
COMPANY PROFILE

GEGENBAUER SERVICE GROUP

2010

Gegenbauer

Facility Management

Gegenbauer – we are ...

- A leading provider of value-adding facility management services, underscored by mature competence and deep roots in the services sector.
- A management run, market-oriented company with a service network in every major metropolitan region of Germany.
- A dependable, solution-driven partner, operating on a platform marked by solidity and competence.
- Interested in our customers and their challenges, because we aim to assist and guide them along value-adding processes.
- Focused on the long-term, resilience, and practicality.
- Aware of our social responsibility for our staff, because we recognize that only their effort and capabilities will help achieve solutions that customers expect from us every day.
- Involved in more than just our daily business, since it is an entrepreneurial given for us to show mutual respect for each other, towards our society, and to value the resources in our environment.



Gegenbauer group once again showing successful business development in 2010

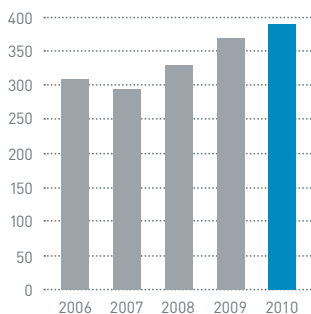
The German economy recovered with unexpected speed in 2010, with projected growth rates almost tripled between the beginning and end of the year. In this context Germany has unambiguously demonstrated its role as a carthorse for the European market. In the wake of this development the real estate industry was also able to benefit from the positive economic climate.

95 per cent of the businesses in Germany have meanwhile come to regard the outsourcing of tasks and processes to external service providers as an important part of a successful business strategy again. Pure cost arguments fortunately play a much less important role in this than they did in the past. Instead the desire for greater flexibility and professionalism are accorded noticeably greater significance.

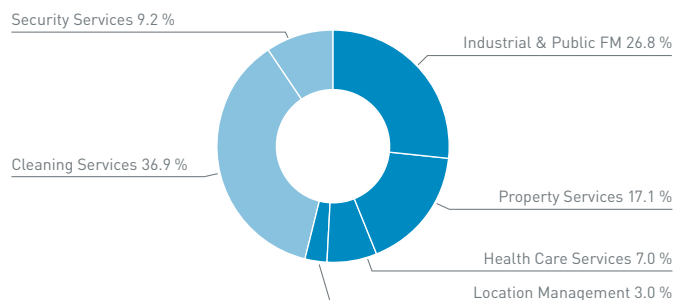
5 per cent turnover increase to € 387.9 million - employment reaches new peak with a workforce of 14,562

We are content with the business development of the past year. Another step forward could be achieved in terms of growth in 2010 compared to the already successful year of 2009, which had - in the middle of a crisis, by the way - shown a growth of 12 per cent. With just over 5 per cent growth to a consolidated turnover of € 387.9 m this exceeded our expectations. It is however just as important that the earnings have also again reached the levels we had aimed for. Our workforce meanwhile grew to 14,562 in the year just past, which is also a peak value for Gegenbauer.

Consolidated sales 2006 - 2010
(million Euro)



Consolidated sales 2010 by division
(€ 387.9 million)



Successful distribution development affirms customer trust

We have implemented our strategic aims emphatically and successfully. It most importantly proved possible again to consolidate the stable customer base. This for example included another significant expansion of our cooperation with several important market players in the housing industry, which we consider a particular sign of confidence in us. The same applies to the acquisition of the service operation of a market-leading housing company in Berlin with 200 employees, transacted by Gegenbauer jointly with two further industry partners over the course of the year. The company will in future provide nearly 50,000 housing units with comprehensive support.

A number of interesting large projects could also be added in health care, amongst others in the Rhine-Main area and in the south-west. Besides this the confirmation of our cooperation with long-standing key accounts had an important role to play once more. Contract renewals and partly significant expansions of the performance volumes, for example with world-leading technology and business groups, renowned financial institutions and very discerning real estate companies, demonstrate that our clients place their trust in the capabilities of Gegenbauer and would like to jointly raise further efficiency reserves with us.

Financial crisis changes real estate markets

The financial crisis just past has obviously permanently changed the way companies handle their own as well as rented realty. Properties are nowadays much more strongly identified as resources than just a few years ago. As a result, the focus is often on permanently optimizing processes and reducing the property-related costs. In addition to this we also find a growing demand for flexibility amongst our clients. Companies today tend to question or change their organizational structure at ever shorter intervals. When organizations contract or grow this naturally also has consequences for the office space concepts and resulting service requirements.

