DYNAMIC

- Substantial boost in consolidated profit before taxes to EUR 343.1 million
- Strategic acquisitions strengthen HOCHTIEF business
- Restructuring of German building construction business underway
- All other divisions surpass projected targets
- Group outlook for 2007 confirmed

Interim Report
January to September 2007

Turning Vision into Value. HOCHTIEF

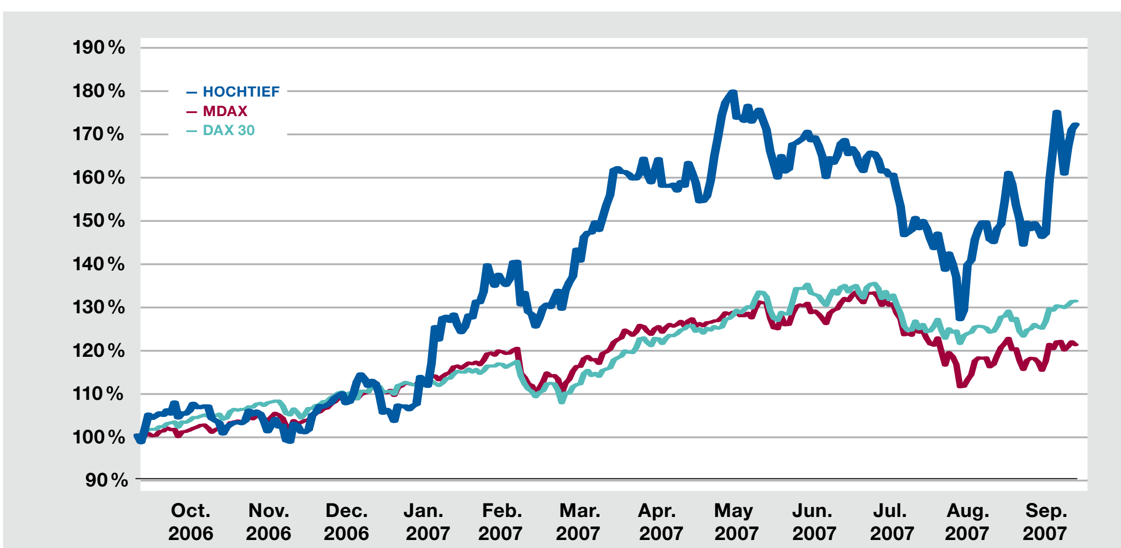
* Explanations are provided on page 15.

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

The HOCHTIEF Group

(EUR million)	**Q1–3 2007**	Q1–3 2006 (restated)*	**Percentage change**	**Q3 2007**	Q3 2006 (restated)*	Full year 2006
New orders	**15,911.6**	13,732.9	**15.9**	**6,767.8**	5,822.5	20,565.1
Work done	**13,658.0**	12,076.2	**13.1**	**4,760.2**	4,244.5	16,719.3
Order backlog	**27,127.6**	23,185.6	**17.0**	**27,127.6**	23,185.6	25,134.4
External sales**	**12,299.5**	11,397.4	**7.9**	**4,365.7**	4,262.7	15,508.0
Operating earnings (EBITA)**	**328.3**	210.9	**55.6**	**162.7**	63.4	327.3
Profit before taxes**	**343.1**	212.2	**61.7**	**161.3**	66.4	338.1
Consolidated net profit**	**70.7**	49.1	**44.0**	**56.9**	17.6	89.1
Earnings per share (EUR)	**1.05**	0.76	**38.2**	**0.82**	0.27	1.37
Capital expenditure**	**1,398.3**	710.3	**96.9**	**767.8**	239.2	1,043.6
Net assets	**4,216.1**	3,301.5	**27.7**	**4,216.1**	3,301.5	3,305.1
Employees	**52,363** (End Q3 2007)	47,863 (End Q3 2006)	**9.4**	**52,363** (End Q3 2007)	47,863 (End Q3 2006)	46,847 (2006 average)

HOCHTIEF stock



Dear Shareholders and Friends

of HOCHTIEF,

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

Nine months into the 2007 fiscal year, I am pleased to present more good news and results that bear out our chosen strategic direction: HOCHTIEF has further increased consolidated profit before taxes to EUR 343.1 million and consolidated net profit to EUR 70.7 million.

Our strategy of active portfolio management at every stage in the life cycle of real estate and facilities is delivering results. Keeping the risks in clear view, we are expanding in high-growth, high-profitability segments, and we further augmented our activities in the third quarter with several key acquisitions. In September, we took over Flatiron Construction Corp., a leading US player in transport infrastructure. This purchase strengthens our construction operations in the USA and opens the door to the US concessions market. Also in September, HOCHTIEF and a financial partner jointly acquired aurelis Real Estate GmbH & Co. KG, a subsidiary of the German rail company Deutsche Bahn AG.*

We have also further enhanced our position in the promising Middle East markets. In the HOCHTIEF Asia Pacific division, our Australian subsidiary Leighton Holdings merged its Gulf businesses during the third quarter with those of Al Habtoor Engineering, a leading regional construction and engineering company. Leighton also took a 45 percent stake in the joint company, Al Habtoor-Leighton, for an outlay of just under EUR 520 million. The merger creates an ideally positioned new player combining both building and civil engineering capabilities. The new company will generate sales of about EUR 1.65 billion in the 2007/08 fiscal year.

These acquisitions have great strategic importance for HOCHTIEF: We aim for selective growth wherever we can benefit most from synergizing our activities. And we are forging ahead with this strategy: Only a few weeks ago, on October 8, 2007, we took over the Vattenfall Group's energy contracting unit in Germany. Vattenfall Europe Contracting is another key element in augmenting our energy contracting and energy management capabilities. The purchase moves us forward to the front rank of providers in this segment in Germany.

The recent acquisitions fit in seamlessly with HOCHTIEF's strategy as well as with other activities so far this year. In our concessions and operation capability module, we have supplemented the airports portfolio in 2007 by taking a majority stake in Budapest Airport. We have increased our ownership interest in Sydney Airport to 8.13 percent. And we have also made strategic additions to our concessions portfolio in the public-private partnerships segment, chalking up a number of international successes with a total of five contract awards in Greece, the UK and Germany.

In the services module, HOCHTIEF has taken over the property management activities of Allianz Immobilien GmbH, placing us among the leading players in this sector. In an addition to the Group's development business in Australia, Leighton took a larger slice of the country's booming residential market by acquiring 40 percent of Devine Limited, Australia's leading developer.

These successes point the way forward for HOCHTIEF. Delivering on our promise to you, our shareholders, we are making selective additions to the portfolio to expand our Group's international, modular capability range. Our clear focus and strong overall Group performance mean we can fully offset the losses in the Europe division. We continue to forecast an up to EUR 120 million pretax loss for this division in 2007. As expected, we were able to halt the losses in the third quarter.

*** For further details on these two acquisitions, please turn to page 14.**

HOCHTIEF Europe's Building division is currently in the process of restructuring. The aim is to restore our German building construction business to sustained profitability. Our mainstream building services now comprise solely higher-value business models. Competing fairly on ability, we continue to provide high-quality construction services at competitive prices. All contracts must pass strict selective appraisal: We now only take on work that meets our criteria, which include risk apportionment negotiated on fair terms. Our activities in real estate development, in core and shell work as well as in residential construction are being combined into self-contained units. The market nonetheless remains structurally difficult. Our target with regard to expected margins and risk structure may result in lower new orders figures for the German building construction business, and we are trimming capacity accordingly. With our new structure, we are confident that we can get the Building division back on track.

To better counter increased costs and supply difficulties for construction materials, we have set up a company, HOCHTIEF Procurement Asia, together with a Chinese partner. This unit supplies HOCHTIEF Group subsidiaries worldwide with construction materials and fit-out elements sourced directly and cost-effectively from Chinese manufacturers. Production is continuously monitored by our cooperation partner, TÜV Rheinland, which among other things provides inspection and certification services. In this way, we assure the material quality we require.

HOCHTIEF's business operations go hand in hand with social and environmental responsibility. We are proud to report that, as in the previous year, our sustainable management practices have been rewarded by the inclusion of HOCHTIEF stock in the Dow Jones Sustainability Indices (DJSI). We are thus once again the only German construction company to feature both in the prestigious DJSI World and in the DJSI STOXX.

