Interim Report Q1 2011

The Multi Service Group.

BILFINGER BERGER

Interim group management report

- **Good start to the year**
- **Sale of Valemus completed**
- **Positive outlook**

Bilfinger Berger continued its successful development in the first quarter of 2011. Output volume and earnings increased once again compared with the prior-year quarter.

The sale of the subsidiary Valemus Australia was completed in March 2011. The cash inflow resulting from the disposal and the Group's existing financing potential open up considerable scope for investment for the further expansion of our services activities.

In the context of focusing its construction business, Bilfinger Berger is abandoning its few remaining construction activities in North America. Therefore, in addition to Valemus Australia, the North American construction business is also presented as discontinued operations in the interim consolidated financial statements for the first quarter. 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	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	1,829	1,757	+4	8,059
Orders received	1,986	2,039	–3	7,954
Order backlog	8,585	8,815	–3	8,497
EBIT	59	47	+26	341
Earnings after taxes from continuing operations	33	25	+32	208
Earnings after taxes from discontinued operations	174	23	+657	78
Net profit*	207	48	+331	284
Earnings per share (in €)*	4.70	1.10	+327	6.43
Investments	38	71	–46	343
thereof in P, P & E	19	26	–27	141
thereof in financial assets	19	45	–58	202
Number of employees	58,753	60,206	–2	58,182

* Includes continuing and discontinued operations

Growth in output volume

First-quarter output volume grew to €1,829 million. Due to the downsizing of the construction business, orders received and order backlog decreased slightly to €1,986 million and €8,585 million respectively.

Increased earnings

EBIT for the first quarter of the year increased to €59 million (Q1 2010: €47 million). The net interest expense amounted to €9 million, as in the first quarter of last year. Earnings after taxes from continuing operations increased to €33 million (Q1 2010: €25 million). Earnings after taxes from discontinued operations totaled €174 million (Q1 2010: €23 million). As well as underlying first-quarter earnings of €13 million, that figure includes an additional gain of €161 million realized from the sale of Valemus Australia. As a result, net profit for the first quarter increased to €207 million (Q1 2010: €48 million).

Positive outlook

In full-year 2011, Bilfinger Berger expects its continuing operations – excluding any future corporate acquisitions – to post an output volume and EBIT of at least the magnitudes achieved in the previous year. It is necessary to consider the fact that the sale of shares in concession projects contributed additional earnings of €21 million in 2010. Due to the gain realized on the sale of Valemus Australia, net profit in 2011 will be considerably higher than the figure of €284 million posted in 2010.

Cash inflow from the sale of Valemus

The cash inflow of approximately €600 million resulting from the sale of Valemus has had a significant impact on the Group's cash position. Despite the increase in working capital during the year (which is normal due to the seasonal nature of our business), cash and cash equivalents increased to €1,033 million (December 31, 2010: €537 million). The cash flow from operating activities of continuing operations improved to a net outflow of €98 million (Q1 2010: net outflow of €122 million).

Investments in financial assets totaled €19 million (Q1 2010: €45 million). €4 million is accounted for by capital paid into the concessions business and €15 million is accounted for by the services business. Capital expenditure on property, plant and equipment amounted to €19 million (Q1 2010: €26 million).

Financial debt – excluding project financing on a non-recourse basis, for which Bilfinger Berger is not liable – amounted to €272 million at March 31, 2011 (December 31, 2010: €273 million).

Number of employees

At the end of the first quarter, the Bilfinger Berger Group employed a workforce of 58,753 people (March 31, 2010: 60,206). 23,183 people were employed in Germany (March 31, 2010: 24,591) and 35,570 people were employed in other markets (March 31, 2010: 35,615).

