



Interim Report as per September 30, 2001

Development of the Group - Overview

Contrary to the trend in the industry as a whole, Bilfinger Berger is continuing its positive development. This is also true for our share which is amongst the top performers in the DAX 100 this year. The good fundamentals and future prospects of the Bilfinger Berger Group are convincing. Our share is being recommended as a buy on all sides.

The key figures for the first nine months reflect the Company's positive development. The volume of work and orders on hand are up 2 per cent, orders received are appreciably higher than the volume of work. At reporting date, consolidated net profit amounted to € 33 million. The assets and

financial positions are good. Due to the cyclic nature of our business, cash on hand was lower than at the beginning of the year and will be rising again by the end of the year according to plan. Major construction projects abroad have caused capital expenditure to rise. The number of employees in Germany continued to decline, but the personnel requirements of our construction sites abroad have increased their number for the Group as a whole.

Our accounting has been converted to International Accounting Standards (IAS) from the current fiscal year on so that comparable figures for the profit and loss account will only be available again at the end of the year.

For fiscal 2001, we still expect our volume of work to rise to € 4.6 billion with a quota of 60 per cent of work performed abroad. Operating earnings will more than double. We expect another increase in net profit for the year to around € 50 million.

We sold our stake in Dresdner Bank to Allianz as per January 15, 2002. This will provide the Company with € 262 million in cash next year which will be utilised in the strategic development of our Company. In 2002 the transaction will result in a tax-free capital gain of € 161 million.

The Company's realignment as a Multi Service Group for building and infrastructure has been widely publicised and is firmly established at all levels of the Group. This lays the foundations for the Company's well targeted development. We are facing the future with optimism even though it is as yet impossible to make a final assessment of the consequences of the terrorist attacks in the United States.

Key figures for the Group

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Volume of work	3,340	3,277	+2	4,437
Orders received	3,651	3,648	0	4,591
Orders on hand	4,511	4,417	+2	4,200
EBITA	+14			+10
EBT	+44			+62
Consolidated net profit	+33			+43
Earnings per share in €	+0.91			+1.20
Cash earnings according to DVFA/SG	+96			+97
Capital expenditure	96	74	+30	112
Employees as per September 30	43,821	39,429	+11	40,653

Development of our Business Areas

Domestic Construction

The volume of work performed rose slightly in the business area Domestic Construction. The high growth rates for orders received and orders on hand are attributable to last year's low base figures and to changed classifications in our reporting. In view of the difficult competitive situation, we continue to be selective in the orders we accept. To compensate for weak demand in Germany, we have expanded our activities in civil engineering to neighbouring countries where our expertise in special areas such as tunnel construction is in demand.

The downswing in the construction industry has slowed down, but there is still no indication of a turnaround. In public construction, the intentions expressed by the Federal government suggest that demand can be expected to rise in the coming years. The government's approval of privately financed autobahn construction will be to the advantage of the construction industry in the medium term.

As already reported, we expect the business area Domestic Construction to have a volume of work worth € 1.7 billion for 2001 as a whole with a slightly positive operating result.

International Construction

Our business area International Construction is developing at a steady pace. Orders received are appreciably higher than work performed. Last year's high base figure is attributable to major orders.

In Nigeria, investments in the infrastructure are developing vigorously. In Australia, investments in construction continue to decline as expected, although our affiliate Boulderstone Hornibrook has experienced a marked rise in orders received. In Australia, as in the United States, we focus on major infrastructure projects. Our American affiliate Fru-Con is operating successfully. Its interest lies increasingly in the expansion of its activities in the infrastructure and the energy sectors. At the present time there is nothing to indicate that this company will be affected by the economic consequences of the terrorist attacks.

We are firmly established in our Asian core markets even though demand, especially in Thailand, is still at a low level. Our claims to payment for the Bang Na Expressway completed in 1999 were fully sustained by the arbitration board to which they were submitted. The claims of the joint venture in which we hold a good 50 per cent share, amount to six billion baht, currently corresponding to € 150 million. We have not yet capitalised them since the date of payment is still uncertain as the funds have not been allowed for in the budget of the authority concerned.

Our European affiliates in France, the UK and Poland are operating successfully.

For the current year, we expect a volume of work amounting to € 2.6 billion in the business area International Construction, with a continuing rise in operating results.

Key figures Domestic Construction

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Volume of work	1,295	1,253	+3	1,659
Orders received	1,506	1,091	+38	1,495
Orders on hand	1,516	1,309	+16	1,306
Capital expenditure	19	19	0	32
EBITA	-7			-13
Employees	7,066	7,639	-8	7,210

Key figures International Construction

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Volume of work	1,803	1,848	-2	2,490
Orders received	1,922	2,370	-19	2,795
Orders on hand	2,781	2,880	-3	2,663
Capital expenditure	61	49	+24	67
EBITA	+28			+32
Employees	34,881	29,867	+17	31,543

Real Estate Development and BOT

As expected, the business area Real Estate Development and BOT experienced an appreciable increase in the volume of work performed. With the British Embassy in Berlin and school and hospital projects in the UK we are present on the most important BOT market in Europe. The realisation of the Herrentunnel in Lübeck on a private basis makes us one of the pioneers in BOT in Germany. Now that the Federal government has become more open to the idea of privately financed solutions, we plan to participate in the implementation of pending autobahn projects and improve our lead in the BOT sector.

