QUARTERLY REPORT

JANUARY TO MARCH 2023

Financial Highlights

- **Operational net profit** EUR 138 million, +16% year on year;
  nominal net profit EUR 128 million, +20%
- **Cash flow** from operating activities of EUR 1.1 billion last twelve months up EUR +352 million year on year
- **Net cash** position shows underlying year-on-year improvement of EUR 714 million
- Strong growth in **new orders** of approximately 30%, EUR 2 billion, to EUR 8.5 billion
- **Guidance** FY 2023: operational net profit of EUR 510–550 million

150 YEARS

We are building the world of tomorrow.

HOCHTIEF

HOCHTIEF Group
3M 2023 Financial Highlights

Operational net profit EUR 138 million, +16% year on year; nominal net profit EUR 128 million, +20%

- Strong performance with **sales** up 16% year on year at EUR 6.2 billion (+14% f/x-adj.), driven by HOCHTIEF Americas and Asia Pacific divisions
- Stable **operational net profit margin** of 2.2% and operational PBT margin of 3.3%
- All divisions contributed to Group's operational net profit growth

Cash flow from operating activities[1] of EUR 1.1 billion last twelve months up EUR +352 million year on year

- Q1 outflow reflects characteristic Q1 cash flow seasonality with year-on-year variation driven by strong sales growth and following an outstanding Q4 2022 net working capital performance
- **Net operating capex** ramped up to EUR 50 million mainly due to increased purchases of job-costed tunneling equipment

Net cash position shows underlying year-on-year improvement of EUR 714 million

- EUR 390 million net debt position at a similar level to Q1 2022 after several non-operating effects LTM, including
  - M&A (CIMIC minority buyout, HOT capital increase, MACA acquisition, partial Ventia divestment),
  - HOCHTIEF dividend distribution,
  - Other non-operating effects (payments CCPP and Chilean project, Ventia stake)

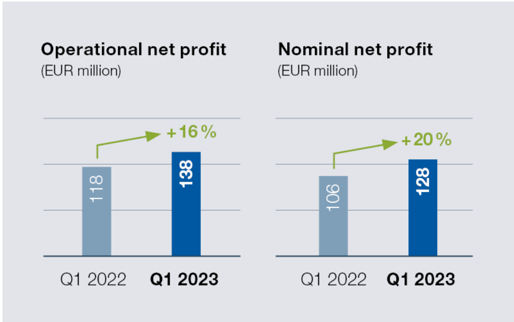
Strong growth in new orders of approximately 30%, EUR 2.0 billion, to EUR 8.5 billion

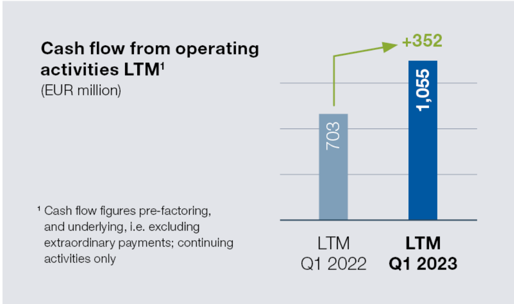
- Several important new **high-tech infrastructure projects** secured
- **New orders** represent 1.1x work done last twelve months
- **Order backlog** of EUR 51.8 billion up 6% year on year, or 3% year to date, both f/x-adjusted
- Proportion of **lower-risk order book** has **significantly increased** over last 5 years to over 80%

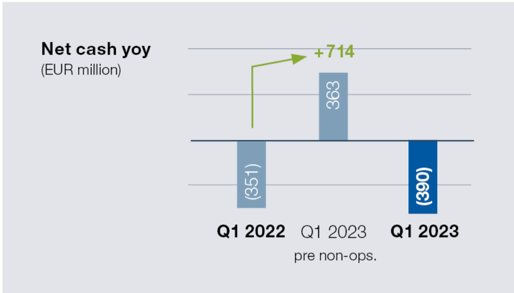
Guidance FY 2023: operational net profit of EUR 510–550 million

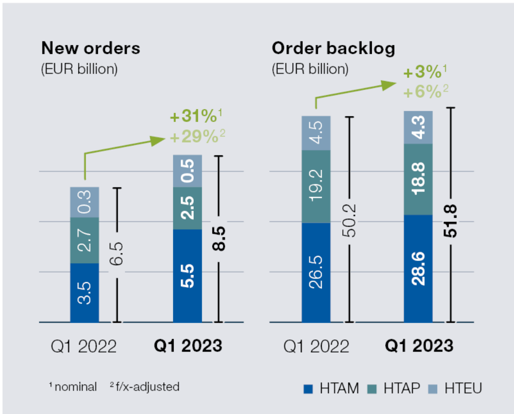
- Consolidating core market positions and developing presence in the **structural growth areas of high-tech, energy transition and sustainable infrastructure**
- **Capital allocation** to support diversification, simplification, growth and high-tech infrastructure expertise
- **Dividend of EUR 4.00 per HOCHTIEF share approved at recent Annual General Meeting** (vs. EUR 1.91 for 2021)

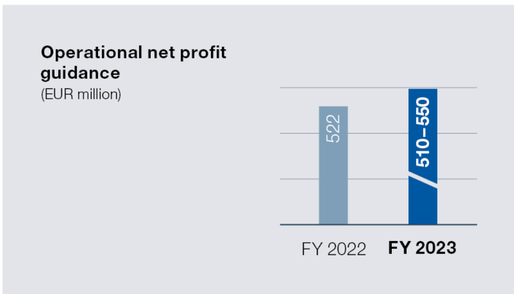
LTM = last twelve months; yoy = year on year
[1] Cash flow figures pre-factoring, and underlying, i.e. excluding extraordinary payments; continuing activities only











Dear Shareholders,

Juan Santamaría Cases
Chairman of the Executive Board

HOCHTIEF has delivered a positive start to 2023 with solid growth in sales, profits and new orders during the first quarter.

This is a consequence of the hard work of our 37,000 qualified and motivated professionals who are committed to delivering high-quality projects at our well positioned businesses with their long-standing local presence in developed markets and with the support of our clients, subcontractors and suppliers.

Sales increased by 16% during the period to EUR 6.2 billion. HOCHTIEF's **operational net profits** rose by 16% to EUR 138 million with all divisions contributing to the increase. **Nominal net profit** of EUR 128 million was 20% higher year on year.

The **cash flow** performance for the period reflects the characteristic seasonal movement seen during the first quarter of the year with the year-on-year variation driven mainly by our strong sales growth. Looking at the last twelve months, to adjust for the impact of seasonality, cash flow from operating activities stands at a strong level of EUR 1.1 billion, an increase of more than EUR 352 million year on year.

HOCHTIEF ended the period with the **balance sheet** showing net debt of EUR 390 million at a similar level to March 2022. This is after net M&A investments, during the previous twelve months, of EUR 534 million including the acquisition of CIMIC minorities and Australian natural resources company MACA as well as EUR 130 million in dividend payments to HOCHTIEF shareholders. Adjusting for these impacts and other non-operational items, net cash would show an increase of EUR 714 million year on year.

New orders during the first quarter of the year rose strongly to EUR 8.5 billion up approximately 30% year on year and include several important high-tech infrastructure projects. At the end of March 2023, the Group's order book stands at EUR 51.8 billion and is up by EUR 1.6 billion year on year, 6% on an f/x-adjusted basis.

HOCHTIEF's **objective** is to generate cash-backed profits driving an attractive level of shareholder remuneration which will facilitate us in creating value for all our stakeholders.

Following HOCHTIEF's strong operating and financial performance, our recent AGM approved a **dividend** for FY 2022 of EUR 4.00 per share, compared with EUR 1.91 per share for 2021. This represents an approximately 65% payout on the nominal net profit for the year or EUR 300 million in absolute terms.

To achieve our objectives our **strategy** is to further strengthen HOCHTIEF's position in its core markets whilst at the same time pursuing selective growth opportunities, particularly in the rapidly expanding areas of high-tech, energy transition and sustainable infrastructure markets.

Strong growth in these areas is being driven by several long-term **megatrends** related to digitization, sustainability and decarbonization as well as urbanization, demographics and industrial reshoring. These trends are driving strong investment growth in specific areas where HOCHTIEF is well positioned as a key player and can deliver optimal solutions for our private and public-sector clients across the value chain.

Our strategic direction is underpinned by our continued focus on:

- further **derisking** our order book, where lower-risk contracts now account for over 80% of the total.
- enhancing our **engineering** competencies alongside the development of new innovative **digital systems** and strengthening our **logistics** know-how,
- **capital allocation** to support diversification, simplification, growth and our high-tech infra expertise,
- and supporting and implementing environmental, social and governance targets for a **sustainable** future and grasping the opportunities that these bring.

Backed by our engineering, services and project management know-how and long-standing local presence in our key developed markets, we will continue to manage the future of the company for the benefit of all its shareholders, employees and other stakeholders in a sustainable manner.

We have incorporated almost 5,000 new professionals over the last 12 months to support our growth strategy. In a period of labor shortages, this is reflection of the ability of our Group to attract talented individuals.

