Interim Report Q1 2010

The Multi Service Group. BILFINGER BERGER

Interim group management report

- **Good start to the new financial year**
- **Earnings more than doubled**
- **New business-segment structure introduced**

Bilfinger Berger started the 2010 financial year with a good first quarter. Output volume and orders received were at the prior-year level while order backlog further increased. EBIT from continuing operations and net profit more than doubled compared to the first quarter of 2009.

As previously reported, we intend to dispose of Bilfinger Berger Australia. Proceeds from the sale will be used to press forward with the expansion of our services activities. At the same time, this step leads to a substantial reduction in the size of our construction business. The intended sale of Bilfinger Berger Australia is progressing as planned. An initial public offering is being prepared and should take place in the middle of this year. For this reason, the key figures of this company will no longer be included in our reporting segments, but will be disclosed as *discontinued operations*. All the figures presented in this interim report reflect the Group's continuing operations, unless otherwise stated.

Key figures for the Group

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	1,773	1,777	0	7,727
Orders received	2,122	2,127	0	7,696
Order backlog	8,941	8,421	6	8,362
EBIT from continuing operations	49	23	113	173
EBIT from discontinued operations	30	20	50	77
Total EBIT*	79	43	84	250
Earnings after taxes from continuing operations	26	8	225	83
Earnings after taxes from discontinued operations	22	15	47	60
Net profit*	48	23	109	140
Earnings per share (in €)*	1.10	0.60	83	3.79
Investments	72	114	–37	496
thereof in P, P & E	26	24	8	135
thereof in financial assets	46	90	–49	361
Number of employees	60,374	54,970	10	61,027

* Includes continuing and discontinued operations

Due to the increasing importance of our services activities, we have introduced, from the beginning of the 2010 reporting year, a new business segment structure organized as follows:

- *Industrial Services*
  The Industrial Services business segment provides services for the repair and maintenance of industrial plants.

- *Power Services*
  The Power Services business segment provides services for the maintenance, modernization, delivery and assembly of power plant components.

- *Building and Facility Services*
  The focus in the Building and Facility Services business segment is on providing real estate life-cycle services. This segment includes the German building activities and the Facility Services division. It also provides construction-related services from Germany for Julius Berger Nigeria PLC.

- *Construction*
  The Construction business segment is comprised of the Group's civil-engineering activities.

- *Concessions*
  Bilfinger Berger reports on its privately financed concession projects in the Concessions business segment.

The legal form of our company will also change: The transformation of Bilfinger Berger AG into a European company (SE), which was resolved by the shareholders at the Annual General Meeting on April 15, 2010, will likely be completed in autumn 2010.

Increased order backlog

Output volume and orders received remained stable in the first three months of this year at €1,773 million and €2,122 million respectively. The order backlog of €8,941 million at the end of March was 6 percent higher than a year earlier.

EBIT and net profit more than doubled

EBIT from continuing operations more than doubled to €49 million (Q1 2009: €23 million), EBIT including discontinued operations rose to €79 million (Q1 2009: €43 million). The net interest expense increased to €9 million (Q1 2009: €7 million). Earnings after taxes from continuing operations amounted to €26 million (Q1 2009: €8 million). In addition, our discontinued operations delivered earnings after taxes of €22 million (Q1 2009: €15 million). Net profit increased to €48 million (Q1 2009: €23 million).

We have analyzed the financial risks that could result from the collapse of the Cologne Municipal Archives in 2009. In view of the facts and existing insurance cover, it is not necessary to recognize any provisions from today's perspective.

Outlook

Bilfinger Berger's continuing operations generated output volume of €7.7 billion in 2009, with EBIT of €173 million and net profit of €80 million. For the year 2010, we anticipate growth in output volume along with disproportionately high increases in EBIT and net profit. The business in Australia will deliver positive contributions to the Group's net profit until it is sold. This is in addition to the expected capital gain.

Solid financial position

Cash and cash equivalents decreased as expected, amounting to €410 million at the end of the first quarter (end of 2009: €798 million). The figure at March 31, 2010 no longer includes Bilfinger Berger Australia's cash and cash equivalents of €219 million. Another reason for the decrease is the increase in working capital during the calendar year, which is typical of our business. Nonetheless, the cash flow from operating activities for continuing operations improved to minus €134 million (Q1 2009: minus €215 million). Investments in financial assets totaled €46 million (Q1 2009: €90 million); €26 million is accounted for by equity contributions in the concessions business and €20 million by acquisitions in the services business. Investments in property, plant and equipment amounted to €26 million (Q1 2009: €24 million).

Excluding project financing on a non-recourse basis, for which Bilfinger Berger is not liable, liabilities to banks totaled €285 million (end of 2009: €354 million). The figure for the end of the first quarter excludes the liabilities of Bilfinger Berger Australia in an amount of €71 million.