New orders showed a further marked rise in the third quarter, the nine-month total of EUR 15.91 billion representing 15.9 percent growth on the same period in 2006. The increase mostly reflects growth at our subsidiary Leighton in the expanding Asia-Pacific markets, a number of successes in securing business at HOCHTIEF Development, and major contracts at HOCHTIEF Europe.

Growth in all divisions swelled **work done** to EUR 13.66 billion, an increase of 13.1 percent. This accomplishment is based on substantial progress on major infrastructure projects and in the contract mining business at HOCHTIEF Asia Pacific, as well as on healthy order books at HOCHTIEF Americas and HOCHTIEF Development.

The Group **order backlog** set a new record of EUR 27.13 billion, beating the comparative figure for the prior-year period by a clear 17 percent. Adjusted for exchange rate effects (a reduction of EUR 0.14 billion), the increase was 17.6 percent.

The outstanding orders position is also reflected in substantially higher **external sales**, which gained 7.9 percent from EUR 11.4 billion in the prior-year period to EUR 12.3 billion in the first nine months of 2007.

The successful business trend sustained throughout the period under review fed through to double-digit growth in our earnings figures. Despite the losses in the Europe division, **operating earnings** rose by 55.6 percent to EUR 328.3 million and **profit before taxes** by 61.7 percent to EUR 343.1 million. We also achieved a major boost in **consolidated net profit**, which climbed 44 percent to EUR 70.7 million.

Capital expenditure reached a historical high of EUR 1.4 billion, almost double the figure for the prior-year period of EUR 710.3 million. Capital expenditure on property, plant and equipment and intangible assets, at EUR 504.8 million, was broadly on a par with the figure of EUR 497.5 million for the first three quarters of 2006. As a result of the ongoing expansion in fast-growing, lucrative markets, the lion's share of capital spending went on financial assets. In the first three quarters of 2007, HOCHTIEF has invested EUR 893.5 million in financial assets, compared with EUR 212.8 million in the same period of 2006.

Group outlook

Despite the losses in the HOCHTIEF Europe division, we are confirming our earnings forecast for the current fiscal year. The losses will be compensated for by earnings from other divisions, in some cases significantly above expectations, with particularly substantial contributions from HOCHTIEF Airport and HOCHTIEF Asia Pacific.

Assuming that there will be no crisis-scale weakening of the economy during 2007, the international financial markets will not be restrained by turbulence and the situation in areas of political tension will not worsen, our forecast is as follows:

New orders, **order backlog** and **Group sales** will be above the 2006 figures. We also expect that **profit before taxes** and **consolidated net profit** will exceed prior-year levels. Consolidated net profit is set to pass the EUR 100 million mark, meaning that 2007 will already see us exceeding the medium-term target we communicated during 2006.

2007 is another successful year for HOCHTIEF. We will therefore continue to build on our effective goal of creating and growing value.

Sincerely yours,

Herbert Lütkestratkötter

Dr.-Ing. Herbert Lütkestratkötter

Interim Management Report
Financial Review

Earnings

HOCHTIEF generated **sales** of EUR 12.3 billion in the period under review, with all divisions contributing to the 7.9 percent increase on the figure of EUR 11.4 billion for the first nine months of 2006. The Americas division reported particularly strong growth. Sales there rose by EUR 458.1 million to EUR 5.2 billion. The unfavorable US dollar-euro exchange rate prevented an even greater increase. In the Asia-Pacific market, strong demand for natural resources and work on public infrastructure projects boosted sales by EUR 161.7 million to EUR 4.59 billion. The Development division increased sales in all operational units to EUR 875.6 million for the nine months to September, compared with EUR 693.1 million in the same period of 2006. This was largely down to business growth in real estate development. The Europe division benefited from the favorable economic environment in Eastern Europe, with sales up 5.3 percent to EUR 1.52 billion.

Profit from operating activities reached EUR 177.5 million, an increase of 3.9 percent on the EUR 170.9 million generated in the first nine months of 2006. The increase was achieved despite a large negative contribution to earnings from the Europe division. Exceptionally good business performance in the other divisions more than compensated for this negative factor. The Asia Pacific division benefited from our Australian subsidiary Leighton's successes with major contracts in the infrastructure and mining segments, raising profit from operating activities by 51.3 percent to EUR 284.4 million. The Airport and Americas divisions also generated substantially higher contributions to earnings.

Net income from participating interests for the first three quarters of 2007 came to EUR 137.9 million, more than three times the corresponding 2006 figure of EUR 37.5 million. This increase mirrors the outstanding performance of our airport holdings. Sydney and Hamburg airports contributed particularly strongly to the improved net income from participating interests. Sydney Airport was able to pay out a special dividend following its successful refinancing. As a consequence of the corporate tax reform in Germany, the deferred taxes recognized under equity-method accounting for Hamburg Airport have been remeasured. The resulting income item changes the carrying amount of the equity investment and is included in net income from participating interests.

HOCHTIEF's **net investment and interest income** is a strongly positive EUR 27.7 million, showing a substantial EUR 23.9 million gain on the EUR 3.8 million reported for the nine months to September 2006. Within this item, interest income improved by EUR 17.1 million. Net income from securities was also up on the prior-year period.

The Group's sustained earning power is underscored by **profit before taxes** of EUR 343.1 million, up 61.7 percent on the figure of EUR 212.2 million for the first nine months of 2006.

Income taxes rose from EUR 90.5 million in the prior-year period to EUR 127.3 million in the nine months ended September 2007. This included a EUR 22.4 million increase in current income tax due to improved earnings from our subsidiaries Leighton and Turner. Deferred taxes were up EUR 14.4 million on the corresponding prior-year figure. This rise is mainly a result of the corporate tax reform in Germany, which necessitated a remeasurement of the excess of deferred tax assets over deferred tax liabilities, resulting in an extraordinary tax expense in the period under review. The effective tax rate for the nine months to September 2007 came to 37.1 percent, down from 42.6 percent in the same period of 2006.

Profit after taxes for the nine months to September rose significantly from EUR 121.7 million in 2006 to EUR 215.7 million in 2007. With the exception of HOCHTIEF Europe, all divisions contributed to this positive outcome.

Consolidated net profit for the period under review came to EUR 70.7 million, a substantial 44 percent increase on the EUR 49.1 million generated in the first three quarters of 2006. The minority interest doubled from EUR 72.6 million in the prior-year period to EUR 145.1 million in the three quarters ended September 2007. The minority stakes in Leighton and our airport holdings mean that a large share of earnings growth from these businesses goes to outside shareholders.

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

Cash flow

Operating activities generated a positive cash flow of EUR 513.3 million for the HOCHTIEF Group in the first three quarters of 2007. This is no less than 85.3 percent up on the EUR 276.9 million figure for the same period of 2006. With the exception of HOCHTIEF Europe, all divisions generated positive cash flows that were substantially increased compared with the prior-year period.

HOCHTIEF set a new record of EUR 1.4 billion in capital expenditure in the first nine months of 2007. This is almost twice the already very large figure of EUR 710.3 million recorded in the same period of 2006. Purchases of intangible assets and on property, plant and equipment comprised EUR 504.8 million of this total, up from EUR 497.5 million in the nine months to September 2006. At EUR 469.6 million, the Asia Pacific division accounted for the lion's share of these purchases. The substantial rise in capital expenditure on financial assets (reaching a total of EUR 893.5 million) mostly reflected additions to the business portfolio in the Asia Pacific division. In the third quarter, Leighton acquired a 45 percent stake in Al Habtoor-Leighton, a Dubai construction company, for just under EUR 520 million. Other major capital outlays on financial assets at Leighton comprised the purchases of interests in Devine Ltd. and Macmahon Holdings Ltd., an Australian contract mining company. HOCHTIEF Airport spent EUR 73 million on increasing its stake in Sydney Airport and, as part of an acquisition consortium, EUR 49.7 million to purchase an ownership interest in Budapest Airport. HOCHTIEF Airport also granted the consortium a loan of EUR 130.3 million under an arrangement by which each consortium member provided a loan proportionate to its equity stake. The resulting cash outflow is accounted for together with the cash inflow from disposals of securities under changes in securities holdings and liquid investments, which is consequently a negative amount of EUR 79.3 million. Adding in EUR 160.4 million in proceeds from asset disposals and subtracting total capital expenditure gives a net cash outflow from **investing activities** of EUR 1,317.1 million, compared with EUR 52.8 million in the nine months to September 2006.