Environmental, social and governance, **ESG**, is a strategic priority for management. In 2021, HOCHTIEF made the commitment to be climate-neutral by 2045. Since 2022, we have created internal international working groups, which have been delivering on the commitments we made in our Sustainability Plan.

Our **sustainability** performance already puts us amongst the leading companies in our industry. HOCHTIEF subsidiary Turner has once again been recognized as the largest green builder in the United States whilst in Australia CIMIC is one of the leading providers of sustainable infrastructure projects. Overall the HOCHTIEF Group delivered EUR 11.8 billion of certified green projects last year.

In 2022, for the 17th year in a row, HOCHTIEF was included in the internationally recognized Dow Jones Sustainability Index and ranks positively with ESG rating agencies, such as Sustainalytics and MSCI. We plan to continue developing our position as a leader in environmental, social, and governance topics.

HOCHTIEF celebrates its **150th birthday** this year. I am proud and grateful to lead a company with such a long and rich history. For a century and a half, we have been "building the world of tomorrow": constructing and adapting buildings and infrastructure to the challenges of changing times. The current period of transformation includes the energy transition, digitization and mobility concepts which are generating many opportunities for HOCHTIEF and we will continue to leverage our know-how and skills for the benefit of all our stakeholders.

Group Outlook

The global economy is currently facing significant macroeconomic challenges. HOCHTIEF is actively managing these challenges and is well positioned for the future based on its solid, long-standing local positions in its key developed markets, its geographical and currency diversification, and a significantly derisked and growing order book. The Group is achieving strong growth in several high-tech infrastructure areas, winning projects related to energy transition, new mobility concepts and digitization. Our guidance for 2023 is that we expect to achieve an operational net profit in the range of EUR 510–550 million subject to market conditions.

Juan Santamaría Cases
Chairman of the Executive Board

Interim Management Report
Financial review

Summary assessment of the business situation
HOCHTIEF had a solid start into fiscal 2023. In the first quarter, the Group generated nominal net profit of EUR 128 million in the first quarter of 2023, 20% higher than the comparable prior-year figure. Operational net profit rose by 16% to EUR 138 million (Q1 2022: EUR 118 million) with all divisions contributing to this increase. Sales also grew strongly in the first three months of 2023—driven by the HOCHTIEF Americas and HOCHTIEF Asia Pacific divisions—and increasing by 16% to EUR 6.2 billion. At EUR 8.5 billion an increase of 31%, new orders showed significant growth in the first quarter of 2023. Several new high-tech infrastructure projects have been awarded and over the last twelve months the total level of new orders amounted to 1.1x work done. Consequently, the order backlog increased by 6% on an exchange rate adjusted basis and amounted to EUR 51.8 billion at the March 31, 2023 reporting date.

Sales and earnings
HOCHTIEF generated **sales** of EUR 6.2 billion in the first quarter of 2023. This marked a significant 16% increase on the prior-year figure (EUR 5.3 billion). Adjusted for exchange rate effects, sales were up 14%.

Sales

(EUR million)	**Q1 2023**	Q1 2022	Change	Change f/x-adjusted
HOCHTIEF Americas	4,052.3	3,505.3	15.6%	11.7%
HOCHTIEF Asia Pacific	1,793.4	1,516.3	18.3%	21.7%
HOCHTIEF Europe	299.8	276.6	8.4%	8.0%
Corporate	43.6	35.1	24.2%	20.5%
HOCHTIEF Group	**6,189.1**	**5,333.3**	**16.0%**	**14.4%**

Sales in the HOCHTIEF Americas division amounted to EUR 4.1 billion in the first quarter of 2023, up 16% on the prior-year figure of EUR 3.5 billion. The main drivers of this year-on-year sales growth were data center, industrial and transportation activities. Adjusted for exchange rate effects, the sales increase was 12%.

Sales in the HOCHTIEF Asia Pacific division relate to the operating business at CIMIC and reached EUR 1.8 billion in the first quarter of 2023. This represents an 18% increase on the comparative prior-year figure (EUR 1.5 billion). The improvement was attributable to sales growth across all construction and services activities. On an exchange rate adjusted basis, the increase was 22%.

The HOCHTIEF Europe division generated sales of EUR 300 million in the first quarter of 2023. Compared to the prior-year period (EUR 276 million), sales increased by 8%.

Sales generated in markets outside Germany in the first quarter of 2023 amounted to EUR 6.0 billion (Q1 2022: EUR 5.1 billion). At 97%, the proportion of HOCHTIEF Group sales generated internationally was slightly higher compared to prior-year period (96%).

Profit before tax (PBT)

(EUR million)	Q1 2023	Q1 2022	Change	Change f/x-adjusted
HOCHTIEF Americas	94.2	82.8	13.8%	9.9%
HOCHTIEF Asia Pacific	70.2	77.4	-9.3%	-6.5%
HOCHTIEF Europe	11.5	10.7	7.5%	6.5%
Abertis Investment	18.5	4.7	293.6%	293.6%
Corporate	(3.1)	(9.3)	66.7%	60.2%
Group nominal PBT	**191.3**	**166.3**	**15.0%**	**14.0%**
Non-operational effects	**11.7**	**13.2**	**-11.4%**	
Restructuring	4.4	8.1	-45.7%	
Investments/Divestments	2.3	3.7	-37.8%	
Impairments	0.0	0.0	–	
Others	5.0	1.4	257.1%	
Group operational PBT	**203.0**	**179.5**	**13.1%**	

Net income from equity-method associates, joint ventures, and other participating interests came to EUR 73 million in the first quarter of 2023. Relative to the prior-year period (EUR 50 million), this marked a substantial increase of EUR 23 million and mainly reflected a significantly improved earnings contribution from the Abertis Investment.

In Q1 2023, HOCHTIEF recorded a **net investment and interest expense** of EUR 32 million, compared with the prior-year figure of EUR 35 million.

HOCHTIEF generated **nominal profit before tax (PBT)** of EUR 191 million in the first quarter of 2023. This represented an increase of EUR 25 million or 15% on the comparative prior-year figure of EUR 166 million. **Operational PBT** (nominal PBT adjusted for non-operational effects) amounted to EUR 203 million in the reporting period, 13% above the EUR 179 million prior-year figure.

Nominal PBT in the HOCHTIEF Americas division was EUR 94 million in the first quarter of 2023, up 14% on the prior-year comparative figure of EUR 83 million and implying a robust margin level year on year.

The earnings contribution of the HOCHTIEF Asia Pacific division reflects HOCHTIEF’s shareholding in CIMIC as well as associated financing and holding company costs, and the impact of variations in the AUD/EUR exchange rate. CIMIC generated nominal PBT of AUD 145 million in the first quarter of 2023, on a par with the prior-year figure. For the HOCHTIEF Asia Pacific division as a whole, there is the additional factor of financing and holding expenses incurred at the level of the holding company. Here, due to an increased level of financing costs in connection with the purchase of all outstanding CIMIC shares completed in the prior year, nominal PBT amounted to EUR 70 million (Q1 2022: EUR 77 million).

The HOCHTIEF Europe division generated nominal PBT of EUR 11 million in the first quarter of 2023, on a level similar to the prior-year period.

Earnings contributions to the HOCHTIEF Group from the Abertis Investment reflect the Group’s 20% interest in Abertis HoldCo S.A., the operating performance of Abertis, and non-cash purchase price allocation (PPA) effects. Due to further improving traffic volumes, the earnings contribution in the first quarter of 2023 was EUR 19 million, significantly higher than the comparative prior-year figure (EUR 5 million).

Income tax expense amounted to EUR 61 million in the first quarter of 2023 (Q1 2022: EUR 46 million). This results in an effective tax rate of 32% (Q1 2022: 28%).

