Annual General Meeting of Bilfinger Berger AG
on Thursday, May 18, 2006, 10:00 a.m., Mannheim

Speech by Herbert Bodner,
Chairman of the Executive Board

Check against delivery.

Bilfinger Berger continued along its successful path in the year 2005: output volume and orders received reached new record levels, net profit increased by 30 percent compared with the previous year, and significant progress in Company's development was made once again.

Today, Bilfinger Berger is a leading, international construction and services group, offering its clients complete solutions in the fields of property, infrastructure and industrial services.

(Chart: Multi Service Group)

One of our strengths is the comprehensive range of services that we offer our clients - ranging from consulting, financing, design and planning through turnkey construction to maintenance and operation.

The combination of these activities results in important synergies. For example, the collaboration between building construction and service units forms the basis of "i.volution", our consulting and services offering. We create added value for our clients with tailored solutions for each phase of a property's lifecycle. The joint activities of the Civil and Concessions business segments provide another example. They result in clear competitive advantages in the business with international major projects, and have recently led to repeated important project successes with the privately financed realization of major transportation work in Canada and Scandinavia.

Investment in the future of our company once again focused on the Services and Concessions business segments in 2005.

This realignment of the Group has led to our financial success growing faster than we expected. Within just a few years, the Services business segment has become our biggest source of earnings.

With increasing maturity, our still-young portfolio of privately financed concession projects will become another important source of earnings. For the projects developed so far, we anticipate future cash flows of more than €1 billion and project yields on committed equity of between 12 and 17 percent.

The Company's successful development has also led to a new positioning on the capital market.

(Chart: Shareholder structure December 2005)

From being a company with mainly German investors, we have developed into a company whose stock attracts the interest of international shareholders – meanwhile international investors hold a majority of our shares. After Dresdner Bank disposed of its Bilfinger Berger shares in June of last year, our free float increased to 100 percent. A shareholder survey carried out at the end of 2005 shows that more than 60 percent of our shares are now held by institutional investors outside Germany.

(Chart: Relative share-price development)

Successful corporate developments are also reflected by the performance of our shares. At the end of the year, the share price surpassed €40, thus returning a performance of 37 percent in 2005. This positive trend continued in the new year. By the middle of May, the share price had increased by a further 25 percent to more than €50. Our shares have also enjoyed a significant increase in liquidity. Since the beginning of 2006, daily trading in our shares has averaged 250,000 shares.

(Chart: Relative share-price development -> end)

Dear Shareholders, today, we request your approval for a change in our Articles of Incorporation. Our expanded service offering as a Multi Service Group necessitates a change in the Company's purpose – as proposed under Item 6 of the Agenda.

As a result of the Act on Corporate Integrity and Modernization of the Right of Challenge (UMAG), which came into force last year, the regulations on calling the Annual General Meeting and its execution are to be amended in accordance with Item 7.

Furthermore, under Item 9 of the Agenda, we propose making changes to the approved capital in order to adjust as ideally as possible to future opportunities in corporate developments.

As has been the case so far, we would also like to maintain the option of applying free liquidity to repurchase own shares. Under Item 10, we therefore request the renewal of the respective authorization. However, with the application of available resources, the focus remains on investing in the Company's ongoing development.

Finally, under Items 11 and 12, we request your approval to the conclusion of control and profit-and-loss-transfer agreements with two subsidiaries: Bilfinger Berger Facility Services GmbH and Bilfinger Berger Verkehrswegebau GmbH. These intercompany agreements, the contents of which are usual for such arrangements, will result in an advantageous tax-group structure.

I will now turn to Bilfinger Berger's business developments in 2005.

(Chart: Output volume 2003 - 2005)

In particular the continued expansion of our services activities led to a sharp increase in total output volume – it increased by 16 percent to €7.1 billion. The Services business segment expanded by 41 percent. The proportion of output volume generated in international markets was 66 percent. Of the 34 percent generated in Germany, 19 percentage points were accounted for by the construction business and 15 percentage points by the services business.

