound earnings performance in the first quarter of 2015 with EBT of AUD 174 million (Q1 2014: AUD 147 million). The HOCHTIEF Americas division sustained its strong earnings performance from the prior year, increasing EBT for the first three months of 2015 compared with the prior-year period (EUR 23 million) by 104% to EUR 46 million. Both the building construction business spearheaded by Turner and the civil engineering business under Flatiron contributed to this increase, with Turner generating markedly positive EBT and Flatiron breaking even on EBT. EBT in the HOCHTIEF Europe division improved from minus EUR 15 million in Q1 2014 to minus EUR 3 million following the reorganization of the preceding years. This was due, among others, to the sale of PPP projects.

The HOCHTIEF Group's **net income from participating interests** was EUR 35 million in the first quarter of 2015, more than double the comparable prior-year figure (EUR 16 million). All operating divisions contributed here with positive earnings figures that showed an improvement on the prior-year period. CIMIC (Leighton) notably saw an increase in earnings contributions from joint ventures. The HOCHTIEF Asia Pacific division's net income from participating interests increased substantially as a result by EUR 12 million from EUR 3 million in the prior-year period to EUR 15 million. In the HOCHTIEF Americas division, net income from participating interests was EUR 9 million, slightly above the prior-year figure (EUR 8 million). The HOCHTIEF Europe division saw net income from participating interests increase significantly overall in the first three months of 2015. The total of EUR 11 million exceeded the prior-year figure of EUR 5 million by EUR 6 million.

HOCHTIEF has gradually diversified its Group financing and implemented various improvement measures in the preceding years. **Net investment and interest income** consequently improved by EUR 7 million, from a negative EUR 51 million in the prior-year period to a negative EUR 44 million.

The **income tax expense** stood at EUR 58 million in the first quarter of 2015 (Q1 2014: EUR 22 million). This higher income tax expense mainly relates to current tax due to earnings improvements at our operational units.

Nominal **profit after tax from continuing operations** increased by 45% compared with the prior-year figure (EUR 58 million) to EUR 84 million in the first quarter of 2015.

CIMIC (Leighton) sold the John Holland Group as well as 50% of the service activities of Thiess and Leighton Contractors as of the end of last year. The operations divested in this connection were classified as discontinued operations and are no longer fully consolidated in the HOCHTIEF Consolidated Financial Statements in 2015. **Profit after tax from discontinued operations** came to EUR 30 million in the first quarter of 2014.

Total **profit after tax** was EUR 84 million in the first quarter of 2015 and thus corresponded to profit after tax from continuing operations. Total profit after tax in the prior-year period was EUR 88 million (comprising EUR 58 million from continuing operations and EUR 30 million from discontinued operations).

Of the total profit after tax (EUR 84 million) for the first quarter of 2015, EUR 52 million is allocated as nominal **consolidated net profit** (after minorities). This marks an improvement of 18% on the prior-year period (EUR 44 million). **Operational consolidated net profit** increased by a substantial 44% to EUR 60 million (Q1 2014: EUR 42 million). Profit after tax attributable to minority interests was significantly lower than in the prior-year period, at EUR 32 million (Q1 2014: EUR 44 million). This mainly reflects changes in HOCHTIEF's stake in CIMIC (Leighton), which was increased by 11 percentage points from approximately 59% in the first quarter of 2014 to 70% in the second quarter of 2014.

Orders and work done

As of March 31, 2015, nominal **new orders** of EUR 4.84 billion were down on the prior-year figure. The HOCHTIEF Americas division maintains new orders at a solid level of EUR 2.64 billion. As a result of the risk-focused bidding approach and today's difficult macro-economic environment, new orders at the HOCHTIEF Asia Pacific division (EUR 1.13 billion) were below the prior-year figure. Significant new orders are expected for the current year as the bidding pipeline of tenders with individual values of above EUR 1 billion is stronger than ever. The HOCHTIEF Europe division generated EUR 1.03 billion in new orders, well in excess of the prior-year level. The division won large projects in the fields of transportation and urban infrastructure.

Work done as of the reporting date amounted to EUR 5.81 billion, beating the Q1 2014 figure (up 8.6%; exchange rate adjusted: down 3.5%). Working through the large volume of new orders from the previous year, the HOCHTIEF Americas division increased its work done to EUR 2.36 billion. Due to long-term contracts, the HOCHTIEF Asia Pacific division, at EUR 2.97 billion, also exceeded the prior-year level.