Time- and quality-oriented facility management today indeed needs to take much more into account than merely running buildings. What is needed instead is a holistic and proactive management of properties regarding cost items, quality and land use, always within the context provided by requirements from the client's group and property strategy. This results in a greater need for coordination between the client and contractor. Although strategic service provider partnerships are not an established concept by a long way, they are nonetheless an emergent and surely meaningful trend in the longer perspective, a trend we are naturally happy to address.

Mounting consultancy needs caused by growing complexity

As facility manager we are the only partner to attend to a property throughout its entire lifecycle. The need for advice arises again and again along this cycle. Irrespective of whether

this need concerns the investment decisions of public institutions, the reduction of operating costs in existing real assets, or the redesign of operational processes – we know that property-related processes are subject to a permanent commitment to optimization, and register in many places that our practical know-how is in demand. We have hence continuously expanded our consultancy business in recent years, for example in technical FM, energy management, or the operation of event locations.

Investments in service-oriented IT structures

Our customer relationships are increasingly characterized by a desire for higher response speeds and greater transparency. This has a significant impact on the organization, but also the reporting of our services. We therefore require IT systems which allow for seamless and swift integration in the systems and processes on the client's side, in extreme cases right up to an automated data exchange. Besides a cooperation that is characterized by trust, this also calls for significant outlays, which we regard as investments in the future, however. We have made significant progress in the implementation of our service-oriented IT architecture in 2010. In the year under review this included the successful conclusion of various pilot projects for introducing a document management system. The upshot being that nothing now stands in the way of this solution being introduced in the operational day-to-day business.

We have further expanded the managing partnerships in the year under review, with the aim of tying high performers even closer to the group. Accepting further members in the circle of managing partners is intended to reinforce corporate activities, but simultaneously also ensures continuity within the company management.

Optimistic perspectives on the challenges of the future

Our company structure allows us to think business, act in the market flexibly and quickly, and provide our clients with precisely the support needed to proceed successfully in their core processes. Our thinking is customer-oriented, and we organize cross-industry and team-oriented processes. This gives us a good starting position for the challenges to come.

We expect no lack of challenges for our industry, but also specifically our company, in 2011, as well. Owing to the latest experiences with the financial and economic crisis, companies will in future endeavour to render their action options even more flexible, and faster. A similarly flexible and capable partner for undertaking relevant secondary processes will hence be even more desirable in future than heretofore. We regard this an incisive task for the coming years. In this context the aspect of employee retention and acquisition has a central role to play. The aim being to establish long-term structures, acquire competent and willing employees for Gegenbauer, and develop them further and adequately along with the growing demands of our clients.

The free movement of workers coming into force on May 1, 2011, brings with it a certain insecurity for our industry. Once all prospective employees from the 12 accession states in central and eastern Europe are able to offer their services in Germany, our task must consist in maintaining the system of wage and working conditions which has proven itself here for many decades, also under the impact of this new regulation. Enshrining minimum wages for cleaning and security services at the place of work or performance is only possible under the aegis of the law on posting workers.

We have resolved to increase the turnovers and operating profit for 2011. This year again our aspiration will lie in winning and justifying the trust of our clients, partners and employees anew every day.

Workforce and training

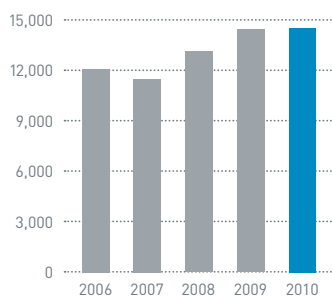
As a quality- and innovation-oriented service company we are constantly on the lookout for the best employees in the market. In times of profound demographic change and faced with an already beginning shortage of skilled workers, this task has the highest priority for future-proofing our company, and we will hence accord it great deal of attention.

Development of the workforce and training

All-in-all Gegenbauer employed a workforce of 14,562 in Germany and Poland in 2010 as an annual average. The number of persons employed has hence grown by 114 employees or 0.8 per cent, respectively, in comparison with the previous year (14,448 employees).