New borrowing and debt repayments resulted in a net cash inflow of EUR 454.5 million for the HOCHTIEF Group, compared with EUR 11.9 million in the first three quarters of 2006. Most of this served to finance the record level of capital expenditure. Adding payments received from sales of treasury stock (EUR 336.4 million) and subtracting dividend payments (EUR 162.6 million), **financing activities** generated a net cash inflow of EUR 628.3 million, compared with EUR 2.5 million in the first three quarters of 2006.

Taking into account the above factors and exchange rate changes, the HOCHTIEF Group's cash and cash equivalents came to EUR 1.19 billion, an overall decrease of EUR 208.6 million from December 31, 2006.

Due to the exceptionally high level of capital expenditure, free cash flow for the period January to September 2007 was minus EUR 803.8 million, compared with EUR 224.1 million in the same period of 2006. Free cash flow comprises net cash provided by operating activities (EUR 513.3 million) minus net cash used in investment activities (EUR 1,317.1 million).

Balance sheet

Total assets as of the September 30, 2007 reporting date came to EUR 9.75 billion, an increase of EUR 1.39 billion on the 2006 year-end figure of EUR 8.36 billion. This mainly reflected substantial capital expenditure at the Asia Pacific and Airport divisions and the associated new borrowing.

There was a correspondingly large 50.2 percent rise in **non-current assets**, to EUR 3.62 billion. The high capital expenditure in Australia increased property, plant and equipment by EUR 255.6 million (34 percent) to EUR 1.01 billion. Financial assets rose even more strongly, reaching a new all-time high of EUR 1.75 billion. The main item here was the strategic investment in Al Habtoor-Leighton. Other factors included the acquisition of additional shares in Sydney Airport and of an ownership interest in Budapest Airport. Financial receivables climbed to EUR 171.3 million as a result of a EUR 130.3 million loan granted in connection with the purchase of the Budapest Airport stake. Growth in pension fund balances on the assets side of the balance sheet was the main reason for the gain in other receivables and other assets by EUR 46.1 million to EUR 94.8 million.

Current assets increased by EUR 180.1 million, from EUR 5.94 billion as of December 31, 2006 to EUR 6.12 billion as of September 30, 2007. Growth in business volume at the Asia Pacific division caused trade receivables to rise by EUR 381.3 million to EUR 3.71 billion. Sales under our active portfolio management strategy reduced holdings of marketable securities from EUR 931 million to EUR 848.1 million. Cash and cash equivalents amounted to EUR 1.19

billion, a decrease of 14.9 percent from the end of 2006. This outflow of liquidity mostly related to our subsidiary Leighton, which required large amounts of funding for capital expenditure.

Shareholders' equity increased by 17.4 percent (EUR 407.1 million) to EUR 2.75 billion. EUR 215.7 million of the increment was accounted for by profit after taxes and EUR 25.2 million by amounts recognized in equity for currency translation differences, for changes in the fair value of financial instruments as well as for changes in actuarial gains and losses. The EUR 328.8 million shown as other changes not recognized in the Statement of Earnings almost entirely consists of sales of treasury stock. Conversely, dividend payments to HOCHTIEF shareholders and other shareholders decreased shareholders' equity by EUR 162.6 million.

Our already very sound equity ratio (shareholders' equity as a percentage of total assets) further improved compared with the end of 2006 from 28.1 to 28.2 percent.

Non-current liabilities increased by EUR 142.5 million, from EUR 1.08 billion at the end of 2006 to EUR 1.23 billion as of September 30, 2007. Financial liabilities accounted for the major part of this increase, growing by EUR 99.9 million to EUR 872.2 million. This mostly relates to bank loans taken out by the Development division to fund its project-based business.

Current liabilities amounted to EUR 5.77 billion, up 17.1 percent on the EUR 4.93 billion reported at the end of 2006. The EUR 374.1 million rise in financial liabilities to EUR 646 million related almost exclusively to additional amounts owed to banks by Leighton, used as interim funding for its exceptionally high level of capital expenditure. The growth in trade payables from EUR 3.64 billion to EUR 4.03 billion was driven by the expansion of our business in the Asia-Pacific market.

Risks and opportunities report

We continue to anticipate that the HOCHTIEF Europe division will generate a loss of up to EUR 120 million in fiscal 2007. We assume for the last quarter of 2007 that it will be possible to offset the residual risk of major price increases in raw materials and inputs of goods and services. This reflects progress on more recently secured contracts that are much improved in terms of pricing. HOCHTIEF Europe's earnings also depend on ongoing negotiations on contract claims. These pose both risks and opportunities, according to the outcome of the negotiations.

In all other respects, the description of the opportunities and risks of likely future developments given in the combined company and Group management report as of December 31, 2006 continues to apply.

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

There is at present no indication of any significant change in the earnings forecasts regarding the likely future development of the HOCHTIEF Group published in the combined company and Group management report as of December 31, 2006 and in the half-year report for January to June 2007. Those earnings forecasts therefore continue to apply.

Post balance-sheet events

HOCHTIEF announced on October 8, 2007 that it was taking over the Vattenfall Group's energy contracting unit in Germany with immediate effect. Vattenfall Europe Contracting GmbH, Hamburg, will form an important element in augmenting HOCHTIEF's capabilities in the field of energy contracting and energy management. A total of 240 Vattenfall employees will be joining HOCHTIEF. Both sides have agreed to maintain confidentiality regarding the purchase price.

News from the Boards

Dr. Hans-Peter Keitel, former Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, was appointed a member of the Supervisory Board with effect from July 27, 2007. **Ulrich Hartmann** resigned from office with effect from July 26, 2007.

Divisions

HOCHTIEF Airport Division

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
New orders	**23.7**	2.4	**887.5**	**0.8**	1.8	3.8
Work done	**23.7**	2.4	**887.5**	**0.8**	1.8	3.8
Order backlog	**0.0**	0.0	**–**	**0.0**	0.0	0.0
External sales	**23.7**	2.4	**887.5**	**0.8**	1.8	3.8
Operating earnings (EBITA)	**136.2**	29.0	**369.7**	**67.2**	10.7	52.1
Profit before taxes	**117.0**	15.1	**674.8**	**58.2**	6.1	35.1
Capital expenditure	**123.8**	1.5	**–**	**0.0**	0.0	33.2
Net assets	**1,014.6**	655.5	**54.8**	**1,014.6**	655.5	680.1
Employees	**68** (End Q3 2007)	54 (End Q3 2006)	**25.9**	**68** (End Q3 2007)	54 (End Q3 2006)	54 (2006 average)

In the first nine months of the year, the HOCHTIEF Airport division significantly increased its **profit before taxes** compared with the prior-year figure, from EUR 15.1 million to EUR 117 million. The airport holdings in Sydney and Hamburg made a substantial contribution to this result. Sydney's earnings this quarter were bolstered by a further tranche of the pro rata special dividend arising from the airport's refinancing. The amount contributed by Hamburg Airport rose as a consequence of the corporate tax reform in Germany; the deferred taxes recognized under equity-method accounting have been remeasured, resulting in an extraordinary income item.

The HOCHTIEF airport portfolio also posted favorable air traffic figures in the third quarter. Measured against the previous year, all six airport holdings pushed up their traffic volume in the first nine months of 2007 and handled 7 percent more passengers on average. Once again, the airports in Tirana and Athens took the lead with growth of 21.1 percent and 10.1 percent respectively. With an advance of 7.3 percent, the rate of growth achieved by Düsseldorf International in the third quarter far exceeded the worldwide trend as well. This development was driven notably by intercontinental flights, which increased by 12 percent. For the first time in its history, the airport is likely to welcome more than 17 million passengers within one year in 2007.

As an airport manager, it is important for HOCHTIEF AirPort to align all holdings with the forecast growth in traffic in good time. Airports Council International expects air traffic to grow at an average annual rate of four percent in the period until 2025. In response to this and the company's own forecasts, the airports' infrastructure and facilities will be expanded in a timely manner and operating procedures improved, typically with the aim of managing passengers' movements more efficiently.

