Interim Report Q3 2011

The Multi Service Group. BILFINGER BERGER

Interim group management report

- **Stable demand**
- **Significant increase in earnings**
- **Positive outlook for full-year 2011 confirmed**

Bilfinger Berger continued its successful business development in the first nine months of the year 2011. Output volume continued to grow, earnings increased significantly and demand remained stable. This confirms the positive outlook for the full year.

In view of high levels of public debt in many countries and turbulence on the capital markets, there is uncertainty about ongoing economic developments. To date, no significant effects on our business have been discernible, although growth in demand has slowed in some sectors. If the economic situation does in fact continue to deteriorate, we believe we are well prepared with our robust business model.

In the Concessions business segment, we initiated a publicly-listed investment fund in September in which we initially intend to place up to 19 public-private partnership projects from our portfolio. Current marketing activities for the investment fund are meeting with great interest from institutional investors and a listing on the London Stock Exchange is planned by the beginning of December. The sale of projects to the investment fund is to take effect in the first quarter of 2012. In the Building and Facility Services business segment, we concluded extensive framework agreements with Deutsche Bank. They cover facility management for all 1,300 properties in Germany. With a number of additional acquisitions in recent months, we have broadened our product offering and regional presence in all three services segments.

In the interim consolidated financial statements in this interim report, both Valemus Australia (which was sold in the first quarter) and the abandoned construction business in North America are presented as discontinued operations. The prior-year figures have been adjusted accordingly. Unless otherwise stated, all of the figures provided in this interim report refer to the Group's continuing operations.

Key figures for the Group

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Output volume	6,251	5,929	+5	8,059
Orders received	5,587	5,588	0	7,954
Order backlog	7,776	8,258	–6	8,497
EBIT	250	229	+9	341
Earnings after taxes from continuing operations	152	134	+13	208
Earnings after taxes from discontinued operations	174	69	+152	78
Net profit*	324	201	+61	284
Earnings per share (in €)*	7.34	4.55	+61	6,43
Investments	116	232	–50	343
thereof in P, P & E	78	84	–7	141
thereof in financial assets	38	148	–74	202
Number of employees	59,380	59,593	0	58,182

* Includes continuing and discontinued operations

Growth in output volume

In the first nine months of this year, output volume increased by 5 percent to €6,251 million and orders received remained stable at €5,587 million. The order backlog of €7,776 million at the end of September was 6 percent lower than a year earlier, primarily due to the regional focus of our construction business.

Significant increase in earnings

EBIT increased to €250 million (9M 2010: €229 million). Once again, all our business segments delivered higher earnings. Net interest expense improved to €23 million (9M 2010: €28 million). Earnings after taxes from continuing operations increased to €152 million (9M 2010: €134 million). Earnings after taxes from discontinued operations amounted to €174 million (9M 2010: €69 million). That figure includes the underlying earnings of the units concerned of €13 million and the additional gain of €161 million realized on the sale of Valemus Australia. Net profit thus rose substantially by 61 percent to €324 million (9M 2010: €201 million).

Confirmation of positive outlook

In full-year 2011, we anticipate slight growth in the output volume generated by continuing operations to €8.2 billion and an increase in EBIT to a magnitude of some €350 million. This represents an increase of 9 percent compared with the adjusted prior-year figure, which included a special effect from the sale of shares in concession projects in an amount of €21 million. Due to the gain realized on the sale of Valemus Australia, we expect net profit to increase to approximately €380 million in the full year. It will therefore be substantially higher than the net profit of €284 million reported in 2010.

Solid cash position opens up scope for investment

The cash inflow of approximately €600 million from the sale of Valemus has had a significant impact on the Group's financials this year. At the end of September, cash and cash equivalents amounted to €693 million (end of 2010: €537 million). Despite the increase in working capital during the year (which is normal due to the seasonal nature of our business), the cash flow from operating activities of continuing operations improved to a net outflow of €97 million (9M 2010: net outflow of €117 million).

Investments in financial assets amounted to €38 million (9M 2010: €148 million) and capital expenditure on property, plant and equipment totaled €78 million (9M 2010: €84 million). Payment of the dividend for the year 2010 amounted to €110 million (9M 2010: €88 million).

Financial debt – excluding project financing on a non-recourse basis, for which Bilfinger Berger is not liable – was reduced to €187 million (end of 2010: €273 million).

Our available liquidity and financing potential on the basis of a sound capital structure give us substantial scope for investment in the further expansion of our services activities.

Number of employees stable

At September 30, 2011, the size of the Bilfinger Berger workforce was almost unchanged at 59,380 (September 30, 2010: 59,593). The number of people employed in Germany decreased to 23,096 (September 30, 2010: 23,761) while the number employed in other markets increased to 36,284 (September 30, 2010: 35,832).

