

PRESS RELEASE

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LÜNENDONK LIST: FACILITIES MANAGEMENT COMPANIES SUPPORT REAL ESTATE MANAGERS IN SAVING ENERGY AND TRANSFORMING THE WORKING ENVIRONMENT

- **Energy transition, sustainability and services supporting new ways of working ('New Work') driving market development**
- **25 largest companies grow by 9.3 per cent in volatile market**
- **Employee numbers in companies analysed increase by 2.4 per cent**
- **Anniversary: 20 years of Lünendonk Facilities Management Survey and List**
- **New Lünendonk List *Facilities Management* now available**

Frankfurt am Main/Mindelheim, June 13, 2023 – The top 25 facilities management companies in Germany grew by an average of 9.3 per cent in 2022. For the first time ever, the market's leading companies generated more than 15 billion euros in revenues, employing approximately 274,000 staff (+1.6% year-on-year). Energy cost-saving imperatives among real estate managers, the transition to modern working environments and the continued rise in demand for multi-service providers are driving market development, alongside inflation-related price effects. These are the initial findings of the twentieth Lünendonk List *Leading Facilities Management Companies in Germany* and the accompanying market survey. The ranking is now available as a free download from www.luenendonk.de. The detailed market survey will be published at the end of July 2023.

Rankings in detail

SPIE Deutschland & Zentraleuropa heads the rankings and is the first facilities management company in Germany to exceed annual services revenues of 2 billion euros. As in previous years, SPIE acquired two companies, PTC and SRE/FMS, its growth in part due to these two inorganic effects. Apleona follows in second place with revenues increasing by 133 million euros to 1,884.9 million euros over the year. Announced in March 2023, Apleona's merger with Gegenbauer is expected to lead to the firms reporting joint results as of next year. For the 2022 financial year, the companies' combined revenues amounted to more than 2.7 billion euros.

Wisag Facility Service follows in third place, generating revenues of 1,366.4 million euros (+11.7%). Among facilities management companies operating in Germany, Wisag is the largest employer with 33,097 employees. Fourth-placed Engie reported revenues of €981 million earned through the efforts of 3,852 employees. Gegenbauer's revenues amounted to 858.5 million euros, putting it in fifth place.

Three companies with revenues exceeding 700 million euros take rankings six to eight: Piepenbrock (779.5 million euros, +10.2%), ISS (746.8 million euros, +2.3%) and Dussmann (735.02 million euros, +12.7%). Piepenbrock's sixth place, off the back of stronger growth than the previous year, comes at the expense of now seventh-placed ISS. The remaining positions in the top 10 go to Kötter (601.0 million euros) and Strabag PFS (568.0 million euros), the latter returning to the top ten for the first time since the 2019 financial year, partly as a result of its acquisition of Adomus.

Altogether the top 10 generated revenues of 10.5 billion euros in 2022, a figure equivalent to two thirds of the cumulative revenue of the top 25. The leading service providers have thus increased their revenues by 60 per cent

within ten years. The relationship between the revenues of the top 10 and top 25 however has remained virtually unchanged, with the top 10 accounting for a share of around 65 per cent. There is thus consolidation of the market towards a larger group of market leaders but not, at present, towards fewer or individual companies.

Compass Group up two places, Vebege and Wackler new entrants to the rankings

The second half of the rankings reveal significant changes, with the Compass Group climbing from fifteenth to thirteenth place, partly due to renewed increased demand for company catering.

Vebege replaces Wuppertal-based Hectas in the rankings following its acquisition of the latter and merger with the former Vebege companies in Germany. Where Hectas was last year ranked twenty-fourth, Vebege enters the List in twenty-first place with cumulative German revenues of 214.3 million euros. Dr. Sasse's 209.5 million euros see it take twenty-second place. Caverion's growth of €21.4 million, stronger still than Vebege's, pushes it up one place.

Twenty-fifth place goes to Wackler, a new entrant to the leader board. Headquartered in Munich, the company generated revenues of 162.0 million euros in 2022 (+30 million euros compared with 2021). The minimum revenues required for inclusion in the rankings are thus now around 100 million euros greater than when the Lünendonk List was first published in 2004, when the figure was 63.5 million euros.

Market developments

The market's development in 2022 was characterised by a number of major acquisitions. Further changes are already on the horizon for 2023: Strabag PFS's acquisition of Bockholdt, based in northern Germany (with around

3,600 employees and estimated revenues of 92 million euros in 2021) and the merger of Apleona and Gegenbauer will both have a bearing on market structure.

Commenting on the ranking Thomas Ball, Partner at Lünendonk & Hossenfelder, said: 'The Lünendonk List reflects the new market structure following the years of the pandemic – companies are responding to the continuing increase in demand for comprehensive services by means of acquisitions. Other growth drivers include energy saving, sustainability and adaptation to new working environments. This is reflected in the 2.4 per cent average increase in employee numbers. Key to the high 9.3 per cent growth rate are not only wage increases but also higher material costs.'

