Half-Year Report
January to June 2015

We are building the world of tomorrow.

HOCHTIEF

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

(EUR million)	**H1 2015**	H1 2014 (restated)*	**Change yoy**	**Q2 2015**	Q2 2014 (restated)*	Full year 2014
EBIT[1)]	**417.2**	294.1	**41.9%**	**239.9**	164.0	771.2
Profit before tax/EBT[1)]	**314.4**	232.0	**35.5%**	**163.2**	132.4	564.5
EBT margin[1)]	**2.9**	2.2	**0.7**	**2.9**	2.4	2.6
Net profit[1)]	**128.6**	95.0	**35.4%**	**68.4**	53.3	190.0
Earnings per share (EUR)[1)]	**1.89**	1.37	**38.0%**	**1.01**	0.77	2.75
Net cash (+)/net debt (-)**	**133.3**	(1,186.3)	**–**	**133.3**	(1,186.3)	469.8

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

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

****Prior-year figures adjusted, for details please see page 17. The full-year 2014 figure includes receivables from the sale of discontinued operations.**

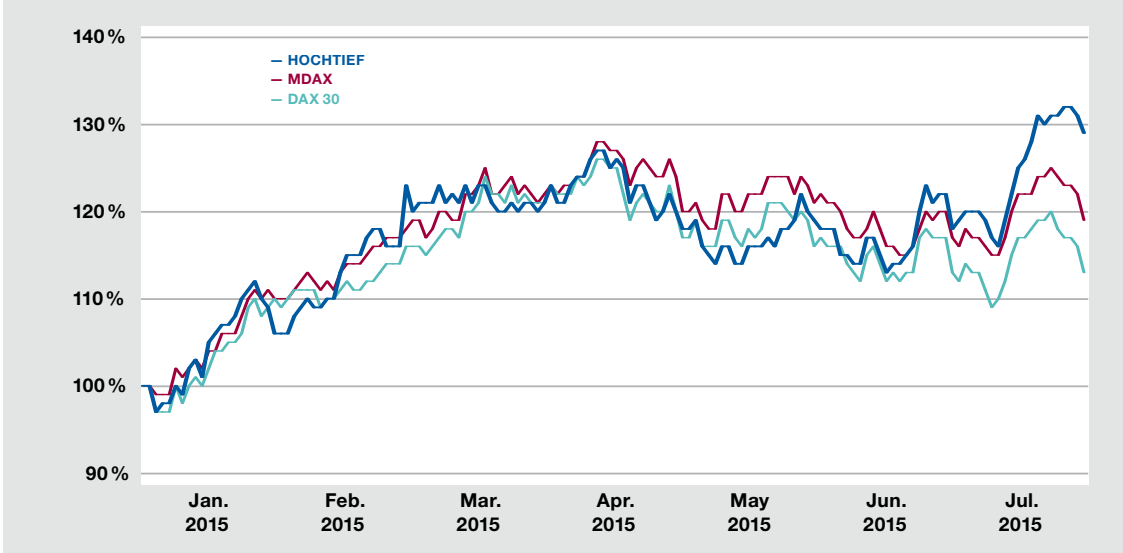
The HOCHTIEF Group: Nominal Figures

(EUR million)	**H1 2015**	H1 2014 (restated)*	**Change yoy**	**Q2 2015**	Q2 2014 (restated)*	Full year 2014
EBIT***	**410.3**	263.1	**55.9%**	**232.6**	147.8	559.2
Profit before tax/EBT	**284.9**	176.6	**61.3%**	**142.9**	96.8	(177.1)
Net profit****	**107.7**	100.5	**7.2%**	**55.8**	56.4	251.7
Earnings per share (EUR)****	**1.59**	1.45	**9.7%**	**0.82**	0.81	3.64
Cash flow from operations	**104.4**	(332.1)	**131.4%**	**595.0**	156.8	756.0
Gross operating capital expenditure	**155.4**	349.8	**-55.6%**	**90.4**	228.2	575.3
Free operational cash flow	**(9.0)**	(595.1)	**98.5%**	**539.5**	(51.3)	322.1
Sales	**10,784.2**	10,507.5	**2.6%**	**5,725.3**	5,626.0	22,099.1
New orders	**11,928.7**	10,246.2	**16.4%**	**7,086.3**	4,927.4	21,529.6
Work done	**12,247.2**	11,585.8	**5.7%**	**6,438.3**	6,237.1	24,305.8
Order backlog (end of period)	**37,190.9**	35,825.0	**3.8%**	**37,190.9**	35,825.0	35,704.2
Employees****	**49,154** (End H1 2015)	71,337 (End H1 2014)	**-31.1%**	**49,154** (End Q2 2015)	71,337 (End Q2 2014)	68,426 (2014 average)

*****Prior-year figures adjusted, for details please see page 21.**

******Including discontinued operations 2014**

HOCHTIEF stock



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Dear shareholders,

Marcelino Fernández Verdes, Chairman of the Executive Board

HOCHTIEF delivered a solid performance in the first half of the year with notable improvements in profits, margins and cash flow accompanied by a positive new order trend. Operational consolidated net profit (adjusted for one-off items and activities sold) went up by 35% to EUR 129 million. Operational earnings before tax (EBT) increased by 36% to EUR 314 million. Nominal results (including one-off items) showed an increase of 61% in profit before tax (EBT) to EUR 285 million, and a 7% rise for net profit to EUR 108 million. All three divisions—HOCHTIEF Americas, HOCHTIEF Asia Pacific, and HOCHTIEF Europe—contributed to this improvement. The EBT margin for the Group reached 2.9%, up 70 basis points.

Based particularly on the good performance of HOCHTIEF Asia Pacific, we generated a cash inflow of EUR 104 million in the first six months of the year, compared with a cash outflow of EUR 332 million in the comparative period in 2014. For the first time in several years, the cash flow from operations was positive in the first half of the year.

We have improved our net cash position by EUR 1.3 billion over the last 12 months—another result that was achieved jointly by all the divisions, with our Australian company CIMIC making a particularly strong contribution. The net cash position now stands at more than EUR 130 million.

Orders and work done in the HOCHTIEF Group improved again significantly in the second quarter: In this period, new orders of EUR 7.1 billion were recorded, taking the total nominal new orders in the first half of the year to more than EUR 11.9 billion, up 16% overall compared with the first half of 2014 (+5% like-for-like).