Workforce growth

As a result of acquisitions, the number of persons employed by the Bilfinger Berger Group increased to 60,374 at the end of the first quarter (end of Q1 2009: 54,970). The number of persons employed in Germany rose to 24,591 and the number employed in other markets increased to 35,783 (end of Q1 2009: 23,933 and 31,037 respectively).

Joining the Desertec Initiative

In April, Bilfinger Berger joined the Desertec Industrial Initiative as an associated partner. The objective of the project is to cover approximately 15 percent of European electricity needs with solar and wind energy from North Africa and the Middle East, where electricity is to be produced on a large scale by solar power plants and wind farms by 2050. As a partner to the energy sector, we have many years of experience with the installation, maintenance and repair of plants for the generation of renewable energy. We are already responsible for the efficient operation of solar-thermal power plants in Spain and North Africa.

Opportunities and risks

No significant changes occurred with regard to opportunities and risks during the reporting period compared with the situation as described in the Annual Report 2009. Provisions have been made for all recognizable risks; in our assessment, no risks exist that would jeopardize the continuing existence of the Bilfinger Berger Group.

Developments in the business segments

Overview of output volume and order situation	Output volume		Orders received		Order backlog		Output volume
€ million	**Q1 2010**	**Δ in %**	**Q1 2010**	**Δ in %**	**Q1 2010**	**Δ in %**	**FY 2009**
Industrial Services	660	20	785	26	2,332	41	2,249
Power Services	260	15	286	– 6	1,198	2	1,017
Building and Facility Services	490	– 16	735	5	2,443	4	2,529
Construction	352	– 16	277	– 43	2,895	– 10	1,938
Consolidation, other	11		39		73		– 6
Continuing operations	**1,773**	**0**	**2,122**	**0**	**8,941**	**6**	**7,727**

EBIT by business segment

€ million	**Q1 2010**	**Q1 2009**	**Δ in %**	**FY 2009**
Industrial Services	27	24	13	118
Power Services	17	14	21	73
Building and Facility Services	6	3	100	58
Construction	– 1	– 16		– 73
Concessions	4	2	100	14
Consolidation, other	– 4	– 4		–17
Continuing operations	**49**	**23**	**113**	**173**

Industrial Services

- **Growth from the acquisition of MCE**
- **Earnings increased once again**

Output volume, orders received and order backlog in the Industrial Services business segment all increased significantly following the acquisition of MCE. EBIT rose to €27 million (Q1 2009: €24 million).

Demand from important sectors such as pharmaceuticals and energy was stable. We signed agreements with RWE Power for scaffolding services at the opencast mining sites in Garzweiler, Hambach and Inden. In the United Kingdom, long-term framework agreements for industrial services were signed with international oil and gas companies.

The chemical industry and petrochemicals have overcome the declining utilization of capacities of last year and we anticipate positive impetus from them in the course of the year. At the beginning of this year, BASF extended its framework agreement with Bilfinger Berger for its sites in Ludwigshafen and Schwarzheide. The services to be provided include insulation, scaffolding, corrosion protection and piping systems.

The integration of MCE, the industrial and power services provider acquired at the end of 2009, was successfully completed. The majority of the company's activities, representing an output volume of nearly €700 million and about 5,000 employees, is now part of Bilfinger Berger Industrial Services. Activities of about €120 million and 500 employees have been allocated to Bilfinger Berger Power Services.

For full-year 2010, we expect the Industrial Services business segment to achieve an increase in output volume and a further increase in earnings.

Key figures for Industrial Services

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	660	549	20	2,249
Orders received	785	623	26	2,402
Order backlog	2,332	1,654	41	2,040
Capital expenditure on P, P & E	12	9	33	49
EBIT	27	24	13	118

Power Services

- **High utilization of capacities**
- **Further increase in earnings**

Output volume in the Power Services business segment increased with the acquisition of parts of MCE. Orders received in the first quarter did not quite match the very high prior-year level, but were higher than output volume. The high order backlog provides a solid foundation for good utilization of capacities. EBIT increased to €17 million (Q1 2009: €14 million).

The consequences of the economic crisis and political debate have delayed the construction of new power plants in some European countries. In Germany, too, some projects have been questioned. This will result, however, in higher investment for the repair and maintenance of existing power plants, which will have to be operated for longer than planned due to the lack of investment in replacements.

In South Africa, where Power Services maintains and repairs about 70 percent of the country's installed power generation capacity, there is still tremendous need for additional capacities. We have established a new production facility for power plant components near Pretoria, which has already supplied parts for several major orders. At the end of April 2010, the first large-scale induction-bending plant in Africa went into operation for processing high-pressure piping. We have invested more than €30 million in South Africa in the past two years.

