

**Interim Report Q2 2005**

**Investors' and Analysts' Conference Call on August 11, 2005**



# **BILFINGER | BERGER**

**Continuous growth in output volume and earnings**

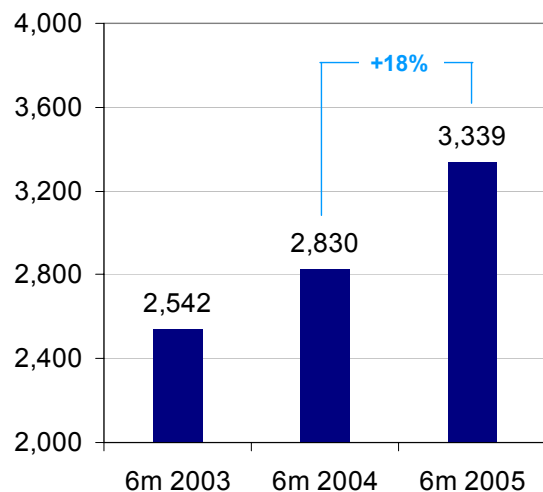
**Herbert Bodner, CEO**

## Second quarter 2005 – highlights

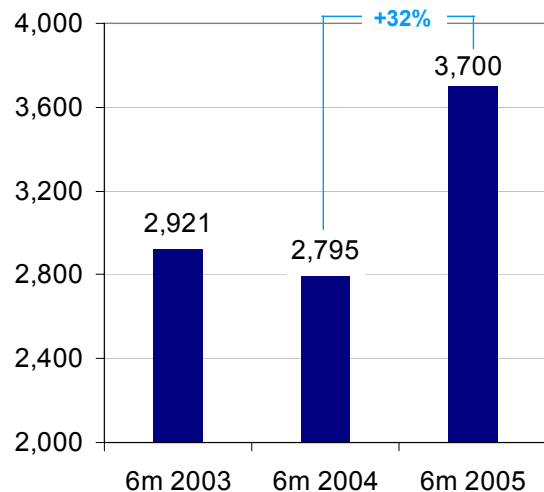
- Volume figures above expectations
  - Full year's output volume guidance increased to € 6.9 billion
- Profitability on track
  - Full year's earnings target confirmed
- Services again major profit contributor  
First consolidation of Babcock Borsig Service
  - Strengthening of Bilfinger Berger's Industrial Services business
- Decrease in cash and marketable securities
  - Investment in financial assets and property, plant and equipment totalling € 200 million
  - Reduction of previous year's particularly high advance-payment cover
  - Continuing higher working capital needs due to growing business volume

