



**Facilities Management
Market
Research & Analysis
UK 2015**

Report Sample

N.B – Figures in charts have been changed & data redacted for this sample

**Facilities Management Market Size & Review 2009-2015; SWOT & PEST Analysis,
Mix by Service Type 2009-2019; End User Mix 2009-2019; Market Leaders'
Ranking, Profiles & Key Financials; Industry Averages; Market Forecasts to 2019**

7th Edition

June 2015

Research & Analysis Report Contents

| | | |
|-----------|--|-----------|
| 1. | INTRODUCTION TO RESEARCH & ANALYSIS REPORTS | 5 |
| 1.1 | Key Features & Benefits of this Research & Analysis Report | 5 |
| 1.2 | Introduction to Research & Analysis Reports | 6 |
| 2. | UK FACILITIES MANAGEMENT MARKET | 7 |
| 2.1 | EXECUTIVE SUMMARY & MARKET OVERVIEW | 7 |
| 2.2 | FACILITIES MANAGEMENT MARKET SIZE & TRENDS 2009-2019 | 9 |
| 2.2.1 | Facilities Management Market Size 2009-2019 – Current Prices | 9 |
| 2.2.2 | Facilities Management Market Size 2009-2019 – Constant Prices | 15 |
| 2.2.3 | Average FM Contractor Sales Revenue 2009-2019 | 18 |
| 2.2.4 | FM Market Future Prospects | 22 |
| 2.3 | KEY MARKET TRENDS IN THE FACILITIES MANAGEMENT MARKET | 27 |
| 2.3.1 | Facilities Management Industry Profitability 2009-2019 | 27 |
| 2.3.2 | Facilities Management Industry Assets 2009-2019 | 31 |
| 2.3.3 | Facilities Management Industry Debt 2009-2019 | 34 |
| 2.3.4 | Facilities Management Market Net Worth 2009-2019 | 36 |
| 2.3.5 | Sales Per Employee in Facilities Management Market 2009-2019 | 38 |
| 2.4 | KEY MARKET INFLUENCES, PEST & SWOT ANALYSIS | 40 |
| 2.4.1 | PEST ANALYSIS – Illustration of Key Market Forces | 40 |
| 2.4.2 | Political & Legal Influences & Trends | 41 |
| 2.4.3 | Economic Influences & Trends on UK FM Market | 42 |
| 2.4.4 | SWOT Analysis – Strengths, Weaknesses, Opportunities, Threats | 49 |
| 2.5 | FACILITIES MANAGEMENT PRODUCT / SERVICE MIX | 51 |
| 2.5.1 | Share by Facilities Management Sector 2009, 2015 & 2019 | 51 |
| 2.5.2 | Bundled FM / TFM Services Market Value 2009-2019 | 54 |
| 2.5.3 | Property Maintenance / O&M Market Value 2009-2019 | 57 |
| 2.5.4 | Office Support Services Market Value 2009-2019 | 59 |
| 2.5.5 | Security & Access Control Services Market Value 2009-2019 | 61 |
| 2.5.6 | PFI / PPP Facilities Management Market Value 2009-2019 | 63 |
| 2.5.7 | Contract Cleaning Market Value 2009-2019 | 65 |
| 2.5.8 | Contract Catering Market Value 2009-2019 | 68 |
| 2.6 | FACILITIES MANAGEMENT END USER / CHANNEL MIX | 71 |
| 2.6.1 | Share by Key End Use Market 2009, 2015 & 2019 | 71 |
| 3. | THE FACILITIES MANAGEMENT INDUSTRY | 75 |
| 3.1 | Facilities Management Industry Structure in 2015 | 75 |
| 3.1.1 | Industry Mix by Growth/Decline Over Last 12 Months | 75 |
| 3.1.2 | Industry Share by Credit Rating in 2015 | 76 |
| 3.1.3 | Industry Mix by Age of Companies in 2015 | 77 |
| 3.1.4 | Industry Share by Number of Employees in 2015 | 78 |
| 3.1.5 | Industry Mix by Turnover Band in 2015 | 79 |
| 3.1.6 | Industry Share by Location Type in 2015 | 79 |
| 3.1.7 | Industry Mix by Geographical Region in 2015 | 80 |
| 4. | FACILITIES MANGEMENT COMPANY RANKINGS | 82 |
| 4.1 | Facilities Management Companies Listing | 82 |
| 4.2 | Facilities Management Contractors Ranking By Turnover | 84 |
| 4.2 | Individual Turnover Estimates by Company | 85 |
| 4.3 | FM Companies Ranking by Profitability | 87 |
| 4.4 | FM Companies Ranking by Assets | 89 |
| 4.5 | FM Companies Ranking by Debt | 93 |
| 4.6 | FM Contractors Ranking by Net Worth | 94 |
| 5. | FM CONTRACTOR PROFILES & 'AT A GLANCE' | 95-205 |
| | FM Contractors Company Overview & 'At a Glance' 3 Year Financials & Key Indicators | 95-205 |