New orders were received in the first quarter for the refitting of a boiler to operate on biomass instead of coal at the Rodenhuize power plant in Belgium, for the supply and installation of additional high-pressure piping for the Eemshaven power plant in the Netherlands, and for the exchange of plant components in the Qurayyah power plant in Saudi Arabia.

We anticipate growth in output volume and a further increase in earnings for the Power Services business segment in the full year.

Key figures for Power Services

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	260	227	15	1,017
Orders received	286	305	– 6	1,024
Order backlog	1,198	1,179	2	1,137
Capital expenditure on P, P & E	6	4	50	28
EBIT	17	14	21	73

Building and Facility Services

- **Growth in orders received**
- **Improved earnings**

The Building and Facility Services business segment's output volume decreased due to the effects of the harsh winter and the reduction in building activities as planned. Orders received were boosted by new orders from Nigeria and new framework agreements for facility services. EBIT improved to €6 million (Q1 2009: €3 million).

Demand on the German building construction market is declining due to the lack of impetus from the private sector. Our expertise in sustainable construction and energy management mean that we are predestined for partnering models with private-sector clients, and public-private-partnership projects with clients in the public sector. Interest from investors and users in sustainable building concepts is increasing steadily.

We have a sound utilization of capacity in facility management. Our longstanding partnerships with major clients have proven their worth in economically difficult times. In the first quarter, for example, framework agreements were extended or newly concluded for a total volume of €70 million with IVG, Nokia and Axa. The contract periods are between five and eight years. The ongoing trend towards outsourcing facility management will continue to offer good opportunities for Bilfinger Berger in the future.

Bilfinger Berger provides engineering and purchasing services from Germany for its associated company, Julius Berger Nigeria, and also supports it with specialist personnel. There was good capacity utilization in this business with construction-related services in the first quarter.

For full-year 2010, we anticipate lower output volume in the Building and Facility Services business segment due to the reduced volume of building activities. We expect EBIT to be higher than in 2009.

Key figures for Building and Facility Services

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	490	582	– 16	2,529
Orders received	735	701	5	2,481
Order backlog	2,443	2,348	4	2,181
Capital expenditure on P, P, P & E	2	3	– 33	17
EBIT	6	3	100	58

Construction

- **Reduction in output volume as planned**
- **Substantial improvement in earnings**

Against the backdrop of the reduction of the construction business as planned, output volume and orders received in the Construction business segment declined. First-quarter EBIT improved substantially to minus €1 million (Q1 2009: minus €16 million).

In the future, the focus of our civil-engineering activities will be on Germany and other European markets, where conditions are generally favorable. Outside of Europe, we will work as a technology partner for local companies. In that capacity only limited project risks will be taken.

In Germany, we have received an order to expand the offshore base in Cuxhaven with another berth. In the United Kingdom, the upcoming construction of additional large-scale offshore wind farms offers opportunities that we intend to utilize. We also have good prospects in Scandinavia; in Stockholm for example, we have received a further order to construct a tunnel for the orbital motorway around Stockholm. Our order volume from this project now totals more than €200 million. We are also involved in the development of the Polish transport infrastructure with numerous projects.

The output volume of the Construction business segment will be reduced further in full-year 2010. We anticipate significantly positive earnings.

Key figures for Construction

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	352	417	– 16	1,938
Orders received	277	489	– 43	1,749
Order backlog	2,895	3,217	– 10	2,962
Capital expenditure on P, P & E	5	6	– 17	38
EBIT	– 1	– 16		– 73

The North-South urban rail line project in Cologne has led to extensive media coverage of Bilfinger Berger.

The misconduct of individual employees that has been discovered in connection with the construction of the urban rail line in Cologne is unacceptable and irreconcilable with Bilfinger Berger's principles. The following facts have to be stated, however: According to the knowledge currently available, there is no connection between the collapse of the Cologne City Archive last year and suspicions concerning the construction of diaphragm walls. The public prosecutor's office also sees no connection and is therefore carrying out separate investigations.

Foundation engineering works are the focus of discussion. Foundation engineering is a core competence of Bilfinger Berger that has grown historically. In the year 2009, we generated revenue of €100 million with 350 employees in this area. Nonetheless, doubts have been cast on the overall quality of Bilfinger Berger's work. It therefore has to be stated that Bilfinger Berger has a longstanding, tried-and-tested system designed to assure the quality of its work. Ernst & Young has affirmed the functionality of our system of internal controls in the construction business. To ensure that gaps do not occur in the on-site implementation of these systems, the Executive Board has commissioned an independent group of experts to examine the implementation of quality management in all civil engineering units. The group is being headed by Prof. Claus Jürgen Diederichs, who lectured for many years at the University of Wuppertal.

