



Financial Highlights

- Nominal net profit of EUR 86 million, -3% yoy and like for like, +2% pre-Abertis, notwithstanding Covid-19 effects
- New orders up 31% yoy to EUR 5.9 billion; order backlog of EUR 47.6 billion, up 6% yoy
- Net cash from operating activities pre-factoring of EUR 675 million LTM remains robust
- Net cash up EUR +141 million yoy, after EUR 722 million shareholder remuneration LTM
- Guidance FY 2021 confirmed, improving trends in Group's key markets

We are building the world of tomorrow.

The HOCHTIEF Group: Key Figures				
	Q1 2021	Q1 2020 like for like	Change	Full year 2020
(EUR million)				
Sales adjusted	4,934.4	5,600.8	-11.9%	23,679.2
Operational profit before tax/PBT	157.6	151.8	3.8%	802.3
Operational profit before tax/PBT pre-Abertis	160.6	150.6	6.6%	819.4
Operational PBT margin (%)	3.2	2.7	0.5	3.4
Operational PBT pre-Abertis margin (%)	3.3	2.7	0.6	3.5
Operational net profit	99.2	97.7	1.5%	476.7
Operational net profit pre-Abertis	102.2	96.5	5.9%	493.8
EBITDA	247.7	248.0	-0.1%	1,749.7
EBITDA margin (%)	5.0	4.4	0.6	7.4
EBIT	172.8	192.2	-10.1%	1,046.1
EBIT margin (%)	3.5	3.4	0.1	4.4
Nominal profit before tax/PBT	145.4	143.2	1.5%	881.9
Nominal profit before tax/PBT pre-Abertis	148.4	142.0	4.5%	899.0
Nominal net profit	86.0	88.9	-3.3%	427.2
Nominal net profit pre-Abertis	89.0	87.7	1.5%	444.3
Net cash from operating activities	(597.0)	(298.2)	(298.8)	742.8
Net cash from operating activities pre-factoring	(448.7)	(362.0)	(86.7)	1,098.1
Net operating capital expenditure	20.4	36.4	(16.0)	371.1
Free cash flow from operations	(617.4)	(334.7)	(282.7)	371.7
Net cash /net debt	6.8	(134.3)	141.1	617.9
New orders	5,907.9	4,512.7	30.9%	23,069.9
Work done	5,769.2	6,116.1	-5.7%	24,549.6
Order backlog	47,610.7	44,991.6	5.8%	45,840.4
Employees (end of period)	33,501	51,980	-35.6%	46,644

Note: Operational profits are adjusted for non-operational effects

Sales FY 2020 adjusted for Gorgon and other minor effects

All figures for Q1 2020 are like for like—meaning comparable with Q1 2021 with regard to equity-method accounting for Thiess—and exclude BICC.

The Spiral, New York City:

With its surrounding green garden, which winds up into the sky, The Spiral is currently the conceptionally most breathtaking high-rise being built in Manhattan. The building, comprising 65 stories, is realized by Turner and scheduled to be completed in 2022.

Dear Shareholders and friends
 of HOCHTIEF,



Marcelino Fernández Verdes, Chairman of the Executive Board

HOCHTIEF has started 2021 in a positive manner notwithstanding the impact of Covid-19 where the Group continues to support the response to the pandemic by public authorities through up-grades to hospitals to create safer environments and build capacity for Covid-19 patient care. Our subsidiary Turner, for example, has provided support to more than 50 hospitals in the United States and quickly developed new and additional healthcare capacity.

In the first quarter of the year, the Group has delivered a nominal net profit of EUR 86 million. This compares with EUR 89 million in Q1 2020 on a like-for-like (LFL) basis, adjusting for the divestment of 50% of Thiess with the remaining 50% holding being equity-method consolidated. Operational net profit of EUR 99 million rose year on year by 2% LFL or 6% prior to the Abertis contribution. Margins remained firm across the Group's divisions.

New orders increased significantly by over 30% year on year to EUR 5.9 billion compared with the EUR 4.5 billion secured in Q1 2020 whilst a disciplined bidding approach was maintained across all divisions. As a consequence, the Group's order book remained robust at EUR 47.6 billion up 6% year on year. Half of our order book is located in North America with a further 41% in the Asia-Pacific region and 9% in Europe.

HOCHTIEF Group—Q1 2021 overview¹⁾

Nom. net profit of EUR 86 million, -3% yoy and like for like, +2% pre-Abertis, notwithstanding Covid-19 effects

- Sales in Q1 2021 of EUR 4.9 billion, yoy -12% (-9% f/x-adjusted) versus a high pre-Covid-19 comparison level; robust operational margins
- Operational net profit of EUR 99 million; EUR 102 million pre-Abertis (+6% yoy)
- Abertis net contribution of EUR -3 million in Q1 2021 (versus EUR 1 million in Q1 2020) due to Covid-19 mobility restrictions; improving trend

New orders up 31% yoy to EUR 5.9 billion; order backlog of EUR 47.6 billion, up 6% yoy

- Strong recovery in new orders driven by Asia Pacific and Americas, notwithstanding Covid-19
- Geographically diversified order book with 50% in America, 41% Asia Pacific, 9% Europe

Net cash from operating activities pre-factoring of EUR 675 million LTM remains robust

- Free cash flow level pre-factoring stable yoy (EUR +11 million yoy), despite lower revenue and Covid-19 impact
- Net cash from operating activities pre-factoring of EUR -449 million in Q1 2021, reflecting seasonality, lower sales (EUR -666 million) yoy and Covid-19 impacts
- Net operating capex significantly lower at EUR 20 million in Q1 2021, after 50% Thiess divestment

Net cash up EUR +141 million yoy, after EUR 722 million shareholder remuneration LTM

- Strong liquidity position of EUR 5.3 billion, additional EUR 1.7 billion undrawn loan facilities
- HOCHTIEF issued a EUR 500 million 8-year rated bond with 0.625% coupon in April 2021

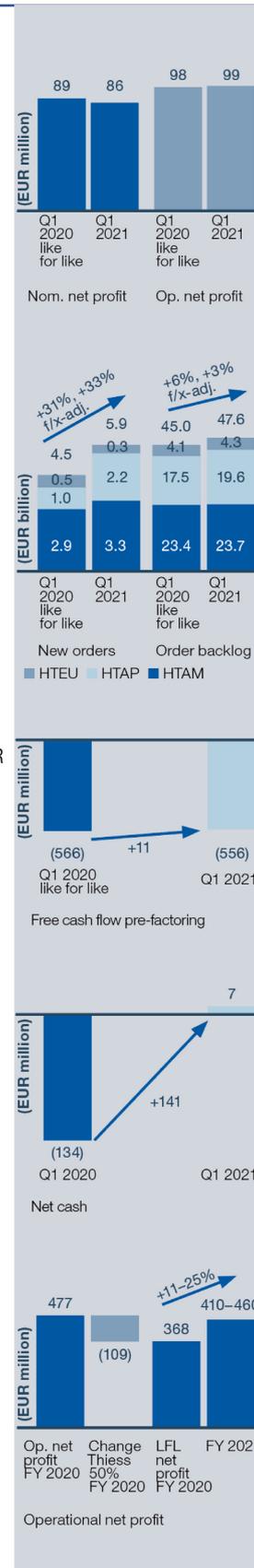
Guidance FY 2021 confirmed, improving trends in Group's key markets

- Guidance 2021: op. NPAT EUR 410 – 460 million, plus 11 – 25% yoy LFL subject to market conditions
- FY 2020 dividend of EUR 3.93/share proposed to the AGM on May 6, 2021, unchanged 65% payout (EUR 278 million)
- Solid tender pipeline of more than EUR 620 billion in 2021 and beyond including PPP pipeline of EUR 180 billion and numerous stimulus packages

¹⁾ In this presentation all figures for Q1 2020 and FY 2020 are like for like, i.e. are comparable with Q1 2021 re. Thiess at-equity consolidation, and exclude BICC

yoy = year on year

LTM = last twelve months



Sales of EUR 4.9 billion were EUR 666 million lower year on year versus the comparable figure for Q1 2020 when Covid-19 impacts were in their early phases. Net cash from operating activities remains robust on a last-twelve-months basis at EUR 675 million, underlying, with the first-quarter variation reflecting the lower sales level and seasonality.