Market Report Tables & Charts

- Figure 1: Facilities Management Market – UK 2009 – 2019 By Value £m
- Figure 2: Facilities Management Market – UK 2009 – 2019 Constant Prices £M1
- Figure 3: Average Sales in the Facilities Management Market – UK 2009 – 2019 £M
- Figure 4: Facilities Management Market Profitability – UK 2009 – 2019 £M
- Figure 5: Facilities Management Market Average Profitability – UK 2009 – 2019 £M
- Figure 6: Total Asset Performance – UK 2009 – 2019 £M
- Figure 7: Average Asset Performance – UK 2009 – 2019 £M
- Figure 8: Facilities Management Market Debt – UK 2009 – 2019 £M
- Figure 9: Facilities Management Market Average Debt – UK 2009 – 2019 £M
- Figure 10: Facilities Management Market Net Worth – UK 2009 – 2019 £M
- Figure 11: FM Contractors Average Net Worth – UK 2009 – 2019 £M
- Figure 12: Sales Per Employee – UK 2009 – 2019 £M
- Figure 13: PEST Analysis for UK Facilities Management Market in 2015
- Figure 14: UK Economic Annual Performance– GDP 2009-2019
- Figure 15: UK Economic Annual Performance– Inflation (CPI) 2004-2019
- Figure 16: UK Economic Annual Performance– Interest Rates (Bank of England) 2009-2019
- Figure 17: UK Unemployment Numbers 2009-2019
- Figure 18: Key Strengths & Weaknesses in the Facilities Management Market 2015- 2019
- Figure 19: Key Opportunities & Threats in the Facilities Management Market 2015-2019
- Figure 20: Share by Key Product Sector in Facilities Management Market 2015
- Figure 21: Historical Share by Key Sector in Facilities Management Market 2009
- Figure 22: Forecast Share by Key Sector in Facilities Management Market 2019
- Figure 23: 'Bundled' FM Services Market by Value 2009-2019 £M
- Figure 24: Property Maintenance & O&M FM Market by Value 2009-2019 £M
- Figure 25: Office Support Services Market by Value 2009-2019 £M
- Figure 26: Security Services Market by Value 2009-2019 £M
- Figure 27: PPP / PFI FM Services Market by Value 2009-2019 £M
- Figure 28: UK PPP / PFI Spending 2014 – 2021 £bn
- Figure 29: Share by Government Department for PFI Spending 2015
- Figure 30: Contract Cleaning Market by Value 2009-2019 £M
- Figure 31: Contract Catering Market by Value 2009-2019 £
- Figure 32: Share by Key End Use Sector in Facilities Management Market 2015
- Figure 33: Historical Share by Key End Use Sector in Facilities Management Market 2009
- Figure 34: Share by Key End Use Sector 2009, 2015 & Forecasts to 2019
- Figure 35: Market Share by Facilities Management Contractor Sales Growth / Decline 2015
- Figure 36: Market Share by Credit Rating in the Facilities Management Industry 2015
- Figure 37: Market Share by Company Age in the Facilities Management Market 2015
- Figure 38: Mix by Number of Employees in the Facilities Management Market 2015
- Figure 39: Share by Turnover Band in the Facilities Management Market 2015
- Figure 40: Mix by Location Type in the Facilities Management Market 2015
- Figure 41: Mix by Location Type in the Facilities Management Market 2015
- Figure 42: Facilities Management Company Listing
- Figure 43: Facilities Management Companies Ranked By Turnover 2015
- Figure 44: FM Companies Sales Estimates 2014
- Figure 45: Facilities Management Companies Ranked By Profit 2014
- Figure 46: Facilities Management Companies Ranked By Assets 2014
- Figure 47: Facilities Management Companies Ranked By Debt 2014
- Figure 48: Facilities Management Companies Ranked By Net Worth 2014
- Figures 49-170: FM Contractors 4 Years Financials & 'At a Glance' Chart

This report reflects MTW Research's independent view of the market which may differ from other third party views. Whilst we try to ensure that our reports are an accurate depiction of their respective markets, it must be emphasised that the figures and comment contained therein are estimates based on a mix of primary and secondary research, and should therefore be treated as such.