This precautionary measure should not be misunderstood. Bilfinger Berger has attained a very good reputation not only in Germany, but also internationally with high safety standards, technical expertise and quality in execution. Events in Cologne, however, have caused us to ensure that our systems meet the highest requirements both in their function and in their effectiveness.

Concessions

- **New transport project in Australia**
- **Committed equity approaching target**

The Concessions business segment comprises a portfolio of 27 projects as of the interim balance sheet date. Our total equity commitment rose to €364 million and our paid-in equity increased to €167 million. The segment's EBIT improved to €4 million (Q1 2009: €2 million).

At the beginning of 2010, a project company under Bilfinger Berger's leadership was selected to realize a 25-kilometer highway in the Australian state of Victoria on the basis of an availability model. We are investing €26 million of equity capital in this project.

At the end of March, another section of the M6 motorway went into operation in Hungary. We completed this 65-kilometer section in a record time of just 18 months. During the 28-year operating phase, we will ensure the availability of the new motorway in return for continuous income in the form of a contractually agreed fee from the Hungarian government.

We expect the general conditions for privately financed concession projects to further improve. In the future, too, we will continue to pursue only those projects with an attractive opportunity-risk profile.

Our committed equity is approaching the targeted €400 million mark. The possible sale of mature projects and participation of partners in our portfolio are still part of our business model. Attractive opportunities are currently being explored. We expect the Concessions business segment to again deliver positive earnings in full-year 2010.

Key figures for Concessions

Number / € million	Q1 2010	Q1 2009	FY 2009
Projects in portfolio	27	25	26
thereof under construction	9	14	8
Committed equity	364	334	340
thereof paid-in	167	118	140
EBIT	4	2	14

Discontinued operations

- **Unchanged positive market environment**
- **Record order backlog**

Bilfinger Berger Australia continues to operate in a positive market environment. Its output volume grew again in the first quarter of 2010 as a result of exchange-rate effects. The high level of orders received led to a record order backlog, which provides the basis for another successful year. EBIT amounted to €30 million (Q1 2009: €20 million).

Key figures for Bilfinger Berger Australia

€ million	Q1 2010	Q1 2009	Δ in %	FY 2009
Output volume	677	641	6	2,676
Orders received	877	602	46	3,433
Order backlog	3,839	2,550	51	3,342
Capital expenditure on P, P & E	4	6	– 33	27
EBIT	30	20	50	77

Interim consolidated financial statements

The interim consolidated financial statements as of March 31, 2010 have been prepared in accordance with the guidelines of the International Accounting Standards Board (IASB), London, as were the consolidated financial statements for the year 2009, and comply with the requirements of IAS 34. They do not provide all of the information and disclosures included in complete consolidated financial statements and are therefore to be read in conjunction with the consolidated financial statements as of December 31, 2009. The accounting and valuation methods explained in the notes to the consolidated financial statements for the year 2009 have been applied unchanged. From January 1, 2010 the revisions of IFRS 3 *Business Combinations* and IAS 27 *Consolidated and Separate Financial Statements* have also been observed. There were no material changes in the composition of the consolidated Group during the reporting period.

On January 26, 2010, the Executive Board of Bilfinger Berger AG decided to initiate the sale of Bilfinger Berger Australia Pty. Limited, Sydney, Australia, and to prepare the initial public offering of shares in that company. In line with the regulations of IFRS 5, the business activities of Bilfinger Berger Australia are presented in this interim report as of March 31, 2010 as discontinued operations.

The assets and liabilities of the discontinued operations classified as held for sale are presented separately within the consolidated balance sheet. In the consolidated income statement, the income and expenses of the discontinued operations are presented separately from the income and expenses of the continuing operations, and are summarized separately in one item as earnings after taxes from discontinued operations. The non-current assets classified as held for sale are no longer subject to systematic depreciation or amortization as of the date of reclassification (January 26, 2010).

Consolidated income statement

January 1 - March 31

€ million	2010	2009
Output volume from continuing operations (for information only)	1,773	1,777
Revenue	**1,731**	**1,745**
Cost of sales	–1,517	–1,554
Gross profit	**214**	**191**
Selling and administrative expenses	–180	–180
Other operating income and expense	12	10
Result of investments accounted for using the equity method	3	2
Earnings before interest and taxes (EBIT)	**49**	**23**
Net interest result	–9	–7
Earnings before taxes	**40**	**16**
Income tax expense	–14	–8
Earnings after taxes from continuing operations	**26**	**8**
Earnings after taxes from discontinued operations	**22**	**15**
Earnings after taxes	48	23
thereof minority interest	0	0
Net profit	**48**	**23**
Average number of shares (in thousands)	44,140	38,251
Earnings per share (in €)*	1.10	0.60
thereof relating to continuing operations	0.60	0.22
thereof relating to discontinued operations	0.50	0.38

* Basic earnings per share are equal to diluted earnings per share.