Project development benefits from the good level of demand for upmarket office properties at major business centres.

In the business area Real Estate Development and BOT, we expect a further increase of € 0.3 billion in the volume of work. On reaching the sales targets we have set ourselves in project development, the business area will achieve positive results despite start-up costs for BOT projects.

Environmental Services

The volume of work performed by our business area Environmental Services remains at last year's level. Orders received and orders on hand reflect the weakness of demand in Germany, especially the reluctance on the part of the public sector to place orders for new projects. Business abroad accounts for more than half of Environmental Services sales. China in particular has developed into an interesting market for wastewater technology.

For this business area this year we expect the volume of work to reach € 0.2 billion with earnings slightly positive.

Key figures Real Estate Development and BOT

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Volume of work	196	114	+72	204
Orders received	179	84	+113	266
Orders on hand	218	143	+52	235
Capital expenditure	5	3	+67	9
EBITA	+2			+8
Employees	302	169	+79	180

Key figures Environmental Services

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Volume of work	145	144	+1	217
Orders received	122	151	-19	211
Orders on hand	121	158	-23	145
Capital expenditure	5	3	+67	4
EBITA	-1			+1
Employees	1,139	1,320	-14	1,295

Volume of work by business areas

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Domestic Construction	1,295	1,253	+3	1,659
International Construction	1,803	1,848	-2	2,490
Real Estate Development and BOT	196	114	+72	204
Environmental Services	145	144	+1	217
Consolidation, other	-99	-82		-133
	3,340	3,277	+2	4,437

EBITA by business areas

	9/2001 € million	9/2000 € million	Percentage change	12/2000 € million
Domestic Construction	-7			-13
International Construction	+28			+32
Real Estate Development and BOT	+2			+8
Environmental Services	-1			+1
Consolidation, other	-8			-18
	+14			+10

Interim financial statements

Consolidated profit and loss account

€ million	1.1. – 30.9.2001
Turnover	2,760
Other operating income	+32
Cost of materials	-1,826
Personnel costs	-645
Depreciation	-48
Other operating expenses	-259
Earnings before interest, taxes and goodwill amortisation (EBITA)	+14
Goodwill amortisation	-1
Earnings before interest and taxes (EBIT)	+13
Net income from equity investments	+24
Net interest income ¹⁾	+7
Earnings before taxes (EBT)	+44
Income taxes	-11
Minority shareholders' interests	0
Consolidated net profit	+33
Average number of shares in thousands	36,261
Earnings per share in €	+0.91

¹⁾ Unlike HGB (the German commercial code) accounting principles, net interest income according to IAS includes the interest portion of transfers to provisions for pensions and gains/losses from the sale of securities.

Consolidated cash flow statement

€ million	1.1. – 30.9.2001
Cash earnings according to DVFA/SG	+96
Change in net current assets	-257
Cash flow from operating activities	-161
Cash flow from investing activities	-38
Cash flow from financing activities	+1
Change in securities and cash effected by payments	-198
Other changes in securities and cash	+1
Securities and cash as per January 1	877
Securities and cash as per September 30	680

While cash earnings were positive, the cash flow from operating activities was negative at €161 million. Besides the reduction of prepayments and accruals, a significant influence is exercised temporarily by a lower level of progress payments in the business area Domestic Construction and a higher volume of funds tied up in the business

area Real Estate Development and BOT.

Cash flow from financing activities reflects the rise in liabilities to banks which stems from new project financing on a non-recourse basis in the business area Real Estate Development and BOT. The payment of the dividend has a contrary effect.

Consolidated balance sheet

€ million	30.9.2001	31.12.2000
ASSETS		
Fixed assets		
Intangible assets	8	8
Property, plant and equipment	480	475
Financial assets	308	308
	796	791
Current assets		
Inventories	559	408
Accounts receivable and other assets	1,130	940
Marketable securities and cash	680	877
	2,369	2,225
Deferred tax assets	51	55
Prepaid expenses	11	5
	3,227	3,076
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity	1,079	900
Minority interests	3	3
Accruals		
Accruals for pensions	132	129
Other accruals	461	487
	593	616
Liabilities		
Liabilities to banks	367	322
Other liabilities	1,185	1,235
	1,552	1,557
	3,227	3,076

As of January 1, 2000, shareholders' equity rose by € 237 million to € 870 million as a result of the change in our accounting methods to IAS without affecting earnings. Consolidated net profit for fiscal 2000 at € 43 million is € 1 million higher than the corresponding HGB (German commercial code) result. From January 1, 2001 on,

the first-time application of IAS 39 (Financial Instruments) requires financial assets to be shown at market prices. This results in a further rise in shareholders' equity by € 167 million to € 1,067 million without affecting earnings. At cut-off date the Group had an equity ratio of 33 per cent.

**Dates**

Announcement of the proposed dividend	April 26, 2002
Financial press conference	May 7, 2002
Analysts conference	May 7, 2002
Report as per March 31, 2002	May 28, 2002
Annual General Meeting	June 6, 2002

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