

Foreword

Dear Shareholders and Business Associates,
Ladies and Gentlemen,

The products and services provided by Bilfinger Berger are well-established in the market and ensured that we enjoyed another successful year in 2006. Output volume, orders received and earnings exceeded our expectations. Our share price rose by 38% in the course of the year and our market capitalization surpassed the €2 billion mark.

The Services business segment continued to grow and thus further improved the Group's income and risk exposure. Whether in real estate, transport infrastructure, industrial plants, power plants or oil rigs – the Multi Service Group stands ready as a competent partner.

Our traditional business segments, Civil and Building and Industrial, also made contributions to the positive overall picture. Our Building division in Germany had a very strong year. Numerous projects were gained through evolution, our comprehensive business model which offers substantial benefits to our customers. Developments were also positive in Australia, Bilfinger Berger's second most important market for building construction: Now, once again we have an order backlog with good earnings potential in this market.

The development of Germany's still-young market for public-private partnerships (PPP) in building construction started to accelerate: Schools, prisons and administrative buildings are good examples of successful cooperation between the public and private sectors. Bilfinger Berger was able to successfully establish itself in this future market despite strong competition.

We generated two thirds of our total output volume outside Germany in 2006. In the Civil business segment, the proportion was actually 80%. This was a result of both the dynamism of our international markets and our high technical expertise, which has made us one of the leading suppliers of infrastructure projects worldwide.

In the Civil segment, we intend to further strengthen our market position in Europe, Australia, Canada and the Persian Gulf region. Our international focus allows us to compensate for fluctuations in regional markets.

In the Concessions business segment, there were some important changes during the year under review. Due to low utilization of capacity, our interests in two toll projects were completely written off. As a consequence, we decided to only participate in models with limited risk from traffic volumes in the future. On the other hand, we were able to demonstrate the value of our portfolio through the high proceeds from the sale of three mature projects. In addition, we succeeded in gaining new attractive projects such as our first private-sector concession project in the field of transport infrastructure in Norway and the Burg Prison near Magdeburg in Germany. We are

convinced that the expansion of our BOT portfolio will make a substantial contribution to increasing the value of the entire Group.

In 2006 – as in the years before – Group output volume grew both organically and through acquisitions. We continued to place high priority on the market position and expected earnings of the companies we have acquired:

- In Germany, we acquired Essener Hochdruck-Rohrleitungsbau GmbH, making us one of Europe's leading suppliers of high-pressure piping systems.
- With the acquisition of Salamis Group Ltd. of Aberdeen, Scotland, Bilfinger Berger has become the market leader for the repair and maintenance of offshore oil rigs in the North Sea.
- And by acquiring the Ahr Group in Oberhausen, Germany, Bilfinger Berger has extended its services business to the attractive hospitals sector.

Dear Shareholders,

Whether expanding in new markets or growing in existing markets: With our extensive project expertise and Multi Service approach, we can offer customers specific solutions and first-class services. We make full use of the synergies that arise from the interaction between our construction and services activities.

Through the consistent focus on earnings combined with ongoing improvement in the risk profile of all our business segments we will further increase the value of Bilfinger Berger. We continue to put all our efforts into realizing our goals. I would like to request that you continue to place your trust in us.

Sincerely yours,



Herbert Bodner
Chairman of the Executive Board
of Bilfinger Berger AG