First-quarter revenue from continuing operations of €1,731 million was at the prior-year level (Q1 2009: €1,745 million). In order to present the Group's entire output volume – including our proportion of the output volume generated by joint ventures, which is not included in revenue – for information purposes we also disclose our output volume in the consolidated income statement. It is also almost unchanged at €1,773 million (Q1 2009: €1,777 million).

Gross profit increased to €214 million (Q1 2009: €191 million). In relation to output volume, the gross margin increased to 12.1 percent (Q1 2009: 10.7 percent). Selling and administrative expenses remained constant at €180 million or 10.1 percent of output volume. EBIT more than doubled to €49 million (Q1 2009: €23 million), with positive contributions being made by all business segments.

Scheduled amortization of €10 million (Q1 2009: €6 million) was carried out on intangible assets from acquisitions and is included in cost of sales. The increase was mainly a result of the first-time consolidation of MCE. Depreciation of property, plant and equipment amounted to €25 million (Q1 2009: €26 million).

The net interest expense increased by €2 million to €9 million (Q1 2009: €7 million). Current interest income decreased to €3 million (Q1 2009: €5 million) while current interest expense increased to €7 million (Q1 2009: €5 million). The interest expense from the allocation to pension provisions increased due to first-time consolidation to €4 million (Q1 2009: €3 million). The interest expense for minority interest decreased to €1 million, primarily due to lower accrued interest on purchase-price obligations (Q1 2009: €4 million).

The resulting earnings from continuing operations amounted to €40 million before taxes (Q1 2009: €16 million) and €26 million after taxes (Q1 2009: 8 million).

Earnings after taxes from discontinued operations of our Australian business activities increased to €22 million (Q1 2009: €15 million), mainly because of exchange-rate effects and the discontinuation of scheduled depreciation and amortization as of January 26, 2010.

The Group's net profit increased to €48 million (Q1 2009: €23 million).

Consolidated statement of comprehensive income

	January 1 - March 31	
€ million	**2010**	**2009**
Earnings after taxes	**48**	**23**
Gains / losses on hedging instruments		
Unrealized gains / losses	–27	20
Reclassifications to the income statement	14	– 5
	–13	15
Currency translation differences	65	4
Actuarial gains / losses from pension plans	0	0
Unrealized gains / losses on investments accounted for using the equity method	–12	–10
Income taxes on unrealized gains / losses	–12	–5
Other comprehensive income after taxes	**28**	**4**
Total comprehensive income after taxes	**76**	**27**
attributable to shareholders of Bilfinger Berger AG	76	28
attributable to minority interest	0	–1

In addition to the earnings after taxes of €48 million (Q1 2009: €23 million) presented in the consolidated income statement, other comprehensive income of €28 million was recognized directly in equity (Q1 2009: €4 million). This is the net amount of unrealized gains and losses on hedging instruments, unrealized gains and losses from investments accounted for using the equity method also resulting from hedging instruments, and currency translation differences recognized in equity. The hedging instruments relate primarily to interest-rate derivates used in the concessions business for the long-term financing of project companies. The non-recourse character of this project financing calls for long-term, predictable interest cash flows and thus requires long-term, static hedging against the risk of interest-rate fluctuations. Changes in market values occurring in this context must be reflected in the balance sheet, but they have no impact on the development of the Group due to the closed project structure.

Total comprehensive income after taxes amounted to €76 million (Q1 2009: €27 million). Of that total, €76 million was attributable to the shareholders Bilfinger Berger AG (Q1 2009: €28 million).

Consolidated balance sheet

	€ million	Mar. 31 2010	Dec. 31 2009
Assets	**Non-current assets**		
	Intangible assets	1,416	1,539
	Property, plant and equipment	655	796
	Investments accounted for using the equity method	63	46
	Receivables from concession projects	2,293	2,134
	Other financial assets	174	170
	Deferred tax assets	201	230
		4,802	**4,915**
	Current assets		
	Inventories	271	270
	Receivables and other financial assets	1,630	1,869
	Current tax assets	30	30
	Other assets	71	59
	Cash and cash equivalents	410	798
	Assets classified as held for sale	883	–
		3,295	**3,026**
	Total	**8,097**	**7,941**
Equity and liabilities	**Equity**		
	Equity attributable to shareholders of Bilfinger Berger AG	1,614	1,538
	Minority interest	19	23
		1,633	**1,561**
	Non-current liabilities		
	Retirement benefit obligation	288	287
	Provisions	87	84
	Financial debt, recourse	268	320
	Financial debt, non-recourse	2,046	1,880
	Other financial liabilities	197	187
	Deferred tax liabilities	114	116
		3,000	**2,874**
	Current liabilities		
	Current tax liabilities	94	133
	Provisions	593	613
	Financial debt, recourse	17	34
	Financial debt, non-recourse	22	22
	Other financial liabilities	1,960	2,423
	Other liabilities	226	281
	Liabilities classified as held for sale	552	–
		3,464	**3,506**
	Total	**8,097**	**7,941**