Net operating capex shows a marked decrease compared with the level reported last year for Q1 2020 due to the deconsolidation of Thiess. On a LFL basis, net capex of EUR 20 million compares with EUR 36 million in Q1 2020.

HOCHTIEF ended March 2021 with a net cash position of EUR 7 million—a EUR 141 million increase year on year. This is after EUR 722 million in shareholder remuneration in the preceeding twelve months. The Group ended the quarter with a strong liquidity position of EUR 5.3 billion with an additional EUR 1.7 billion in undrawn credit facilities.

Looking forward, our local teams have identified a tender pipeline of relevant projects worth over EUR 620 billion for 2021 and beyond supported by EUR 180 billion in PPP projects in addition to the numerous stimulus packages approved by governments.

On May 6, 2021, HOCHTIEF's AGM approved a dividend for FY 2020 of EUR 3.93 per share or EUR 278 million in absolute terms. This corresponds to an unchanged dividend payout ratio of 65% of nominal net profit and is in addition to the EUR 168 million returned to our shareholders via the buyback of 3.5% of our shares during 2020.

Group Outlook

HOCHTIEF expects to achieve an operational net profit in 2021 in the range of EUR 410–460 million, an increase of 11 to 25% year on year compared with the EUR 368 million of 2020 adjusted for the divestment of 50% of Thiess.

Environmental, Social and Governance strategy

HOCHTIEF is one of the world's leading infrastructure groups in terms of Environmental, Social and Governance topics or ESG. Sustainability, specifically, is one of our guiding principles for how we approach and manage our business and a cornerstone of our strategy. Our long-standing commitment to sustainability is reflected, for example, by our listing in the Dow Jones Sustainability Index. This index incorporates the most environmentally-focused companies and we are proud to have been a member for the last 15 years. In addition, MSCI has awarded HOCHTIEF a strong AA ESG rating and Sustainalytics lists HOCHTIEF as a top 10 company in its global sustainability ranking for our industry. Furthermore, our Group has also been recognized for its efforts on Climate Change by the Carbon Disclosure Project (CDP).

In 2021, we are accelerating our efforts on environmental, social and governance priorities, leveraging the digital technologies we are developing, in order to continue our business transformation. The Executive Board is leading this twin transition, green and digital, which is a key element of our strategy.

We are updating our sustainability drive with our new 2021 to 2025 sustainability plan and are working on science-based carbon reduction targets. HOCHTIEF fully supports the goals of the Paris Agreement to stop global warming and to make our environment carbon neutral by 2050 and our ambition is for the Group to reach this objective well ahead of schedule.

Our customers value our range of services in this field. HOCHTIEF generated revenues in 2020 from green building projects worth EUR 8.3 billion or over one-third of Group sales. We are the leaders in green building in the U.S. and embrace the trend toward making the industry more and more sustainable. Turner has completed more than 1,200 green building projects and it has more LEED-accredited professionals (the key sustainability metric in the U.S. building market) than any other construction firm and accumulates around USD 60 billion of green building project experience.

We are working with leading suppliers and subcontractors to significantly improve the environmental footprint of the machines and supplies used, for example, using hydrogen for steel and concrete production as well as using electric-powered construction machinery that runs on green electricity.

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

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

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

A key tool to drive our ESG strategy to the next level is digitalization.

Our innovation hub Nexlore, which was founded in 2018, is working on numerous solutions that are enabling us to shape the construction process in a more sustainable, efficient and also significantly more cost-effective manner. We are developing more sustainable processes, optimizing logistics with the help of Blockchain, artificial intelligence and machine learning.

Recently, Nexlore joined the MIT Climate and Sustainability Consortium. It brings together an alliance of leaders from a broad range of industries such as Apple, IBM, Boeing, Dow or PepsiCo and aims to vastly accelerate large-scale, real-world implementation of solutions to address the threat of climate change. The consortium is developing an ambitious implementation strategy for environmental innovation to meet the urgency of climate change.

Our twin transition drive in digitalization and sustainability is for the benefit of the people on our projects, the environment, our customers and all other stakeholders and enables us to further strengthen HOCHTIEF's leading market positions.

Yours,



Marcelino Fernández Verdes
Chairman of the Executive Board

Interim Management Report

Financial review

Overview

The effects of the Covid-19 pandemic continued during the first quarter of 2021. In contrast, the first quarter of the prior year had still been largely unaffected by the corona crisis.

HOCHTIEF generated solid earnings with a nominal net profit of EUR 86 million in the first quarter of 2021. Net cash from operating activities pre-factoring for the period of the last twelve months (LTM) came to EUR 675 million and the end of the first quarter of 2021 saw the Group with an order backlog of EUR 48 billion.

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

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

Sales and earnings

HOCHTIEF Group generated **sales** of EUR 4.9 billion during the first quarter of 2021. This corresponds to a decrease of 9% adjusting for the Thiess stake sale impact and foreign exchange rate movements and furthermore compares to a high pre-Covid-19 comparison basis in Q1 2020.

Sales – continuing operations

(EUR million)	Q1 2021	Q1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	3,221.9	3,927.6	-18.0%	-10.5%
HOCHTIEF Asia Pacific	1,395.6	1,931.4	-27.7%	-34.1%
HOCHTIEF Asia Pacific like for like*	1,395.6	1,376.7	1.4%	-7.5%
HOCHTIEF Europe	284.7	262.9	8.3%	8.8%
Corporate	32.2	33.6	-4.2%	3.0%
HOCHTIEF Group	4,934.4	6,155.5	-19.8%	-17.0%
Sales like for like*	4,934.4	5,600.8	-11.9%	-8.8%

*adjusted for Thiess effect

Sales in the Americas division were EUR 3.2 billion in the first quarter of 2021. Adjusted for exchange rates, sales were 11% down on the prior-year figure, which had still seen very strong growth before the pandemic started to impact business activity.

CIMIC generated sales of AUD 2.2 billion in the first quarter of 2021. On a comparable basis (like for like), sales were 8% below the prior-year figure of just under AUD 2.4 billion with growth in Australian construction and services starting to see a pick-up in operations and maintenance work. Sales at the level of the HOCHTIEF Asia Pacific division came to EUR 1.4 billion.

The HOCHTIEF Europe division improved sales by 8% year on year to EUR 285 million notwithstanding Covid-19 impacts and with a continuing disciplined bidding approach.

The sales volume generated on markets outside Germany amounted to EUR 4.7 billion in the first three months of 2021. At 96%, the proportion of HOCHTIEF Group sales generated internationally is thus on a similar level to the prior year.

Net income from equity-method associates, joint ventures, and other participating interests improved by EUR 12 million on the prior year (EUR 34 million) to EUR 46 million. The increase is mainly due to EUR 26 million from the first-time equity consolidation for Thies. The earnings contribution from Abertis Investment was a negative EUR 3 million in the first quarter of 2021, down from a positive EUR 1 million in the same period last year still affected by mobility restrictions but benefiting from Abertis' diversified portfolio and the resilience of heavy vehicles traffic.

Net investment and interest expense amounted to EUR 30 million in the first three months of 2021 (Q1 2020: EUR 45 million). The EUR 15 million improvement relative to the prior year mostly reflected lower interest expense as a result of the Group's refinancing activities.

HOCHTIEF generated **nominal profit before tax (PBT)** of EUR 145 million in the first quarter of 2021 (Q1 2020: EUR 207 million). On a comparable basis (like for like), this represented an increase of 2% year on year. **Operational PBT** (nominal PBT adjusted for non-operational effects) stood at EUR 158 million (Q1 2020: EUR 216 million). Like for like, operational PBT improved by 4% on the prior year.