The performance in the first half of the year reflects the successful transformation of the Group. Our strategic goal remains to further enhance earnings quality as well as to boost efficiency and sustained cash-backed profitability. As our new vision says, “HOCHTIEF is building the world of tomorrow.” Across the Group, we are committed to delivering outstanding service on the basis of a shared corporate culture and, in this way, to creating value for our clients, business partners, and owners. All over the world, our people put their passion and expertise into achieving our goals:

In the HOCHTIEF Asia Pacific division, CIMIC’s solid figures show that the strategic transformation is taking effect: The first phase involving the reorganization of the group’s operating model is complete. Operational implementation of the second phase, which includes the standardization and simplification of business systems and ongoing cost reduction initiatives, is right on schedule. The sale of John Holland was fully completed in April and we continue to explore other opportunities to release tied-up capital. In June, we reduced debt with the early redemption of bonds in the amount of EUR 267 million.

During this period of transformation, CIMIC has won several new infrastructure projects including construction of the M4 East Motorway in Sydney and the CityLink Tulla Widening project in Melbourne. In the contract mining segment, we successfully made further headway with regional diversification. CIMIC secured its first contract in South America —a four-year agreement for a copper mine in Chile’s Antofagasta region.

In the HOCHTIEF Americas division, our companies Turner and Flatiron likewise were awarded major construction contracts. A consortium including Flatiron will build the first high-speed rail link in the USA. The company will also deliver the link between Los Angeles and San Francisco in a joint venture. Awards to Turner included a construction contract at San Antonio International Airport in Texas.

The HOCHTIEF Europe division likewise brought in attractive new project work. HOCHTIEF is technical and commercial lead in a large-scale joint venture contract to extend King Khaled International Airport in Riyadh for a total of EUR 1.3 billion. Aided by our international experience in PPP, HOCHTIEF was awarded the consortium contract to build a highway over the St. Lawrence River in Montreal, Canada. The construction work in the project is worth some EUR 1.6 billion. We anticipate a continuation of the dynamic growth in the PPP segment, notably in North America but also in our other markets.

Group outlook

HOCHTIEF reaffirms the Group guidance for 2015. The Group continues to anticipate further progress and an operational consolidated net profit in the range of EUR 220–260 million, representing an increase of 15%–35% on a comparable basis.

Yours,

Marcelino Fernández Verdes,
Chairman of the Executive Board

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Interim Management Report

Divisions

HOCHTIEF Americas division

In the HOCHTIEF Americas division, **operational earnings before tax** went up by 24% to EUR 85 million year-on-year. **Operational net profit** shows an increase of 12%. Both Turner and Flatiron showed a positive profit trend. **Cash flow from operations** continued to progress positively. The net cash position went up by nearly EUR 70 million to EUR 337 million year-on-year.

New orders rose substantially, driven by Flatiron. Thus, the **order backlog** of the division remains solid at a level of EUR 13.1 billion—a plus of 13% year-to-date (+4% in USD terms).

Our North American subsidiaries once again received a number of attractive new orders in the second quarter.

Among other projects, the building construction specialists at Turner Construction won a EUR 116 million contract at San Antonio International Airport, Texas, where a new rental car facility is to be built by 2017. Turner was also selected for the design/build delivery of the new West Clermont High School being built in Cincinnati, Ohio, where some 2,500 students will attend classes starting in the fall of 2017. The contract is worth around EUR 83 million. In addition, the company is constructing the University of California San Francisco (UCSF) Benioff Children's Hospital Oakland Medical Office Building that is expected to be completed in early 2017. Turner chalked up a further contract in the healthcare properties segment in Connecticut, where the neonatal intensive care unit at Yale-New Haven Hospital is to be renovated in several phases.

In a joint venture, our infrastructure company Flatiron is involved in the construction of the first high-speed rail system in the USA, the California High-Speed Rail Construction Package 2-3 project. The section running between Los Angeles and San Francisco is almost 100 kilometers in length. Construction work will begin in late 2016 following an 18-month design phase and is expected to be completed within around 48 months. The project is worth approximately EUR 1.1 billion. Also in California, the company is renovating an almost 15-kilometer section of State Route 210. Worth around EUR 95 million, the project is scheduled for completion by February 2018. Another large contract comprises the construction of the Champlain Bridge in Montréal, Canada, which was awarded on a PPP basis (see HOCHTIEF Europe division). Ground was broken on the new bridge in June. Flatiron enjoys an excellent reputation in Canada as an attractive employer and was again recently named a Top Employer for Young People.

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

(EUR million)	**H1 2015**	H1 2014	**Change yoy**	Full year 2014
EBIT[1)]	**94.1**	76.3	**23.3%**	132.3
Profit before tax/EBT[1)]	**85.2**	68.7	**24.0%**	117.5
EBT margin[1)]	**1.7**	1.7	**0.0**	1.4
Net profit[1)]	**47.5**	42.5	**11.8%**	68.7
Net cash (+)/net debt (-)	**337.4**	268.7	**25.6%**	416.8

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

HOCHTIEF Americas Division: Nominal Figures

(EUR million)	**H1 2015**	H1 2014	**Change yoy**	Full year 2014
EBIT	**94.1**	76.3	**23.3%**	123.2
Profit before tax/EBT	**85.2**	68.7	**24.0%**	108.4
Net profit	**47.5**	42.5	**11.8%**	63.2
Cash flow from operations	**(78.4)**	(88.6)	**11.5%**	41.2
Gross operating capital expenditure	**15.3**	11.3	**35.4%**	27.6
Divisional sales	**4,912.8**	3,981.3	**23.4%**	8,615.2
New orders	**5,695.4**	4,660.8	**22.2%**	10,191.6
Work done	**5,116.3**	4,227.2	**21.0%**	9,164.0
Order backlog (end of period)	**13,118.8**	9,931.2	**32.1%**	11,603.1
Employees	**10,343** (End H1 2015)	9,763 (End H1 2014)	**5.9%**	9,503 (2014 average)

HOCHTIEF Americas Outlook

The division confirms 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)	**H1 2015**	H1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT[1)]	**342.1**	257.2	**33.0%**	655.6
Profit before tax/EBT[1)]	**235.1**	206.0	**14.1%**	503.8
EBT margin[1)]	**4.7**	3.7	**1.0**	4.4
Net profit[1)]	**97.8**	91.5	**6.9%**	175.7
Net cash (+)/net debt (-)**	**304.8**	(848.8)	**–**	385.4

***Restated for IFRS 5. For details on the restatement, please see page 18.**
****In the financial year 2014: 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)	**H1 2015**	H1 2014 (restated)*	**Change yoy**	Full year 2014
EBIT	**342.1**	237.9	**43.8%**	543.5
Profit before tax/EBT	**218.3**	163.3	**33.7%**	(114.5)
Net profit**	**89.6**	111.6	**-19.7%**	264.9
Cash flow from operations	**309.5**	(154.0)	**–**	724.7
Gross operating capital expenditure	**110.5**	312.9	**-64.7%**	498.5
Divisional sales	**4,989.9**	5,554.7	**-10.2%**	11,397.1
New orders	**4,553.4**	3,990.5	**14.1%**	8,532.1
Work done	**6,054.5**	6,047.8	**0.1%**	12,501.8
Order backlog (end of period)	**19,691.1**	21,650.5	**-9.1%**	20,355.3
Employees***	**32,358** (End H1 2015)	52,095 (End H1 2014)	**-37.9%**	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 42,069 (end Q2 2014).**

The strong development at CIMIC continued in the second quarter of 2015. **Operational earnings before tax** for the first six months increased to EUR 235 million, up 14% year-on-year. Driven by cost savings and operational improvements, the **operational EBT margin** went up from 3.7% to 4.7%. The **operational net profit** grew to EUR 98 million.