Opportunities and risks

No significant changes occurred with regard to opportunities and risks during the reporting period compared with the situation as described in 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	Output volume		Orders received		Order backlog		Output volume
€ million	Q1 2011	Δ in %	Q1 2011	Δ in %	Q1 2011	Δ in %	FY 2010
Industrial Services	732	+11	884	+13	2,658	+14	2,932
Power Services	252	–3	333	+16	1,445	+21	1,106
Building and Facility Services	486	–1	567	–23	2,284	–7	2,333
Construction	352	+5	186	–4	2,127	–23	1,661
Consolidation, other	7		16		71		27
Continuing operations	**1,829**	**+4**	**1,986**	**–3**	**8,585**	**–3**	**8,059**

EBIT by business segment

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Industrial Services	30	27	+11	134
Power Services	18	17	+6	83
Building and Facility Services	9	6	+50	80
Construction	2	–3		29
Concessions	5	4	+25	40
Consolidation, other	–5	–4		–25
Continuing operations	**59**	**47**	**+26**	**341**

Industrial Services

- **Sustained upturn**
- **Growth in business volume and earnings**

Output volume, orders received and order backlog in the Industrial Services business segment increased again in the first quarter of this year and EBIT rose to €30 million (Q1 2010: €27 million).

Growth in demand for the regular maintenance of industrial plants has been particularly significant. In Schwechat, Austria, a polyolefin production plant of the chemicals company Borealis will be comprehensively overhauled during a four-week standstill period this May after twelve months of intensive planning. Bilfinger Berger Industrial Services has full responsibility for the project's management and execution. In the coming months, other major inspection and maintenance work is scheduled for clients in the Netherlands and the Czech Republic.

Bilfinger Berger has also received a major order worth approximately €130 million from the US oil and gas industry. In one of the United States' most important oil and gas fields, the Group will design, produce and construct five pump stations and tank storage systems as part of a new, 250-kilometer pipeline. The client is Enterprise Products, one of the biggest companies for the transport and storage of oil and gas in North America.

In the United Kingdom, we have signed framework agreements valued at €200 million with well-known companies covering the repair and maintenance of offshore platforms in the North Sea. The extensive individual contracts, which include project coordination and the management of facility standstills, run for periods of three to five years.

Bilfinger Berger has expanded its offering of industrial services. In January, we took over ATG, a provider of industrial services in the United Kingdom, thus adding to our regional capacities in the areas of electrical, instrumentation and control technology. ATG has a workforce of 250 people and annual output volume of €25 million.

Driven by rising production volumes in the process industry, the Industrial Services business segment's output volume and earnings will increase again in the year 2011.

Key figures for Industrial Services

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	732	660	+11	2,932
Orders received	884	785	+13	3,253
Order backlog	2,658	2,332	+14	2,601
Capital expenditure on P, P & E	11	12	–8	73
EBIT	30	27	+11	134

Power Services

- **Good demand abroad**
- **Further growth in earnings**

The Power Services business segment achieved output volume in the magnitude of the prior-year quarter. Orders received and the order backlog developed positively and EBIT increased to €18 million (Q1 2010: €17 million).

The changes in Germany's energy policy that have been announced since the events in Japan will not be without effects on the demand structure. On the path toward increased use of regenerative energy sources, it will be essential to expand and improve the country's conventional power plants. This will provide great opportunities in Germany for Bilfinger Berger Power Services as one of the leading service providers in this field. Internationally, our nuclear power-plant expertise continues to be in strong demand.

In our markets abroad, demand is as strong as ever due to the growing need for energy and ever stricter requirements in terms of environmental protection. In February, we received an order from the Israeli energy sector for the supply and installation of flue gas cleaning systems. The new equipment for the separation of nitrogen oxides will reduce the emissions at eight coal-fired power plants. The client for this €100 million project is Israel Electric Corporation, one of the country's biggest energy companies.

In the Power Services business segment, stable output volume and rising earnings are expected in full-year 2011, thanks to the good international business.

