Half-Year Report
January to June 2021

Financial Highlights

- Nominal net profit EUR 195 million, +29% yoy; operational net profit EUR 205 million, +17% yoy
- Strong Q2 net cash from operating activities of EUR 530 million, up EUR 237 million yoy, pre-factoring
- Robust net cash of EUR 434 million, a strong quarterly increase of EUR 427 million
- New orders of EUR 14.3 billion, +47% yoy; order backlog now above Dec. 2019 pre-Covid level
- Guidance FY 2021 confirmed, improving trends in Group's key markets

We are building the world of tomorrow. HOCHTIEF

The HOCHTIEF Group: Key Figures					
(EUR million)	**H1 2021**	H1 2020 like for like	**Change yoy**	**H1 2020 reported**	**Change reported**
Sales adjusted	**10,269.9**	10,874.0	**-5.6%**	**11,946.8**	**-14.0%**
Operational profit before tax/PBT	**323.7**	285.0	**13.6%**	**399.1**	**-18.9%**
Operational profit before tax/PBT pre-Abertis	**311.1**	303.2	**2.6%**	**417.3**	**-25.4%**
Operational PBT margin (%)	**3.2**	2.6	**0.6**	**3.3**	**-0.1**
Operational PBT pre-Abertis margin (%)	**3.0**	2.8	**0.2**	**3.5**	**-0.5**
Operational net profit	**205.4**	175.8	**16.8%**	**226.8**	**-9.4%**
Operational net profit pre-Abertis	**192.8**	194.0	**-0.6%**	**245.0**	**-21.3%**
EBITDA	**514.5**	480.8	**7.0%**	**801.8**	**-35.8%**
EBITDA margin (%)	**5.0**	4.4	**0.6**	**2.4**	**-2.6**
EBIT	**352.3**	340.5	**3.5%**	**464.9**	**-24.2%**
EBIT margin (%)	**3.4**	3.1	**0.3**	**3.9**	**-0.5**
Nominal profit before tax/PBT	**294.0**	259.7	**13.2%**	**373.8**	**-21.3%**
Nominal profit before tax/PBT pre-Abertis	**281.4**	277.9	**1.3%**	**392.0**	**-28.2%**
Nominal net profit	**194.5**	151.2	**28.6%**	**202.2**	**-3,8%**
Nominal net profit pre-Abertis	**181.9**	169.4	**7.4%**	**220.4**	**-17,5%**
Nominal earnings per share (EUR)	**2.85**	2.16	**31.9%**	**2.88**	**-1.0 %**
Net cash from operating activities	**(86.7)**	(80.2)	**(6.5)**	**(134.4)**	**47.7**
Net cash from operating activities pre-factoring	**80.9**	(69.1)	**150.0**	**(5.9)**	
Net operating capital expenditure	**35.8**	79.1	**(43.3)**	**187.8**	**(152.0)**
Free cash flow from operations	**(122.5)**	(159.3)	**36.8**	**(322.2)**	**199.7**
Net cash /net debt	**433.9**	(365.1)	**799.0**	**(365.1)**	**799.0**
New orders	**14,263.5**	9,709.3	**46.9%**	**10,364.2**	**37.6%**
Work done	**12,045.7**	11,923.8	**1.0%**	**12,477.2**	**-3.5%**
Order backlog	**48,920.9**	47,124.6	**3.8%**	**50,202.1**	**-2.6%**
Employees (end of period)	**34,069**	35,722	**-4.6%**	**48,813**	**-30.2%**

Note: Operational profits are adjusted for non-operational effects
In this presentation, comparable periods have been adjusted to reflect Thiess as a 50% equity JV. 2020 like-for-like also include Thiess PPA adjustment. The figures show continuing operations.

Cover photo: Wellsburg Bridge, West Virginia:

Precision work: In late April, a section of bridge measuring a good 250 meters and weighing 4,100 metric tons was initially inched over 1.6 kilometers down the Ohio River in the U.S. state of West Virginia before being secured in its final position. Construction of the Wellsburg Bridge is scheduled for completion at the end of 2023. It will then connect the communities of Wellsburg in West Virginia and Brilliant in Ohio. HOCHTIEF's subsidiary Flatiron is responsible for the project.

The HOCHTIEF Group: Key Figures							
(EUR million)	**Q2 2021**	Q2 2020 like for like	**Change yoy**	Q2 2020 reported	**Change re-ported**	Full year 2020 like for like	Full year 2020 reported
Sales adjusted	**5,335.5**	5,273.2	**1.2%**	5,791.3	**-7.9%**	22,227.9	23,679.2
Operational profit before tax/PBT	**166.1**	133.2	**24.7%**	183.4	**-9.4%**	549.5	802.3
Operational profit before tax/PBT pre-Abertis	**150.5**	152.6	**-1.4%**	202.8	**-25.8%**	566.6	819.4
Operational PBT margin (%)	**3.1**	2.5	**0.6**	3.2	**-0.1**	2.5	3.4
Operational PBT pre-Abertis margin (%)	**2.8**	2.9	**-0.1**	3.5	**-0.7**	2.5	3.5
Operational net profit	**106.2**	78.1	**36.0%**	103.1	**3.0%**	358.9	476.7
Operational net profit pre-Abertis	**90.6**	97.5	**-7.1%**	122.5	**-26.0%**	376.0	493.8
EBITDA	**266.8**	232.8	**14.6%**	366.4	**-27.2%**	978.8	1,749.7
EBITDA margin (%)	**5.0**	4.4	**0.6**	6.3	**-1.3**	4.4	7.4
EBIT	**179.5**	148.3	**21.0%**	203.9	**-12.0%**	695.4	1,046.1
EBIT margin (%)	**3.4**	2.8	**0.6**	3.5	**-0.1**	3.1	4.4
Nominal profit before tax/PBT	**148.6**	116.5	**27.6%**	166.7	**-10.9%**	548.0	881.9
Nominal profit before tax/PBT pre-Abertis	**133.0**	135.9	**-2.1%**	186.1	**-28.5%**	565.1	899.0
Nominal net profit	**108.5**	62.3	**74.2 %**	87.3	**24.3 %**	311.6	427.2
Nominal net profit pre-Abertis	**92.9**	81.7	**13.7 %**	106.7	**-12.9 %**	328.7	444.3
Nominal earnings per share (EUR)	**1.59**	0.89	**78.7%**	1.25	**27.2%**	4.49	6.16
Net cash from operating activities	**510.3**	218.0	**292.3**	253.3	**257.0**	674.3	742.8
Net cash from operating activities pre-factoring	**529.6**	292.9	**236.7**	172.7		761.4	1,098.1
Net operating capital expenditure	**15.4**	42.7	**(27.3)**	87.9	**(72.5)**	121.9	371.1
Free cash flow from operations	**494.9**	175.4	**319.5**	165.4	**329.5**	552.4	371.7
Net cash /net debt	**433.9**	(365.1)	**799.0**	(365.1)	**799.0**	617.9	617.9
New orders	**8,355.6**	5,196.6	**60.8%**	5,845.2	**42.9%**	22,180.5	23,069.9
Work done	**6,276.5**	5,807.7	**8.1%**	6,075.6	**3.3%**	24,165.7	24,549.6
Order backlog	**48,920.9**	47,124.6	**3.8%**	50,202.1	**-2.6%**	45,840.4	45,840.4
Employees (end of period)	**34,069**	35,722	**-4.6%**	48,813	**-30.2%**	34,782	46,644

Note: Operational profits are adjusted for non-operational effects
Sales FY 2020 adjusted for Gorgon and other minor effects
In this presentation, comparable periods have been adjusted to reflect Thiess as a 50% equity JV. 2020 like-for-like also include Thiess PPA adjustment. The figures show continuing operations.

Dear Shareholders and friends of HOCHTIEF,

Marcelino Fernández Verdes, Chairman of the Executive Board

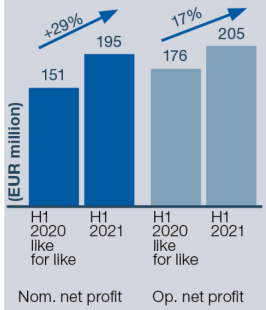
During the second quarter, HOCHTIEF returned to growth with a 6% sales increase, f/x-adjusted, whilst delivering higher profitability and strongly improved cash flows, on a like-for-like basis. The Group ended the period with a solid net cash position and an order backlog of EUR 48.9 billion which stands above the pre-Covid December 2019 level.

In the first half of the year, the Group has delivered a nominal net profit of EUR 195 million. This represents a 29% increase compared with EUR 151 million in H1 2020 on a like-for-like (LFL) basis, adjusting for the divestment of 50% of Thiess where the remaining 50% holding is equity-method consolidated. Nominal earnings per share were 32% higher. Operational net profit of EUR 205 million rose year on year by 17% LFL. The Abertis profit contribution of EUR 13 million compares with the EUR 18 million loss in H1 2020 and reflects improving traffic trends following the significant falls seen in the early stages of the pandemic. Operating revenues at the toll road operator in Q2 were up 60% year on year. Margins remained firm across our divisions with the Group PBT margin rising from 2.8% to 3.0%, pre-Abertis.

HOCHTIEF Group—H1 2021 overview[1)]

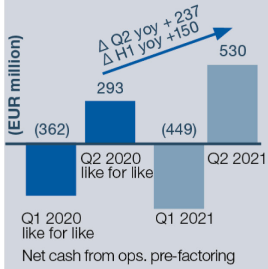
Nom. net profit EUR 195 million, +29% yoy; op. net profit EUR 205 million, +17% yoy

- Sales in H1 2021 of EUR 10.3 billion, -2% yoy f/x-adjusted. Q2 returning to sales growth of 6% after Q1 (-9% yoy, versus a high pre-Covid comparison level, both f/x-adjusted)
- Firm operational PBT margin of 3.0% in H1 2021 pre-Abertis (+20 basis points yoy)
- Abertis earnings contribution of EUR 13 million in H1 2021; positive contribution in Q2 2021 of EUR 16 million (EUR +35 million yoy) reflecting improving traffic trends
- EUR 2.85 nominal EPS (+32% yoy), EUR 3.01 operational EPS (+20%) for the half-year period



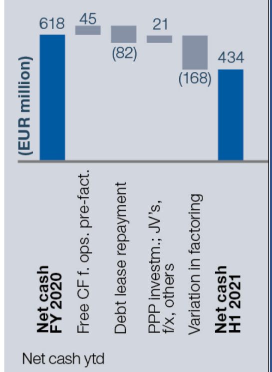
Strong Q2 net cash from operating activities of EUR 530 million, up EUR 237 million yoy, pre-factoring

- Strong working capital performance with cash-in of EUR 167 million in Q2 2021 pre-factoring mainly driving the Group's cash performance
- Net cash from operating activities of over EUR 900 million last twelve months (LTM), pre-factoring
- Free cash flow from operations positive at EUR 45 million in H1 2021, EUR +193 million yoy, LTM 833 million (all pre-factoring)