Cash flow from operations showed a strong swing to a positive cash inflow by EUR 464 million year-on-year to EUR 309 million. A key highlight here is cash flow from working capital which improved substantially. Furthermore, the improvement in cash flow from operations was supported by a further reduced gross operating capex. As a result, **net cash** reached EUR 305 million and gearing improved significantly.

New orders reached a solid increase of 14% and the **order backlog** remains basically unchanged compared to year-end 2014.

During the period under review, our Australian Group company CIMIC secured some highly attractive contracts. These include Stage 1B-M4 East of the WestConnex motorway project in Sydney. The joint venture selected for the project includes John Holland and Samsung C&T as well as CIMIC, whose contract volume amounts to approximately EUR 616 million. The construction of the seven-kilometer section is part of what is currently Australia's largest transportation infrastructure project intended to better link Sydney's west and southwest as well as the port and airport with the city. CIMIC had already been awarded the contract for Stage 1A of the M4 Widening, which forms part of the entire project, last December.

In Melbourne, Leighton Contractors will deliver a significant portion of the CityLink Tulla Widening project by 2018 under a design and construction contract worth around EUR 403 million.

Another urban road project in the pipeline for Main Roads Western Australia is the Mitchell Freeway in Perth. From 2017 onward, the freeway expansion will significantly shorten travel times to the city's northern suburbs, facilitating business development in the area. The contract is worth some EUR 115 million.

Visionstream Australia, a division of the investment partnership between CIMIC and Apollo, which encompasses the service business, received a five-year contract from NBN (Australia's broadband network company) worth EUR 185 million. Connections are being constructed in Queensland, New South Wales, Victoria, and Tasmania.

HOCHTIEF Asia Pacific Outlook

CIMIC 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.

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HOCHTIEF Europe division

The HOCHTIEF Europe division performance continues to improve with an **operational EBT** of over EUR 10 million compared with losses of over EUR 5 million in the prior-year period. Building, Infrastructure and PPP all supported this positive development.

Cash flow from operations at Infrastructure and Building achieved an improvement of EUR 60 million year-on-year.

New orders went up by 11% like-for-like to EUR 1.6 billion year-on-year. This reflects major project wins at Building and Infrastructure. At EUR 4.4 billion, the **order backlog** is above the full-year 2014 figure and secures a good forward order book of approximately 23 months.

The orders won by the companies in the division include the extension to King Khalid International Airport in the Saudi Arabian capital of Riyadh. Acting as technical and commercial lead of a joint venture, HOCHTIEF will gut, upgrade, and expand two terminals as well as demolish and redevelop other parts of the airport infrastructure. Work on the project, which is worth around EUR 1.3 billion in total, is due to be completed in May 2019.

Also in the period to 2019, a joint venture including HOCHTIEF Infrastructure will build a 14.7-kilometer tunnel for the new IDRIS sewerage system in Doha, Qatar. The contract is worth EUR 265 million, with HOCHTIEF taking a 45% share. The overloaded sewerage system in the south of the city is currently being refurbished and extended. A further tunnel construction contract went to HOCHTIEF Infrastructure Austria for a section of the Semmering base tunnel in Austria, which is expected to be completed in 2024. The total value of the Gloggnitz tunnel contract is around EUR 457 million, with HOCHTIEF taking a 40% share.

A consortium of bidders comprising HOCHTIEF PPP Solutions North America, ACS, Flatiron, Dragados Canada, and Canadian partner SNC-Lavalin has reached financial close on the Champlain Bridge Corridor Project. By the end of 2019, the consortium is to construct the new Champlain Bridge in Montreal, Canada, under a public-private partnership (PPP). The partners will design, finance, and build what is one of North America's most important transportation infrastructure projects and then operate it for 30 years. The construction work on the project is worth roughly EUR 1.6 billion and HOCHTIEF PPP Solutions holds a 25% stake in the project company.

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

(EUR million)	**H1 2015**	H1 2014	**Change yoy**	Full year 2014
EBIT[1)]	**(7.2)**	(12.8)	**43.8%**	(17.7)
Profit before tax/EBT[1)]	**10.1**	(5.2)	**294.2%**	(14.4)
EBT margin[1)]	**1.3**	(0.7)	**2.0**	(0.8)
Net profit[1)]	**1.3**	(14.4)	**109.0%**	(27.8)
Net cash (+)/net debt (-)	**(221.1)**	(332.4)	**33.5%**	(180.0)

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

HOCHTIEF Europe Division: Nominal Figures

(EUR million)	**H1 2015**	H1 2014	**Change yoy**	Full year 2014
EBIT	**(14.1)**	(23.7)	**40.5%**	(52.6)
Profit before tax/EBT	**(2.6)**	(17.1)	**84.8%**	(72.7)
Net profit	**(11.4)**	(28.2)	**59.6%**	(80.8)
Cash flow from operations	**(132.7)**	(76.4)	**-73.7%**	21.1
Gross operating capital expenditure	**29.3**	20.4	**43.6%**	42.8
Divisional sales	**806.6**	918.0	**-12.1%**	1,965.5
New orders	**1,601.8**	1,542.6	**3.8%**	2,687.0
Work done	**998.5**	1,258.1	**-20.6%**	2,520.7
Order backlog (end of period)	**4,382.7**	4,245.0	**3.2%**	3,746.5
Employees	**6,221** (End H1 2015)	9,232 (End H1 2014)	**-32.6%**	8,670 (2014 average)

In South America, HOCHTIEF PPP Solutions GmbH sold its 50% interest in the concession company operating the San Cristóbal toll tunnel in Santiago de Chile to the Brookfield Infrastructure Group. The infrastructure investor already holds the other 50% of the company. HOCHTIEF designed, financed, and built the tunnel.

In Wiesbaden, Germany, HOCHTIEF Building is responsible for constructing the shell of a multi-functional exhibition and

conference center. The client, TriWiCon, a municipal entity of the city, is aiming to receive gold certification from the German Sustainable Building Council (DGNB). Also in the capital of the federal state of Hesse, HOCHTIEF Building received the contract to build a new high school for the U.S. garrison by May 2017 in the capacity of general contractor. The aim is to receive LEED silver certification.