As of March 2015, the **order backlog** amounted to EUR 37.64 billion, an increase of 3.2% on the prior year and plus 5.5% versus end 2014. This figures includes a positive exchange rate effect of EUR 4.09 billion, mainly from the U.S. dollar and Australian dollar. With work done at a high level, the order backlog continues to ensure a comfortable forward order book of 18 months.

Cash flow

CIMIC (Leighton) effected the sale of John Holland as well as the sale fo 50% of the Thiess and Leighton Contractors service activities and obtained the binding close of the sale with the purchasers' signature of the sale agreements shortly before the end of 2014. However, the sale transactions did not impact cash flow in the prior year. The cash inflow for the amount relating to CIMIC's (Leighton's) service activities was received in the first quarter of 2015. The cash-in on the sale of John Holland was in April 2015.

Net cash used in operating activities was EUR 491 million in the first quarter of 2015, on a par with the comparative prior-year period (EUR 489 million). In both periods, the commitment of cash resources reflected by seasonal changes in working capital was a major factor here. This accounted for a similar first-quarter cash outflow of EUR 645 million in 2015 and EUR 624 million in 2014.

Capital expenditure on property, plant and equipment and financial assets accounted for a EUR 94 million outflow of cash resources in the first three months of this year. Capital expenditure was thus EUR 62 million down on the prior-year comparative figure (EUR 156 million). The proportion of capital expenditure accounted for by property, plant and equipment and intangible assets **(gross operating capital expenditure)** was EUR 65 million, substantially below the EUR 122 million prior-year figure. This mainly reflected lower expenditure at CIMIC (Leighton). This is in line with our strategy to optimize Group capital expenditure. Proceeds from disposals of property, plant and equipment resulted in a cash inflow of EUR 7 million in the reporting period (Q1 2014: EUR 67 million). The cash outflow from the HOCHTIEF Group was EUR 58 million for **operating capital expenditure (net)** (Q1 2014: EUR 55 million). Capital expenditure on financial assets was down and came to EUR 29 million in the reporting period (Q1 2014: EUR 35 million). This was countered by a large EUR 582 million in proceeds from divestments. Most of this amount consisted of the cash inflow from the sale of 50% of CIMIC's (Leighton's) service business. A notable share of the EUR 141 million proceeds from divestments in the prior-year period related to the sale of the stake in aurelis Real Estate GmbH & Co. KG. Changes in securities holdings and financial receivables produced a small EUR 2 million cash outflow in the reporting period. By contrast, sales of securities by Turner and Corporate Headquarters generated a EUR 48 million cash inflow in the prior-year period. In total, **net cash provided by investing activities** represented a substantial cash inflow of EUR 493 million in the first quarter of 2015, EUR 394 million higher than the equivalent prior-year figure (EUR 99 million).

HOCHTIEF recorded a cash outflow of EUR 139 million as **net cash used in financing activities** for the first quarter of 2015. In the prior-year period, by contrast, financing activities generated a cash inflow of EUR 93 million. Cash proceeds from bank and bond borrowing were EUR 380 million in the reporting period, slightly up on the EUR 351 million prior-year figure. Debt repayment, however, at EUR 485 million, increased substantially on a year earlier (Q1 2014: EUR 181 million). This notably reflected a reduction in amounts owed to banks at CIMIC (Leighton). HOCHTIEF Aktiengesellschaft's ongoing stock buyback program also accounted for a EUR 33 million outflow of cash resources. In the prior-year period, EUR 32 million in cash was used for the increase in the stake in CIMIC (Leighton).

Cash and cash equivalents stood at EUR 2.6 billion at the March 31, 2015 reporting date, with the EUR 59 million increase leaving the figure on a par with the 2014 year-end. The effect of exchange rate changes on cash and cash equivalents came to EUR 196 million in the first quarter of 2015 (Q1 2014: EUR 30 million). Most of this reflected higher Australian dollar and U.S. dollar exchange rates used to

translate cash balances at CIMIC (Leighton) and Turner compared with the December 31, 2014 rates.

With a cash outflow of EUR 548 million, **operating free cash flow** is on a par with the prior-year level (outflow of EUR 544 million).