Opportunities and risks

No significant changes have occurred with regard to opportunities and risks compared with the situation as described in the Annual Report 2010. Provisions have been recognized for all discernible 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

€ million	Output volume 9M 2011	Output volume Δ in %	Orders received 9M 2011	Orders received Δ in %	Order backlog 9M 2011	Order backlog Δ in %	Output volume FY 2010
Industrial Services	2,414	+12	2,399	– 3	2,503	–2	2,932
Power Services	840	+2	735	+10	1,249	+22	1,106
Building and Facility Services	1,665	0	1,651	– 8	2,219	–4	2,333
Construction	1,315	+6	780	+ 31	1,739	–24	1,661
Consolidation, other	17		22		66		27
Continuing operations	**6,251**	**+5**	**5,587**	**0**	**7,776**	**–6**	**8,059**

EBIT by business segment

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Industrial Services	110	100	+10	134
Power Services	67	62	+8	83
Building and Facility Services	54	52	+4	80
Construction	20	16	+25	29
Concessions	15	12	+25	40
Consolidation, other	–16	–13		–25
Continuing operations	**250**	**229**	**+ 9**	**341**

Industrial Services

- **Good level of demand in maintenance business**
- **Renewed increase in earnings**

In the Industrial Services business segment, output volume continued to grow and orders received reached the level of output volume. EBIT increased to €110 million (9M 2010: €100 million).

The production plants of our main client groups are well utilized, the output volume generated by regular maintenance business has grown significantly and demand has remained stable. However, as a result of uncertainty concerning economic developments, there is still a degree of unwillingness to invest in the project business. In general, we anticipate rather less dynamic growth in the processing industry in the future, but there are no signs of a recessionary tendency. The international presence of Bilfinger Berger Industrial Services and the increasing importance of providing a comprehensive range of services from a single source mean that we can continue to expect a solid business development.

With the acquisition of Alpha Mess-Steuer-Regeltechnik, a company with international activities specializing in the provision of electro-technical services, we have complemented our product range in industrial service. Its clients include renowned companies such as E.ON, RWE, BASF, Dow and Linde.

In the United States, we extended by four years framework agreements with a major client in the consumer-goods industry during the third quarter. The services covered by the new agreement have an increased total output volume of approximately €400 million and relate to repair, maintenance and major overhauls as well as design, installation and commissioning of new plants at 14 sites.

For full-year 2011, we expect the Industrial Services business segment to increase its output volume to €3.1 billion and to achieve further growth in earnings.

Key figures for Industrial Services

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Output volume	2,414	2,159	+12	2,932
Orders received	2,399	2,463	–3	3,253
Order backlog	2,503	2,563	–2	2,601
Capital expenditure on P, P & E	45	40	+13	73
EBIT	110	100	+10	134

Power Services

- **International business expands further**
- **Further growth in EBIT**

The output volume of the Power Services business segment was slightly higher than in the prior-year period, while orders received and order backlog also increased. EBIT grew to €67 million (9M 2010: €62 million).

We are experiencing strong demand in our international markets, both for our expertise in conventional power plants and in nuclear technology. The importance of our international business is growing steadily. In South-Eastern Europe we are currently working on a number of promising bids. In Russia, major investments in the modernization of the country's power plants are on the agenda. We also intend to become active in this attractive market.

In Germany, it is still unclear how the energy-supply companies will react to changes in the country's energy policy. But the essential medium-term investment in the modernization of conventional power plants and the construction of new projects will present Bilfinger Berger Power Services with good opportunities. Overall, our capacities in the field of power-plant services are well utilized at present.

We have expanded our range of services with the acquisition of Rosink Apparate- und Anlagenbau in Nordhorn. With sales of €25 million, Rosink is a leading European provider of cleaning systems for heating surfaces and is Germany's market leader in the production of finned tubes. This acquisition includes the transfer of important patents to Bilfinger Berger. We can now supply complete boilers for combined cycle power plants. In addition, our international sales network offers new opportunities with the marketing of the company's products.

We anticipate output volume of a good €1.1 billion and another increase in earnings for the full year in the Power Services business segment.

Key figures for Power Services

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Output volume	840	824	+2	1,106
Orders received	735	667	+10	1,281
Order backlog	1,249	1,026	+22	1,371
Capital expenditure on P, P & E	9	21	–57	33
EBIT	67	62	+8	83

Building and Facility Services

- **'one' offers unique selling point with cost guarantee**
- **Reduced involvement in Nigerian business**

Output volume generated by the Building and Facility Services business segment remained stable. Orders received were at the level of output volume, but lower than in the prior-year period which featured several major orders and a high level of orders received from Nigeria. The order backlog is at the level of the beginning of the year. EBIT increased to €54 million (9M 2010: €52 million).