Even before the start of construction work, HOCHTIEF Projektentwicklung sold the Height3 project, the future Adina Apartment Hotel within the Hamburg Heights urban district development, to Commerz Real. Construction is due to begin this year and the building scheduled to be handed over to the operator in the third quarter of 2017. Commerz Real has invested some EUR 50 million.

HOCHTIEF Europe Outlook

We expect the HOCHTIEF Europe division to continue to progress in the positive manner and achieve a further improvement in operational earnings and margins in 2015.

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Financial review

Earnings

In December 2014, HOCHTIEF Group company CIMIC 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 June 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 June 2015 with the corresponding prior-year figures relate to the restated amounts.

HOCHTIEF Group **sales** came to EUR 10.8 billion in the first half of 2015. This marked an increase of EUR 277 million (+2.6%) on the prior-year level of EUR 10.5 billion. The rise in sales includes a significant positive currency impact of EUR 1.2 billion.

Our Australian company CIMIC focused on implementing its revised business model in the first half of the year. The company occupies a strong position in the Australian and Asia-Pacific markets in its core business segments of construction, infrastructure, contract mining, and PPPs. CIMIC's objective in transforming its business is to improve efficiency and profitability as well as to increase cash generation. Due to the more selective order intake, an improved risk management approach, and the switch from resources development to infrastructure development in Australia, the sales volumes declined, as expected, decreasing by 14.1% year-on-year to AUD 7.2 billion (prior year: AUD 8.3 billion). The level of sales at the HOCHTIEF Asia Pacific division was positively affected by foreign exchange movements. As a result, divisional sales declined only by 10.2% to EUR 5.0 billion, down from EUR 5.6 billion in the prior year. The significant first half-year sales rise of EUR 932 million in the HOCHTIEF Americas division was due primarily to the favorable trend in the U.S. dollar exchange rate. Slight growth in Turner's building construction business also contributed to the increase in sales. Sales at HOCHTIEF Americas totaled EUR 4.9 billion, an increase of 23.4% on the prior-year level. Following its successful transformation, the HOCHTIEF Europe division now offers services in its core business segments of building construction and infrastructure construction as well as in the PPP business and engineering.

The sales figure for the first half of 2014 still included contributions from the formart and Property Management segments, which are no longer part of the core business and have since been sold. At EUR 807 million, sales for the current reporting period are, as expected, below the prior-year figure of EUR 918 million.

The HOCHTIEF Group places great emphasis on its international business. The share of Group sales generated in markets outside of Germany reached 96.6% in the first half of 2015 (prior year: 94.6%).

HOCHTIEF has already seen the benefits of the Group's transformation in the form of additional progress in earnings performance in the current year. **Operational earnings before tax (EBT) from continuing operations**—on a like-for-like basis and adjusted for deconsolidation effects and one-off items—increased by 35.5% on the prior-year comparative figure (EUR 232 million) to reach EUR 314 million. Nominal EBT also made strong gains in the first half of 2015, improving by 61.4% compared with the prior year (EUR 177 million) to EUR 285 million.

CIMIC's strategic realignment and the projects initiated to improve profitability have delivered visible results. In the first six months of 2015, the company's nominal EBT rose to AUD 364 million. This marked an improvement of 31.2% compared with the prior year (AUD 277 million). For HOCHTIEF's Asia Pacific division, CIMIC's good performance translated into an increase of 33.7% in nominal EBT, which rose from EUR 163 million in the prior year to EUR 218 million. The HOCHTIEF Americas division benefited from improved earnings in Turner's building construction business. In addition, the initiatives designed to sustainably improve the results of Flatiron's infrastructure projects are having a positive impact. All in all, the HOCHTIEF Americas division recorded nominal EBT of EUR 85 million in the 2015 reporting period, a rise of 24.0% on the prior year (EUR 69 million). In the HOCHTIEF Europe division, the restructuring measures have taken hold and have already led to a significant increase in nominal EBT, which was close to breakeven at minus EUR 3 million for the reporting period. This represented an important improvement on the figure of minus EUR 17 million recorded for the first half of 2014.

HOCHTIEF generated EUR 87 million in **net income from participating interests** in the period from January to June 2015—a marked increase on the prior-year comparative figure of EUR 42 million. The change was mainly driven by a marked rise in income at the HOCHTIEF Americas division from joint ventures in which Flatiron is delivering infrastructure projects in collaboration with other partners, and by the turnaround at HOCHTIEF Europe.

Net investment in interest expense increased slightly to EUR 117 million in H1 2015 (prior year: EUR 111 million) due to the costs associated with the early redemption of a U.S. dollar denominated bond at CIMIC.

The HOCHTIEF Group's tax expenses increased in line with the earnings improvement in the operating business. **Income tax** rose to EUR 112 million in the first half of 2015, up from EUR 72 million in the prior year.

Nominal **consolidated net profit** attributable to HOCHTIEF shareholders accounted for EUR 108 million of the post-tax profit, an increase of 7.1% over the prior-year figure of EUR 101 million. **Operational consolidated net profit** achieved even stronger growth, with an increase of 35.4% over the prior-year period (EUR 95 million) to EUR 129 million in the first half of 2015. Minority interests amounted to EUR 65 million and thus remained at the previous year's level of EUR 64 million. In both the first half of 2014 and the first half of 2015, most of the minority interests were attributable to shares of minority owners in the earnings of our Group company CIMIC. HOCHTIEF's equity interest in CIMIC has been around 70% since the second quarter of 2014.

Orders and work done

New orders for the two quarters ending June 30, 2015 increased by 16.4% over the prior-year level to EUR 11.9 billion in nominal terms. Adjusted for exchange rate effects, new orders rose by close to 4%. The HOCHTIEF Americas division exceeded the record high reached in the first half of 2014 to post a new record of EUR 5.7 billion. The HOCHTIEF Asia Pacific division also increased new orders to EUR 4.6 billion compared with the prior-year period despite exercising increased risk awareness in bid preparation. The HOCHTIEF Europe division reached EUR 1.6 billion to surpass the previous year's figures by 4.0%.

Work done amounted to EUR 12.2 billion as of the reporting date, an increase of 5.7% over the prior year (exchange rate adjusted: down 5.1%). Work done in the HOCHTIEF Americas division went up to a record EUR 5.1 billion based on the high level of new orders. Reporting work done of EUR 6.1 billion, the HOCHTIEF Asia Pacific division remained at the previous year's level based on long-term contracts. HOCHTIEF Europe was below the prior-year figure at EUR 1.0 billion.

