



Press Release

Number 14, 3 July 2012

Techem Announces Solid Company Result

Energy manager delivers strong performance in its core business / sets the course for more growth

Eschborn. Over the course of the concluded business year 2011/12 (ended on 31 March 2012), Techem generated revenue of EUR 693 million. Group revenue thus decreased by 5.3 percent compared to the result of the previous year (EUR 731 million). While revenue of the energy services division rose by 2.8 percent to EUR 530 million (following EUR 516 million in the previous year), revenue of the energy contracting division dropped by 24.3 percent to EUR 163 (after EUR 215 million in the previous year). "In our core business of measuring services, we have achieved a good result at national and international level. The need to reduce energy costs and lower CO₂ emissions is the basis of continued and stable growth", says Techem chief executive officer Hans-Lothar Schäfer. "On the other hand, the entire contracting market suffered from the legal amendments to energy and electricity taxation law over the course of last year. This effect had a one-time negative impact on our contracting business. Through customer-oriented adjustment and integration of our solutions from billing to contracting, we create the basis of sustainable growth in the future."

Core business on course for growth

In the business division **Techem Energy Services**, revenue of EUR 530 million were generated in the past business year. This corresponds to an annual growth of 2.8 percent.

Once again, in the area of remote wireless reading, Techem has been very successful. Among other things, 22.1 million radio systems were installed, corresponding to an increase by 16 percent year-on-year. Radio systems can be upgraded with Techem Smart System, with which 200,000 households are already equipped. Via the Techem Smart System, the company offers energy-saving applications based on permanent remote reading such as the possibility of energy monitoring during the course of the year for continuous analysis and control of the consumption. Moreover, the energy-saving system adapter facilitates optimised control of the heating facility. Another unique feature of Techem is the latest version of the radio-controlled smoke detector. By means of this technology, which is unique in the market, the devices are able to continuously check their functional efficiency themselves and forward corresponding notifications to the Techem Smart System. As a result, smoke detectors not ready for operation are identified and swapped immediately.

Beside the extension of our business in Germany, the development in other countries also has a positive impact on the group earnings. In particular, the radio-based value-added ser-



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services for purposes of energy saving and services for the settlement/billing of water consumption helped the company to generate stable growth. In some European markets like France (16.3 percent) and Italy (24.7 percent), Techem achieved double-digit growth. In Brazil, where the market for energy services is still in the process of formation, the energy manager generated very high growth once again at a level of more than 30 percent.

Special effect impacts Contracting

By contrast, the business division **Techem Energy Contracting** suffered a decrease in revenue by 24.3 percent to EUR 163 million. Legal amendments to energy and electricity taxation law led to a significant change of market conditions. In the hotel and restaurant industry, the retail sector, the healthcare segment and residential as well as commercial property (see examples in Annex II), Techem relies primarily on long-term contracts in the system contracting business. "We focus on a few lines of industry and long-term-contracts", Hans-Lothar Schäfer points out. "Through investment in state-of-the-art energy facilities and their efficient operation, we do not only consistently reduce energy consumption, but also make a sustainable contribution towards achievement of the climate protection objectives."

Looking towards the future with confidence

In the future, the focus at Techem will be on a consistent range of services from billing to contracting for all customer segments. "Through consistent interconnection of our solutions, we are able to offer our customers comprehensive services from one single source. This makes us stand out significantly from our competitors and puts us in an excellent position against the backdrop of the shift to alternative energy sources", says Mr Schäfer who is optimistic about the generation of stronger growth in the current business year. In this context, the group increasingly relies on standard solutions in the area of decentralized electricity generation by means of combined heat and power plants for the housing industry and commercial customers.

In addition, Techem has also been developing legionella examination services as another market segment since April 2012. Together with SGS Institut Fresenius, Techem offers to perform the analysis of drinking water, which is a statutory requirement for residential buildings since November 2011. Furthermore, advisory services from prevention to redevelopment are also part of the comprehensive service package.

For the business year 2012/13, the Techem management board anticipates group revenue to grow by one-digit percentage figures. The primary basis of these expectations is the internationally rising requirement to reduce energy and water costs through consumption-



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dependent billing. In addition, radio-based value-added services and the Techem legionella examination services are further components for the success of the company.

About Techem

Techem is a globally leading provider of energy billing and energy management services for real estate with headquarters in Eschborn/Germany. The company was established 60 years ago and is present today in more than 20 countries with over 3,000 employees. In Germany, Techem has a nationwide presence at around 100 locations. The services offered range from heat and water metering and billing to detailed energy monitoring and also include innovative energy contracting solutions. In this context, Techem provides the cost-effective supply of heat, cooling energy, steam energy and light as well as the optimisation, operation and the funding of energy systems and plants. Please find further information at www.techem.de.

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Annex I

Overview of management ratios, data and facts

Management ratios	2010/2011 12 months (2010-01-04 - 2011-03-31)	2011/2012 12 months (2011-01-04 - 2012-03-31)
Revenue (in million €)*	731	693
Revenue divided by business divisions:		
Techem Energy Services	516	530
Techem Energy Contracting	215	163
Flats in service (in million)	8,9	9,1
Number of devices installed in the sub-metering billing inventory (in million)	45	46
Number of installed radio devices (in million)	19,1	22,1
Investments (in million EUR)	84	82
Employees* (as of 31 March)	3.059	3.138

*without domestic revenue agencies



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Annex II – Customer examples / Energy-saving

From Techem's point of view, the trend towards lowering energy costs and reducing CO₂ consumption at the same time shows no sign of abating. Through a combination of consumption-dependent billing, radio-based value-added services, energy-saving solutions and contracting, Techem provides a comprehensive range of services for the achievement of extremely high effects.

- For instance, the energy manager was able to save 785 tons in CO₂ emissions at Orco GSG, a leading provider of office space and industrial premises (with an overall space of around 815,000 square metres at 44 locations) through comprehensive contracting solutions in the area of heat supply. The measures, by which this was achieved, included the installation of combined heating and power stations and of the self-learning energy system adapterm.
- The municipality of Tabarz with 415 housing units and an area of 22,000 square metres was able to save 45 t/a in CO₂ emissions and reduce heat costs for the tenants by 25% by means of a combined heat and power station as a subsidiary solution.
- Through combined heating and power stations as well as heating value tuning, the Dahme-Spreewald Clinic in Königs Wusterhausen was likewise able to reduce heat costs by 20 percent, which corresponds to CO₂ savings of 245 t/a.