Related publications

The new Lünendonk List *Leading Facilities Management Companies in Germany* is now available as a free download from www.luenendonk.de. The comprehensive Lünendonk Survey of the market and its leading companies will be published in July 2023 and features numerous long-term and segmental analyses. The detailed survey covers 65 companies. It can be pre-ordered at a price of 2,400 euros (plus VAT, including delivery as a PDF file) from www.luenendonk.de.

The Lünendonk market analyses, including rankings for the Swiss and Austrian markets, are published every two years on a rotating basis. The Survey and rankings for the Swiss market are expected to be published in the summer of 2023, while the Lünendonk List and Survey for Austria have been available since September 2022.

Quotes for the Lünendonk List 2023**Gudrun Degenhart, CEO, ISS Germany:**

'The very high Net Promotor Score awarded to us by our long-term customers in 2022 was excellent testimony to our work and was reflected in corresponding contract extensions. Growth drivers for us are innovations around ESG and Workplace Design and Experience. We're currently bundling together our various competencies so that we can provide end-to-end advice and support to existing and new customers across the entire value chain, from design and construction of existing buildings to our integrated FM services. Our integrated FM expertise and knowledge of Green Lease and DGNB certification, for example, enable us to develop and implement a holistic property concept for building owners and tenants.'

Dr Marion Henschel, Chair of Executive board, Strabag Property and Facility Services group:

'Every integrated real estate service provider now has ensuring sustainable building operations as part of their service portfolio. Our eco2state climate protection range of services combines platform-based energy management and digital plant control with our planning and execution expertise in building technology. We are thus the prime contractor for decarbonisation. Advise. Plan. Optimise. Control. All from a single source.'

Markus Holzke, Managing director/CEO, SPIE Deutschland & Zentraleuropa:

'SPIE can look back on a successful 2022, and for a whole host of reasons. We've continued systematically on the growth course we've been on ever since 2013; our clear orientation and positioning as a multi-technology service provider means we're an enabler for a climate-friendly and digital future. It also makes us attractive on the labour market. We're particularly proud of the fact that we were successful in recruiting 2,500 new employees in Germany alone, with 350 of them being new trainees – talented people, specialists and experts with a passion both for sophisticated technology and for the climate. Because at SPIE, we're a solution partner for sustainable buildings, plant and infrastructure. In the future, we want to continue to strengthen and deepen the diversity of our technical expertise.'

Dr Jochen Keysberg, CEO, Apleona

'Despite challenging economic conditions, large, international facilities management companies like Apleona will continue to grow strongly over the coming years. The reasons for this are the trend toward "outsourcing" (bundling together services under a single service provider) and integrated contracting for increasingly large and cross-border portfolios, as well as the growing demand from many industrial customers for consulting expertise and delivery capabilities around key topics such as ESG and the digitalisation of building stock. Apleona intends to further strengthen its existing competencies in these areas with targeted investments in know-how, specialists and equity holdings. Skilled worker shortages, the size and complexity of orders, and customer efficiency requirements necessitate the further professionalisation of Apleona's business model. This is why standardisation, digitalisation and the automation of internal processes and service provision remain at the top of our agenda. As does inorganic growth in Europe. Apleona will carry on expanding its market-leading position in the DACH region and Europe and continue to play a decisive and active role in ongoing market consolidation.'

Arnulf Piepenbrock, managing partner, Piepenbrock Unternehmensgruppe

'The new List shows that the signs still point towards growth. Faced with inflation and the energy crisis, this represents a real achievement for our industry – and above all for the people who work in it. This is why, alongside digitisation and sustainability, it is the question of staffing in particular that is driving us. The increase in the industry-wide minimum wage for building cleaners last year was an important signal that the labour shortage must not be exacerbated. The situation nevertheless remains challenging, as the findings of the Lünendonk List confirm. We need to respond to the changes in the world of work with new approaches, further increasing our attractiveness as an employer – working closely with our clients here.'

You can find this press release online at

<https://www.luenendonk.de/presseinformationen/>

Company profile**Lünendonk: background information**

Lünendonk & Hossenfelder, based in Mindelheim (Bavaria), has been analysing the European business-to-business (B2B) services markets since 1983. Their market researchers focus on business and digital & IT consulting, audit, tax and advisory consulting, real estate services and the staffing industry (temporary employment and staffing).

The company's portfolio includes surveys, publications, benchmarks and consultancy around trends, pricing, positioning and contracting procedures. This large data pool gives Lünendonk access to unique insights for advising clients. Regarded as market barometers, the Lünendonk® Lists and Surveys have been published by the market research and consulting company for decades now.

With years of experience, deep understanding, a brilliant network and – last but by no means least – a passion for people and market research, Lünendonk and its consultants are sought-after among service providers, their customers and indeed journalists for their expertise. Each year, Lünendonk partners with a jury from the media to honour deserving companies and entrepreneurs with the Lünendonk Service Awards.

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