# Order backlog at record high delivers basis for future growth

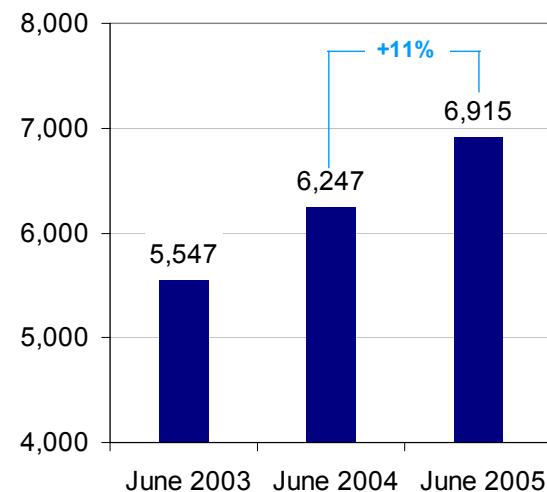
## Output volume



## Orders received



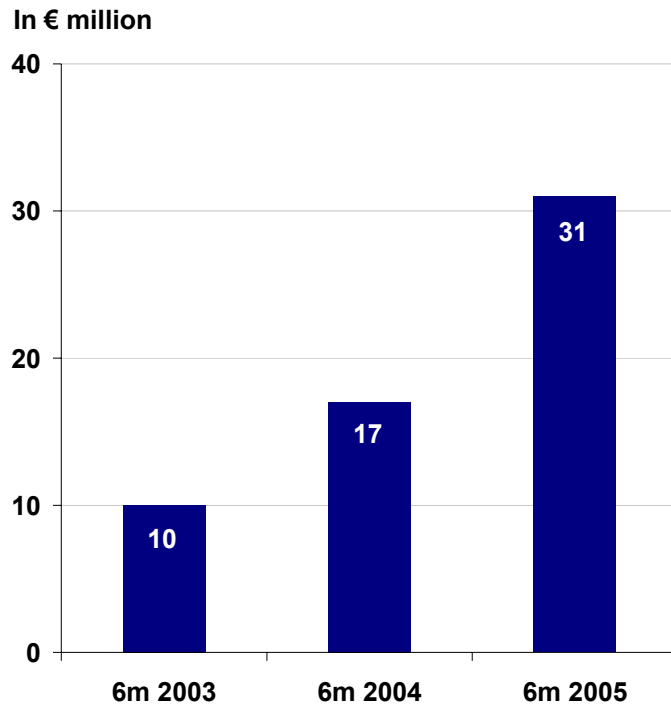
## Order backlog



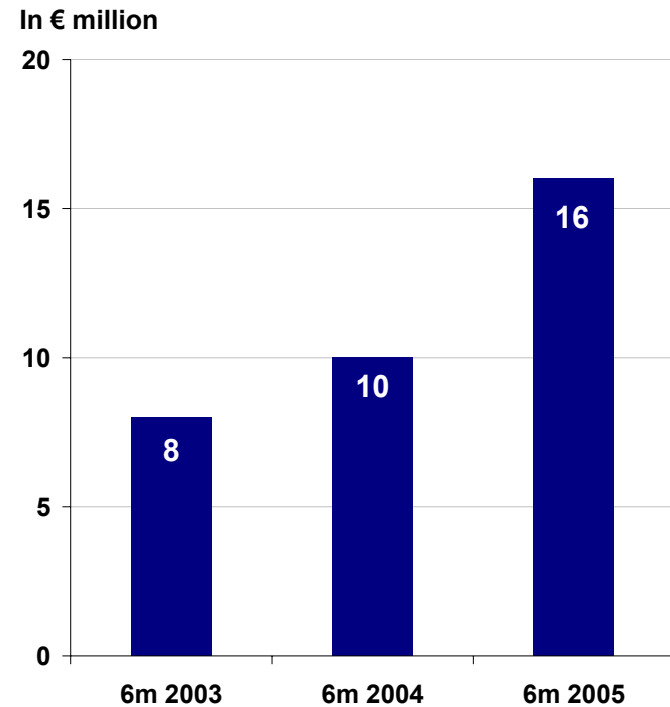
In € million

# Significant increase in earnings

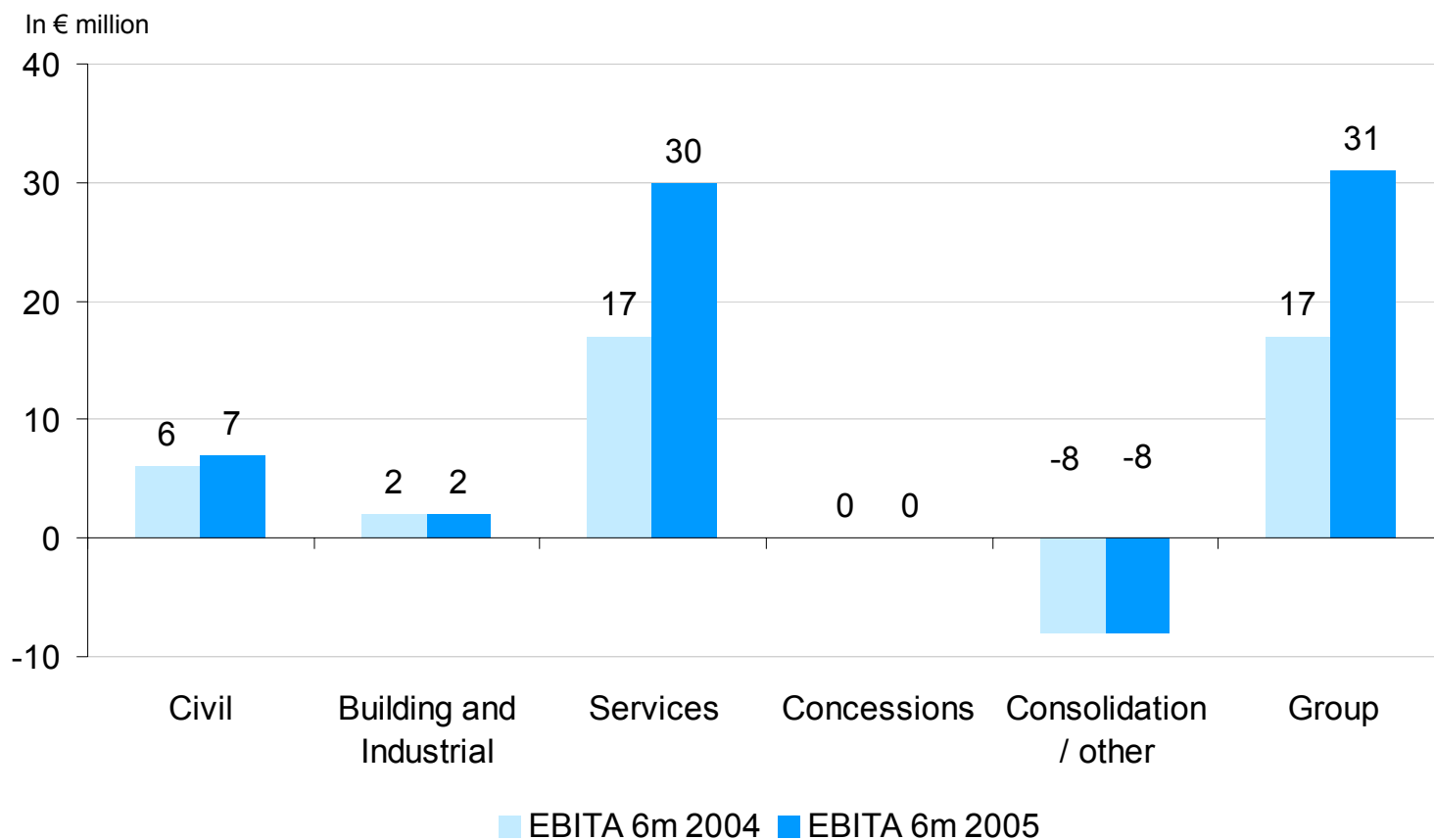
## EBITA



## Net Profit



# Major EBITA contribution from Services segment



# Civil: Growth in international markets

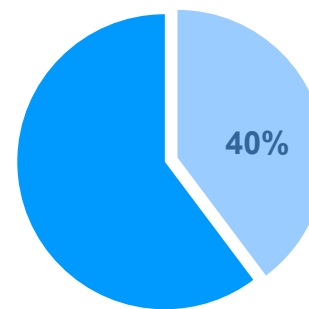
## Highlights 6m 2005:

- Significant increase in output volume and new orders, mainly from international business
- Current major projects:  
Wienerwaldtunnel, Austria  
Malmö City Tunnel, Sweden  
M6, Hungary  
Road projects, Australia
- German market still difficult  
Better mid-term prospects due to investment backlog in public infrastructure

## Outlook 2005:

- Increase in output volume to € 2.7bn
- Doubling of previous year's EBITA

## Share of total output volume 6m 2005



## Key figures 6m 2005

in € million	6m 2004	6m 2005	Change