Key figures for Power Services

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	252	260	–3	1,106
Orders received	333	286	+16	1,281
Order backlog	1,445	1,198	+21	1,371
Capital expenditure on P, P & E	2	6	–67	33
EBIT	18	17	+6	83

Building and Facility Services

- **Stable output volume**
- **Further earnings improvement**

The output volume generated by Building and Facility Services remained stable in the first three months of this year. The business segment's orders received exceeded its output volume, but did not match the level of the prior-year period, which had been positively affected by some major orders. EBIT improved to €9 million (Q1 2010: €6 million).

Bilfinger Berger Facility Services received several new orders from renowned industrial companies: For chemicals group BASF, the company will provide facility management services at 23 sites in 13 countries. At the headquarters of optics and optoelectronics company Carl Zeiss in Oberkochen, we are responsible for the technical side of building operations at two production locations. In addition, Bilfinger Berger is managing all of the properties of mobile telephony provider Orange Communications in Switzerland. The contracts run for periods of three to five years. Transactions in the German office and commercial real-estate market are increasing again, so demand for services in the area of asset and property management can be expected to rise.

In the area of building construction, the contract for The Seven, a new city district in Munich, is noteworthy. On the site of a former thermal power station, Bilfinger Berger Building will construct apartments, offices and commercial units by the end of 2012. In Leipzig, the Bio City technology park is being constructed on the site of the old trade-fair center where we are building the new corporate headquarters of Haema AG, a healthcare provider.

As the Nigerian government intends to take action to increase local content of the country's economy, a review of our business model is necessary. We plan to reduce our 49 percent equity interest in the listed company Julius Berger Nigeria PLC.

For full-year 2011, we anticipate further increases in the output volume and earnings of the Building and Facility Services business segment.

Key figures for Building and Facility Services

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	486	490	–1	2,333
Orders received	567	735	–23	2,379
Order backlog	2,284	2,443	–7	2,217
Capital expenditure on P, P & E	2	2	0	13
EBIT	9	6	+50	80

Construction

- **Order for offshore windpark**
- **Improved risk profile**

The Construction business segment's output volume expanded in the first quarter due to the mild winter. Orders received and the order backlog reflect the focus of our construction activities on Europe. As a result of the improved risk profile, EBIT increased to €2 million (Q1 2010: minus €3 million).

We expect austerity measures to lead to weaker demand for civil engineering in Germany. However, opportunities are offered by the development of an infrastructure for the increased use of regenerative energy sources. As a technologically leading infrastructure supplier, we will profit from this trend. Bilfinger Berger Civil Engineering is the market leader for foundations for offshore wind turbines in the North Sea and the Baltic Sea. In April 2011, together with our Danish partner Per Aarsleff, we were commissioned to construct the foundations for 80 offshore turbines of the new Dan Tysk windpark. This array is located 70 kilometers west of the North Sea island of Sylt and will have a capacity of approximately 290 MW when completed. Furthermore, we started the foundation work for 175 wind turbines of the London Array in the Thames Estuary this February. This is the world's biggest offshore power plant and will ultimately generate an electrical output of 1,000 MW. The two projects represent a total order volume for Bilfinger Berger of €350 million.

In the European markets relevant for us outside Germany, the development of demand can be described as stable. In Poland, Bilfinger Berger is contributing to the development of the infrastructure for Euro 2012, the European nations soccer championship. In the country's capital, Bilfinger Berger is modernizing the Warsaw Stadium train station, and in Posnan, we are the lead company in a consortium constructing a 2.5-kilometer tram line with a 1.1-kilometer tunnel. The two projects' investment volume totals €75 million.

The output volume of the Construction business segment will decrease as planned in full-year 2011. Due to the improved risk structure, a further increase in the EBIT margin is to be expected.

Key figures for Construction

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	352	336	+5	1,661
Orders received	186	194	–4	961
Order backlog	2,127	2,770	–23	2,235
Capital expenditure on P, P & E	2	5	–60	20
EBIT	2	–3		29

Concessions

- **New project in UK educational sector**
- **Good prospects in Australia and Canada**

Our Concessions portfolio comprised a total of 30 projects by the end of the first quarter. Our equity commitment and the equity paid into the project companies was at the same level as a year earlier, although we sold shares in four of the projects in 2010. EBIT increased to €5 million (Q1 2010: €4 million).