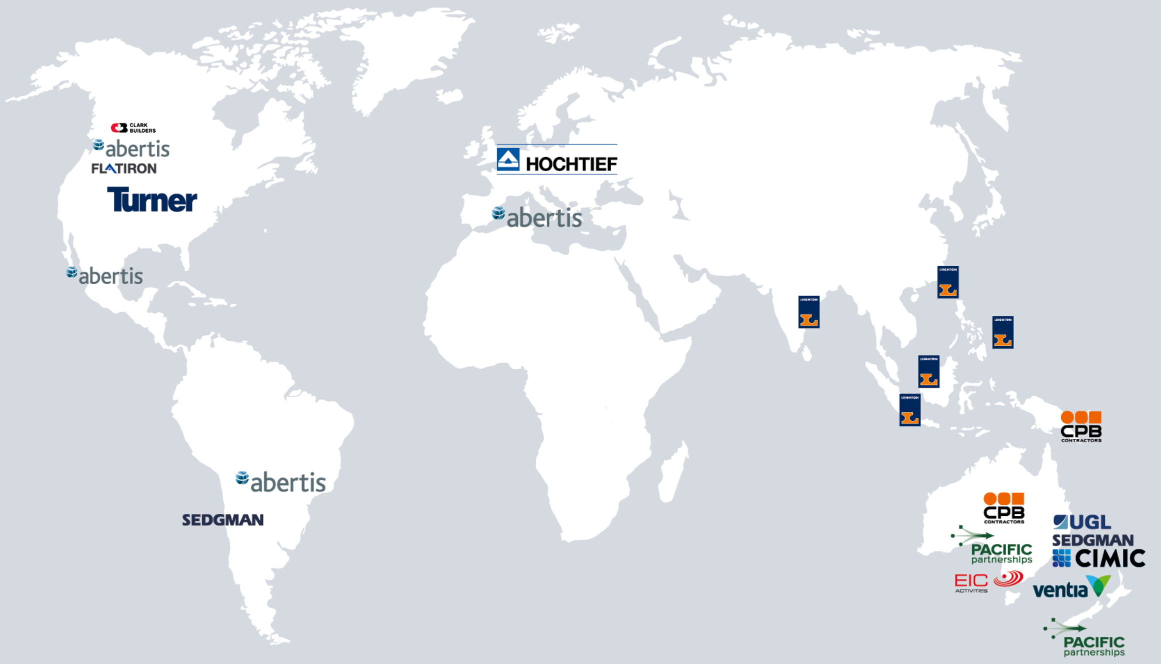
The HOCHTIEF Group’s **nominal consolidated net profit** improved in the first quarter of 2023 by 20% year on year to EUR 128 million (Q1 2022: EUR 106 million). **Operational consolidated net profit** likewise increased in the reporting period to EUR 138 million, 16% higher than the comparable prior-year figure (EUR 118 million).

Consolidated net profit

(EUR million)	Q1 2023	Q1 2022	Change	Change f/x-adjusted
HOCHTIEF Americas	69.4	62.8	10.5%	6.5%
HOCHTIEF Asia Pacific	45.7	44.5	2.7%	6.1%
HOCHTIEF Europe	7.9	7.5	5.3%	4.0%
Abertis Investment	18.5	4.7	293.6%	293.6%
Corporate	(14.0)	(13.4)	-4.5%	-8.2%
Group nominal net profit	**127.5**	**106.1**	**20.2%**	**18.7%**
Non-operational effects	**10.0**	**12.1**	**-17.4%**	
Restructing	3.7	6.7	-44.8%	
Investments/Divestments	2.3	4.1	-43.9%	
Impairments	0.0	0.0	–	
Others	4.0	1.3	207.7%	
Group operational net profit	**137.5**	**118.2**	**16.3%**	

HOCHTIEF Group—Selected recent significant project announcements

Contract values are total project volumes.



Soccer stadium, EUR 724 million, New York, USA
California infrastructure contracts, EUR 653 million, USA
EV Battery production, Kansas, USA
20th and Arch streets project, Philadelphia, USA
Biopharma manufacturing facility, EUR 669 million, Colorado, USA
EV Battery Recycling Facility, Kentucky, USA
Boston Children's Hospital Needham (BCH), Massachusetts, USA
Several data centers, Turner, Virginia, North Carolina, Iowa, Missouri, Ohio, Texas and Nebraska, USA
Blackwater Gold Project, EUR 243 million, Canada

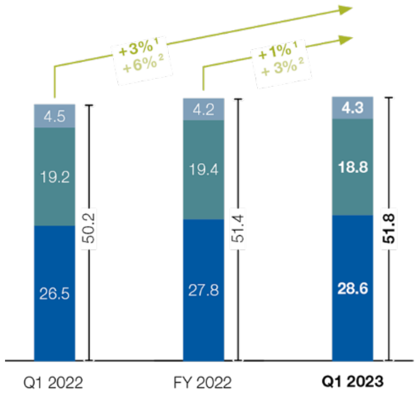
Llano Project, EUR 99 million, Antofagasta, Chile
State laboratories, Kassel, Germany
Battery cell factory, EUR 240 million, Germany
Multifunctional arena, EUR 187 million, Brno, Czech Republic
Glenrowan Solar Farm, Victoria, Australia
Melbourne Airport Rail project, Melbourne, Australia
Big battery project, Brisbane, Australia
Nepean Hospital Redevelopment Stage 2, EUR 168 million, Sydney, Australia
Transport for New South Wales, EUR 158 million, Sydney, Australia
Sydney Metro West, EUR 1.06 billion, Sydney, Australia

New orders and order backlog

HOCHTIEF saw a strong level of **new orders** of EUR 8.5 billion in Q1 2023, an increase of 31% year on year. Over the last twelve months, the Group achieved new orders equivalent to 1.1x work done during the period and continues its disciplined bidding approach across all divisions.

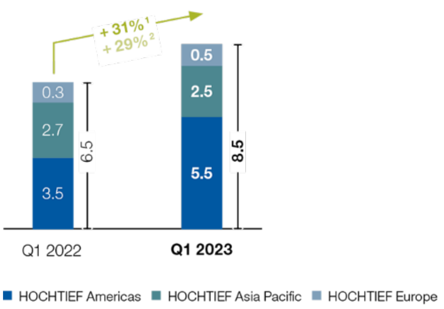
Consequently, the **order book** rose EUR 1.6 billion, or 6% year on year f/x-adjusted, to EUR 51.8 billion, equivalent to an order book visibility of 21 months. The focus remains on developed markets. Our order book is geographically diversified and has been significantly derisked in recent years reflecting the transformation in our approach to construction risk management across all divisions.

Order backlog (EUR billion)



¹) nominal ²) f/x-adjusted

New orders (EUR billion)



Cash flow

Cash flow

(EUR million)	Q1 2023	Q1 2022	Change	LTM 04/2022-03/2023	LTM 04/2021-03/2022	LTM change
Cash flow from operating activities pre-factoring underlying¹	**(661.3)**	**(504.8)**	**(156.5)**	**1,055.3**	**703.4**	**351.9**
Cash flow from operating activities underlying¹	**(733.2)**	**(534.7)**	**(198.5)**	**1,088.9**	**467.9**	**621.0**
Gross operating capital expenditure	(54.5)	(22.5)	(32.0)	(219.5)	(79.0)	(140.5)
Operating asset disposals	4.0	2.1	1.9	25.4	23.4	2.0
Net operating capital expenditure	(50.5)	(20.4)	(30.1)	(194.1)	(55.6)	(138.5)
Free cash flow from operations underlying¹	**(783.7)**	**(555.1)**	**(228.6)**	**894.8**	**412.3**	**482.5**
Free cash flow from operations pre-factoring underlying¹	**(711.8)**	**(525.2)**	**(186.6)**	**861.2**	**647.8**	**213.4**

¹ excluding the extraordinary payments by CIMIC (for the CCPP legacy settlement in Q1 2023 and Q2 2022) and at HOCHTIEF Europe (final payment for the legacy Chilean project in Q3 2022)

Underlying cash flow from operating activities pre-factoring came to minus EUR 661 million in the first quarter of 2023. As in the prior-year period, this reflects the characteristic seasonality at the start of the year as well as strong sales momentum and following an outstanding working capital performance at the end of last year. Over the last twelve months, **underlying cash flow from operating activities pre-factoring** amounted to EUR 1.1 billion, a year-on-year improvement of over EUR 350 million.

Gross operating capital expenditure came to EUR 55 million in the first three months of 2023 (83% of which was accounted for by the HOCHTIEF Asia Pacific division). Capital expenditure was EUR 32 million higher than in the prior year (EUR 23 million), mainly reflecting increased capital expenditure for the procurement of project-related tunneling equipment at CIMIC. **Proceeds from operating asset disposals** came to EUR 4 million (Q1 2022: EUR 2 million). **Net operating capital expenditure** thus resulted in a net cash outflow of EUR 51 million in the first quarter of 2023 (Q1 2022: EUR 20 million).

Underlying free cash flow from operations pre-factoring over the last twelve months was EUR 861 million, EUR 213 million higher than the prior-year comparative figure.

Balance sheet

Total assets in the HOCHTIEF Group stood at EUR 17.5 billion as of the March 31, 2023 reporting date (December 31, 2022: EUR 18.3 billion).

Non-current assets decreased by EUR 583 million in the first quarter of 2023 and amounted to EUR 5.5 billion as of the March 31, 2023 reporting date. The decrease mainly relates to the sale of shares in Ventia by CIMIC and the consequent reclassification of the remaining shares as assets held for sale.

As of March 31, 2023, **current assets** totaled EUR 12.0 billion, down EUR 186 million on the figure as of December 31, 2022 (EUR 12.2 billion). Trade receivables and other receivables increased to EUR 6.7 billion (December 31, 2022: EUR 6.2 billion), mainly due to sales increase in Q1 2023. HOCHTIEF continued to have a strong liquidity position totaling EUR 4.3 billion as of the March 31, 2023 reporting date, on a similar level to the prior-year quarter figure. The assets held for sale relate to CIMIC and saw an increase that was mainly due to the reclassification of the remaining shares in Ventia from non-current to current assets.

HOCHTIEF Group **equity** amounted to EUR 1.3 billion as of the March 31, 2023 reporting date (December 31, 2022: EUR 1.2 billion). The changes in the first quarter of 2023 related to profit after tax (EUR 131 million), dividends (minus EUR 28 million), exchange rate effects (minus EUR 9 million), and other changes outside the statement of earnings (minus EUR 47 million).