Balance sheet

The HOCHTIEF Group had **total assets** of EUR 15.4 billion as of the March 31, 2015 balance sheet date, showing little change relative to the figure as of December 31, 2014 (EUR 15.2 billion).

Non-current assets rose by EUR 344 million, from EUR 4.2 billion as of the 2014 year-end to EUR 4.6 billion. The intangible assets of EUR 942 million comprise goodwill recognized on initial consolidation of fully consolidated subsidiaries, plus concessions and similar rights. The EUR 76 million increase related mainly to exchange rate movements. Property, plant and equipment came to EUR 1.4 billion, on a par with the figure as of December 31, 2014 (EUR 1.3 billion). The major share of this amount—EUR 1.1 billion—was accounted for by the HOCHTIEF Asia Pacific division and related to the capital-intensive contract mining business at CIMIC (Leighton). As of the end of the first quarter of 2015, financial assets showed an increase of EUR 115 million to EUR 1.1 billion. Alongside an increase predominantly due to exchange rate changes, it was also impacted by individual investments and equity-method adjustments for joint ventures. At the 2014 year-end, this includes the 50% share from bringing CIMIC's (Leighton's) service business under a joint venture. The EUR 690 million in non-current financial receivables mainly consists of long-term loans to companies in the CIMIC (Leighton) portfolio and in the PPP business at the HOCHTIEF Europe division. The increase of EUR 59 million compared with the figure as of December 31, 2014 (EUR 631 million) was likewise due to exchange rate effects. Deferred tax assets rose by EUR 20 million to EUR 285 million, most of this increase relating to exchange rate effects and changes in temporary differences.

Current assets decreased in the reporting period by EUR 184 million to EUR 10.8 billion (December 31, 2014: EUR 11.0 billion). The inventories totaling EUR 943 million mainly consist of work in progress in real estate developments as well as raw materials and supplies. The EUR 23 million increase on the end of 2014 (EUR 920 million) related to exchange rate changes. Current financial receivables went up by EUR 22 million to EUR 99 million. Trade receivables increased by EUR 236 million to EUR 5.3 billion. Most of this amount is reported at CIMIC (Leighton) and Turner. The increase is thus notably driven by exchange rate effects, but this is countered by the reduction of trade receivables in the operating business. Receivables from the sale of discontinued operations decreased by a substantial EUR 495 million from EUR 1.1 billion as of December 31, 2014 to EUR 613 million due to the payment by the buyer of the purchase price for the service business divested by CIMIC (Leighton). Other receivables and other assets were likewise down, at EUR 183 million at the end of the first quarter of 2015 compared with EUR 199 million at the 2014 year-end. Income tax assets decreased by EUR 52 million to EUR 88 million. The decrease relates to recoverable taxes in connection with the 2013 sale of the stake in Sydney Airport. In accordance with the contract of sale, these were passed on to the purchaser of the airports business in the first quarter of 2015. The HOCHTIEF Group had cash and cash equivalents totaling a substantial EUR 2.6 billion as of March 31, 2015, slightly higher than the 2014 year-end figure. The EUR 59 million increase is the net outcome of EUR 196 million in exchange rate effects and EUR 137 million for the consumption of cash resources. The EUR 191 million in assets held for sale consisted of CIMIC (Leighton) mining business assets earmarked for sale, as did the EUR 172 million figure as of the end of 2014. The EUR 19 million increase related to exchange rate movements.

HOCHTIEF's **shareholders' equity** stood at EUR 3.4 billion as of March 31, 2015. This corresponds to an equity ratio (shareholders' equity to total assets) of 22%. The comparative figures as of December 31, 2014 were EUR 3.1 billion and a 20% equity ratio. The EUR 320 million increase in shareholders' equity was accounted for by EUR 361 mil-

lion in exchange rate effects and changes in fair value of financial instruments as well as by EUR 84 million for profit after tax. These were partially countered by reductions in shareholders' equity as a result of dividends paid (EUR 49 million), the remeasurement of defined benefit plans (EUR 46 million), and other changes not recognized in the Statement of Earnings (EUR 31 million). The other changes not recognized in the Statement of Earnings in the first quarter of 2015 mostly relate to deductions for the cost of treasury stock.