With a level of demand that is generally still moderate following the economic crisis, we were awarded a contract for two school buildings in Northern Ireland with an investment volume of more than €60 million. Bilfinger Berger Project Investments is the leader of a consortium that will finance, design and build these facilities for a total of 1,400 students, and will operate them after completion for a period of 25 years. Our investment volume in the UK educational sector currently adds up to more than €650 million.

North of Glasgow, the first major section of the M80 motorway went into operation in February after a construction period of just two years. In total, Bilfinger Berger is widening 20 kilometers of the M80 on the basis of a concession model. The entire section is scheduled to go into operation at the end of 2011.

The earnings generated from operating the projects rises along with the increasing maturity of the portfolio. Equity of almost €400 million is currently invested in our concessions portfolio. As this volume is now of the magnitude we had targeted, it is becoming increasingly important to market mature projects so that we can reinvest the proceeds in new projects. The sale of shares in projects or the involvement of partners in our portfolio will lead to additional earnings for the business segment in the future.

Key figures for Concessions

Number / € million	Q1 2011	Q1 2010	FY 2010
Projects in portfolio	30	27	29
thereof under construction	11	9	10
Committed equity	362	364	358
thereof paid-in	164	167	160
EBIT	5	4	40

Discontinued operations

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

Key figures for discontinued operations

€ million	Q1 2011	Q1 2010	Δ in %	FY 2010
Output volume	512	694	–26	3,272
Orders received	651	960	–32	3,270
Order backlog	87	3,964	–98	4,130
Capital expenditure on P, P & E	3	4	–25	38
EBIT	17	32	–47	112

Interim consolidated financial statements

The interim consolidated financial statements as of March 31, 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 since the first quarter of 2010 and are also presented in these interim consolidated financial statements as of March 31, 2011 as discontinued operations.

In the context of concentrating its construction activities, Bilfinger Berger is abandoning its construction business in North America. In accordance with the provisions of IFRS 5, 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.

Consolidated income statement — January 1 - March 31

€ million	2011	2010
Output volume from continuing operations (for information only)	1,829	1,757
Revenue	**1,786**	**1,718**
Cost of sales	–1,560	–1,507
Gross profit	**226**	**211**
Selling and administrative expenses	–185	–179
Other operating income and expense	13	12
Income from investments accounted for using the equity method	5	3
Earnings before interest and taxes (EBIT)	**59**	**47**
Net interest result	–9	–9
Earnings before taxes	**50**	**38**
Income tax expense	–17	–13
Earnings after taxes from continuing operations	**33**	**25**
Earnings after taxes from discontinued operations	**174**	**23**
Earnings after taxes	207	48
thereof minority interest	0	0
Net profit	**207**	**48**
Average number of shares (in thousands)	44,140	44,140
Earnings per share (in €)*	4.70	1.10
thereof from continuing operations	0.76	0.58
thereof from discontinued operations	3.94	0.52

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

First-quarter revenue increased by 4 percent to €1,786 million (Q1 2010: €1,718 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 interests of more complete information, we therefore also disclose our output volume in the consolidated income statement. It amounts to €1,829 million for the first quarter of this year (Q1 2010: €1,757 million).

Gross profit increased to €226 million (Q1 2010: €211 million). In relation to output volume, the gross margin increased to 12.4 percent (Q1 2010: 12.0 percent). Selling and administrative expenses were almost unchanged at €185 million (Q1 2010: €179 million) or 10.1 percent of output volume (Q1 2010: 10.2 percent). EBIT increased by 26 percent to €59 million (Q1 2010: €47 million) and the EBIT margin rose to 3.2 percent (Q1 2010: 2.7 percent), with positive contributions being made by all business segments.

