



Annual Financial Statements of HOCHTIEF Aktiengesellschaft as of December 31, 2010

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The 2010 Annual Financial Statements and Management Report of HOCHTIEF Aktiengesellschaft are published in the electronic Bundesanzeiger (Federal Official Gazette). A combined Management Report for HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group is presented beginning on page 38 of the Annual Report 2010.

Balance Sheet of HOCHTIEF Aktiengesellschaft

| (EUR thousand) | See note | Dec. 31, 2010 | Dec. 31, 2009 |
|--|----------|------------------|------------------|
| Assets | | | |
| Fixed assets | (1) | | |
| Intangible assets | | 13,617 | 5,715 |
| Property, plant and equipment | | 27,456 | 32,515 |
| Financial assets | | 2,130,054 | 1,978,842 |
| | | 2,171,127 | 2,017,072 |
| Current assets | | | |
| Inventories | (2) | 39,948 | 42,060 |
| Receivables and other assets | (3) | 1,041,323 | 763,208 |
| Marketable securities | (4) | 316,631 | 560,022 |
| Of which: legally owned by HOCHTIEF Pension Trust e.V. | | [-] | [195,585] |
| Cash and cash equivalents | (5) | 274,713 | 126,233 |
| Of which: legally owned by HOCHTIEF Pension Trust e.V. | | [-] | [61,185] |
| | | 1,672,615 | 1,491,523 |
| Prepaid expenses | (6) | 5,884 | 20,136 |
| Excess of plan assets over obligations | (9) | 78,474 | - |
| | | 3,928,100 | 3,528,731 |
| Liabilities and Shareholders' Equity | | | |
| Shareholders' equity | (7) | | |
| Subscribed capital* | | 197,120 | 179,200 |
| Treasury stock | | (8,794) | - |
| Reserves | | 1,597,388 | 1,219,493 |
| Unappropriated net profit | | 154,000 | 105,000 |
| | | 1,939,714 | 1,503,693 |
| Provisions | | | |
| Provisions for pensions and similar obligations | (9) | 233 | 293,083 |
| Other provisions | (10) | 153,103 | 95,244 |
| | | 153,336 | 388,327 |
| Other liabilities | (11) | 1,835,050 | 1,636,711 |
| | | 3,928,100 | 3,528,731 |

* Plus conditional capital with a nominal value of EUR 44,800,000

Statement of Earnings of HOCHTIEF Aktiengesellschaft

| (EUR thousand) | See note | 2010 | 2009 |
|--|----------|----------------|----------------|
| Sales | (13) | 208,486 | 211,259 |
| Change in the balance of construction work in progress | | (2,118) | 9,345 |
| Other operating income | (14) | 79,684 | 92,486 |
| Materials | (15) | (130,705) | (135,428) |
| Personnel costs | (16) | (80,573) | (105,974) |
| Depreciation and amortization | (17) | (9,754) | (3,708) |
| Other operating expenses | (18) | (153,545) | (115,988) |
| Net income from financial assets | (19) | 320,282 | 237,496 |
| Net interest income | (20) | (65,945) | (33,199) |
| Writedowns on financial assets and marketable securities | (21) | (1,406) | (50,605) |
| Profit from ordinary activities | | 164,406 | 105,684 |
| Extraordinary income | (22) | 64,774 | – |
| Extraordinary expenses | (22) | (685) | – |
| Income taxes | (23) | (2,385) | (3,207) |
| Net profit before changes in reserves | | 226,110 | 102,477 |
| Net profit brought forward | | 5,184 | 9,799 |
| Changes in revenue reserves | (7) | (77,294) | (7,276) |
| Unappropriated net profit | | 154,000 | 105,000 |

Movements in Fixed Assets

| (EUR thousand) | Cost of acquisition or production | |
|--|-----------------------------------|----------------|
| | Jan. 1, 2010 | Additions |
| Intangible assets | | |
| Concessions, industrial property and similar rights and assets and licenses in such rights and assets, acquired for valuable consideration | 18,600 | 15,040 |
| | 18,600 | 15,040 |
| Property, plant and equipment | | |
| Land, similar rights and buildings, including buildings on land owned by third parties | 84,054 | 39 |
| Technical equipment and machinery | 3,091 | 157 |
| Other equipment and office equipment | 10,324 | 288 |
| Prepayments and assets under construction | – | – |
| | 97,469 | 484 |
| Financial assets | | |
| Shares in affiliated companies | 1,470,714 | 158,000 |
| Long-term loans to affiliated companies | 714,500 | – |
| Other participating interests | 17,492 | – |
| Long-term securities investments | 28,762 | 2,496 |
| Other long-term loans | 5 | – |
| | 2,231,473 | 160,496 |
| Total fixed assets | 2,347,542 | 176,020 |

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Essen, February 18, 2011

HOCHTIEF Aktiengesellschaft

The Executive Board

Dr. Lütkestratkötter

Dr. Lohr

Dr. Noé

Dr. Rohr

Dr. Stieler

[Independent] Auditors' Report

We have audited the annual financial statements—comprising the balance sheet, the income statement and the notes to the financial statements—together with the bookkeeping system, and the report on the position of the Company and the Group of HOCHTIEF Aktiengesellschaft, Essen/Germany, for the financial year from January 1 to December 31, 2010. The maintenance of the books and records and the preparation of the annual financial statements and report on the position of the Company and the Group in accordance with German commercial law are the responsibility of the Company's Executive Board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and on the report on the position of the Company and the Group based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB (German Commercial Code) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the report on the position of the Company and the Group are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the report on the position of the Company and the Group are examined primarily on a test basis within the frame-

work of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Executive Board, as well as evaluating the overall presentation of the annual financial statements and report on the position of the Company and the Group. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements of HOCHTIEF Aktiengesellschaft, Essen/Germany, comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The report on the position of the Company and the Group is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Düsseldorf, February 18, 2011

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Dr. Göttgens
Wirtschaftsprüfer
(German Public Auditor)

Signed: Dr. Reichmann
Wirtschaftsprüfer
(German Public Auditor)

Notes to the HOCHTIEF Aktiengesellschaft Financial Statements

General information

These Annual Financial Statements are prepared in accordance with the German Commercial Code (HGB) and Stock Corporations Act (AktG). HOCHTIEF Aktiengesellschaft applied the accounting rules under the German Accounting Law Modernization Act (BilMoG) for the first time in 2010. This first-time application has led to recognition and measurement changes in various financial statement items. In accordance with the law, prior-year figures are not restated in line with the new rules. Material impacts of the changed accounting policies on individual financial statement items are explained in the Notes to the Financial Statements. For purposes of clarity, a number of items are combined in the Balance Sheet and in the Statement of Earnings. Such items are broken down into their constituents and commented on elsewhere in these Notes. The Statement of Earnings is presented in vertical format using the nature of expense method of analysis. The financial statements are presented in euros, and all monetary amounts in the text of these Notes are rounded to the nearest thousand euros unless specifically stated otherwise.

The Executive Board and Supervisory Board have issued a declaration of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporations Act (AktG). The declaration is available for the public to view at all times on the HOCHTIEF website (www.hochtief.com/corporategovernance).

Accounting policies

Purchased intangible assets are stated at cost of purchase less amortization. If the fair value of an intangible asset is less than its carrying amount, a writedown is additionally recognized due to impairment. Internally generated intangible assets are not recognized. Property, plant and equipment is stated at cost of purchase or production (at the amount required to be capitalized under tax law), less depreciation, amortization and writedowns due to impairment. Borrowing costs are not included in purchase or production cost. From fiscal 2010 onward, additions to property, plant and equipment are uniformly depreciated on a straight-line basis. For property, plant and equipment purchased or produced before January 1, 2010, depreciation is charged in the amount permitted for tax purposes, making use of the non-reversal of writedowns option under the first sentence of Section 67 (4) of the Act Introducing the German Commercial Code (EGHGB). Minor assets with a cost of up to EUR 150 are expensed in the year of purchase or production and are not recognized as assets. Minor assets with a cost of more than EUR 150 but less than EUR 1,000 are grouped and depreciated as a group over five years.

Financial assets are normally reported at acquisition cost. Certain shares in affiliated companies and participating interests are reported at fair value if this is lower. Long-term securities investments are stated at the lower of acquisition cost or their current stock market price or fair value.

Inventories are stated in accordance with the lower of cost or market principle either at cost of purchase or at the cost of production that is required to be recognized for tax purposes. Cost of production of construction work in progress includes direct materials, direct labor, direct expenses, and an appropriate proportion of material overhead, labor overhead and production-related depreciation of fixed assets. Progress payments received from clients are deducted from inventories up to the amount of the cost of production for each project. Advance payments in excess of these amounts are reported as liabilities.

The valuation of receivables and other current assets normally measured at nominal value includes appropriate provision for specific doubtful accounts. A global allowance is also deducted to cover general credit risks and allow for any failure to yield interest.

Marketable securities are reported at the lower of acquisition cost or their current stock market price or fair value.

If the cost of purchase or capitalizable cost of production of any asset is higher than its fair value on the balance sheet date, its carrying amount is written down accordingly.

Subscribed capital is stated at nominal value.

In accordance with the new rules under BilMoG, treasury stock is presented as an adjusting item in shareholders' equity. The accounting par value of the treasury stock is deducted from subscribed capital on the face of the balance sheet and any remainder in respect of acquisition cost is charged against other revenue reserves. Any transaction costs are recognized in profit or loss.

Provisions for pensions and similar obligations and provisions for long-service bonuses and semi-retirement programs for older employees are measured using actuarial tables based on biometric probabilities (Prof. Dr. Klaus Heubeck 2005 G tables). The measurement of direct pension obligations was modified in 2010 due to amendments to Section 253 (1) of the German Commercial Code (HGB). Pension obligations can no longer be measured using the adapted German Teilwert method (an actuarial present value method with its basis in German tax law, applying a 3.5 percent discount factor). In the first-time application of the new rules, pensions and similar obligations are now measured using the internationally accepted projected unit credit method, which additionally takes into account future pay and pension benefit increases. In setting the discount factor, use was made of the option under the second sentence of Section 253 (2) HGB, permitting pension provisions and similar long-term obligations to be discounted using a single average market interest rate found for an assumed remaining term of 15 years. The average is found for the market interest rate in the last seven fiscal years. If the change in the discount rate to the end of the year produces only a non-material change in pension obligations, the figure determined and published by the German Bundesbank as of September 30 each fiscal year is applied. The great majority of pension obligations are matched by assets held with the sole purpose of meeting pension obligations and out of reach of other creditors (plan assets). These include assets invested under a contractual trust arrangement (CTA) in HOCHTIEF Pension Trust e.V., pension liability insurance assigned to employees, and mutual fund units under a deferred compensation plan. Securities are measured at fair value. Any excess of fair value over cost of acquisition is barred from dividend distribution. Under the second sentence of Section 246 (2) HGB, the fair value of plan assets is offset with the matched pension obligations. If the fair value of plan assets exceeds that of the pension obligations, the excess is presented as "excess of plan assets over obligations." Income from plan assets is likewise offset against the interest expense from the unwinding of the discount on pension obligations and against any expense/income recognized on changes in the discount factor, and the difference included in net interest income. First-time recognition of the amendments to the German Commercial Code enacted in BilMoG resulted in the recognition of income on measurement of pension obligations and plan assets as of January 1, 2010; in accordance with Section 67 (7) EGHGB, this income is presented as "extraordinary income."