Profit before tax (PBT) – continuing operations

(EUR million)	Q1 2021	Q1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	88.4	87.1	1.5%	10.2%
HOCHTIEF Asia Pacific	63.5	120.6	-47.3%	-52.9%
HOCHTIEF Asia Pacific like for like*	63.5	56.7	12.0%	0.2%
HOCHTIEF Europe	10.5	10.2	2.9%	7.8%
Abertis Investment	(3.0)	1.2	–	–
Corporate	(14.0)	(12.0)	16.7%	-10.0%
Group nominal PBT – continuing operations	145.4	207.1	-29.8%	-28.7%
Group nominal PBT – continuing operations like for like*	145.4	143.2	1.5%	3.1%
Non-operative effects	12.2	8.6	41.9%	
Restructuring	5.9	6.9	-14.5%	
Investments/Divestments	6.0	6.6	-9.1%	
Impairments	0.0	0.0	–	
Others	0.3	(4.9)	–	
Group operational PBT – continuing operations	157.6	215.7	-26.9%	
Group operational PBT – continuing operations like for like*	157.6	151.8	3.8%	

*adjusted for Thies effect

Turner and Flatiron delivered a sound earnings performance in the first quarter of 2021. Nominal PBT in the HOCHTIEF Americas division came to EUR 88 million, marking a 10% improvement on an exchange rate adjusted basis relative to the prior-year period (EUR 87 million).

The performance of the HOCHTIEF Asia Pacific division reflects HOCHTIEF's stake in CIMIC (78.58% as of March 2021, 76.1% as of March 2020) as well as associated financing and holding costs, and the impact of variations in the AUD/EUR exchange rate. CIMIC achieved solid earnings figures in the first quarter of 2021. Nominal PBT came to AUD 120 million. On a comparable basis (like for like), PBT thus was slightly above the prior-year figure (AUD 119 million). At division level, nominal PBT was EUR 64 million compared to EUR 57 million in the prior year on a comparable basis (like for like).

The HOCHTIEF Europe division generated nominal PBT of just under EUR 11 million in the first quarter of 2021, on a similar level to the prior-year period.

Income tax expense amounted to EUR 39 million in the first quarter of 2021 (Q1 2020: EUR 60 million). The tax rate is 27% (prior year: 29%).

The HOCHTIEF Group's **nominal net profit** totaled EUR 86 million in the first quarter of 2021 (Q1 2020: EUR 115 million). On a comparable basis (like for like), this represented a decrease of 3% year on year notwithstanding Covid-19 effects. HOCHTIEF's operational net profit came to EUR 99 million (Q1 2020: EUR 124 million), this corresponds to an increase of 2% when adjusting for the impact of the 50% Thiess stake sale.

Consolidated net profit – continuing operations

(EUR million)	Q1 2021	Q1 2020	Change	Change f/x-adjusted
HOCHTIEF Americas	56.4	55.5	1.6%	11.4%
HOCHTIEF Asia Pacific	36.8	61.1	-39.8%	-47.0%
HOCHTIEF Asia Pacific like for like*	36.8	35.1	4.8%	-7.7%
HOCHTIEF Europe	8.0	10.2	-21.6%	-16.7%
Abertis Investment	(3.0)	1.2	–	–
Corporate	(12.2)	(13.1)	-6.9%	11.5%
Group nominal net profit – continuing operations	86.0	114.9	-25.2%	-23.3%
Group nominal net profit – continuing operations like for like*	86.0	88.9	-3.3%	-0.9%
Non-operative effects	13.2	8.8	50.0%	
Restructing	6.3	6.9	-8.7%	
Investments/Divestments	6.3	6.8	-7.4%	
Impairments	0.0	0.0	–	
Others	0.6	(4.9)	–	
Group operational net profit – continuing operations	99.2	123.7	-19.8%	
Group operational net profit – continuing operations like for like*	99.2	97.7	1.5%	

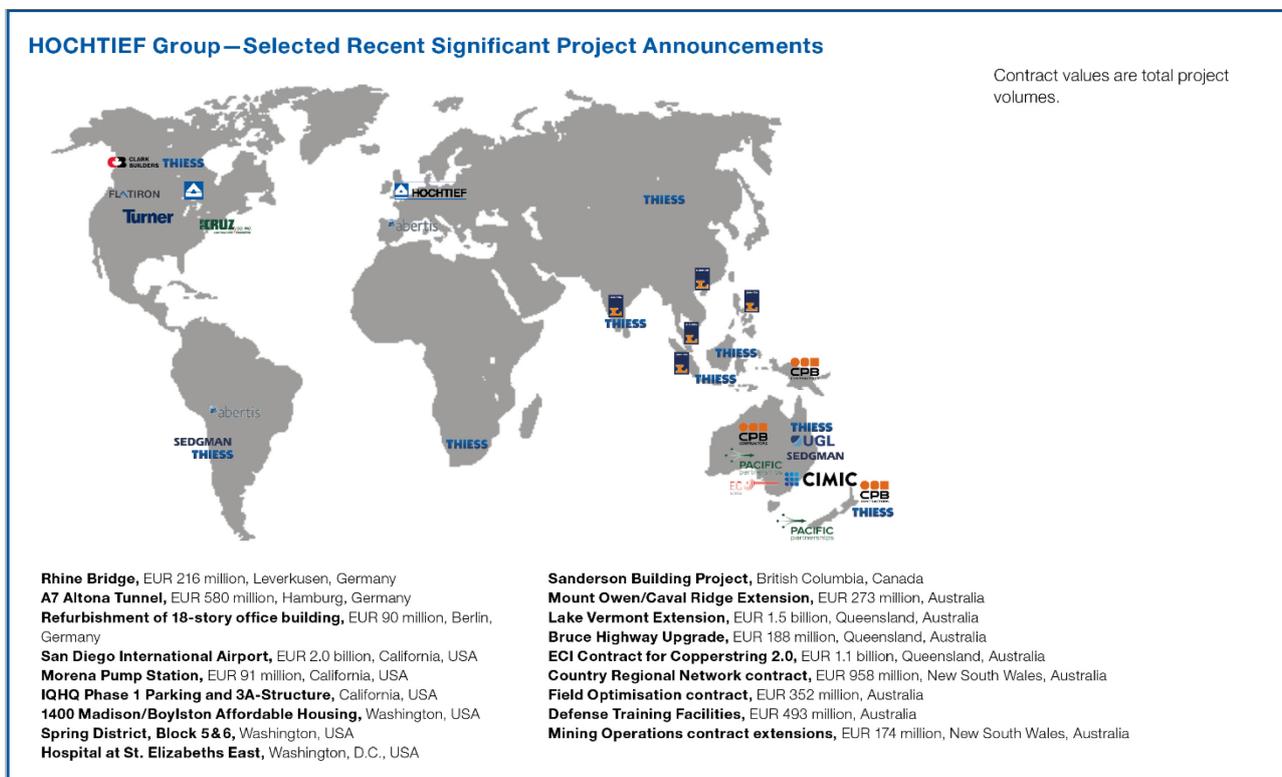
*adjusted for Thiess effect

Earnings from discontinued operations

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

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

SALD, a UAE-based private-sector investment company, will purchase CIMIC’s 45% stake in BICC for nominal consideration. The remaining 55% of BICC not held by CIMIC is also to be purchased by SALD at a nominal amount. As a result of the sale transaction, BICC ceased to be a fully consolidated entity in the consolidated financial statements as of 2021. Profit after tax from discontinued operations came to EUR 0 in the first quarter of 2021 (Q1 2020: EUR 8 million) as the risks associated with the investment had already been recognized in previous years.

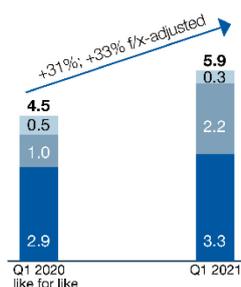


New orders and order backlog

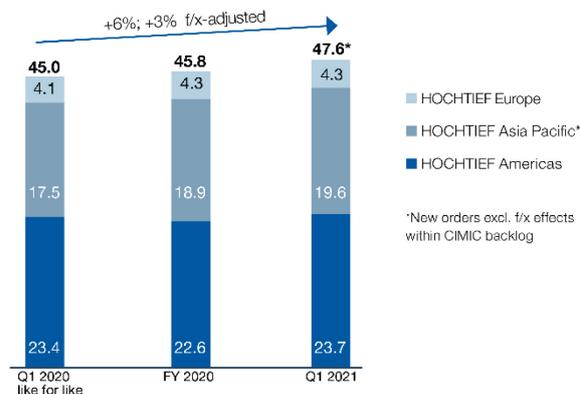
New orders of EUR 5.9 billion in Q1 2021 increased strongly year on year at 31% in nominal terms. Adjusting for exchange rate effects, the increase amounted to 33% compared to the prior-year period. The Group continues its disciplined bidding approach across all divisions.

