

Drees & Sommer Group strengthens market position in the construction consultancy sector

In 2003 and an indeed difficult market environment, the service supplier for construction and property management, Drees & Sommer, was again able to increase turnover and market shares.

In 2003, the group turnover was 104 Million Euro, and expenditures 93,7 Million Euro. If, in comparison to the previous year, only the service business is to be considered, these numbers must be cleaned off profits and expenditures of property developments without offered services adding up to 6,5 Million Euro.

After correction, a **sales increase** of ca. 8 per cent to **97,5 Million Euro** compared to the previous year (90,5 Million Euro) remains. This figure includes ca. 6,5 Million Euro resulting from incidental final accounts from 2003.

After correction, **expenditures** have **increased** by 6,9 Million Euro to **87,2 Million Euro** compared to the previous year (80,3 Million Euro). This includes personnel costs (+1,6 Million Euro), amortisation (+1,4 Million Euro) and, particularly, contingency reserves and value adjustments (+ 4,3 Million Euro).

With 10,1 Million Euro, the company, despite contingency reserves and value adjustments, was able to **keep the result of normal business activities** on levels of the previous year. Relating to the corrected turnover of 97,5 Million Euro, this corresponds to a two-digit profit margin of 10,4 per cent.

Added value was 10,4 Million Euro and was achieved with international contracts. This means an increase of 30 per cent compared to the previous year (8 Million Euro).

Prospects 2004

Professor Dr. Hans Sommer, Chief Executive Officer of the Drees & Sommer AG is positive of the development within the next months: "Incoming contracts in 2004 have already increased compared to the same time last year. This encourages us to stick to our adopted course and initiate the period of growth we heralded last year."

The Drees & Sommer Group, in their change process that began in 2000, have defined courageous targets without fixation on traditional products or clients. Innovative ideas such as developing the construction partner model and exporting management services to foreign countries were intrinsic strategy components. In doing so, the company always kept focus on client requirements resulting in client-oriented service offers with a distinguishable use.

Please send us a specimen copy with publication. Many thanks.

Press contact: Drees & Sommer AG • Angelika Balz • Obere Waldplätze 11 • 70569 Stuttgart

Telephone +49 711 1317-181 • Fax +49 711 1317-108 • Balz@stgt.dreso.com • www.dreso.com

Press information

Group balance sheet 2003
16 June 2004

**DREES &
SOMMER**

In order to transparently present the company and its services on the market, offered services were bundled in three independent but intensively networked core brands:

- **Drees & Sommer (blue brand):** Construction consultancy to the construction sector
- **DS-Infra (red label):** Construction consultancy for traffic, environment and infrastructure
- **DS-Plan (green label):** Progressive building technology and technical specialist planning.

The three core brands are supplemented by the **BuildingAgency** as supplier of ready-to-use planning and constructing services rendered together with the construction partners.

In 2003, the service range of the Drees & Sommer management sector in particular was consequently enlarged and is now a complete property service offering all services ranging from property consultation and development to construction consultancy and facility management. Necessary specialist competencies are concentrated in competence centres with respective responsible managing directors and are available to the entire network. Internally, a new strategic fragmentation ensures only one competent contact partner coordinating all necessary services is attending each client.

Since the seventies, Drees & Sommer has been one of the leading instances in the sector of software development for project management and company-internal knowledge management. Currently, version 5.0 of the project communication tool PKM is used in more than 70 projects as internet-based software for the networked controlling of major projects. The software One4Office is also internet-based and developed by the company. All office data of the Drees & Sommer network as well as the entire correspondence including mailings and campaigns are managed here.

Hans Sommer considers the company approach of Drees & Sommer the basis of the company's success: "Cooperation for us means company culture instead of fixed structures. Management for us means managing competencies, not organising careers." This is also basis for the company's high innovative energy, which, again and again, provides the critical market advantage.

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