Athens Airport, for example, is currently making efforts to utilize its annual capacity of 20 to 21 million passengers more efficiently. In future, the existing satellite terminal is to be used exclusively for flights not covered by the Schengen treaty. At Budapest Airport, our operational management activities have got off to a flying start. In the next five years, more than EUR 261 million will be invested there. The resources are being channeled into infrastructure as well as further improving service and quality standards. Düsseldorf International has earmarked more than EUR 100 million for development purposes in the period up to 2010. In view of the growth in transit passengers and intercontinental traffic, separate check-in areas are to be provided for Schengen and non-Schengen passengers. The expansion program also includes enhanced passenger marshaling, new gates for buses and new hangars for Air Berlin/LTU and Lufthansa Technik. Hamburg Airport is also being made even more attractive for passengers; in August, it held the topping-out ceremony for the Airport Plaza, which is to open at the end of 2008. Situated between the airport's terminals, this building is to accommodate a wide range of retail, food and refreshment outlets, while simplifying passenger routing.

All these projects serve the common goal of combining efficiency and economy with the highest possible service quality and maximum customer orientation. This strategy has been vindicated by recent awards: Sydney Airport was ranked among the world's best ten airports in this year's Condé Nast Traveller Awards, Athens International Airport won the 2007 Routes Conference Airline Marketing Award, and Düsseldorf International was given an accolade by Business Traveller magazine.

HOCHTIEF Airport outlook

This year will see the HOCHTIEF Airport division substantially exceed its prior-year pretax profit. The key factors are the favorable operating trend at all airport holdings, the special dividend from the refinancing of Sydney Airport, and extraordinary income at Hamburg Airport as a result of the corporate tax reform.

HOCHTIEF Development Division

The HOCHTIEF Development division sustained its favorable development in the third quarter of 2007 and surpassed its prior-year figures for new orders, work done and earnings.

Compared with the previous year, **new orders** grew substantially, by 53.6 percent. This positive trend was fueled by several new projects at home and abroad for HOCHTIEF Projektentwicklung as well as by the start-up company HOCHTIEF Property Management. In the third quarter, HOCHTIEF PPP Solutions added the Frankfurt schools project to the order intake. Measured against the previous year, **work done** and **external sales** increased in every operational unit, most markedly in the case of HOCHTIEF Projektentwicklung and HOCHTIEF PPP Solutions.

Operating earnings and **profit before taxes** are higher than the prior-year figures overall. This outcome is notably attributable to the improved returns posted by HOCHTIEF Facility Management and the sustained upward earnings trend at HOCHTIEF Projektentwicklung. High initial costs for acquisitions in infrastructure projects in Germany and abroad continue to exert pressure on the earnings of HOCHTIEF PPP Solutions.

HOCHTIEF PPP Solutions

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
External sales	**135.2**	103.8	**30.3**	**50.1**	54.4	138.6
Profit before taxes	**(14.8)**	(11.2)	**–32.1**	**(7.5)**	(3.7)	(6.2)

In September, HOCHTIEF PPP Solutions, together with a partner, secured the contract to design, finance, build and operate a 45-kilometer section of the A4 federal highway between Gotha and Eisenach. HOCHTIEF is to play the lead role. This public-private partnership (PPP) project is worth about EUR 300 million. It is one of the road widening projects put out to tender by the Federal Ministry of Transport, Building and Urban Affairs under its “A model” program. The concession is to run for a period of 30 years. The financial close was in October.

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
New orders	**1,286.6**	837.8	**53.6**	**541.7**	314.5	1,265.8
Work done	**892.2**	703.0	**26.9**	**359.5**	271.4	1,076.2
Order backlog	**2,368.1**	2,061.0	**14.9**	**2,368.1**	2,061.0	2,017.0
External sales	**875.6**	693.1	**26.3**	**348.9**	271.2	1,016.7
Operating earnings (EBITA)	**10.7**	6.5	**64.6**	**3.7**	(0.4)	38.8
Profit before taxes	**18.0**	13.1	**37.4**	**6.4**	3.0	45.4
Capital expenditure	**13.1**	12.3	**6.5**	**5.1**	1.9	19.4
Net assets	**698.8**	798.1	**–12.4**	**698.8**	798.1	653.8
Employees	**5,430** (End Q3 2007)	5,014 (End Q3 2006)	**8.3**	**5,430** (End Q3 2007)	5,014 (End Q3 2006)	4,887 (2006 average)

In the public buildings segment, HOCHTIEF PPP Solutions added two new orders to its schools portfolio in the reporting period. In Frankfurt am Main, the company is to build or refurbish four schools and then operate them for 20 years on the basis of a PPP contract. The contract is worth some EUR 248 million, of which around EUR 106 million is earmarked for the building work. We are joining forces with partners to finance, build and operate two schools in West Lothian, Scotland—a project worth in the region of EUR 90 million. The contract volume over the entire period of 30 years is more than EUR 400 million. HOCHTIEF PPP Solutions’ most recent project success is the order placed by the City of Cologne to build and operate a non-selective secondary school in the city’s Rodenkirchen district. The budget for the new building, which HOCHTIEF Facility Management will operate for 25 years, is EUR 50 million. The contract volume is about EUR 125 million.

In the UK, building work has been completed on the Wright Robinson Sports College in Manchester. The new building was handed over to the school community at the beginning of September. Teaching also got under way in September in the Cork School of Music after HOCHTIEF PPP Solutions finished the complex eight weeks ahead of schedule. HOCHTIEF Facility Management has been commissioned to operate both of these educational establishments.

The company is now responsible for a total of 89 schools in Germany, the UK and Ireland, where more than 60,000 students and their teachers are benefiting from our services.

HOCHTIEF Projektentwicklung/Asset-Management

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
External sales	**340.5**	221.8	**53.5**	**147.7**	78.0	378.4
Profit before taxes	**18.5**	14.9	**24.2**	**8.1**	(0.3)	38.0

In the reporting period, HOCHTIEF Projektentwicklung laid the foundation stones for three architecturally distinctive projects. They include the new German headquarters of Unilever in Hamburg. The Marco Polo Tower, a 55-meter-tall residential property, is being built on the same site. In Munich, the foundation stone was laid for the ZOB (Zentraler Omnibusbahnhof) transportation, service and retail center. Tenancy agreements have already been concluded for 70 percent of the commercial and office space. On the site of the TZ Rhein Main technology center in Darmstadt, HOCHTIEF Projektentwicklung is erecting the AUGE office property in the shape of a human eye. The foundation stone for this building, 85 percent of which is rented to T-Systems, was laid in mid-August. In Prague, HOCHTIEF Development Czech Republic performed the foundation stone ceremony for the Trianon office and business property together with the investor, Union Investment Real Estate AG.

HOCHTIEF Projektentwicklung initiated another project in Hamburg: a new urban district bearing the name Quartier 21. It is being developed on the 13.8-hectare site formerly occupied by the Barmbek General Hospital. This urban development project is bringing together historic and new buildings in a cross-generational living and working concept. Quartier 21 is to comprise residential units, healthcare facilities, retail outlets, educational establishments, restaurants and office buildings.

The company marked a milestone in the retail segment in Ludwigsburg at the end of September when the WilhelmGalerie shopping center, accommodating more than 30 retail stores and food outlets, opened its doors. All of the outlets and parking spaces have been rented, and the center has already been sold to Hannover Leasing.

In September, we acquired aurelis Real Estate.* Arrangements are currently being made to assume control of its operating business.

*** For further details on this acquisition, please turn to page 14.**

HOCHTIEF Facility Management

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
External sales	**399.8**	367.5	**8.8**	**151.0**	138.8	499.7
Profit before taxes	**12.9**	9.5	**35.8**	**5.1**	5.9	15.7

In the third quarter, Augsburg Hospital agreed one of Germany's largest energy-saving contracting projects with HOCHTIEF Facility Management Energy. We are to design and carry out the necessary energy improvement measures and thus reduce the hospital's energy costs by 34 percent in the next ten years. The institution's CO_2 emissions will fall by 17,000 metric tons a year.

In future, HOCHTIEF Facility Management will be responsible for managing the Philips Industriepark Rothe Erde industrial park in Aachen. Besides technical, commercial and infrastructure facility management, the company will also oversee production-related services on the Philips site. Along with management services for the Rothe Erde industrial park, HOCHTIEF Facility Management is also taking on 32 Philips employees who had thus far been engaged in site-related activities.

In view of its interest in the emerging market potential for facility management in Switzerland, HOCHTIEF Facility Management founded a new company, HOCHTIEF Facility Management Swiss AG. To mark its market entry, HOCHTIEF is taking complete charge of the technical and infrastructure management of a newly erected building on behalf of the food conglomerate Kraft Foods Europe in Zurich.