Non-current liabilities stood at EUR 5.5 billion at the end of the first quarter of 2023, down EUR 535 million on the comparative figure as of December 31, 2022 (EUR 6.0 billion). The decrease mainly relates to reclassifications, due to maturities, from non-current financial liabilities to current liabilities at HOCHTIEF Aktiengesellschaft and CIMIC. Non-current lease liabilities recognized in accordance with IFRS 16 amounted to EUR 335 million as of the March 31, 2023 reporting date (December 31, 2022: EUR 356 million).

Current liabilities decreased by a net EUR 282 million over the reporting period to EUR 10.8 billion as of the March 31, 2023 reporting date. The increase in financial liabilities by EUR 428 million to EUR 931 billion due to reclassifications from non-current to current liabilities was offset by a reduction in trade payables and other liabilities by EUR 789 million to EUR 8.7 billion. Aside from the decrease in connection with the final payment for the CCPP legacy project at CIMIC, this mainly related to the seasonality of the operating activities of the Group and exchange rate effects.

The HOCHTIEF Group had **net financial debt** of EUR 390 million as of the March 31, 2023 reporting date. The main changes compared to the figure as of the March 31, 2022 reporting date related to net cash outflows totaling EUR 534 million in connection with the HOCHTIEF Group's strategic M&A activities (the acquisition of outstanding shares in CIMIC, the acquisition of MACA by Thiess, and the partial disposal of Ventia by CIMIC). The Group also paid a dividend to HOCHTIEF shareholders in the amount of EUR 130 million and saw non-operational effects in the consolidated amount of EUR 89 million. Adjusting for these effects, there would have been a net cash position of EUR 363 million at the end of the first quarter of 2023, representing an increase of EUR 714 million driven by a strong cash flow from operating activities pre-factoring over the last twelve months.

HOCHTIEF Group net cash (+)/net debt (-) development[1]

(EUR million)	Mar. 31, 2023	Mar. 31, 2022	Change	Dec. 31, 2022
HOCHTIEF Americas	1,216.3	1,126.4	89.9	1,908.9
HOCHTIEF Asia Pacific	(462.7)	(344.2)	(118.5)	(491.7)
HOCHTIEF Europe	677.7	698.0	(20.3)	749.4
Corporate	(1,821.4)	(1,830.9)	9.5	(1,813.0)
Group	**(390.1)**	**(350.7)**	**(39.4)**	**353.6**

[1] For definition, please see Group Report 2022, page 325.

Risk and opportunities report

The overall assessment of opportunities and risks has not significantly changed relative to the presentation in the 2022 Group Report. Accordingly, the statements regarding the opportunities and risks made in the Group Report as of December 31, 2022 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 2023 in the range of EUR 510–550 million, subject to market conditions.

Divisions

HOCHTIEF Americas

HOCHTIEF Americas Division: Key Figures

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Divisional sales	**4,052.3**	3,505.3	**15.6%**	17,460.0
Operational profit before tax/PBT	**99.3**	88.0	**12.8%**	370.6
Operational PBT margin (%)	**2.5**	2.5	**0.0**	2.1
Operational net profit	**72.8**	66.5	**9.5%**	275.4
Nominal profit before tax/PBT	**94.2**	82.8	**13.8%**	350.9
Nominal net profit	**69.4**	62.8	**10.5%**	260.3
Cash flow from operating activities	**(507.8)**	(396.7)	**(111.1)**	737.4
Cash flow from operating activities pre-factoring	**(497.9)**	(356.9)	**(141.0)**	724.0
Gross operating capital expenditure	**4.4**	3.3	**1.1**	45.4
Net cash (+)/net debt (-)	**1,216.3**	1,126.4	**89.9**	1,908.9
New orders	**5,502.5**	3,451.3	**59.4%**	17,618.3
Work done	**4,073.7**	3,518.0	**15.8%**	17,443.4
Order backlog	**28,626.0**	26,524.5	**7.9%**	27,775.7
Employees (end of period)	**12,178**	11,691	**4.2%**	12,151

Note: Operational profits are adjusted for non-operational effects

HOCHTIEF Americas continued its strong performance in the first quarter of 2023.

Sales of EUR 4.1 billion in Q1 2023 were 16% higher year on year and 12% on an f/x-adjusted basis. **Operational PBT** of EUR 99 million showed an increase of EUR 11 million, or 13% year on year with a robust operational PBT margin of 2.5%, in line with Q1 2022.

Cash flow from operating activities pre-factoring reflects the characteristic seasonality of the first quarter of the year and a robust sales momentum. The variation year on year is a function of timing effects and follows a very strong Q4 2022 cash inflow. Adjusting for seasonality, cash inflow of EUR 583 million during the last twelve months highlights the division’s strong cash conversion performance.

At the end of March, the Americas division showed a solid **net cash** position of EUR 1.2 billion up EUR 90 million compared with March 2022.

New orders of EUR 5.5 billion rose by EUR 2.0 billion year on year or 54% f/x-adjusted driven by strong project wins at Turner and Flatiron. **Order backlog** of EUR 28.6 billion reached a new record high in local currency, 8% higher than a year ago, or 6% f/x-adjusted.

New orders in the first quarter included an electric vehicle battery production facility for Panasonic Energy in De Soto, Kansas, which Turner is to build in a joint venture. In addition to the assembly facility, this phase of an overall USD 4 billion program will include construction of a central utility plant and support buildings. The project is part of the Panasonic Group’s Green IMPACT initiative aimed at reducing the company’s CO_2 emissions to zero by 2030. The plant is expected to begin production by the end of March 2025.

In Philadelphia, Pennsylvania, Turner is in charge of construction for the 20th and Arch streets project. Scheduled for completion in early 2026, the building will provide 18 stories of high-quality office space.

Turner and E.E. Cruz, together with other consortium partners, have been selected to deliver preconstruction on the North/West Battery Park City Resiliency Project in Manhattan. This will expand and enhance Battery Park City public spaces while creating protection against rising sea levels and storms. The project team will engineer and build approximately 2,400 linear meters (8,000 feet) of flood and seepage barriers as well as interior drainage improvements.

East Bay Municipal Utility District (EBMUD) in California has selected Flatiron to deliver projects valued at some EUR 220 million. Following on from previous contracts, these serve to secure the drinking water supply for communities in and around Oakland. Flatiron will upgrade existing and construct new facilities.

Also in California, Flatiron has been awarded two highway construction projects to reduce traffic congestion and improve safety. In Yolo County, a Flatiron-led joint venture has been selected to upgrade highways, including the sole freeway connection between the San Francisco Bay Area and the Sacramento metropolitan area. Construction will include the widening of two bridges and modification of nine other bridges for a total project value of approximately EUR 190 million. In collaboration with the City of Temecula, Flatiron has launched the I-15 French Valley Parkway Phase II project.

Together with consortium partners, Flatiron has been selected for two projects to create broadband infrastructure for unserved and underserved communities in Northern and Southern California. The projects with a total value of over EUR 177 million have entered the preconstruction phase. These projects strengthen Flatiron’s position in the technological infrastructure market sector.

HOCHTIEF Americas Outlook

For 2023, we target an operational profit before tax of EUR 380–420 million, subject to market conditions.

HOCHTIEF Asia Pacific

HOCHTIEF Asia Pacific Division: Key Figures

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Divisional sales	**1,793.4**	1,516.3	**18.3%**	7,299.6
Operational profit before tax/PBT	**70.2**	77.4	**-9.3%**	261.7
Operational PBT margin (%)	**3.9**	5.1	**-1.2**	3.6
Operational net profit	**45.7**	44.5	**2.7%**	186.0
Nominal profit before tax/PBT	**70.2**	77.4	**-9.3%**	261.7
Nominal net profit	**45.7**	44.5	**2.7%**	186.0
Cash flow from operating activities[1]	**(165.6)**	(35.1)	**(130.5)**	359.4
Cash flow from operating activities pre-factoring[1]	**(103.6)**	(45.0)	**(58.6)**	297.2
Gross operating capital expenditure	**45.5**	16.4	**29.1**	128.1
Net cash (+)/net debt (-)	**(462.7)**	(344.2)	**(118.5)**	(491.7)
New orders	**2,496.6**	2,736.9	**-8.8%**	10,775.3
Work done	**2,393.5**	2,193.6	**9.1%**	9,821.7
Order backlog	**18,832.9**	19,212.2	**-2.0%**	19,388.3
Employees (end of period)	**21,190**	16,704	**26.9%**	19,704

Note: Operational profits are adjusted for non-operational effects
[1] Underlying cash flow figures, excluding CIMIC's CCPP legacy extraordinary payments

The earnings contribution of the **HOCHTIEF Asia Pacific division** reflects HOCHTIEF's shareholding in CIMIC as well as financing and holding company costs, including costs related to the acquisition of CIMIC minorities in 2022 and the impact of variations in the AUD/EUR exchange rate. Following successful completion of the minority buyout in the first half of 2022, the shareholding in CIMIC is 100% (end of March 2022: 86.7%).