<b>Output volume</b>	1,103	<b>1,326</b>	20%
<b>Orders received</b>	1,200	<b>1,403</b>	17%
<b>Order backlog</b>	3,198	<b>3,183</b>	0%
<b>Capital expenditure</b>	18	<b>25</b>	39%
<b>EBITA</b>	6	<b>7</b>	17%
<b>Workforce</b>	23,467	<b>23,041</b>	-2%

# Building & Industrial: Stable output volume, strong order increase

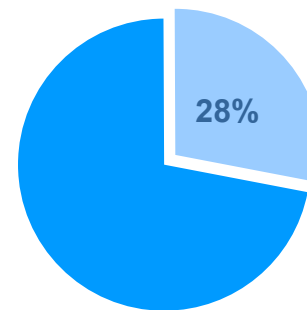
## Highlights 6m 2005:

- Significant increase in new orders, mainly in Australia and Nigeria
- Building and Industrial benefits particularly from synergies with Services and Concessions segments

## Outlook 2005:

- Increase in output volume to € 2.1bn
- Further improvement of EBITA

## Share of total output volume 6m 2005



## Key figures 6m 2005

in € million	6m 2004	6m 2005	Change
<b>Output volume</b>	934	<b>938</b>	0%
<b>Orders received</b>	762	<b>1,114</b>	46%
<b>Order backlog</b>	1,810	<b>2,231</b>	23%
<b>Capital expenditure</b>	4	<b>2</b>	-50%
<b>EBITA</b>	2	<b>2</b>	0%
<b>Workforce</b>	9,323	<b>10,105</b>	8%