Non-current liabilities increased by EUR 475 million from EUR 4.0 billion as of the end of 2014 to EUR 4.5 billion as of March 31, 2015. This was driven by higher financial liabilities, mainly due to exchange rate effects and to a shift from short-term to long-term borrowings at CIMIC (Leighton). In total, financial liabilities rose by EUR 380 million, from EUR 3.1 billion as of December 31, 2014 to just under EUR 3.5 billion. Non-current provisions likewise went up by a total of EUR 91 million to EUR 919 million. Of this figure, EUR 441 million was accounted for by provisions for pensions and similar obligations as of the end of the reporting period. The EUR 62 million increase in the latter amount was a result of the change in the discount factor used to measure the defined benefit obligation. The discount factor was reduced by 0.5 percentage points to 1.5% in line with the lower level of market interest rates in Germany. Other non-current provisions increased—mainly as a result of exchange rate changes—by EUR 28 million to EUR 478 million. These primarily relate to personnel and insurance obligations. Other liabilities (EUR 35 million) and deferred tax liabilities (EUR 50 million) showed practically no change compared with the 2014 year-end.

Current liabilities were reduced substantially relative to the figure as of December 31, 2014 (EUR 8.1 billion), with a decrease of EUR 636 million. The figure at the end of the first quarter of 2015 was EUR 7.5 billion. The largest reduction, by EUR 367 million, was in trade payables. An increase of EUR 452 million due to exchange rate changes was countered here by a substantial and seasonally customary decrease in trade payables in the operating business. Current financial liabilities were also reduced by EUR 313 million to EUR 669 million. The primary factor here was the shift from short-term to long-term borrowings at CIMIC (Leighton) and the settlement of bond liabilities at Corporate Headquarters. Current provisions increased by EUR 61 million due to exchange rate effects and thus stayed on a similar level to December 31, 2014 (EUR 1.2 billion). Other current liabilities came to EUR 379 million as of the end of the reporting period, which is slightly down on the comparative figure as of December 31, 2014 (EUR 400 million). The decrease was notably due to reduced liabilities to employees. Liabilities associated with assets held for sale related to CIMIC's (Leighton's) mining activities in the amount of EUR 67 million as of March 31, 2015 and EUR 63 million as of December 31, 2014.

Risk and opportunities report

The presentation of the opportunities and risks* of likely future developments given in the combined company and Group management report as of December 31, 2014 continues to apply. There has been no material change in the situation of the Group from that presented in our 2014 Group Report.

***Our risk report is provided starting on page 133 of our 2014 Group Report and on our website, www.hochtief.com.**

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

HOCHTIEF reaffirms the Group guidance for 2015. In 2014, we reported a comparable operational net profit of EUR 190 million. In 2015, HOCHTIEF continues to expect to achieve further progress with a comparable operational Group net profit in the range of EUR 220-260 million, representing an increase of 15%-35%.

We will continue to focus on our strategy to structurally improve Group profitability and cash performance in 2015 and beyond.

Post-balance-sheet events

News from the Boards

On application from the Executive Board, Ms. Beate Bell and Ms. Patricia Geibel-Conrad were appointed by Essen Local Court as members of the Supervisory Board in April 2015. Dr. Michael Frenzel and Dr. Jan Martin Wicke had previously resigned from their Supervisory Board office.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	**Q1 2015**	Q1 2014 (restated)*	**Change**	Full year 2014
Sales	5,058,928	4,881,487	3.6%	22,099,054
Changes in inventories	3,149	6,296	-50.0%	(30,425)
Other operating income	39,916	55,740	-28.4%	225,403
Materials	(3,575,885)	(3,372,106)	6.0%	(15,745,552)
Personnel costs	(1,002,763)	(1,058,139)	-5.2%	(4,415,757)
Depreciation and amortization	(107,757)	(111,818)	-3.6%	(440,427)
Other operating expenses	(264,142)	(286,380)	-7.8%	(1,767,628)
Profit from operating activities	**151,446**	**115,080**	**31.6%**	**(75,332)**
Share of profits and losses of equity-method assoiates and jointly controlled entities	12,926	10,695	20.9%	75,482
Net income from other participating interests	21,778	5,264	313.7%	43,006
Investment and interest income	33,468	14,145	136.6%	104,352
Investment and interest expenses	(77,646)	(65,459)	18.6%	(324,655)
Profit before tax—continuing operations	**141,972**	**79,725**	**78.1%**	**(177,147)**
Income tax	(58,044)	(21,786)	166.4%	45,366
Profit after tax—continuing operations	**83,928**	**57,939**	**44.9%**	**(131,781)**
Profit after tax—discontinued operations	–	30,258	-100.0%	537,564
Profit after tax—total	83,928	88,197	-4.8%	405,783
Of which: Attributable to the Group	**[51,820]**	**[44,110]**	**[17.5%]**	**[251,687]**
Of which: Minority interest	[32,108]	[44,087]	[-27.2%]	[154,096]
Earnings per share (EUR)				
Diluted and undiluted earnings per share—continuing operations	0.76	0.38	100.0%	(1.77)
Diluted and undiluted earnings per share—discontinued operations	–	0.26	-100.0%	5.41
Total earnings per share	**0.76**	**0.64**	**18.8%**	**3.64**