Terms & Conditions of Use

The information contained within this report remains the copyright of MTW Research. Subject to these Terms and Conditions (this "Agreement"), MTW Research ("we", "our", "us") makes available this publication and data or information contained therein (the "Report"). Your use of this report constitutes your acknowledgment and assent to be bound by this Agreement.

Permitted Use, Limitations on Use

You may access purchased Reports only as required to view the Reports for your individual use, and may print/copy a purchased Report once for your use. You may copy extracts from purchased Reports onto your own documents, provided that all citations are attributed to "MTW Research", and are for internal use only. You may not republish, resell or redistribute any Report, or do anything else with any Report, which is not specifically permitted in this Agreement. You may not reproduce, store in a retrieval system or transmit by any means, electronic or mechanical, any report without the prior permission of MTW Research.

Limitation of Liability

You are entirely liable for activities conducted by you or anyone else in connection with your use of the Report. We take no responsibility for any incorrect information supplied to us during the research process. Market information is based on telephone interviews and secondary sources whose accuracy we cannot guarantee. You acknowledge when ordering that MTW Research Reports are for your internal use and not for general publication or disclosure to third parties, unless otherwise agreed. Neither MTW Research nor any of its affiliates, owners, employees or other representatives will be liable for damages arising out of or in connection with the use of the Report or the information, content, materials or products included in the Report. This is a comprehensive limitation of liability that applies to all damages of any kind, including (without limitation) compensatory, direct, indirect or consequential damages, loss of data, income or profit, loss of or damage to property and claims of third parties.

Applicable Law

This Agreement will be governed by and construed in accordance with the laws of England and Wales without giving effect to the principles of conflict of laws thereof, and to the extent permitted by applicable law, you consent to the jurisdiction of courts situated in England and Wales in any action arising under this agreement.

Intellectual Property Rights

You acknowledge that legal and beneficial interest in Intellectual Property Rights in connection with the Report belong to us. This includes all Intellectual Property Rights in any Material. You have no rights in or to the Report and you may not use any Material other than as permitted under this Agreement. We grant you a non-exclusive, non-transferable licence to use the Intellectual Property Rights referred to above solely for the use of Material as permitted under this agreement.

Companies Included

Whilst MTW endeavour to ensure that the majority of the major companies active in the market with which this report is concerned are included, it should be noted that the list of companies included in this report is not exhaustive and the inclusion or otherwise of a company in this report does not necessarily indicate, nor should be interpreted as, a company's relevance or otherwise in a particular market. Whilst we endeavour to attain high levels of accuracy, it should be borne in mind that the rankings and other information provided within this report contain an element of estimation, should be regarded as such and treated with a degree of caution.

Estimates Provided

In order to enable benchmarking, competitor analysis and facilitate further market research, MTW have provided estimates for turnover, profit before tax and number of employees for small, medium sized and other companies who are not obliged to submit this information to Companies House. As such, in the interests of clarity, all data relating to turnover, profit and number of employees provided in this report should be regarded as independent estimates by MTW. Whilst we endeavour to attain high levels of accuracy with these estimates, they may not reflect the actual figures of a company and should therefore be treated with caution.

1. Introduction to *Research & Analysis Reports*

1.1 Key Features & Benefits of this *Research & Analysis Report*

MTW's "*Research & Analysis*" market reports provide an independent, comprehensive review of recent, current and future market size and trends in an easy to reference format. Each report provides vital market intelligence in terms of size, product mix, end user mix, SWOT, key trends and influences, supply and distribution channel trends. In addition, rankings by turnover, profit and other key financials for the market leaders are provided as well as a 1 page profile for each key player in the market. Contact, telemarketing & mailing details are also provided for each company to enable the reader to quickly develop sales leads.