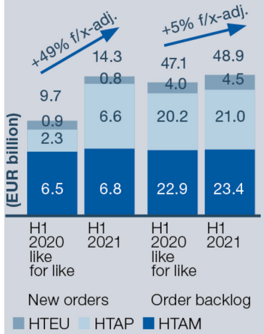
Robust net cash of EUR 434 million, a strong quarterly increase of EUR 427 million

- EUR 434 million net cash is after EUR 168 million reduction of factoring ytd
- Sound balance sheet position with net cash up EUR 800 million yoy despite Covid impact
- Strong liquidity position of EUR 5.3 billion, additional EUR 2.6 billion undrawn loan facilities



New orders of EUR 14.3 billion, +47% yoy; order backlog now above Dec. 2019 pre-Covid level

- Broad-based, strong recovery in new orders, 1.2x work done in H1 2021
- Order backlog +5% f/x-adj. ytd, with solid increases in all divisions yoy
- Geographically diversified order book with 48% in Americas, 43% Asia Pacific, 9% Europe
- Solid tender pipeline of approx. EUR 600 billion in 2021+ incl. PPP pipeline of over EUR 200 billion



Guidance FY 2021 confirmed, improving trends in Group's key markets

- FY 2021 guidance: op. NPAT EUR 410–460 million subject to market conditions
- FY 2020 dividend of EUR 3.93/share paid out in early July; unchanged 65% payout
- Strong position in our key markets and numerous opportunities from stimulus packages announced by governments

1) In this presentation, comparable periods have been adjusted to reflect Thiess as a 50% equity JV. 2020 like-for-like also include Thiess PPA adjustment. The figures show continuing operations.
yoy = year on year ytd = year to date LTM = last twelve months

HOCHTIEF's cash generation has increased strongly during the first six months of 2021. During the second quarter, net cash from operating activities increased by EUR 237 million year on year to EUR 530 million, pre-factoring, driven mainly by a strong working capital performance. If we examine the last twelve months, to adjust for seasonality factors, the Group achieved over EUR 900 million in net cash from underlying operating activities or EUR 833 million at the free cash flow level from operations, after capex. In the first six months, net operating capex stood at EUR 36 million.

HOCHTIEF ended June 2021 with a robust net cash position of EUR 434 million—a EUR 427 million increase during the quarter. Looking at the last twelve months, the increase is around EUR 800 million year on year, after EUR 552 million of shareholder remuneration. The Group ended the quarter with a strong liquidity position of EUR 5.3 billion with an additional EUR 2.6 billion in undrawn credit facilities.

New orders increased by almost 50% year on year to EUR 14.3 billion whilst a disciplined bidding approach was maintained across all divisions. As a consequence, the Group's order book of EUR 48.9 billion is up 7% since December 2020 and in fact now stands above the pre-Covid December 2019 level of EUR 48.3 billion. Almost half of our order book is located in North America with a further 43% in the Asia-Pacific region and 9% in Europe.

Looking forward, the future appears positive given the opportunities afforded by the numerous stimulus packages approved by governments and the identified tender pipeline of relevant projects worth EUR 600 billion for 2021 and beyond which are supported by over EUR 200 billion in PPP projects.

On July 7, 2021, HOCHTIEF distributed a dividend for FY 2020 of EUR 3.93 per share or EUR 268 million in absolute terms. This corresponds to an unchanged dividend payout ratio of 65% of nominal net profit and is in addition to the EUR 168 million returned to our shareholders via the buyback of 3.5% of our shares during 2020.

Environmental, Social and Governance strategy

HOCHTIEF is one of the world's leading infrastructure groups in relation to Environmental, Social and Governance topics or ESG. Sustainability, specifically, is one of our guiding principles for how we approach and manage our business and a cornerstone of our strategy.

Our long-standing commitment to sustainability is reflected, for example, by our listing in the Dow Jones Sustainability Index, which incorporates the most environmentally-focused companies, and we are proud to have been a member for the last 15 years. In addition, MSCI has awarded HOCHTIEF a strong AA ESG rating, and in a global sustainability rating by Sustainalytics, our Group is among the top 10 companies in our industry. Furthermore, we have also been recognized for our efforts on Climate Change by the Carbon Disclosure Project (CDP).

In 2021, we are further accelerating our efforts on environmental, social and governance priorities, leveraging the digital technologies we are developing, in order to continue our business transformation. The Executive Board is leading this twin transition, green and digital, which is a key element of our strategy. We are updating our efforts with our 2021 to 2025 sustainability plan and are working on carbon reduction targets. HOCHTIEF fully supports the goals of the Paris Agreement to stop global warming and to make our environment carbon neutral by 2050 and our ambition is for the Group to reach this objective well ahead of schedule. Within the context of environmental and climate protection, HOCHTIEF tracks the scope 1, 2 and 3 greenhouse gas emissions in the Group.

The fundamental objective of our sustainability plan is to support and to reinforce the business strategy, promoting the company’s response to social, environmental and good governance challenges, with a global vision, reducing risks and developing opportunities that meet the needs of our stakeholders.

Our sustainability plan will also respond to the requirements and recommendations of regulators such as the new EU Taxonomy, for which HOCHTIEF is already making the necessary efforts to respond to the detailed disclosure obligations.

Environmental
Our customers value our range of services on the environmental front. HOCHTIEF generated revenues in 2020 from green building projects worth EUR 8.3 billion or over one-third of Group sales. We are the leaders in green building in the U.S. and embrace the trend toward making the industry more and more sustainable. Tumer has completed more than 1,200 green building projects and it has more professionals which are LEED-accredited (the key sustainability metric in the U.S. building market) than any other construction firm and accumulates around USD 60 billion of green building project experience. For example, last week Turner announced its flagship USD 1.5 billion New York "Javits" convention center project had been awarded a LEED Gold certification by the U.S. Green Building Council and serves as a model of environmental efficiency and sustainability.

We are working together with our clients, suppliers and subcontractors to significantly improve the environmental footprint of our activities.

Social
The social component of sustainability at HOCHTIEF has just been further reinforced by our updated Human Rights policy, which is available on our website. Our staff's diversity in terms of age, gender, citizenship, religion, and background is something we as an intemational group care deeply about. The diversity of our teams positively influences their performance. Diversity is an integral part of human resources processes at HOCHTIEF.

Governance
Governance continues to be a top priority for us. In terms of Corporate Governance, the Executive Board is committed to managing HOCHTIEF in the interest of all its stakeholders with particular attention given to assessing long-term opportunities and the approach to risk management.

Compliance is key in delivering our corporate principles particularly in terms of our codes of business conduct and we attach great importance to ensuring that our high standards extend to the entire supply chain and that human rights apply to everyone who works on our projects. We only work with partners who are committed to our values and we are further increasing our efforts to ensure to get them monitored and certified.

Group Outlook
With solid margins, increasing cash flow and a robust order book which has seen a rise of almost 50% in our new orders during the first half of 2021, we are positive on the outlook for HOCHTIEF.

We confirm our guidance and expect to achieve an operational net profit in 2021 in the range of EUR 410–460 million (EPS of EUR 6.01–6.75/share) an increase of approximately EUR 50–100 million year on year compared with the EUR 359 million of 2020 on a like-for-like basis.

Yours,

Marcelino Fernández Verdes
Chairman of the Executive Board

Interim Management Report
Financial review

Overview

During the second quarter, the HOCHTIEF Group returned to sales growth whilst delivering higher profitability and strongly improved cash flows, on a like-for-like basis. The Group ended the quarter with a solid net cash position and an order backlog of EUR 48.9 billion which stands above the pre-Covid December 2019 level.

In the course of 2020, CIMIC entered into an agreement with funds advised by Elliott Advisors (UK) Ltd to sell 50% of its subsidiary Thiess, finalizing the transaction on December 31, 2020. Accordingly, Thiess ceased to be a fully consolidated entity in the Consolidated Financial Statements as of the year-end 2020. The earnings contributions from Thiess are accounted for in the HOCHTIEF Financial Statements using the equity method from the beginning of 2021. In the first half of the prior year, Thiess was still accounted for as a fully consolidated subsidiary with all income, expenses, assets, and liabilities in the HOCHTIEF Consolidated Financial Statements.

In this review, we are also referring to like-for-like first-half 2020 figures which are adjusted for the effect of the Thiess stake sale to provide a comparable basis in order to show the underlying development of the respective figure.

Sales and earnings

The HOCHTIEF Group generated **sales** of EUR 10.3 billion during the first half of 2021. This corresponds to a like-for-like decrease of 2% on an f/x-adjusted basis. Sales in Q2 2021 returned to like-for-like f/x-adjusted growth of 6% year on year after Q1 2021 was -9%, compared to a high pre-Covid-19 comparison basis in Q1 2020.

Sales – continuing operations

(EUR million)	**H1 2021**	H1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	6,662.7	7,606.5	-12.4%	-4.5%
HOCHTIEF Asia Pacific	2,942.8	3,688.4	-20.2%	-25.7%
HOCHTIEF Asia Pacific like for like*	2,942.8	2,615.6	12.5%	4.8%
HOCHTIEF Europe	597.6	592.5	0.9%	0.8%
Corporate	66.8	59.4	12.5%	21.4%
HOCHTIEF Group	**10,269.9**	**11,946.8**	**-14.0%**	**-10.7%**
Sales like for like*	**10,269.9**	**10,874.0**	**-5.6%**	**-1.9%**

*adjusted for Thiess effect

Sales in the Americas division were EUR 6.7 billion in the first half of 2021. Adjusted for exchange rates, sales were 5% down on the prior-year figure. The sales trend turned positive with +2% year on year f/x-adjusted in Q2 2021 after -11% in Q1 2021.

CIMIC generated sales of AUD 4.6 billion in the first half of 2021. On a comparable basis (like for like), sales were 5% up on the prior-year figure of AUD 4.4 billion with growth in Australian Construction and Services starting to see a pick-up in operations and maintenance work. Sales at the level of the HOCHTIEF Asia Pacific division came to EUR 2.9 billion.

The HOCHTIEF Europe division increased sales by 1% year on year to EUR 598 million with a continuing disciplined bidding approach.

The sales volume generated on markets outside Germany amounted to EUR 9.9 billion in the first six months of 2021. At 96%, the proportion of HOCHTIEF Group sales generated internationally is thus on a similar level to the prior year.

Net income from equity-method associates, joint ventures, and other participating interests improved by EUR 60 million on the prior year (EUR 61 million) to EUR 121 million. The increase is driven by the first-time equity consolidation of Thiess (EUR 45 million) and a higher earnings contribution from Abertis Investment which was up EUR 31 million year on year.