In September, Bilfinger Berger Facility Services expanded its portfolio in the field of water treatment and waste management with the acquisition of Diemme, a producer of chamber-filter presses with global operations and headquarters in Lugo, Italy. With an annual output volume of €40 million, Diemme is active in more than 20 countries, including many in Europe but also in India, Russia and South America. In the future, in addition to public sector clients, Bilfinger Berger will also be in a position to serve industrial clients in the filter business.

Demand is growing in the German facility management market, but in a situation of tough price competition. We bid very selectively on the basis of our strict return criteria. From Deutsche Bank we have received the largest facility services order in the history of our company. In addition to technical and commercial services, Bilfinger Berger is also responsible for the management and execution of a comprehensive set of infrastructural services. The agreements have a term of five years and cover facility management for all 1,300 properties used by Deutsche Bank in Germany.

Our German building construction business continues to develop well, the focus on small and medium-sized projects is proving to be successful. As the first company in the industry, Bilfinger Berger's 'one' brand offers private real-estate clients a complete package comprising design, construction and operation in combination with guaranteed lifecycle costs for a term agreed with the client. This product is the result of close cooperation between the Building and Facility Services units and is attracting great interest from our clients.

In the future, we will limit our involvement in Nigeria solely to financial investments. In this context, we have signed a letter of intent with Julius Berger Nigeria PLC (JBN), Abuja, in which we hold a minority interest, according to which JBN will acquire an initial 60 percent of the engineering and services activities of Bilfinger Berger Nigeria GmbH, Wiesbaden. In addition, as previously announced, Bilfinger Berger's equity interest in JBN will be reduced from 49 percent to less than 40 percent. Both transactions are expected to take effect in the coming year.

For full-year 2011, we expect unchanged output volume of €2.3 billion in combination with increased earnings in the Building and Facility Services business segment.

Key figures for Building and Facility Services

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Output volume	1,665	1,673	0	2,333
Orders received	1,651	1,787	–8	2,379
Order backlog	2,219	2,312	–4	2,217
Capital expenditure on P, P & E	8	8	0	13
EBIT	54	52	+4	80

Construction

- **Reduction of high order backlog**
- **Earnings increased significantly**
- **New structure strengthens competitive position in Europe**

The output volume of the Construction business segment increased in the first nine months of the year. This was primarily due to the transfer of a unit specialized in steel construction from the Industrial Services business segment at the beginning of the year. The high order backlog was reduced as planned. Orders received were significantly lower than output volume. EBIT rose to €20 million (9M 2010: €16 million).

In order to continue strengthening our high technical expertise and ability to carry out complex infrastructure projects in our civil-engineering business, we will re-structure the activities of the Construction business segment. We will, on the one hand, combine our tunneling, foundation engineering, steel construction, offshore windparks and construction-related services and, on the other hand, bring together our road, bridge and rail construction activities in a single unit.

In our key European markets, we anticipate continued stable demand. In Germany, however, we expect greater restraint when it comes to investment on the part of the public sector.

For full-year 2011, we expect the Construction business segment to achieve output volume of €1.7 billion and thus to be of the magnitude of last year. Due to the improved risk structure, we anticipate a further increase in the EBIT margin.

Key figures for Construction

€ million	9M 2011	9M 2010	Δ in %	FY 2010
Output volume	1,315	1,243	+6	1,661
Orders received	780	595	+31	961
Order backlog	1,739	2,277	–24	2,235
Capital expenditure on P, P & E	15	14	+7	20
EBIT	20	16	+25	29

Concessions

- **Start of marketing of fund units**
- **New project in Australia**

Our project portfolio in the Concessions business segment comprised 30 projects as of September 30, 2011. With a total equity commitment of €362 million, an amount of €205 million had been paid into project companies. Concessions' EBIT for the first nine months increased to €15 million (9M 2010: €12 million).

As previously announced, we intend to place up to 19 public-private-partnership projects from our portfolio into a publicly-listed investment fund. The committed equity of those projects amounts to €161 million. Shares in the fund will be offered for sale to institutional investors at a pre-determined price. The new fund is to be listed in the premium segment of the London Stock Exchange by the beginning of December. The placement volume is up to €280 million. We will acquire at least 19.9 percent of the fund's equity. The sale of the projects to the investment fund is to take effect in the first quarter of next year and will lead to net proceeds for Bilfinger Berger of up to €270 million in 2012. We will reinvest at least €55 million of that amount in the fund. The expected capital gain will be in the magnitude of up to €50 million, depending among other things on the development of currency exchange rates.