(Chart: Orders received 2003 - 2005)

Orders received also grew and, at €7.5 billion, was 23 percent higher than in the previous year.

(Chart: Order backlog 2003 - 2005)

The order backlog increased by 10 percent compared with the end of 2004 to a level of €7 billion at the end of December 2005.

The Group's profitability also continued to improve, due to stronger earnings by the Services, Civil and Concessions business segments.

(Chart: Net profit 2004 - 2005)

Despite losses in the Australian building construction business, EBITA increased from €81 million to €115 million. However, this figure is actually reduced by a methodological change in the calculation of EBITA for concession projects. Using the previous method of calculation, EBITA would have amounted to €126 million, so the growth compared with the prior year would have been even stronger. In order to present an accurate picture of operating profit, for the first time we now also include all of the interest expenses and interest income connected with the concessions business in EBITA. In the consolidated financial statements, this led to a reduction of €11 million in the business segments' earnings and a corresponding increase in the net interest result. The methodological change had no impact on earnings before taxes or net profit.

The impairment tests of existing goodwill did not result in any charges. The amortization of intangible assets from acquisitions of €6 million relates to capitalized assets from acquired inventories and long-term customer relations of newly acquired companies.

Net interest income decreased to €6 million. This was due to lower profits on the sale of securities than in the prior year and higher net interest expenses on pension provisions.

Earnings before income taxes of €115 million were €24 million higher than in the prior year. Income taxes of €42 million represent an effective tax rate of 36 percent.

After deducting the minority interest, net profit amounted to €66 million and earnings per share amounted to €1.80.

(Chart: Dividend distributions 2003 - 2005)

We today propose to you that a dividend of €1.00 per share be distributed. The sum paid out would thus amount to €37.2 million; in relation to net profit, this would represent a distribution ratio of 56 percent.

(Chart: Value added by business segment)

We also measure the financial success of our business with the aid of return-on-capital-employed controlling. Our goal of improving the return on capital employed to 11 percent in 2005 was very nearly achieved, with a result of 10.9 percent.

(Chart: Consolidated balance sheet, assets)

Our Company's asset and capital structure is as sound as ever.

The balance-sheet total increased in 2005 by more than €600 million to nearly €4.4 billion. This was the result of growth in the Services and Concessions business segments.

On the assets side, I would like to point out the increase in non-current assets. This is goodwill, particularly from the acquisition of Babcock Borsig. One of the main effects of expanding our concessions activities was a significant increase in financial assets. Under current assets, the business expansion led to a significant increase in inventories. Securities and cash amounted to €832 million – another remarkably high level despite substantial cash outflows connected with investments in financial assets. This was primarily a result of the high cash inflow from operating activities, which exceeded our projections at a level of €188 million.

(Chart: Consolidated balance sheet, equity and liabilities)

On the liabilities side, recourse liabilities to banks decreased once again to €128 million. Non-recourse debt, which is used to finance concession projects and for which the Group is not liable, increased to €495 million. It corresponds with the increase in financial assets from concession projects.

Shareholders' equity increased to nearly €1.2 billion. Despite the increase in the balance-sheet total due to the expansion of the concessions business, the equity ratio amounted to a solid 27 percent at the end of last year.

(Chart: Key figures for the Group Q1 2006)

The figures for the first quarter of 2006 show that Bilfinger Berger made a good start to this year. The Group's volume figures grew at double-digit rates. First-quarter output volume increased by 15 percent to €1.6 billion. Growth in orders received was particularly strong at 34 percent, and resulted from the Civil and Services business segments. The order backlog rose by 15 percent to a new record level of €7.7 billion.

(Chart: Net profit Q1 2005)

Earnings developed as planned in the first quarter of this year. EBITA improved to minus €3 million. Net interest income amounted to €3 million, and the Group's earnings before taxes were minus €2 million. After the deduction of taxes and minority interest, there was a net result for the first quarter of 2006 of minus €2 million. Earnings in the first three months are always substantially lower than the level of the following quarters, and therefore do not allow any conclusion to be drawn on earnings for the full year.