Consequently, the **order book** rose to EUR 47.6 billion corresponding to a year-on-year increase of 6% on a comparable basis and an increase of 3% after additionally adjusting for foreign exchange rate effects. Our focus remains on developed markets. Our geographically diversified order book has a high quality with around two-thirds of the order book accounted for by construction management, contract mining, services and alliance-style contracts.

New orders (EUR billion)



Order backlog (EUR billion)



Cash flow

Cash flow – continuing operations

(EUR million)	Q1 2021	Q1 2020	Change	Full year 2020
Net cash from operating activities pre-factoring	(448.7)	(451.5)	2.8	1,098.1
Net cash from operating activities pre-factoring like for like*	(448.7)	(362.0)	(86.7)	-
Net cash from operating activities	(597.0)	(387.7)	(209.3)	742.8
Net cash from operating activities like for like*	(597.0)	(298.2)	(298.8)	-
Gross operating capital expenditure	(22.7)	(106.1)	83.4	(397.2)
Gross operating capital expenditure like for like*	(22.7)	(41.2)	18.5	-
Operating asset disposals	2.3	6.2	(3.9)	26.1
Operating asset disposals like for like*	2.3	4.7	(2.4)	-
Net operating capital expenditure	(20.4)	(99.9)	79.5	(371.1)
Net operating capital expenditure like for like*	(20.4)	(36.5)	16.1	-
Free cash flow from operations	(617.4)	(487.6)	(129.8)	371.7
Free cash flow from operations like for like*	(617.4)	(334.7)	(282.7)	-
Free cash flow from operations pre-factoring	(469.1)	(551.4)	82.3	727.0
Free cash flow from operations pre-factoring like for like*	(469.1)	(398.5)	(70.6)	-

*adjusted for Thiess effect

The cash flow performance in the first three months of 2021 reflects the typical seasonality of the first quarter as well as the effects of Covid-19 and lower sales. **Net cash from operating activities pre-factoring** came out at EUR 449 million outflow which compares to an outflow of EUR 362 million on a comparable basis (like for like). Over the last twelve months, net cash from operating activities pre-factoring was EUR 675 million on a comparable basis (like for like).

The HOCHTIEF Group's **gross operating capital expenditure** amounted to EUR 23 million in the first quarter of 2021 (55% of which was accounted for by the HOCHTIEF Asia Pacific division) compared with the prior-year figure of EUR 106 million. The marked decrease by EUR 83 million compared with the prior year reflects the first-time at-equity consolidation of Thiess in the first quarter of 2021. On a comparable basis (like for like), the decrease was EUR 19 million. Proceeds from operating asset disposals came to EUR 2 million (Q1 2020: EUR 6 million). Cash outflow for net operating capital expenditure to deliver infrastructure works was therefore EUR 20 million (Q1 2020: EUR 100 million; on a comparable basis: EUR 37 million).

Free cash flow from operations pre-factoring amounted to EUR 541 million (like for like: EUR 569 million) over the last twelve months.

Balance sheet

Total assets in the HOCHTIEF Group stood at EUR 16.8 billion as of March 31, 2021 (December 31, 2020: EUR 17.0 billion).

Non-current assets increased during the first quarter of 2021 by EUR 142 million to EUR 5.4 billion. This mainly related to exchange rate-related increases in goodwill at CIMIC and in financial assets. Financial assets were also affected by equity-method valuation of the 50% stake in Thiess.

Current assets stood at EUR 11.4 billion at the end of the first quarter of 2021, marking a decrease of EUR 292 million on the figure as of December 31, 2020. Trade receivables and other receivables went up in the first quarter of 2021 by EUR 615 million to EUR 5.7 billion, mainly due to seasonal factors and exchange rate effects. With a slight increase in marketable securities to EUR 506 million and with cash and cash equivalents of EUR 4.8 billion, HOCHTIEF continues to have a strong liquidity position totaling EUR 5.3 billion as of the March 31, 2021 reporting date. The assets held for sale were derecognized on February 15, 2021 in connection with the signing of the purchase agreement for the CIMIC investment in BICC. As of March 31, 2021, the investment is accounted for using the equity method and reported with a carrying amount of nil.

HOCHTIEF Group **equity** went up by EUR 231 million from EUR 963 million at the end of the prior year to EUR 1.2 billion as of the March 31, 2021 reporting date. The changes during the first quarter of 2021 related to profit after tax (EUR 106 million), currency translation effects (EUR 120 million), dividends (EUR -28 million) and other changes outside of the statement of earnings (EUR 33 million).

Non-current liabilities increased by EUR 408 million to EUR 5.7 billion in the first three months of 2021. The HOCHTIEF Group's non-current financial liabilities went up by a total of EUR 418 million to EUR 4.3 billion. Non-current lease liabilities recognized in accordance with IFRS 16 amounted to EUR 277 million as of the March 31, 2021 reporting date (December 31, 2020: EUR 279 million).

Current liabilities decreased relative to the 2020 year-end figure by EUR 789 million to EUR 9.9 billion at the end of the first quarter of 2021. Financial liabilities increased by EUR 114 million to EUR 1.2 billion, mainly due to the reclassification of borrowings from non-current to current liabilities. Trade payables and other liabilities, at EUR 7.8 billion, remained nearly unchanged relative to December 31, 2020. The liabilities associated with assets held for sale were derecognized on February 15, 2021 in connection with the signing of the purchase agreement for CIMIC's investment in BICC.

Net cash of the HOCHTIEF Group saw the typical seasonal development in the first quarter of 2021 and came to EUR 7 million as of the March 31, 2021 reporting date. Compared with the March 31, 2020 figure, this represented an improvement of EUR 141 million. The improvement is after EUR 722 million of shareholder remuneration via dividend and share buybacks in the last twelve months.

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

(EUR million)	Mar. 31, 2021	Mar. 31, 2020	Change	Dec. 31, 2020
HOCHTIEF Americas	1,100.1	1,155.5	(55.4)	1,399.5
HOCHTIEF Asia Pacific	(153.8)	(531.5)	377.7	114.1
HOCHTIEF Europe	503.9	353.8	150.1	544.4
Corporate	(1,443.4)	(1,112.1)	(331.3)	(1,440.1)
Group	6.8	(134.3)	141.1	617.9

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

Risk and opportunities report

There has been no material change in the situation of the Group from that presented in our 2020 Group Report with regard to opportunities and risks. The statements regarding the opportunities and risks¹ made in the Group Report as of December 31, 2020 therefore continue to apply.

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

HOCHTIEF expects to achieve an operational net profit in 2021 in the range of EUR 410 – 460 million, an increase of 11 to 25% year on year compared with the EUR 368 million of 2020 adjusted for the divestment of 50% of Thiess.

¹ Our opportunities and risks report is provided starting on page 119 of our 2020 Group Report and on our website, www.hochtief.com.

Divisions

HOCHTIEF Americas

HOCHTIEF Americas Division: Key Figures				
(EUR million)	Q1 2021	Q1 2020	Change	Full year 2020
Divisional sales	3,221.9	3,927.6	-18.0%	14,676.1
Operational profit before tax/PBT	90.9	87.7	3.6%	336.5
Operational PBT margin (%)	2.8	2.2	0.6	2.3
Operational net profit	58.2	56.0	3.9%	244.4
Nominal profit before tax/PBT	88.4	87.1	1.5%	325.9
Nominal net profit	56.4	55.5	1.6%	236.5
Net cash from operating activities	(309.4)	(232.7)	(76.7)	642.6
Net cash from operating activities pre-factoring	(278.8)	(153.5)	(125.3)	673.4
Gross operating capital expenditure	6.8	4.3	2.5	22.2
Net cash (+)/net debt (-)	1,100.1	1,155.5	(55.4)	1,399.5
New orders	3,308.9	2,942.3	12.5%	15,391.8
Work done	3,211.6	3,749.4	-14.3%	14,283.8
Order backlog (end of period)	23,728.6	23,378.9	1.5%	22,599.2
Employees (end of period)	11,899	12,254	-2.9%	12,000

Note: Operational profits are adjusted for non-operational effects

HOCHTIEF Americas delivered a sound performance in the first quarter of the year.