***Restated for IFRS 5. For notes on the adjustment, please see page 18.**

Consolidated Balance Sheet

(EUR thousand)	**Mar. 31, 2015**	Dec. 31, 2014
Assets		
Non-current assets		
Intangible assets	942,194	866,299
Property, plant and equipment	1,368,635	1,304,566
Investment properties	15,180	15,252
Equity-method investments	993,685	898,484
Other financial assets	149,097	129,374
Financial receivables	690,155	631,479
Other receivables and other assets	83,677	74,830
Current income tax assets	26,404	24,863
Deferred tax assets	285,232	265,527
	4,554,259	**4,210,674**
Current assets		
Inventories	942,680	919,505
Financial receivables	98,994	77,474
Trade receivables	5,302,554	5,066,174
Other receivables and other assets	183,333	199,045
Receivables from the sale of discontinued operations	612,637	1,108,112
Current income tax assets	87,790	139,867
Marketable securities	760,219	741,535
Cash and cash equivalents	2,644,538	2,585,359
Assets held for sale	191,425	171,579
	10,824,170	**11,008,650**
	15,378,429	**15,219,324**

(EUR thousand)	**Mar. 31, 2015**	Dec. 31, 2014
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to the Group	2,427,887	2,178,326
Minority interest	1,003,199	933,052
	3,431,086	**3,111,378**
Non-current liabilities		
Provisions for pensions and similar obligations	440,858	378,697
Other provisions	478,257	449,906
Financial liabilities	3,453,116	3,073,471
Other liabilities	34,985	33,190
Deferred tax liabilities	50,316	47,158
	4,457,532	**3,982,422**
Current liabilities		
Other provisions	1,217,286	1,156,127
Financial liabilities	669,043	982,374
Trade payables	5,146,201	5,513,425
Other liabilities	378,917	399,653
Current income tax liabilities	11,544	10,682
Liabilities associated with assets held for sale	66,820	63,263
	7,489,811	**8,125,524**
	15,378,429	**15,219,324**

Consolidated Statement of Cash Flows

(EUR thousand)	**Q1 2015**	Q1 2014
Profit after tax	83,928	88,197
Depreciation, amortization, impairments and impairment reversals	106,489	128,234
Changes in provisions	(23,336)	(72,226)
Changes in deferred taxes	5,368	(4,856)
Gains/(losses) from disposals of non-current assets and marketable securities	(6,648)	(18,325)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	(18,685)	17,885
Changes in working capital (net current assets)	(645,292)	(624,136)
Changes in other balance sheet items	7,538	(3,645)
Net cash provided by/(used in) operating activities	**(490,638)**	**(488,872)**
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(65,019)	(121,658)
Proceeds from asset disposals	7,187	66,691
Acquisitions and participating interests		
Purchases	(28,911)	(34,840)
Proceeds from asset disposals/divestments	581,660	140,663
Changes in securities holdings and financial receivables	(2,078)	47,683
Net cash provided by investing activities	**492,839**	**98,539**
Payments for repurchase of treasury stock	(33,476)	–
Payments for the purchase of additional shares in subsidiaries	–	(32,172)
Payments into equity by minority shareholders	3,130	9,017
Other financing activities	(2,803)	–
Dividends to minority shareholders	–	(54,898)
Proceeds from new borrowing	379,519	351,236
Debt repayment	(485,383)	(180,585)
Net cash provided by/(used in) financing activities	**(139,013)**	**92,598**
Net cash decrease in cash and cash equivalents	**(136,812)**	**(297,735)**
Effect of exchange rate changes	195,991	29,941
Overall change in cash and cash equivalents	**59,179**	**(267,794)**
Cash and cash equivalents at the start of the year	2,585,359	2,190,132
Cash and cash equivalents at end of reporting period	**2,644,538**	**1,922,338**