We currently see good prospects above all in Australia, where we were entrusted with a further project in the field of law enforcement after the interim balance sheet date: Bilfinger Berger is to take over the design, financing and construction of a prison, and will then operate it for a period of 30 years. We have a 50 percent interest in the project company and will invest equity capital of approximately €30 million. This brings the total equity committed to our project portfolio to €392 million.

In Canada, we are experiencing satisfactory demand for public-private partnerships. In the United Kingdom, there are some signs of a market revival.

For full-year 2011, we expect the Concessions business segment to achieve an EBIT in the magnitude of the prior year figure, adjusted for the capital gain from the sale of equity interests, of €19 million.

Key figures for Concessions

Number / € million	9M 2011	9M 2010	FY 2010
Projects in portfolio	30	29	29
thereof under construction	10	10	10
Committed equity	362	409	358
thereof paid-in	205	168	160
EBIT	15	12	40

Interim consolidated financial statements

The interim consolidated financial statements as of September 30, 2011 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 2010, 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, 2010. The accounting and valuation methods explained in the notes to the consolidated financial statements for the year 2010 have been applied unchanged.

On January 26, 2010, the Executive Board of Bilfinger Berger SE decided to initiate the sale of Valemus Australia Pty. Limited, Sydney, Australia. The sale of that subsidiary was completed on March 10, 2011. In accordance with the provisions of IFRS 5, the business activities of Valemus Australia have been presented as discontinued operations since the first quarter of 2010.

In the context of concentrating its construction activities, Bilfinger Berger has abandoned its construction business in North America. In accordance with the provisions of IFRS 5, as of the year 2011, those activities are also presented in the consolidated income statement and in the consolidated statement of cash flows as discontinued operations. The prior-year figures have been adjusted accordingly.

On September 19, 2011, Bilfinger Berger resolved to introduce a publicly-listed fund in which it will place 19 public-private-partnership projects from its Concession business segment. Shares in the new fund are intended to be listed on the premium segment of the London Stock Exchange.

The listing is planned by the beginning of December. The sale of the projects to the fund is expected to take effect in the first quarter of 2012.

The assets and liabilities of those project companies are classified at September 30, 2011 as “held for sale” and are presented separately in the balance sheet, as the sale will result in the loss of a controlling or significant influence in those project companies.

Consolidated income statement	January 1 - Sept. 30		July 1 - Sept. 30	
€ million	**2011**	**2010**	**2011**	**2010**
Output volume from continuing operations (for information only)	6,251	5,929	2,223	2,150
Revenue	**6,010**	**5,928**	**2,143**	**2,175**
Cost of sales	–5,239	–5,180	–1,872	–1,905
Gross profit	**771**	**748**	**271**	**270**
Selling and administrative expenses	–569	–558	–191	–182
Other operating income and expense	26	27	7	6
Income from investments accounted for using the equity method	22	12	10	3
Earnings before interest and taxes (EBIT)	**250**	**229**	**97**	**97**
Net interest result	–23	–28	–6	–11
Earnings before taxes	**227**	**201**	**91**	**86**
Income tax expense	–75	–67	–30	–29
Earnings after taxes from continuing operations	**152**	**134**	**61**	**57**
Earnings after taxes from discontinued operations	**174**	**69**	**0**	**28**
Earnings after taxes	326	203	61	85
thereof minority interest	2	2	1	2
Net profit	**324**	**201**	**60**	**83**
Average number of shares (in thousands)	44,140	44,140	44,140	44,140
Earnings per share (in €)*	7.34	4.55	1.35	1.88
thereof from continuing operations	3.40	2.99	1.35	1.25
thereof from discontinued operations	3.94	1.56	0.00	0.63

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

Revenue amounts to €6,010 million (9M 2010: €5,928 million). However, that figure does not include our proportion of output volume generated by joint ventures. In order to present the Group's entire output volume in the interest of more complete information, we therefore also disclose our output volume in the consolidated income statement. It increased by 5 percent to €6,251 million (9M 2010: €5,929 million).

Gross profit increased to €771 million (9M 2010: €748 million). In relation to output volume, the gross margin is 12.3 percent (9M 2010: 12.6 percent). Selling and administrative expenses are almost unchanged at €569 million (9M 2010: €558 million). In relation to output volume, they decreased to 9.1 (9M 2010: 9.4) percent. EBIT increased by 9 percent to €250 million (9M 2010: €229 million) and the EBIT margin rose to 4.0 percent (9M 2010: 3.9 percent), with positive contributions being made by all business segments.

Scheduled amortization of €25 million has been carried out on intangible assets from acquisitions (9M 2010: €32 million) and is included in cost of sales. Depreciation of property, plant and equipment and amortization of other intangible assets amount to €94 million (9M 2010: €87 million).

