

A detailed architectural line drawing of a building's structural frame, showing a grid of vertical columns and horizontal beams. The drawing is rendered in a clean, minimalist style with thin black lines on a white background. The perspective is slightly angled, showing the depth of the structure.

Facts and Figures

2019

**Gegenbauer**

Gebäude. Service. Menschen.

## Buildings. Services. People.

As a quality-orientated Facility Management service provider, Gegenbauer manages property portfolios and real estate for discerning customers throughout Germany and at other locations in Europe. With over 18,500 dedicated employees, 95 years of service experience, a great sense of responsibility and the ability to embrace change, we do not just ensure that properties function well, are presented well and are stable in value, but that their users are satisfied too. Gegenbauer is renowned for diversity and integration and is committed to climate protection. We support educational initiatives and cultural and sports causes in the community.



## BUSINESS UNITS

	SALES IN € MILLION	EMPLOYEES
<b>INTEGRATED FACILITY MANAGEMENT</b>	<b>390.8</b>	<b>4,395</b>
TECHNICAL BUILDING MANAGEMENT	327.3	3,706
INDUSTRIAL SERVICES	47.9	503
LOCATION MANAGEMENT	15.6	186
<b>INFRASTRUCTURAL FACILITY MANAGEMENT</b>	<b>366.2</b>	<b>13,967</b>
BUILDING CLEANING / HEALTH CARE SERVICES	244.7	10,410
PROPERTY SERVICES	70.8	1,599
SECURITY SERVICES	43.1	1,766
AVIATION SERVICES	7.6	192
<b>OTHER SERVICES</b>	<b>10.7</b>	<b>219</b>
<b>TOTAL</b>	<b>767.7</b>	<b>18,581</b>

For the Gegenbauer Group, 2019 was an eventful and successful financial year. As an integrated service partner for all facets of property management, Gegenbauer again managed to move in a positive direction. As a result of this, we attained sustainable profitable growth — in spite of persistently challenging conditions in Germany's most important B2B service market, which demands a high level of flexibility and a strong focus on customers. 2019 was also characterised by a pioneering approach in terms of strategy, operations and personnel. As a value-enhancing partner for our discerning customers, we are well placed and have the financially and organisationally sound footing and innovative, future-proof systems to lead the way to the 100th anniversary of Gegenbauer's foundation.

#### **VERY SATISFYING BUSINESS DEVELOPMENT**

With turnover of €767.7 million, the Gegenbauer Group continued on its successful growth path in 2019. The organic growth in turnover of 4.8 per cent is in line with medium-term company plans and exceeds the growth forecasted for the top 10 providers on the German FM market for 2019. The quality of operational results was also confirmed to correspond to our targets.

#### **INDUSTRY INCREASINGLY CHARACTERISED BY DIGITALISATION**

Digitalisation is shaping the FM services market more and more and is therefore a key element of corporate strategies. This is primarily due to the fact that many customers are in a process of digitalisation themselves and therefore rely on service providers that can deliver strategies which are compatible with this and offer them digital products and expertise. We used 2019 to drive the automation of business processes forward, optimise interfaces with our customers and bring organisation in line with changing requirements and new technological opportunities.

#### **OPTIMISTIC GOALS AND NEW POTENTIAL**

Even though market conditions will remain challenging, we have again done a lot of preparation for 2020 – the 95th anniversary of the foundation of the Gegenbauer Group. While Germany's unstable economic development and persistent skills shortage present serious challenges, advances in digitalisation and a widespread growth in awareness of climate protection and sustainability offer new opportunities. Gegenbauer will rise up to meet this potential as a skilled, innovative service partner. We owe thanks to our customers for their ongoing trust just as much as we owe our employees for their continuous commitment.

## Profitable growth in a demanding market environment

### **Economic growth is declining again – but the labour market is still robust**

The German economy grew by just 0.6 per cent in 2019 – the weakest growth in a long time. The main reasons for this were international trade conflicts, the weak global economy and persistent uncertainty in connection with Brexit. By contrast, the labour market remained robust, primarily due to keen consumers and the ongoing construction boom. The annual average Approximately 45.3 million people in the Federal Republic of Germany held down a job in 2019, which is around 402,000 more people (0.9 per cent) than the previous year. The last 14 years of persistent growth in employment therefore continued, but with less momentum. The strongest growth was seen in the number of people employed in the service sector, with growth of 319,000 (+1 per cent).