Other provisions are recognized in an amount appropriate to cater for all identifiable risks; the amount provided for reflects the anticipated future charge. Expected future price and cost increases are taken into account when determining the settlement amount. Provisions with a remaining term of over one year are each discounted with the past seven-year average market interest rate for congruent maturities as determined and published by the German Bundesbank.

Liabilities are normally reported as the settlement amount.

Deferred taxes are recognized for temporary differences between the published financial statements and the tax base. Deferred tax assets are also recognized for tax refund entitlements resulting from the anticipated use of existing tax loss carryforwards in the next five years provided it is sufficiently certain that they will be realized. HOCHTIEF Aktiengesellschaft also accounts for all deferred taxes for companies in its tax group. The amount is measured on the basis of a combined tax rate of 31.5 percent. Deferred tax assets and deferred tax liabilities are presented net. In 2010, deferred tax liabilities were more than offset by deferred tax assets resulting primarily from the measurement of pension provisions and other provisions. Use was made of the option under the second sentence of Section 274 (1) HGB, to dispense with recognition of deferred tax assets.

Currency translation

Assets and liabilities in foreign currency are reported in the financial statements at the average exchange rate on the day of initial entry in the accounts. Losses due to changes in exchange rates are recognized as expense. For foreign currency-denominated assets and liabilities with a remaining term of less than one year, any gains due to changes in quoted prices as of the balance sheet date are recognized in profit or loss.

Where the currency risk on foreign currency items is hedged with derivatives such as forward exchange contracts, the items are translated at the hedged rate.

Derivative financial instruments

As well as for hedging exchange rate fluctuations in our international activities, derivatives are used to hedge interest rate fluctuations on variable-rate debt and to hedge our share-based payment plans. Derivatives are deployed exclusively for hedging purposes. Rules on their use and separate control are laid down together with responsibilities by binding directives in all Group companies. Derivatives must be used in connection with hedged transactions to offset risks in designated hedging relationships. The counterparties in hedging transactions are invariably banks with first-rate credit standing. Derivatives are initially recognized at cost and are measured in subsequent periods at fair value in accordance with the accounting principle of anticipating losses but not profits except where hedged items and the corresponding hedging transactions are valued as a unit. Provisions for onerous contracts are recognized if derivatives have a negative fair value. Fair values of interest rate swaps are determined from interest rate curves at the measurement date; fair values of foreign currency derivatives is determined from the forward exchange rates for the relevant currencies at the measurement date. Fair values of forward share and share option contracts are determined from market prices at the measurement date.

Hedged items are valued as a unit with their corresponding hedging transactions if they are objectively and intentionally complementary in use and function such that gains and losses from the hedged item and the hedging transaction are highly likely to cancel each other out. At HOCHTIEF, hedged items and hedging transactions can only be valued as a unit in the case of micro hedges, where a single hedging transaction corresponds to a single hedged item. The effectiveness of such a unit at matching future changes in value or cash flows is determined by using the critical terms match method. Retrospective measurement of effectiveness is performed using the dollar offset method. Any ineffectiveness is accounted for by applying the rule of anticipating losses but not gains and recognizing a provision for the unit as needed. In all other respects, accounting presentation follows the net hedge presentation method.

Explanatory Notes to the Balance Sheet

1. Fixed assets

The aggregated fixed assets categories reported in the balance sheet are subclassified, with details of changes in each item relative to the prior year, in the statement of Movements in Fixed Assets on page 6 and 7.

The EUR 15,040,000 in additions to intangible assets includes EUR 13,706,000 for prepaid bank guarantee and loan commitment fees shown as prepaid expenses in the prior year.

The EUR 158,000,000 in additions to shares in affiliated companies relate to a payment into the capital reserve at HOCHTIEF Insurance Broking and Risk Management Solutions GmbH, Essen.

The total for long-term loans to affiliated companies consists as before of EUR 504,500,000 in long-term loans to HOCHTIEF AirPort GmbH, Essen and EUR 210,000,000 to HOCHTIEF Projektentwicklung GmbH, Essen.

A list of the main subsidiaries, associates and other equity interests held by the HOCHTIEF Group is provided on page 30 and 31.

Long-term securities investments consist in their entirety of shares in mutual fund units linked to a deferred compensation plan to provide a supplementary pension for employees. The figure includes EUR 2,496,000 in additions to long-term securities investments in 2010. Most of the long-term securities investments are in a fund in accordance with Section 285 (26) of the German Commercial Code (HGB). This is a mixed-strategy fund aiming to secure a certain capital amount at specific points in time together with capital growth. A portion of the fund units constitute plan assets and are therefore measured at fair value and offset against pension provisions (carrying amount, equal to fair value: EUR 9,559,000). This resulted in reclassification of EUR 8,997,000 in the year under review. The remaining securities are measured at amortized cost and continue to be reported as part of long-term securities investments (carrying amount: EUR 21,626,000; fair value: EUR 22,220,000). As of December 31, 2010, the fund units thus had a total carrying amount of EUR 31,185,000 and a fair value of EUR 31,779,000. The profit distribution apportioned to HOCHTIEF for the fiscal year came to EUR 7,000.

2. Inventories

| (EUR thousand) | Dec. 31, 2010 | Dec. 31, 2009 |
|-------------------------------|---------------|---------------|
| Construction work in progress | 39,935 | 42,054 |
| Raw materials and supplies | 13 | 6 |
| | 39,948 | 42,060 |

3. Receivables and other assets

| (EUR thousand) | Dec. 31, 2010 | Of which: residual term above 1 year | Dec. 31, 2009 | Of which: residual term above 1 year |
|---|------------------|--|----------------|--|
| Trade receivables | 22,324 | 147 | 22,063 | – |
| Receivables from joint ventures | 6,990 | – | 4,598 | – |
| Receivables from affiliated companies | 956,244 | 285,289 | 643,061 | 229,551 |
| Receivables from companies in which the Company has participating interests | 65 | – | 901 | – |
| Other assets | 55,700 | 27,933 | 92,585 | 67,421 |
| | 1,041,323 | 313,369 | 763,208 | 296,972 |

Receivables from affiliated companies are largely connected with intra-Group financial management.

Other assets include tax refund entitlements and loan receivables, premiums receivable on derivative financial instruments, pension liability insurance entitlements, entitlements from real estate sales, interest receivables from securities and fixed-term deposit investments, other non-trade receivables and other assets.

Other assets totaling EUR 5,395,000 (2009: EUR 58,809,000) are subject to restrictions.

4. Marketable securities

Marketable securities comprise EUR 304,544,000 (2009: EUR 377,588,000) in shares in investment funds and fixed-interest investments and EUR 12,087,000 (2009: EUR 34,534,000) in holdings of equity shares. In the prior year, this item additionally included EUR 147,900,000 in treasury stock.

Of the above total, marketable securities to the value of EUR – (2009: EUR 195,585,000) are legally owned by HOCHTIEF Pension Trust e. V.

Marketable securities include a special-purpose investment fund. This is a straight equities fund used as a liquidity reserve. Its fair value as of December 31, 2010 was EUR 66,929,000. This is identical with the carrying amount. HOCHTIEF Aktiengesellschaft received a profit distribution of EUR 214,000 from the investment fund during the fiscal year.

In the prior year, marketable securities included a second special-purpose investment fund. This is a mixed-strategy fund legally owned by HOCHTIEF Pension Trust e.V. and is used for capital maintenance to meet employees' future pension entitlements. The units in the fund constitute plan assets and are therefore measured at fair value and offset against pension provisions. As of December 31, 2010, the fund had a fair value of EUR 200,857,000. The carrying amount as of the same date was equal to fair value. HOCHTIEF Aktiengesellschaft did not receive any profit distribution from the investment fund during the fiscal year.

5. Cash and cash equivalents

Cash and cash equivalents mostly consist of bank balances; these are subject to restrictions in the amount of EUR 6,346,000 (2009: EUR 10,000,000) due to employee semiretirement entitlements.

6. Prepaid expenses

Prepaid expenses mainly consisted of prepaid bank loan commitment fees and rents.

7. Shareholders' equity

| (EUR thousand) | Amount on Dec. 31, 2009 | First-time application of BilMoG | Amount on Jan. 1, 2010 | Change in capital | Dividends distributed | Net profit for the year | Transfer to revenue reserves | Amount on Dec. 31, 2010 |
|----------------------------------|-------------------------|----------------------------------|------------------------|-------------------|-----------------------|-------------------------|------------------------------|-------------------------|
| Subscribed capital | 179,200 | - | 179,200 | 17,920 | - | - | - | 197,120 |
| Treasury stock | - | (8,847) | (8,847) | 53 | - | - | - | (8,794) |
| Capital reserve | 400,806 | - | 400,806 | 382,336 | - | - | - | 783,142 |
| Revenue reserves | | | | | | | | |
| Statutory reserve | 1,492 | - | 1,492 | - | - | - | - | 1,492 |
| Reserve for own stock | 147,900 | (147,900) | - | - | - | - | - | - |
| Other revenue reserves | 669,295 | 65,676 | 734,971 | 489 | - | - | 77,294 | 812,754 |
| Total reserves | 1,219,493 | (82,224) | 1,137,269 | 382,825 | - | - | 77,294 | 1,597,388 |
| Unappropriated net profit | 105,000 | - | 105,000 | - | (99,816) | 226,110 | (77,294) | 154,000 |
| | 1,503,693 | (91,071) | 1,412,622 | 400,798 | (99,816) | 226,110 | - | 1,939,714 |

HOCHTIEF Aktiengesellschaft's subscribed capital is divided into 76,999,999 no-par-value shares, having been increased by the issue of 6,999,999 shares in December 2010, and has a nominal value of EUR 197,120,000.

First-time application of BilMoG required treasury stock (3,455,685 shares) in the amount of the attributable capital stock to be deducted from shareholders' equity on the face of the balance sheet as of January 1, 2010. Each share accounts for EUR 2.56 of capital stock. Including treasury stock still held, subscribed capital totaled EUR 188,326,000 as of December 31, 2010.

The capital reserve comprises EUR 782,684,000 constituting the premium on shares issued by HOCHTIEF Aktiengesellschaft together with EUR 458,000 for the book gain on the sale of treasury stock.

Other revenue reserves increased due to the transfer from the reserve for own shares (EUR 147,900,000) on first-time application of BilMoG. This was countered by the deduction of the carrying amount of treasury stock (EUR 82,224,000).

EUR 77,294,000 was transferred to other revenue reserves from net profit for the year. Reserves in the amount of EUR 1,430,000 are barred from distribution in accordance with Section 268 (8) of the German Commercial Code (HGB). The entire amount relates to the excess of the fair value of plan assets over the cost of acquisition.

The Executive Board is unaware of any restrictions on voting rights or transfers of securities.

There are no shares with special control rights. The Executive Board is not aware of any employee shares where the control rights are not exercised directly by the employees.