Net investment and interest expense amounted to EUR 62 million in the first six months of 2021 (H1 2020: EUR 84 million). The EUR 22 million improvement relative to the prior year mostly reflected lower interest expense as a result of the Group's refinancing activities.

HOCHTIEF generated a **nominal profit before tax (PBT)** of EUR 294 million in the first half of 2021 (H1 2020: EUR 260 million). On a comparable basis, this represented an increase of 13% year on year. **Operational PBT** (nominal PBT adjusted for non-operational effects) stood at EUR 324 million (H1 2020: EUR 285 million). Like for like, operational PBT improved by 14% on the prior year.

Profit before tax (PBT)—continuing operations

(EUR million)	**H1 2021**	H1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	158.4	163.3	-3.0%	6.1%
HOCHTIEF Asia Pacific	130.6	229.8	-43.2%	-47.9%
HOCHTIEF Asia Pacific like for like*	130.6	115.7	12.9%	3.5%
HOCHTIEF Europe	18.0	17.9	0.6%	2.8%
Abertis Investment	12.6	(18.2)	–	–
Corporate	(25.6)	(19.0)	34.7%	-25.3%
Group nominal PBT—continuing operations	**294.0**	**373.8**	**-21.3%**	**-19.7%**
Group nominal PBT—continuing operations like for like*	**294.0**	**259.7**	**13.2%**	**15.6%**
Non-operative effects	**29.7**	**25.3**	**17.4%**	
Restructuring	11.6	14.3	-18.9%	
Investments/Divestments	11.8	13.4	-11.9%	
Impairments	0.0	0.0	–	
Others	6.3	(2.4)	–	
Group operational PBT—continuing operations	**323.7**	**399.1**	**-18.9%**	
Group operational PBT—continuing operations like for like*	**323.7**	**285.0**	**13.6%**	

*adjusted for Thiess effect

HOCHTIEF Americas delivered a sound earnings performance in the first half of 2021. Nominal PBT in the division came to EUR 158 million, marking a 6% improvement on an exchange rate adjusted basis relative to the prior-year period.

The performance of the HOCHTIEF Asia Pacific division reflects HOCHTIEF's stake in CIMIC (78.58% as of June 2021, 77.06% as of June 2020) as well as associated financing and holding costs, and the impact of variations in the AUD/EUR exchange rate. CIMIC achieved solid earnings figures in the first half of 2021. Nominal PBT came to AUD 247 million. On a like-for-like basis, PBT thus was above the prior-year figure (AUD 238 million). At division level, nominal PBT was EUR 131 million compared to EUR 116 million in the prior year on a like-for-like basis.

The HOCHTIEF Europe division generated nominal PBT of EUR 18 million in the first half of 2021, on a similar level to the prior-year period.

Income tax expense amounted to EUR 57 million in the first half of 2021 (H1 2020: EUR 110 million). The tax rate stood at 19% (prior year: 29%) reflecting the impact from the first-time equity method consolidation of Thiess and the increased result of Abertis.

The HOCHTIEF Group's **nominal net profit** totaled EUR 195 million in the first half of 2021 (H1 2020: EUR 151 million). On a like-for-like basis this represented an increase of 29% year on year. HOCHTIEF's operational net profit came to EUR 205 million corresponding to an increase of 17% when adjusting for the impact of the 50% Thiess stake sale.

Consolidated net profit—continuing operations

(EUR million)	**H1 2021**	H1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	103.3	106.8	-3.3%	6.6%
HOCHTIEF Asia Pacific	77.2	119.5	-35.4%	-41.3%
HOCHTIEF Asia Pacific like for like*	77.2	68.5	12.7%	2.3%
HOCHTIEF Europe	11.4	17.8	-36.0%	-33.7%
Abertis Investment	12.6	(18.2)	–	–
Corporate	(10.0)	(23.7)	57.8%	64.1%
Group nominal net profit—continuing operations	**194.5**	**202.2**	**-3.8%**	**-1.1%**
Group nominal net profit—continuing operations like for like*	**194.5**	**151.2**	**28.6%**	**32.2%**
Non-operative effects	**10.9**	**24.6**	**-55.7%**	
Restructing	11.0	12.8	-14.1%	
Investments/Divestments	12.5	13.8	-9.4%	
Impairments	0.0	0.0	–	
Others	(12.6)	(2.0)	–	
Group operational net profit—continuing operations	**205.4**	**226.8**	**-9.4%**	
Group operational net profit—continuing operations like for like*	**205.4**	**175.8**	**16.8%**	

*adjusted for Thiess effect

Earnings from discontinued operations

Discontinued operations comprise the 45% stake in BICC, held by CIMIC.

On February 15, 2021, CIMIC announced the signing of a purchase agreement with SALD Investment LLC ("SALD") for the sale of CIMIC's interest in BICC, a fully consolidated subsidiary. Accordingly, the subsidiary was classified as a discontinued operation in accordance with IFRS 5 and accounted for as such as of December 31, 2020.

SALD, a UAE-based private-sector investment company, will purchase CIMIC's 45% stake in BICC for nominal consideration. The remaining 55% of BICC not held by CIMIC is also to be purchased by SALD at a nominal amount. As a result of the sale transaction, BICC ceased to be a fully consolidated entity in the consolidated financial statements as of 2021. The net sum of BICC's current earnings from January 1, 2021 to February 14, 2021 and the deconsolidation result is EUR 0 (June 30, 2020: EUR 16 million). The risks associated with the investment were already recognized in previous years. The deconsolidation in the first quarter of 2021 had no impact on profit or loss.

HOCHTIEF Group—Selected Recent Significant Project Announcements

Contract values are total project volumes.

Rhine Bridge, EUR 216 million, Leverkusen, Germany
A7 Altona Tunnel, EUR 580 million, Hamburg, Germany
Prague Metro, EUR 540 million, Czech Republic
San Diego International Airport, EUR 2.0 billion, California, USA
Anderson Dam Tunnel, EUR 134 million, California, USA
Placer Health and Human Services Center, EUR 66 million, California, USA
Data Center, Wyoming, USA
I-10 Broadway Curve project, EUR 507 million, Arizona, USA
Amazon TI—555 108th Ave NE, Washington, USA
Great Wolf Lodge Perryville, hotel, Maryland, USA

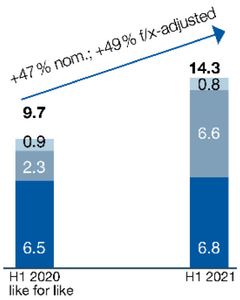
The Post, office project, Vancouver, Canada
Across Government Facilities Management Arrangement, EUR 191 million, Australia
Lake Vermont Extension, EUR 1.5 billion, Queensland, Australia
Bruce Highway Upgrade, EUR 188 million, Queensland, Australia
ECI Contract for Copperstring 2.0, EUR 1.1 billion, Queensland, Australia
Kidston Clean Energy Project, EUR 95 million, Queensland, Australia
Country Regional Network contract , EUR 958 million, New South Wales, Australia
Mining Operations contract extensions, EUR 174 million, New South Wales, Australia
North East Link PPP, EUR 10 billion, Melbourne, Australia
M6 Motorway, EUR 1.2 billion, Sydney, Australia

New orders and order backlog

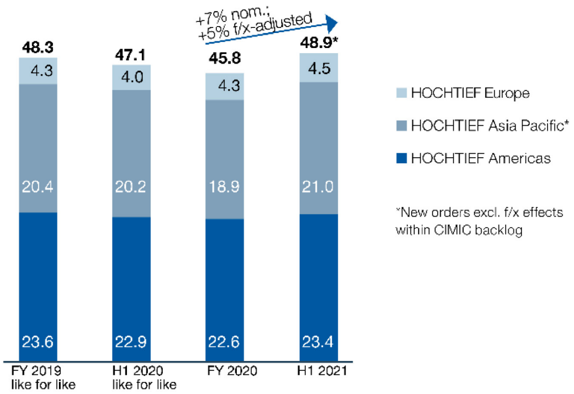
New orders of EUR 14.3 billion in H1 2021 increased strongly year on year at 47% in nominal terms. Adjusting for exchange rate effects, the increase amounted to 49% and was broad-based. The Group continues its disciplined bidding approach across all divisions.

Consequently, the **order book** rose to EUR 48.9 billion, i.e. above the comparable December 2019 pre-Covid level, corresponding to a year-on-year increase of 4% on a comparable basis and an increase of 5% after additionally adjusting for foreign exchange rate effects. All divisions contributed to this positive development. Our focus remains on developed markets and the geographically diversified order book.

New orders (EUR billion)



Order backlog (EUR billion)



Cash flow

Cash flow – continuing operations

(EUR million)	H1 2021	H1 2020	Change	Full year 2020
Net cash from operating activities pre-factoring	**80.9**	**(31.4)**	**112.3**	**1,098.1**
Net cash from operating activities pre-factoring like for like*	**80.9**	**(69.1)**	**150.0**	**–**
Net cash from operating activities	**(86.7)**	**(134.4)**	**47.7**	**742.8**
Net cash from operating activities like for like*	**(86.7)**	**(80.2)**	**(6.5)**	**–**
Gross operating capital expenditure	(44.8)	(199.1)	154.3	(397.2)
Gross operating capital expenditure like for like*	(44.8)	(88.3)	43.5	–
Operating asset disposals	9.0	11.3	(2.3)	26.1
Operating asset disposals like for like*	9.0	9.2	(0.2)	–
Net operating capital expenditure	(35.8)	(187.8)	152.0	(371.1)
Net operating capital expenditure like for like*	(35.8)	(79.1)	43.3	–
Free cash flow from operations	**(122.5)**	**(322.2)**	**199.7**	**371.7**
Free cash flow from operations like for like*	**(122.5)**	**(159.3)**	**36.8**	**–**
Free cash flow from operations pre-factoring	**45.1**	**(219.2)**	**264.3**	**727.0**
Free cash flow from operations pre-factoring like for like*	**45.1**	**(148.2)**	**193.3**	**–**

*adjusted for Thiess effect

Net cash from operating activities pre-factoring improved to EUR 81 million during the first half of the year which compares to an outflow of EUR 69 million on a like-for-like basis. Over the last twelve months eliminating the impacts of seasonality, net cash from operating activities pre-factoring stood at EUR 911 million.

The HOCHTIEF Group’s **gross operating capital expenditure** amounted to EUR 45 million in the first half of 2021 (54% of which was accounted for by the HOCHTIEF Asia Pacific division) compared with the prior-year figure of EUR 199 million. The marked decrease by EUR 154 million compared with the prior year reflects the first-time at-equity consolidation of Thiess in the first half of 2021. On a comparable basis (like for like), the decrease was EUR 44 million reflecting significant tunneling equipment purchased and deployed in 2020. Proceeds from operating asset disposals came to EUR 9 million (H1 2020: EUR 11 million). Cash outflow for net operating capital expenditure to deliver infrastructure works was therefore EUR 36 million (H1 2020: EUR 188 million; on a comparable basis: EUR 79 million), mainly spent on job-costed tunneling equipment.