I would now like to look at the business segments in some detail.

(Chart: Key figures for Civil 2004 - 2005)

In the Civil segment, we once again demonstrated our expertise with large-scale projects last year. The Westlink M7 in Sydney, a 40-kilometer bypass route, was completed at the end of 2005 eight months before the contractually agreed deadline. In Hungary, we will complete our work on a 58-kilometer stretch of highway south of Budapest in record time. In Scandinavia, we have established ourselves in the market with additional orders received. And the success of our concessions business in Canada is also related to the competitiveness of our civil-engineering activities.

The total output volume of the Civil business segment grew by 12 percent to €2.7 billion in 2005. Orders received and the order backlog increased significantly. EBITA reached €50 million.

(Chart: Key figures for Civil Q1 2006)

Civil recorded an unusually high volume of orders received in the first quarter of 2006. However, due to the hard winter in Europe and the resulting decrease in output volume, EBITA fell to minus €7 million.

In recent months, we have successfully gained several important orders for major infrastructure projects. In addition to the privately financed realization of the Golden Ears Crossing, a bridge connection in Vancouver, Canada, we also received an order to extend the city highway in Doha in the Emirate of Qatar. In Australia, we have been commissioned to design and construct a seven-kilometer section of a highway on the Gold Coast. And in Poland, we received an order for a section of the N 25 national highway including a bridge over the River Warta near Konin.

In Germany, urgently required projects for the improvement of the transport infrastructure are still coming onto the market too slowly or are being shelved. However, the parties in the new coalition government have made positive indications in their coalition treaty. The maintenance and improvement of Germany’s infrastructure are once again on the political agenda. The announcement that investment in transportation is to be increased by a total of €4.3 billion during the present legislative period is encouraging.

Traffic volumes are growing sharply with the expansion of the European Union, so the demands placed on transport infrastructures will continue to rise. This was one of the main reasons why we started to develop our Road division in 2005. Like all of the specialist units of our Civil business segment, this new unit is active in both Germany and our international markets, and has made a successful start. Its order backlog has already surpassed €100 million.

For full-year 2006, we expect the Civil business segment to post an output volume in the magnitude of the prior year and to deliver good earnings once again.

(Chart: Key figures for Building and Industrial 2004 - 2005)

Our Building and Industrial business segment has an excellent competitive position in Germany, Australia and Nigeria. Its output volume increased by 5 percent to €2.1 billion in 2005. Orders received and order backlog remained stable.

Most of the business in this segment involves cooperation with private-sector clients. In the German market, we have further strengthened our excellent competitive position as a result of our consistent customer focus. Our German Building division once again improved on its positive earnings of the prior year.

Our success in Germany was offset – as you know – by losses in building construction in Australia, with a resulting impact on the segment's profitability. EBITA of minus €14 million was in line with our adjusted projections. We have now corrected the previous weaknesses at our Australian subsidiary, Baulderstone Hornibrook.

(Chart: Key figures for Building and Industrial Q1 2006)

The volume of orders received by the Building and Industrial business segment in the first quarter of 2006 was lower than in the same period of last year as a result of selective order acceptance in Australia and the cyclical nature of our business with major projects. EBITA amounted to minus €3 million, like in the prior year.

In full-year 2006, we plan to achieve a stable output volume in the Building and Industrial segment, and we anticipate a significantly positive EBITA.

(Chart: Key figures for Services 2004 - 2005)

The further expansion of our services business was a focal point of our corporate development once again in 2005. With the acquisition of Babcock Borsig Service, we extended our services business to the power-plant sector and attained a strong position in a market with great potential. And with the company EPM Assetis, which we established in 2005, we now also have a top position for commercial facility management in Germany.

The Services segment's output volume increased by 41 percent to €2.3 billion in 2005. In addition to organic growth, the acquisitions I have mentioned were responsible for this expansion. Orders received and order backlog were well over the prior-year figures, and EBITA increased from €62 to €90 million.

(Chart: Key figures for Services Q1 2006)

The Services business segment recorded high growth rates for output volume, orders received, order backlog and earnings also in the first three months of this year.