Statutory rules on the appointment and replacement of Executive Board members are contained in Sections 84 and 85 and statutory rules on the amendment of the Articles of Association in Sections 179 and 133 of the German Stock Corporations Act (AktG). Under Section 7 (1) of the Company's Articles of Association, the Executive Board comprises at least three individuals. Section 23 (1) of the Articles of Association provides that resolutions of the General Shareholders' Meeting require a simple majority of votes cast unless there is a statutory requirement stipulating a different majority. In instances where the Act requires a majority of the capital stock represented at the time of the resolution in addition to a majority of votes cast, Section 23 (3) of the Articles of Association provides that a simple majority will suffice unless there is a mandatory requirement stipulating a different majority.

Pursuant to Section 4 (5) of the Articles of Association, the Executive Board is authorized subject to Supervisory Board approval to increase the capital stock by issuing new no-par-value bearer shares for cash or non-cash consideration in one or more issues up to a total of EUR 35,840,000 by or before May 10, 2015 (Authorized Capital I). Detailed provisions are contained in the stated section of the Articles.

Pursuant to Section 4 (4) of the Articles of Association, the Company's capital stock has been conditionally increased by up to EUR 44,800,000 divided into up to 17,500,000 no-par-value bearer shares (conditional capital). Detailed provisions are contained in the stated section of the Articles.

Authorization to repurchase shares:

The Company is authorized by resolution of the General Shareholders' Meeting of May 11, 2010 to repurchase its own shares in accordance with Section 71 (1) 8 of the German Stock Corporations Act (AktG). The authorization expires on November 10, 2011. It is limited to ten percent of the capital stock at the time of the General Shareholders' Meeting resolution, with the quantity of shares able to be acquired by the use of call options limited to a maximum of five percent of the capital stock at the

time of the resolution. The authorization can be exercised directly by the Company or by a company in its control or majority ownership or by third parties engaged by the Company or engaged by a company in its control or majority ownership and allows the share repurchase to be executed in one or more installments covering the entire amount or any fraction. The repurchase may be effected through the stock exchange or by public offer to all shareholders, or by public invitation to all shareholders to tender shares for sale, or by issuing shareholders with rights to sell shares, or by the use of call options. The conditions governing the repurchase are set forth in detail in the resolution.

By resolution of the General Shareholders' Meeting of May 11, 2010, the Executive Board is authorized, subject to Supervisory Board approval, in the event of a sale of repurchased shares effected by way of an offer to all shareholders, to issue subscription rights to the shares to holders of any warrant-linked and/or convertible bonds issued by the Company or by any subordinate Group company. The Executive Board is also authorized, subject to Supervisory Board approval, to sell repurchased shares other than through the stock exchange and other than by way of an offer to all shareholders provided that the shares are sold for cash at a price not substantially below the current stock market price for Company shares of the same class at the time of sale.

The HOCHTIEF Aktiengesellschaft Executive Board is authorized, subject to Supervisory Board approval and the conditions set out in the following, to offer and transfer repurchased shares to third parties other than through the stock exchange and other than by way of an offer to all shareholders. Such transactions may take place in the course of acquisitions of business enterprises in whole or part and in the course of mergers. They are also permitted for the purpose of obtaining a listing for the Company's shares on foreign stock exchanges where it is not yet listed. The shares may also be offered for purchase by employees or former employees of the Company or its affiliates. Holders of bonds which the Company or a Group company subordinate to it issues or has issued under the authorization granted at the General Shareholders' Meeting of May 11, 2010 (agenda item 8) may also be issued with the shares upon exercising the warrant and/or conversion rights and/or obligations attached to the bonds.

The shares may also, on condition that they be held for at least two years after transfer, be transferred to members of the Executive Board of the Company and to members of the executive boards and general management of companies under its control within the meaning of Section 17 of the German Stock Corporations Act (AktG), and to employees of the Company or of a company under its control within the meaning of Section 17 AktG. Such transfers are only permitted for the purpose of settling the transferees' variable compensation entitlements in place of cash settlement. Further conditions of transfer are detailed in the resolution. Where shares are issued to members of the Executive Board of the Company, the decision to issue the shares is taken by the Supervisory Board alone.

Shareholders' statutory subscription rights to such shares are barred pursuant to Sections 71 (1) 8 and 186 (3) and (4) of the German Stock Corporations Act (AktG) to the extent that the shares are used in exercise of the authorizations set out above.

The Executive Board is also authorized, subject to Supervisory Board approval, to retire repurchased shares without a further resolution of the General Shareholders' Meeting being required for the share retirement itself or its execution.

The conditions governing awards of subscription rights and the sale, transfer and retirement of treasury stock are set forth in detail in the General Shareholders' Meeting resolution.

As of December 31, 2010, HOCHTIEF Aktiengesellschaft held a total of 3,435,075 shares of treasury stock as defined in Section 160 (1) 2 of the German Stock Corporations Act (AktG). These shares were purchased in the course of fiscal 2008 for the purposes provided for in the resolution of the General Shareholders' Meeting of May 8, 2008. The holdings of treasury stock represent EUR 8,793,792 (4.46 percent) of the Company's capital stock.

In July, 20,610 shares of treasury stock were ultimately sold to persons in the employment of the Company or an affiliate for a price of EUR 24.28 per share. These shares represent EUR 52,762 (0.03 percent) of the Company's capital stock.

As of December 31, 2010, HOCHTIEF Pension Trust e.V. held no treasury stock. As planned, 2,100,950 shares of treasury stock were sold on the stock exchange during the first quarter to generate liquidity. The sale proceeds at an average price of EUR 54.20 per share came to a total of EUR 113,869,000. These shares represent EUR 5,378,432 (3.00 percent) of the capital stock.

8. Share-based payment

The following Group-wide share-based payment systems were in force for managerial staff of HOCHTIEF Aktiengesellschaft and its affiliates in 2010:

Top Executive Retention Plan 2004

The Top Executive Retention Plan 2004 (TERP 2004) was launched by resolution of the Supervisory Board in 2004 in connection with the sale of RWE Aktiengesellschaft's stake in HOCHTIEF Aktiengesellschaft and is open to Executive Board members and selected managerial employees. The TERP complemented existing measures in helping to forge long-term ties with HOCHTIEF and retain expertise within the Company. The plan is based on stock appreciation rights (SARs).

The issued SARs have accrued in three tranches, with waiting periods of between two and four years. The exercise period is between six and eight years, depending on the tranche.

The SARs can only be exercised if the average (arithmetic mean) closing price of HOCHTIEF stock over the ten stock market trading days preceding the exercise date increases by a greater percentage relative to the issue price than the average closing level of the MDAX index increases over the same ten trading days relative to the index base (relative performance threshold) and the stock market closing price of HOCHTIEF stock on the last stock market trading day before the exercise date is at least 25 percent higher than the issue price (absolute performance threshold). The relative performance threshold is waived if after the end of the waiting period the average stock market price of HOCHTIEF stock over the ten consecutive stock market trading days immediately preceding the exercise date is at least 30 percent higher than the issue price.

Provided that the targets are met, SARs under the plan can be exercised at any time after the waiting period except during a short period before any business results are published. The number of SARs that can be exercised depends on the size of the gain relative to the issue price in the average price of HOCHTIEF stock over ten consecutive stock market trading days during the exercise period for the respective tranche of SARs, with a minimum 25, 30 or 35 percent price gain permitting 25 percent, 60 percent or all SARs to be exercised. When SARs are exercised, the issuing entity pays out the difference between the current stock price and the issue price. During the exercise period, this amount is limited to a specific fraction of the maximum possible difference (capped), the fraction increasing according to the exercise date and thus with the passage of time. At the end of the period, the difference is capped at 100 percent of the issue price.

Long-term Incentive Plan 2005

The Long-term Incentive Plan 2005 (LTIP 2005) was launched by resolution of the Supervisory Board in 2005 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. LTIP 2005 is based on stock appreciation rights (SARs).

LTIP 2005 had a waiting time of two years followed by an exercise period of three years. The plan therefore ended in 2010.

The SARs could only be exercised if, for at least ten consecutive stock market trading days before the exercise date, the ten-day average (arithmetic mean) stock market closing price of HOCHTIEF stock was higher relative to the issue price compared with the ten-day average closing level of the MDAX index relative to the index base (relative performance threshold) and, additionally, return on net assets (RONA) in the most recently approved set of consolidated financial statements was at least ten percent (absolute performance threshold). The relative performance threshold was waived if the average stock market price of HOCHTIEF stock exceeded the issue price by at least 20 percent on ten consecutive stock market trading days after the end of the waiting period.

Provided that the targets were met, the SARs could be exercised at any time after the waiting period except during a short period before any business results were published. When SARs were exercised, the issuing entity paid out the difference between the current stock price and the issue price. The difference was capped at 100 percent of the issue price.

Long-term Incentive Plan 2006

The Long-term Incentive Plan 2006 (LTIP 2006) was launched by resolution of the Supervisory Board in 2006 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. Alongside grants of stock appreciation rights (SARs), LTIP 2006 also provided for grants of stock awards.

It was possible to exercise the SARs plan at any time after a two-year waiting period. The plan was exercised in full in 2008. The LTIP conditions for stock awards stipulated that for each stock award exercised within a two-year exercise period following a three-year waiting period, entitled individuals received at HOCHTIEF Aktiengesellschaft's choice either a HOCHTIEF share or a compensatory amount equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date. The gain on each stock award was limited to 150 percent of the stock market closing price on the day before the issue date. The plan was exercised in full in 2010.

Long-term Incentive Plan 2007

The Long-term Incentive Plan 2007 (LTIP 2007) was launched by resolution of the Supervisory Board in 2007 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. Alongside grants of stock appreciation rights (SARs), LTIP 2007, like LTIP 2006, also provides for grants of stock awards. The conditions for granting SARs and stock awards do not differ in any material respect from those of LTIP 2006. The plan for SARs differs from the conditions for LTIP 2005 only in two points:

1. The relative performance threshold is waived if the average stock market price of HOCHTIEF stock exceeds the issue price by at least ten percent on ten consecutive stock market trading days after the end of the waiting period.
2. The gain is capped at 50 percent of the issue price.

Long-term Incentive Plan 2008

The Long-term Incentive Plan intended for issue in 2008 was already launched as the Long-term Incentive Plan 2008 (LTIP 2008) by resolution of the Supervisory Board in November 2007 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. The conditions do not differ from those of LTIP 2007. The term of the plan has been extended compared with earlier plans to ensure that the exercise system is not changed despite the earlier issue.

Retention Stock Awards 2008

In May 2008, the Supervisory Board adopted a resolution to launch for members of the Executive Board, on the basis of LTIP 2008 (stock awards), a Retention Stock Award plan (RSA 2008) consisting of three tranches and running for seven years, and granted a first tranche of awards under the plan. The conditions for the first tranche of RSA 2008 differ from LTIP 2008 (stock awards) solely with regard to the cap, which is set at EUR 160 per stock award. The second tranche was granted in March 2009. The conditions for the second tranche differ from LTIP 2008 (stock awards) solely in the timeframe being one year later and with regard to the cap, which is set for the second tranche at EUR 66.50 per stock award. The third tranche was granted in March 2010. The conditions for the third tranche differ from LTIP 2008 (stock awards) solely in the timeframe being two years later and with regard to the cap, which is set for the third tranche at EUR 133.12 per stock award.