### **Digitalisation trend stabilises in Facility Management too**

#### **Digitalisation leads to added value in core business**

The digitalisation trend in the property sector, and therefore in Facility Management too, stabilised in the reporting year. However, there are still some persistent obstacles standing in the way of the great potential for efficiency improvements. Besides a lack of data standards and process standards, the relatively low level of importance of property management within the organisation of the company is resulting more and more often in a lack of willingness to make targeted investments in secondary processes. Digital applications are particular diverse within Facility Management: They range from

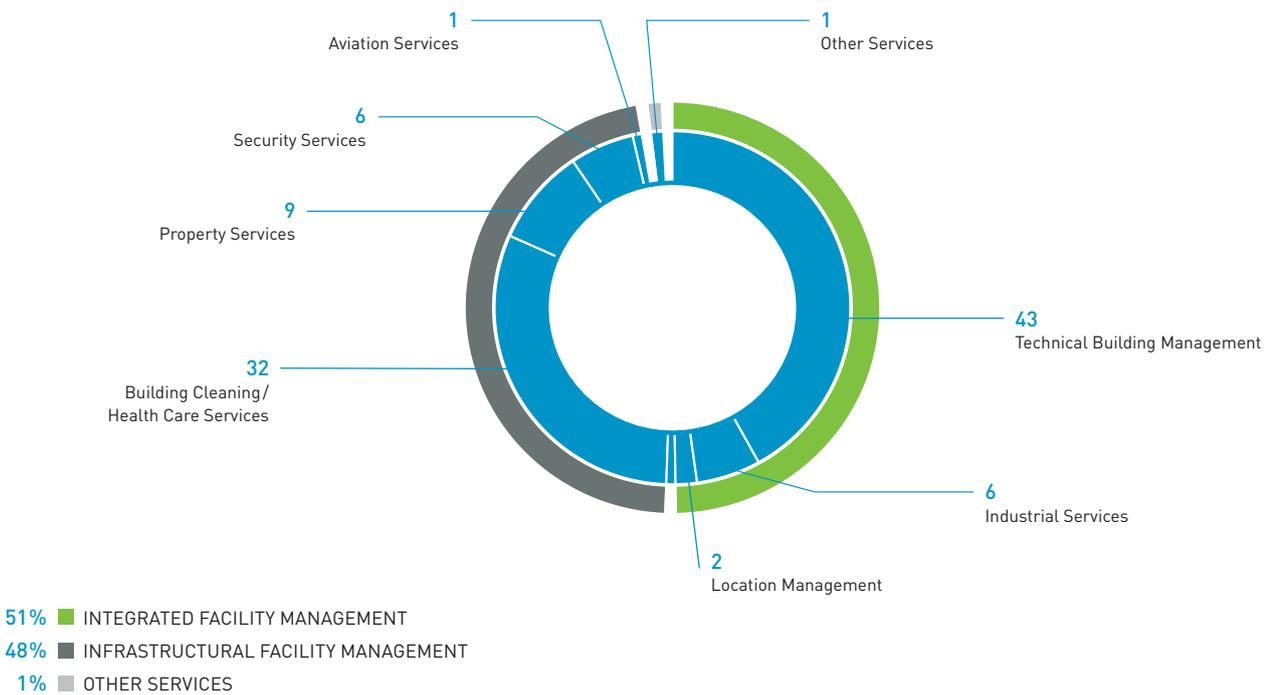
optimisation using sensors and biometry, through automation with service robotics, to digital building models and organisational models using big data and business intelligence. In light of this, Gegenbauer continued to pursue its digitalisation activities in 2019. The primary focus here was on projects using sensors, the connectivity of central building control systems and the organisational optimisation of service provision.

### **Disproportionate turnover growth in Infrastructural Facility Management**

In the 2019 financial year, the consolidated turnover of the Gegenbauer Group amounted to € 767.7 million. € 390.8 million of that came from the Integrated Facility Management unit, which combines the Technical Building Management, Industrial Services and Location Management units (previous year: € 396.6 million). This equates to a slight decrease of 1.5 per cent, which is predominantly due to portfolio disposals. In operating terms, the Technical Building Management segment's contribution to sales revenue was 0.6 per cent higher than in 2018. Growth in turnover of 1.3 per cent was also achieved in Location Management.

### **Technical Building Management exhibits further growth in turnover from 2018**

EXTERNAL SALES IN %



The Infrastructural Facility Management unit, which includes the activities of the mainly commercially influenced services Building Management/Health Care Services, Property Services, Security Services and Aviation Services, generated a turnover of €366.2 million. This equates to significant growth of approximately 9.1 per cent compared with the previous year (previous year: €335.5 million). The Building Management/Health Care Services segment (+11.4 per cent) and Property Services segment (+9.3 per cent) made the biggest contribution to this. While Aviation Services also achieved slight growth (+2.7 per cent), the Security Services segment was forced to report a slight decline in development (-1.1 per cent).