Scheduled amortization of €8 million has been carried out on intangible assets from acquisitions (Q1 2010: €10 million) and is included in cost of sales. Depreciation of property, plant and equipment amounts to €31 million (Q1 2010: €25 million).

Net interest result is unchanged at €9 million. Current interest income increased slightly to €4 million (Q1 2010: €3 million), while current interest expense and the interest expense from the allocation to pension provisions remained constant at €7 million and €4 million respectively. The interest expense for minority interest increased to €2 million (Q1 2010: €1 million).

The resulting earnings from continuing operations amount to €50 million before taxes (Q1 2010: €38 million) and €33 million after taxes (Q1 2010: €25 million).

Earnings after taxes from discontinued operations increased significantly to €174 million (Q1 2010: €23 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 €207 million (Q1 2010: €48 million).

Consolidated statement of comprehensive income

January 1 - March 31

€ million	2011	2010
Earnings after taxes	**207**	**48**
Gains / losses on hedging instruments		
Unrealized gains / losses	40	–27
Reclassifications to the income statement	–7	14
	33	–13
Currency translation differences		
Unrealized gains / losses	–45	65
Reclassifications to the income statement	–58	0
	–103	65
Actuarial gains / losses on pension plans	0	0
Unrealized gains / losses on investments accounted for using the equity method	9	–12
Income taxes on unrealized gains / losses	–9	–12
Other comprehensive income after taxes	**–70**	**28**
Total comprehensive income after taxes	**137**	**76**
attributable to shareholders of Bilfinger Berger SE	138	76
attributable to minority interest	–1	0

In addition to the earnings after taxes of €207 million presented in the consolidated income statement (Q1 2010: €48 million), other comprehensive loss after taxes of €70 million was recognized directly in equity (Q1 2010: gain of €28 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, and currency translation differences recognized in equity. 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 €103 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 €137 million (Q1 2010: €76 million). Of that total, €138 million is attributable to the shareholders of Bilfinger Berger SE (Q1 2010: €76 million).

Consolidated balance sheet

	€ million	Mar. 31 2011	Dec. 31 2010
Assets	**Non-current assets**		
	Intangible assets	1,452	1,457
	Property, plant and equipment	643	663
	Investments accounted for using the equity method	109	98
	Receivables from concession projects	1,760	1,789
	Other financial assets	263	260
	Deferred tax assets	186	193
		4,413	**4,460**
	Current assets		
	Inventories	203	199
	Receivables and other financial assets	1,631	1,594
	Current tax assets	36	39
	Other assets	59	58
	Cash and cash equivalents	1,033	537
	Assets classified as held for sale	0	1,050
		2,962	**3,477**
	Total	**7,375**	**7,937**
Equity and liabilities	**Equity**		
	Equity attributable to shareholders of Bilfinger Berger SE	1,940	1,803
	Minority interest	8	9
		1,948	**1,812**
	Non-current liabilities		
	Retirement benefit obligation	314	313
	Provisions	66	71
	Financial debt, recourse	183	184
	Financial debt, non-recourse	1,594	1,624
	Other financial liabilities	192	212
	Deferred tax liabilities	109	107
		2,458	**2,511**
	Current liabilities		
	Current tax liabilities	139	118
	Provisions	768	633
	Financial debt, recourse	89	89
	Financial debt, non-recourse	14	19
	Other financial liabilities	1,735	1,800
	Other liabilities	224	252
	Liabilities classified as held for sale	0	703
		2,969	**3,614**
	Total	**7,375**	**7,937**

Compared with December 31, 2010, the balance sheet total decreased by €0.6 billion to €7.4 billion. Approximately €430 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 and at the same time by the increase in cash and cash equivalents to €1,033 million (December 31, 2010: €537 million).

The increase in current provisions reflects provisions recognized for risks in connection with the sale of Valemus Australia. The negative working capital therefore increased to minus €937 million (Q1 2010: minus €913 million).