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
				Remeasurement of defined benefit plans	Currency translation differences	Changes in fair value of financial instruments			
Balance as of Jan. 1, 2014	**197,120**	**784,326**	**1,599,743**	**(201,696)**	**(81,450)**	**(32,428)**	**2,265,615**	**1,028,085**	**3,293,700**
Dividends	–	–	–	–	–	–	–	(54,898)	(54,898)
Profit after tax	–	–	44,110	–	–	–	44,110	44,087	88,197
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	37,729	10,900	48,629	28,843	77,472
Changes from remeasurement of defined benefit plans	–	–	–	(14,376)	–	–	(14,376)	112	(14,264)
Total comprehensive income	–	–	44,110	(14,376)	37,729	10,900	78,363	73,042	151,405
Other changes not recognized in the Statement of Earnings	(19,688)	19,688	(5,868)	–	–	–	(5,868)	(13,715)	(19,583)
Balance as of March 31, 2014	**177,432**	**804,014**	**1,637,985**	**(216,072)**	**(43,721)**	**(21,528)**	**2,338,110**	**1,032,514**	**3,370,624**
Balance as of Jan. 1, 2015	**177,432**	**804,018**	**1,315,083**	**(308,590)**	**194,506**	**(4,123)**	**2,178,326**	**933,052**	**3,111,378**
Dividends	–	–	–	–	–	–	–	(48,768)	(48,768)
Profit after tax	–	–	51,820	–	–	–	51,820	32,108	83.928
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	252,525	24,742	277,267	84,019	361,286
Changes from remeasurement of defined benefit plans	–	–	–	(46,156)	–	–	(46,156)	–	(46,156)
Total comprehensive income	–	–	51,820	(46,156)	252,525	24,742	282,931	116,127	399,058
Other changes not recognized in the Statement of Earnings	–	–	(33,370)	–	–	–	(33,370)	2,788	(30,582)
Balance as of March 31, 2015	**177,432**	**804,018**	**1,333,533**	**(354,746)**	**447,031**	**20,619**	**2,427,887**	**1,003,199**	**3,431,086**

***As of March 31, 2015, treasury stock with a purchase cost of EUR 81,780 thousand was accounted for as a deduction from revenue reserves. The treasury stock accounted for as a deduction from revenue reserves as of January 1, 2014 was redeemed in the first quarter of 2014. This reduced the subscribed capital of HOCHTIEF Aktiengesellschaft by EUR 19,688 thousand; the additional paid-in capital of HOCHTIEF Aktiengesellschaft increased accordingly by EUR 19,688 thousand.**

Consolidated Statement of Comprehensive Income

(EUR thousand)	**Q1 2015**	Q1 2014	Change	Full year 2014
Profit after tax	**83,928**	**88,197**	**(4,269)**	**405,783**
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	336,125	66,450	269,675	370,594
Changes in fair value of financial instruments				
Primary	17,345	8,312	9,033	22,123
Derivative	1,995	3,012	(1,017)	(18)
Profits and losses of equity-method associates and jointly controlled entities recognized directly in equity	5,821	(302)	6,123	3,595
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	(46,156)	(14,264)	(31,892)	(110,576)
Other comprehensive income (after tax)	**315,130**	**63,208**	**251,922**	**285,718**
Total comprehensive income after tax	**399,058**	**151,405**	**247,653**	**691,501**
Of which: HOCHTIEF Group	[282,931]	[78,363]	[204,568]	[445,260]
Of which: Minority interest	[116,127]	[73,042]	[43,085]	[246,241]

Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of March 31, 2015, which were released for publication on April 29, 2015, have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The Interim Financial Statements and the Interim Management Report have been neither audited nor reviewed. 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, 2014.

Due to the fall in capital market interest rates, HOCHTIEF lowered the discount rate used to value pension obligations in Germany to 1.50% as of March 31, 2015 (December 31, 2014: 2.00%).

In all other respects, this report has been prepared using the same accounting policies as the 2014 Consolidated Financial Statements. Information on those accounting policies is given in the Group Report 2014.