Sales of EUR 1.8 billion were 18% higher, reflecting strong construction and services activities. HOCHTIEF Asia Pacific's **profit before tax** in Q1 2023 of EUR 70 million includes higher financial costs following the buyout of CIMIC's minorities. Nominal net profit increased by 3% year on year to EUR 46 million and benefited from lower minority expenses.

Cash flow from operating activities during the quarter reflects the characteristic seasonality of the first quarter of the year and strong sales momentum. The variation year on year is also a function of the unusually strong Q1 2022 cash flow. The Q1 2023 numbers exclude the EUR 190 million extraordinary final payment related to the CCPP project. At the end of the period, the division showed a **net debt** figure of EUR 463 million which includes this CCPP payment, the partial sell-down of the Ventia stake for EUR 126 million and incorporates the remaining 21.9% stake in Ventia.

The divisional **order backlog** of EUR 18.8 billion has increased 8% year on year in local currency terms.

CIMIC's key figures

In local currency terms, CIMIC **sales** increased by 23% to AUD 2.9 billion in the first quarter of 2023 reflecting strong growth in construction and services. **Net profit after tax**, NPAT, of AUD 110 million compares with AUD 108 million in Q1 2022.

Underlying **operating cash flow** pre-factoring, which excludes the AUD 300 million CCPP settlement payment, shows characteristic first-quarter seasonality.

March 2023 **net debt** of AUD 364 million compares with AUD 442 million at the end of December 2022 (restated).

The division's new orders include the main works construction on the Nepean Hospital Redevelopment Stage 2, which was awarded to CPB Contractors by the Government of New South Wales. Part of the planned AUD 1 billion expansion and upgrade of Nepean Hospital and community-based services, the package of works includes the construction of a new clinical tower and the refurbishment of various other buildings as well as the upgrade of stormwater and support services. The project will generate revenue of approximately EUR 168 million for CPB Contractors.

North of Manila in the Philippines, Leighton Asia has been awarded the contract to design and construct the third bridge of the Candaba Viaduct for client NLEX Corporation. Generating value of around EUR 105 million for Leighton Asia, the scope includes the design and construction of an independent 5.3-kilometer bridge between the two existing lanes of the Candaba Viaduct.

In addition, CPB Contractors was selected by Australian Government's Department of Defence for the delivery phase of the North Queensland Mid-Term Refresh Program. The program involves the provision of the estate maintenance and upgrades at Defence locations. Works to be delivered include new and upgraded engineering services and building refurbishments.

As part of the BHP Nickel West Mt Keith Debottlenecking project in Western Australia, CPB Contractors will deliver the Structural Mechanical, Piping, Electrical, and Instrumentation work package. The project will provide additional grinding capacity for processing ores with different properties.

CPB Contractors was has been selected by Cadia Holdings to deliver enabling works for the Cadia Tailings Storage Facility Recommissioning Project. The project will support the operation of the Cadia gold and copper mine near Orange in New South Wales.

In addition, CPB Contractors is involved with the early contractor involvement phase of the redevelopment of Sydney's Royal Prince Alfred Hospital. The redevelopment will deliver both new and upgraded health facilities.

UGL has been appointed by Neoen to install the high-voltage infrastructure connecting a Tesla-supplied battery energy storage system at Neoen's Western Downs Green Power Hub, around 250 kilometers west of Brisbane. Following construction, the battery—also to be installed by UGL—will transmit stored energy into the electricity network.

Pacific Partnerships has achieved financial close and commenced construction on the Glenrowan Solar Farm in northern Victoria. This followed the securing of a ten-year contract with the State of Victoria for the sale of solar power from Solar Farm late last year. Pacific Partnerships Energy initiated the project, while UGL is responsible for the engineering, procurement, construction, and subsequent operations and maintenance.

Thiess, in which CIMIC holds a 50% interest, was awarded a Letter of Agreement to provide mining services at the Llano project in Chile's Sierra Gorda District. The scope of works includes mining operations, maintenance, and asset management services at the greenfield copper mine for Minera Centinela.

Thiess secured a four-year contract with Weda Bay Nickel, a largest nickel player on Halmahera Island, North Maluku, Indonesia. The scope of works covers ore loading, hauling, and stockpile maintenance. The uses of nickel include the construction of energy storage systems.

HOCHTIEF Asia Pacific Outlook

We expect CIMIC to achieve an operational net profit for 2023 in the range of AUD 400–450 million, subject to market conditions.

HOCHTIEF Europe

HOCHTIEF Europe Division: Key Figures

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Divisional sales	**299.8**	276.6	**8.4%**	1,270.8
Operational profit before tax/PBT	**15.1**	14.4	**4.9%**	63.4
Operational PBT margin (%)	**5.0**	5.2	**-0.2**	5.0
Operational net profit	**11.5**	11.4	**0.9%**	48.8
Nominal profit before tax/PBT	**11.5**	10.7	**7.5%**	47.4
Nominal net profit	**7.9**	7.5	**5.3%**	34.4
Cash flow from operating activities[1]	**(59.9)**	(90.3)	**30.4**	28.1
Gross operating capital expenditure	**3.6**	1.6	**2.0**	8.9
Net cash (+)/net debt (-)	**677.7**	698.0	**(20.3)**	749.4
New orders	**487.3**	283.7	**71.8%**	1,483.6
Work done	**396.5**	364.8	**8.7%**	1,733.0
Order backlog	**4,340.5**	4,508.1	**-3.7%**	4,240.1
Employees (end of period)	**4,737**	4,694	**0.9%**	4,741
of which in Germany	**3,045**	3,058	**-0.4%**	3,065

Note: Operational profits are adjusted for non-operational effects
[1] Excluding the extraordinary payments for the final settlement of the legacy Chilean project.

The Europe division maintained a steady performance.

Sales of EUR 300 million increased by 8% year on year with an operational PBT of EUR 15 million during the first quarter of 2023 versus EUR 14 million in Q1 2022. The operational net profit of EUR 12 million was stable year on year.

Cash flow from operating activities reflects the characteristic seasonality of the first quarter of the year and showed an improvement of EUR 30 million year on year. The division finished the quarter with a strong **net cash** position of EUR 678 million.

The HOCHTIEF Europe division secured a strong level of **new orders** of EUR 487 million during the first quarter with the EUR 1.7 billion during the last twelve months equivalent to 1.0x work done. The **order backlog** remains robust at EUR 4.3 billion.

In Brno, Czech Republic, HOCHTIEF is building a EUR 187 million multifunctional arena for international cultural, sports, and trade fair events with capacity for 13,300 spectators. Construction is scheduled to take two and a half years.

As one of several new projects in Germany, HOCHTIEF is also constructing the new M64 trade union center in Munich. Some 500 people will work in the seven-story office building.

In a project for Vattenfall Wärme in Berlin, HOCHTIEF is to deliver a system control center to manage, monitor, and optimize the city’s district heating system in the future. In addition to the system control center comprising workshop, storage, and office space which will occupy an existing building, the project includes construction of a new systems building.

HOCHTIEF and infrastructure investor Palladio Partners are jointly building and operating a sustainable data center in Heiligenhaus, near Düsseldorf. The partners have signed a contract for a high-tech facility which is particularly suited to regionally oriented companies that prefer computing power and data storage close to their headquarters and customers. HOCHTIEF is responsible for planning, construction, operation, and asset management. Construction is scheduled to be completed by the end of 2024. Over the next few years, the consortium will invest a sum in the triple-digit millions of euros in decentralized and sustainable “edge” data centers in commercial metropolitan areas.

Another project in new business areas is the innovation partnership launched between HOCHTIEF Group company EDGITAL and the City of Herne for maintenance of the municipal road network with the aid of advanced technology. The aim of the partnership is to link the maintenance of the 380-kilometer road network with integrated analysis and efficient rehabilitation planning based on artificial intelligence.

Shortly after the end of the quarter, HOCHTIEF was awarded another major contract in the research sector. The PPP contract is for the construction of a number of state-of-the-art buildings in Kassel and their subsequent operation for a minimum period of 30 years. Users will be the Hessian State Laboratory, the Hessian Agency for Nature Conservation, Environment and Geology, and the Kassel Regional Government. The investment volume is in the triple-digit millions of euros.

HOCHTIEF Europe Outlook

For 2023, we plan to achieve an operational profit before tax of EUR 55 million to EUR 65 million, subject to market conditions.

Abertis Investment

Abertis key figures (100%)

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Operating revenues	**1,306**	1,126	**16%**	5,102
Operating revenues comparable[1]	**–**	–	**13%**	–
EBITDA	**914**	762	**20%**	3,536
Comparable EBITDA[1]	**–**	–	**15%**	–
Net profit pre-PPA	**182**	98	**86%**	668

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

Abertis Investment contribution to HOCHTIEF

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Nominal result[2]	**18.5**	4.7	**13.8**	66.7
Operational result[3]	**18.5**	4.7	**13.8**	66.7
Abertis—dividend received	**0.0**	0.0	**0.0**	118.7

[2] Nominal result included in EBITDA, profit before tax/PBT and net profit.
[3] Operational result included in operational profit before tax/PBT and operational net profit.