The **order backlog** was up 3.8% on the prior-year level. The figure of EUR 37.2 billion as of June 30, 2015 contains exchange rate gains of EUR 2.3 billion, mainly relating to the U.S dollar. With work done at a sustained high level, the order backlog continues to represent a solid forward order book of 18 months.

Cash flow

In the first half of 2015, cash flow of the HOCHTIEF Group was impacted in particular by the good level of cash flows from the operating business, the cash inflow from the sale of parts of CIMIC's business at the end of 2014, and the use of those funds to pay down debt.

Cash flows from HOCHTIEF's operating business continued to improve. **Cash flow from operations** improved significantly compared with previous years. In the first half of 2015, net cash generated by operating activities amounted to EUR 104 million as opposed to net cash used in operating activities of EUR 332 million in the first half of 2014. The primary reason for the increase in cash flow was the considerable decrease in cash outflows from changes in working capital. In addition, a higher cash inflow from earnings contributed to the improvement in cash flow from operating activities.

Cash used for **capital expenditure** on property, plant and equipment and on intangible assets **(gross operating capital expenditure)** was sharply reduced by 56% to EUR 155 million (prior year: EUR 350 million). Liquidity was optimized primarily by improved procurement and deployment management of plant and equipment in CIMIC's investment-heavy contract mining business. Cash inflows of EUR 42 million were generated in the first half of 2015 through the sale of property, plant and equipment. The cash outflow for **operating capital expenditure (net)** thus amounted to EUR 113 million in the reporting period compared with EUR 263 million in the previous year.

Free operational cash flow significantly increased by EUR 586 million, from minus EUR 595 million in the first half of 2014 to minus EUR 9 million in the first half of 2015.

Expenditure on financial assets, at EUR 52 million, was more or less on a par with the prior year (EUR 57 million). This figure relates mainly to investment in jointly controlled entities at Flatiron. The proceeds from the sales transacted at CIMIC at the end of the past year have now been recognized in full in cash flow. In total, the HOCHTIEF Group received EUR 995 million in proceeds mostly from divestment of the above-mentioned CIMIC group companies John Holland and Services in the first half of 2015 (prior year: EUR 178 million). The majority of proceeds from divestment in the previous year was attributable to the sale of our shares in aurelis Real Estate GmbH & Co. KG.

Changes in securities holdings and financial receivables produced a cash inflow of EUR 118 million in the first half of 2015. As in the previous year, in which cash inflows were much higher at EUR 521 million, the figure for the current period chiefly includes proceeds from securities sales by HOCHTIEF Aktiengesellschaft and by Turner. On balance, HOCHTIEF generated an extraordinarily high level (EUR 948 million) of **cash flow from investing activities** in the first six months of 2015. This represents a notable increase on the comparative prior-year figure (EUR 379 million).

In the first half of 2015, HOCHTIEF has drawn on further bank loans and thus procured cash in the amount of EUR 618 million. In the opposite direction, EUR 1.4 billion of debt was repaid, the major part of which was accounted for by the repayment of bank loans and early redemption of a CIMIC bond denominated in U.S. dollars. In this way, we considerably reduced total debt during the reporting period. Borrowings in the prior-year period totaled EUR 1.2 billion (including launch of bond by HOCHTIEF Aktiengesellschaft with a volume of EUR 500 million) and, in the opposite direction, EUR 627 million was repaid. Also in the first half of 2015, a cash amount of EUR 180 million (prior year: EUR 163 million) was used for dividend payments and EUR 50 million for HOCHTIEF Aktiengesellschaft's ongoing stock buyback program. In addition, the increase of the shareholding in CIMIC led to a cash outflow of EUR 606 million in the prior year. **Cash flow from financing activities** in the first six months of the current year totaled minus EUR 1.1 billion (prior year: minus EUR 208 million). Thus, in 2015, the focus has clearly been on debt reduction.

HOCHTIEF had EUR 2.7 billion in cash and cash equivalents as of the June 30 reporting date. Our good liquidity position saw another slight improvement in the first half of 2015 compared with the end of 2014 (EUR 2.6 billion), due primarily to exchange rate gains of EUR 116 million.

Balance sheet

We made considerable progress in the first half of 2015 toward our strategic goal of strengthening our consolidated balance sheet and minimizing risk. We used part of the cash proceeds from the sale of CIMIC's discontinued operations—John Holland and the service businesses of Thiess and Leighton Contractors—to reduce our debt. **Total assets** of the HOCHTIEF Group thus declined by EUR 1.2 billion, dropping from EUR 15.2 billion at the end of 2014 to EUR 14.0 billion as of June 30, 2015.

Non-current assets rose by EUR 172 million compared with December 31, 2014, from EUR 4.2 billion to EUR 4.4 billion. The goodwill recognized on initial consolidation of fully consolidated subsidiaries as well as concessions and similar rights are reported under intangible assets, which slightly increased from EUR 866 million at the end of 2014 to EUR 895 million. The increase of EUR 29 million was largely due to exchange rate effects. Property, plant and equipment of the HOCHTIEF Group did not change from the figure of EUR 1.3 billion recorded as of December 31, 2014. Most of that figure (EUR 1.1 billion) relates to technical equipment at the CIMIC Group. The value of financial assets rose by EUR 124 million to EUR 1.2 billion at the end of the first half of 2015, up from EUR 1.0 billion at year-end 2014. Exchange rate effects were primarily responsible for the increase, along with additions and changes in interests in joint ventures held at equity in the HOCHTIEF Americas division and at CIMIC. Non-current financial receivables amounted to EUR 647 million (December 31, 2014: EUR 631 million) and consisted mainly of loans to Group companies by CIMIC and the PPP segment of the HOCHTIEF Europe division. Deferred tax assets reflected changes in temporary differences as well as the effects of adjusting the interest rate used to calculate pension obligations. These factors led to a decrease of EUR 39 million to EUR 226 million.