F/x-adjusted, **sales** of EUR 3.2 billion were 11%, or over EUR 400 million, lower than in Q1 2020 in part reflecting the Covid-19 impact, which was just in the early phases last year. The comparison is also affected by the high level of revenues registered in Q1 2020 and which were 16% higher year on year in USD. Compared with Q1 2019, sales in the first quarter of 2021 are 3% higher in local currency terms, confirming the solid nature of our Americas business.

Operational PBT advanced by 4% year on year, or EUR 3 million, to EUR 91 million in Q1 2021 with a robust margin reflecting the solid nature of the construction management activities which comprise the majority of the division's business.

The variation in **cash flows** is driven by the seasonal working capital variation and the lower level of sales. Looking at the last twelve months, to eliminate seasonality effects, net cash from operating activities stands at a very high underlying level of EUR 566 million, despite the impact of the pandemic. The divisional net cash position remained solid at the end of March 2021 at EUR 1.1 billion.

At EUR 3.3 billion, **new orders** awarded in the first three months of the year were significantly higher year on year by almost a quarter in USD terms. The period-end **order book** of EUR 23.7 billion has advanced since the end of 2020 and shows a 9% increase year on year in local currency terms.

New projects at Turner include a contract for healthcare provider Universal Health Services to build a new 136-bed hospital in Washington, D.C. The project has a total volume of around EUR 313 million.

Turner was selected to provide construction management services for over 90,000 square meters in a 42-story office building in Bellevue, Washington for Amazon.

In British Columbia, Canada, Turner is to deliver the Sanderson Building comprising two office properties and an underground parking garage. All public spaces within the Rockefeller Center campus in New York City are currently being modernized, with Turner carrying out some of the interior work.

As part of a joint venture, Flatiron is carrying out the I-10 Broadway Curve project in Arizona, which involves widening almost 18 kilometers of freeway. The contract value for the joint venture runs to some EUR 507 million.

Flatiron is also designing and building the Morena Pump Station in San Diego. Scheduled for completion in 2025, the project has a contract value of around EUR 91 million. The work constitutes a major part of the USD 2 billion Pure Water San Diego program.

HOCHTIEF Americas Outlook

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

HOCHTIEF Asia Pacific

HOCHTIEF Asia Pacific Division: Key Figures				
(EUR million)	Q1 2021	Q1 2020 like for like	Change	Full year 2020
Divisional sales	1,395.6	1,376.7	1.4%	6,886.3
Divisional sales adjusted	1,395.6	1,376.7	1.4%	7,611.7
Nominal profit before tax/PBT	63.5	56.7	12.0%	534.0
Nominal PBT margin (%)	4.6	4.1	0.5	7.0
Nominal net profit	36.8	35.1	4.8%	229.5
Net cash/net debt	(153.8)	(531.5)	377.7	114.1
Order backlog (end of period)	19,584.0	17,485.2	12.0%	18,922.1
Employees (end of period)	16,404	34,296	-52.2%	29,341

The performance of the **HOCHTIEF Asia Pacific** division reflects HOCHTIEF's stake in CIMIC (78.58% as of March 2021, 76.06% as of March 2020) as well as associated financing and holding costs, and the impact of variations in the AUD/EUR exchange rate.

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

HOCHTIEF Asia Pacific's **profit before tax** in Q1 2021 was EUR 64 million on sales of EUR 1.4 billion.

At the end of the period, the division showed a **net debt position** of EUR 154 million and an **order book** of EUR 19.6 billion.

CIMIC's key figures

For the first quarter of 2021, CIMIC reported revenue of AUD 2.2 billion, compared to AUD 2.4 billion like for like in the prior year with variation reflecting the comparison with Q1 2020 when Covid-19 had no material impact.

PBT was AUD 120 million and was stable like for like versus Q1 2020 and the associated PBT margin remained robust at 5.5%. CIMIC reported **net profit after tax** (NPAT) of AUD 100 million.

Pre-factoring, **operating cash flow** in Q1 2021 improved year on year by just over AUD 40 million and **free cash flow** was over AUD 100 million better than the comparable quarter.

Net capital expenditure of AUD 18 million was invested compared with AUD 49 million in Q1 2021. CIMIC finished the quarter with a **net debt position** of AUD 215 million.

The **work in hand** of AUD 30.2 billion, which incorporates 50% of Thiess, compares with an LFL figure of AUD 31.4 billion a year ago with a strong increase in **new orders** to AUD 3.5 billion compared with the AUD 2.3 billion of work secured in Q1 2020.

AUD 520 billion of tenders relevant to CIMIC are expected to be bid and/or awarded in 2021 and beyond. This pipeline includes AUD 130 billion of identified PPP opportunities.

New projects in the HOCHTIEF Asia Pacific division include a 10-year contract for CIMIC Group company UGL with a contract value of around EUR 958 million. The company will maintain and operate the New South Wales Country Regional Network running across 2,300 kilometers of rail.

In Queensland, CPB Contractors has been selected to deliver the Bruce Highway Upgrade Contract 2 with a contract value of some EUR 188 million. Scheduled for completion in 2024, the contract includes 18 kilometers of new highway, realignment to local roads, 19 bridges, and a new interchange.

UGL has been awarded a rail contract for the Gippsland Line in Victoria with a contract value of around EUR 80 million. New platforms and station improvements comprise the main focus of the contract. The project is expected to be completed by the end of 2022.

UGL has additionally secured a total of around EUR 70 million in maintenance contract extensions in the energy sector.

Broad Construction is to deliver the Ferny Grove Central project in Brisbane with a contract value of some EUR 65 million. Expected to be completed in 2023, the project involves the development of a residential, commercial, and retail hub while also providing parking spaces for commuter vehicles.

In Queensland, Broad Construction is to carry out the second phase of a school project, while Sedgman has been contracted with work on a dewatering facility at the Byerwen mine. The contract value of these two projects totals some EUR 65 million.

HOCHTIEF Asia Pacific Outlook

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

HOCHTIEF Europe

HOCHTIEF Europe Division: Key Figures				
(EUR million)	Q1 2021	Q1 2020	Change	Full year 2020
Divisional sales	286.3	264.0	8.4%	1,270.7
Operational profit before tax/PBT	14.4	13.2	9.1%	57.9
Operational PBT margin (%)	5.0	5.0	0.0	4.6
Operational net profit	13.4	13.3	0.8%	56.0
Nominal profit before tax/PBT	10.5	10.2	2.9%	42.9
Nominal net profit	8.0	10.2	-21.6%	40.2
Net cash from operating activities	(28.9)	(67.0)	38.1	120.8
Gross operating capital expenditure	2.4	3.0	(0.6)	10.2
Net cash (+)/net debt (-)	503.9	353.8	150.1	544.4
New orders	321.5	537.4	-40.2%	1,961.3
Work done	356.0	331.1	7.5%	1,566.6
Order backlog (end of period)	4,298.8	4,127.8	4.1%	4,319.9
Employees (end of period)	4,935	5,214	-5.4%	5,055
of which in Germany	3,180	3,262	-2.5%	3,237

Note: Operational profits are adjusted for non-operational effects

HOCHTIEF Europe made a strong start to the year with higher sales, improved cash flow performance and a solid order book, notwithstanding the impact of Covid-19.

Sales advanced by 8% year on year in Q1 2021 to EUR 286 million whilst maintaining the division's disciplined approach to bidding for new projects. **Operational net profit** of EUR 13 million was in line with the comparable period of 2020 with a solid margin level.

The movement in **net cash from operating activities** reflects the seasonality of the first quarter of the year but shows a substantial improvement year on year of EUR 38 million. Over the last twelve months, Europe has generated close to EUR 160 million in net cash from operating activities.

At the end of March 2021, the division's balance sheet maintained a strong net cash position of EUR 504 million, up EUR 150 million year on year.

