

Report of the Supervisory Board

The Supervisory Board was kept regularly informed throughout 2005 about business developments and the general situation of the Company, and monitored the management of the Company by the Executive Board on the basis of written and oral reports. Business transactions requiring Supervisory Board approval were examined and discussed with the Executive Board. The Supervisory Board granted its approval to the acquisition and disposal of shareholdings, the takeover of parts of companies, the submission of offers for major projects and capital measures.

Last year, there were six plenary meetings of the Supervisory Board, four meetings of the Presiding Committee of the Supervisory Board, and four meetings of the Audit Committee. As well as addressing matters relating to current business and major projects, the Supervisory Board also dealt in detail with corporate strategy and the position of Bilfinger Berger in relation to its competitors, and discussed these matters with the Executive Board. The Supervisory Board was intensively involved in the acquisition of Babcock Borsig Service, Assetis, Simon Engineering and PPRM. All major aspects were examined, such as the results of the due diligence, the earnings situation, business plan, quality of management, effects on the consolidated financial statements and integration concept. The Supervisory Board receives regular reports on the actual development of new subsidiaries and associated companies compared with the assumptions made at the time of acquisition.

Another focus of consultation was the Group's earnings trend, with positive results on the one hand, but on the other hand the charges from the losses of the Australian building-construction activities. The cause of these losses, the activities of the Project Controlling department and the measures taken were discussed in detail with the Executive Board and subjected to an intensive investigation. As a result of its investigation, the Supervisory Board approved the measures initiated by the Executive Board. Detailed examinations were also carried out of general issues of the management of subsidiaries and associated companies, the corporate planning, return-on-capital-employed controlling, and the comparison of the

course of business with the expected figures. The changes in the shareholder structure resulting from Dresdner Bank's sales of its shareholding in the Company were dealt with in detail.

As well as preparing the plenary meetings, the Presiding Committee of the Supervisory Board primarily dealt with major projects, the privately financed concessions business and the compensation of the Executive Board.

The Audit Committee was occupied not only with the year-end and interim financial statements, but also received detailed information on the activities of the Project Controlling and Group Auditing departments. For the audit of risk management, the two corporate departments regularly reported to the Audit Committee. The Supervisory Board is of the opinion that the risk-management system in its current form is fully appropriate to requirements. The Audit Committee evaluated the efficiency of its activities.

The Chairmen of the Presiding Committee and the Audit Committee reported to the plenary session of the Supervisory Board in its meetings concerned with the work of their respective committees. There was no cause to exercise the Supervisory Board's right to inspect the Company's accounts, documentation etc., as allowed by Section 111, Subsection 2 of the German Stock Corporation Act.

The Chairman of the Supervisory Board also met with the Chairman of the Executive Board outside the meetings of the Supervisory Board and its committees in order to discuss the situation of the Company and its further development.

The Supervisory Board again dealt in detail with the German Corporate Governance Code; among other things, it evaluated the efficiency of its own activities. The Declaration of Compliance that was jointly issued by the Supervisory Board and the Executive Board on December 7, 2005 pursuant to Section 161 of the German Stock Corporation Act states that Bilfinger Berger AG complies with all of the recommendations of the Code as amended on June 2, 2005. The sole exception is the recommendation of Clause 5.4.3, Sentence 3 (announcement to the shareholders of proposed candidates for the Chair of the Supervisory Board), because this recommendation is not compatible with the distribution of competencies laid down in



the German Stock Corporation Act. The election of the Supervisory Board Chairman is the responsibility of the Supervisory Board alone. The Declaration of Compliance has been posted on the Company's website, where it is permanently available to the shareholders.

In addition to the Presiding Committee and the Audit Committee, in accordance with Article 11, Paragraph 2 of the Articles of Incorporation, The Supervisory Board has also formed a Mediation Committee to perform the duties described in Section 31, Subsection 3 of the German Industrial Codetermination Act. The current composition of the Supervisory Board and its committees is shown in the chapter of this Annual Report entitled "Boards of the Company". No personnel changes have occurred since the Report of the Supervisory Board of March 23, 2005.

The individual and consolidated financial statements and the management reports of Bilfinger Berger AG and the Group for the 2005 financial year have been audited and issued with an unqualified audit opinion by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, of Karlsruhe, and Ernst & Young AG Wirtschaftsprüfungsgesellschaft, of Mannheim, those being the companies of auditors elected by the Annual General Meeting and appointed by the Supervisory Board to perform the annual audit. The auditors' reports were provided to the members of the Supervisory Board, and its Audit Committee discussed these reports, along with the financial statements, in the presence of the auditors.

Following its concluding examination of the individual and consolidated year-end financial statements, the management reports of Bilfinger

Berger AG and the Group and the proposal on the appropriation of profits, no objections are to be raised. In concurrence with the recommendation of the Audit Committee, the Supervisory Board took note of and approved the results of the audit conducted by the external auditors. At its meeting held on March 15, 2006, the Supervisory Board approved the financial statements of the Company and the Group and the management reports for the 2005 financial year as submitted by the Executive Board. Two of the auditors who signed the auditors' report also attended this meeting to explain and discuss their audit of the individual and consolidated financial statements. The Company's financial statements have thus been adopted. The Supervisory Board concurs with the proposal made by the Executive Board regarding the appropriation of profits.

At the end of the year 2005, Mr. Carlos Möller departed from the Executive Board by mutual agreement. His areas of responsibility were transferred to Herbert Bodner (Bilfinger Berger Australia) and Hans Helmut Schetter (Fru-Con).

The Supervisory Board hereby expresses its sincere thanks to the Executive Board and all of the Company's employees for their individual efforts in the year 2005.

Mannheim, March 15, 2006

A handwritten signature in blue ink, appearing to read "U. Stark". The signature is fluid and cursive, written over a white background.

Udo Stark
Chairman of the Supervisory Board