Based on company sales returns which provide higher confidence levels and researched by market research professionals with experience in the industry, MTW's *Research and Analysis* reports are used as a foundation for coherent strategic decision making based on sound market intelligence and for developing effective marketing plans. MTW reports can also be used as an operational sales and marketing tool by identifying market leaders, enabling the reader to quickly grow sales to new clients and focus marketing budgets.

This report includes:-

- **Market Size – Historical, Current & Future**

Based on sales data from a representative proportion of the industry, this report provides market size by value over a ten-year period. As they are based on quantitative data as well as qualitative input from the industry, our reports are more accurate than other qualitative based reports and offer better value for money. By combining the best of both quantitative and qualitative input, we offer our clients greater confidence in our market forecasts as well as discussing key market trends and influences from a qualitative perspective.

- **Product / Service Mix – Current & Future**

This report identifies the key product or service sectors in the market and provides historical, current and forecast market share estimates for each, alongside qualitative discussion on key trends for each segment of the industry. With input for this report being both qualitative and quantitative we are able to offer an effective insight into the core components of the market, as well as forecasting future market shares.

- **End User / Channel Mix – Current & Future**

The report identifies the key end use sectors or channels that drive demand for this market and provide a current, historical & future market share estimate for each. This enables the reader to identify the key driving forces behind current market demand and adapt business tactics accordingly. With forecasts of market share by key end use sectors also provided, the reader is able to undertake strategic decisions with greater confidence as well as basing marketing strategies on solid market intelligence.

- **Market Leaders Ranking**

This report identifies the key players in the market and ranks them by a number of criteria, including turnover and profitability. This enables the reader to identify the most relevant potential key customers in a market, understand their current position in the market and quickly identify new targets. Also, MTW provide a turnover estimate for every company included in the report, enabling the reader to develop market share estimates.

- **Company Profiles & Sales Leads**

This report includes a 1 page profile for each company including full contact details for developing fast sales leads; 3 years of the most recent key financial indicators; and MTW's '*at a glance*' chart, enabling the reader to quickly gauge the current financial health of a company.

- **Relevant Companies, Saving You Time**

MTW Research have been researching and writing market reports in these sectors since 1999 and as such we are able to develop a company listing which is more relevant to the market, rather than automatically selecting companies to be included by industry code. Our reports represent excellent value for money and don't bombard you with irrelevant financial data; they are designed to enable you to engage in fast and effective market analysis. We focus on providing what's important in an easy to reference and use format.

1.2 Introduction to Research & Analysis Reports

In order to provide a comprehensive review of the market, this report includes:-

THE MARKET, PRODUCTS/SERVICES & END USE SECTORS

Market Size & Key Market Trends 2009-2019 – Value of the market since 2009 is provided with current market size estimates provided based on quantitative sales figures from the industry. Profitability, assets, liabilities and net worth are also illustrated in easy to read & disseminate charts. In addition, yearly forecasts of market size and other key financial indicators are also provided to 2019. Key market trends are also identified and discussed providing the report with both 'quantitative' and 'qualitative' characteristics.

PEST Review & Key Market Influences – A review of the key issues and influences which are impacting market demand at present & in the future are also provided. These issues range from economic, political, environmental, social and technological and are identified and discussed where appropriate, providing the reader with a greater depth of market intelligence. A strategic PEST review for this market is also illustrated in chart format for faster reference.

Product / Service Mix & Trends – This report identifies the key sectors which comprise the overall market and provide a current & historical share by value. This data is supported by qualitative comment where appropriate in order to offer more substantive market knowledge. Forecasts to 2019 are also provided to offer more insightful market intelligence.

SWOT Analysis – A strategic SWOT analysis for the market is also provided based on input from primary and secondary sources in the industry. By identifying key strengths, weaknesses, opportunities and threats, this report provides a more solid foundation for basing strategic and operational marketing decisions.

End User / Channel Mix & Trends – By providing historical, current and forecast shares by end user or channel for this market, the report provides an invaluable illustration of the key sectors that are currently driving demand and likely future prospects. Qualitative comment on key trends within these sectors based on input from the industry provides a more in-depth review of the market as well as illustrating the most likely future scenarios.

THE SUPPLIERS & INDUSTRY STRUCTURE

Industry Structure – The report includes a detailed and quantitative review of the industry in terms of number of companies, share by turnover, mix by employees, geographical mix, share by age of companies, mix by recent sales performance, sales per employee, share by credit rating & mix by location type (e.g head office/branch etc).