Consolidated statement of changes in equity

€ million	Share capital	Capital reserve	Retained earnings and distributable earnings	Other reserves: Hedging instruments reserve	Other reserves: Currency translation reserve	Treasury shares	Total	Minority interest	Equity
	Equity attributable to the shareholders of Bilfinger Berger SE								
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**
Balance at January 1, 2011	**138**	**759**	**1,062**	**–172**	**116**	**–100**	**1,803**	**9**	**1,812**
Total comprehensive income	0	0	207	33	–102	0	138	–1	137
Dividends paid out	0	0	0	0	0	0	0	0	0
Changes in ownership interest without change in control	0	0	0	0	0	0	0	0	0
Other changes	0	0	–1	0	0	0	–1	0	–1
Balance at March 31, 2011	**138**	**759**	**1,268**	**–139**	**14**	**–100**	**1,940**	**8**	**1,948**

Equity increased by €136 million during the first quarter of 2011. Earnings after taxes accounted for an increase of €207 million. Changes recognized directly in equity with no effect on profit and loss reduced equity attributable to the shareholders of Bilfinger Berger SE by €69 million. Those changes include €102 million of negative differences on currency translation and €33 million of unrealized gains on hedging instruments, which are presented in more detail in the consolidated statement of comprehensive income. Equity attributable to minority interest decreased by €1 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 - March 31

€ million	2011	2010
Cash earnings from continuing operations	71	60
Change in working capital	–160	–181
Gains on disposals of non-current assets	–9	–1
Cash flow from operating activities of continuing operations	**–98**	**–122**
Cash flow from investing activities of continuing operations	**392**	**–63**
thereof property, plant and equipment	–14	–19
thereof financial assets	406	–44
Cash flow from financing activities of continuing operations	**–2**	**–15**
thereof repayment of debt / borrowing	–2	–15
Change in cash and cash equivalents of continuing operations	**292**	**–200**
Cash flow from operating activities of discontinued operations	–74	18
Cash flow from investing activities of discontinued operations	–3	–4
Cash flow from financing activities of discontinued operations	–5	–1
Change in cash and cash equivalents of discontinued operations	**–82**	**13**
Other adjustments to cash and cash equivalents	–20	18
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 March 31	–	219
Cash and cash equivalents at March 31	**1,033**	**410**

Cash flows from operating activities is generally negative in the first quarter due to a seasonal increase in working capital; however, there was an improvement to a net cash outflow of €98 million this year (Q1 2010: net cash outflow of €122 million).

Bilfinger Berger had a net cash inflow of €392 million from the investing activities of continuing operations (Q1 2010: net cash outflow of €63 million). The cash inflow was the result of proceeds of €627 million from the disposal of financial assets (Q1 2010: €1 million); €620 million of that amount is accounted for by the net cash inflow from the sale of our business in Australia. There will be cash outflows of approximately €30 million for expenses relating to the sale in the second quarter. The sale also 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 €19 million (Q1 2010: €45 million). €4 million was for capital contributions and loans in the concessions business (Q1 2010: €25 million) and €15 million was invested in the area of services (Q1 2010: €20 million). Property, plant and equipment accounted for cash outflows of €19 million (Q1 2010: €26 million) and cash inflows of €5 million (Q1 2010: €7 million).

The cash outflow from financing activities of continuing operations of €2 million was the result of net debt repayments (Q1 2010: cash outflow of €15 million).

In total, changes in cash and cash equivalents of continuing operations amounted to a net cash inflow of €292 million (Q1 2010: net cash outflow of €200 million).

The cash flows of discontinued operations resulted in a net cash outflow of €82 million (Q1 2010: net cash inflow of €13 million).

Changes in currency exchange rates led to an arithmetical decrease in cash and cash equivalents of €20 million (Q1 2010: increase of €18 million).

At March 31, 2011, cash and cash equivalents amount to €1,033 million.