New orders in the period of EUR 321 million mean that in the last twelve months EUR 1.7 billion of new work has been secured, equivalent to 1.1x work done during the period. The divisional **order backlog** ended 2020 at EUR 4.3 billion representing visibility of almost three years.

New orders in the HOCHTIEF Europe division include the contract to continue construction of the Rhine Bridge at Leverkusen carrying the A1 freeway. HOCHTIEF is to deliver a section of the approximately one-kilometer-long structure by the end of 2023. HOCHTIEF has a 32% share of the EUR 216 million total contract value.

In the Netherlands, HOCHTIEF expanded capacities at the port of Rotterdam. Europe's largest container port is to be extended by some 2.4 kilometers of additional quay facilities by 2024. The project has a total value of just under EUR 170 million, with HOCHTIEF's share amounting to around EUR 70 million.

In Kraków, Poland, HOCHTIEF is to build a new headquarters for Małopolska Science Centre Cogiteon by the beginning of 2023. The building will be notable for sustainability features including the city's first large-scale, walk-on rooftop garden extending to almost 10,000 square meters.

HOCHTIEF Europe Outlook

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

Abertis Investment

Abertis key figures (100%)				
(EUR million)	Q1 2021	Q1 2020	Change	Full year 2020
Operating revenues	1,069	1,043	2%	4,054
Operating revenues comparable ¹⁾	-	-	-3%	-
EBITDA	709	667	6%	2,628
Comparable EBITDA ¹⁾	-	-	-2%	-
Net profit pre-PPA	84	119	-29%	365

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

Abertis Investment contribution to HOCHTIEF				
(EUR million)	Q1 2021	Q1 2020	Change	Full year 2020
Nominal result ²⁾	-3.0	1.2	-	-17.1
Operational result ³⁾	-3.0	1.2	-	-17.1
Abertis—dividend received	-	-	-	172.8

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

3) Operational result included in PBT and Net Profit/NPAT

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

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

For the first quarter of 2021, a EUR -3 million earnings contribution from Abertis was recognized, compared with EUR 1 million in Q1 2020.

Key developments at Abertis

Abertis' **average daily traffic** in Q1 2021 was 3.5% lower year on year due to ongoing mobility restrictions but benefiting from the resilience afforded by the group's diversified portfolio of toll roads and an increase in heavy vehicle traffic.

Individual country performances varied based on the timing and extent of lockdown measures as well as prevailing travel restrictions: France -9%, Spain -19%, Italy -9%, Brazil -1%, Chile +1%, Mexico -1% and USA -1%.

Total revenues were up slightly year on year, 2%, at EUR 1.07 billion due to the incorporation of two 2020 acquisitions (Red de Carreteras de Occidente (RCO), Mexico; Elizabeth River Crossings (ERC), USA) driving a 6% increase in EBITDA to EUR 709 million. Net profit pre-PPA was EUR 84 million.

Toll road company Abertis distributed a **dividend** of EUR 601 million in April 2021, of which HOCHTIEF received a share of EUR 119 million. HOCHTIEF received EUR 110 million. The Abertis Board of Directors also approved a dividend policy of EUR 600 million to be paid in 2022.

Abertis' capital structure was reinforced with hybrid bonds issues of EUR 1.25 billion in November 2020 and EUR 750 million in January 2021. Abertis maintains a strong **liquidity position** with no material refinancing needs until 2023.

Abertis Investment Outlook

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

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	Q1 2021	Q1 2020 (restated)*	Change	Full year 2020
Sales	4,934,409	6,155,520	-19.8%	22,953,752
Changes in inventories	4,915	20,244	-75.7%	30,991
Other operating income	42,638	48,579	-12.2%	1,651,822
Materials	(3,649,627)	(4,453,708)	-18.1%	(17,435,055)
Personnel costs	(911,523)	(1,093,217)	-16.6%	(4,418,586)
Depreciation and amortization	(74,814)	(174,373)	-57.1%	(703,634)
Other operating expenses	(216,844)	(285,094)	-23.9%	(1,169,595)
Share of profits and losses of equity- method associates and joint ventures	37,426	31,214	19.9%	106,936
Net income from other participating interests	9,067	2,916	210.9%	19,911
Investment and interest income	15,937	20,890	-23.7%	63,975
Investment and interest expenses	(46,187)	(65,873)	-29.9%	(218,571)
Profit before tax – continuing operations	145,397	207,098	-29.8%	881,946
Income taxes	(39,147)	(60,085)	-34.8%	(332,305)
Profit after tax – continuing operations	106,250	147,013	-27.7%	549,641
Of which: Attributable to non-controlling interest	20,237	32,161	-37.1%	122,400
Of which: Attributable to HOCHTIEF shareholders (net profit)	86,013	114,852	-25.1%	427,241
Profit after tax – discontinued operations	-	7,852	-100.0%	32,439
Of which: Attributable to non-controlling interest	-	7,852	-100.0%	32,439
Of which: Attributable to HOCHTIEF shareholders (net profit)	-	-	-	-
Profit after tax – total	106,250	154,865	-31.4%	582,080
Of which: Attributable to non-controlling interest	20,237	40,013	-49.4%	154,839
Of which: Attributable to HOCHTIEF shareholders (net profit)	86,013	114,852	-25.1%	427,241
Earnings per share (EUR)				
Diluted and basic earnings per share – continuing operations	1.26	1.63	-22.7%	6.16
Diluted and basic earnings per share – discontinued operations	-	-	-	-
Total earnings per share	1.26	1.63	-22.7%	6.16

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

Consolidated Statement of Comprehensive Income

(EUR thousand)	Q1 2021	Q1 2020 (restated)*	Change	Full year 2020
Profit after tax	106,250	154,865	-31.4%	582,080
Items that may be reclassified subsequently to profit or loss				
Currency translation differences**	120,017	(49,194)	–	(222,098)
Changes in fair value of financial instruments				
Primary	16,247	3,597	351.7%	(3,764)
Derivative	(1,392)	(2,083)	33.2%	(1,921)
Share of other comprehensive income of equity-method associates and joint ventures	12,848	(76,130)	–	(66,106)
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	23,370	15,411	51.6%	(28,969)
Other comprehensive income (after tax)	171,090	(108,399)	–	(322,858)
Total comprehensive income after tax	277,340	46,466	496.9%	259,222
Of which: Non-controlling interest	52,785	28,546	84.9%	78,481
Of which: HOCHTIEF Group	224,555	17,920	–	180,741

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

**Thereof discontinued operations EUR 32,505 thousand (Q1 2020 restated: EUR -13,111 thousand; Full year 2020: EUR -51,157 thousand).

Consolidated Balance Sheet

(EUR thousand)	Mar. 31, 2021	Dec. 31, 2020
Assets		
Non-current assets		
Intangible assets	1,085,931	1,041,440
Property, plant and equipment	902,336	912,110
Investment properties	20,369	20,629
Equity-method investments	2,495,819	2,409,185
Other financial assets	77,056	63,641
Financial receivables	114,434	111,580
Other receivables and other assets	188,517	180,542
Non-current income tax assets	2,917	4,065
Deferred tax assets	518,388	520,553
	5,405,767	5,263,745
Current assets		
Inventories	295,092	284,094
Financial receivables	132,556	113,962
Trade receivables and other receivables	5,654,799	5,040,054
Current income tax assets	21,867	27,795
Marketable securities	505,885	473,537
Cash and cash equivalents	4,815,163	4,949,899
Assets held for sale	–	828,469
	11,425,362	11,717,810
	16,831,129	16,981,555
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to HOCHTIEF shareholders	894,221	669,607
Attributable to non-controlling interest	299,146	293,012
	1,193,367	962,619
Non-current liabilities		
Provisions for pensions and similar obligations	443,123	481,607
Other provisions	374,526	358,597
Financial liabilities	4,349,957	3,932,097
Lease liabilities	276,689	279,367
Trade payables and other liabilities	214,569	209,914
Deferred tax liabilities	54,621	43,608
	5,713,485	5,305,190
Current liabilities		
Other provisions	767,330	775,477
Financial liabilities	1,165,867	1,051,368
Lease liabilities	123,131	123,068
Trade payables and other liabilities	7,800,013	7,857,106
Current income tax liabilities	67,936	69,602
Liabilities associated with assets held for sale	–	837,125
	9,924,277	10,713,746
	16,831,129	16,981,555