Compared with the consolidated financial statements for the year 2009, the balance sheet total increased by €0.2 billion to €8.1 billion. This was primarily due to the increase in receivables from concession projects, accompanied on the liabilities side by an increase in *non-recourse financial debt*. When analyzing the change in balance sheet items, it is necessary to consider that at March 31, 2010, assets classified as held for sale of €883 million and liabilities classified as held for sale of €552 million of Bilfinger Berger Australia are presented as separate items. The composition of these items is shown in the notes to discontinued operations.

With the elimination of the corresponding items of Bilfinger Berger Australia in the prior-year period, inventories, current receivables and other current assets increased. At the same time, the corresponding current provisions and liabilities decreased. The negative working capital decreased to minus €802 million. The comparable working capital for the continuing operations at December 31, 2009 was minus €1,039 million. Cash and cash equivalents decreased to €410 million. The comparable figure at December 31, 2009 was €635 million. Other cash and cash equivalents of €219 million are included in the assets classified as held for sale.

Consolidated statement of changes in equity

€ million	Equity attributable to the shareholders of Bilfinger Berger AG							Minority interest	Equity
				Other reserves					
	Share capital	Capital reserve	Retained earnings and unappropriated retained earnings	Hedging instruments reserve	Currency translation reserve	Treasury shares	Total		
Balance at January 1, 2009	**112**	**523**	**829**	**– 127**	**– 117**	**– 100**	**1,120**	**21**	**1,141**
Total comprehensive income	0	0	23	0	5	0	28	– 1	27
Capital contributions	0	0	0	0	0	0	0	0	0
Dividends paid out	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	0	0	0	0
Balance at March 31, 2009	**112**	**523**	**852**	**– 127**	**– 112**	**– 100**	**1,148**	**20**	**1,168**
Balance at January 1, 2010	**138**	**759**	**882**	**– 119**	**– 22**	**– 100**	**1,538**	**23**	**1,561**
Total comprehensive income	0	0	48	–36	64	0	76	0	76
Capital contributions	0	0	0	0	0	0	0	0	0
Dividends paid out	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	0	0	– 4	– 4
Balance at March 31, 2010	**138**	**759**	**930**	**– 155**	**42**	**– 100**	**1,614**	**19**	**1,633**

Equity increased by €72 million during the first three months of 2010. Earnings after taxes contributed €48 million to this increase. Changes recognized directly in equity with no effect on profit and loss increased the equity attributable to the shareholders of Bilfinger Berger AG by €24 million. They include €64 million of positive differences on currency translation and €36 million of unrealized losses on hedging instruments, which are presented in more detail in the consolidated statement of comprehensive income. Equity attributable to minority interest decreased by €4 million due to deconsolidation.

Bilfinger Berger has held 1,884,000 treasury shares since April 2008. They account for €5,652,000 or 4.1 percent of the share capital at the interim balance sheet date. No cancellation of the treasury shares is currently planned.

Consolidated statement of cash flows

January 1 - March 31

€ million	2010	2009
Cash earnings from continuing operations	62	41
Change in working capital	– 195	– 253
Gains on disposals of non-current assets	– 1	– 3
Cash flow from operating activities of continuing operations	**– 134**	**– 215**
Cash flow from investing activities of continuing operations	**– 64**	**– 112**
thereof property, plant and equipment	– 19	– 22
thereof financial assets	– 45	– 90
Cash flow from financing activities of continuing operations	**– 15**	**5**
thereof repayment of loans / borrowing	– 15	5
Change in cash and cash equivalents of continuing operations	**– 213**	**– 322**
Cash flow from operating activities of discontinued operations	30	– 13
Cash flow from investing activities of discontinued operations	– 4	– 5
Cash flow from financing activities of discontinued operations	0	0
Change in cash and cash equivalents of discontinued operations	**26**	**– 18**
Other adjustments to cash and cash equivalents	18	3
Cash and cash equivalents at January 1	798	720
Cash and cash equivalents included in assets classified as held for sale at March 31	219	–
Cash and cash equivalents at March 31	**410**	**383**

Cash flow from operating activities is generally negative in the first quarter due to a seasonal increase in working capital. After this effect was particularly pronounced in the prior-year quarter, the cash flow from operating activities of continuing operations improved to a cash outflow of €134 million (Q1 2009: cash outflow of €215 million).