Top Executive Retention Plan 2008

The Executive Board also resolved in June 2008 to launch a Top Executive Retention Plan 2008 (TERP 2008) for selected managerial employees.

This plan is likewise based on stock awards and consists of three tranches. The first tranche was granted in July 2008, the second in July 2009 and the third in July 2010.

The total term of the plan is ten years. The waiting period after the granting of each tranche is three years. The exercise period is between five and seven years, depending on the tranche.

The conditions stipulate that, after the waiting period, entitled individuals receive for each stock award either a HOCHTIEF share or, at HOCHTIEF Aktiengesellschaft's choice, a compensatory cash amount equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date. The gain is capped for each year of the exercise period. The cap rises annually up to a maximum gain at the end of the term. The maximum gain is set to EUR 160 per stock award for the first tranche, EUR 81.65 for the second tranche and EUR 166.27 for the third tranche.

Long-term Incentive Plan 2009

The Long-term Incentive Plan 2009 (LTIP 2009) was launched by resolution of the Supervisory Board in 2009 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. The conditions do not differ in any material respect from those of LTIP 2008. The maximum gain is set to EUR 40.10 per stock award.

Long-term Incentive Plan 2010

The Long-term Incentive Plan 2010 (LTIP 2010) was launched by resolution of the Supervisory Board in 2010 and is open to Executive Board members and upper managerial employees of HOCHTIEF Aktiengesellschaft and its affiliates. Except for the longer waiting period (four instead of two years) for the SARs, the conditions do not differ in any material respect from those of LTIP 2009. The maximum gain is set to EUR 81.83 per stock award.

Other information

The conditions of all plans stipulate that on the exercise of SARs or stock awards—and the fulfillment of all other requisite criteria—HOCHTIEF Aktiengesellschaft normally has the option of delivering HOCHTIEF shares instead of paying out the gain in cash. Where the entitled individuals are not employees of HOCHTIEF Aktiengesellschaft, the expense incurred on exercise of SARs or stock awards is met by the affiliated company concerned.

Provisions recognized for the stated share-based payment arrangements totaled EUR 34,994,000 as of the balance sheet date (2009: EUR 20,423,000). The total expense recognized for the stated arrangements in 2010 was EUR 21,045,000 (2009: EUR 23,356,000). The intrinsic value of SARs exercisable at the end of the reporting period was EUR 1,088,000 (2009: EUR 3,042,000).

The quantities of SARs and stock awards granted, expired and exercised under the plans are as follows:

| | Originally granted | Outstanding at Dec. 31, 2009 | Granted in 2010 | Expired in 2010 | Exercised in 2010 | Outstanding at Dec. 31, 2010 |
|--------------------------|--------------------|------------------------------|-----------------|-----------------|-------------------|------------------------------|
| TERP 2004 | 1,853,901 | 147,567 | - | - | 138,600 | 8,967 |
| LTIP 2005 | 885,150 | 2,700 | - | 1,700 | 1,000 | - |
| LTIP 2006 – stock awards | 165,243 | 28,957 | - | - | 28,957 | - |
| LTIP 2007 – SARs | 430,450 | 365,050 | - | 500 | 137,350 | 227,200 |
| LTIP 2007 – stock awards | 110,650 | 99,350 | - | 200 | 65,700 | 33,450 |
| LTIP 2008 – SARs | 304,575 | 276,120 | - | 3,375 | - | 272,745 |
| LTIP 2008 – stock awards | 101,985 | 93,610 | - | 1,300 | - | 92,310 |
| TERP 2008/Tranche 1 | 130,900 | 121,300 | - | - | - | 121,300 |
| TERP 2008/Tranche 2 | 359,000 | 346,400 | - | 17,100 | - | 329,300 |
| TERP 2008/Tranche 3 | 174,100 | - | 174,100 | - | - | 174,100 |
| RSA 2008/Tranche 1 | 122,012 | 122,012 | - | - | - | 122,012 |
| RSA 2008/Tranche 2 | 347,478 | 347,478 | - | - | - | 347,478 |
| RSA 2008/Tranche 3 | 146,884 | - | 146,884 | - | - | 146,884 |
| LTIP 2009 – SARs | 414,000 | 406,500 | - | 3,900 | - | 402,600 |
| LTIP 2009 – stock awards | 273,400 | 266,500 | - | 7,300 | - | 259,200 |
| LTIP 2010 – SARs | 353,200 | - | 353,200 | 2,300 | - | 350,900 |
| LTIP 2010 – stock awards | 166,000 | - | 166,000 | 1,100 | - | 164,900 |

9. Provisions for pensions and similar obligations

The pension arrangements at HOCHTIEF Aktiengesellschaft consist of a company-funded basic pension in the form of a modular defined contribution plan and a supplementary pension linked to company performance. The size of the basic pension component depends on employee income and age (resulting in an annuity conversion factor) and a general pension contribution which HOCHTIEF Aktiengesellschaft reviews every three years. The size of the supplementary pension component depends on growth in IFRS-basis profit after taxes. The basic pension can be supplemented in this way by up to 20 percent. The pension arrangements in force until December 31, 1999 featured benefit groups based on collective agreements. These benefits were integrated into the new system of retirement benefits as an initial pension component. Benefits comprise an old-age pension, an invalidity pension and a surviving dependants' pension.

The size of pension provisions is determined on an actuarial basis. This necessarily involves estimates. The Prof. Dr. Klaus Heubeck 2005 G tables are used to provide biometric data for the calculations. The remaining actuarial assumptions used are as follows:

| (%) | 2010 |
|-------------------|------|
| Discount factor | 5.17 |
| Salary increases | 2.75 |
| Pension increases | 1.75 |

HOCHTIEF Aktiengesellschaft's pension finances are based on a contractual trust arrangement (CTA). Transferred assets are administered in trust by HOCHTIEF Pension Trust e. V. and serve exclusively to fund pension obligations. Transferred cash is invested on the capital market in accordance with investment principles set out in the trust agreement. The plan assets—like the pension liability insurance and investment fund units in the deferred compensation plan assigned to employees—meet the requirements in the second sentence of Section 246 (2) of the German Commercial Code (HGB). The fair value of these assets is therefore offset against the fair value of the pension obligations and gains on plan assets against pension expense. This offsetting is carried out separately for each type of pension commitment. An asset or liability is recognized on the balance sheet depending on whether there is a pension surplus or deficit.

Assets were offset against pension obligations as follows in the balance sheet as of December 31, 2010:

| (EUR thousand) | Excess of plan assets over obligations | Provisions for pensions and similar obligations | Total |
|--|--|---|---------------|
| Settlement amount of pensions and similar obligations | (274,823) | (9,792) | (284,615) |
| Fair value of assets offset against obligations (Section 246 (2), sentence 2, HGB) | 353,297 | 9,559 | 362,856 |
| Balance | 78,474 | (233) | 78,241 |
| Acquisition cost of assets offset against obligations (Section 246 (2), sentence 2, HGB) | 354,818 | 9,334 | 364,152 |

The pension expense is made up as follows:

| (EUR thousand) | 2010 |
|--|---------------|
| Pension expense | 5,165 |
| Personnel expense | 5,165 |
| Interest expense from unwinding of discount and changes in discount factor | 16,407 |
| Gains on plan assets offset against pension expense (Section 246 (2), sentence 2, HGB) | (10,145) |
| Net interest income | 6,262 |
| Total expense | 11,427 |

Gains on plan assets offset against pension expense includes EUR 1,324,000 in gains representing the excess of fair value over acquisition cost. Depending on the type of plan assets involved, fair value is measured using market prices, bank statements and insurance statements.

Pension payments totaled EUR 22,452,000 in 2010 (2009: EUR 22,278,000).

10. Other provisions

| (EUR thousand) | Dec. 31, 2010 | Dec. 31, 2009 |
|-------------------------|----------------|---------------|
| Provisions for taxes | 11,871 | 11,952 |
| Sundry other provisions | 141,232 | 83,292 |
| | 153,103 | 95,244 |

Other provisions cover items such as risks in real estate and equity holdings, anticipated losses related to pending transactions not accounted for elsewhere, internal and external costs of preparing the annual financial statements, stock appreciation rights (SARs) and stock awards, outstanding employee leave, costs of semiretirement programs for older employees, payments for damages, and other uncertain liabilities.

11. Liabilities

| (EUR thousand) | Dec. 31, 2010 | Of which: with residual term of up to 1 year | Dec. 31, 2009 | Of which: with residual term of up to 1 year |
|--|------------------|--|------------------|--|
| Amounts due to banks | | | | |
| Advance payments received | 1,300,002 | 33,002 | 1,096,189 | 69,189 |
| Trade payables | – | – | 19,252 | 19,252 |
| Amounts due to affiliated companies | 32,130 | 31,181 | 3,029 | 3,029 |
| Amounts due to companies in which the Company has participating interests | 456,385 | 456,017 | 475,115 | 474,655 |
| Sundry other liabilities | 1,172 | 1,172 | 1,172 | 1,172 |
| Of which: from taxes | 45,361 | 42,432 | 41,954 | 38,641 |
| Of which: from social insurance contributions | [24,540] | [24,540] | [17,094] | [17,094] |
| | [72] | [72] | [70] | [70] |
| | 1,835,050 | 563,804 | 1,636,711 | 605,938 |

Amounts due to banks include EUR 240,000,000 relating to a promissory note loan issue placed in the market by HOCHTIEF on May 26, 2010. The issue consists of two tranches, for EUR 59,500,000 and EUR 180,500,000 respectively. The loan has a term of five years and a coupon equal to six-month EURIBOR plus an appropriate margin. In the prior year, HOCHTIEF took out four promissory note loans for a total of EUR 300,000,000 with terms of three and five years split halfway with part-fixed, part-variable interest. The coupon on each of these loans corresponds to the market rate on the date of its inception. Amounts due to banks also include EUR 250,000,000 for two further promissory note loans issued in 2008 comprising one for a nominal amount of EUR 200,000,000 and a term of five years and one for a nominal amount of EUR 50,000,000 and a term of seven years. The coupon on both is equal to six-month EURIBOR plus an appropriate margin.

In 2005, HOCHTIEF Aktiengesellschaft signed a EUR 600,000,000 syndicated revolving credit facility with an international banking syndicate. As in the prior year, drawings on the facility stand at EUR 477,000,000. Drawings are subject to interest at the EURIBOR rate applicable for the length of the drawing plus an appropriate margin. The credit facility runs to November 22, 2012.

Amounts due to affiliated companies are largely connected with intra-Group financial management.

Sundry other liabilities include tax liabilities, payroll liabilities, social insurance liabilities, other non-trade payables and other obligations.

Liabilities totaling EUR – (2009: EUR 50,000,000) have a remaining time to maturity of more than five years.