Free cash flow from operations pre-factoring amounted to EUR 45 million, an improvement of almost EUR 200 million year on year compared to a cash outflow of EUR 148 million in the prior-year period on a like-for-like basis. Over the last twelve months, free cash flow from operations pre-factoring amounted to EUR 833 million.

Balance sheet

Total assets in the HOCHTIEF Group stood at EUR 16.5 billion as of June 30, 2021 (December 31, 2020: EUR 17.0 billion).

Non-current assets in the amount of EUR 5.2 billion as of June 30, 2021 were almost on par with the prior-year level.

Current assets stood at EUR 11.3 billion at the end of the first half of 2021, marking a decrease of EUR 438 million on the figure as of December 31, 2020. Trade receivables and other receivables went up in the first half of 2021 by EUR 433 million to EUR 5.5 billion, mainly due to seasonal factors and exchange rate effects. With a slight increase in marketable securities to EUR 531 million and with cash and cash equivalents of EUR 4.8 billion, HOCHTIEF continues to have a strong liquidity position totaling EUR 5.3 billion as of the June 30, 2021 reporting date. The assets held for sale were derecognized on February 15, 2021 in connection with the signing of the sale agreement for the CIMIC investment in BICC. As of June 30, 2021, the investment is accounted for using the equity method and reported with a carrying amount of nil.

HOCHTIEF Group **equity** increased by EUR 130 million from EUR 963 million at the end of the prior year to EUR 1.1 billion as of the June 30, 2021 reporting date. The changes during the first half of 2021 related to profit after tax (EUR 237 million), currency translation effects (EUR 96 million), dividends paid (EUR -296 million) and other changes outside of the statement of earnings (EUR 93 million).

Non-current liabilities increased by EUR 763 million to EUR 6.1 billion in the first six months of 2021 as the Group's non-current financial liabilities rose by a total of EUR 775 million to EUR 4.7 billion. The Group issued bonds (HOCHTIEF EUR 500 million and CIMIC EUR 625 million) to further extend and diversify its maturity of long-term borrowing. This increase was partly offset by borrowings reclassified from non-current to current liabilities and repayments of syndicated credit facilities. Non-current lease liabilities recognized in accordance with IFRS 16 amounted to EUR 259 million as of the June 30, 2021 reporting date (December 31, 2020: EUR 279 million).

Current liabilities decreased relative to the 2020 year-end figure by EUR 1.4 billion to EUR 9.3 billion at the end of the first half of 2021. Financial liabilities decreased by EUR 653 million to EUR 398 million, due to repayments of syndicated credit facilities—mainly the EUR 400 million syndicated credit line arranged in May 2020 and fully drawn since which was repaid in full from invested funds on April 26, 2021. Trade payables and other liabilities, at EUR 8.0 billion, remained nearly unchanged relative to December 31, 2020. The liabilities associated with assets held for sale were derecognized on February 15, 2021 in connection with the signing of the sale agreement for CIMIC's investment in BICC.

Net cash of the HOCHTIEF Group came to EUR 434 million as of the June 30, 2021 reporting date. Compared with the June 30, 2020 figure, this represented an improvement of EUR 799 million. The improvement is after EUR 552 million of shareholder remuneration via dividend and share buybacks in the last twelve months.

HOCHTIEF Group net cash (+)/net debt (-) development—continuing operations*

(EUR million)	**June 30, 2021**	June 30, 2020	**Change**	Dec. 31, 2020
HOCHTIEF Americas	1,461.0	1,241.1	219.9	1,399.5
HOCHTIEF Asia Pacific	(198.0)	(834.3)	636.3	114.1
HOCHTIEF Europe	484.1	381.0	103.1	544.4
Corporate	(1,313.2)	(1,152.9)	(160.3)	(1,440.1)
Group	**433.9**	**(365.1)**	**799.0**	**617.9**

* For definition, please see Group Report 2020, page 241.

Risk and opportunities report

There has been no material change in the situation of the Group from that presented in our 2020 Group Report with regard to opportunities and risks. The statements regarding the opportunities and risks made in the Group Report as of December 31, 2020 therefore continue to apply.

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

HOCHTIEF expects to achieve an operational net profit in 2021 in the range of EUR 410–460 million.

Divisions

HOCHTIEF Americas

HOCHTIEF Americas Division: Key Figures

(EUR million)	H1 2021	H1 2020	Change	Full year 2020
Divisional sales	**6,662.7**	7,606.5	**-12.4%**	14,676.1
Operational profit before tax/PBT	**163.7**	168.3	**-2.7%**	336.5
Operational PBT margin (%)	**2.5**	2.2	**0.3**	2.3
Operational net profit	**107.0**	110.5	**-3.2%**	244.4
Nominal profit before tax/PBT	**158.4**	163.3	**-3.0%**	325.9
Nominal net profit	**103.3**	106.8	**-3.3%**	236.5
Net cash from operating activities	**102.8**	(24.6)	**127.4**	642.6
Net cash from operating activities pre-factoring	**115.7**	24.6	**91.1**	673.4
Gross operating capital expenditure	**13.7**	9.8	**3.9**	22.2
Net cash (+)/net debt (-)	**1,461.0**	1,241.1	**219.9**	1,399.5
New orders	**6,783.7**	6,477.6	**4.7%**	15,391.8
Work done	**6,662.5**	7,276.7	**-8.4%**	14,283.8
Order backlog (end of period)	**23,437.6**	22,869.1	**2.5%**	22,599.2
Employees (end of period)	**12,172**	12,311	**-1.1%**	12,000

Note: Operational profits are adjusted for non-operational effects

HOCHTIEF Americas achieved a sound performance in the first six months of 2021 with an outstanding level of cash flow generation in the second quarter.

Sales during the first half of the year were EUR 6.7 billion with an increase year on year in the second quarter of 2% in local currency terms.

Operational PBT advanced by 6% year on year f/x-adjusted to EUR 164 million in H1 2021 with a robust margin reflecting the solid nature of the construction management activities which account for the majority of the division's business.

Net cash from operating activities pre-factoring of EUR 116 million increased by EUR 91 million year on year, with very strong momentum in the second quarter where the year-on-year increase was EUR 216 million. Looking at the last twelve months, to adjust for seasonality effects, net cash from operating activities is outstanding at EUR 723 million pre-factoring, despite the impact of the pandemic.

Americas continues to have a very strong balance sheet with a **net cash** position of EUR 1.5 billion at the end of June and which has increased by EUR 220 million year on year and EUR 361 million during the second quarter.

New orders increased by 14% year on year f/x-adjusted to EUR 6.8 billion with work secured in the last twelve months representing 1.1x work done. At the end of June, the **order backlog** stood at EUR 23.4 billion up 9% f/x-adjusted compared with June 2020.

New orders for the division include the Great Wolf Lodge Perryville project to be delivered by Turner in Maryland. In addition to a 700-room hotel, the project features a water park, a family entertainment center, shops, restaurants, and a conference center.

Furthermore, Turner is building a data center in Cheyenne, Wyoming.

In a joint venture, Turner is building the Placer Health and Human Services Center in North Auburn, California, with a contract value of approximately EUR 66 million. The zero-energy building is slated for completion by fall 2023.

Additionally, Turner is in charge of construction for The Post, a project in Vancouver, Canada. Amazon will take occupancy of 40 floors plus two “mega” floors extending over the area of an entire block. The ultra-modern working environment will include function rooms, training facilities, catering facilities, as well as outdoor sports amenities and spaces for events.

In Santa Clara County, California, Flatiron is to deliver the Anderson Dam Tunnel Project with a contract value of approximately EUR 134 million. The project involves construction of a tunnel and diversion structure through a dam that needs upgrading as a result of earthquake risks in the region.

Flatiron is also improving an approximately eight-kilometer stretch of the U.S. 70 highway in Johnston County, North Carolina. The project includes adding two interchanges.

HOCHTIEF Americas Outlook

For 2021, we target an **operational pre-tax profit** of **EUR 320 million to EUR 350 million**.

HOCHTIEF Asia Pacific

HOCHTIEF Asia Pacific Division: Key Figures

(EUR million)	H1 2021	H1 2020 like for like	Change	Full year 2020
Divisional sales	**2,942.8**	2,615.6	**12.5%**	6,886.3
Divisional sales adjusted	**2,942.8**	2,615.6	**12.5%**	7,611.7
Nominal profit before tax/PBT	**130.6**	115.7	**12.9%**	534.0
Nominal PBT margin (%)	**4.4**	4.4	**0.0**	7.0
Nominal net profit	**77.2**	68.5	**12.7%**	229.5
Net cash from operating activities	**(236.6)**	(92.7)	**(143.9)**	(213.2)
Net cash from operating activities pre-factoring	**(81.9)**	(132.3)	**50.4**	109.8
Gross operating capital expenditure	**(24.2)**	(71.3)	**47.1**	(361.1)
Net cash/net debt	**(198.0)**	(834.3)	**636.3**	114.1
Work done	**4,547.2**	3,829.2	**18.8%**	8,578.6
Order backlog (end of period)	**21,013.0**	20,224.0	**3.9%**	18,922.1
Employees (end of period)	**16,750**	18,026	**-7.1%**	29,341

The performance of the **HOCHTIEF Asia Pacific** division reflects HOCHTIEF's stake in CIMIC (78.58% as of June 2021 versus 77.06% in June 2020) as well as associated financing and holding costs, and the impact of variations in the AUD/EUR exchange rate.

All figures for the division in the following performance description for the first half of 2021 are like for like (LFL) for the divestment at the end of 2020 of 50% of Thiess with the remaining 50% now equity-consolidated.

HOCHTIEF Asia Pacific's **profit before tax** in H1 2021 was EUR 130.6 million up 13% year on year on sales of EUR 2.9 billion also 13% higher.

At the end of the period, the division showed a **net debt position** of EUR 198 million and an **order book** of EUR 21.0 billion up 11% since December 2020.

CIMIC's key figures

Revenues increased by 4.8% to AUD 4.6 billion in the first half of 2021 driven by strong growth in Australian Construction and Services. **Net profit after tax**, NPAT, of AUD 208 million compares with AUD 205 million in the comparable period.

EBITDA, PBT and NPAT margins were resilient at 10.1%, 5.4% and 4.5% respectively.

Free **operating cash flow** pre-factoring improved by AUD 166 million in H1 2021 compared with the first six months of 2020. Positive cash flow momentum reflects normalization of new project awards, reduction in capex and financial costs. The factoring balance was reduced by AUD 243 million year to date to AUD 733 million at the end of June 2021.

Net capital expenditure of AUD 30 million reflects current capex spent for job-costed tunneling equipment.

