



Preliminary Report

for the fiscal year 2000

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Dear Shareholder,

The present report is to give you a preliminary overview of the course of business during the past fiscal year. The Supervisory Board will approve the financial statements at its meeting on May 15, 2001, after which we shall publish the dividend to be proposed to the Annual General Meeting. We shall discuss the financial statements in greater detail at the financial press conference and DVFA analysts and investors conference to be held on May 29, 2001. Our annual report with further details will be available to you by then. The Company's Annual General Meeting will be held on June 28, 2001 in Mannheim. We are looking forward to welcoming you there.

The development of the construction market

Contrary to original expectations, the year 2000 marked a new low in the recession of the German construction industry which has now lasted five years. According to statistical analyses available so far, orders received by the construction industry declined by 9.2 per cent. The slump in demand tangibly affected both eastern and western German Länder as well as all sectors. The workforce continued to decline. In eastern Germany there was one unemployed person for every two employed in industry. We expect stimulation in commercial construction in the current fiscal year. The implementation of the German government's Investments for the Future programme should also give rise to an improvement in public sector construction.

The business climate in our foreign markets was gratifying. Investments in construction rose in France, Poland, the United Kingdom and Austria, the European countries relevant to our business. In Nigeria, the high price of crude oil has boosted demand. In the construction markets of Australia and the United States, a consolidation is taking place at a high level. In our Asian target markets the general economic recovery has been making progress. Our international activities are thus proceeding on a sound basis. We expect the positive climate to continue in the current fiscal year.

The development of the Group

Bilfinger + Berger operated successfully in the past fiscal year, and our earnings position further improved, thus bucking the trend in the industry. There were gratifying increases in both orders received and orders on hand.

The **volume of work** declined by 3 per cent to DM 8,678 (previous year: 8,970) million, primarily as a consequence of the production cutbacks in the business area Domestic Construction. **Orders received** rose by 6 per cent to DM 8,980 (previous year: 8,449) million. The business area International Construction primarily contributed to this development. **Orders on hand**

Orders received by the construction industry

	West	East	Total
Residential	-11.9	-25.8	-15.8
Commercial	-5.8	-11.0	-7.0
Public	-6.8	-7.2	-6.9
Total	-7.6	-13.7	-9.2

nominal changes in per cent January to November 2000
in comparison to the previous year

Employees in the construction industry

	2000	1999	Percentage change
West	748,700	775,100	-3.4
East	304,300	336,100	-9.4
Total	1,053,000	1,111,200	-5.2

January to November

reached DM 8,215 (previous year: 7,913) million by the end of the year under review. This corresponds to an increase of 4 per cent on the 1999 figure. At cut-off date, the Group had 40,653 (previous year: 41,641) **employees**. Capital expenditure on **tangible assets** declined to DM 190 (previous year: 217) million. Investments in **financial assets** amounted to DM 28 (previous year: 265) million. Last year's figure was substantially influenced by the increase in our stake in Buderus.

In the business area **Domestic Construction**, the 15 per cent decline in orders received is attributable to our careful selection of projects as well as to falling demand. The size of the workforce has been adjusted accordingly. The consistent alignment of our branch structure to either building construction or civil engineering completed in the year under review will help us to hold our own successfully in a difficult and highly competitive market environment. DM 2.0 billion of the volume of work we performed in Germany is attributable to the building construction sector, DM 1.2 billion to civil engineering. The Company's activities in construction materials, accounting for less than 2 per cent of the volume of work, have been integrated into Domestic Construction. In view of the extremely difficult market environment, earnings in this business area were negative.

A few weeks ago the activities of our joint venture with Strabag Bau Holding were merged with Nemetschek's corresponding activities. The bundling of know-how in the new Mybau AG has brought us a decisive step closer to our aim of establishing a leading construction portal. We are determined to play a leading role in the promotion of changes in the construction process through the application of modern information technologies.

The development of the business area **International Construction** was marked by a 28 per cent rise in orders received which resulted first and foremost from new large-scale projects. Notable in this connection are, among others, a 80-kilometer section of the high-speed railway in Taiwan and a sports stadium with capacity for 60,000 spectators for the All African Games in Nigeria's capital Abuja. The quota of construction work performed abroad is 56 per cent and will continue to rise in the coming years. The business area's earnings have been increased appreciably, more than compensating for the negative contribution made by Domestic Construction.