HOCHTIEF Property Management, the new company established in July 2007, has taken over the business of Allianz Immobilien and successfully launched its operations. In the next ten years, it will be responsible for managing about 600 Allianz properties with total rented space of some four million square meters. The company's other clients include AMB Generali Immobilien.

HOCHTIEF Development outlook

The division expects to make a healthy earnings contribution, typical for the season, in the fourth quarter of 2007—notably through the sale of developed real estate. Fiscal 2007 will close with profit before taxes higher than twelve months earlier.

HOCHTIEF Construction Services Americas Division

The third quarter was a successful one for the HOCHTIEF Construction Services Americas division.

New orders declined by 8.2 percent from the previous year's extremely high figure—adjusted for exchange rate effects, by 1 percent. This was due in part to the strategy of focusing on securing quality work. At 8.8 percent (17.3 percent adjusted for exchange rates) over the previous year's figure, **work done** was at a high level, as was **order backlog**, changing very little from the prior-year figure. Our Brazilian subsidiary HOCHTIEF do Brasil reported work done of EUR 199 million in the first nine months of the year, the highest in the company's history.

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006 (restated)*	**Percentage change**	**Q3 2007**	Q3 2006 (restated)*	Full year 2006
New orders	**5,766.9**	6,280.2	**–8.2**	**2,062.0**	2,647.1	8,376.4
Work done	**5,362.4**	4,927.2	**8.8**	**1,940.8**	1,785.7	6,843.8
Order backlog	**7,805.7**	8,241.2	**–5.3**	**7,805.7**	8,241.2	8,110.9
External sales	**5,202.1**	4,744.0	**9.7**	**1,890.7**	1,707.6	6,625.4
Operating earnings (EBITA)	**61.9**	41.9	**47.7**	**14.0**	14.6	60.5
Profit before taxes	**63.6**	39.8	**59.8**	**14.2**	14.6	58.8
Capital expenditure	**14.0**	14.4	**–2.8**	**5.1**	4.9	19.9
Net assets	**251.1**	264.8	**–5.2**	**251.1**	264.8	239.3
Employees	**9,548** (End Q3 2007)	7,587 (End Q3 2006)	**25.8**	**9,548** (End Q3 2007)	7,587 (End Q3 2006)	7,332 (2006 average)

*** Explanations are provided on page 15.**

Operating earnings improved by 47.7 percent year-on-year. In addition to the nonrecurring items reported in the second quarter, strong operating performance contributed to the sustained increase in this figure. **Profit before taxes** was up sharply (plus EUR 23.8 million) as a result of factors including operational improvements as well as an increase in interest income due to the improved liquidity position.

The growth in the **number of employees** was primarily attributable to the high demand for workers in Brazil.

In the third quarter, Turner was selected for a number of projects in segments where the company and its expertise enjoy a dominant position. As the leading builder of health-care facilities in the United States, we secured several contracts in this market including an expansion project for The Children's Hospital of Philadelphia. The two-phase expansion of the research facility totals almost EUR 175 million and is due for completion in 2010. Another major contract was awarded by the University of Kentucky: An existing hospital will be replaced with a state-of-the-art clinic complex in two phases ending in 2010. The total cost of this construction project is EUR 224 million.

In the public sector Turner secured another project for the Miami Intermodal Center for the Florida Department of Transportation. This transportation hub covering more than 100,000 square meters is being developed near Miami International Airport. We have already successfully completed three phases of the project and are currently working on the rental car center, which includes space for 6,500 cars. The contract also includes a section of roadway connecting the facility to the nearby highways.

As a leading player in the sustainable building sector, our subsidiary once again received certification for a green building project in the period under review. The United States Green Building Council thus awarded the 50th distinction of this kind to a Turner project.

In the third quarter, HOCHTIEF entered the US infrastructure market with the acquisition of civil engineering company Flatiron Construction Corp.** Flatiron will likely be included in HOCHTIEF's consolidated financial statements for the first time in the fourth quarter of 2007. The acquisition of this key player will enable the Group to establish a presence in the North American civil engineering market and benefit from pending infrastructure investment programs in the USA valued in the billions as well as the developing market for public-private partnership (PPP) projects. Flatiron can rely on HOCHTIEF's PPP know-how and on Turner's broad network of offices throughout the US.

**** For further details on this acquisition, please turn to page 14.**

HOCHTIEF Americas outlook

The division's operating performance remains strong. In addition, the return of guarantees to the former associate Aecon in the second quarter resulted in a positive, nonrecurring effect. On the whole, profit before taxes in 2007 will be well over the prior-year figure despite the expenses incurred in developing new areas of business.

HOCHTIEF Construction Services Asia Pacific Division

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percent-age change**	**Q3 2007**	Q3 2006	Full year 2006
New orders	**6,540.9**	4,941.5	**32.4**	**3,324.5**	2,348.3	8,362.3
Work done	**5,436.6**	4,588.3	**18.5**	**1,718.8**	1,494.7	6,229.1
Order backlog	**13,627.5**	10,092.5	**35.0**	**13,627.5**	10,092.5	12,040.0
External sales	**4,593.0**	4,431.3	**3.6**	**1,474.1**	1,680.7	5,733.6
Operating earnings (EBITA)	**305.2**	191.9	**59.0**	**87.2**	55.1	277.4
Profit before taxes	**283.3**	170.9	**65.8**	**75.2**	48.9	262.2
Capital expenditure	**1,227.5**	657.3	**86.7**	**748.4**	226.3	936.4
Net assets	**1,580.6**	931.0	**69.8**	**1,580.6**	931.0	1,075.7
Employees	**27,839** (End Q3 2007)	26,006 (End Q3 2006)	**7.0**	**27,839** (End Q3 2007)	26,006 (End Q3 2006)	25,499 (2006 average)

The HOCHTIEF Construction Services Asia Pacific division reported another very solid performance in the third quarter of 2007.

New orders rose by 32.4 percent over the prior-year period to EUR 6.54 billion. **Work done** was 18.5 percent higher at EUR 5.44 billion, and the **order backlog** was up 35 percent over the previous year's level, for further significant growth. With an increase of 3.6 percent to EUR 4.6 billion, **external sales** reached an impressive level. The reason for the strong increase in work done compared with sales growth is that more and more work is being done in joint ventures which are not fully consolidated. This is not shown in the sales figures.

Operating earnings (plus 59 percent) and **profit before taxes** (plus 65.8 percent) both increased substantially over the corresponding prior period. The strong level of earnings growth reflects the increase in work done and margin expansion, both of which are outcomes of our strong positioning coupled with highly favorable market conditions at present.

Capital expenditure was substantially increased during the period due to Leighton taking a 45 percent stake in Al Habtoor-Leighton.

Dubai-based Al Habtoor Engineering is a highly regarded builder, responsible for constructing many of the region's iconic projects including the seven-star Burj Al Arab hotel in Dubai. Leighton is merging its operations in the Gulf region with Al Habtoor Engineering which will make Al Habtoor-Leighton one of the region's leading contractors.

In the United Arab Emirates, Leighton International was awarded a contract worth over EUR 400 million to construct a link road on Saadiyat Island in Abu Dhabi.

Contract mining continued to provide a significant number of new work opportunities. Leighton Contractors won a five-year mining contract worth around EUR 320 million at the Sonoma coal mine in Queensland. Thiess was awarded an extension to its existing contract to provide mining services at the South Walker Creek mine, also in Queensland. The contract is worth approximately EUR 215 million. Leighton International secured a three-year extension to its surface-mining contract at the MSJ coal mine in Indonesia worth around EUR 91 million.

The division's infrastructure activities also continued to reap success. John Holland was awarded two major sewerage construction projects in Melbourne worth around EUR 290 million in total. The job includes installing eight kilometers of tunnel in the city's suburbs. Leighton Contractors won an approximately EUR 120 million contract to construct a new access road to Brisbane Airport. At Townsville in North Queensland, Thiess received the construction contract for Stage 4 of the Lavarack Barracks Redevelopment, having successfully delivered Stages 2 and 3. This follow-up contract to the redevelopment project is worth roughly EUR 130 million. Work on two other major projects—North-South Bypass Tunnel and Gateway Bridge—is on schedule.

Leighton Contractors' specialist telecommunications subsidiary Visionstream secured a new two-year contract so far worth around EUR 140 million to deliver technical network access and associated services to Telstra.