In the Facility Services division, effective March 1 of this year, we acquired 80 percent of the shares in Serimo Holding. This company is the biggest independent property manager in Switzerland and provides commercial services including portfolio and asset management. In April, we expanded into the hospitals sector with the acquisition of the Ahr Group. Ahr specializes in facility management in the healthcare sector and manages approximately 200 hospitals and nursing homes in Germany.

The volume of business also continued growing in the Industrial Services division. In the first quarter, orders were gained for important rehabilitation measures in the power-plant sector. These include lignite-burning power stations in Jänschwalde, Germany and Belchatow, Poland. And we are supplying and installing large sections of the piping system for a nuclear power station in Olkiluoto, Finland.

In the Services business segment, we anticipate a renewed significant increase in both output volume and earnings in 2006.

(Chart: Key figures for Concessions 2004 - 2005)

We are continuously improving our good position in the international concessions business. At the end of last year, our portfolio comprised 17 projects and committed equity totaled €177 million, of which €130 million had been paid into project companies.

EBITA amounted to €4 million. Without the methodological change I previously mentioned, EBITA would have amounted to €15 million.

(Chart: Key figures for Concessions Q1 2006 - end)

The Concessions business segment continued to post further major successes in the first few months of this year. The financial close of two major transportation projects is particularly important: the city highways in Belfast and the bridge connection in Vancouver that I mentioned previously. Both of these projects are based on availability models by which income is independent of actual traffic volumes. Our portfolio now comprises 19 projects and our equity commitment has grown to €225 million, of which €134 million was paid in at the end of March.

We are now about to take over our first concession project in Scandinavia. A consortium under our leadership has been selected as preferred bidder for the financing, design, construction and operation of a 38-kilometer section of a highway in Norway. This project is also based on an availability model. We have also been selected as preferred bidder for three school projects in Scotland and Northern Ireland. So the continuation of our successful growth in the concessions business is ensured.

The Cross City Tunnel in Sydney, in which Bilfinger Berger has a 20-percent equity stake in an amount of €50 million, went into operation at the end of August 2005 and is now in the first half of an eighteen-month ramp-up phase. The monthly increases in traffic volumes have so far been lower than projected. The operator company is holding promising negotiations with the responsible authorities in order to overcome the difficulties of the ramp-up phase more quickly. Future developments must be awaited before a valid new assessment of the project's profitability can be made.

Despite the high expenses for our intensive bidding activities and the costs connected with projects in the ramp-up phase, the EBITA-loss in the first quarter of this year was only €4 million.

The main criterion for assessing the success of our business in the Concessions segment is the return on the invested equity in the projects – which is consistently a double-digit percentage – and the annual increase in the present value of future cash flows.

(Chart: Strategic goals)

The key points of Bilfinger Berger's corporate strategy remain unchanged in the year 2006:

- Our services business will be expanded further, through organic growth and targeted acquisitions. We will continue to have substantial funds at our disposal for this purpose – from our own liquidity and from borrowing.

- We will continue investing in our Concessions business. The focus of our activities will remain on building and transport-infrastructure projects.

- In the construction business, we continue to focus not on regional expansion, but on the strengthening and development of our existing position. Construction volume is not of foremost importance. Increasing the quality and stability of our earnings is the first priority.

By continuing with this strategy, we intend to increase our profitability and enterprise value also in the future.

In the current year, we plan to generate an output volume of more than €7.2 billion.

And earnings are to rise significantly once again.

At the same time, we aim to achieve a return on capital employed in excess of 11 percent at Group level.

(Chart: Multi Service Group)

The mission that we defined in the year 2001 of transforming the Bilfinger Berger construction company into an international Multi Service Group is meanwhile reality. Bilfinger Berger is extremely well positioned, with its pillars of construction, services and concession projects. We will consistently push forward with our successful corporate strategy. Together with my Executive Board colleagues, I ask that you, our shareholders, continue to place your trust in us in the future.

Thank you for your attention.