Consolidated Statement of Cash Flows

(EUR thousand)	Q1 2021	Q1 2020 (restated)*
Profit after tax	106,250	154,865
Depreciation, amortization, impairments, and impairment reversals	68,538	169,405
Changes in provisions	(29,914)	(17,345)
Changes in deferred taxes	23,629	46,443
Gains/(losses) from disposals of non-current assets and marketable securities	(1,729)	(4,207)
Other non-cash income and expenses and deconsolidations	(13,408)	24,539
Changes in working capital (net current assets)	(750,291)	(767,661)
Changes in other balance sheet items	(103)	55
Cash flow from operating activities	(597,028)	(393,906)
Intangible assets, property, plant and equipment, and investment properties		
Operational purchases	(22,687)	(106,010)
Payments from asset disposals	2,267	6,198
Acquisitions and participating interests		
Purchases	(50,407)	(123,916)
Payments from asset disposals/divestments	186	197
Changes in cash and cash equivalents due to changes in the scope of consolidation	(14,439)	1,390
Changes in marketable securities and financial receivables	(26,259)	(221,643)
Cash flow from investing activities	(111,339)	(443,784)
Disbursements for repurchase of treasury stock	-	(19,111)
Disbursements for repurchase of treasury stock at CIMIC	-	(2,337)
Payments into equity from non-controlling interests	4,619	4,491
Disbursements for acquisition of additional shares in subsidiaries	-	(100,522)
Dividends to non-controlling interests	(1,997)	(6,047)
Proceeds from new borrowing	714,414	3,829,408
Debt repayment	(278,143)	(1,729,579)
Repayment of lease liabilities	(40,269)	(69,312)
Cash flow from financing activities	398,624	1,906,991
Net change in cash and cash equivalents	(309,743)	1,069,301
Effect of exchange rate changes	160,314	(146,149)
Overall change in cash and cash equivalents	(149,429)	923,152
Cash and cash equivalents at the start of the year	4,964,592	4,499,585
Of which: Included in assets held for sale	14,693	-
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	4,949,899	4,499,585
Cash and cash equivalents at year-end	4,815,163	5,422,737
Of which: Included in assets held for sale	-	-
Of which: Cash and cash equivalents as per Consolidated Balance Sheet	4,815,163	5,422,737

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

Consolidated Statement of Changes in Equity

(EUR thousand)	Subscribed capital of HOCHTIEF Aktien-gesellschaft	Capital reserve of HOCHTIEF Aktien-gesellschaft	Retained earnings including distributable profit	Accumulated Remeasure-ment of defined benefit plans	other comprehensive income Currency translation differences	Changes in fair value of financial instruments	Attributable to HOCHTIEF shareholders	Attributable to non-controlling interest	Total
Balance as of Jan. 01, 2020	180,856	1,711,057	(293,206)	(356,288)	104,140	(61,083)	1,285,476	309,443	1,594,919
Dividends	–	–	–	–	–	–	–	(9,858)	(9,858)
Profit after tax (restated)*	–	–	114,852	–	–	–	114,852	40,013	154,865
Currency translation differences and changes in fair value of financial instruments (restated)*	–	–	–	–	(39,317)	(73,026)	(112,343)	(11,467)	(123,810)
Changes from remeasurement of defined benefit plans	–	–	–	15,411	–	–	15,411	–	15,411
Total comprehensive income (restated)*	–	–	114,852	15,411	(39,317)	(73,026)	17,920	28,546	46,466
Other changes not recognized in the Statement of Earnings	–	–	(125,698)	–	–	–	(125,698)	(17,913)	(143,611)
Balance as of Mar. 31, 2020 (restated)*	180,856	1,711,057	(304,052)	(340,877)	64,823	(134,109)	1,177,698	310,218	1,487,916
Balance as of Jan. 01, 2021	180,856	1,711,057	(662,575)	(385,257)	(49,178)	(125,296)	669,607	293,012	962,619
Dividends	–	–	–	–	–	–	–	(27,623)	(27,623)
Profit after tax	–	–	86,013	–	–	–	86,013	20,237	106,250
Currency translation differences and changes in fair value of financial instruments	–	–	–	–	90,390	24,782	115,172	32,548	147,720
Changes from remeasurement of defined benefit plans	–	–	–	23,370	–	–	23,370	–	23,370
Total comprehensive income	–	–	86,013	23,370	90,390	24,782	224,555	52,785	277,340
Other changes not recognized in the Statement of Earnings	–	–	59	–	–	–	59	(19,028)	(18,969)
Balance as of Mar. 31, 2021	180,856	1,711,057	(576,503)	(361,887)	41,212	(100,514)	894,221	299,146	1,193,367

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

Explanatory Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of and for the three months ended March 31, 2021, which were released for publication on May 10, 2021, have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. In accordance with IAS 34, the reported information is presented in condensed form relative to the full Consolidated Financial Statements.

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

Due to a change in capital market interest rates, HOCHTIEF has modified the discount rates for the measurement of pension obligations as follows as of March 31, 2021:

(in %)	Mar. 31, 2021	Dec. 31, 2020
Germany	1.36	1.00
USA	2.45	2.17
UK	2.10	1.45

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

While most of HOCHTIEF's operations were classified as essential services with a focus on business continuity, the corona pandemic (Covid-19) led to a temporary delay in new work and slowdown of revenues across our activities, both domestic and overseas.

As the corona pandemic continues to evolve, HOCHTIEF is monitoring the impact of Covid-19 on 2021 operational and financial performance. Notwithstanding the impact from the evolving Covid-19 situation, the outlook across all of HOCHTIEF's core markets remains positive.

Currency translation

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

(All rates in EUR)	Average		Daily average at reporting date	
	Q1 2021	Q1 2020	Mar. 31, 2021	Dec. 31, 2020
1 U.S. dollar (USD)	0.83	0.91	0.85	0.81
1 Australian dollar (AUD)	0.64	0.58	0.65	0.63
1 British pound (GBP)	1.15	1.16	1.17	1.11
100 Polish złoty (PLN)	21.90	22.77	21.50	21.93
100 Czech koruna (CZK)	3.83	3.85	3.83	3.81
100 Chilean pesos (CLP)	0.12	0.11	0.12	0.12

Changes in the scope of consolidation

The Consolidated Financial Statements for the first quarter of 2021 include one German company for the first time. One German and 24 foreign companies have been removed from the scope of consolidation.

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

The Consolidated Financial Statements as of March 31, 2021 include HOCHTIEF Aktiengesellschaft as well as a total of 45 German and 306 foreign consolidated companies, 15 German and 93 foreign companies accounted for using the equity method as well as 78 foreign joint operations.

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

Non-current assets held for sale and discontinued operations

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

SALD, a UAE-based private-sector investment company, will purchase CIMIC’s 45% stake in BICC for nominal consideration. The remaining 55% of BICC not held by CIMIC is also to be purchased by SALD at a nominal amount. As a result of the sale transaction, BICC ceased to be a fully consolidated entity in the Consolidated Financial Statements as of 2021.

The assets and liabilities classified as held for sale are presented separately in the Balance Sheet. As of December 31, 2020, the assets came to EUR 828 million and the liabilities to EUR 837 million. The assets held for sale and the liabilities associated with the assets held for sale were derecognized in the first quarter of 2021 in connection with the signing of the purchase agreement for the investment in BICC on February 15, 2021. As the transaction is expected to close in the next few months, the investment is accounted for using the equity method with a carrying amount of EUR 0 under assets held for sale as of March 31, 2021.

Profit after tax from discontinued operations came to EUR 0 in the first quarter of 2021 (March 31, 2020: EUR 8 million) as the risks associated with the investment had already been recognized in previous years. The deconsolidation consequently had no impact on profit or loss.

Group company CIMIC

HOCHTIEF’s stake in CIMIC as of March 31, 2021 is unchanged relative to December 31, 2020, at 78.58% (March 31, 2020: 76.06%).