Net debt ended the period at AUD 272 million with the year-to-date movement including the unwinding of AUD 243 million of factoring during the period. CIMIC continues to have solid investment grade ratings from Moody's and S&P.

New work of AUD 10.4 billion awarded during the first six months of 2021 already exceeds the AUD 6.8 billion awarded for the full year 2020, adjusted for the Thiess transaction. The June **order book** stands at AUD 33.3 billion, a 10% increase so far in 2021.

As of the end of the period, the pipeline of relevant tenders to be bid for or awarded is approximately AUD 470 billion for 2021 and beyond, including AUD 115 billion of PPP opportunities.

A consortium including CIMIC Group companies has been named the preferred bidder for Melbourne's large-scale North East Link project. The public-private partnership project is to provide three-lane twin tunnels to close a missing link in the city's freeway network. Over its entire duration, the project will generate approximately EUR 2.5 billion in revenue for CIMIC.

New orders include stage 1 of Sydney's M6 motorway, which will generate revenue of some EUR 1.2 billion for the two CIMIC Group companies CPB Contractors and UGL. The project will connect Sydney's south to the city's wider motorway network, improve journey times, reduce congestion, and remove trucks from local streets. It includes tunnels, exit/entry ramps, and cycle/pedestrian pathways.

In Sydney's central business district, CPB Contractors is building a residential tower directly above the entrance to the Pitt Street metro station, which the company has been constructing since 2019. The 39-story building with 234 apartments is scheduled for completion in 2023 and will generate revenue of some EUR 95 million.

UGL is in charge of the design, construction, and installation of a high-voltage transmission line and a switching station in Queensland. The project has a contract value of approximately EUR 95 million.

Leighton Asia has been awarded the contract to replace the electrical services and systems in two existing tunnels in Singapore—the Central Expressway Tunnel and the Fort Canning Road Tunnel.

Broad Construction is to extend a maximum-security prison to the south of Perth. The work includes the construction of a high security unit, two mainstream accommodation units as well as support and industries buildings.

Thiess has reported the award of five mining services contract extensions in Indonesia.

HOCHTIEF Asia Pacific Outlook

CIMIC maintained its **NPAT (net profit after tax)** guidance for 2021 in the range of **AUD 400–430 million**, subject to market conditions.

HOCHTIEF Europe

HOCHTIEF Europe Division: Key Figures

(EUR million)	**H1 2021**	H1 2020	**Change**	Full year 2020
Divisional sales	**600.4**	594.8	**0.9%**	1,270.7
Operational profit before tax/PBT	**26.1**	25.9	**0.8%**	57.9
Operational PBT margin (%)	**4.3**	4.4	**-0.1**	4.6
Operational net profit	**21.4**	26.0	**-17.7%**	56.0
Nominal profit before tax/PBT	**18.0**	17.9	**0.6%**	42.9
Nominal net profit	**11.4**	17.8	**-36.0%**	40.2
Net cash from operating activities	**(44.3)**	(36.4)	**(7.9)**	120.8
Gross operating capital expenditure	**4.9**	5.2	**(0.3)**	10.2
Net cash (+)/net debt (-)	**484.1**	381.0	**103.1**	544.4
New orders	**836.6**	867.7	**-3.6%**	1,961.3
Work done	**771.0**	760.4	**1.4%**	1,566.6
Order backlog (end of period)	**4,470.9**	4,032.2	**10.9%**	4,319.9
Employees (end of period)	**4,883**	5,163	**-5.4%**	5,055
Of which in Germany	**3,165**	3,250	**-2.6%**	3,237

Note: Operational profits are adjusted for non-operational effects

HOCHTIEF Europe has delivered a solid performance in the first half of 2021.

Sales advanced slightly by 1% year on year in H1 2021 to EUR 600 million whilst maintaining the division's disciplined approach to bidding for new projects. **Operational PBT** of EUR 26 million was in line with the comparable period of 2020 with a solid margin level.

The movement in **net cash from operating activities** reflects the seasonality of the first half of the year as well as other factors with the core business showing an improvement of EUR 40 million year on year. Over the last twelve months, the HOCHTIEF Europe division has generated over EUR 100 million in net cash from operating activities.

At the end of June 2021, the division's balance sheet maintained a strong net cash position of EUR 484 million which represents an increase of over EUR 100 million compared with a year ago.

New orders in the period of EUR 837 million were at a similar level to H1 2020 with the last twelve months showing EUR 1.9 billion of new work secured which is equivalent to 1.2x work done during the period. The divisional **order backlog** ended June 2021 at EUR 4.5 billion, an increase year on year of 11%.

New projects in the division include a metro project in Prague with a total contract value of approximately EUR 540 million. HOCHTIEF's share amounts to around EUR 137 million. The contract initially comprises two metro stations and 1.2 kilometers of tunnel for the Czech capital's southerly Line D.

HOCHTIEF is to construct the new Metropol project in Ludwigshafen, Germany. The two building complexes are scheduled for completion in July 2024 and will include offices, a hotel, a medical center, restaurants, and retail outlets.

In Hamburg, HOCHTIEF is constructing Sky Campus, an office building located in the immediate vicinity of Hamburg Airport's runway and slated for completion in early 2023.

Aurelis has awarded the contract for an annex at the University of Applied Sciences for Police and Public Administration in North Rhine-Westphalia (HSPV) in Duisburg, Germany. The new training and office block will be directly opposite the main HSPV building, which HOCHTIEF is also currently constructing. The seven-story extension is to be completed by mid-2023.

In Hamburg, HOCHTIEF is constructing the Husarendenkmal care home. Scheduled for completion by the end of 2022, the building will offer 155 fully accessible room units together with communal facilities.

HOCHTIEF is constructing two 95-meter residential towers in Warsaw that will form part of the planned five-building Towarowa Towers ensemble. The two 29-story towers to be built first will house 600 apartments plus commercial units.

Likewise in Warsaw, construction began in April on the Lazurova Concept residential project to be completed by early 2023. This will provide over 230 apartments on up to eight stories above an underground parking garage.

Also in Poland, HOCHTIEF is constructing a packaging factory in the town of Bełchatów.

HOCHTIEF Europe Outlook

For 2021, we plan to achieve an **operational pre-tax profit** of **EUR 40 million to EUR 60 million**.

Abertis Investment

Abertis key figures (100%)				
(EUR million)	**H1 2021**	H1 2020	**Change**	Full year 2020
Operating revenues	**2,260**	1,789	**26%**	4,054
Operating revenues comparable[1]	**–**	–	**20%**	–
EBITDA	**1,554**	1,109	**40%**	2,628
Comparable EBITDA[1]	**–**	–	**29%**	–
Net profit pre-PPA	**262**	134	**96%**	365

1) Comparable variations consider constant portfolio, f/x rates and other non-comparable effects

Abertis Investment contribution to HOCHTIEF				
(EUR million)	**H1 2021**	H1 2020	**Change**	Full year 2020
Nominal result[2]	**12.6**	(18.2)	**30.8**	(17.1)
Operational result[3]	**12.6**	(18.2)	**30.8**	(17.1)
Abertis—dividend received	**118.7**	86.4	**32.3**	172.8

2) Nominal result included in EBITDA, PBT and Net Profit/NPAT
3) Operational result included in PBT and Net Profit/NPAT

Since June 2018, HOCHTIEF owns a 20% stake in Abertis HoldCo, the direct owner of 98.7% of Abertis Infraestructuras, S.A. (Abertis), a leading international toll road operator. This investment is accounted for using the equity method and the net profit contribution is consequently included as an operating item in EBITDA.

The contribution to the HOCHTIEF Group resulting from the Abertis Investment reflects the operating performance of Abertis and the non-cash purchase price allocation (PPA) expense.

For the first half of 2021, a EUR 13 million earnings contribution from Abertis was recognized, compared with EUR 18 million loss in H1 2020.

Key developments at Abertis

Abertis' **average daily traffic** in H1 2021 was 22% higher year on year due to the easing of mobility restrictions introduced last year due to the Covid pandemic and benefiting from the resilience afforded by the group's diversified portfolio of toll roads and an increase in heavy vehicle traffic.

Individual country performances varied based on the timing and extent of lockdown measures as well as prevailing travel restrictions: France +20%, Spain +27%, Italy +26%, Brazil +13%, Chile +26%, Mexico +19% and USA +19%.

Operating revenues rose 60% year on year in Q2 2021 and 26% in H1 2021 (on a comparable basis 20%) with EBITDA up 91% year on year in Q2 2021, and 40% in H1 2021 (on a comparable basis 29%), including the full consolidation of RCO (Mexico) and ERC (USA) acquired during 2020. Abertis' net profit pre-PPA amounts to EUR 262 million for the half year, almost double year on year, mainly due to improved operational performance and traffic trends.

Abertis profit contribution to HOCHTIEF (20% stake) after PPA amounts to EUR 13 million in H1 2021 with a strong recovery of earnings in Q2 2021 to EUR 16 million (EUR +35 million year on year).

The toll road company made a **dividend** payment of EUR 601 million in April 2021 of which HOCHTIEF received its share of EUR 119 million. The proposed dividend policy for 2022 is EUR 600 million.

Abertis Investment Outlook

Looking forward, we expect our Abertis stake will return to make a positive net contribution in 2021 subject to market conditions.

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	H1 2021	H1 2020 (restated)*	Change	Q2 2021	Q2 2020 (restated)*	Full year 2020
Sales	**10,269,884**	**11,946,837**	**-14.0%**	**5,335,475**	**5,791,317**	**22,953,752**
Changes in inventories	11,021	22,442	-50.9%	6,106	2,198	30,991
Other operating income	58,222	65,291	-10.8%	15,584	16,712	1,651,822
Materials	(7,650,192)	(8,721,421)	-12.3%	(4,000,565)	(4,267,713)	(17,435,055)
Personnel costs	(1,857,431)	(2,083,709)	-10.9%	(945,908)	(990,492)	(4,418,586)
Depreciation and amortization	(162,152)	(336,948)	-51.9%	(87,338)	(162,575)	(703,634)
Other operating expenses	(434,862)	(495,213)	-12.2%	(218,018)	(210,119)	(1,169,595)
Share of profits and losses of equity-method associates and joint ventures	102,164	44,932	127.4%	64,738	13,718	106,936
Net income from other participating interests	19,226	15,917	20.8%	10,159	13,001	19,911
Investment and interest income	27,173	32,456	-16.3%	11,236	11,566	63,975
Investment and interest expenses	(89,056)	(116,736)	-23.7%	(42,869)	(50,863)	(218,571)
Profit before tax—continuing operations	**293,997**	**373,848**	**-21.4%**	**148,600**	**166,750**	**881,946**
Income taxes	(56,764)	(109,579)	-48.2%	(17,617)	(49,494)	(332,305)
Profit after tax—continuing operations	**237,233**	**264,269**	**-10.2%**	**130,983**	**117,256**	**549,641**
Of which: Attributable to non-controlling interest	42,740	62,040	-31.1%	22,503	29,879	122,400
Of which: Attributable to HOCHTIEF shareholders (net profit)	**194,493**	**202,229**	**-3.8%**	**108,480**	**87,377**	**427,241**
Profit after tax—discontinued operations	**–**	**15,969**	**-100.0%**	**–**	**8,117**	**32,439**
Of which: Attributable to non-controlling interest	–	15,969	-100.0%	–	8,117	32,439
Of which: Attributable to HOCHTIEF shareholders (net profit)	–	–	–	–	–	–
Profit after tax—total	**237,233**	**280,238**	**-15.3%**	**130,983**	**125,373**	**582,080**
Of which: Attributable to non-controlling interest	42,740	78,009	-45.2%	22,503	37,996	154,839
Of which: Attributable to HOCHTIEF shareholders (net profit)	**194,493**	**202,229**	**-3.8%**	**108,480**	**87,377**	**427,241**
Earnings per share (EUR)						
Diluted and basic earnings per share—continuing operations	2.85	2.88	-1.0%	1.59	1.25	6.16
Diluted and basic earnings per share—discontinued operations	–	–	–	–	–	–
Total earnings per share	**2.85**	**2.88**	**-1.0%**	**1.59**	**1.25**	**6.16**

*The restatements relate to BIC Contracting LLC (BICC).