Volume of work, orders received and orders on hand in the business area **Real Estate Development and BOT** developed positively in the year under review. Bilfinger + Berger Projektentwicklung sold the Maxtorhof office property in Nuremberg, developed on the basis of the Office 21 concept, to an investor at an early stage. The rental of the first two sections of the Lebyro office complex in Neu-Isenburg, based on the same concept, assures the sale of the entire property. In the fourth quarter, we were awarded contracts in the United Kingdom to finance, design, construct three schools and one hospital, and to operate them for a period of thirty years. Including the British Embassy in

Volume of work

	2000 DM million	1999 DM million	Percentage change
Domestic Construction*	3,244	3,432	- 5
International Construction	4,870	4,862	0
Real Estate Development and BOT	399	353	13
Environmental Services**	425	557	- 24
Consolidation	- 260	- 234	
Total	8,678	8,970	- 3

Orders received

	2000 DM million	1999 DM million	Percentage change
Domestic Construction*	2,923	3,427	- 15
International Construction	5,467	4,269	28
Real Estate Development and BOT	521	494	5
Environmental Services**	413	545	- 24
Consolidation	- 344	- 286	
Total	8,980	8,449	6

Orders on hand

	2000 DM million	1999 DM million	Percentage change
Domestic Construction*	2,554	2,878	- 11
International Construction	5,208	4,611	13
Real Estate Development and BOT	459	338	36
Environmental Services**	283	294	- 4
Consolidation	- 289	- 208	
Total	8,215	7,913	4

at cut-off date

Capital expenditure

	2000 DM million	1999 DM million	Percentage change
Domestic Construction*	63	75	- 16
International Construction	131	139	- 6
Real Estate Development and BOT	17	11	52
Environmental Services**	7	13	- 43
Other financial assets	0	244	
Total	218	482	- 55
thereof tangible assets	190	217	- 12
thereof financial assets	28	265	- 89

Employees

	2000	1999	Percentage change
Domestic Construction*	7,210	8,187	- 12
International Construction	31,543	30,914	2
Real Estate Development and BOT	180	130	38
Environmental Services**	1,295	1,928	- 33
Headquarters and Service units	425	482	- 12
Total	40,653	41,641	- 2

at cut-off date

*including Construction Materials

**after sale of the dewatering and separating technology division

Berlin which was completed last year, the United Kingdom is currently our most important market for concession projects. Our affiliate Aquamundo is working on its first major project – the water supply for the coastal regions of Montenegro. Earnings for the business area Real Estate Development and BOT are positive.

The decline in the key figures for volume of work and orders received in the business area **Environmental Services** is attributable exclusively to the sale of Passavant-Roediger's dewatering division. The company succeeded in boosting the quota of its international business to over 50 per cent. One area of focus is China where Passavant-Roediger is an important provider of waste water treatment technology. GWK and Bilfinger + Berger Umwelttechnik also strengthened their position abroad. The companies in the business area Environmental Services achieved a break-even result.

Dates 2001

Announcement of dividend	May 16
Financial press conference	May 29
Analysts conference	May 29
Annual General Meeting	June 28
Interim Report as per June 30	early September
Interim Report as per September 30	early December

The Group's **financial position** remained good in the year under review. Its **earnings position** continued to improve. Thanks to the equity consolidation of our stake in Buderus, net profit for the year will exceed the envisaged DM 60 million to reach DM 80 million (previous year: DM 43 million). Overall improvement in operating results, declining restructuring costs, and sound financial earnings all contribute to the rise in net profit for the year.

Dates 2002

Financial press conference	May 7
Analysts conference	May 7
Annual General Meeting	June 6

For the current year we expect another rise in net profit.

The Board of Executive Directors
Mannheim, February 2001



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Board of Executive Directors: Herbert Bodner (Chairman), Dr. Klaus-Dieter Ehlers,
Dr. Walter Hinder, Hans Helmut Schetter, Dr. Jürgen M. Schneider, Carlos Möller (deputy member)

Corporate Headquarters and Place of Registration: Mannheim, District Court HRB 4444

Securities Code number 590 900