**Successful business with existing and new customers**

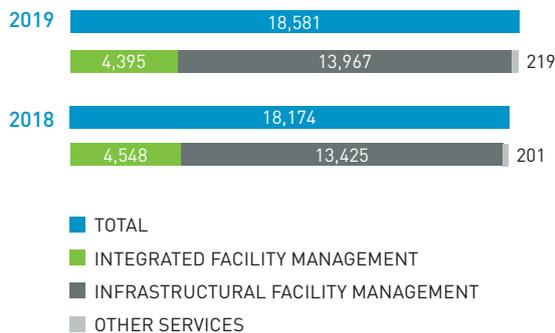
Sales activities in 2019 were characterised by a healthy ratio of existing and new customer business in both Integrated and Infrastructural Facility Management. We were able to build on our cooperation, most of which spans many years, with a variety of key accounts from the automotive, commerce, financial services, pharmaceutical, aviation and aerospace sectors, as well as the housing industry. New contracts for Gegenbauer came from, among others, the management of a property portfolio for an international transport and logistics company based in Hamburg, as well as Poland, where the subsidiary succeeded in acquiring strong customers with contracts for an engine maintenance company and in the logistics sector.

**Significant increase in employment – training activities expanded once again**

In 2019, an annual average of 18,581 people were employed by the Gegenbauer Group. The workforce therefore increased by 2.2 per cent compared to the previous year, which corresponds to an additional 407 jobs. At the same time, the development of the business units was the opposite. While the Infrastructural Facility Management unit created 542 new jobs (+4.0 per cent), the workforce of the Integrated Facility Management unit decreased by 153 jobs (-3.4 per cent) compared to 2018 as a result of portfolio measures.

To actively counter the industry-wide skills shortage, the Gegenbauer Group once again expanded its training activities in 2019, in contrast to the general market trend. In autumn 2019, 149 young people (previous year: 136) started their careers on one of eleven vocational training programmes or a dual study programme in the versatile field of Facility Management, which is rich in prospects. Currently, across all years of training, 380 apprentices and students are starting their industrial, technical or commercial careers at Gegenbauer. The company therefore remains one of the leading industry representatives in this area.

EMPLOYEES (ANNUAL AVERAGE)



With the vocational qualification project Gegenbauer Flanke, the Group realised for the first time in 2019 a concept that helps disadvantaged young people in particular to access training. Through the project, up to 15 participants each year



will be prepared for the demands of dual training through practical and theoretical job preparation, socio-educational and psychosocial support, team building activities and involvement in CSR projects. The Company was awarded the “Certificate for Junior Development 2018/2019” (“Zertifikat für Nachwuchsförderung 2018/2019”) by the Federal Employment Agency for the development of the Gegenbauer Flanke project.

**Sustainable HR structures**

By appointing Birgit Aspin to the Board of Directors, the Group filled the position of Chief People Officer for the first time in autumn 2019, thereby taking into account the growing requirements of a personnel-intensive organisation with potentially 25,000 employees. Ms Aspin’s main task is to bring Gegenbauer’s corporate culture, which has developed over the decades, in line with the demands of the agile, innovative and future-orientated working world.

**Reinforcing the employer brand**

With the cross-channel campaign “Blau ist Wow!” (“Blue is wow!”), Gegenbauer implemented another format for reinforcing its employer brand as part of its long-term Employer Branding Strategy 2019. The focus here is not just on attracting new employees but also on conveying the Company’s values. The corporate colour blue is a pivotal communicative point and a symbol of the Company’s diversity, bringing all employees together through shared values, a commitment to quality and respectful relations. At the end of 2019, the campaign video was awarded the Human Resources Excellence Award in the category “Group Employer Branding – Employer Video”.

ORGANIC GROWTH

+ 4.8%

EMPLOYEES

+ 407



**Focus on customer satisfaction and sustainability**

The Group once more underwent the EcoVadis Assessment, a sustainability assessment for global supply chains, thereby improving its result yet again. With 59 points, we reached the Silver level - placing Gegenbauer in the top 12 per cent of all companies assessed. Particularly good results were achieved in the main categories: Social and Environment.