Current assets amounted to EUR 9.6 billion as of the June 30, 2015 reporting date. The decline of EUR 1.4 billion put current assets well below the figure as of year-end 2014 (EUR 11.0 billion). Much of the decrease was due to the change in receivables from the sale of discontinued operations, under which the purchase price receivables on the sale of John Holland and the CIMIC service business in the amount of EUR 1.1 billion were reported as of December 31, 2014. In the first half of 2015, the receivables were settled by the purchasers and consequently derecognized from the consolidated balance sheet. Inventories showed a slight decline of EUR 18 million to EUR 901 million. This item mainly reflected work in progress in connection with real estate projects of the CIMIC Group and the HOCHTIEF Europe division as well as raw materials and supplies. Current financial receivables grew by EUR 33 million to EUR 111 million. The primary factor here was the reclassification from non-current receivables due to the sale of PPP projects. Trade receivables are largely attributable to our Group companies CIMIC and Turner. The decrease in the first half of 2015 related to the operational reduction, partly offset by an increase based on exchange rate effects. Total trade receivables declined by EUR 82 million to EUR 5.0 billion. Other receivables and other assets amounted to EUR 158 million, a decrease of EUR 41 million from the figure as of December 31, 2014 (EUR 199 million). In the first quarter of 2015, recoverable tax associated with the 2013 sale of the stake in Sydney Airport was reimbursed to HOCHTIEF by the tax authorities and subsequently passed on to the purchaser based on a contractual agreement. This was the main reason for the decrease in income tax assets by a total of EUR 88 million to EUR 52 million. As of the June 30, 2015 reporting date, HOCHTIEF had securities in an amount of EUR 648 million. The value of our portfolio thus declined by EUR 94 million compared with the end of 2014 (EUR 742 million), predominantly as a result of sales at Corporate Headquarters and at Turner. Thanks to an increase of EUR 107 million in cash and cash equivalents to EUR 2.7 billion, the HOCHTIEF Group's liquidity situation remained at a good level in the first half of 2015. The EUR 59 million in assets held for sale (December 31, 2014: EUR 172 million) still relate to CIMIC mining business assets.

HOCHTIEF Group **shareholders' equity** amounted to EUR 3.3 billion as of June 30, 2015 (December 31, 2014: EUR 3.1 billion). The equity ratio (shareholders' equity to total assets) was 23%, up from 20% as of December 31, 2014. We achieved improvements in the first half of 2015 in both the absolute value of shareholders' equity, which increased by EUR 176 million, and the equity ratio, which rose by 3 percentage points. The increase was largely accounted for by exchange rate effects and changes in the fair value of financial instruments (EUR 212 million), profit after tax (EUR 173 million), and the remeasurement of defined benefit plans (EUR 18 million). Dividends paid (minus EUR 180 million) and other changes not recognized

in the Statement of Earnings (minus EUR 47 million) had an offsetting effect on Group shareholders' equity. The other changes not recognized in the Statement of Earnings mostly include adjustments for treasury stock acquired.

Non-current liabilities decreased by EUR 292 million to EUR 3.7 billion as of June 30, 2015 compared with EUR 4.0 billion as of year-end 2014. This decline was attributable mainly to early repayment of a U.S. dollar bond at CIMIC in the amount of EUR 267 million (USD 299 million). The initial term of the bond totaling USD 500 million ran until 2022. In addition, amounts due to banks decreased by EUR 61 million. The balance of non-current financial liabilities therefore decreased by EUR 291 million to EUR 2.8 billion. At EUR 823 million, non-current provisions remained at the previous year's level. This figure includes provisions for pensions and similar obligations in the amount of EUR 356 million. The EUR 23 million decrease from the level as of December 31, 2014 was the result of changes in the discount factor used to measure the defined benefit obligation in Germany. Other non-current provisions, most of which refer to personnel and insurance-related obligations, increased by EUR 17 million to EUR 467 million. Other liabilities amounted to EUR 42 million and deferred tax liabilities to EUR 42 million, and thus did not change significantly compared with the end of 2014.

HOCHTIEF continued to pay down debt and succeeded in reducing **current liabilities** by EUR 1.1 billion to EUR 7.0 billion in the first half of 2015. Trade payables decreased by EUR 299 million to EUR 5.2 billion as of the end of the reporting period. The CIMIC Group and the Infrastructure Solutions business line of the HOCHTIEF Europe division both made a significant contribution to the decline. Current financial liabilities also went down by EUR 431 million to EUR 551 million due to having paid off bank loans at CIMIC and bond liabilities at Corporate Headquarters. The substantial drop of EUR 307 million in current provisions to EUR 849 million resulted primarily from making use of tax provisions in connection with the sale of discontinued operations at CIMIC. Other current liabilities fell by EUR 54 million to EUR 346 million, above all due to reduced obligations at Corporate Headquarters. Liabilities associated with assets held for sale related to CIMIC's mining activities in the amount of EUR 35 million as of June 30, 2015 (December 31, 2014: EUR 63 million).

Risk and opportunities report

There has been no material change in the situation of the Group from that presented in our 2014 Group Report with regard to opportunities and risks. The statements regarding the opportunities and risks* made in the combined company and Group management report as of December 31, 2014 therefore continue to apply.

***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.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	**H1 2015**	H1 2014 (restated)*	**Change**	**Q2 2015**	Q2 2014 (restated)*	Full year 2014
Sales	10,784,215	10,507,493	2.6%	5,725,287	5,626,006	22,099,054
Changes in inventories	(5,483)	26,808	–	(8,632)	20,512	(30,425)
Other operating income	81,780	95,659	-14.5%	41,864	39,919	225,403
Materials	(7,786,131)	(7,447,356)	4.5%	(4,210,246)	(4,075,250)	(15,745,552)
Personnel costs	(1,979,332)	(2,146,766)	-7.8%	(976,569)	(1,088,627)	(4,415,757)
Depreciation and amortization	(198,693)	(217,577)	-8.7%	(90,936)	(105,759)	(440,427)
Other operating expenses	(581,378)	(572,708)	1.5%	(317,236)	(286,328)	(1,767,628)
Profit from operating activities	**314,978**	**245,553**	**28.3%**	**163,532**	**130,473**	**(75,332)**
Share of profits and losses of equity-method assoiates and jointly controlled entities	32,536	26,027	25.0%	19,610	15,332	75,482
Net income from other participating interests	54,532	16,155	237.6%	32,754	10,891	43,006
Investment and interest income	59,192	41,925	41.2%	25,724	27,780	104,352
Investment and interest expenses	(176,332)	(153,101)	15.2%	(98,686)	(87,642)	(324,655)
Profit before tax—continuing operations	**284,906**	**176,559**	**61.4%**	**142,934**	**96,834**	**(177,147)**
Income tax	(112,211)	(71,568)	56.8%	(54,167)	(49,782)	45,366
Profit after tax—continuing operations	**172,695**	**104,991**	**64.5%**	**88,767**	**47,052**	**(131,781)**
Profit after tax—discontinued operations	–	59,445	-100.0%	–	29,187	537,564
Profit after tax—total	172,695	164,436	5.0%	88,767	76,239	405,783
Of which: Attributable to the Group	**[107,655]**	**[100,519]**	**[7.1%]**	**[55,835]**	**[56,409]**	**[251,687]**
Of which: Minority interest	[65,040]	[63,917]	[1.8%]	[32,932]	[19,830]	[154,096]
Earnings per share (EUR)						
Diluted and undiluted earnings per share—continuing operations	1.59	0.85	87.1%	0.82	0.47	(1.77)
Diluted and undiluted earnings per share—discontinued operations	–	0.60	-100.0%	–	0.34	5.41
Total earnings per share	**1.59**	**1.45**	**9.7%**	**0.82**	**0.81**	**3.64**