Segment reporting	Output volume		External revenues		Internal revenues		EBIT	
€ million	**Q1 2011**	**Q1 2010**	**Q1 2011**	**Q1 2010**	**Q1 2011**	**Q1 2010**	**Q1 2011**	**Q1 2010**
Industrial Services	732	660	727	658	6	3	30	27
Power Services	252	260	252	260	0	0	18	17
Building and Facility Services	486	490	453	481	3	2	9	6
Construction	352	336	298	244	3	4	2	–3
Concessions	18	16	54	71	0	0	5	4
Consolidation, other	–11	–5	2	4	–12	–9	–5	–4
Continuing operations	**1,829**	**1,757**	**1,786**	**1,718**	**0**	**0**	**59**	**47**

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.

Discontinued operations

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

Valemus Australia is one of Australia's biggest 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 - March 31	
€ million	**2011**	**2010**
Output volume (for information only)	512	694
Revenue	421	577
Expenses / income	–404	–545
EBIT	**17**	**32**
Net interest result	2	1
Earnings before taxes	**19**	**33**
Income tax expense	–6	–10
Earnings after taxes	**13**	**23**
Gain on the sale of Valemus Australia	**161**	**0**
Earnings after taxes from discontinued operations	**174**	**23**

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	**Mar. 31 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.

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 €263 million (December 31, 2010: €57 million) relate to guarantees, primarily provided for subsidiaries that have meanwhile been sold. €195 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.

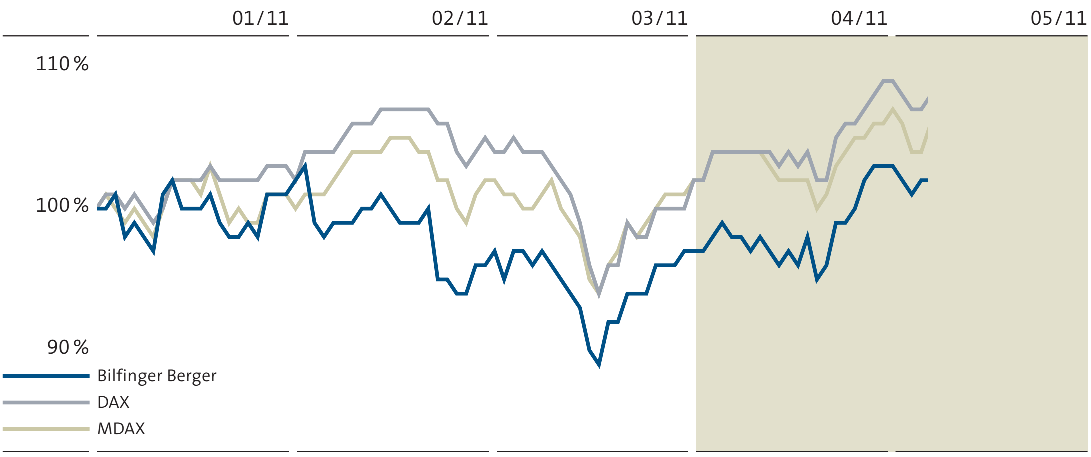
Mannheim, May 10, 2011

Bilfinger Berger SE
The Executive Board

Herbert Bodner	Joachim Enenkel	Roland Koch
Joachim Müller	Klaus Raps	Thomas Töpfer

Bilfinger Berger shares

Relative performance of our shares



Key figures on our shares

January 1 - March 31

€ per share		2011
Highest price		65.62
Lowest price		54.44
Closing price [1]		61.25
Book value [2]		43.95
Market value / book value [1,2]		1.4
Market capitalization [1,3]	in € million	2,819
MDAX weighting [1]		3.3 %
Number of shares [1,3]	in thousands	46,024
Average daily volume	no. of shares	276,144

All price details refer to Xetra trading

[1] Based on March 31, 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.,

DJ STOXX 600, DJ EURO STOXX,

DJ EURO STOXX Select Dividend 30

Financial calendar

	2011
August 11	Interim Report Q2 2011
November 14	Interim Report Q3 2011

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.



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