In cooperation and close coordination with a long-standing key account, several specialist operating associations within the Group underwent an external sustainability audit in the course of the year. This involved an examination of the working conditions of operational and administrative employees at multiple locations throughout Germany. The audits performed did not identify any deviations from standards and were passed with top marks.

In the annual Facility Management Report by Bell Management Consultants, which evaluates customer satisfaction, Gegenbauer reached the top spot across both size categories for the first time in 2019. Our Group proudly achieved 1,348 of a possible 1,850 points in the Facility Management customers' evaluation, scoring highly in terms of both infrastructural competence (first place) and technical expertise (second place). A total of 100 property managers and Facility Manager schedulers throughout Germany were surveyed, with 57 FM service providers giving their market assessment.

Gegenbauer in top spots for customer satisfaction and expertise

**Still on course for success in a difficult economic environment**

Following many years of expansion in Germany, the export-orientated economy will also face challenges in 2020, primarily global trade conflicts, the slowdown in the global economy and the consequences of Brexit, which are still unclear. The German Council of Economic Experts is expecting a slight improvement in the course of 2020 at the earliest. However, since - from experience - economic developments only filter through to the property services industry gradually and with some delay, the Gegenbauer Group is still expecting to be able to continue its growth in the coming years and to therefore expand its role at the highest end of the market. Based on data from the latest Lünendonk study for facility services, the top 10 providers are anticipating a growth in turnover of 4.5 per cent in the coming years. This forecast also forms the basis of Gegenbauer's guiding framework up to 2025. As the German labour market has so far defied the economic downturn and, based on current estimations, the level of unemployment is only expected to increase slightly in 2020, successfully attracting and retaining skilled employees will continue to be a fundamental prerequisite for successfully achieving our growth targets in the future too.

## Economic stability for a sustainable future

### ASSET SITUATION

The group balance sheet total as of 31 December 2019 amounted to € 230.1 million (previous year: € 225.6 million). Due to the amortisation of goodwill and outstanding orders, intangible assets decreased in the financial year. Contrary to this, capitalised goodwill increased slightly due to the acquisition of minority shares from external shareholders. The growth in inventories and trade receivables is associated with the growth of the Group generated in the 2019 financial year.

The increase in equity capital is mainly attributed to the accumulation of € 5.7 million. The equity capital ratio is therefore increased from 20.3 to 21.4 per cent. The increase in liabilities and reserves resulting from the growth of the Group was reduced through scheduled repayments of liabilities due to banks. Deferred tax liabilities also decreased as a result of the expansion of the fiscal unit following legal restructuring and the associated change in tax rates.

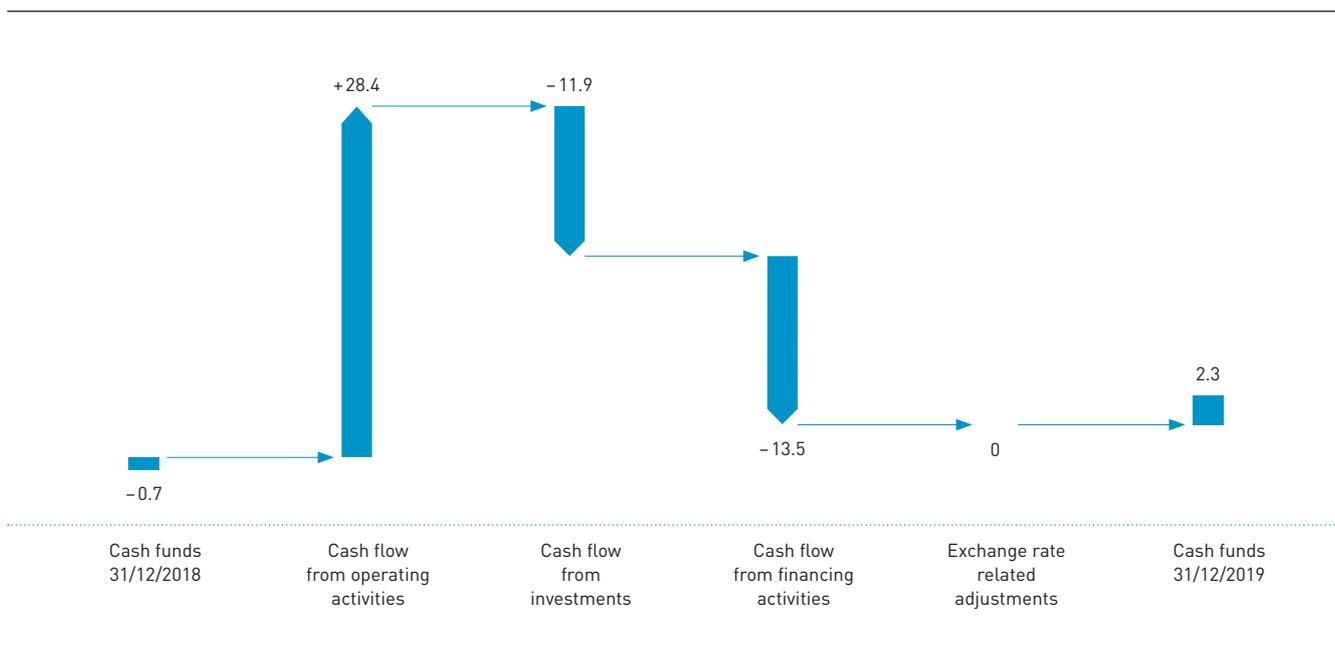
Consolidated balance sheet (HGB) in € million	2019	2018
<b>Assets</b>		
Intangible assets	48.7	53.8
Fixed assets	37.4	37.6
Financial assets	2.4	2.4
Inventories, debts, other short-term assets, accrued income	134.4	125.2
Liquid assets	7.2	6.6
<b>Total assets</b>	<b>230.1</b>	<b>225.6</b>
<b>Liabilities</b>		
Equity capital	49.1	45.8
Provisions	71.2	68.5
Liabilities, deferred income, deferred taxes	109.8	111.3
<b>Total liabilities</b>	<b>230.1</b>	<b>225.6</b>