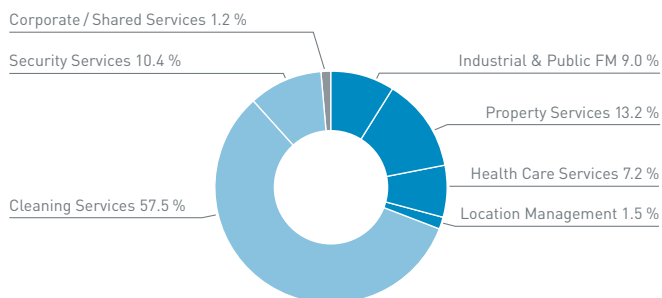
In task area terms the number of employees in the company division facility management grew by 116 to 4,505, while the number of persons employed in facility services was with

Employees 2006 - 2010



Employees 2010 by division

(Annual average: 14,562)



9,877 approximately identical to last year's figure (9,872). 180 employees were working in the administration group-wide, which is a slight reduction by 7 employees compared to 2009.

As one of the greatest providers of training within the industry Gegenbauer trains approximately 300 school-leavers in one of 13 job outlines overall. We have provided more than 90 new apprenticeships and college places in the year 2010 alone.

Gegenbauer – a "company with foresight"

The traditionally above average share of older employees (50+) at Gegenbauer in the year under review amounted to roughly 36 per cent, with almost 900 employees in this age group hired in the 2010 financial year alone. Gegenbauer was honoured for this with the "Company with foresight" award as one of 62 companies nationwide. With this award the Federal Ministry of Labour and Social Affairs annually honours "demography-proof personnel policy in companies characterized by a balanced mix of younger junior employees and older employees with long-standing professional experience".

Quality management and management of environmental resources

No business without sustainability

Sustainability, in earlier years often regarded as little more than a buzzword, has now finally been anchored in the definitive objectives and work plans of the decision-makers. Growing cost pressure, stricter legal requirements, but also an increasing sense of societal responsibility are decisive drivers of this development. A hot topic, not only for investors and users of real estate, but most of all also for its operators. To act sustainably in a facility management sense in our understanding hence means also paying attention to the quality of the service performance, and its environmental impact, besides processes and costs.

Quality management

We have been taking our orientation from established international standards for a long time. But the decisive yardsticks for our actions are the needs and requirements of the clients. Because especially in the service sector, quality is a very fragile basis for inspiring and maintaining trust, which needs to be newly created every day. Besides the primary aim of customer satisfaction our quality-oriented actions are targeted at securing the legal position of our company, reducing liability scopes, and promoting performance development. The group's entire consolidation circle is certified in line with the European DIN EN ISO 9001 system of standards as an expression of our comprehensive understanding of quality.

The requirements formulated therein are consistently met with the aim of continuous improvement, and confirmed by comprehensive checks.

Environmental management

The integration of environmental aspects in business processes and objectives is indispensable today for long-term economic success. This is because attesting to an environmental orientation and awareness now more than ever before decides on whether a service provider will be eligible as a partner for companies which act sustainably. Measures for the protection of nature and the environment, as well as an aware approach to the natural resources of our earth, hence also enjoy high priority at Gegenbauer.

All the group-wide environmental protection activities are aligned with the international standard DIN EN ISO 14001, and coordinated and documented by the central department for quality and environmental management. This includes the application of environment-friendly materials and equipment, as well as cooperation with suppliers and partners who are also certified.

In our vehicle fleet, the CO₂ pollution of the environment could be lowered by approximately 110 t compared to 2009 by targeted procurement measures. Gegenbauer furthermore pursues the aim of global CO₂ reduction by way of compensation projects, for example in connection with air travel or dispatch by mail.

Certifications and repeat audits

The 2010 repeat audits for re-certification in line with ISO 9001 and 14001 embraced 40 objects in a sum total of six locations. They were performed by two auditors and two appraisers in 19 man-days. Another five man-days were expended as part of the renewed SCC** certification. The positive results confirm our commitment, and attest to the effectiveness of the measures applied. The auditors' recommendations and comments were analysed as part of management reviews and included in the formulation of new measures and objectives.

Most of all the facility management, with its lifecycle-oriented approach, is particularly suited for anchoring the subject of sustainability in real estate management for the long term. Sustainability can start in many places and virtually all disciplines, including preventive maintenance, cleaning and energy management, for example.

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Paul-Robeson-Straße 37 | 10439 Berlin (Germany) | Tel. +49 (30) 44670-70101 | Fax +49 (30) 44670-90101
E-Mail: info@gegenbauer.de | Web: www.gegenbauer.de