Consolidation changes

The Consolidated Financial Statements for the first quarter of 2015 include two foreign companies for the first time. A total of six foreign companies have been removed from the consolidated group.

Internationally, the number of companies accounted for using the equity method decreased by five.

The Consolidated Financial Statements as of March 31, 2015 include HOCHTIEF Aktiengesellschaft as well as a total of 58 domestic and 408 foreign consolidated companies, 19 domestic and 169 foreign companies accounted for using the equity method, and 56 foreign joint operations.

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

Non-current assets held for sale and discontinued operations

Non-current assets held for sale (disposal group)

Due to the planned sale of mining industry assets by PT Thiess Contractors Indonesia (HOCHTIEF Asia Pacific division), the assets in question are accounted for as assets held for sale in accordance with IFRS 5.

The assets and liabilities classified as held for sale are presented separately in the Balance Sheet. The table below shows the major classes of assets and liabilities held for sale. No amount has been additionally recognized in other comprehensive income.

(EUR thousand)	**Mar. 31, 2015**	Dec. 31, 2014
Intangible assets and property, plant and equipment	168,661	150,994
Financial assets	–	–
Other assets	22,764	20,585
Total assets	**191,425**	**171,579**
Liabilities	**66,820**	**63,263**

Discontinued operations

In line with its strategic focus, the HOCHTIEF Group company CIMIC (Leighton) sold and therefore deconsolidated John Holland Group, Melbourne, Australia, Thiess Services, Brisbane, Australia, and Leighton Contractors Services, Sydney, Australia in December 2014.

The following table shows the main items of income and expense of the discontinued operations of John Holland Group, Thiess Services, and Leighton Contractors Services at the prior-year amounts.

(EUR thousand)	Q1 2014
Income from discontinued operations	
Sales	717,501
Expenses	(673,897)
Net investment and interest income	(1,272)
Net income from participating interest	516
Profit before tax—discontinued operations	**42,848**
Income tax	(12,590)
Profit after tax—discontinued operations	**30,258**

Treasury stock

As of March 31, 2015, HOCHTIEF Aktiengesellschaft held a total of 1,372,786 shares of treasury stock. By resolution of the Annual General Meeting of May 7, 2014, HOCHTIEF Aktiengesellschaft is authorized, at any time up to May 6, 2019, to repurchase its own shares totaling up to 10% of the capital stock, in accordance with Section 71 (1) 8 of the German Stock Corporations Act (AktG).

HOCHTIEF Aktiengesellschaft purchased 1,372,786 shares in HOCHTIEF Aktiengesellschaft for a total price of EUR 81,779,541.67 (an average price of EUR 59.572 per share) between October 7, 2014 and March 31, 2015 for the purposes stated in the above-mentioned authorizing resolution and for all other purposes permitted under the German Stock Corporations Act (Aktiengesetz/AktG). These shares represent EUR 3,514,332.16 (1.981%) of the Company's capital stock.

Dividend

At the Annual General Meeting of HOCHTIEF Aktiengesellschaft on May 6, 2015, the Executive Board and Supervisory Board will be proposing that a dividend of EUR 1.90 be paid per eligible no-par-value share for 2014. The aforementioned amount of EUR 1.90 includes a special dividend of EUR 0.20 related to the sale of corporate units at CIMIC (Leighton).

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they have decreased since December 31, 2014 by EUR 690 thousand to EUR 8,089 thousand.

Reporting on financial instruments

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

	Mar. 31, 2015			Dec. 31, 2014		
(EUR thousand)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Other financial assets	1,114	56,541	80,678	1,044	42,998	74,690
Other receivables and other assets						
Non-current	–	10,192	–	–	6,414	–
Current	–	12,136	–	–	4,998	–
Marketable securities	664,932	95,287	–	655,788	85,747	–
Liabilities						
Other liabilities						
Non-current	–	1,456	–	–	1,349	–
Current	–	6,059	–	–	4,517	–

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

As in the previous year, there were no transfers of financial instruments measured at fair value between Levels 1 and 2 of the fair value hierarchy during the first quarter of 2015; likewise, there were no transfers into or out of Level 3.

