FINANCIAL YEAR 2015

Per H. Utnegaard, Michael Bernhardt, Dr. Jochen Keysberg, Axel Salzmann
March 16, 2016
1. Financial year 2015
2. Focus on Core Business
3. Segments
4. Outlook financial year 2016
Financial year 2015 met expectations

- **Output volume** increased: €6.5 billion (+4 percent)
- **Orders received** well above previous year: €6.8 billion (+24 percent)
- **Adjusted EBITA** surpasses forecast: €186 million (margin: 2.9 percent)
- **Cash flow from operating activities** increased: €124 million (prior year: €34 million)
- **Net profit** burdened by announced one-time effects: -€489 million

Focus strategy launched, efficiency measures initiated
Increase in output volume, orders received and order backlog

**Output volume**
- FY 2014: €6.246 million
- FY 2015: €6.482 million
- Increase: +4%

**Orders received**
- FY 2014: €5.510 million
- FY 2015: €6.825 million
- Increase: +24%

**Order backlog**
- Dec. 2014: €4.401 million
- Dec. 2015: €4.824 million
- Increase: +10%

All figures refer to continuing operations unless otherwise stated.
Adjusted EBITA exceeds expectations

Adjusted EBITA
-29%

186
262
FY 2014
FY 2015
in € million

Adjusted net profit
-34%

106
160
FY 2014
FY 2015
in € million

Net profit*

-71
-159
Impairment
Power

-330
-489
FY 2014
FY 2015
in € million

* includes continuing and discontinued operations

All figures refer to continuing operations unless otherwise stated
Strong increase in operating cash flow and free cash flow

Operating cash flow
+265%

FY 2014: 34
FY 2015: 124

Free Cash Flow
+169%

FY 2014: 105
FY 2015: 282

All figures refer to continuing operations unless otherwise stated.
## Dividend proposal

- Executive Board and Supervisory Board will propose to the Annual General Meeting that dividend payments be suspended for financial year 2015
- Unusually strong net loss as well as cash outflow for current and upcoming restructuring measures
- Keep financial resources within the group to invest in the future of Bilfinger – on behalf of all stakeholders
1. Financial Year 2015
2. Focus on Core Business
3. Segments
4. Outlook financial year 2016
## NON-CORE ACTIVITIES

<table>
<thead>
<tr>
<th>Lack of strategic fit with core businesses</th>
<th>Risk minimization</th>
<th>Non-critical mass or outside of core regions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industrial: e.g.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Steel construction ✓ □</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Industrial construction in USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(oil and gas industry)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Building and Facility:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Water Technologies ✓ □</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Government Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Risk minimization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Power* selling process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Offshore Systems*</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-critical mass or outside of core regions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Industrial: e.g.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Engineering Services in Asia-Pacific</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Insulation, scaffolding and corrosion protection in Spain and Portugal</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* discontinued operations

---

**Steel Construction, Water Technologies and Engineering Services in Asia-Pacific sold**
Highlights 2/2
Limiting complexity through a reduction of legal entities and number of countries

Analysis Quick wins Ongoing reduction process

In focus:
- Reduction of number of legal entities with the focus on non-operating and sub-critical units
- Reduction of non-European countries

Reduces costs and compliance risks
Increases internal transparency

Number of Bilfinger countries

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>After recent sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>113</td>
<td>~50</td>
</tr>
</tbody>
</table>

After recent sales
Compliance
Role model status as competitive advantage

Current situation
- Bribery case identified in 2003 in Nigeria
- Deferred Prosecution Agreement signed in 2013 with US Department of Justice
- Compliance Monitor appointed for 3 years to review the effectiveness of the Compliance Program with reporting obligation to the US authorities

Measures
- Development and implementation of a group wide, effective compliance Program
- Focus on prevention
- Realignment of our policies framework, governance, responsibilities and the internal control system
- Launch of a comprehensive, worldwide training initiative
- Compliance as prerequisite and selection criteria for all our leaders

Result
- 2016: related costs for the remediation of our compliance program and the closing of pending allegations leads to costs of approx. €50 million
- Compliance perceived as market differentiator
- Costs related to the Compliance program are seen as investment in our future

Compliance is top priority on every leader‘s agenda
1. Financial Year 2015
2. Focus on Core Business
3. Segments
4. Outlook financial year 2016
Industrial

BILFINGER SE

INDUSTRIAL

Output volume 2015:
€3.65 billion

Adjusted EBITA margin 2015:
3.5 percent

- Bilfinger is the largest provider of industrial services in Europe in the process industry
- Customized solutions and multi-disciplinary services for asset performance optimization
- Broad customer base
- Sound, low-risk business model with parts of the business being sensitive to the oil-price development

Goal: Expand market leadership in core European countries
Industrial
Extension of important framework contracts