# Services: Positive development in volume and earnings

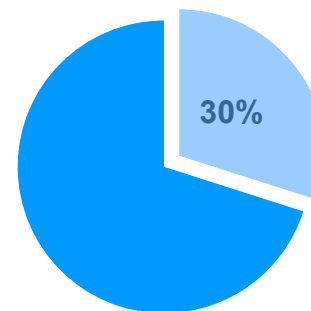
## Highlights 6m 2005:

- First consolidation of Babcock Borsig Service and Simon Engineering
- Taking over of large parts of the repair and maintenance work in the Höchst and Griesheim industrial parks
- Strengthening of Bilfinger Berger's market position in Property Management with EPM Assetis

## Outlook 2005:

- Increase in output volume to € 2.1bn
  - more than € 1.5bn in Industrial Services
  - more than € 500m in Facility Services
- EBITA with another significant increase

## Share of total output volume 6m 2005



## Key figures 6m 2005

in € million	6m 2004	6m 2005	Change
<b>Output volume</b>	754	<b>1,003</b>	33%
<b>Orders received</b>	853	<b>1,160</b>	36%
<b>Order backlog</b>	1,194	<b>1,481</b>	24%
<b>Capital expenditure</b>	8	<b>12</b>	50%
<b>EBITA</b>	17	<b>30</b>	76%
<b>Workforce</b>	16,443	<b>21,249</b>	29%

# Concessions: On track for further portfolio expansion

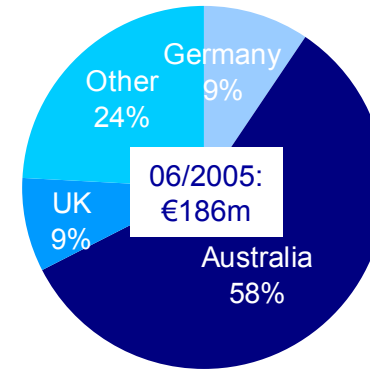
## Highlights 6m 2005:

- In addition to existing project portfolio we are preferred bidder in three projects with a total estimated equity investment of € 30 million:
  - Kent Grouped Schools, Great Britain
  - Long Bay Prison Hospitals, Sydney
  - M1 Westlink, Belfast
  
- Progress in German law to facilitate PPP projects  
 Good mid-term prospects due to current lack of public investment

## Outlook 2005:

- Further expansion of portfolio
- Again, delivery of positive value added

## Committed equity BOT by regions



## Key figures 6m 2005

in € million	6m 2004	6m 2005	Change
<b>Projects in portfolio</b>	11	<b>17</b>	54%
<i>thereof, in construction</i>	6	<b>12</b>	100%
<b>Committed equity</b>	122	<b>186</b>	52%
<b>thereof, paid-in</b>	107	<b>117</b>	9%
<b>EBITA</b>	0	<b>0</b>	
<b>Workforce</b>	59	<b>72</b>	22%

# Outlook

## 2005:

- Output volume expected to grow to € 6.9 billion
- EBITA expected to rise substantially
- Return on capital employed (ROCE) of at least 11%
- Net profit of more than € 70 million