Industry Trends 2009–2019 – Industry totals and averages since 2009 are also provided for turnover, profitability, assets, net worth and liabilities. These indicators provide vital insight into the current health of the industry and are forecasted to 2019.

Supplier Review – This report provides vital intelligence of relevant and leading players in this market with a combined estimated turnover of more than **£70 billion in 2015**. Each company is ranked by turnover, profitability, number of employees and other key financial indicators. Each company also has a 1 page profile identifying contact details, overview of activities, key financials for the last 3 years and an '*at a glance*' financial health chart. The report also provides turnover estimates for every company, regardless of size, enabling the reader to easily identify individual market shares.

2. UK FACILITIES MANAGEMENT MARKET

2.1 EXECUTIVE SUMMARY & MARKET OVERVIEW

The UK Facilities Management market comprises of a wide range of activities within myriad public and private end use sectors. Valued at just over £94 billion in 2015, this 7th edition report reviews the size, market trends and influences for facilities management contractors and the implications of these trends for suppliers of equipment, products and materials to the UK FM industry.

The Facilities Management market comprises of the following key market sectors, with this report reviewing and providing market share for each of the key market sectors since 2009 with forecasts to 2019 for:-

- **Bundled / TFM Facilities Management**
- **Property & Operations & Maintenance**
- **Office Support Services**
- **Security**
- **PFI / PPP FM**
- **Contract Catering**
- **Contract Cleaning**

In addition to analysis of these sectors, the report also reviews market trends and shares accounted for by the key end use sectors since 2009, with forecasts to 2019. More specifically, end use markets quantified and analysed include:-

- **Education (private & public)**
- **Health (private & public)**
- **Central & Local Government**
- **Social Housing**
- **Financial / Professional**
- **Transport / Logistics**
- **Utilities**
- **Technological / Communications**
- **Manufacturing**
- **Retail**
- **Property Management**
- **Leisure**

The research methodology for this report included quantitative analysis of financial data from more than 100 FM contractors with a combined revenue of more than £70 billion in 2015, coupled with primary research information through trade interviews, credit reference agencies, Companies House, FM contractor reports & websites and discussions with key end use clients. This is supported by secondary research from industry magazines, trade commentators, HM Government, HM Customs and other sources including our own experience of researching this market for more than a decade.

Since our last report in 2014, trade sources have generally reported xxxxxxxx trading environment throughout much of 2014 with this trend of xxxxxxxx in early 2015. However, the industry continues to xxxxxxxx in terms of xxxxxxxx and xxxxxxxx growth, prompting FM suppliers to increasingly focus on xxxxxxxx value growth.

In 2015, our estimates are that the UK Facilities Management market is currently worth some £xx billion, with just over 100 companies accounting for more than £70 billion of revenue or around 70% of the total market value.

Whilst the largest 100 providers of outsourcing services account for more than 70% of UK sales in 2015, in volume terms the facilities management market xxxxxxxx. Our estimates are that there are around xxxxxxxx FM providers active in the widest sense and this xxxxxxxx, coupled with the xxxxxxxx across a number of key sectors has sustained xxxxxxxx contract prices in recent years thereby xxxxxxxx market value growth.

Margins have remained xxxxxxxx considerable time in the FM market, with profitability xxxxxxxx since 2009. In 2015, profitability is estimated to currently stand at just under £xx billion, reflecting margins of just under x% of total turnover.

In 2015 the xxxxxxxx sector is estimated to account for the largest proportion of the market, with a share of around x% by value. The second largest sector is estimated to be accounted for by the xxxxxxxx FM services sector, with sales in this sector accounting for around x% of the UK FM industry in 2015. The xxxxxxxx FM support sector is also significant to the UK facilities management industry with sales in this market currently estimated to account for around x% or £x billion by value in 2015.

In terms of end use sectors, xxxxxxxx currently represents the largest key client group for FM companies in 2015, with x% share reflecting sales of £xbillion. This is closely followed by the xxxxxxxx and xxxxxxxx sectors accounting for x% and x% respectively. xxxxxxxx remains a key end user of FM services, estimated to account for around 8% of the FM market, reflecting sales of some £x billion. Within the private sector, the largest client groups fall within the xxxxxxxx services, xxxxxxxx and xxxxxxxx sectors which account for similar shares of xxxxxxxx %.