Consolidated Statement of Comprehensive Income

(EUR thousand)	**H1 2021**	H1 2020 (restated)*	**Change**	**Q2 2021**	Q2 2020 (restated)*	Full year 2020
Profit after tax	**237,233**	**280,238**	**-15.3%**	**130,983**	**125,373**	**582,080**
Items that may be reclassified subsequently to profit or loss						
Currency translation differences**	95,572	(68,755)	–	(24,445)	(19,561)	(222,098)
Changes in fair value of financial instruments						
Primary	30,948	(10,056)	–	14,701	(13,653)	(3,764)
Derivative	(3,479)	(1,023)	-240.1%	(2,087)	1,060	(1,921)
Share of other comprehensive income of equity-method associates and joint ventures	43,191	(69,723)	–	30,343	6,407	(66,106)
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	35,085	(8,618)	–	11,715	(24,029)	(28,969)
Other comprehensive income (after tax)	**201,317**	**(158,175)**	**–**	**30,227**	**(49,776)**	**(322,858)**
Total comprehensive income after tax	**438,550**	**122,063**	**259.3%**	**161,210**	**75,597**	**259,222**
Of which: Non-controlling interest	72,801	46,913	55.2%	20,016	18,367	78,481
Of which: HOCHTIEF Group	365,749	75,150	386.7%	141,194	57,230	180,741

*The restatements relate to BIC Contracting LLC (BICC).
**Thereof discontinued operations EUR 32,210 thousand (H1 2020 restated: EUR -25,319 thousand; Full year 2020: EUR -51,157 thousand). The amount of EUR 32,210 thousand in H1 2021 relates to the deconsolidation of BICC.

Consolidated Balance Sheet

(EUR thousand)	**June 30, 2021**	Dec. 31, 2020
Assets		
Non-current assets		
Intangible assets	1,065,789	1,041,440
Property, plant and equipment	860,852	912,110
Investment properties	20,109	20,629
Equity-method investments	2,398,415	2,409,185
Other financial assets	79,608	63,641
Financial receivables	111,444	111,580
Other receivables and other assets	188,707	180,542
Non-current income tax assets	1,059	4,065
Deferred tax assets	496,982	520,553
	5,222,965	**5,263,745**
Current assets		
Inventories	304,781	284,094
Financial receivables	146,138	113,962
Trade receivables and other receivables	5,473,137	5,040,054
Current income tax assets	34,408	27,795
Marketable securities	531,048	473,537
Cash and cash equivalents	4,790,089	4,949,899
Assets held for sale	–	828,469
	11,279,601	**11,717,810**
	16,502,566	**16,981,555**
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to HOCHTIEF shareholders	764,887	669,607
Attributable to non-controlling interest	327,251	293,012
	1,092,138	**962,619**
Non-current liabilities		
Provisions for pensions and similar obligations	432,630	481,607
Other provisions	412,874	358,597
Financial liabilities	4,706,819	3,932,097
Lease liabilities	258,941	279,367
Trade payables and other liabilities	206,943	209,914
Deferred tax liabilities	49,655	43,608
	6,067,862	**5,305,190**
Current liabilities		
Other provisions	760,889	775,477
Financial liabilities	398,421	1,051,368
Lease liabilities	119,954	123,068
Trade payables and other liabilities	8,005,713	7,857,106
Current income tax liabilities	57,589	69,602
Liabilities associated with assets held for sale	–	837,125
	9,342,566	**10,713,746**
	16,502,566	**16,981,555**

Consolidated Statement of Cash Flows

(EUR thousand)	**H1 2021**	H1 2020 (restated)*
Profit after tax	237,233	280,238
Depreciation, amortization, impairments, and impairment reversals	148,013	321,812
Changes in provisions	19,025	(60,807)
Changes in deferred taxes	12,075	83,456
Gains/(losses) from disposals of non-current assets and marketable securities	(6,800)	(9,792)
Other non-cash income and expenses and deconsolidations	106,300	224,293
Changes in working capital (net current assets)	(602,932)	(986,350)
Changes in other balance sheet items	356	406
Cash flow from operating activities	**(86,730)**	**(146,744)**
Intangible assets, property, plant and equipment, and investment properties		
Operational purchases	(44,716)	(199,081)
Payments from asset disposals	8,982	11,297
Acquisitions and participating interests		
Purchases	(105,941)	(174,089)
Payments from asset disposals/divestments	854	10,871
Changes in cash and cash equivalents due to changes in the scope of consolidation	(14,354)	1,379
Changes in marketable securities and financial receivables	(53,183)	(229,614)
Cash flow from investing activities	**(208,358)**	**(579,237)**
Disbursements for repurchase of treasury stock	–	(104,591)
Payments received from sale of treasury stock	376	–
Disbursements for repurchase of treasury stock at CIMIC	–	(87,286)
Payments into equity from non-controlling interests	6,385	10,821
Payments from equity to non-controlling interests	–	(10,878)
Disbursements for acquisition of additional shares in subsidiaries	–	(102,226)
Dividends to non-controlling interests	(2,245)	(20,836)
Proceeds from new borrowing	1,727,786	4,079,640
Debt repayment	(1,617,669)	(1,755,380)
Repayment of lease liabilities	(82,209)	(141,736)
Cash flow from financing activities	**32,424**	**1,867,528**
Net change in cash and cash equivalents	**(262,664)**	**1,141,547**
Effect of exchange rate changes	88,161	14,639
Overall change in cash and cash equivalents	**(174,503)**	**1,156,186**
Cash and cash equivalents at the start of the year	4,964,592	4,499,585
Of which: Included in assets held for sale	14,693	–
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	4,949,899	4,499,585
Cash and cash equivalents at end of reporting period	**4,790,089**	**5,655,771**
Of which: Included in assets held for sale	–	–
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	4,790,089	5,655,771

*The restatements relate to BIC Contracting LLC (BICC).

Consolidated Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktiengesellschaft	Capital reserve of HOCHTIEF Aktiengesellschaft	Retained earnings including distributable profit	Accumulated other comprehensive income: Remeasurement of defined benefit plans	Accumulated other comprehensive income: Currency translation differences	Accumulated other comprehensive income: Changes in fair value of financial instruments	Attributable to HOCHTIEF shareholders	Attributable to non-controlling interest	Total
Balance as of Jan. 01, 2020	**180,856**	**1,711,057**	**(293,206)**	**(356,288)**	**104,140**	**(61,083)**	**1,285,476**	**309,443**	**1,594,919**
Dividends	–	–	(405,684)	–	–	–	(405,684)	(24,198)	(429,882)
Profit after tax (restated)*	–	–	202,229	–	–	–	202,229	78,009	280,238
Currency translation differences and changes in fair value of financial instruments (restated)*	–	–	–	–	(45,883)	(72,578)	(118,461)	(31,096)	(149,557)
Changes from remeasurement of defined benefit plans	–	–	–	(8,618)	–	–	(8,618)	–	(8,618)
Total comprehensive income (restated)*	–	–	202,229	(8,618)	(45,883)	(72,578)	75,150	46,913	122,063
Other changes not recognized in the Statement of Earnings	–	–	(254,017)	–	–	–	(254,017)	(41,859)	(295,876)
Balance as of June 30, 2020 (restated)*	**180,856**	**1,711,057**	**(750,678)**	**(364,906)**	**58,257**	**(133,661)**	**700,925**	**290,299**	**991,224**
Balance as of Jan. 01, 2021	**180,856**	**1,711,057**	**(662,575)**	**(385,257)**	**(49,178)**	**(125,296)**	**669,607**	**293,012**	**962,619**
Dividends	–	–	(267,977)	–	–	–	(267,977)	(27,770)	(295,747)
Profit after tax	–	–	194,493	–	–	–	194,493	42,740	237,233
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	68,418	67,753	136,171	30,061	166,232
Changes from remeasurement of defined benefit plans	–	–	–	35,085	–	–	35,085	–	35,085
Total comprehensive income	–	–	194,493	35,085	68,418	67,753	365,749	72,801	438,550
Other changes not recognized in the Statement of Earnings	–	33	(2,525)	–	–	–	(2,492)	(10,792)	(13,284)
Balance as of June 30, 2021	**180,856**	**1,711,090**	**(738,584)**	**(350,172)**	**19,240**	**(57,543)**	**764,887**	**327,251**	**1,092,138**

*The restatements relate to BIC Contracting LLC (BICC).

Explanatory Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of and for the six months ended June 30, 2021, which were released for publication on July 27, 2021, 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 reviewed by our auditor. In accordance with IAS 34, the reported information is presented in condensed form relative to the full Consolidated Financial Statements.

This interim report is based on the Consolidated Financial Statements as of and for the year ended December 31, 2020.

Due to a change in capital market interest rates, HOCHTIEF has modified the discount rates for the measurement of pension obligations as follows as of June 30, 2021:

(in %)	**June 30, 2021**	Dec. 31, 2020
Germany	1.39	1.00
USA	2.50	2.17
UK	1.90	1.45

This report has been prepared in all other respects using the same accounting policies as in the 2020 Consolidated Financial Statements. Information on those accounting policies is given in the Group Report 2020.