## Mid-term target:

- Goal is to at least double last year's net profit to €100 million by 2007

**Interim Report Q2 2005**  
**Conference Call on August 11, 2005**



**Continuous growth in volume and earnings**

**Dr. Juergen M. Schneider, CFO**

# Visible improvement in profitability

## On track for full year's targets

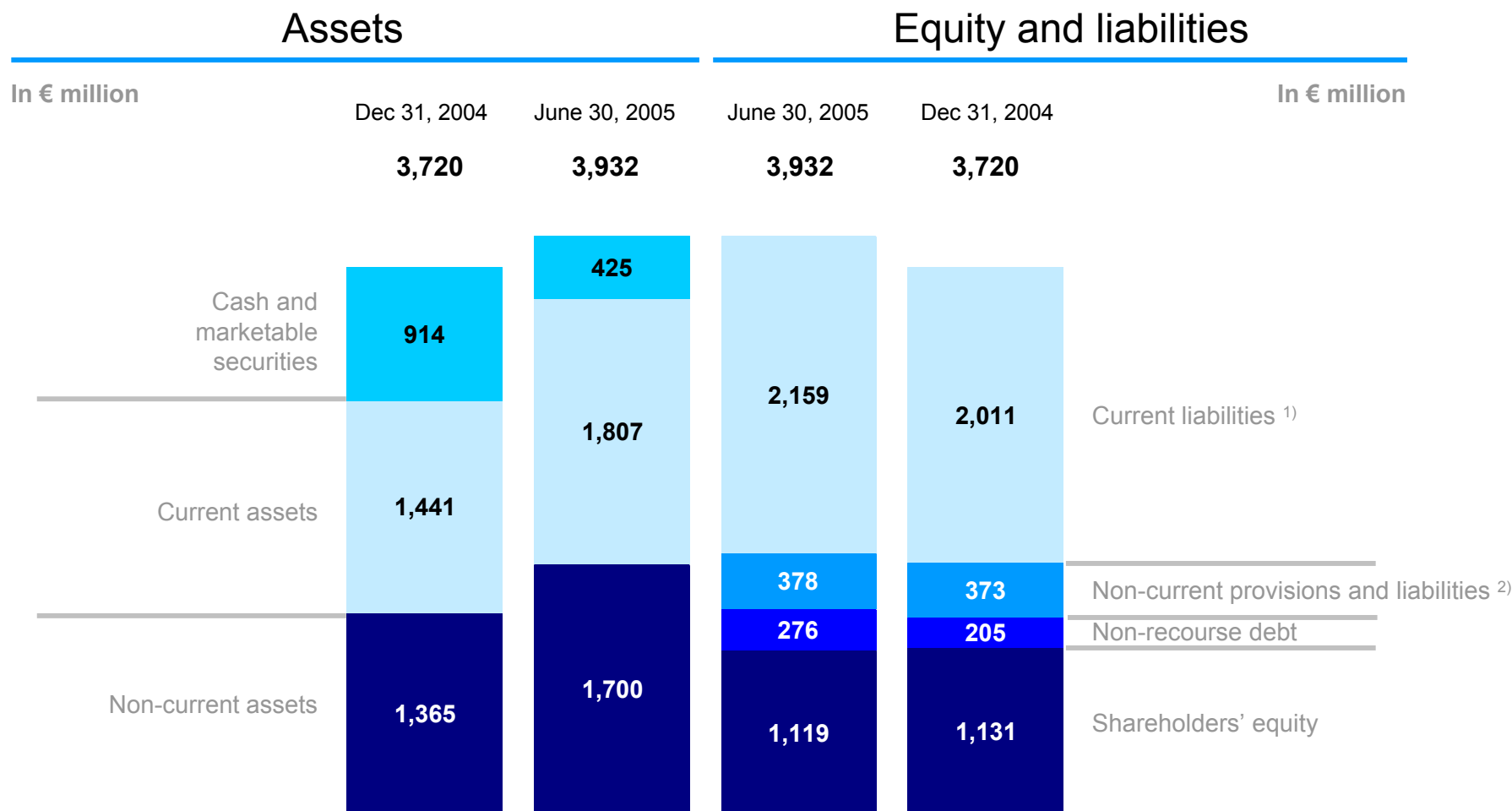
in € million	January to June	
	2004	2005
<b>EBITA</b>	17	31
Amortization of intangibles from acquisitions	0	-2
<b>EBIT</b>	17	29
<b>Net interest result</b>	0	0
<b>EBT</b>	17	29
Income taxes	-6	-11
Minority interests	-1	-2
<b>Net profit</b>	10	16
Average number of shares (in '000)	36,723	36,820
<b>EPS (in €)</b>	0.27	0.45

## Lower than average operating cash flow

- Reduction of previous year's particularly high prepayments
- Higher working capital needs due to growing business volume

in € million	January to June		
	2003	2004	2005
<b>Cash flow from operating activities</b>	<b>-151</b>	<b>-55</b>	<b>-256</b>
Net capital expenditure on property, plant and equipment	-28	-19	-36
Proceeds from the disposal of financial assets	3	58	2
<b>Free cash flow</b>	<b>-176</b>	<b>-16</b>	<b>-290</b>
<b>Investments in financial assets</b>	<b>-5</b>	<b>-50</b>	<b>-158</b>
<b>Cash flow from financing activities</b>	<b>-63</b>	<b>-81</b>	<b>-49</b>
Change in cash and marketable securities	-244	-147	-497
Other adjustments to cash and marketable securities	5	1	8
Cash and marketable securities at January 1	772	900	914
<b>Cash and marketable securities at June 30</b>	<b>533</b>	<b>754</b>	<b>425</b>