For the preceding 12 months around x% of the market experienced 'rapid' growth, with around x% of Facilities Management providers experiencing some sales growth over the last 12 months. During the last 12 months, x% of the UK FM industry has experienced either static or declining sales. In actual terms, this translates into some xxxxxxxx outsourcing service providers having experienced no growth in sales in the last 12 months.

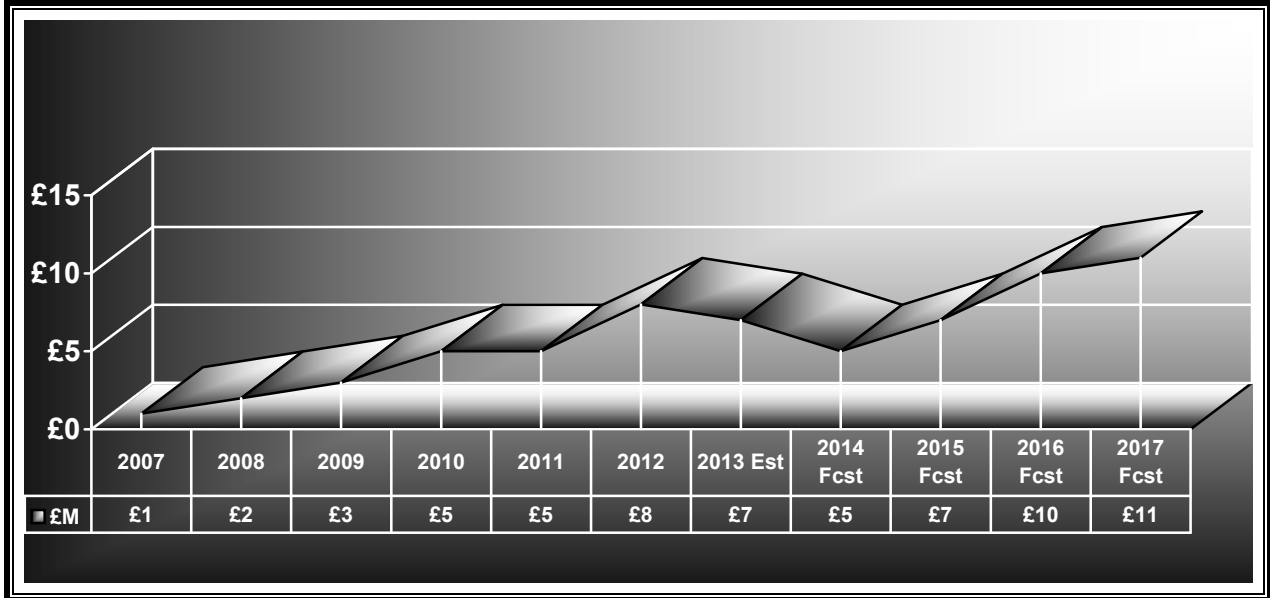
By 2019, our forecasts are that the UK FM market will be worth around £x billion in current price terms, reflecting xxxxxxxx of x% above the

2.2 FACILITIES MANAGEMENT MARKET SIZE & TRENDS 2009-2019

2.2.1 Facilities Management Market Size 2009-2019 – Current Prices

In 2015 the UK Facilities Management market encompasses a wide range of services and is estimated to be worth xxxxxxxx xxxxxx illustrated below:-

Figure 1: Facilities Management Market – UK 2009 – 2019 By Value £m (figures changed in sample)



Source: MTW Research / Trade Estimates – figures changed for sample purposes

As illustrated in the above chart, total revenue is estimated to have increased by just over x% since 2009 with the current market value likely to reach just under £ xxxxxxxx billion to year end December 2015. In revenue terms this translates into total sales increasing by more than £ xxxxxxxx billion, reflecting xxxxxxxx xxxxxxxx despite a relatively xxxxxxxx in terms of percentage performance in the last six years.

Since our last report in mid 2014, trade sources have generally reported an xxxxxxxx trading environment throughout much of 2014 with this trend of xxxxxxxx xxxxxxxx in early 2015. However, with xxxxxxxx % in Q4 xxxxxxxx there clearly remains a xxxxxxxx xxxxxxxx xxxxxxxx xxxxxxxx environment at present. This xxxxxxxx xxxxxxxx is continuing to impact on xxxxxxxx xxxxxxxx and xxxxxxxx xxxxxxxx leading to a xxxxxxxx xxxxxxxx of organic volume xxxxxxxx in the UK facilities management market in 2015.