Selected recent wins

<table>
<thead>
<tr>
<th>Customers</th>
<th>Total Volume (in € million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer goods company, USA</td>
<td>600</td>
</tr>
<tr>
<td>Midstream Oil &amp; Gas company, USA</td>
<td></td>
</tr>
<tr>
<td>Two Oil &amp; Gas companies, North Sea</td>
<td>150</td>
</tr>
<tr>
<td>Netherlands</td>
<td>150</td>
</tr>
<tr>
<td>UK</td>
<td>140</td>
</tr>
<tr>
<td>Germany</td>
<td>100</td>
</tr>
<tr>
<td>3 international pharma companies</td>
<td>60</td>
</tr>
</tbody>
</table>

Focus on core business

- Disposal of Engineering Services in Asia-Pacific
- Disposal of Steel Construction

Continuous Improvement

- Numerous efficiency enhancement measures initiated
- Bilfinger Maintenance Concept is setting standards in industrial maintenance
- Bilfinger Mobile Solutions builds on digitization trend
Building and Facility

BILFINGER SE

- Integrated service provider for management, consulting and realization of real-estate and real-estate portfolios throughout all lifecycle phases
- Strong technical background and high degree of self-delivery
- Very large, fragmented market with trend toward consolidation
- Market trends: Integrated services, internationalization, energy efficiency, digitization

Goal: Leading European real-estate services provider

BUILDING AND FACILITY EX WATER

Output volume 2015:
€2.6 billion

Adjusted EBITA margin 2015:
4.8 percent
Building and Facility
Order backlog at all-time high

Selected recent wins

<table>
<thead>
<tr>
<th>Customers</th>
<th>Order Intake</th>
<th>Total Volume (in € million)</th>
<th>Duration (in years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MERCK</td>
<td>Feb 16</td>
<td>18</td>
<td>2</td>
</tr>
<tr>
<td>AIRBUS</td>
<td>Jan 16</td>
<td>42</td>
<td>5</td>
</tr>
<tr>
<td>MAHLE</td>
<td>Jan 16</td>
<td>21</td>
<td>5</td>
</tr>
<tr>
<td>Pharma company</td>
<td>Nov 15</td>
<td>175</td>
<td>5</td>
</tr>
<tr>
<td>Pharma company</td>
<td>Nov 15</td>
<td>22</td>
<td>4</td>
</tr>
<tr>
<td>RBS</td>
<td>Nov 15</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>ZURICH</td>
<td>Nov 15</td>
<td>62</td>
<td>3</td>
</tr>
<tr>
<td>ZF</td>
<td>Sep 15</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>BMW</td>
<td>Aug 15</td>
<td>29</td>
<td>5</td>
</tr>
</tbody>
</table>

Order backlog at all-time high\(^1\)

- **Focus on core business**: Disposal of division Water Technologies (closing planned for Q1 2016)
- **Corporate customers**: Several new contract wins, recent market entry in Sweden and Benelux and entry into pharmaceuticals business
- **Digitization**: Think tank under development, partnership with Fraunhofer Institute established
- **Energy efficiency**: New contract wins (ELO-Frost, FrieslandCampina), additional experts hired
- **Continuous improvement**: Shared Service Center in Poland for customer facing processes

\(^1\) of core divisions BU, FS, RE, as of December 31, 2015
1. Financial Year 2015
2. Focus on Core Business
3. Segments
4. Outlook financial year 2016
## Outlook 2016
Output volume, adjusted EBITA

<table>
<thead>
<tr>
<th></th>
<th>Output volume</th>
<th>Adjusted EBITA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industrial</strong></td>
<td>3,650</td>
<td>significant decrease</td>
</tr>
<tr>
<td><strong>Building and Facility</strong></td>
<td>2,627</td>
<td>slight increase</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>-77</td>
<td>-</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td>6,200</td>
<td>significant decrease</td>
</tr>
</tbody>
</table>

* on a comparative basis, i.e. without Water Technologies

Definition for the qualitative comparative forecast:
at prior-year level: + / -0% slight: 1-5% significant: >5%
Industrial:
Decrease in output volume due to low oil price level, EBITA above prior-year level as a result of efficiency enhancement measures initiated in FY 2015

Building and Facility:
As expected, slight weakening in number of real-estate transactions and in investment behavior, therefore decrease in output volume and EBITA

Group: EBITA at prior-year level despite lower output volume
The way forward

**Foundation for growth established**

- **2015**
  - **Group**: High orders received and high cash inflows
  - **Industrial**: Restructuring initiated, Focus on operational efficiency and commercial excellence
  - **Building and Facility**: Further profitable growth realized

**Transitional year**

- **2016**
  - Finalization of **review process for Building and Facility**, if necessary modification of group strategy
  - Program for efficiency enhancement in administration
  - Start growth initiatives

**Expand business**

- **Medium and long term**
  - **Expansion** in selected regions
  - Drive **market consolidation**

**Ongoing improvement in business processes and profitable growth**

Recognize and utilize hidden potentials