The net interest result improved to minus €23 million (9M 2010: minus €28 million). Current interest income increased to €14 million due to the higher volume of cash and cash equivalents (9M 2010: €10 million). Current interest expense decreased to €18 million (9M 2010: €21 million). Interest expense from the allocation to pension provisions remained nearly constant at €11 million (9M 2010: €12 million). The interest expense for minority interest increased to €8 million (9M 2010: €5 million).

The resulting earnings from continuing operations amount to €227 million before taxes (9M 2010: €201 million) and €152 million (9M 2010: €134 million) after taxes. The effective income-tax rate is unchanged as compared to the prior-year period at 33 percent.

Earnings after taxes from discontinued operations increased significantly to €174 million (9M 2010: €69 million), including the gain of €161 million realized on the sale of Valemus Australia. More details are provided in the *Discontinued operations* section.

The Group's net profit for the period increased to €324 million (9M 2010: €201 million).

Consolidated statement of comprehensive income

€ million	January 1 - Sept. 30 2011	January 1 - Sept. 30 2010	July 1 - Sept. 30 2011	July 1 - Sept. 30 2010
Earnings after taxes	**326**	**203**	**61**	**85**
Gains / losses on hedging instruments				
Unrealized gains / losses	–125	–228	–117	–145
Reclassifications to the income statement	15	46	12	14
	–110	–182	–105	–131
Currency translation differences				
Unrealized gains / losses	–48	85	–4	–19
Reclassifications to the income statement	–59	0	–1	0
	–107	85	–5	–19
Actuarial gains / losses on pension plans	1	–37	–1	–24
Unrealized gains / losses on investments accounted for using the equity method	–48	–34	–45	–6
Income taxes on unrealized gains / losses	27	43	28	40
Other comprehensive income after taxes	**–237**	**–125**	**–128**	**–140**
Total comprehensive income after taxes	**89**	**78**	**–67**	**–55**
attributable to shareholders of Bilfinger Berger SE	89	78	–67	–56
attributable to minority interest	0	0	0	1

In addition to the earnings after taxes of €326 million presented in the consolidated income statement (9M 2010: €203 million), other comprehensive loss after taxes of €237 million was recognized directly in equity (9M 2010: loss of €125 million). This is the net amount of unrealized gains and losses on hedging instruments, unrealized gains and losses on investments accounted for using the equity method also resulting from hedging instruments, currency translation differences recognized in equity and actuarial gains and losses on pension plans. The hedging instruments relate primarily to interest-rate derivatives 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.

The large negative currency translation differences of minus €107 million result from the appreciation of the euro against currencies relevant to Bilfinger Berger and in particular from the deconsolidation of Valemus Australia.

Total comprehensive income after taxes amounts to €89 million (9M 2010: €78 million). All of that total is attributable to the shareholders of Bilfinger Berger SE.

Consolidated balance sheet

	€ million	Sept. 30 2011	Dec. 31 2010
Assets	**Non-current assets**		
	Intangible assets	1,443	1,457
	Property, plant and equipment	627	663
	Investments accounted for using the equity method	60	98
	Receivables from concession projects	359	1,789
	Other financial assets	190	260
	Deferred tax assets	152	193
		2,831	**4,460**
	Current assets		
	Inventories	192	199
	Receivables and other financial assets	1,841	1,594
	Current tax assets	34	39
	Other assets	59	58
	Cash and cash equivalents	693	537
	Assets classified as held for sale (Concessions)	1,669	0
	Assets classified as held for sale from discontinued operations	0	1,050
		4,488	**3,477**
	Total	**7,319**	**7,937**
Equity and liabilities	**Equity**		
	Equity attributable to shareholders of Bilfinger Berger SE	1,778	1,803
	Minority interest	6	9
		1,784	**1,812**
	Non-current liabilities		
	Retirement benefit obligation	317	313
	Provisions	58	71
	Financial debt, recourse	182	184
	Financial debt, non-recourse	317	1,624
	Other financial liabilities	82	212
	Deferred tax liabilities	103	107
		1,059	**2,511**
	Current liabilities		
	Current tax liabilities	108	118
	Provisions	754	633
	Financial debt, recourse	5	89
	Financial debt, non-recourse	8	19
	Other financial liabilities	1,726	1,800
	Other liabilities	233	252
	Liabilities classified as held for sale (Concessions)	1,642	0
	Liabilities classified as held for sale from discontinued operations	0	703
		4,476	**3,614**
	Total	**7,319**	**7,937**

Compared with December 31, 2010, the balance sheet total decreased by €0.6 billion to €7.3 billion. Approximately €450 million of the decrease is due to the sale of our business in Australia, which is reflected in particular by the disposal of assets and liabilities classified as held for sale from discontinued operations and at the same time by the increase in cash and cash equivalents to €693 million (previous year: €537 million).

