

# Foreword

## **Dear Shareholders and Business Associates, Ladies and Gentlemen,**

Buoyed by a strong performance in its services business, Bilfinger Berger successfully concluded the 2009 financial year. Despite a charge on earnings from a major project and difficult economic conditions, we were able to meet the goals established in our forecast at the beginning of the year. EBIT and net profit reached levels equal to those of the prior year after adjusting for the sale of Razel.

Not only was 2009 a successful year, it was also an important year in the development of the Company: Bilfinger Berger undertook a stronger shift in the focus of its activities toward the services business and laid the groundwork for a substantial reduction in the volume of its construction business. This applies in particular to the planned sale of our subsidiary, Bilfinger Berger Australia, the proceeds of which we will use to further expand our services business.

With the ongoing restructuring of our Company, we will fundamentally improve our economic footing and limit our dependence on economic cycles. This positioning as a services Group for industry, infrastructure and real estate is being very positively received by investors and clients. In October 2009, we carried out a capital increase, primarily to finance the acquisition of industrial and power services provider MCE. Our shareholders purchased nearly all of the new shares offered to them – evidence of the confidence they have in our corporate strategy.

The Services business segment, with its Industrial Services, Power Services and Facility Services divisions once again recorded an increase in output volume and earnings, exceeding expectations despite a recessionary business environment. Through the acquisitions of MCE in Austria, the Swiss Rohrbau Group, LTM in France and Duro Dakovic Montaza in Croatia, we have further expanded our strong position in this business.

Construction will remain a core business in the future despite reduced volumes. Our strengths lie in our technical competence and our expertise in sustainable construction. In the Civil business segment, we are active in selected regions where we carry out challenging infrastructure projects. In the Building and Industrial business segment, we compete on the basis of quality and avoid competition where price is the decisive factor. Because issues relating to sustainability in real estate are becoming increasingly important, the role of the lifecycle approach that we favor and have been pursuing for many years is growing. The volume reduction will also serve to improve margins in the construction business over the long term. We have also once again tightened our risk management and project selection guidelines.

We are taking the incidents that have occurred at the North-South urban rail line project in Cologne very seriously. I assure you that we are contributing our share to a complete and thorough examination into the causes of the accident and, depending on the outcome will respond appropriately. Through close cooperation with the client and the authorities involved as well as through open communication, we are working to restore the confidence that has been lost.

In a year marked by crisis, we were nevertheless able to add attractive projects in transport infrastructure and in public-sector building construction to our portfolio in the Concessions business segment. In addition, seven projects entered the operating phase.

Even though our transformation from a construction to a services Group has not yet been completed, our efforts are being recognized on the capital markets. Bilfinger Berger presents itself not only as a financially solid Group, but also as a company with exciting growth potential.

We will extend our services business to additional markets and expand the range of services we offer. Acquisitions will continue to play an important role in this process.

Our concessions business will also be continuously expanded. The sale of mature projects and the participation of a partner in our portfolio are two options that continue to be part of our business model. We are well-positioned in our markets and the demand for privately financed infrastructure projects is growing.

We also see growth opportunities in stricter climate protection and resource conservation requirements: Our expertise is needed in many areas, including sustainable construction and securing the supply of drinking water. In all areas of our business we are developing resource-friendly and environmentally compatible products and services and are offering our clients solutions that optimize expenditure and consumption over the entire lifecycle of structures and plants.

Be it in services, construction or concession projects – our business relies to a tremendous extent on highly-qualified employees. In the competition for the best minds available, we benefit from intensive cooperation with selected colleges and universities. In a survey to determine the most popular employer, Bilfinger Berger was selected by thousands of German university graduates as the year's rising star among engineers. This is certainly also a result of our promising future prospects and strong human resources work.

Bilfinger Berger has proven that its strategic positioning is successful, even in an economically challenging environment. As has been the case in the past, we will aggressively pursue the path we have chosen. I look forward to receiving your continued support.

Sincerely yours,



Herbert Bodner,  
Chairman of the Executive Board  
Bilfinger Berger AG