HOCHTIEF Asia Pacific outlook

The outlook remains extremely promising across all of the Asia Pacific division's major markets. Infrastructure spending remains at high levels in Australia, demand for resources—particularly coal and iron ore—remains strong, and Asia is continuing to provide enormous growth potential, especially in the Gulf and India. In fiscal 2007, the division expects profit before taxes to be highly satisfactory.

HOCHTIEF Construction Services Europe Division

Orders in the HOCHTIEF Construction Services Europe division developed favorably in the third quarter.

New orders closed the first nine months of the fiscal year EUR 629.2 million, or nearly 40 percent, higher than the prior year's figure. A key contribution was made by our activities in Central and Eastern Europe, especially Russia and Poland. Four major projects were secured in the third quarter. Compared with the corresponding three-month period of 2006, new orders thus climbed by 65 percent. As of September 30, **work done** was EUR 94.5 million, or 5.3 percent, higher than a year earlier. In the third quarter, the previous year's figure was bettered by 6.1 percent. The **order backlog** is also high, representing a forward order book of well over a year.

In keeping with work done, **external sales** had also advanced by 5.3 percent in the period to September 30. Our activities in Poland and the Czech Republic made a substantial contribution here.

Losses in the German building construction sector have already been reported and incorporated in the earnings figures in previous quarters. The measures initiated in 2006, especially the selective contracting practices, gave rise to positive contributions to **operating earnings** and **profit before taxes** in the third quarter of 2007. We were thus able to break the loss pattern established in the first half-year.

Compared with the previous year, the **net assets** decreased by EUR 69.3 million because of the division's negative results.

The climate in the German building construction market remains inhospitable. In this segment, HOCHTIEF Europe is therefore focusing on regular clients and concentrating on high-margin projects within its areas of expertise. The emphasis in Germany in the third quarter was on office and health sector property projects. In Düsseldorf, the Sky Office tower project, worth about EUR 74 million, is scheduled for completion in summer 2009. In Hanover, HOCHTIEF is part of a joint venture constructing an office and administration building for Vereinigte Hannoversche Versicherung aG. HOCHTIEF's share in the project, which runs until spring 2009, is worth more than EUR 54 million. In the Porz district of Cologne, HOCHTIEF is building a forensic psychiatric hospital. With a contract value of almost EUR 23 million, the hospital is designed to meet the very latest security and therapeutic standards.

(EUR million)	**Q1–Q3 2007**	Q1–Q3 2006	**Percentage change**	**Q3 2007**	Q3 2006	Full year 2006
New orders	**2,222.3**	1,593.1	**39.5**	**810.9**	491.4	2,443.2
Work done	**1,871.9**	1,777.4	**5.3**	**712.4**	671.5	2,452.8
Order backlog	**3,326.3**	2,790.9	**19.2**	**3,326.3**	2,790.9	2,966.5
External sales	**1,521.6**	1,445.0	**5.3**	**615.2**	579.9	2,010.8
Operating earnings (EBITA)	**(128.6)**	3.0	**–**	**1.6**	0.3	(2.7)
Profit before taxes	**(127.8)**	9.8	**–**	**2.1**	1.2	2.1
Capital expenditure	**18.5**	17.7	**4.5**	**9.0**	6.0	25.8
Net assets	**380.7**	450.0	**–15.4**	**380.7**	450.0	486.5
Employees	**8,959** (End Q3 2007)	8,705 (End Q3 2006)	**2.9**	**8,959** (End Q3 2007)	8,705 (End Q3 2006)	8,593 (2006 average)

In the third quarter, our promising real estate development business acquired residential projects with a total volume of some EUR 85 million.

We continued successfully to reinforce our activities in Central and Eastern Europe in the third quarter. In Russia, HOCHTIEF Construction is building a flood protection dam for the St. Petersburg conurbation in a joint venture with a Dutch partner. The project which is scheduled for conclusion in 2012 has a total volume of EUR 350 million. HOCHTIEF's share is some EUR 135 million. At Moscow's Sheremetyevo Airport, construction of the new railroad station is entering the next phase. This order is worth almost EUR 32 million. In the Czech Republic, HOCHTIEF Construction has won the follow-on contract to extend Prague's Ring Road urban expressway. The volume of the Tunnel Blanka project exceeds EUR 56 million. Finally, in the center of the Polish capital, Warsaw, we are erecting the 22-floor Platinum Towers apartment building which is to be completed by August 2009; the contract value is over EUR 47 million.

HOCHTIEF Europe outlook

The action taken in the context of restructuring the German building construction business is improving the quality of the division's new orders. The decision to accept only high-margin contracts from now on may result in a reduction in new orders in the German building construction business and corresponding capacity alignments. HOCHTIEF Europe expects to post a profit before taxes for the fourth quarter. This would enable it to meet the forecast published in the first quarter, with a loss of up to EUR 120 million for fiscal 2007 as a whole.

In the Spotlight

Dynamic growth: Strategic acquisitions fuel profitability at HOCHTIEF

HOCHTIEF follows the clear goals of systematically seizing market opportunities and further boosting profitability. A number of acquisitions in the third quarter of 2007 underscore this resolve. The new acquisitions include Flatiron Construction, USA, and 50 percent of aurelis Real Estate, Germany. Both of these accord with the HOCHTIEF strategy of selective expansion. They meet our strict investment criteria and will contribute positively to consolidated net profit from 2009 at the latest. Flatiron will already have a positive impact on cash flow in 2008. The purchases are part of our successful drive to grow in promising, highly profitable business segments.

On September 5, 2007, our real-estate development arm HOCHTIEF Projektentwicklung and its consortium partner Redwood Grove International bought **aurelis Real Estate GmbH & Co. KG**, a real estate subsidiary of the German rail company, Deutsche Bahn AG.* The two partners each hold 50 percent of aurelis. The purchase price amounts to EUR 1.64 billion, of which HOCHTIEF accounts for approximately EUR 820 million. We are contributing just under EUR 206 million of our own capital resources.

aurelis generates value by managing, developing and selling non-operating real estate assets formerly used by Deutsche Bahn. Its holdings include 1,495 properties with a combined area of some 27 million square meters, many of them on prime German inner-city sites, for example, in Berlin, Frankfurt and Munich. The new acquisition's rental portfolio includes modern office buildings, warehouses and open spaces. The company boasts an approximately 130-strong workforce and already generates steady rental income of some EUR 105 million a year. Based on the purchase price, the gross yield currently stands at 6.4 percent. The size and attractiveness of the portfolio also open up superb prospects for development. HOCHTIEF Projektentwicklung has successfully developed and sold properties worth some EUR 2.7 billion in the last five years alone. We will use the resulting development expertise and our experience in managing real estate to establish aurelis as Germany's No. 1 integrated asset manager and inner-city district developer.

This acquisition once again highlights our strategy of integrating HOCHTIEF capabilities: We offer design, development, construction, asset management and property management from a single source, leveraging potential added value for our clients and the HOCHTIEF Group.

A further qualitative boost to Group earnings is secured with the acquisition of US civil engineers **Flatiron Construction Corp.**, Longmont, for which we signed a share purchase agreement on September 25, 2007. Financial close is expected in the fourth quarter. The purchase price comes to EUR 173 million, and interest of USD 1 million a month is payable from July 1, 2007 until financial close. With a workforce of just under 1,700, Flatiron generated over EUR 496 million in sales in 2006.

Flatiron ranks among the top ten vendors in the transportation segment in the USA. In purchasing this highly reputed, well positioned company, HOCHTIEF directly gains an outstanding position in the growing US civil engineering market, extending its existing capability portfolio in North America—via our subsidiary Turner, we have already been No. 1 general builder in the US for some years.

Purchasing Flatiron enables us to profit from the infrastructure boom in the USA, the world's largest construction market. It is estimated that state expenditure on expressway and bridge building projects will total nearly USD 55 billion in 2007 alone. Major demand for upgrading and new infrastructure will maintain expenditure at a similarly high level for the next few years: According to estimates, around USD 1 trillion will have to be spent by 2015 on bringing roads, bridges and tunnels into line with growth in traffic volume. Substantial investment in transportation infrastructure is also planned in western Canada.

A national public-private partnership (PPP) market is also now evolving in the USA and Canada. Flatiron delivers civil engineering services for PPP projects in western Canada and so has already gained experience in this segment. A number of large toll road projects are to be put out to competitive bidding in the USA and Canada in the next 24 months. This presents HOCHTIEF with an opportunity to integrate and combine its existing civil engineering capabilities and its international PPP expertise with Flatiron as an experienced provider on the North American market.