Currency translation

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

	Average		**Daily average at reporting date**	
(All rates in EUR)	**H1 2021**	H1 2020	**June 30, 2021**	Dec. 31, 2020
1 U.S. dollar (USD)	0.83	0.91	0.84	0.81
1 Australian dollar (AUD)	0.64	0.59	0.63	0.63
1 British pound (GBP)	1.16	1.14	1.17	1.11
100 Polish złoty (PLN)	22.00	22.54	22.12	21.93
100 Czech koruna (CZK)	3.87	3.78	3.92	3.81
100 Chilean pesos (CLP)	0.12	0.11	0.12	0.12

Changes in the scope of consolidation

The Consolidated Financial Statements for the first half of 2021 include one German company and eight foreign companies for the first time. One German company and 34 foreign companies have been removed from the scope of consolidation.

The number of companies accounted for using the equity method showed a net decrease of one German and eight foreign companies in the first half of 2021. In addition, the number of joint operations abroad included in the Consolidated Financial Statements increased by four.

The Consolidated Financial Statements as of June 30, 2021 include HOCHTIEF Aktiengesellschaft as well as a total of 45 German and 304 foreign consolidated companies, 15 German and 93 foreign companies accounted for using the equity method as well as 80 foreign joint operations.

As an independent listed group, HOCHTIEF Aktiengesellschaft, Essen, Germany, Court of Registration: Essen District Court, HRB 279, publishes its own Consolidated Financial Statements, which are also included in the Consolidated Financial Statements of ACS, Actividades de Construcción y Servicios, S.A., Madrid, Spain.

Non-current assets held for sale and discontinued operations

On February 15, 2021, CIMIC announced that it has signed a share purchase agreement with SALD Investment LLC ("SALD") for the sale of CIMIC's investment in the Middle East. SALD, a privately owned, UAE-based investment company, will purchase CIMIC's 45% investment in BICC for nominal consideration. SALD is also acquiring the remaining 55% of BICC held by CIMIC's coshareholder, also for a nominal amount. The sale covers all of CIMIC's investments in the Middle East. On completion, SALD will own all BICC's businesses in the UAE, Qatar, Oman and Saudi Arabia. The subsidiary, which as of December 31, 2020 was classified as a discontinued operation in accordance with IFRS 5, was deconsolidated in the first quarter of 2021 due to loss of control. Since then, it is represented as an equity-method investment.

While CIMIC has agreed with the purchaser to contribute a certain amount of funds into BICC, the transaction does not increase CIMIC's financial exposure to the Middle East. In the period to June 30, 2021, AUD 33.5 million (EUR 21.4 million) has been paid in respect of CIMIC's financial guarantees and other expenses. These amounts have been funded by the financial liability and other amounts payable recognized in the year ended December 31, 2019.

The completion of the share purchase agreement is subject to satisfaction of certain conditions precedent and obtaining all necessary approvals. Accordingly the investment is classified as an asset held for sale in accordance with IFRS 5. The investment has nil book value and therefore is not shown on the Consolidated Balance Sheet.

The net sum of BICC's current earnings from January 1, 2021 to February 14, 2021 and the deconsolidation result is EUR 0 (June 30, 2020: EUR 16 million). The risks associated with the investment were already recognized in previous years. The deconsolidation in the first quarter of 2021 had no impact on profit or loss.

Group company CIMIC

HOCHTIEF's stake in CIMIC as of June 30, 2021 is unchanged relative to December 31, 2020, at 78.58% (June 30, 2020: 77.06%).

Trade receivables and other receivables

(EUR thousand)	**June 30, 2021**	Dec. 31, 2020
Trade receivables	3,121,017	2,992,476
Contract assets	1,672,741	1,413,818
Other receivables and other assets	868,086	814,302
	5,661,844	**5,220,596**

Milestone achievement already invoiced and other contract receivables are accounted for in trade receivables. Performance not yet billed is accounted for in contract assets if progress payments do not exceed cumulative performance (contract costs and contract earnings). Where the net amount after deduction of progress payments is negative, the difference is presented under contract liabilities.

Trade payables and other liabilities

(EUR thousand)	**June 30, 2021**	Dec. 31, 2020
Trade payables	5,582,039	5,568,759
Contract liabilities	1,835,707	1,893,381
Other liabilities	794,910	604,880
	8,212,656	**8,067,020**

Reporting on financial instruments

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities as input parameter; e.g. quoted securities.

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

Level 3: No relevant observable inputs available, hence unobservable inputs are determined as an exit price from the perspective of a market participant that holds the asset or owes the liability; e.g. investments measured at fair value determined by businss valuation.

	June 30, 2021				Dec. 31, 2020			
(EUR thousand)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Other financial assets	2,980	29,565	47,063	79,608	308	27,133	36,200	63,641
Other receivables and other assets								
Non-current	3	269	–	272	3	744	–	747
Current	54	2,536	–	2,590	71	3,259	–	3,330
Marketable securities	530,905	143	–	531,048	473,398	139	–	473,537
Total assets	**533,942**	**32,513**	**47,063**	**613,518**	**473,780**	**31,275**	**36,200**	**541,255**
Liabilities								
Other liabilities								
Non-current	49	12,518	8,200	20,767	13	8,755	8,178	16,946
Current	56	6,662	–	6,718	42	22,162	–	22,204
Total liabilities	**105**	**19,180**	**8,200**	**27,485**	**55**	**30,917**	**8,178**	**39,150**

Within each class of financial instrument, where fair value can be measured reliably, fair value generally corresponds to carrying amount. The only class of financial instrument for which the two differ is financial liabilities measured at amortized cost, which have a total carrying amount of EUR 5,105,240 thousand (December 31, 2020: EUR 4,983,465 thousand) and a fair value of EUR 5,164,414 thousand (December 31, 2020: 5,055,761 thousand).

As in the comparative prior-year period, there were no transfers of financial instruments measured at fair value between Levels 1 and 2 as well as Level 3 of the fair value hierarchy during the first half of 2021.

The Group's forward exchange contracts are not traded in active markets. The fair values of these contracts are estimated using a valuation technique that maximizes the use of observable market inputs, e.g. market exchange and interest rates. They are therefore included in Level 2 of the fair value hierarchy.

In Level 3, the fair value of investments in unlisted entities is measured using generally recognized valuation techniques based on discounted cash flow analysis. The unobservable inputs used for this purpose are an internal rate of return of 9%, growth rates of between 2.5% and 3.0%, and required discount rates of between 8% and 15%.

As part of the Thiess divestment, the transaction agreement includes an option for Elliott to sell all or part of its 50% interest in Thiess to CIMIC after the third anniversary, between four and six years from completion on December 31, 2020. The exercise price will be the lower of a cost price or a price referable to movements in the S&P / ASX 200 Total Return index plus the accrued value of any shortfall in agreed minimum distributions. This option has no current impact on the control of the company.

The put option is accounted for as a derivative financial instrument in accordance with IFRS 9 and is therefore held at fair value through profit and loss in the Financial Statements of HOCHTIEF. External independent valuation advisors have been utilized in determining the fair value of the put option.

The fair value of the put option cannot be observed from a market price. A Probability Weighted Expected Returns Methodology is used to derive the value of the put option proceeds based on future potential payoffs if the option is exercised, adjusted for the minimum annual distributions per the Shareholders Agreement, and compares this to the estimated strike price to determine a fair value. As at June 30, 2021, the fair value of the put option was determined to be AUD 13.0 million (EUR 8.2 million) [December 31, 2020: AUD 13.0 million (EUR 8.2 million)].

Assumed input parameters for the valuation were an expected exercise period of three to six years, an EBITDA multiplier of three to four times, and discount rates between 13% and 18%.

Changes in the unobservable inputs would not have a material effect on total comprehensive income, total assets and liabilities, or equity.

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

Level 3 reconciliation H1 2021:

(EUR thousand)	Balance as of Jan. 1, 2021	Currency adjustments	Gains/(losses) recognized in profit or loss	Other changes	**Balance as of June 30, 2021**
Assets					
Other financial assets	36,200	(198)	11,061	–	47,063
Liabilities					
Other liabilities					
Non-current	8,178	22	–	–	8,200
Current	–	–	–	–	–

Level 3 reconciliation FY 2020:

(EUR thousand)	Balance as of Jan. 1, 2020	Currency adjustments	Gains/(losses) recognized in profit or loss	Other changes	Balance as of Dec. 31, 2020
Assets					
Other financial assets	70,118	(955)	8,747	(41,710)	36,200
Liabilities					
Other liabilities					
Non-current	–	331	7,847	–	8,178
Current	–	–	–	–	–

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

Capital risk management

The Group continued to show a strong liquidity level in the first half of 2021, with cash and cash equivalents at EUR 4,792,928 thousand (December 31, 2020: EUR 4,952,730 thousand).

Cash in the amount of EUR 315,085 thousand (December 31, 2020: EUR 281,526 thousand) is subject to financial and operational restrictions or is restricted in relation to the sale of receivables.

Treasury stock

As of June 30, 2021, HOCHTIEF Aktiengesellschaft held a total of 2,454,291 shares of treasury stock (3.47% of the capital stock).

In May 2021, 4,972 shares of treasury stock were transferred to members of the Company's Executive Board at a price of EUR 75.60 per share on condition that the shares be held, as the case may be, for at least two or three years after transfer. This transfer settled the transferees' variable compensation entitlements. The shares represent EUR 12,728.32 (0.007%) of the Company's capital stock.

Dividend

The Annual General Meeting of HOCHTIEF Aktiengesellschaft resolved on May 6, 2021 to pay a dividend for 2020 of EUR 3.93 per eligible no-par-value share. The resulting dividend payment of EUR 267,976,654.92 was paid on July 7, 2021.

Financial events

On April 26, 2021, HOCHTIEF issued a EUR 500 million bond with an 8-year term and a coupon of 0.625% p.a. on the international capital market. Rating agency S&P awarded the bond a BBB- investment-grade rating. The issue further diversified and extended the maturity profile of HOCHTIEF's long-term borrowing. HOCHTIEF will use the proceeds from the issue for general corporate purposes such as refinancing current financial liabilities.

The EUR 400 million syndicated credit line arranged in May 2020 and fully drawn since was also repaid in full from invested funds on April 26, 2021.

On May 20, 2021 and June 2, 2021, CIMIC Finance Pty Limited issued a total of EUR 625.0 million of 8-Year Fixed-Rate corporate bonds in the Euro Medium Term Note market. The notes bear interest from May 28, 2021 at the rate of 1.50% per annum and mature on May 28, 2029. Interest on the notes is paid annually on the 28th day of May in each year. In order to hedge the exposure to movements in foreign exchange between the Australian Dollar and the Euro, CIMIC entered into a Cross Currency Interest Rate Swap. The terms match the term and value of the underlying debt and CIMIC has designated and documented this as a hedge relationship and swapped the fixed rate Euro debt into fixed rate Australian Dollar Debt with an interest rate of 3.5%.

On April 28, 2021, HOCHTIEF received a dividend of EUR 119 million from Abertis Investment.