12. Contingencies, commitments and other financial obligations

| (EUR thousand) | Dec. 31, 2010 | Dec. 31, 2009 |
|--|---------------|---------------|
| Obligations from guarantees, sureties and letters of support | 1,140,920 | 1,165,639 |
| Of which: for affiliated companies | [1,091,776] | [1,120,419] |

The commitments and potential obligations primarily serve as security for bank loans, contract performance, warranty obligations and advance payments. Most guarantees as of the reporting date related to participating interests and construction joint ventures. In our estimation, all companies can meet the underlying obligations and recourse to HOCHTIEF Aktiengesellschaft is not probable.

In fiscal 2009, EUR 400 million of the EUR 2 billion syndicated guarantee facility entered into in 2007 was converted into a revolving credit facility and a EUR 100 million portion of the original amount of the facility returned to the banking syndicate, reducing the total size of the facility to EUR 1.9 billion and the amount available for guarantees to EUR 1.5 billion. There were no drawings on the revolving credit facility as of December 31, 2010. HOCHTIEF Aktiengesellschaft additionally has the option of converting the revolving credit facility into a guarantee facility for the same amount. The facility permits the furnishing of guarantees for ordinary activities, mainly of the HOCHTIEF Europe, HOCHTIEF Concessions and HOCHTIEF Real Estate divisions. The syndicated revolving guarantee facility has an initial tenor of five years to October 24, 2012 and was utilized in the amount of EUR 1.21 billion (2009: EUR 1.07 billion) as of December 31, 2010.

In addition, HOCHTIEF Aktiengesellschaft has available a further EUR 1.14 billion (2009: EUR 0.93 billion) in revolving guarantee facilities provided by insurance companies and banks. EUR 0.68 billion (2009: EUR 0.67 billion) of these facilities is utilized as of December 31, 2010.

HOCHTIEF Aktiengesellschaft has provided an unlimited bonding guarantee in favor of US insurance companies in respect of obligations of the Turner Group and the Flatiron Group. Bonding is a statutory form of security used in the US to guarantee performance of public projects. It is also used with other selected customers. The total bonding amount came to USD 6,256 million (2009: USD 5,236 million). USD 4,084 million was utilized in the year under review (2009: USD 4,628 million). No recourse has ever been made to this guarantee provided by HOCHTIEF, and none is currently anticipated for the future.

HOCHTIEF Aktiengesellschaft is additionally liable for joint venture guarantees given by Flatiron Construction Corp. up to a maximum of the total contract value. This amounted to EUR 916,667,000 as of December 31, 2010 (2009: EUR 621,165,000).

As in the prior year, marketable securities are not subject to any restrictions.

Other financial obligations include EUR 175,070,000 (2009: EUR 205,294,000) in commitments under long-term contracts for the supply of goods and services. These represent obligations under long-term rental contracts and are partly offset by anticipated rental income totaling EUR 130,713,000 (2009: EUR 148,962,000).

Derivative financial instruments

The EUR 1,126,500,000 nominal value of the loan liabilities (2009: EUR 958,500,000) is hedged with a total of 19 (2009: 16) interest rate swaps; the hedges and hedged items are accounted for as a unit. The nominal amount allows inferences to be drawn as to the overall use made of derivatives, but does not reflect the level of risk involved in their use. As the critical terms of hedging transactions and hedged items broadly match, the risk is almost fully hedged. Fair values of interest rate swaps are determined—on the basis of interest rate curves as of the balance sheet date—from the discounted expected future cash flows. The opposing cash flows are settled according to the remaining term of the hedged item and the corresponding hedge in the subsequent three to 54 months. Three of the interest rate swaps were entered into reciprocally on identical terms with an affiliated company. These have a positive fair value of EUR 17,373,000 as of December 31, 2010 (2009: EUR 16,504,000). In one case, a loan extension expected with strong probability was valued as a unit with the corresponding hedging transaction.

Our share-based compensation plans are hedged with eight stock forward contracts and eight stock options. The stock forward contracts had a net fair value of EUR 46,281,000 as of December 31, 2010 (2009: 40,320,000). The options had a net fair value of EUR 2,887,000 (2009: EUR 933,000). The stock options have a net carrying amount of EUR 4,227,000 (2009: EUR 1,449,000) and are contained in other assets and other liabilities. EUR 3,513,000 (2009: EUR 2,778,000) in provisions for onerous contracts were recognized for stock forward contracts and stock options with negative fair values as of December 31, 2010. The income and expenditure associated with these derivatives is included in personnel expense.

Foreign currency payables and receivables are hedged with forward exchange contracts in the same currency and with the same term as the underlying transaction. The fair value of forward exchange contracts used for exchange rate hedging is the present value of the cash flows taking into account the forward rates agreed or prevailing as of the balance sheet date. Forward exchange contracts had a net fair value of EUR 862,000 (2009: EUR –) as of the balance sheet date. EUR 320,000 (2009: EUR –) in provisions for onerous contracts were recognized for forward exchange contracts with negative fair values. Foreign currency payables with a nominal value of EUR 16,095,000 (2009: EUR 37,170,000) were hedged against exchange rate changes with the hedged item and the corresponding hedging transaction valued as a unit. The opposing changes in fair value and cash flows are matched according to the remaining term of the hedged item and the corresponding hedge in the subsequent five to 18 months.

Explanatory Notes to the Statement of Earnings

13. Sales

HOCHTIEF Aktiengesellschaft's reported sales comprise revenue from performing the functions of a holding company. The sales figure also includes EUR 128,855,000 (2009: EUR 131,521,000) in revenue from construction projects where contract performance and processing was left with HOCHTIEF Aktiengesellschaft for organizational reasons in the context of the transfer of construction operations to the legally independent HOCHTIEF Construction AG. The international share of sales was EUR 128,484,000 (2009: EUR 118,532,000).

14. Other operating income

This item mainly consists of income in connection with impairment reversals on receivables, reversals of provisions, increases in the carrying amounts of marketable securities, disposals of property, plant and equipment, and corporate headquarters charges. Other operating income also includes EUR 12,029,000 in exchange rate gains. In the prior year, the item additionally included income from the disposal of treasury stock.

15. Materials

| (EUR thousand) | 2010 | 2009 |
|---|----------------|----------------|
| Raw materials, supplies and purchased goods | 1,518 | 7,495 |
| Purchased services | 129,187 | 127,933 |
| | 130,705 | 135,428 |

16. Personnel costs

| (EUR thousand) | 2010 | 2009 |
|------------------------------|---------------|----------------|
| Wages and salaries | 68,286 | 79,292 |
| Social insurance and support | 6,734 | 6,895 |
| Pensions | 5,553 | 19,787 |
| | 80,573 | 105,974 |

Employees

| (average for the year) | 2010 | 2009 |
|----------------------------|------------|------------|
| Waged/industrial employees | 8 | 8 |
| Salaried/office employees | 620 | 627 |
| | 628 | 635 |

17. Depreciation and amortization

| (EUR thousand) | 2010 | 2009 |
|-------------------------------|--------------|--------------|
| Intangible assets | 7,138 | 1,844 |
| Property, plant and equipment | 2,616 | 1,864 |
| | 9,754 | 3,708 |

EUR 8,477,000 (2009: EUR 3,668,000) is accounted for by depreciation and amortization as such, and EUR 1,277,000 (2009: EUR 40,000) by impairment charges. Impairment charges totaling EUR 250,000 (2009: EUR 40,000) relate to intangible assets and EUR 1,027,000 (2009: EUR –) to property, plant and equipment.

18. Other operating expenses

Other operating expenses primarily include increases in provisions for risks in the business portfolio, rentals and lease payments, consulting fees, court costs, attorneys' and notaries' fees, travel and other business expenses, research and development expenses, insurance premiums, costs of preparing the annual financial statements, and other social benefits payable that are not reported elsewhere. The item also includes EUR 1,943,000 in foreign exchange losses. Other taxes included here come to EUR 3,307,000 (2009: EUR 2,081,000).

19. Income from financial assets (net)

| (EUR thousand) | 2010 | 2009 |
|--|----------------|----------------|
| Income from profit/loss transfer agreements | 318,550 | 157,334 |
| Income from participating interests | 3 | 74,079 |
| Of which: from affiliated companies | [3] | [74,078] |
| Expenses from transfer of losses | (35,929) | (30,091) |
| Income from other securities and long-term loans | 37,658 | 36,174 |
| Of which: from affiliated companies | [37,651] | [36,168] |
| | 320,282 | 237,496 |

20. Interest expense

| (EUR thousand) | 2010 | 2009 |
|---|-----------------|-----------------|
| Other interest and similar income | 41,637 | 49,362 |
| Of which: from affiliated companies | [34,117] | [34,728] |
| Interest and similar expenses | (107,582) | (82,561) |
| Of which: to affiliated companies | [(19,376)] | [(16,420)] |
| Of which: unwinding of discount on non-current provisions | [(7,306)] | [–] |
| | (65,945) | (33,199) |

21. Writedowns on financial assets and marketable securities

This item, totaling EUR 1,406,000 (2009: EUR 50,605,000), contains writedowns on other marketable securities. In the prior year it also included writedowns on shares in affiliated companies.

22. Extraordinary income and expenses

Net extraordinary income totaling EUR 64,089,000 results from first-time application of the German Accounting Law Modernization Act (BilMoG). Extraordinary income of EUR 55,782,000 relates to changes in the fair value of plan assets and EUR 8,958,000 to changes in the measurement of pension provisions. A further EUR 34,000 in extraordinary income is attributable to changes in the measurement of semi-retirement provisions. On the expenses side, EUR 685,000 in extraordinary expenses relates to the change in the discount factor on non-current provisions to the seven-year average market interest rate stipulated by the German Bundesbank.

23. Income taxes

This item contains taxes on foreign profits. Other taxes are disclosed under other operating expenses.

24. Total Executive Board and Supervisory Board compensation

Executive Board compensation for the 2010 fiscal year

The Executive Board compensation system is geared toward long-term, sustainable management goals. Total compensation for members of the Executive Board is set by the Supervisory Board. The compensation system for the Executive Board is also decided and regularly reviewed by the Supervisory Board. The Supervisory Board's Human Resources Committee prepares the relevant motions for resolution by the full Supervisory Board. The compensation system was approved by a large majority at the General Shareholders' Meeting on May 11, 2010.

Executive Board member compensation comprises a fixed salary supplemented by variable, performance-linked components. The fixed component constitutes basic compensation not linked to performance and is paid as a monthly salary; Executive Board members additionally receive supplementary compensation in the form of non-cash benefits. Non-cash benefits mostly comprise amounts to be recognized for tax purposes for private use of company cars and other non-cash benefits.

The value of performance-linked compensation depends on consolidated profit and the personal performance of the Executive Board members themselves.

In the event of full compliance with the targets, the total cash compensation comprises around 50 percent fixed and 50 percent performance-linked components. The performance-linked compensation consists of the Company bonus (60 percent) and an individual bonus (40 percent)—assuming full compliance with targets. Performance-linked compensation is capped at 200 percent.

Executive Board compensation also includes pension awards, other awards in the event of termination of office, and participation in the Group's variable compensation arrangements combining long-term incentives with an element of risk.