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 included as an operating item in the group's 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 Q1 2023, Abertis contributed with a EUR 19 million **earnings** contribution compared with EUR 5 million in Q1 2022.

Key developments at Abertis

Abertis' **average daily traffic** increased by 5% year on year in Q1 2023 benefiting from the resilience afforded by the group's diversified portfolio of toll roads.

Individual year-on-year country performances showed firm traffic growth across most key markets: France +3%, Spain +3%, Italy +7%, Brazil +5%, Chile -2%, Mexico +5% and USA +9%.

Operating **revenues** rose 16% year on year to EUR 1.3 billion with **EBITDA** of EUR 914 million up 20%.

Abertis' **net profit** in Q1 2023 pre-PPA of EUR 182 million compares to EUR 98 million in the previous period.

The toll road company declared a **dividend** of EUR 602 million in March 2023, EUR 119 million of which are paid out to HOCHTIEF in line with its shareholding. The expected total payout for the period 2023–24 is EUR 1.2 billion.

Abertis Investment Outlook

We expect our Abertis investment to make a similar contribution to operational net profit in 2023 compared to 2022 (EUR 67 million).

Interim Financial Statements (Condensed)

Consolidated Statement of Earnings

(EUR thousand)	Q1 2023	Q1 2022	Change	Full year 2022
Sales	**6,189,057**	**5,333,298**	**16.0%**	**26,219,332**
Changes in inventories	4,470	4,233	5.6%	23,535
Other operating income	52,701	369,111	-85.7%	501,535
Materials	(4,610,994)	(4,014,630)	14.9%	(19,921,667)
Personnel costs	(1,095,545)	(963,817)	13.7%	(4,469,761)
Depreciation and amortization	(76,104)	(67,376)	13.0%	(343,813)
Other operating expenses	(313,196)	(509,357)	-38.5%	(1,499,889)
Share of profits and losses of equity-method associates and joint ventures	67,098	47,468	41.4%	236,266
Net income from other participating interests	6,098	2,743	122.3%	56,955
Investment and interest income	38,464	14,597	163.5%	123,566
Investment and interest expenses	(70,726)	(50,002)	41.4%	(248,885)
Profit before tax	**191,323**	**166,268**	**15.1%**	**677,174**
Income taxes	(60,583)	(45,977)	31.8%	(162,165)
Profit after tax	**130,740**	**120,291**	**8.7%**	**515,009**
Of which: Attributable to non-controlling interest	3,215	14,221	-77.4%	33,235
Of which: Attributable to HOCHTIEF shareholders (net profit)	127,525	106,070	20.2%	481,774
Earnings per share (EUR)				
Diluted and basic earnings per share operations	1.70	1.56	9.0%	6.68

Consolidated Statement of Comprehensive Income

(EUR thousand)	Q1 2023	Q1 2022	Change	Full year 2022
Profit after tax	**130,740**	**120,291**	**8.7%**	**515,009**
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	(9,050)	59,935	–	88,608
Changes in fair value of financial instruments				
Primary	(28,544)	(12,742)	-124.0%	(79,530)
Derivative	(3,955)	181	–	(2,967)
Share of other comprehensive income of equity-method associates and joint ventures	7,914	38,989	-79.7%	266,509
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	(2,877)	47,358	–	150,205
Other comprehensive income (after tax)	**(36,512)**	**133,721**	**–**	**422,825**
Total comprehensive income after tax	**94,228**	**254,012**	**-62.9%**	**937,834**
Of which: Non-controlling interest	1,956	12,051	-83.8%	21,805
Of which: HOCHTIEF Group	92,272	241,961	-61.9%	916,029

Consolidated Balance Sheet

(EUR thousand)	**Mar. 31, 2023**	Dec. 31, 2022
Assets		
Non-current assets		
Intangible assets	1,096,670	1,117,271
Property, plant and equipment	831,668	869,519
Investment properties	32,223	32,988
Equity-method investments	2,713,848	2,728,395
Other financial assets	176,244	611,342
Financial receivables	90,027	90,991
Other receivables and other assets	213,086	252,276
Non-current income tax assets	141	57
Deferred tax assets	349,137	383,499
	5,503,044	**6,086,338**
Current assets		
Inventories	373,275	369,900
Financial receivables	113,604	124,635
Trade receivables and other receivables	6,727,354	6,177,388
Current income tax assets	108,543	119,445
Marketable securities	579,524	587,796
Cash and cash equivalents	3,752,075	4,806,038
Assets held for sale	373,068	28,117
	12,027,443	**12,213,319**
	17,530,487	**18,299,657**
Liabilities and Shareholders' Equity		
Shareholders' equity		
Attributable to HOCHTIEF shareholders	1,212,957	1,133,775
Attributable to non-controlling interest	63,982	95,674
	1,276,939	**1,229,449**
Non-current liabilities		
Provisions for pensions and similar obligations	265,236	258,540
Other provisions	355,199	403,641
Financial liabilities	4,272,476	4,724,712
Lease liabilities	335,448	355,860
Trade payables and other liabilities	184,911	213,534
Deferred tax liabilities	74,635	66,718
	5,487,905	**6,023,005**
Current liabilities		
Other provisions	874,049	840,199
Financial liabilities	931,359	503,237
Lease liabilities	113,857	116,794
Trade payables and other liabilities	8,668,933	9,458,088
Current income tax liabilities	134,970	128,885
Liabilities associated with assets held for sale	42,475	–
	10,765,643	**11,047,203**
	17,530,487	**18,299,657**

Consolidated Statement of Cash Flows

(EUR thousand)	**Q1 2023**	Q1 2022
Profit after tax	130,740	120,291
Depreciation, amortization, impairments, and impairment reversals	73,479	63,236
Changes in provisions	283	(77,306)
Changes in deferred taxes	34,263	38,366
Gains/(losses) from disposals of non-current assets and marketable securities	2,880	(1,052)
Other non-cash income and expenses and deconsolidations	36,620	(292,928)
Changes in working capital (net current assets)	(1,200,484)	(385,468)
Changes in other balance sheet items	(493)	138
Cash flow from operating activities	**(922,712)**	**(534,723)**
Intangible assets, property, plant and equipment, and investment properties		
Operational purchases	(54,528)	(22,488)
Payments from asset disposals	4,073	2,070
Acquisitions and participating interests		
Purchases	(98,167)	(33,078)
Payments from asset disposals/divestments	126,226	31,520
Changes in cash and cash equivalents due to changes in the scope of consolidation	(1,509)	(6,183)
Changes in marketable securities and financial receivables	5,447	(16,170)
Cash flow from investing activities	**(18,458)**	**(44,329)**
Payments into equity from non-controlling interests	106	73
Disbursements for acquisition of additional shares in subsidiaries	–	(350,442)
Dividends to non-controlling interests	(27,564)	(739)
Proceeds from new borrowing	261,803	1,030,964
Debt repayment	(215,418)	(558,698)
Repayment of lease liabilities	(40,384)	(38,569)
Cash flow from financing activities	**(21,457)**	**82,589**
Net change in cash and cash equivalents	**(962,627)**	**(496,463)**
Effect of exchange rate changes	(91,336)	107,601
Overall change in cash and cash equivalents	**(1,053,963)**	**(388,862)**
Cash and cash equivalents at the start of the year	4,806,038	4,281,642
Cash and cash equivalents at end of reporting period	**3,752,075**	**3,892,780**

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 other comprehensive income			Attributable to HOCHTIEF shareholders	Attributable to non-controlling interest	Total
				Remeasure-ment of defined benefit plans	Currency translation differences	Changes in fair value of financial instruments			
Balance as of Jan. 01, 2022	**180,856**	**1,711,090**	**(768,513)**	**(389,075)**	**66,654**	**(15)**	**800,997**	**284,764**	**1,085,761**
Dividends	–	–	–	–	–	–	–	(10,395)	(10,395)
Profit after tax	–	–	106,070	–	–	–	106,070	14,221	120,291
Currency translation differ-ences and changes in fair value of financial instru-ments	–	–	–	–	62,225	26,308	88,533	(2,170)	86,363
Changes from remeasure-ment of defined benefit plans	–	–	–	47,358	–	–	47,358	–	47,358
Total comprehensive income	–	–	106,070	47,358	62,225	26,308	241,961	12,051	254,012
Other changes not recog-nized in the Statement of Earnings	–	–	(318,507)	–	–	–	(318,507)	(94,222)	(412,729)
Balance as of Mar. 31, 2022	**180,856**	**1,711,090**	**(980,950)**	**(341,717)**	**128,879**	**26,293**	**724,451**	**192,198**	**916,649**
Balance as of Jan. 01, 2023	**198,941**	**2,099,219**	**(1,276,204)**	**(238,870)**	**167,033**	**183,656**	**1,133,775**	**95,674**	**1,229,449**
Dividends	–	–	–	–	–	–	–	(27,564)	(27,564)
Profit after tax	–	–	127,525	–	–	–	127,525	3,215	130,740
Currency translation differ-ences and changes in fair value of financial instru-ments	–	–	–	–	(7,791)	(24,585)	(32,376)	(1,259)	(33,635)
Changes from remeasure-ment of defined benefit plans	–	–	–	(2,877)	–	–	(2,877)	–	(2,877)
Total comprehensive income	–	–	127,525	(2,877)	(7,791)	(24,585)	92,272	1,956	94,228
Other changes not recog-nized in the Statement of Earnings	–	–	(13,090)	–	–	–	(13,090)	(6,084)	(19,174)
Balance as of Mar. 31, 2023	**198,941**	**2,099,219**	**(1,161,769)**	**(241,747)**	**159,242**	**159,071**	**1,212,957**	**63,982**	**1,276,939**

Explanatory Notes to the Consolidated Financial Statements

Accounting policies

The Interim Consolidated Financial Statements as of and for the three months ended March 31, 2023, which were released for publication on May 8, 2023, 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, 2022.