When analyzing the change in balance sheet items, it is necessary to consider that at September 30, 2011, assets classified as held for sale of €1,669 million and liabilities classified as held for sale of €1,642 million relating to 19 projects in our Concessions business segment are presented as separate items. This resulted in particular in a sharp drop in receivables from concession projects and in non-recourse financial debt. This circumstance also led to a decrease in non-current other financial assets, in deferred tax assets and non-current other financial liabilities.

The increase in current provisions reflects provisions recognized for risks in connection with the sale of Valemus Australia. The negative working capital decreased, however, to minus €695million (previous year: minus €913 million). This was caused by the seasonally typical increase in receivables with a simultaneous decrease in current liabilities.

Consolidated statement of changes in equity

	Equity attributable to the shareholders of Bilfinger Berger SE							Minority interest	Equity
				Other reserves					
€ million	Share capital	Capital reserve	Retained earnings and distributable earnings	Hedging instruments reserve	Currency translation reserve	Treasury shares	Total		
Balance at January 1, 2010	**138**	**759**	**882**	**–119**	**–22**	**–100**	**1,538**	**23**	**1,561**
Total comprehensive income	0	0	175	–181	84	0	78	0	78
Dividends paid out	0	0	–88	0	0	0	–88	–3	–91
Other changes	0	0	–2	2	0	0	0	–5	–5
Balance at September 30, 2010	**138**	**759**	**967**	**–298**	**62**	**–100**	**1,528**	**15**	**1,543**
Balance at January 1, 2011	**138**	**759**	**1,062**	**–172**	**116**	**–100**	**1,803**	**9**	**1,812**
Total comprehensive income	0	0	324	–129	–106	0	89	0	89
Dividends paid out	0	0	–110	0	0	0	–110	–2	–112
Changes in ownership interest without change in control	0	0	–3	0	0	0	–3	0	–3
Other changes	0	0	–1	0	0	0	–1	–1	–2
Balance at September 30, 2011	**138**	**759**	**1,272**	**–301**	**10**	**–100**	**1,778**	**6**	**1,784**

Equity decreased by €28 million during the first nine months of 2011. Earnings after taxes accounted for an increase of €326 million while the payment of the dividend for the year 2010 led to a decrease of €110 million. Changes recognized directly in equity with no effect on profit and loss reduced equity attributable to the shareholders of Bilfinger Berger SE by €235 million. Those changes include €129 million of unrealized losses on hedging instruments and €106 million of negative differences on currency translation, which are presented in more detail in the consolidated statement of comprehensive income. Equity attributable to minority interest decreased by €3 million.

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 - Sept. 30

€ million	2011	2010
Cash earnings from continuing operations	249	260
Change in working capital	–334	–374
Gains on disposals of non-current assets	–12	–3
Cash flow from operating activities of continuing operations	**–97**	**–117**
Cash flow from investing activities of continuing operations	**307**	**–220**
thereof property, plant and equipment	–65	–73
thereof financial assets	372	–147
Cash flow from financing activities of continuing operations	**–204**	**–1**
thereof dividend paid to the shareholders of Bilfinger Berger SE	–110	–88
thereof dividend paid to non-controlling interests	–2	–3
thereof repayment of debt / borrowing	–92	90
Change in cash and cash equivalents of continuing operations	**6**	**–338**
Cash flow from operating activities of discontinued operations	–62	126
Cash flow from investing activities of discontinued operations	–3	–17
Cash flow from financing activities of discontinued operations	–5	–3
Change in cash and cash equivalents of discontinued operations	**–70**	**106**
Other adjustments to cash and cash equivalents	–17	36
Cash and cash equivalents at January 1	537	798
Cash and cash equivalents of discontinued operations at January 1	306	–
Cash and cash equivalents of discontinued operations at September 30	–	216
Cash and cash equivalents classified as assets held for sale (Concessions) at September 30	69	11
Cash and cash equivalents at September 30	**693**	**375**

One of the key aspects of the cash flow from operating activities is the increase in working capital by €334 million (9M 2010: €374 million). This is primarily due to the seasonal nature of our business. In addition, the reduction as planned in the volume of our construction business also led to an increase in working capital. Nonetheless, the cash flow from operating activities improved to a net cash outflow of €97 (9M 2010: net cash outflow of €117 million).