Executive Board compensation for past fiscal years

Amounts paid in 2010 for offices held within the Group comprised EUR 35,000 in fixed compensation to Dr. Noé and EUR 719,000 in additional performance-linked compensation paid retroactively for FY 2009 (EUR 314,000 to Dr. Lütkestratkötter, EUR 126,000 to Dr. Lohr, EUR 126,000 to Dr. Noé, EUR 83,000 to Dr. Rohr and EUR 70,000 to Dr. Stieler).

Compensation for the 2010 [2009] fiscal year

| (EUR thousand) | Fixed compensation | | Performance-linked compensation | | Non-cash benefits | | Total | |
|------------------------------|--------------------|-----------------|---------------------------------|-----------------|-------------------|---------------|--------------|-----------------|
| Dr. Lütkestratkötter | 816 | [785] | 1,065 | [819] | 46 | [62] | 1,927 | [1,666] |
| Dr. Lohr | 544 | [523] | 710 | [546] | 36 | [35] | 1,290 | [1,104] |
| Dr. Noé | 544 | [523] | 710 | [546] | 42 | [61] | 1,296 | [1,130] |
| Dr. Rohr | 544 | [523] | 710 | [546] | 28 | [29] | 1,282 | [1,098] |
| Dr. Stieler | 544 | [436] | 710 | [455] | 25 | [20] | 1,297 | [911] |
| Executive Board total | 2,992 | [2,790]* | 3,905 | [2,912]* | 177 | [207]* | 7,074 | [5,909]* |

*Prior-year figures excluding figures for Albrecht Ehlers, who stepped down from the Executive Board in fiscal 2009 (total amount: EUR 242,000)

Variable pay components combining a long-term incentive effect with an element of risk

| | LTIP 2010 | | | | RSA 2008/Tranche 3 | | LTIP expense 2010 [2009] | |
|------------------------------|---------------------------|-----------------------|---------------|-----------------------|--------------------|-----------------------|--------------------------|-------------------|
| | Stock appreciation rights | | Stock awards | | Number | Value (EUR thousand)* | Value (EUR thousand) | |
| | Number | Value (EUR thousand)* | Number | Value (EUR thousand)* | | | | |
| Dr. Lütkestratkötter | 18,800 | 161 | 9,800 | 392 | 40,060 | 1,871 | 3,786 | [4,312] |
| Dr. Lohr | 12,500 | 107 | 6,500 | 260 | 26,706 | 1,247 | 2,444 | [1,612] |
| Dr. Noé | 12,500 | 107 | 6,500 | 260 | 26,706 | 1,247 | 2,610 | [2,561] |
| Dr. Rohr | 12,500 | 107 | 6,500 | 260 | 26,706 | 1,247 | 2,503 | [3,033] |
| Dr. Stieler | 12,500 | 107 | 6,500 | 260 | 26,706 | 1,247 | 1,725 | [767] |
| Executive Board total | 68,800 | 589 | 35,800 | 1,432 | 146,884 | 6,859 | 13,068 | [12,285]** |

*Value at grant date as per actuarial appraisal

** Prior-year figures excluding figures for Albrecht Ehlers, who stepped down from the Executive Board in fiscal 2009 (EUR 1,767,000)

Variable pay components combining a long-term incentive effect with an element of risk

Executive Board compensation also includes participation in the Company's long-term incentive plans (LTIPs). These comprise grants of stock appreciation rights (SARs) and stock awards (phantom stock).

If the applicable exercise targets are met after a four-year waiting period, the 2010 stock appreciation rights grant the Executive Board members a monetary claim against the Company, which they can exercise over the then following three years. The amount of the claim depends on the development of the share price within the waiting and exercise periods. In addition, relative and absolute performance targets, which cannot be modified retroactively, have to be met.

The terms of 2010 stock awards provide that after the three-year waiting period, those entitled have, for each stock award and for a further two-year exercise period, a monetary claim against the Company equal to the closing price of HOCHTIEF stock on the last day of stock market trading prior to the exercise date.

As decided in 2008, the third and last tranche of the Retention Stock Award plan adopted in May 2008 (RSA 2008) was granted in 2010. The first tranche was granted in 2008 and the second in 2009.

The value of all entitlements under long-term incentive plans is capped so that the amount of compensation stays appropriate in the event of extraordinary, unforeseeable developments.

The plans have also granted SARs and stock awards to members of upper management.

Additional information on the plans is provided on pages 16 to 19 of these Notes.

In fiscal 2010, the stock awards under LTIP 2007 were exercised in full by all members of the Executive Board. The sums paid out amounted to EUR 1,740,000 (EUR 609,000 to Dr. Lütkestratkötter, EUR 329,000 to Dr. Lohr, EUR 401,000 to Dr. Noé and EUR 401,000 to Dr. Rohr). EUR 606,000 in previously unexercised stock appreciation rights under LTIP 2007 were also exercised (with EUR 257,000 paid out to Dr. Lütkestratkötter, EUR 161,000 to Dr. Noé and EUR 188,000 to Dr. Rohr). The TERP 2004 stock appreciation rights not previously exercised were likewise exercised in full during 2010. The total amount paid out was EUR 2,415,000 (EUR 652,000 to Dr. Lütkestratkötter and EUR 1,763,000 to Dr. Noé).

For fiscal 2010, the Executive Board members received fixed compensation in a total amount of EUR 2,992,000, performance-linked compensation totaling EUR 3,905,000 and combined non-cash benefits of EUR 177,000. Long-term compensation components from LTIP 2010, amounting to EUR 2,021,000, were also allocated for fiscal 2010. Total compensation for the 2010 fiscal year thus amounts to EUR 9,095,000 (2009: EUR 8,201,000).***

The granting of the third tranche of the Retention Stock Award plan (RSA 2008) resulted in a EUR 6,859,000 extraordinary increase in the total compensation amount by the imputed market value of the third tranche, raising total compensation for fiscal 2010 to EUR 15,954,000 (2009: EUR 15,060,000).**** Although RSA 2008 runs for seven years, each of its three tranches is required to be accounted for at fair value at the grant date. This value is determined as of the grant date using the Black/Scholes option pricing model. The fair value at the end of the waiting period differs from the fair value at the grant date and depends on the future performance of the HOCHTIEF stock price.

*** Prior-year figures excluding figures for Albrecht Ehlers, who stepped down from the Executive Board in fiscal 2009 (EUR 242,000)

**** Prior-year figures excluding figures for Albrecht Ehlers, who stepped down from the Executive Board in fiscal 2009 (EUR 1,489,000)

Pensions

All Executive Board members have pension awards under individual contracts setting the minimum pension age at 60. The pension amount is determined as a percentage of fixed compensation, the percentage rising with each member's term of office. The maximum amount for the Executive Board members is 65 percent of their final fixed compensation. Surviving dependants receive 60 percent of the pension.

Executive Board members whose contract is not extended or is prematurely terminated before they reach the age of 50 receive a transitional benefit payable until the commencement of regular pension payments and equaling 50 percent of the pension entitlement accumulated prior to leaving the Company or 75 percent in the case of members leaving at age 50 or older; where applicable, other income is partly deductible from the transitional benefit.

| (EUR thousand) | Transfer to pension provisions in fiscal 2010 [2009] | | Estimated benefit amount |
|------------------------------|--|-----------------|--------------------------|
| | | | (as of Dec. 31, 2010) |
| Dr. Lütkestratkötter | 446 | [1,182] | 388 |
| Dr. Lohr | 203 | [348] | 190 |
| Dr. Noé | 435 | [513] | 272 |
| Dr. Rohr | 441 | [528] | 272 |
| Dr. Stieler | 257 | [323] | 190 |
| Executive Board total | 1,782 | [2,894]* | 1,312 |

Dr. Lütkestratkötter, Dr. Lohr and Dr. Noé have received pension awards for their work on the Leighton Board. An expense of EUR 10,000 each for Dr. Lütkestratkötter, Dr. Lohr and Dr. Noé was incurred for this purpose by Leighton in the 2009/2010 fiscal year.

The present value of pension benefits for current and former Executive Board members is EUR 51,048,000 (2009: EUR 55,639,000).

Pension payments to former members of the Executive Board and their surviving dependants were EUR 3,699,000 in 2010 (2009: EUR 12,613,000).

EUR 32,949,000 (2009: EUR 36,406,000) in provisions have been recognized for pension obligations to former members of the Executive Board and their surviving dependants.

Severance awards for members of the Executive Board

If shareholders obtain control of HOCHTIEF Aktiengesellschaft as defined in Sections 29 and 30 of the German Securities Acquisition and Takeover Act (WpÜG), all members of the Executive Board are entitled to resign from office and simultaneously terminate their contracts at six months' notice. Based on the ACS notification of February 9, 2011, according to which ACS holds in total 33.49 percent of the shares or voting rights in HOCHTIEF Aktiengesellschaft following the voluntary public takeover offer, the conditions for exercise of this option by the members of the Executive Board are satisfied. The members of the Executive Board are each similarly entitled in the event of other takeover-like contingencies specified in their contracts (including, among other things, the obtaining of a majority of voting rights at general shareholders' meetings). Executive Board members also have such a right if confronted by sustained and substantial pressure from shareholders demanding that they resign or take specific action which the members concerned are unable to reconcile with their personal responsibility for the exercise of office. In the event that their contracts are terminated by notice, terminated by mutual agreement or expire within nine months following a takeover, the departing Executive Board members receive in compensation for termination of their contracts a severance award equaling two-and-a-half years' benefits comprising their fixed annual compensation plus performance-linked compensation in the amount budgeted for in their contracts. If an Executive Board member's contract has more than two-and-a-half years left to run from the effective date of termination, the severance award increases by an appropriate amount. No earlier than two-and-a-half years following termination of their contracts, the departing Executive Board members are paid a contractual transitional benefit in accordance with their contractual pension arrangements. Regarding all entitlements under their contractual pension arrangements, the departing Executive Board members are treated as if their contract had three years left to run from the termination date. Regarding any entitlements under the Company's long-term incentive plans, the departing Executive Board members have a right to demand settlement of entitlements under plans currently in force. Departing Executive Board members who do not exercise the right to settlement are treated under the long-term incentive plans as if their contract had three years left to run from the termination date. These severance entitlements have been granted to all current members of the Executive Board who joined the Executive Board prior to 2008. The severance award for Dr. Stieler, who was appointed to the Executive Board in 2009, was modified in accordance with the recommendation in Point 4.2.3 of the German Corporate Governance code in the edition dated June 6, 2008. In consequence, his severance award is limited to two years' benefits or if his

*Prior-year figures excluding figures for Albrecht Ehlers, who stepped down from the Executive Board in fiscal 2009 (total amount transferred: EUR 713,000)

| (EUR thousand) | Fixed remuneration | Variable remuneration | Attendance fees | Total |
|--------------------------------|--------------------|-----------------------|-----------------|--------------|
| Dr. Martin Kohlhaussen | 13 | 104 | 4 | 121 |
| Detlev Bremkamp | 31 | 251 | 10 | 292 |
| Gerhard Peters | 24 | 190 | 10 | 224 |
| Ángel García Altozano | 22 | 173 | 8 | 203 |
| Gregor Asshoff | 16 | 125 | 10 | 151 |
| Alois Binder | 18 | 143 | 10 | 171 |
| Lutz Kalkofen | 12 | 95 | 10 | 117 |
| Prof. Dr. Hans-Peter Keitel | 18 | 143 | 8 | 169 |
| Raimund Neubauer | 18 | 143 | 10 | 171 |
| Udo Paech | 16 | 125 | 10 | 151 |
| Gerrit Pennings | 16 | 125 | 10 | 151 |
| Prof. Dr. Heinrich von Pierer | 16 | 125 | 10 | 151 |
| Prof. Dr. Wilhelm Simson | 14 | 112 | 8 | 134 |
| Tilman Todenhöfer | 16 | 125 | 10 | 151 |
| Marcelino Fernández Verdes | 16 | 125 | 6 | 147 |
| Manfred Wennemer | 11 | 91 | 4 | 106 |
| Klaus Wiesehügel | 18 | 143 | 8 | 169 |
| Supervisory Board total | 295 | 2,338 | 146 | 2,779 |

contract has less than two years to run the benefits for the remainder of his contract term. Severance awards on early termination of contract due to a change of control are limited to three years' benefits regardless of the length of the term left to run.