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, 2023:

(in %)	**Mar. 31, 2023**	Dec. 31, 2022
Germany	4.02	4.16
USA	5.10	5.10
UK	4.90	5.05

As of January 1, 2023, HOCHTIEF applies the new standard IFRS 17 “Insurance Contracts”, which replaces the previous IFRS 4 “Insurance Contracts” in its entirety.

Insurance contracts in the Group are measured using the building block approach, in which the fulfillment cash flows comprise the discounted expected future cash flows, an explicit risk adjustment, and a contractual service margin. The contractual service margin represents the unearned profit that will in the future be recognized over the period the insurance contract services are provided. Measurement of insurance items such as liabilities for insurance claims generally takes into account all cash flows that result from the rights and obligations in an insurance contract. As a result, certain items that the Group previously reported separately—such as prepaid expenses in insurance business—are no longer disclosed.

HOCHTIEF has elected the modified retrospective approach for the transition to IFRS 17. Under this approach, the presentation of the comparative period remains unchanged. The initial application of IFRS 17 did not result in any significant transition effects overall.

This report has been prepared in all other respects using the same accounting policies as in the 2022 Consolidated Financial Statements. Information on those accounting policies is given in the Group Report 2022.

Currency translation

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

	Average		**Daily average at reporting date**	
(All rates in EUR)	**Q1 2023**	Q1 2022	**Mar. 31, 2023**	Dec. 31, 2022
1 U.S. dollar (USD)	0.93	0.90	0.92	0.94
1 Australian dollar (AUD)	0.63	0.65	0.61	0.64
1 British pound (GBP)	1.14	1.19	1.14	1.13
100 Polish złoty (PLN)	21.29	21.54	21.41	21.36
100 Czech koruna (CZK)	4.24	4.07	4.26	4.15
100 Chilean pesos (CLP)	0.12	0.11	0.12	0.11

Changes in the scope of consolidation

The Consolidated Financial Statements for the first quarter of 2023 include two German and 13 foreign companies for the first time. One German company and ten foreign companies have been removed from the scope of consolidation.

The number of companies accounted for using the equity method showed a net increase of one domestic company and a net decrease of nine foreign companies in the first quarter of 2023. In addition, the number of joint operations abroad included in the Consolidated Financial Statements increased by five.

The Consolidated Financial Statements as of March 31, 2023 include HOCHTIEF Aktiengesellschaft as well as a total of 41 German and 328 foreign consolidated companies, 13 German and 73 foreign companies accounted for using the equity method as well as 106 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.

Assets held for sale

In the first quarter of 2023, CIMIC sold 93.0 million shares in Ventia Services Group Ltd ("Ventia") at a price of AUD 2.15 per share, thereby reducing its stake from 32.8% to 21.9%. The remaining shares in Ventia, which were accounted for in other financial assets in the prior year, are reported in assets held for sale in accordance with IFRS 5. As of March 31, 2023, the carrying amount is EUR 304.0 million. On May 4, 2023, further Ventia shares were sold (see section "Events since the balance sheet date").

The remaining assets held for sale in the amount of EUR 69.1 million also relate to CIMIC (December 31, 2022: EUR 28.1 million).

Trade receivables and other receivables

(EUR thousand)	Mar. 31, 2023	Dec. 31, 2022
Trade receivables	3,944,375	3,453,293
Contract assets	2,079,268	2,010,292
Other receivables and other assets	916,797	966,079
	6,940,440	**6,429,664**

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.

In connection with the management of credit risk, the following table shows the gross carrying amounts of trade receivables past due and not past due for which impairment losses are recognized either on the basis of an impairment matrix or without this matrix. Contract assets are included in trade receivables.

			Impairment matrix				
(EUR thousand)	Gross carrying amount[2]	Impairment matrix not applied	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	Over 90 days past due
Mar. 31, 2023	6,314,831	3,214,327	2,800,707	123,803	45,165	15,882	114,947
Dec. 31, 2022[1]	5,761,224	3,048,371	2,393,093	169,066	29,166	10,229	111,299

[1] Figures as of December 31, 2022 are corrected retrospectively in accordance with IAS 8.42 due to a misstated disclosure.
[2] Net carrying amounts of trade receivables and contract assets are reported after impairments of EUR 291,188 thousand (December 31, 2022: EUR 297,639 thousand) in the Consolidated Balance Sheet.

Trade payables and other liabilities

(EUR thousand)	Mar. 31, 2023	Dec. 31, 2022
Trade payables	6,096,029	6,742,430
Contract liabilities	2,179,554	2,258,316
Other liabilities	578,261	670,876
	8,853,844	**9,671,622**

In connection with the settlement of the CCPP legacy project in 2022, CIMIC paid a final amount of AUD 300 million (approximately EUR 190 million) in the first quarter of 2023. This was accounted for in trade payables as of December 31, 2022.

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.

	Mar. 31, 2023				Dec. 31, 2022			
(EUR thousand)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Other financial assets	1,105	42,155	132,984	176,244	431,443	42,427	137,472	611,342
Financial receivables and other assets								
Non-current	–	8,758	–	8,758	3	10,524	–	10,527
Current	495	92,793	–	93,288	214	26,932	–	27,146
Marketable securities	579,524	–	–	579,524	587,796	–	–	587,796
Total assets	**581,124**	**143,706**	**132,984**	**857,814**	**1,019,456**	**79,883**	**137,472**	**1,236,811**
Liabilities								
Other liabilities								
Non-current	–	29,485	3,707	33,192	–	16,854	3,842	20,696
Current	395	2,576	–	2,971	609	966	–	1,575
Total liabilities	**395**	**32,061**	**3,707**	**36,163**	**609**	**17,820**	**3,842**	**22,271**

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 5,203,835 thousand (December 31, 2022: EUR 5,227,949 thousand) and a fair value of EUR 4,801,212 thousand (December 31, 2022: EUR 4,715,824 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 2023.

The movement of other financial assets in Level 1 is due to the sell-down and reclassification of the Ventia shares. Financial receivables and other assets include Group's forward exchange contracts, which 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 input parameters are the internal rate of return as well as the growth rate and discount rate.

Non-current other liabilities in Level 3 are due to two options. As part of the Thiess divestment, the transaction agreement includes an option for Elliott to sell all or part of its 50% interest in Thiess (Class A Preference Shares or Ordinary Shares) to CIMIC after the third anniversary, between four and six years from completion on December 31, 2020 (put option). The fair value of this option as of March 31, 2023 is AUD 4.35 million (EUR 2.67 million) [December 31, 2022: AUD 4.35 million (EUR 2.77 million)]. The unobservable input parameters are the expected exercise period, an EBITDA multiplier, and the discount factor.

In connection with the Group's investments in Thiess, which is not fully consolidated, there are agreements (Thiess option) regarding Thiess Class C Preference Shares (equity). The fair value of this option as of March 31, 2023 is AUD 1.68 million (EUR 1.03 million) [December 31, 2022: AUD 1.68 million (EUR 1.07 million)]. The unobservable input parameters used in measurement of the option are the expected exercise period and the discount factor.

There were no significant interdependencies between the unobservable input parameters that materially affect the fair values. Changes in those input parameters had no material effect on total comprehensive income, total assets and liabilities, or equity.

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

Level 3 reconciliation Q1 2023:

(EUR thousand)	Balance as of Jan. 1, 2023	Currency adjustments	Gains/ losses recognized in profit or loss	Other changes	**Balance as of Mar. 31, 2023**
Assets					
Other financial assets	137,472	(4,870)	382	–	132,984
Liabilities					
Other liabilities					
Non-current	3,842	(135)	–	–	3,707

Level 3 reconciliation FY 2022:

(EUR thousand)	Balance as of Jan. 1, 2022	Currency adjustments	Gains/ losses recognized in profit or loss	Other changes	Balance as of Dec. 31, 2022
Assets					
Other financial assets	51,487	(3,322)	453	88,854	137,472
Liabilities					
Other liabilities					
Non-current	8,325	116	(4,599)	–	3,842

Currency adjustments are accounted for in other comprehensive income.

Capital risk management

Cash in the amount of EUR 303,091 thousand (December 31, 2022: EUR 446,166 thousand) is subject to financial and operational restrictions or is restricted in relation to the sale of receivables.