Bilfinger Berger had a net cash inflow of €307 million from the investing activities of continuing operations (9M 2010: net cash outflow of €220 million). The cash inflow was the result of proceeds of €612 million from the disposal of financial assets (9M 2010: €1 million) and is primarily accounted for by the net cash inflow from the sale of our business in Australia. The sale resulted in the disposal of cash and cash equivalents in an amount of €202 million. Investments in financial assets resulted in a cash outflow of €38 million (9M 2010: €148 million). €4 million was for capital contributions and loans in the concessions business (9M 2010: €62 million) and €34 million was invested in the area of services (9M 2010: €86 million). Property, plant and equipment accounted for cash outflows of €78 million (9M 2010: €84 million) and cash inflows of €13 million (9M 2010: €11 million).

The cash outflow from financing activities of continuing operations of €204 million (9M 2010: cash outflow of €1 million) was the result of dividend payments of €112 million (9M 2010: €91 million) and net debt repayments of €92 million (9M 2010: net borrowing of €90 million). At €84 million, the repayment of debt relates to the redemption of the first tranche of a promissory-note loan with an original amount of €250 million in July of this year.

In total, changes in cash and cash equivalents of continuing operations amounted to a net cash inflow of €6 million (9M 2010: net cash outflow of €338 million).

The cash flows of discontinued operations resulted in a net cash outflow of €70 million (9M 2010: net cash inflow of €106 million).

Changes in currency exchange rates led to an arithmetical decrease in cash and cash equivalents of €17 million (9M 2010: increase of €36 million).

Of the Group's total cash and cash equivalents at September 30, 2011, an amount of €69 million is included in the item *Assets classified as held for sale (Concessions)*.

Accordingly, the cash and cash equivalents presented in the balance sheet amounted to €693 million.

Segment reporting	Output volume		External revenues		Internal revenues		EBIT	
	January 1 - Sept. 30		January 1 - Sept. 30		January 1 - Sept. 30		January 1 - Sept. 30	
€ million	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Industrial Services	2,414	2,159	2,401	2,154	19	12	110	100
Power Services	840	824	838	821	1	3	67	62
Building and Facility Services	1,665	1,673	1,584	1,628	15	8	54	52
Construction	1,315	1,243	1,019	943	10	13	20	16
Concessions	54	58	124	378	0	0	16	12
Consolidation, other	−37	−28	44	4	−45	−36	−17	−13
Continuing operations	**6,251**	**5,929**	**6,010**	**5,928**	**0**	**0**	**250**	**229**

Segment reporting corresponds to our internal reporting by business segment.

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

Assets and liabilities classified as held for sale (Concessions)

The concession companies classified as a disposal group relate to a total of 19 projects. These include availability-based road projects and social infrastructure projects across the key markets continental Europe, the United Kingdom, Canada and Australia. Of these, 10 companies have been fully consolidated and 9 have been accounted for using the equity method.

The assets and liabilities classified as held for sale from the disposal group consist mainly of *Receivables from concession projects* and *Financial debt, non-recourse* and are comprised as follows:

€ million	Sept. 30 2011
Assets	
Receivables from concession projects	1.413
Other non-current assets	177
Current assets	10
Cash and cash equivalents	69
Assets classified as held for sale	**1.669**
Liabilities	
Financial debt, non-recourse	1.329
Other financial liabilities	313
Liabilities classified as held for sale	**1.642**

The disposal group's cumulative loss recognized in other comprehensive income after taxes amounts to €195 million.

Discontinued operations

Discontinued operations comprise Valemus Australia, which was sold as of March 10, 2011, and the abandoned construction activities in the North American market.

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

Earnings from discontinued operations are comprised as follows:

	January 1 - Sept. 30		July 1 - Sept. 30	
€ million	**2011**	**2010**	**2011**	**2010**
Output volume (for information only)	518	2,436	0	894
Revenue	425	1,981	0	717
Expenses / income	−408	−1,884	0	−679
EBIT	**17**	**97**	**0**	**38**
Net interest result	2	8	0	5
Earnings before taxes	**19**	**105**	**0**	**43**
Income tax expense	−6	−36	0	−15
Earnings after taxes	**13**	**69**	**0**	**28**
Gain on the sale of Valemus Australia	**161**	**0**	**0**	**0**
Earnings after taxes from discontinued operations	**174**	**69**	**0**	**28**

Earnings after taxes from discontinued operations are attributable in full to the shareholders of Bilfinger Berger SE.

The gain on the sale of Valemus Australia is comprised as follows:

€ million	**Sept. 30 2011**
Goodwill	149
Non-current assets	259
Current assets	570
Cash and cash equivalents	202
Financial debt	72
Other liabilities	642
Disposal of net assets	**−466**
Reclassification of other comprehensive income into the income statement	**58**
Net disposal proceeds	**571**
Income tax expense	**−2**
Gain on the sale of Valemus Australia	**161**

Net disposal proceeds take into account a risk provision for contractual guarantees provided as well as for warranty obligations and litigation risks accepted in connection with the sale of Valemus Australia.