These acquisitions once again demonstrate HOCHTIEF's commitment to selective expansion in attractive business segments. This will remain our benchmark for future acquisitions.

*** The purchase is still pending approval from Germany's Transport Ministry and Federal Cartel Office, which is the competent authority in the matter.**

Interim Financial Statements

Consolidated Statement of Earnings

(EUR thousand)	**Q1–Q3 2007**	Q1–Q3 2006 (restated)*	**Percentage change**	**Q3 2007**	Q3 2006 (restated)*	Full year 2006
Sales	12,299,470	11,397,434	7.9	4,365,737	4,262,690	15,508,024
Changes in inventories	1,700	1,069	59.0	(281)	(1,395)	(19)
Other operating income	80,763	68,377	18.1	28,581	15,461	229,147
Materials	(9,215,903)	(8,421,465)	9.4	(3,303,221)	(3,191,815)	(11,682,304)
Personnel costs	(2,017,794)	(1,963,648)	2.8	(672,154)	(704,587)	(2,583,858)
Depreciation and amortization	(231,402)	(233,064)	−0.7	(89,467)	(72,561)	(324,544)
Other operating expenses	(739,314)	(677,838)	9.1	(246,892)	(255,169)	(924,608)
Profit from operating activities	**177,520**	**170,865**	**3.9**	**82,303**	**52,624**	**221,838**
Net income from equity-method investments	63,627	22,216	186.4	32,862	8,230	39,179
Net income from other participating interests	74,259	15,311	385.0	41,097	2,806	48,362
Investment and interest income	85,449	94,743	−9.8	23,063	38,179	132,168
Investment and interest expenses	(57,757)	(90,915)	−36.5	(18,025)	(35,431)	(103,496)
Profit before taxes	**343,098**	**212,220**	**61.7**	**161,300**	**66,408**	**338,051**
Income taxes	(127,349)	(90,483)	40.7	(50,967)	(27,519)	(136,689)
Profit after taxes	**215,749**	**121,737**	**77.2**	**110,333**	**38,889**	**201,362**
Of which: Consolidated net profit	70,695	49,108	44.0	56,919	17,609	89,097
Of which: Minority interest	145,054	72,629	99.7	53,414	21,280	112,265

***Restated due to application of the amended IAS 19 together with the option permitting actuarial gains and losses on the measurement of pension provisions to be recognized directly in equity. Detailed information on this change is provided on page 113 of the Annual Report 2006.**
The change of accounting treatment reduces personnel costs in the first nine months of 2006, thus increasing profit from operating activities by EUR 380,000. Investment and interest expenses were down EUR 3,768,000 making for a total increase of EUR 4,148,000 in profit before taxes.
Deducting EUR 1,615,000 in deferred tax expense, profit after taxes and consolidated net profit are increased by EUR 2,533,000.

Consolidated Balance Sheet

(EUR thousand)	**Sep. 30, 2007**	Dec. 31, 2006
Assets		
Non-current assets		
Intangible assets	392,013	396,958
Property, plant and equipment	1,007,423	751,794
Investment properties	45,283	46,471
Equity-method investments	1,366,619	699,403
Other financial assets	385,505	251,425
Financial receivables	171,341	34,260
Other receivables and other assets	94,825	48,735
Deferred tax assets	160,543	183,852
	3,623,552	**2,412,898**
Current assets		
Inventories	99,108	72,572
Financial receivables	88,989	58,292
Trade receivables	3,707,815	3,326,541
Other receivables and other assets	161,795	115,195
Current income tax assets	28,507	41,968
Marketable securities	848,053	931,034
Cash and cash equivalents	1,188,420	1,397,012
	6,122,687	**5,942,614**
	9,746,239	**8,355,512**

(EUR thousand)	**Sep. 30, 2007**	Dec. 31, 2006
Liabilities and Shareholders' Equity		
Shareholders' Equity		
Attributable to the Group	2,144,184	1,807,675
Minority interest	608,634	538,028
	2,752,818	**2,345,703**
Non-current liabilities		
Provisions for pensions and similar obligations	32,718	33,017
Other provisions	236,541	197,033
Financial liabilities	872,152	772,264
Other liabilities	11,885	15,410
Deferred tax liabilities	73,009	66,122
	1,226,305	**1,083,846**
Current liabilities		
Other provisions	813,408	788,711
Financial liabilities	645,998	271,875
Trade payables	4,029,689	3,639,315
Other liabilities	268,372	220,658
Current income tax liabilities	9,649	5,404
	5,767,116	**4,925,963**
	9,746,239	**8,355,512**

Consolidated Statement of Cash Flows

*Explanations are provided on page 15.

(EUR thousand)	Q1–Q3 2007	Q1–Q3 2006 (restated)*
Profit after taxes	215,749	121,737
Depreciation/write-ups	230,987	239,694
Changes in provisions	(26)	5,705
Changes in deferred taxes	21,465	7,011
Net gain/(loss) from disposals of fixed assets and marketable securities	(45,445)	(35,927)
Other non-cash income and expenses (primarily equity valuation) and deconsolidations	(24,354)	(5,215)
Changes in working capital (net current assets)	113,633	(68,224)
Changes in other balance sheet items	1,296	12,166
Net cash provided by operating activities	**513,305**	**276,947**
Intangible assets, property, plant and equipment, and investment properties		
Purchases	(504,759)	(497,543)
Proceeds from asset disposals	109,045	340,310
Acquisitions and participating interests		
Purchases	(893,497)	(212,743)
Proceeds from asset disposals/divestments	51,388	26,909
Changes in cash and cash equivalents due to consolidation changes	–	(3,391)
Changes in securities holdings and liquid investments	(79,315)	293,627
Net cash used in investing activities	**(1,317,138)**	**(52,831)**
Payments received from sale of treasury stock	336,360	103,784
Dividends to minority shareholders	(162,603)	(113,209)
Proceeds from new borrowing	685,338	237,087
Service of debt	(230,763)	(225,201)
Net cash provided by financing activities	**628,332**	**2,461**
Net cash (decrease)/increase in cash and cash equivalents	**(175,501)**	**226,577**
Effect of exchange rate changes	(33,091)	(41,385)
Transfer to HOCHTIEF pension fund	–	(86,530)
Overall change in cash and cash equivalents	**(208,592)**	**98,662**
Cash and cash equivalents at the start of the year	1,397,012	1,061,301
Cash and cash equivalents at end of period	**1,188,420**	**1,159,963**

Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktiengesellschaft	Capital reserve of HOCHTIEF Aktiengesellschaft	Revenue reserves* including unappropriated net income	Accumulated other comprehensive income			Attributable to the Group	Attributable to minority interest	Total
				Currency translation differences	Marking of financial instruments to fair value	Actuarial gains and losses			
Balance as of Jan. 1, 2006	**179,200**	**400,806**	**1,251,421**	**(30,773)**	**(9,668)**	**(126,161)**	**1,664,825**	**537,230**	**2,202,055**
Dividends paid	–	–	(58,470)	–	–	–	(58,470)	(54,739)	(113,209)
Profit after taxes	–	–	49,108	–	–	–	49,108	72,629	121,737
Currency translation differences and marking of financial instruments to fair value	–	–	–	(32,255)	402	–	(31,853)	(13,866)	(45,719)
Changes in acturial gains and losses	–	–	–	–	–	30,834	30,834	–	30,834
Other changes not recognized in the Statement of Earnings	–	–	93,351	–	–	–	93,351	(11,671)	81,680
Balance as of Sep. 30, 2006	**179,200**	**400,806**	**1,335,410**	**(63,028)**	**(9,266)**	**(95,327)**	**1,747,795**	**529,583**	**2,277,378**
Balance as of Jan. 1, 2007	**179,200**	**400,806**	**1,387,593**	**(77,050)**	**15,238**	**(98,112)**	**1,807,675**	**538,028**	**2,345,703**
Dividends paid	–	–	(72,446)	–	–	–	(72,446)	(90,157)	(162,603)
Profit after taxes	–	–	70,695	–	–	–	70,695	145,054	215,749
Currency translation differences and marking of financial instruments to fair value	–	–	–	(12,910)	4,171	–	(8,739)	14,835	6,096
Changes in acturial gains and losses	–	–	–	–	–	19,041	19,041	–	19,041
Other changes not recognized in the Statement of Earnings	–	–	327,958	–	–	–	327,958	874	328,832
Balance as of Sep. 30, 2007	**179,200**	**400,806**	**1,713,800**	**(89,960)**	**19,409**	**(79,071)**	**2,144,184**	**608,634**	**2,752,818**