The trend towards companies and public sector organisations seeking to xxxxxxxx xxxxxxxx xxxxxxxx in order to xxxxxxxx xxxxxxxx xxxxxxxx business and xxxxxxxx xxxxxxxx xxxxxxxx continues to provide a key stimulus for the FM market in 2015 and is indicated to have xxxxxxxx xxxxxxxx xxxxxxxx tangible contraction in terms of xxxxxxxx xxxxxxxx.

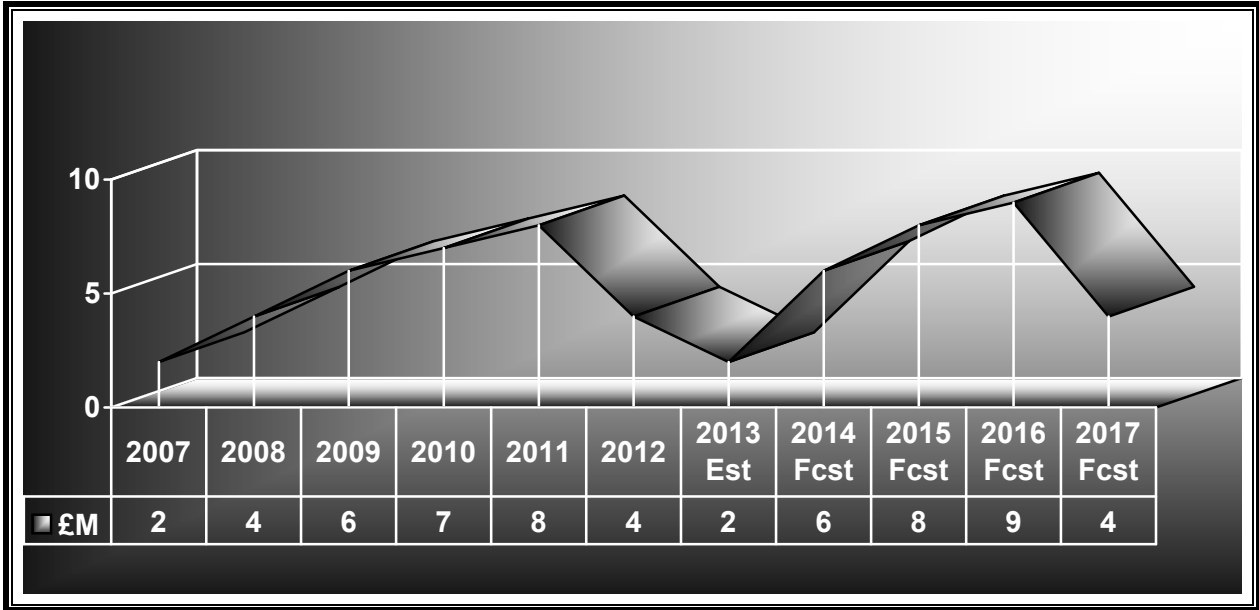
2.3 KEY MARKET TRENDS IN THE FACILITIES MANAGEMENT MARKET

The following section reviews some of the key trends in terms of financial performance of the UK Facilities Management market since 2009, and forecasts to 2019.

2.3.1 Facilities Management Industry Profitability 2009-2019

The following table illustrates the performance of the Facilities Management market in terms of profitability between 2009 and 2015 and provides forecasts to 2019:-

Figure 4: Facilities Management Market Profitability – UK 2009 – 2019 £M figures changed in sample



Source: MTW Research / Trade Estimates – Figures changed for sample purposes

As illustrated in the above chart, margins have xxxxxxxx xxxxxxxx xxxxxxxx time in the facilities management market, with profitability xxxxxxxx xxxxxxxx by xxxxxxxx xxxxxxxx % since 2009. In 2015, profitability is estimated to currently stand at just under £xx billion, reflecting margins of just under x% of total turnover.