Reconciliation of opening to closing balances for Level 3 measurements of other financial assets:

(EUR thousand)	
Balance as of Jan. 1, 2015	74,690
Currency adjustments	4,877
Gains/(losses) recognized in profit or loss	1,268
Other changes	(157)
Balance as of Mar. 31, 2015	**80,678**

The gains recognized in profit or loss are accounted for in net income from other participating interests; the other changes are accounted for in other comprehensive income.

In the prior-year period, Level 3 encompassed other current liabilities as well as other financial assets.

(EUR thousand)	Balance as of Jan. 1, 2014	Currency adjustments	Gains/(losses) recognized in profit or loss	Other changes	Balance as of Dec. 31, 2014
Other financial assets	59,098	2,272	(68)	13,388	74,690
Other liabilities					
Non-current	–	–	–	–	–
Current	5,945	–	–	(5,945)	–

In 2014, the losses recognized in profit or loss were accounted for in net income from other participating interests; the other changes were accounted for in other comprehensive income.

Segment reporting

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

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

Related party disclosures

The number of companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies is determined in accordance with IAS 24; reference is consequently made in this regard to the information provided in the notes to the last consolidated financial statements.

All transactions with related parties were conducted on an arm's length basis, with the exception of an interest-free loan for EUR 102,127 thousand (Dec. 31, 2014: EUR 91,207 thousand) to an associate in the HOCHTIEF Asia Pacific division.

No other material transactions were entered into during the first quarter of 2015 between HOCHTIEF Aktiengesellschaft or any HOCHTIEF Group company and any related party or parties with a material impact on the results of operations or financial condition of the Company or the Group.

Reconciliation of profit from operating activities to EBIT

(EUR thousand)	**Q1 2015**	Q1 2014 (restated)*
Profit from operating activities	**151,446**	**115,080**
+ Net income from participating interests	34,704	15,959
– Non-operational earnings	(+) 9,624	(+) 3,744
EBIT	**195,774**	**134,783**

***Restated for IFRS 5. For notes on the adjustment, please see page 18.**

Income and expenses classified as exceptional items for business management purposes or resulting from exceptional transactions hinder analysis of ordinary operations and should be attributed to non-operational earnings. The non-operational earnings item mostly consists of restructuring expenses in the HOCHTIEF Europe and HOCHTIEF Asia Pacific divisions (prior year: only HOCHTIEF Asia Pacific division).

Undiluted and diluted earnings per share

	Q1 2015	Q1 2014
Consolidated net profit—continuing operations (EUR thousand)	51,820	26,398
Consolidated net profit—discontinued operations (EUR thousand)	–	17,712
Total consolidated net profit (EUR thousand)	**51,820**	**44,110**
Number of shares in circulation (weighted average)	68,027,867	69,309,434
Consolidated net profit per share—continuing operations (EUR)	0.76	0.38
Consolidated net profit per share—discontinued operations (EUR)	–	0.26
Total earnings per share (EUR)	**0.76**	**0.64**

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

Responsibility Statement

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

Essen, April 29, 2015

The Executive Board

Fernández Verdes Sassenfeld

Legorburo Graf von Matuschka

Publication Details and Credits

Published by:
HOCHTIEF Aktiengesellschaft
Opernplatz 2, 45128 Essen, Germany
Tel.: +49 201 824-0
Fax: +49 201 824-2777
info@hochtief.de
www.hochtief.com

Investor relations contact:
HOCHTIEF Investor Relations
Opernplatz 2, 45128 Essen, Germany
Tel.: +49 201 824-2127
Fax: +49 201 824-92127
investor-relations@hochtief.de

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Current financial calendar
www.hochtief.com/ir-calendar

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Reliable connection
Modern cities need innovative transportation concepts. More and more often, the plans involve moving transportation underground to relieve city centers of traffic congestion and improve neighborhoods' links. This was also the case in London, where the vast Crossrail project is taking shape: A rail line measuring a total of 118 kilometers is being built right through the capital region, from Shenfield and Abbey Wood in the east to Reading in the west. Heathrow Airport's connection to central London will also be improved. HOCHTIEF and its joint venture partner Murphy built one of the most demanding sections of tunnel: contract C310, which leads from Plumstead to North Woolwich, crossing under the Thames. The soil at the site is quite varied and wet, with high water pressure. Two tunnel boring machines (TBMs), each 110 meters long, helped the experts drill through chalk and sand. The joint venture's work is scheduled for completion in summer 2015, and the first trains should be able to use this section of the rail line in late 2018.

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