Modification of the Executive Board compensation system for fiscal 2011

With the Retention Stock Award plan (a long-term compensation component) being discontinued, the Supervisory Board resolved at its November 2010 meeting to modify the compensation system as follows in 2011. The Supervisory Board is authorized to settle 50 percent of the net amount of performance-linked compensation by transferring shares in HOCHTIEF Aktiengesellschaft subject to a two-year bar.

Supervisory Board compensation

Supervisory Board compensation is determined at the General Shareholders' Meeting and is governed by Section 18 of the Company's Articles of Association. Compensation for fiscal 2010 based on the dividend proposed for approval at the General Shareholders' Meeting in May 2011 is shown in the table above.

25. Related party disclosures

All transactions between HOCHTIEF Aktiengesellschaft and related parties in the year under review were conducted on an arm's length basis.

26. Auditing fees

HOCHTIEF Aktiengesellschaft has elected to make use of the option under Section 285 (17) of the German Commercial Code (HGB) and to dispense with individual disclosure of the fees recognized as expense in 2010 for auditors Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft. The total expense is disclosed in the HOCHTIEF Group Consolidated Financial Statements for 2010.

27. Disclosures on ownership structure pursuant to Section 160 (1) 8 of the German Stock Corporations Act (AktG)

The following changes in the ownership structure of HOCHTIEF Aktiengesellschaft pertaining or arising during 2010 or the reference period must be reported under Section 26 and/or Section 21 (1) of the German Securities Trading Act (WpHG):

On April 25, 2007, we were notified by **CARIÁTIDE S.A. ('Cariátide')**, registered office Madrid, Spain, pursuant to section 21 paragraph 1 of the German Securities Trading Act ('WpHG'), that: On 24 April 2007, the voting share in HOCHTIEF Aktiengesellschaft, Opernplatz 2, D-45128 Essen, held directly by Cariátide exceeded the thresholds of 3%, 5%, 10%, 15%, 20% and 25% and amounts to 25.08% of the voting rights (17,554,000 voting rights).

On April 25, 2007, we were notified by **ACS, Actividades de Construcción y Servicios, S.A. ('ACS')**, Madrid, Spain, pursuant to section 21 paragraph 1 of the German Securities Trading Act ('WpHG'), that: On 24 April 2007, the voting share in HOCHTIEF Aktiengesellschaft, Opernplatz 2, D-45128 Essen, held indirectly by ACS exceeded the thresholds of 3%, 5%, 10%, 15%, 20% and 25% and amounts to 25.08% of the voting rights (17,554,000 voting rights). All of these voting rights are attributable to ACS according to section 22 paragraph 1 sentence 1 no. 1 WpHG. The voting rights are held indirectly through ACS' subsidiary CARIÁTIDE S.A.

We note for clarification purposes that according to its voluntary public takeover offer of December 1, 2010, ACS then held, through its subsidiary CARIÁTIDE S.A., 29.98 percent of the then existing shares and voting rights in HOCHTIEF Aktiengesellschaft.

On July 31, 2007, we were notified by **Gartmore Investment Management Ltd of Gartmore House**, London, Great Britain, pursuant to section 21 paragraph 1 of the German Securities

Trading Act ('WpHG'), that: We hereby give notice, pursuant to sec. 21 para. 1 of the WpHG, that on 24/07/2007 our voting interest in HOCHTIEF Aktiengesellschaft went above the threshold of 3 % and on that day amounted to 3.091 % (equivalent to 2,163,632 shares). 3.091 % of the voting rights (equivalent to 2,163,632 shares) are attributable to us in accordance with sec. 22 para. 1 sent. 1 no. 6 and sec. 22 para. 1 sent. 2 of the WpHG.

On October 26, 2010, **BlackRock, Inc.**, New York, USA has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Deutschland, ISIN: DE0006070006, WKN: 607000, have exceeded the 3% limit of the Voting Rights on October 20, 2010 and on that day amounted to 3.005% (this corresponds to 2103325 Voting Rights). According to Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG, 3.005% of the Voting Rights (this corresponds to 2103325 Voting Rights) is to be attributed to the company.

On December 13, 2010, **Mr O. Mason Hawkins**, USA has informed us according to Article 21, Section 1 of the WpHG that via shares his Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Deutschland, ISIN: DE0006070006, WKN: 607000, have fallen below the 5% threshold of the Voting Rights on December 10, 2010 and on that day amounted to 4.84% (this corresponds to 3725100 Voting Rights). The change was caused by a capital increase in which HOCHTIEF Aktiengesellschaft issued 6,999,999 new shares to Qatar Holding LLC. According to Article 22, Section 1, Sentence 1, No. 6 in connection with sentence 2 of the WpHG, 4.84% of the Voting Rights (this corresponds to 3725100 Voting Rights) is to be attributed to Mr Hawkins.

On December 13, 2010, **Southeastern Asset Management, Inc.**, Memphis, Tennessee, USA has informed us according to Article 21, Section 1 of the WpHG that via shares its Voting Rights on HOCHTIEF Aktiengesellschaft, Essen, Deutschland, ISIN: DE0006070006, WKN: 607000, have fallen below the 5% threshold of the Voting Rights on December 10, 2010 and on that day amounted to 4.84% (this corresponds to 3725100 Voting Rights). The change was caused by a capital increase in which HOCHTIEF Aktiengesellschaft issued 6,999,999 new shares to Qatar Holding LLC. According to Article 22, Section 1, Sentence 1, No. 6 of the WpHG, 4.84% of the Voting Rights (this corresponds to 3725100 Voting Rights) is to be attributed to the company.

In the name of and acting by power of attorney granted by the legal entities and companies referred to under nos. (1), (2) and (3) below, we were given notice on December 15, 2010, pursuant to sections 21 para. 1, 22 para. 1 sentence 1 no. 1 of the German Securities Trading Act (WpHG):

- (1) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of the **State of Qatar**, acting by and through the Qatar Investment Authority, P.O. Box: 23224, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the thresholds of 3% and 5% on December 10, 2010 and amounted to 9.09% of the voting rights (6,999,999 voting rights) in HOCHTIEF Aktiengesellschaft as per this date. All of these voting rights are attributed to the State of Qatar pursuant to section 22 para. 1 sentence 1 no. 1 WpHG. The voting rights that are attributed to the State of Qatar are held via the following entities which are controlled by it and whose attributed proportion of voting rights in HOCHTIEF Aktiengesellschaft amount to 3% or more each:
 - (a) Qatar Investment Authority, P.O. Box: 23224, Doha, Qatar;
 - (b) Qatar Holding LLC, Qatar Finance Centre, 8th Floor, Q-Tel Tower, Corniche Street, West Bay, Doha, Qatar.
- (2) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of the **Qatar Investment Authority**, P.O. Box: 23224, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the thresholds of 3% and 5% on December 10, 2010 and amounted to 9.09% of the voting rights (6,999,999 voting rights) in HOCHTIEF Aktiengesellschaft as per this date. All of these voting rights are attributed to the Qatar Investment Authority pursuant to section 22 para. 1 sentence 1 no. 1 WpHG. The voting rights that are attributed to the Qatar Investment Authority are held via Qatar Holding LLC, Qatar Finance Centre, 8th Floor, Q-Tel Tower, Corniche Street, West Bay, Doha, Qatar, which is controlled by the Qatar Investment Authority and whose attributed proportion of voting rights in HOCHTIEF Aktiengesellschaft amounts to 3% or more.
- (3) Pursuant to section 21 para. 1 WpHG we hereby notify for and on behalf of **Qatar Holding LLC**, Qatar Finance Centre, 8th Floor, Q-Tel Tower, Corniche Street, West Bay, Doha, Qatar, that its voting rights in HOCHTIEF Aktiengesellschaft exceeded the thresholds of 3% and 5% on December 10, 2010 and amounted to 9.09% of the voting rights (6,999,999 voting rights) in HOCHTIEF Aktiengesellschaft as per this date.

28. Subsidiaries, associates and other significant participating interests of the HOCHTIEF Group at December 31, 2010

| | Percentage stock held | Shareholders' equity Local currency (thousand) | EUR thousand | Profit/(loss) for the year (EUR thousand) |
|--|--------------------------|--|-----------------|--|
| I. Affiliates included in the Consolidated Financial Statements | | | | |
| HOCHTIEF Americas Division | | | | |
| HOCHTIEF Americas GmbH, Essen | 100 | | 547,336 | - ¹ |
| The Turner Corporation, Dallas, USA | 100 ² | USD 532,458 | 398,486 | 43,136 ³ |
| Flatiron Construction Corp., Delaware, USA | 100 ² | USD 201,392 | 150,720 | 48,807 ³ |
| E.E. Cruz and Company Inc., Holmdel, USA | 100 ² | USD - ⁵ | - ⁵ | - ⁵ |
| HOCHTIEF Asia Pacific Division | | | | |
| HOCHTIEF Asia Pacific GmbH, Essen | 100 | | 1,126,040 | - ¹ |
| Leighton Holdings Limited, Sydney, Australia | 54.21 ² | AUD 2,469,923 | 1,880,278 | 378,521 ³ |
| HOCHTIEF Concessions Division | | | | |
| HOCHTIEF Concessions AG, Essen | 100 | | 191,170 | - ¹ |
| HOCHTIEF AirPort | | | | |
| HOCHTIEF AirPort GmbH, Essen | 100 ² | | 135,000 | - ¹ |
| Airport Partners GmbH, Düsseldorf | 40 ² | | 140,602 | 18,988 |
| HAP Hamburg Airport Partners GmbH & Co. KG, Hamburg | 71 ² | | 395,190 | 22,304 |
| Sydney Airport Intervest GmbH, Essen | 46.30 ² | | 258,893 | 28,969 |
| HOCHTIEF AirPort Capital Verwaltungs GmbH & Co. KG, Essen | 100 ² | | 1,205 | 4,962 |
| HOCHTIEF PPP Solutions | | | | |
| HOCHTIEF PPP Solutions GmbH, Essen | 100 ² | | 32,352 | - ¹ |
| HOCHTIEF PPP Solutions Chile Limitada, Santiago de Chile, Chile | 100 ² | CLP 40,486,388 | 65,183 | 1,992 |
| HOCHTIEF PPP Solutions (UK) Limited, Swindon, UK | 100 ² | GBP 4,718 | 5,481 | (1,477) |
| HOCHTIEF Europe Division | | | | |
| HOCHTIEF Construction AG, Essen | 100 | | 203,665 | - ¹ |
| Streif Baulegistik GmbH, Essen | 100 ² | | 31,659 | - ¹ |
| HOCHTIEF (UK) Construction Ltd., Swindon, UK | 100 ² | GBP 7,943 | 9,228 | 491 |
| HOCHTIEF CZ a.s., Prague, Czech Republic | 100 ² | CZK 965,336 | 38,517 | 307 |
| HOCHTIEF Polska S.A., Warsaw, Poland | 100 ² | PLN 135,460 | 34,078 | 8,932 |
| OOO HOCHTIEF, Moscow, Russia | 100 ² | RUB 340,946 | 8,353 | 3,860 |
| HOCHTIEF Construction Qatar W.L.L., Doha, Qatar | 49 ² | QAR 243,551 | 50,376 | 61,264 |
| HOCHTIEF Real Estate Division | | | | |
| Deutsche Bau- und Siedlungs-Gesellschaft mbH, Essen | 100 | | 17,490 | - ¹ |
| HOCHTIEF Projektentwicklung GmbH, Essen | 100 | | 7,670 | - ¹ |
| HOCHTIEF Aurestis Beteiligungsgesellschaft mbH, Essen | 100 ² | | 6,570 | - ¹ |
| HOCHTIEF Services Division | | | | |
| HOCHTIEF Facility Management GmbH, Essen | 100 | | 6,071 | - ¹ |
| HOCHTIEF Energy Management GmbH, Essen | 100 ² | | 17,018 | - ¹ |