# Balance sheet: First consolidation of Babcock Borsig Service



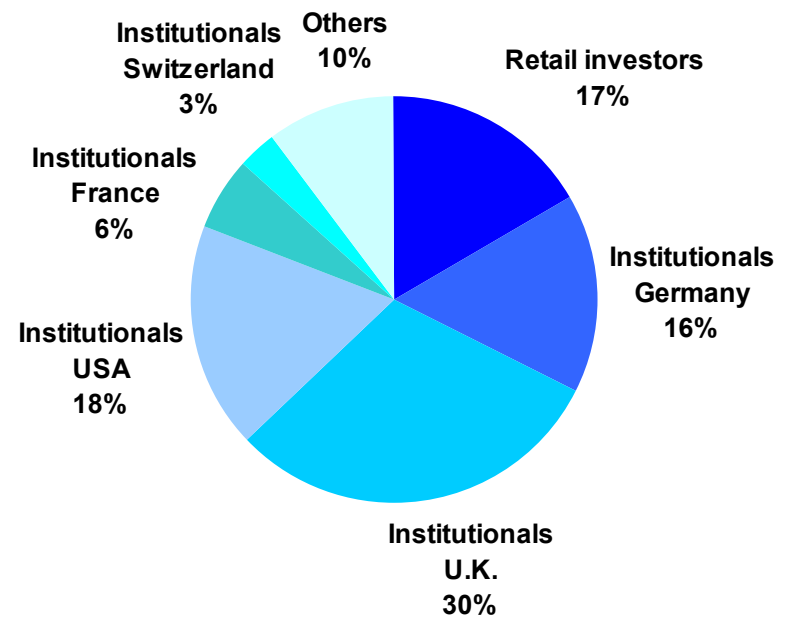
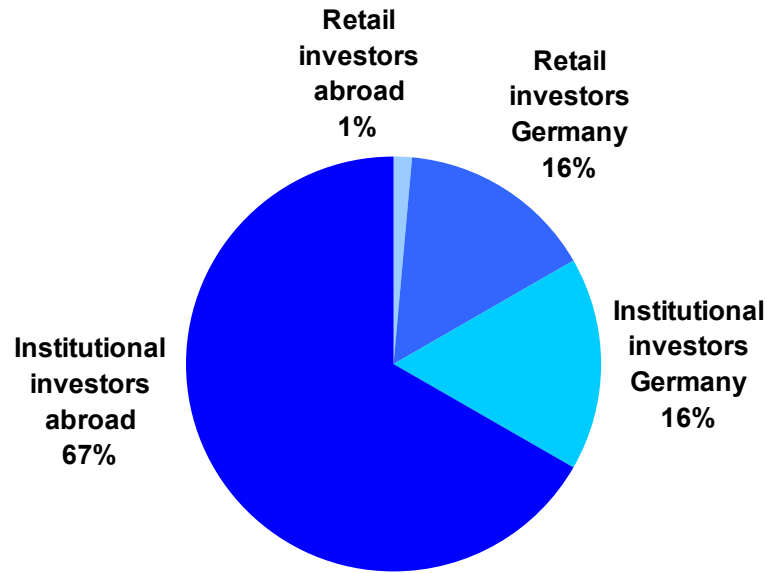
1) Excluding non-recourse debt of €90 million (Dec. 31, 2004: €91 million)

2) Excluding non-recourse debt of €186 million (Dec. 31, 2004: €114 million)

# Net cash position of € 183 million

<b>in € million</b>	<b>Jun 30 2004</b>	<b>Dec 31 2004</b>	<b>Jun 30 2005</b>
<b>Cash &amp; marketable securities</b>	<b>754</b>	<b>914</b>	<b>425</b>
<b>- Financial liabilities (excluding non-recourse)</b>	<b>-152</b>	<b>-134</b>	<b>-142</b>
<b>- Pension provisions</b>	<b>-93</b>	<b>-97</b>	<b>-100</b>
<b>Net cash position</b>	<b>509</b>	<b>683</b>	<b>183</b>

# 100% free float and an international shareholder base support liquidity of the share



Source: Bilfinger Berger survey 2005

# Disclaimer

This presentation has been produced for support of oral information purposes only and contains forward-looking statements which involve risks and uncertainties. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Such statements made within this document are based on plans, estimates and projections as they are currently available to Bilfinger Berger AG. Forward-looking statements are therefore valid only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Apart from this, a number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in worldwide financial markets as well as the factors that derive from any change in worldwide economic development.

This document does not constitute any form of offer or invitation to subscribe for or purchase any securities. In addition, the shares of Bilfinger Berger AG have not been registered under United States Securities Law and may not be offered, sold or delivered within the United States or to U.S. persons absent registration under or an applicable exemption from the registration requirements of the United States Securities Law.