In the context of abandoning the construction activities in North America, the sale was concluded of a unit of our subsidiary Fru-Con that is specialized in the construction of sewage treatment plants. The net proceeds of that sale amount to €15 million; no significant gain was realized on the sale.

Related-party disclosures

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

Contingent liabilities

Contingent liabilities of €186 million (December 31, 2010: €57 million) relate to guarantees, primarily provided for subsidiaries that have meanwhile been sold. €123 million of the increase compared with 2010 relates to Valemus Australia, which was sold during the reporting period. Bilfinger Berger is indemnified by the respective purchasers against any risk arising from those guarantees. In addition, we are jointly and severally liable as partners in companies constituted under the German Civil Code and in connection with consortiums.

Mannheim, November 11, 2011

Bilfinger Berger SE
The Executive Board

Roland Koch

Joachim Enenkel

Joachim Müller

Klaus Raps

Thomas Töpfer

Review Report

To Bilfinger Berger SE

We have reviewed the interim condensed consolidated financial statements, comprising the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and selected explanatory notes, and the interim group management report of Bilfinger Berger SE, Mannheim, for the period from January 1 to September 30, 2011, which are part of the quarterly financial report pursuant to Sec. 37x (3) WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The preparation of the interim condensed consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a report on the interim condensed consolidated financial statements and the interim group management report based on our review.

We conducted our review of the interim condensed consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

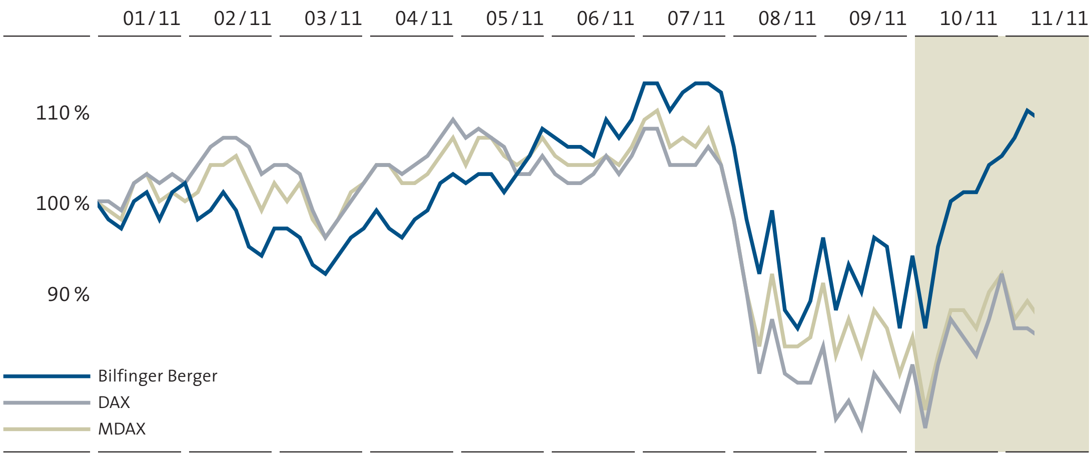
Mannheim, November 11, 2011

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Peter Wollmert	Thomas Müller
Wirtschaftsprüfer	Wirtschaftsprüfer
[German public auditor]	[German public auditor]

Bilfinger Berger shares

Relative performance of our shares



Key figures on our shares

January 1 - Sept. 30

€ per share		2011
Highest price		70.35
Lowest price		50.47
Closing price [1]		56.76
Book value [2]		40.28
Market value / book value [1,2]		1.4
Market capitalization [1,3]	in € million	2,612
MDAX weighting [1]		3.9 %
Number of shares [1,3]	in thousands	46,024
Average daily volume	no. of shares	269,647

All price details refer to Xetra trading

[1] Based on September 30, 2011

[2] Balance sheet shareholder's equity excluding minority interest

[3] Including treasury shares

Basic share information

ISIN / stock exchange symbol: DE0005909006 / GBF

Main listings: XETRA / Frankfurt

Deutsche Boerse segment / indices:

Prime Standard, MDAX,
Prime Construction Perf. Idx., DivMSDAX,
DJ STOXX 600, DJ EURO STOXX,
DJ EURO STOXX Select Dividend 30

Financial calendar

	2012
February 13	Preliminary report on the 2011 financial year
March 21	Press Conference on financial statements
May 10	Annual General Meeting* Interim Report Q1 2012
August 9	Interim Report Q2 2012
November 14	Interim Report Q3 2012

*Congress Centrum Rosengarten Mannheim, 10 a.m.

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 those 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.com

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.com

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