The balance of investments with proceeds from disposals for continuing operations amounted to €64 million (Q1 2009: €112 million). For property, plant and equipment, cash outflows amounted to €26 million (Q1 2009: €24 million) while cash inflows totaled €7 million (Q1 2009: €2 million). €46 million was invested in financial assets (Q1 2009: €90 million). Of that total, €26 million comprised capital contributions and loans in the concessions business (Q1 2009: €90 million) and €20 million was for acquisitions in the services business (Q1 2009: €0 million). The disposal of financial assets led to a cash inflow of €1 million in the reporting period.

The cash outflow from financing activities of continuing operations totaling €15 million (Q1 2009: cash inflow of €5 million) reflects net loan repayments in the reporting period and net borrowing in the prior-year quarter. In total, changes in cash and cash equivalents of continuing operations amounted to a cash outflow of €213 million (Q1 2009: net cash outflow of €322 million).

The cash flows for discontinued operations resulted in a cash inflow of €26 million (Q1 2009: cash outflow of €18 million).

Changes in currency exchange rates led to an arithmetical increase in cash and cash equivalents of €18 million.

Of the Group's total cash and cash equivalents at March 31, 2010, an amount of €219 million is included in the item *assets classified as held for sale* so the cash and cash equivalents of continuing operations presented in the balance sheet amount to €410 million (Q1 2009: €383 million).

Segment reporting	Output volume		External revenues		Internal revenues		EBIT	
€ million	Q1 2010	Q1 2009	Q1 2010	Q1 2009	Q1 2010	Q1 2009	Q1 2010	Q1 2009
Industrial Services	660	549	658	537	3	1	27	24
Power Services	260	227	260	227	0	0	17	14
Building and Facility Services	490	582	481	560	2	7	6	3
Construction	352	417	257	257	4	9	– 1	– 16
Concessions	16	9	71	151	0	0	4	2
Consolidation, other	– 5	– 7	4	13	– 9	– 17	– 4	– 4
Continuing operations	**1,773**	**1,777**	**1,731**	**1,745**	**–**	**–**	**49**	**23**

Segment reporting corresponds to our internal reporting by business segment.

In view of the intended reduction of the construction business and in particular the planned sale of Bilfinger Berger Australia, the reporting structure was adjusted at the beginning of the year 2010. This reflects the growing importance of our services business. The Industrial Services and Power Services divisions, which were previously allocated to the Services business segment, have now become separate reporting segments. The new Building and Facility Services segment comprises the activities of the German Building division as well as the Facility Services division, which was previously part of the Services business segment. The activities of Bilfinger Berger Nigeria, which were previously allocated to the Civil and the Building and Industrial segments, have also been placed into the new Building and Facility Services segment. The new Construction segment consists of the continuing operations of the old Civil business segment. The composition of the Concessions segment remains unchanged.

The segment reporting depicts only the Bilfinger Berger Group's continuing operations. The prior-year figures have been adjusted to the new reporting format.

The reconciliation of segment earnings (EBIT) to earnings before taxes from continuing operations is derived from the consolidated income statement.

Discontinued operations

Bilfinger Berger Australia is one of Australia's biggest companies in the fields of civil engineering, building construction and industrial construction, as well as industrial and infrastructure services.

The results of the discontinued operations of Bilfinger Berger Australia are comprised as follows:

	January 1 - March 31	
€ million	**2010**	**2009**
Output volume (for information only)	677	641
Revenue	564	538
Income / expenses	– 534	– 518
EBIT	**30**	**20**
Net interest result	1	1
Earnings before taxes	**31**	**21**
Income tax expense	– 9	– 6
Earnings after taxes from discontinued operations	**22**	**15**

Earnings after taxes from discontinued operations are fully attributable to the shareholders of Bilfinger Berger AG.

The assets and liabilities of Bilfinger Berger Australia classified as held for sale are comprised as follows:

€ million	**Mar. 31 2010**
Assets	
Goodwill	140
Non-current assets	192
Current assets (excluding cash and cash equivalents)	332
Cash and cash equivalents	219
Assets held for sale	**883**
Liabilities	
Financial debt	71
Other liabilities	481
Liabilities held for sale	**552**

At March 31, 2010, Bilfinger Berger AG has a liability towards Bilfinger Berger Australia of €68 million (December 31, 2009: €65 million).

The discontinued operations' cumulative other comprehensive income after taxes, which is recognized directly in equity, amounts to €27 million.

Related-party transactions

Most of the transactions between fully consolidated companies of the Group and related companies or persons involve associated companies and joint ventures.

All transactions conducted with companies or persons in a close relationship with Bilfinger Berger (related-party transactions) take place at arm's length.