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

Consolidated Balance Sheet

(EUR thousand)	**June 30, 2015**	Dec. 31, 2014
Assets		
Non-current assets		
Intangible assets	894,955	866,299
Property, plant and equipment	1,321,186	1,304,566
Investment properties	15,108	15,252
Equity-method investments	1,014,430	898,484
Other financial assets	137,069	129,374
Financial receivables	647,485	631,479
Other receivables and other assets	108,814	74,830
Current income tax assets	17,247	24,863
Deferred tax assets	226,426	265,527
	4,382,720	**4,210,674**
Current assets		
Inventories	901,167	919,505
Financial receivables	110,667	77,474
Trade receivables	4,984,413	5,066,174
Other receivables and other assets	158,007	199,045
Receivables from the sale of discontinued operations	–	1,108,112
Current income tax assets	51,964	139,867
Marketable securities	647,669	741,535
Cash and cash equivalents	2,692,388	2,585,359
Assets held for sale	59,043	171,579
	9,605,318	**11,008,650**
	13,988,038	**15,219,324**

(EUR thousand)	**June 30, 2015**	Dec. 31, 2014
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to the Group	2,295,249	2,178,326
Minority interest	991,818	933,052
	3,287,067	**3,111,378**
Non-current liabilities		
Provisions for pensions and similar obligations	355,978	378,697
Other provisions	467,345	449,906
Financial liabilities	2,782,514	3,073,471
Other liabilities	42,400	33,190
Deferred tax liabilities	41,794	47,158
	3,690,031	**3,982,422**
Current liabilities		
Other provisions	848,905	1,156,127
Financial liabilities	550,974	982,374
Trade payables	5,214,791	5,513,425
Other liabilities	345,641	399,653
Current income tax liabilities	15,324	10,682
Liabilities associated with assets held for sale	35,305	63,263
	7,010,940	**8,125,524**
	13,988,038	**15,219,324**

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Consolidated Statement of Cash Flows

(EUR thousand)	**H1 2015**	H1 2014
Profit after tax	172,695	164,436
Depreciation, amortization, impairments and impairment reversals	198,758	240,375
Changes in provisions	(9,373)	(70,666)
Changes in deferred taxes	20,547	12,138
Gains/(losses) from disposals of non-current assets and marketable securities	(23,733)	(25,813)
Other non-cash income and expenses (primarily equity accounting) and deconsolidations	(7,212)	(6,340)
Changes in working capital (net current assets)	(257,326)	(634,891)
Changes in other balance sheet items	10,076	(11,328)
Cash flow from operations	**104,432**	**(332,089)**
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(155,374)	(349,808)
Proceeds from asset disposals	41,980	86,838
Acquisitions and participating interests		
Purchases	(51,737)	(57,277)
Proceeds from asset disposals/divestments	994,744	178,397
Changes in securities holdings and financial receivables	117,997	521,180
Cash flow from investing activities	**947,610**	**379,330**
Payments for repurchase of treasury stock	(49,733)	–
Payments received from sale of treasury stock	902	–
Payments for the purchase of additional shares in subsidiaries	–	(609,225)
Payments into equity by minority shareholders	1,899	18,103
Other financing activities	(3,208)	–
Dividends to HOCHTIEF's and minority shareholders	(179,719)	(162,977)
Proceeds from new borrowing	618,071	1,172,831
Debt repayment	(1,449,669)	(627,088)
Cash flow from financing activities	**(1,061,457)**	**(208,356)**
Net cash decrease in cash and cash equivalents	**(9,415)**	**(161,115)**
Effect of exchange rate changes	116,444	65,723
Overall change in cash and cash equivalents	**107,029**	**(95,392)**
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	**2,692,388**	**2,094,740**

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	–	–	(103,964)	–	–	–	(103,964)	(59,013)	(162,977)
Profit after tax	–	–	100,519	–	–	–	100,519	63,917	164,436
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	90,047	21,330	111,377	40,259	151,636
Changes from remeasurement of defined benefit plans	–	–	–	(26,890)	–	–	(26,890)	112	(26,778)
Total comprehensive income	–	–	100,519	(26,890)	90,047	21,330	185,006	104,288	289,294
Other changes not recognized in the Statement of Earnings	(19,688)	19,692	(367,397)	–	–	–	(367,393)	(229,671)	(597,064)
Balance as of June 30, 2014	**177,432**	**804,018**	**1,228,901**	**(228,586)**	**8,597**	**(11,098)**	**1,979,264**	**843,689**	**2,822,953**
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	–	–	(128,926)	–	–	–	(128,926)	(50,793)	(179,719)
Profit after tax	–	–	107,655	–	–	–	107,655	65,040	172,695
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	141,936	26,557	168,493	42,966	211,459
Changes from remeasurement of defined benefit plans	–	–	–	18,411	–	–	18,411	–	18,411
Total comprehensive income	–	–	107,655	18,411	141,936	26,557	294,559	108,006	402,565
Other changes not recognized in the Statement of Earnings	–	145	(48,855)	–	–	–	(48,710)	1,553	(47,157)
Balance as of June 30, 2015	**177,432**	**804,163**	**1,244,957**	**(290,179)**	**336,442**	**22,434**	**2,295,249**	**991,818**	**3,287,067**

***As of June 30, 2015, treasury stock with a purchase cost of EUR 97,135 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.**

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Consolidated Statement of Comprehensive Income

(EUR thousand)	**H1 2015**	H1 2014	Change	Full year 2014
Profit after tax	**172,695**	**164,436**	**8,259**	**405,783**
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	184,627	132,327	52,300	370,594
Changes in fair value of financial instruments				
Primary	17,030	15,694	1,336	22,123
Derivative	1,756	4,512	(2,756)	(18)
Profits and losses of equity-method associates and jointly controlled entities recognized directly in equity	8,046	(897)	8,943	3,595
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	18,411	(26,778)	45,189	(110,576)
Other comprehensive income (after tax)	**229,870**	**124,858**	**105,012**	**285,718**
Total comprehensive income after tax	**402,565**	**289,294**	**113,271**	**691,501**
Of which: HOCHTIEF Group	[294,559]	[185,006]	[109,553]	[445,260]
Of which: Minority interest	[108,006]	[104,288]	[3,718]	[246,241]

Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of June 30, 2015, which were released for publication on July 30, 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 increase in capital market interest rates, HOCHTIEF raised the discount rate used to value pension obligations in Germany to 2.25% as of June 30, 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.

In the reporting period, the system and criteria used to calculate net cash/net debt were harmonized across the HOCHTIEF Group. This mainly affects current financial receivables, long-term loans to participating interests, and current financial liabilities to participating interests, which are now components of net cash/net debt. The prior-year figures were adjusted accordingly.