Trade receivables and other receivables

(EUR thousand)	Mar. 31, 2021	Dec. 31, 2020
Trade receivables	3,354,948	2,992,476
Contract assets	1,619,604	1,413,818
Other receivables and other assets	868,764	814,302
	5,843,316	5,220,596

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

Trade payables and other liabilities

(EUR thousand)	Mar. 31, 2021	Dec. 31, 2020
Trade payables	5,623,235	5,568,759
Contract liabilities	1,847,703	1,893,381
Other liabilities	543,644	604,880
	8,014,582	8,067,020

Reporting on financial instruments

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

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

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

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

(EUR thousand)	Mar. 31, 2021				Dec. 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Other financial assets	337	31,342	45,377	77,056	308	27,133	36,200	63,641
Other receivables and other assets								
Non-current	–	–	–	–	3	744	–	747
Current	250	548	–	798	71	3,259	–	3,330
Marketable securities	505,740	145	–	505,885	473,398	139	–	473,537
Total assets	506,327	32,035	45,377	583,739	473,780	31,275	36,200	541,255
Liabilities								
Other liabilities								
Non-current	119	7,886	8,435	16,440	13	8,755	8,178	16,946
Current	115	9,337	–	9,452	42	22,162	–	22,204
Total liabilities	234	17,223	8,435	25,892	55	30,917	8,178	39,150

Within each class of financial instrument, where fair value can be measured reliably, fair value generally corresponds to carrying amount. The only class of financial instrument for which the two differ is financial liabilities measured at amortized cost, which have a total carrying amount of EUR 5,515,824 thousand (December 31, 2020: EUR 4,983,465 thousand) and a fair value of EUR 5,562,099 thousand (December 31, 2020: 5,055,761 thousand).

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

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

In Level 3, the fair value of investments in unlisted entities is measured using generally recognized valuation techniques based on discounted cash flow analysis. The unobservable inputs are the internal rate of return as well as the growth rate and discount rate. Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognized in profit or loss, total assets, total liabilities or total equity. Reconciliation of opening to closing balances for Level 3 measurements of other financial assets as well as other liabilities:

Level 3 reconciliation Q1 2021:

(EUR thousand)

Balance as of Jan. 1, 2021	28,022
Currency adjustments	983
Gains/(losses) recognized in profit or loss	6,273
Other changes	1,664
Balance as of Mar. 31, 2021	36,942

Level 3 reconciliation FY 2020:

(EUR thousand)

Balance as of Jan. 1, 2020	70,118
Currency adjustments	(1,286)
Gains/(losses) recognized in profit or loss	900
Other changes	(41,710)
Balance as of Dec. 31, 2020	28,022

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

Capital risk management

The Group continued to show a temporarily higher liquidity level in the first three months of 2021, with cash and cash equivalents at EUR 4,818,083 thousand (December 31, 2020: EUR 4,952,730 thousand). Agreed facilities continued to be drawn down as a precautionary risk mitigation measure with a view to potential financial market uncertainties due to Covid-19.

Cash in the amount of EUR 183,361 thousand (December 31, 2020: EUR 281,526 thousand) is subject to financial and operational restrictions or is restricted in relation to the sale of receivables.

Treasury stock

As of March 31, 2021, HOCHTIEF Aktiengesellschaft held a total of 2,459,263 shares of treasury stock (3.48% of the capital stock).

Dividend

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

Financial events

HOCHTIEF and the main corporate units continued to show temporarily higher liquidity levels in the first quarter of 2021 in the course of the corona pandemic. For instance, the syndicated cash credit facility arranged in May 2020 and maturing in November 2021 was fully drawn at EUR 400 million as of the balance sheet date, as in the past year. The proceeds from these drawings remain temporarily deposited in short-term investments.

As of the balance sheet date, utilization of the commercial paper program launched in May 2020 stood at EUR 155 million.

In March, rating agency Standard & Poor's ("S&P") changed the rating for HOCHTIEF to BBB-/A-3, outlook stable. For CIMIC, the S&P rating also changed to BBB-/A-3 in March, while rating agency Moody's already confirmed its credit rating in January 2021 (Baa2/stable).

In relation to events after March 31, 2021, this text refers to the section "Events since the balance sheet date" at the end of the explanatory notes to the Consolidated Financial Statements.

Trade finance arrangements

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

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

The factoring of these receivables is therefore done on a non-recourse basis. The level of non-recourse factoring across the Group was EUR 1 billion as of March 31, 2021 (March 31, 2020: EUR 1.5 billion and December 31, 2020: EUR 1.1 billion).

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

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

Accordingly, the terms of the arrangement do not modify the original liability, and therefore the amounts continue to be classified within trade and other payables. The level of supply chain finance across the Group was EUR 106 million as of March 31, 2021 (March 31, 2020: EUR 460 million and December 31, 2020: EUR 145.6 million).

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they have increased since December 31, 2020 by EUR 69,218 thousand to EUR 219,123 thousand.

Segment reporting

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

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

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

HOCHTIEF Asia Pacific pools the construction, services, and PPP activities in the Asia-Pacific region.

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

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

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

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

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

Sales at HOCHTIEF Americas in the amount of EUR 3,221,931 thousand (March 31, 2020: EUR 3,927,613 thousand) are recognized mainly in the "Construction management and services" category. At HOCHTIEF Asia Pacific, sales of EUR 1,395,648 thousand (March 31, 2020: EUR 1,931,413 thousand) are mainly generated in the activities "Construction/PPP" and "Construction management and services." External sales at HOCHTIEF Europe in the amount of EUR 284,685 thousand (March 31, 2020: EUR 262,907 thousand) are mainly recognized in the "Construction/PPP" category. Other sales recognized in "Corporate" amount to EUR 32,145 thousand (March 31, 2020: EUR 33,587 thousand).

Sales not related to contracts with clients, mainly relating to "Other" activities in Corporate, amount to EUR 40,967 thousand (March 31, 2020: EUR 43,950 thousand).

Almost all sales are recognized over time.

Reconciliation of profit before tax to EBITDA

(EUR thousand)	Q1 2021	Q1 2020
Profit before tax – continuing operations	145,397	207,098
+ Investment and interest expenses	46,187	65,873
- Investment and interest income	(15,937)	(20,890)
- Net income from other participating interests (excluding gains/losses from disposals of participating interests)	(9,067)	(2,968)
+ Adjustment for non-operating net expenses	6,267	11,935
EBIT – continuing operations	172,847	261,048
+ Depreciation and amortization	74,814	174,373
EBITDA – continuing operations	247,661	435,421

Basic and diluted earnings per share

	Q1 2021	Q1 2020
Consolidated net profit (EUR thousand)	86,013	114,852
Number of shares in circulation (weighted average) in thousands	68,187	70,611
Earnings per share (EUR)	1.26	1.63

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

Related party disclosures

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

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

Events since the balance sheet date

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

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

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

Publication Details and Credits

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Current financial calendar:

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

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

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the Executive Board of HOCHTIEF Aktiengesellschaft concerning future events and developments relating to HOCHTIEF Aktiengesellschaft and/or the HOCHTIEF Group and are based on information currently available to the Executive Board of HOCHTIEF Aktiengesellschaft. Such statements involve risks and uncertainties and do not guarantee future results (such as profit before tax or consolidated net profit) or developments (such as with regard to possible future divestments, planned investments or acquisitions, general business activities or business strategy). Actual results (such as profit before tax or consolidated net profit), dividends and other developments (such as with regard to possible future divestments, planned investments or acquisitions, general business activities or business strategy) relating to HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group may therefore differ materially from the expectations and assumptions described or implied in such statements due to, among other things, changes in the general economic, sectoral and competitive environment, capital market developments, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, the conduct of other shareholders, and other factors. Any information provided on dividends is additionally subject to the recognition of a corresponding unappropriated net profit in the published separate financial statements of HOCHTIEF Aktiengesellschaft for the fiscal year concerned and the adoption by the competent decision-making bodies of HOCHTIEF Aktiengesellschaft of appropriate resolutions taking into account the prevailing situation of the Company. Aside from statutory publication obligations, HOCHTIEF Aktiengesellschaft does not assume any obligations to update any forward-looking statements.