Contingent liabilities

Contingent liabilities exist in a total amount of €32 million (December 31, 2009: €33 million) with regard to guarantees, primarily for associated companies. In addition, we are jointly and severally liable as partners in companies constituted under the German Civil Code and in connection with consortiums.

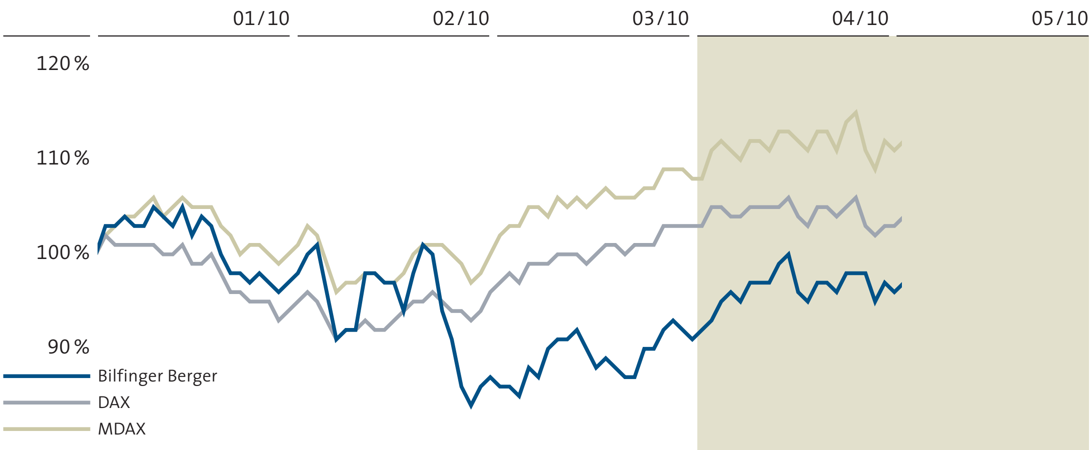
Mannheim, May 7, 2010

Bilfinger Berger AG
The Executive Board

Herbert Bodner	Joachim Müller	Klaus Raps
Kenneth D. Reid	Prof. Hans Helmut Schetter	Thomas Töpfer

Bilfinger Berger shares

Relative performance of our shares



After a strong rally at the end of 2009, there was no clear stock-market trend in the months of January and February 2010. Markets were depressed by the crisis in Greece and the pressure on the euro. It was not until March that the DAX and, primarily, the MDAX climbed again.

After performing significantly better than the market in the last quarter of 2009, Bilfinger Berger's share price moved with the market at the beginning of this year. Some shareholders were unsettled, however, by media reporting about the events connected with the Cologne urban rail line, resulting in a drop of up to 15 percent at the end of February. Our gap to the market then decreased due to continuous communication of the facts of that situation.

From the beginning of this year until early May, the DAX rose by 4 percent and the MDAX by 12 percent. Bilfinger Berger's share price fell by 3 percent.

Key figures on our shares January 1 - March 31

€ per share		2010
Highest price		58.80
Lowest price		44.16
Closing price [1]		49.40
Book value [2]		35.07
Market value / book value [1,2]		1.4
Market capitalization [1,3]	in € million	2,273
MDAX weighting [1]		3.3 %
Number of shares [1,3]	in thousands	46,024
Average daily volume (no. of shares)		514,825

All price details refer to Xetra trading
[1] Based on March 31, 2010
[2] Balance sheet shareholder's equity excluding minority interest
[3] Including treasury shares

Basic share information

ISIN / stock exchange abbreviation:
DE0005909006 / GBF

Main listings: XETRA / Frankfurt

Deutsche Boerse segments / indices:
Prime Standard, MDAX, Prime Construction Perf. Idx.,
DJ STOXX 600, DJ EURO STOXX,
DJ EURO STOXX Select Dividend 30, MSCI Europe

Financial calendar

	2010
August 12	Interim Report Q2 2010
November 10	Interim Report Q3 2010

All statements made in this report that relate to the future have been made in good faith and based on the best knowledge available. However, as these statements also depend on factors beyond our control, actual developments may differ from our forecasts.

Investor Relations

Andreas Müller
Phone +49-6 21-4 59-23 12
Fax +49-6 21-4 59-27 61
E-mail: sabine.klein@bilfinger.de

Corporate Communications

Martin Büllesbach
Phone +49-6 21-4 59-24 75
Fax +49-6 21-4 59-25 00
E-mail: martin.buellesbach@bilfinger.de

Headquarters

Carl-Reiß-Platz 1-5
68165 Mannheim, Germany
Phone +49-6 21-4 59-0
Fax +49-6 21-4 59-23 66

You will find the addresses
of our branches and affiliates
in Germany and abroad
in the Internet at
www.bilfinger.com