***As of September 30, 2006, own stock with an acquisition cost of EUR 135,021,000 is accounted for as a deduction from revenue reserves.**

Statement of Recognized Income and Expense

(EUR thousand)	**Q1–Q3 2007**	Q1–Q3 2006	Change	Full year 2006
Profit after taxes	**215,749**	**121,737**	**94,012**	**201,362**
Currency translation differences	(5,920)	(46,121)	40,201	(62,353)
Changes in fair value of financial instruments				
– Primary	(10,025)	(156)	(9,869)	19,123
– Derivative	22,041	558	21,483	19,670
Actuarial gains and losses*	19,041	30,834	(11,793)	28,049
Income and expense recognized directly in equity	**25,137**	**(14,885)**	**40,022**	**4,489**
Total income and expense recognized in the reporting period	**240,886**	**106,852**	**134,034**	**205,851**
Of which: HOCHTIEF Group	80,997	48,089	32,908	95,775
Of which: Minority interest	159,889	58,763	101,126	110,076

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

Notes to the Consolidated Financial Statements

Accounting policies

The Consolidated Financial Statements as of September 30, 2007 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

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

This interim report is based on the Consolidated Financial Statements as of and for the year ending December 31, 2006. With effect from June 30, 2007, the discount factor for valuing domestic pension obligations was increased to 5 percent to reflect increased capital market interest rates (December 31, 2006: 4.5 percent). In all other respects, this report has been prepared using the same accounting policies as the 2006 Consolidated Financial Statements. Information on those accounting policies is given in the 2006 Annual Report. All prior-year figures are determined on the same basis.

Consolidation changes

Seven domestic and 20 foreign companies were added to the consolidated group in the first nine months of fiscal 2007. Two domestic companies and one foreign company were merged. One foreign company was removed from the consolidated group.

The number of foreign companies accounted for using the equity method has increased by a net balance of four.

After these changes, the Consolidated Financial Statements include HOCHTIEF Aktiengesellschaft and a total of 38 domestic and 264 foreign consolidated companies. Six domestic and 69 foreign companies are accounted for using the equity method.

Own shares

The Company held none of its own shares as of September 30, 2007. In July 2007, the Company sold 11,928 of its own shares to persons in its employment or in the employment of an affiliate, at a price of EUR 34.50 per share. These shares represent EUR 30,536 (0.02 percent) of the Company's capital stock.

HOCHTIEF used holdings of its own shares as planned to generate cash in the course of the third quarter, among other things to finance acquisitions. For this purpose, 2,872,700 own shares were sold on the stock exchange between July and September 2007, generating total sale proceeds of EUR 219,408,253. These shares represent EUR 7,354,112 (4.1 percent) of the Company's capital stock.

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees and letters of comfort; they have decreased since December 31, 2006 by EUR 25,281,000 to EUR 14,313,000.

Segment reporting

Segmental reporting in the HOCHTIEF Group is based on the Group's divisional operations. The breakdown by divisions and regions mirrors the Group's internal reporting systems. Detailed information on the various segments making up the HOCHTIEF Group is provided herein in the Interim Management Report.

Related party disclosures

With the sole exception reported in the following, there has been no change in the companies and individuals comprising related parties of HOCHTIEF Aktiengesellschaft and HOCHTIEF Group companies. The information provided in this regard in the notes to the most recent Consolidated Financial Statements therefore continues to apply. Since April 24, 2007, Actividades de Construcción y Servicios, S.A. (Madrid, Spain) has been a related party of HOCHTIEF Aktiengesellschaft, with 25.08 percent of voting rights, having purchased this ownership interest from Custodia Holding AG (Munich).

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

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

(EUR thousand)	**Q1–Q3 2007**	Q1–Q3 2006 (restated)*	**Q3 2007**	Q3 2006 (restated)*
Profit from operating activities	**177,520**	**170,865**	**82,303**	**52,624**
+ Net income from participating interests	137,886	37,527	73,959	11,036
– Non-operating earnings	(+) 1,175	(+) 2,290	(+) 531	(+) 1,000
+ Interest credited	11,692	262	5,941	(1,253)
Operating earnings (EBITA)	**328,273**	**210,944**	**162,734**	**63,407**

***Explanations are provided on page 15.**

Undiluted and diluted earnings per share

	Q1–Q3 2007	Q1–Q3 2006 (restated)*	**Q3 2007**	Q3 2006 (restated)*
Consolidated net profit (EUR thousand)	**70,695**	**49,108**	**56,919**	**17,609**
Number of shares in circulation (weighted average)	67,157,747	64,653,975	69,350,975	64,761,152
Earnings per share (EUR)	**1.05**	**0.76**	**0.82**	**0.27**

***Explanations are provided on page 15.**

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

Responsibility Statement

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

Essen, October 30, 2007

The Executive Board

Dr. Lütkestratkötter Ehlers Dr. Lohr

Dr. Noé Dr. Rohr

Financial Calendar

March 26, 2008
Business Results Press Conference
Analysts' and Investors' Conference

May 8, 2008
General Shareholders' Meeting
10.30 a.m., Congress Center Essen, West Entrance, Norbertstrasse, Essen

May 15, 2008
Quarterly Report at March 31, 2008
Conference Call with Analysts and Investors

August 14, 2008
Half-Year Report at June 30, 2008
Analysts' and Investors' Conference

The editorial deadline for this interim report was October 30, 2007; the report was published on November 14, 2007.

For further information on HOCHTIEF and our addresses, business units, subsidiaries and associates, please visit our website at www.hochtief.com.

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

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HOCHTIEF Aktiengesellschaft

HOCHTIEF Airport Division
- HOCHTIEF AirPort GmbH, Germany
- HOCHTIEF AirPort Capital Verwaltungs GmbH & Co. KG, Germany
- Athens International Airport S.A., Greece
- Budapest Airport Zrt., Hungary
- Flughafen Düsseldorf GmbH, Germany
- Flughafen Hamburg GmbH, Germany
- Sydney Airport Corporation Ltd., Australia
- Tirana International Airport SHPK, Albania
- HOCHTIEF AirPort Retail SHPK, Albania
- Transport & Logistics Consultancy Ltd., UK

HOCHTIEF Development Division
- HOCHTIEF PPP Solutions GmbH, Germany
- HOCHTIEF PPP Solutions (UK) Ltd., UK
- HOCHTIEF Facility Management GmbH, Germany
- HOCHTIEF Polska Facility Management Sp. z o.o., Poland
- HOCHTIEF Facility Management Ireland Ltd., Ireland
- HOCHTIEF Property Management GmbH, Germany
- HOCHTIEF Projektentwicklung GmbH, Germany
- Deutsche Bau- und Siedlungs-Gesellschaft mbH, Germany

HOCHTIEF Construction Services Americas Division
- The Turner Corporation, USA
- Turner Construction Company, USA
- HOCHTIEF do Brasil S.A., Brazil

HOCHTIEF Construction Services Asia Pacific Division
- Leighton Holdings Limited, Australia
- Leighton Contractors Pty Limited, Australia
- Thiess Pty Ltd., Australia
- John Holland Group Pty Ltd., Australia
- Leighton Properties Pty Limited, Australia
- Leighton Asia Limited, Hong Kong
- Leighton International Limited, Dubai

HOCHTIEF Construction Services Europe Division
- HOCHTIEF Construction AG, Germany
- HOCHTIEF (UK) Construction Ltd., UK
- Entreprise Générale de Construction HOCHTIEF-Luxembourg S.A., Luxembourg
- Durst-Bau GmbH, Austria
- Streif Baulogistik GmbH, Germany
- HOCHTIEF Polska Sp. z o.o., Poland
- HOCHTIEF CZ a.s., Czech Republic
- HOCHTIEF Russia
- HOCHTIEF Bulgaria
- HOCHTIEF Hungary

Bacht 10/07

Cover photo:
Designed for life: The visualization shows how things might one day look in Munich's Hirschgarten quarter. The prime site adjacent to a landscaped park is part of the aurelis Real Estate GmbH portfolio. Together with a financial partner, HOCHTIEF acquired the company that develops and manages real estate in September 2007 from Deutsche Bahn AG.