| | Percentage stock held | Shareholders' equity Local currency (thousand) | | EUR thousand | Profit/(loss) for the year (EUR thousand) |
|--|--------------------------|--|-------------------------|------------------------|--|
| Corporate Headquarters | | | | | |
| HOCHTIEF Insurance Broking and Risk Management Solutions GmbH, Essen | 100 | | | 158,779 | - ¹ |
| Builders' Credit Reinsurance Company S.A., Steinfurt, Luxembourg | 100 ² | USD | 203,976 | 152,653 | (1,533) |
| II. Equity-method investments | | | | | |
| HOCHTIEF Concessions Division | | | | | |
| HOCHTIEF AirPort | | | | | |
| Budapest Airport Zrt., Budapest, Hungary | 49.67 ² | | | 259,689 ⁴ | (35,403) ⁴ |
| Flughafen Düsseldorf GmbH, Düsseldorf | 50 ² | | | 146,038 ⁴ | 38,675 ⁴ |
| Flughafen Hamburg GmbH, Hamburg | 49 ² | | | 63,760 ⁴ | - ¹ |
| Athens International Airport S.A., Athens, Greece | 26.67 ² | | | 508,074 ⁴ | 181,740 ⁴ |
| Tirana International Airport SHPK, Tirana, Albania | 47 ² | | | 33,313 ⁴ | 3,246 ⁴ |
| HOCHTIEF PPP Solutions | | | | | |
| Herrentunnel Lübeck GmbH & Co. KG, Lübeck | 50 ² | | | (6,398) ⁴ | (1,440) ⁴ |
| Sociedad Concesionaria Autopista Vespucio Norte Express S.A., Santiago de Chile, Chile | 17.95 ² | CLP | 76,905,010 ⁴ | 123,817 ⁴ | 19,352 ⁴ |
| Sociedad Concesionaria Túnel San Cristobal S.A., Santiago de Chile, Chile | 50 ² | CLP | 7,358,349 ⁴ | 11,847 ⁴ | (334) ⁴ |
| HOCHTIEF Real Estate Division | | | | | |
| aurelis Real Estate GmbH & Co. KG, Eschborn | 50 ² | | | 130,763 ⁴ | 38,974 ^{3,4} |
| III. Other companies | | | | | |
| HOCHTIEF Concessions Division | | | | | |
| HOCHTIEF AirPort | | | | | |
| Southern Cross Airports Corporation Holdings Limited, Sydney, Australia | 12.11 ² | AUD | 2,104,659 ⁴ | 1,602,214 ⁴ | 243,582 ⁴ |

¹ Profit/loss transfer agreement

² Indirect shareholding

³ Consolidated result for group

⁴ Fiscal 2009 figures

⁵ Consolidated in Turner/Flatiron

Executive Board proposal for the use of net profit

The Executive Board and the Supervisory Board propose a resolution on the use of net profit as follows:

The unappropriated net profit of HOCHTIEF Aktiengesellschaft for fiscal 2010 in the amount of EUR 153,999,998.00 will be used to pay a dividend of EUR 2 per eligible no-par-value share, and the amount of the dividend that would have been payable on non-eligible shares, amounting to EUR 6,870,150.00, will be carried forward.

The dividend is payable on the day following the General Shareholders' Meeting.

The number of eligible shares may change by the date of the General Shareholders' Meeting. In this event, a revised proposal for the appropriation of net profit will be submitted to the General Shareholders' Meeting, leaving the dividend unchanged at EUR 2 per eligible no-par-value share.

Boards

* Supervisory Board member representing employees

a) Membership in other supervisory boards prescribed by law (as of December 31, 2010)

b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2010)

Supervisory Board

Detlev Bremkamp

Munich, Chairman (from May 11, 2010)
Munich, management consultant, former member of the Board of Management, Allianz AG, Munich

- a) Asea Brown Boveri AG
HSH Nordbank AG
SSI AG-Sun Shine Investments
- b) Allianz Lebensversicherungs AG
Mondial Assistance S.A.S.

Gerhard Peters *

Bad Nauheim, Deputy Chairman, Member of the Management Board/Human Resources corporate center, HOCHTIEF Aktiengesellschaft

- a) HOCHTIEF Construction AG

Ángel García Altozano

Madrid, Director General Corporativo, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A., Madrid

- b) Abertis Infraestructuras, S.A.
Abertis Telecom, S.A.
ACS Servicios y Concesiones, S.L.
ACS Servicios, Comunicaciones y Energía, S.L.
Admirabilia, S.L. (Chairman)
Clece, S.A.
Dragados, S.A.
Energías Ambientales de Somozas, S.A. (Chairman)
Energías Ambientales de Novo, S.A. (Chairman)
Energías Ambientales de Vimianzo, S.A. (Chairman)
Energías Ambientales EASA, S.A. (Chairman)
Iridium Concesiones de Infraestructuras, S.A.
Publimedia Sistemas Publicitarios, S.L.
Saba Aparcamientos, S.A.
Societat Eólica de L'Enderrocada, S.A. (Chairman)
Trebol International B.V.
Urbaser, S.A.
Xfera Móviles, S.A. (Chairman)

Gregor Asshoff *

Frankfurt am Main, attorney-at-law and head of the Policy and Fundamental Issues department, Construction, Agricultural and Environmental Employees' Union

- a) HOCHTIEF Construction AG
Zusatzversorgungskasse des Gerüstbaugewerbes VvaG

Alois Binder *

Wyhl, Member of the Works Council, HOCHTIEF Construction AG, Southwest Division

Lutz Kalkofen *

Essen, Managerial Employee, HOCHTIEF Aktiengesellschaft, Essen

- b) Builders' Credit Reinsurance Company S.A.

Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel

Essen, President, Federation of German Industry (BDI), former Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft

- a) Commerzbank AG
National-Bank AG
ThyssenKrupp AG
- b) EQT Infrastructure Limited
RAG-Stiftung

Dr. rer. pol. h. c. Martin Kohlhausen

Bad Homburg, Chairman (until May 11, 2010)
Retired bank director, former Chairman of the Board of Managing Directors of Commerzbank AG, Frankfurt am Main

Raimund Neubauer *

Essen, Works Council Chairman, HOCHTIEF Construction AG, West Division

Udo Paech *

Berlin, Member of the Works Council, HOCHTIEF Construction AG, Northeast Division

Gerrit Pennings *

Kirchheim, Works Council Chairman, HOCHTIEF Facility Management GmbH, South Region

Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer

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- b) Koc Holding A.S.

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- b) Freudenberg & Co. Kommanditgesellschaft

Tilman Todenhöfer

Madrid, Managing Partner, Robert Bosch Industrietreuhand KG, Stuttgart

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Robert Bosch GmbH
- b) Robert Bosch Internationale Beteiligungen AG (President)

Marcelino Fernández Verdes

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- b) ACS Servicios y Concesiones, S.L. (Chairman and CEO)
AVASA
Clece, S.A.
Dragados, S.A. (Chairman and CEO)
Iridium Concesiones de Infraestructuras, S.A.
Urbaser, S.A.

Manfred Wennemer

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KION Group GmbH (Chairman)
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- a) Zusatzversorgungskasse des Baugewerbes AG (Chairman)
- b) Landwirtschaftliche Rentenbank

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Gerhard Peters (Deputy Chairman)
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Raimund Neubauer
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer
Klaus Wiesehügel

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Detlev Brechkamp (Chairman, from May 11, 2010)
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Dr. rer. pol. h. c. Martin Kohlhaussen
(Chairman, until May 11, 2010)
Professor Dr. rer. nat. Dipl.-Chem. Wilhelm Simson
(until May 11, 2010)
Marcelino Fernández Verdes (from May 11, 2010)

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Gerhard Peters (Deputy Chairman)
Alois Binder
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Dr. rer. pol. h. c. Martin Kohlhaussen
(Chairman, until May 11, 2010)
Professor Dr. rer. nat. Dipl.-Chem. Wilhelm Simson
(until May 11, 2010)
Marcelino Fernández Verdes (from May 11, 2010)

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Ángel García Altozano (Chairman, from May 11, 2010)
Detlev Brechkamp (Chairman, until May 11, 2010)
Gerhard Peters (Deputy Chairman)
Alois Binder
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Raimund Neubauer
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer
(from May 11, 2010)
Tilman Todenhöfer (from May 11, 2010)

Strategy Committee (from May 11, 2010)

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Gerhard Peters (Deputy Chairman)
Ángel García Altozano
Gregor Asshoff
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Raimund Neubauer
Udo Paech
Gerrit Pennings
Professor Dr. jur. Dr.-Ing. E.h. Heinrich v. Pierer
Manfred Wennemer

Mediation Committee pursuant to Sec. 27 (3) of the Codetermination Act (MitbestG)

Detlev Brechkamp (Chairman, from May 11, 2010)
Gerhard Peters
Professor Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel
Dr. rer. pol. h. c. Martin Kohlhaussen
(Chairman, until May 11, 2010)
Klaus Wiesehügel

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- a) HOCHTIEF Concessions AG (Chairman until December 31, 2010)
HOCHTIEF Construction AG
HOCHTIEF Facility Management GmbH
HeidelbergCement AG
TÜV Rheinland Holding AG
- b) Leighton Holdings Limited

Dr. rer. pol. Burkhard Lohr

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HOCHTIEF Construction AG
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- b) Flatiron Holding, Inc.
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The Turner Corporation

Representative Director

Attorney-at-law Hartmut Paulsen, Düsseldorf

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