Trade finance arrangements

The Group enters into factoring agreements with banks and financial institutions. These agreements only relate to certified receivables, on a non-recourse basis, acknowledged by the client with payment only being subject to the passage of time. Under the factoring agreements:

- The certified receivables are derecognized where the risks and rewards of the receivables have been transferred as the cash flow is only derived when there are goods or services provided or work performed by the Group for which it is entitled to be paid;
- The cash flow to the Group only arises when there is an amount certified by the client and contractually due to be paid to the Group; there are no disputes on the amounts due and the customer has acknowledged this by way of certification; and
- The receipt by the Group irrevocably removes the Group's right to the certified receivable due from the customers.

The factoring of these receivables is therefore done on a non-recourse basis. The level of non-recourse factoring across the Group was EUR 0.9 billion as of June 30, 2021 (June 30, 2020: EUR 1.6 billion and December 31, 2020: EUR 1.1 billion).

The Group enters into supply chain finance arrangements with financial institutions for suppliers which may elect to receive early payment for goods and services to improve their liquidity. The supply chain finance program is offered on a voluntary basis and suppliers can opt in and opt out at their discretion at any point in time. The terms of the arrangements are:

- The creditor arises from operational expenses relating to the supply of goods and services;
- They mirror normal credit terms;
- There are no additional credit enhancements; and:
- They are subject to the same obligations that are customary within the industry, such as warranty for defective work.

Accordingly, the terms of the arrangement do not modify the original liability, and therefore the amounts continue to be classified within trade and other payables. The level of supply chain finance across the Group was EUR 87 million as of June 30, 2021 (June 30, 2020: EUR 306 million and December 31, 2020: EUR 145.6 million).

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they have decreased since December 31, 2020 by EUR 68 thousand to EUR 149,837 thousand.

Segment reporting

The operating companies within the HOCHTIEF Group are organized under the four divisions HOCHTIEF Americas, HOCHTIEF Asia Pacific, HOCHTIEF Europe, and Abertis Investment. This structure reflects the operating focus of the Group as well as its strong regional presence, focused on developed markets. Segmental reporting in the HOCHTIEF Group is based on the Group’s divisional operations. The breakdown mirrors the Group’s internal reporting systems.

The Group’s reportable segments (divisions) are as follows:

HOCHTIEF Americas encompasses the construction activities of operational units in the USA and Canada.

HOCHTIEF Asia Pacific pools the construction, services, and PPP activities in the Asia-Pacific region and, among other things, includes the investment in Thiess, which was fully consolidated as a subsidiary until last December and has since been accounted for in the Consolidated Financial Statements using the equity method.

HOCHTIEF Europe brings together the core business focused on Europe and designs, develops, builds, operates, and manages real estate and infrastructure.

Abertis Investment comprises the investment in the Spanish toll road operator Abertis Infraestructuras, S.A., and is equity accounted in HOCHTIEF’s Consolidated Financial Statements.

Corporate comprises Corporate Headquarters, other activities not assignable to the separately presented divisions, including management of financial resources and insurance activities, plus consolidation effects. Insurance activities are managed from Corporate Headquarters under the responsibility of HOCHTIEF Insurance Broking and Risk Management Solutions GmbH with companies in Luxembourg, including Builders Reinsurance S.A. The HOCHTIEF insurance companies primarily provide reinsurance offerings for contractors’ casualty and surety, subcontractor default, liability, and occupational accident insurance.

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

Sales are allocated to the types of activities "Construction/PPP", "Construction-Management/Services", and "Other". "Construction/PPP" includes Flatiron at HOCHTIEF Americas, CPB Contractors, Leighton Asia, and Pacific Partnerships at HOCHTIEF Asia Pacific, and HOCHTIEF Infrastructure and HOCHTIEF PPP Solutions at HOCHTIEF Europe. The main "Construction-Management/Services" companies are Turner at HOCHTIEF Americas, UGL's services business, and Sedgman's mineral processing businesses at HOCHTIEF Asia Pacific, as well as HOCHTIEF Engineering, synexs, and Trinac at HOCHTIEF Europe. Sales from non-core business are allocated to the category "Other".

Disaggregation of sales as of June 30, 2021 (in EUR thousand):

Activities / **Divisions**	Construction/PPP		Construction-Management/Services		Other		**Total Sales**	
HOCHTIEF Americas	687,949	6.7%	5,972,590	58.1%	2,127	0.0%	**6,662,666**	**64.8%**
HOCHTIEF Asia Pacific	2,123,771	20.7%	808,397	7.9%	10,591	0.1%	**2,942,759**	**28.7%**
HOCHTIEF Europe	563,088	5.5%	20,371	0.2%	14,103	0.1%	**597,562**	**5.8%**
Corporate	–	–	–	–	66,897	0.7%	**66,897**	**0.7%**
HOCHTIEF Group	**3,374,808**	**32.9%**	**6,801,358**	**66.2%**	**93,718**	**0.9%**	**10,269,884**	**100.0%**

Sales in the comparative period (June 30, 2020) are disaggregated as follows (in EUR thousand):

Activities / **Divisions**	Construction/PPP		Construction-Management/Services		Other		**Total Sales**	
HOCHTIEF Americas	754,311	6.3%	6,849,804	57.3%	2,411	0.0%	**7,606,526**	**63.6%**
HOCHTIEF Asia Pacific	1,899,326	15.9%	1,776,066	14.9%	13,014	0.1%	**3,688,406**	**30.9%**
HOCHTIEF Europe	553,889	4.7%	23,523	0.2%	15,061	0.1%	**592,473**	**5.0%**
Corporate	–	–	–	–	59,432	0.5%	**59,432**	**0.5%**
HOCHTIEF Group	**3,207,526**	**26.9%**	**8,649,393**	**72.4%**	**89,918**	**0.7%**	**11,946,837**	**100.0%**

Sales not related to contracts with clients, mainly relating to "Other" activities in Corporate, amount to EUR 82,988 thousand as of June 30, 2021 (June 30, 2020: EUR 76,231 thousand).

Almost all sales as disaggregated above are recognized over time.

Reconciliation of profit before tax to EBITDA

(EUR thousand)	**H1 2021**	H1 2020	**Q2 2021**	Q2 2020
Profit before tax—continuing operations	**293,997**	**373,848**	**148,600**	**166,750**
+ Investment and interest expenses	89,056	116,736	42,869	50,863
- Investment and interest income	(27,173)	(32,456)	(11,236)	(11,566)
- Net income from other participating interests (excluding gains/losses from disposals of participating interests)	(19,251)	(15,968)	(10,184)	(13,000)
+ Adjustment for non-operating net expenses	15,699	22,699	9,432	10,764
EBIT—continuing operations	**352,328**	**464,859**	**179,481**	**203,811**
+ Depreciation and amortization	162,152	336,948	87,338	162,575
EBITDA—continuing operations	**514,480**	**801,807**	**266,819**	**366,386**

Basic and diluted earnings per share

	H1 2021	H1 2020	Q2 2021	Q2 2020
Consolidated net profit (EUR thousand)	**194,493**	**202,229**	**108,480**	**87,377**
Number of shares in circulation (weighted average) in thousands	68,188	70,151	68,190	69,692
Earnings per share (EUR)	**2.85**	**2.88**	**1.59**	**1.25**

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

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.

In the first half of 2021, no material transactions were entered into between HOCHTIEF Aktiengesellschaft (or any HOCHTIEF Group company) and any related party or parties having a material influence on the results of operations or financial condition of the Company or the Group.

Events since the balance sheet date

On May 24, 2021, CIMIC Residential Investments Pty Limited ("CRI"), a controlled entity within the Group, announced its intention to acquire the remaining shares of Devine Limited (Devine) that it did not already own, at a price of AUD 0.24 per share, through an unconditional off-market takeover offer. Subsequent to June 30, 2021, CRI increased its shareholding in Devine to 90% and exercised its right to compulsorily acquire the remaining shares in Devine. As at July 20, 2021 CRI had increased its shareholding in Devine to 95.66%. This will be treated as a transaction with shareholders. The cash impact of this transaction will be reflected as a reduction in the non-controlling interest and other equity.

On July 17, 2021, the New South Wales State Government announced extended Covid-19 control measures including a two-week stop on non-critical construction activity in New South Wales. Operations that continued to meet the definition of essential (non-construction) services or that of critical construction activity were unaffected, as were the Group's operations outside of New South Wales. As the situation continues to evolve in New South Wales and other States, the potential impact on the business as a whole will continue to be monitored. The impact of the July 17, 2021 announcement on the assets and liabilities at the balance date is not considered material, albeit it is possible the New South Wales Government could introduce further changes to Covid-19 control measures that would require further consideration.

Responsibility Statement

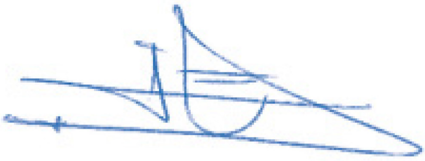
To the best of our knowledge, and in accordance with the applicable reporting principles for half-year reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management 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 27, 2021

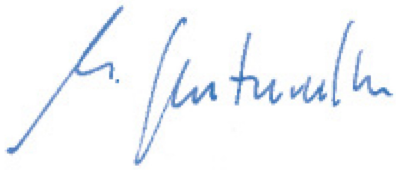
The Executive Board

Marcelino Fernández Verdes

Peter Sassenfeld



José Ignacio Legorburo Escobar



Nikolaus Graf von Matuschka

For the interim consolidated financial statements (condensed) and interim group management report we have issued an unqualified review report. The English language text below is a translation of the review report.

Review Report

To HOCHTIEF Aktiengesellschaft, Essen

We have reviewed the interim consolidated financial statements (condensed) of HOCHTIEF Aktiengesellschaft, Essen, – comprising the consolidated statement of earnings, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of cash flows, the consolidated statement of changes in equity and explanatory notes to the consolidated financial statements – together with the interim group management report of HOCHTIEF Aktiengesellschaft, Essen, for the period from 1 January to 30 June 2021, that are part of the half-year financial report according to § 115 WpHG ["Wertpapierhandelsgesetz“: "German Securities Trading Act"]. The preparation of the interim consolidated financial statements (condensed) in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements (condensed) and on the interim group management report based on our review.

We performed our review of the interim consolidated financial statements (condensed) and of the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) [Institute of Public Auditors in Germany] as well as in supplementary compliance with the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the interim consolidated financial statements (condensed) have not been prepared, in material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the interim consolidated financial statements (condensed) of HOCHTIEF Aktiengesellschaft, Essen, have not been prepared, in material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim management reports.

Essen, 27 July 2021

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Ufer
Wirtschaftsprüfer
[German Public Auditor]

Salzmann
Wirtschaftsprüferin
[German Public Auditor]

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CIMIC/Schwerdtfeger (p. 4)

Current financial calendar:
www.hochtief.com/en/investor-relations/financial-calendar

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

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