Consolidation changes

The Consolidated Financial Statements for the first half of 2015 include 17 foreign companies for the first time. Two domestic and 20 foreign companies have been removed from the consolidated group.

Both in Germany and internationally, the number of companies accounted for using the equity method decreased by one each.

The Consolidated Financial Statements as of June 30, 2015 include HOCHTIEF Aktiengesellschaft as well as a total of 56 domestic and 409 foreign consolidated companies, 18 domestic and 173 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), these 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)	**June 30, 2015**	Dec. 31, 2014
Intangible assets and property, plant and equipment	59,043	150,994
Other assets	–	20,585
Total assets	**59,043**	**171,579**
Liabilities	**35,305**	**63,263**

In the second quarter of 2015, some assets and liabilities no longer met the criteria for presentation in accordance with IFRS 5 and were therefore presented in property, plant and equipment, inventories, and liabilities again. This reclassification had no impact on the Statement of Earnings.

Discontinued operations

In line with its strategic focus, the HOCHTIEF Group company CIMIC 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)	H1 2014
Income from discontinued operations	
Sales	1,786,964
Expenses	(1,700,584)
Net investment and interest income	(176)
Net income from participating interest	3,969
Profit before tax—discontinued operations	**90,173**
Income tax	(30,728)
Profit after tax—discontinued operations	**59,445**

Treasury stock

As of June 30, 2015, HOCHTIEF Aktiengesellschaft held a total of 1,590,324 shares of treasury stock. These shares represent EUR 4,071,229 (2.295%) of the Company's capital stock. They were purchased since October 7, 2014 for the purposes provided for in the resolution of the Annual General Meeting of May 7, 2014 and that of May 6, 2015 and for all other purposes permitted under the German Stock Corporations Act (AktG).

Between April 1, 2015 and June 30, 2015, 233,281 shares of treasury stock were purchased for a total price of EUR 16,256,833 (an average price of EUR 69.69 per share) as part of the stock buyback program decided upon on October 1, 2014 for the purposes provided for in the authorizing resolution of the Annual General Meeting of May 7, 2014 and that of May 6, 2015 and for all other purposes permitted under AktG. The shares represent EUR 597,199 (0.337%) of the Company's capital stock.

In May 2015, 15,743 shares of treasury stock were transferred to members of the Executive Board of the Company and to members of the Executive Board of HOCHTIEF Solutions AG at a price of EUR 66.51 per share on condition that the shares be held for at least two years after transfer. The transfer settled the transferees' variable compensation entitlements in place of cash settlement. These shares represent EUR 40,302 (0.023%) of the Company's capital stock.

Bond repurchase

In the course of a bond repurchase, USD 298.7 million of the principal amount of the bond issued on November 13, 2012 was repaid early by CIMIC on June 24, 2015.

Dividend

A resolution was adopted at the Annual General Meeting of HOCHTIEF Aktiengesellschaft on May 6, 2015 to pay a dividend for 2014 of EUR 1.90 per eligible no-par-value share. The aforementioned amount of EUR 1.90 includes a special dividend of EUR 0.20 related to the sale of corporate units at CIMIC.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they have decreased since December 31, 2014 by EUR 1,442 thousand to EUR 7,337 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.

	June 30, 2015			Dec. 31, 2014		
(EUR thousand)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Other financial assets	1,073	47,181	78,084	1,044	42,998	74,690
Other receivables and other assets						
Non-current	–	7,461	–	–	6,414	–
Current	–	3,301	–	–	4,998	–
Marketable securities	555,332	92,337	–	655,788	85,747	–
Liabilities						
Other liabilities						
Non-current	–	1,051	–	–	1,349	–
Current	–	7,403	–	–	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 comparative period, there were no transfers of financial instruments measured at fair value between Levels 1 and 2 of the fair value hierarchy during the first half 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	1,801
Gains/(losses) recognized in profit or loss	1,749
Other changes	(156)
Balance as of June 30, 2015	**78,084**

In the comparative year, Level 3 encompassed 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 line with the comparative year, the gains 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 99,477 thousand (December 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 half 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)	**H1 2015**	H1 2014 (restated)*	**Q2 2015**	Q2 2014 (restated)*
Profit from operating activities	**314,978**	**245,553**	**163,532**	**130,473**
+ Net income from jointly controlled entities	50,948	23,985	34,269	8,115
– Non-recurring items	(+) 44,377	(6,442)	34,804	(+) 9,167
EBIT	**410,303**	**263,096**	**232,605**	**147,755**

***Restated due to IFRS 5. For explanatory notes on the restatement, please see page 18.**

In the reporting period, the system used to calculate EBIT was harmonized across the HOCHTIEF Group. The net income from participating interests presented in EBIT now includes only the profit or loss of jointly controlled entities. Non-recurring items consists of income and expenses classified as exceptional for business management purposes or resulting from exceptional transactions or not attributable to operating activities. Non-recurring items in the reporting period mostly consist of restructuring expenses, foreign exchange gains and losses, as well as income from asset disposals and deconsolidations.

Undiluted and diluted earnings per share

	H1 2015	H1 2014	**Q2 2015**	Q2 2014
Consolidated net profit—continuing operations (EUR thousand)	107,655	59,169	55,835	32,771
Consolidated net profit—discontinued operations (EUR thousand)	–	41,350	–	23,638
Total consolidated net profit (EUR thousand)	**107,655**	**100,519**	**55,835**	**56,409**
Number of shares in circulation (weighted average)	67,910,664	69,309,434	67,793,461	69,309,434
Consolidated net profit per share—continuing operations (EUR)	1.59	0.85	0.82	0.47
Consolidated net profit per share—discontinued operations (EUR)	–	0.60	–	0.34
Total earnings per share (EUR)	**1.59**	**1.45**	**0.82**	**0.81**

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, July 30, 2015

The Executive Board

Fernández Verdes Sassenfeld

Legorburo Graf von Matuschka

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

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Electricity from hydro power

The Ruskin Dam in British Columbia, Canada, does not usually attract much attention. Nestled between the wooded banks of the Stave River, over 60 kilometers east of Vancouver and at some distance from the nearest main road, the dam appears to blend right in with the scenery. But mid-2012 brought a flurry of activity to the dam and its powerhouse, as Flatiron started reinforcing the over 80-year-old structure and upgrading it to withstand earthquakes.

HOCHTIEF's U.S. subsidiary is currently carrying out two contracts as part of the conversion taking place while the facility remains online and active. The work is scheduled for completion in 2017. The powerhouse will then provide around 33,000 households with electricity from a sustainable source—and again go about performing its duties reliably and inconspicuously.

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