## FINANCIAL SITUATION

Cash flow from operating activities (€28.4 million) mainly came from the increased consolidated annual net profit, adjusted for depreciations and interest. The increase in working capital was counteractive compared to the previous year. At €11.9 million, investments increased significantly compared to the previous year due to the acquisition of minority shares from external shareholders. Investments in the operating sector

also increased slightly. Cash flow from financing activities in the sum of €13.5 million results from payments made to limited partners and profit distributions to external shareholders, proceeds from taking out and paying off credits and loans as well as interest payments. The cash flow statement as of 31 December 2019 therefore increased compared to the previous year's report by €3.0 million to €2.3 million.

CONSOLIDATED BALANCE SHEET 2019 (HGB) IN € MILLION



## Our figures 2019

	2019	2018
<b>Total sales (incl. internal group sales) in € million</b>	<b>858.7</b>	<b>814.3</b>
<b>Integrated Facility Management</b>	<b>408.4</b>	<b>406.2</b>
Technical Building Management	344.8	334.9
Industrial Services	47.9	55.8
Location Management	15.7	15.5
<b>Infrastructural Facility Management</b>	<b>407.9</b>	<b>378.9</b>
Building Cleaning/Health Care Services	261.1	237.3
Property Services	78.4	72.3
Security Services	60.8	61.9
Aviation Services	7.6	7.4
Other Services*	42.4	29.2
<b>External sales in € million</b>	<b>767.7</b>	<b>732.4</b>
<b>Integrated Facility Management</b>	<b>390.8</b>	<b>396.6</b>
Technical Building Management	327.3	325.4
Industrial Services	47.9	55.8
Location Management	15.6	15.4
<b>Infrastructural Facility Management</b>	<b>366.2</b>	<b>335.5</b>
Building Cleaning/Health Care Services	244.7	219.7
Property Services	70.8	64.8
Security Services	43.1	43.6
Aviation Services	7.6	7.4
Other Services*	10.7	0.3
<b>Employees</b>	<b>18,581</b>	<b>18,174</b>
<b>Integrated Facility Management</b>	<b>4,395</b>	<b>4,548</b>
Technical Building Management	3,706	3,813
Industrial Services	503	540
Location Management	186	195
<b>Infrastructural Facility Management</b>	<b>13,967</b>	<b>13,425</b>
Building Cleaning/Health Care Services	10,410	9,863
Property Services	1,599	1,516
Security Services	1,766	1,860
Aviation Services	192	186
Other Services*	219	201

\* Implementation of a future-oriented integrated software platform

## Service

**Everything New, All Our Contact Data,  
Everything in Overview:**  
[www.gegenbauer.de](http://www.gegenbauer.de)

**New Opportunities, New Jobs,  
New Perspectives:**  
[www.karriere-gegenbauer.de](http://www.karriere-gegenbauer.de)

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[www.nachhaltigkeit-gegenbauer.de](http://www.nachhaltigkeit-gegenbauer.de)

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**PHOTOS**  
Title vingervlug

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