Treasury stock

As of March 31, 2023, HOCHTIEF Aktiengesellschaft held a total of 2,522,676 shares of treasury stock (3.25% of the capital stock). This figure remains unchanged from December 31, 2022.

Dividend

The Annual General Meeting of HOCHTIEF Aktiengesellschaft resolved on April 26, 2023 to pay a dividend for 2022 of EUR 4.00 per eligible no-par-value share. This results in a dividend payment of EUR 300,754,496.00, which will be paid on July 7, 2023.

Financial events

HOCHTIEF has refinanced the existing EUR 1.7 billion long-term syndicated credit facility maturing in 2024 ahead of schedule and secured an additional EUR 0.3 billion for future corporate purposes including refinancing of existing credit facilities. The Group and an international banking syndicate agreed a facility with a term of five years from March 30, 2023 and extension options for up to two additional years. The total amount is divided into EUR 1.2 billion in guarantee facilities, EUR 0.5 billion in credit facilities, and EUR 0.3 billion in term loans. These facilities are a core element of the Group's long-term financing strategy. Their refinancing ahead of schedule met with a strong response on the international banking market. The banks offered a total well above the amount needed for refinancing. This Interest was driven both by the robust market environment for corporate borrowing and by the solid investment grade rating assigned to HOCHTIEF (BBB- from Standard & Poor's).

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. The factoring of these receivables is therefore done on a non-recourse basis. The level of non-recourse factoring across the Group was EUR 767.5 million as of March 31, 2023 (March 31, 2022: EUR 753 million and December 31, 2022: EUR 859.7 million).

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 arrangement do not modify the original liability. 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 83.2 million as of March 31, 2023 (March 31, 2022: EUR 54 million and December 31, 2022: EUR 72.3 million).

Contingent liabilities

The contingent liabilities relate to liabilities under guarantees; they remain unchanged relative to December 31, 2022 at EUR 528 thousand.

Segment reporting

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

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

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

HOCHTIEF Asia Pacific pools the construction, services, and PPP activities in the Asia-Pacific region and, among other things, includes the investment in Thiess, which is accounted for in the Consolidated Financial Statements using the equity method.

HOCHTIEF Europe brings together the core business in Europe as well as selected other regions and designs, develops, builds, operates, and manages real estate and infrastructure (PPP).

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 Stonefort 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 by division are allocated to the types of activities "Construction/PPP," "Construction Management/Services," and "Other." "Construction/PPP" includes Flatiron at HOCHTIEF Americas, CPB Contractors, and Leighton Asia 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 service business, and Sedgman's mineral processing businesses at HOCHTIEF Asia Pacific as well as HOCHTIEF Engineering at HOCHTIEF Europe. Sales from non-core businesses are allocated to the category "Other."

Sales at HOCHTIEF Americas in the amount of EUR 4,052,342 thousand (March 31, 2022: EUR 3,505,305 thousand) are recognized mainly in the "Construction management and services" category. HOCHTIEF Asia Pacific generates its sales of EUR 1,793,404 thousand (March 31, 2022: EUR 1,516,292 thousand) principally in the activities "Construction/PPP" and "Construction management and services." At HOCHTIEF Europe, external sales in the amount of EUR 299,095 thousand (March 31, 2022: EUR 275,699 thousand) are chiefly recognized in the "Construction/PPP" category. Other sales recognized in "Corporate" amount to EUR 44,216 thousand (March 31, 2022: EUR 36,002 thousand).

Sales not related to contracts with clients, mainly relating to "Other" activities in Corporate, amount to EUR 56,586 thousand (March 31, 2022: EUR 41,609 thousand).

Almost all sales are recognized over time.

Reconciliation of profit before tax to EBIT/EBITDA (adjusted)

(EUR thousand)	Q1 2023	Q1 2022
Profit before tax	**191,323**	**166,268**
+ Investment and interest expenses	70,726	50,002
– Investment and interest income	(38,464)	(14,597)
– Net income from other participating interests (excluding gains/losses from disposals of participating interests)	(6,088)	(2,743)
EBIT	**217,497**	**198,930**
+ Depreciation and amortization	76,104	67,376
EBITDA	**293,601**	**266,306**
Adjustments		
– Foreign exchange gains	(11,448)	(6,622)
+ Currency losses	10,400	8,983
– Income from disposal/write-ups of intangible assets, property, plant and equipment, and investment properties	(1,258)	(257)
+ Losses from disposal of non-current assets (excluding financial assets)	157	4
– Income from derecognition of/reversals of impairments on receivables and other assets	(335)	(170)
+ Impairment losses and losses on disposal of current assets (except inventories)	478	564
+ Adjustment for other non-operating net expenses	4,125	28
EBITDA (adjusted)	**295,720**	**268,836**
- Depreciation and amortization	(76,104)	(67,376)
EBIT (adjusted)	**219,616**	**201,460**

Basic and diluted earnings per share

	Q1 2023	Q1 2022
Consolidated net profit (EUR thousand)	**127,525**	**106,070**
Number of shares in circulation (weighted average) in thousands	75,189	68,121
Earnings per share (EUR)	**1.70**	**1.56**

Basic earnings per share are calculated by dividing profit after tax attributable to HOCHTIEF shareholders by the average number of shares in circulation. The current average number of shares includes the commensurate figure for the most recent capital increase. 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 2023, there were no known material transactions between HOCHTIEF Aktiengesellschaft or any HOCHTIEF Group company and any related party or parties having a material influence on the results of operations or financial condition of the Company or the Group.

Events since the balance sheet date

On May 4, 2023, CIMIC sold a further 62.0 million Ventia shares at a price of AUD 2.42 per share. As a result, the stake reduces to 14.7%.

The HOCHTIEF Group: Key Figures

(EUR million)	Q1 2023	Q1 2022	Change	Full year 2022
Sales	**6,189.1**	5,333.3	**16.0%**	26,219.3
Operational profit before tax/PBT	**203.0**	179.5	**13.1%**	733.1
Operational PBT margin (%)	**3.3**	3.4	**-0.1**	2.8
Operational net profit	**137.5**	118.2	**16.3%**	521.5
Operational earnings per share (EUR)	**1.83**	1.74	**5.2%**	7.24
EBITDA (adjusted)	**295.7**	268.8	**10.0%**	1,184.5
EBITDA (adjusted) margin (%)	**4.8**	5.0	**-0.2**	4.5
EBIT (adjusted)	**219.6**	201.5	**9.0%**	840.7
EBIT (adjusted) margin (%)	**3.5**	3.8	**-0.3**	3.2
Nominal profit before tax/PBT	**191.3**	166.3	**15.0%**	677.2
Nominal net profit	**127.5**	106.1	**20.2%**	481.8
Nominal earnings per share (EUR)	**1.70**	1.56	**9.0%**	6.68
Cash flow from operating activities[1]	**(733.2)**	(534.7)	**(198.5)**	1,287.4
Cash flow from operating activities pre-factoring[1]	**(661.3)**	(504.8)	**(156.5)**	1,211.8
Net operating capital expenditure	**50.5**	20.4	**30.1**	164.0
Free cash flow from operations[1]	**(783.7)**	(555.1)	**(228.6)**	1,123.4
Net cash /net debt	**(390.1)**	(350.7)	**(39.4)**	353.6
New orders	**8,530.0**	6,507.1	**31.1%**	30,066.6
Work done	**6,907.4**	6,111.7	**13.0%**	29,187.2
Order backlog	**51,799.3**	50,244.5	**3.1%**	51,404.0
Employees (end of period)	**38,365**	33,376	**14.9%**	36,858

Note: Operational profits are adjusted for non-operational effects
[1] Cash flow figures are underlying, i.e. excluding extraordinary payments in the amount of EUR 237 million for the CCPP legacy settlement and for the final payment of the legacy Chilean project in FY 2022 and EUR 190 million for CCPP legacy settlement in Q1 2023

Publication Details and Credits

Published by:
HOCHTIEF Aktiengesellschaft
Alfredstraße 236, 45133 Essen, Germany
Tel.: +49 201 824-0
Fax: +49 201 824-2777
info@hochtief.de
www.hochtief.com

Investor relations:
HOCHTIEF Investor Relations
Alfredstraße 236, 45133 Essen, Germany
Tel.: +49 201 824-2127
Fax: +49 201 824-92127
investor-relations@hochtief.de

Photo credits:
Cover photo: Tim Hoppe; p. 3: HOCHTIEF/Christoph Schroll

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

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

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Sustainability Award
Bronze Class 2022
S&P Global

CDP DISCLOSER 2022

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA

Rated MORNINGSTAR SUSTAINALYTICS

PLATINUM Top 1% 2023 ecovadis Sustainability Rating

FTSE4Good

German Standards BRAND OF THE CENTURY 2022

Cover: Burstah Ensemble, Hamburg, Germany
The city of Hamburg has been enriched by a vibrant quarter for living and working, retail and restaurants: The Burstah Ensemble made up of three buildings has been completed. The inner-city location presented a challenge for both logistics and scheduling, and was excellently mastered by the HOCHTIEF team.