FM contractors typically operate on xxxxxxxx xxxxxxxx xxxxxxxx, with xxxxxxxx paid being close to or at the xxxxxxxx xxxxxxxx xxxxxxxx xxxxxxxx. Sources indicate that between xxxxxxxx xxxxxxxx 2015, clients of FM providers became increasingly xxxxxxxx xxxxxxxx xxxxxxxx for services rendered, particularly for xxxxxxxx xxxxxxxx services. This issue has undoubtedly been a key influencing factor on profitability in the FM industry of late and whilst xxxxxxxx xxxxxxxx and xxxxxxxx xxxxxxxx have xxxxxxxx to some extent due to the recession in 2009 and double-dip in 2014, resistance to xxxxxxxx xxxxxxxx xxxxxxxx remains a key characteristic of the market at present.

Sustained

The following table identifies some of the key opportunities and threats evident in the market at present:-

Figure 19: Key Opportunitites & Threats in the Facilities Management Market 2015-2019

| OPPORTUNITIES | THREATS |
|--|--|
| <ul style="list-style-type: none"> • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxxxx xxxxxx. • Sample xxx sample xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxxxx xxxxxxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. xxxxxxxx • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. xxxxxxxx xxxxxxxx • Sample xxx sample xxxxxxxx sample xxxx sample xxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. | <ul style="list-style-type: none"> • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxxxx xxxxxx. • Sample xxx sample xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxxxx xxxxxxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. xxxxxxxx • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. xxxxxxxx xxxxxxxx • Sample xxx sample xxxxxxxx sample xxxx sample xxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. • Sample xxx sample xxxxxxxx sample xxxx sample xxxx xxxxxx. |

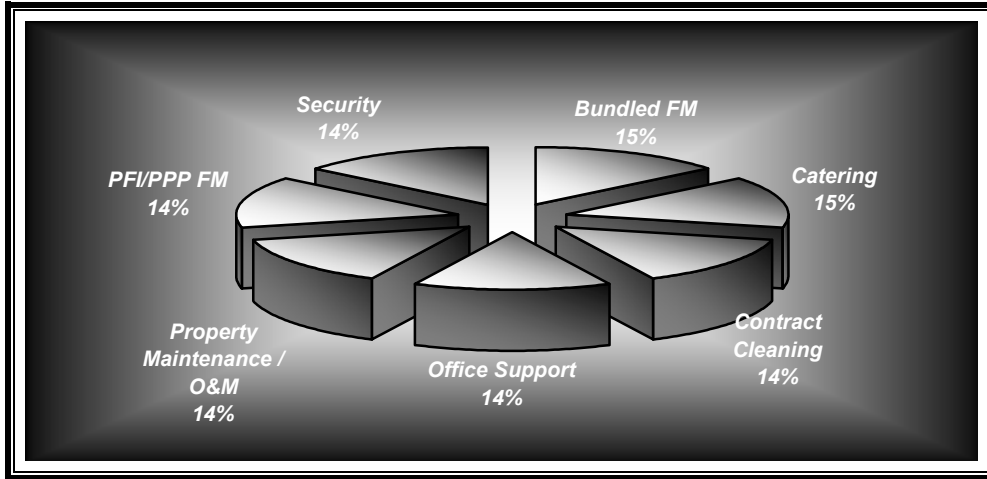
Source: MTW Research Strategic Review 2015

2.5 FACILITIES MANAGEMENT PRODUCT / SERVICE MIX

2.5.1 Share by Facilities Management Sector 2009, 2015 & 2019

The share accounted for by each of the key sectors within the UK Facilities Management market in 2015 is illustrated in the following chart:-

Figure 20: Share by Key Product Sector in Facilities Management Market 2015 – Figs Changed in Sample



Source: MTW Research / Trade Sources – Shares changed for sample purposes

As illustrated above, the UK facilities management market is comprised of a wide range of 'hard' and 'soft' FM services. In 2015 the xxx xxxxxx xxxxx sector is estimated to account for the largest proportion of the market, with a share of around x% by value. Sales in this sector are currently estimated at just under £x billion in 2015, having xxx xxxxxx xxxxx by around x% after xxx trading conditions in 2014 resulted in the sector xxx xxxxxx xxxxx by just over x% by value. Indications are that this sector has xxx xxxxxx xxxxx to xxx xxxxxx xxxxx somewhat in recent years as expenditure on RMI (repair, maintenance & improvement) has xxx xxxxxx xxxxx xxx xxxxxx xxxxx as a result of xxx xxxxxx xxxxx xxx xxxxxx xxxxx xxx xxxxxx xxxxx xxx xxxxxx xxxxx xxx xxxxxx xxxxx in 2014.

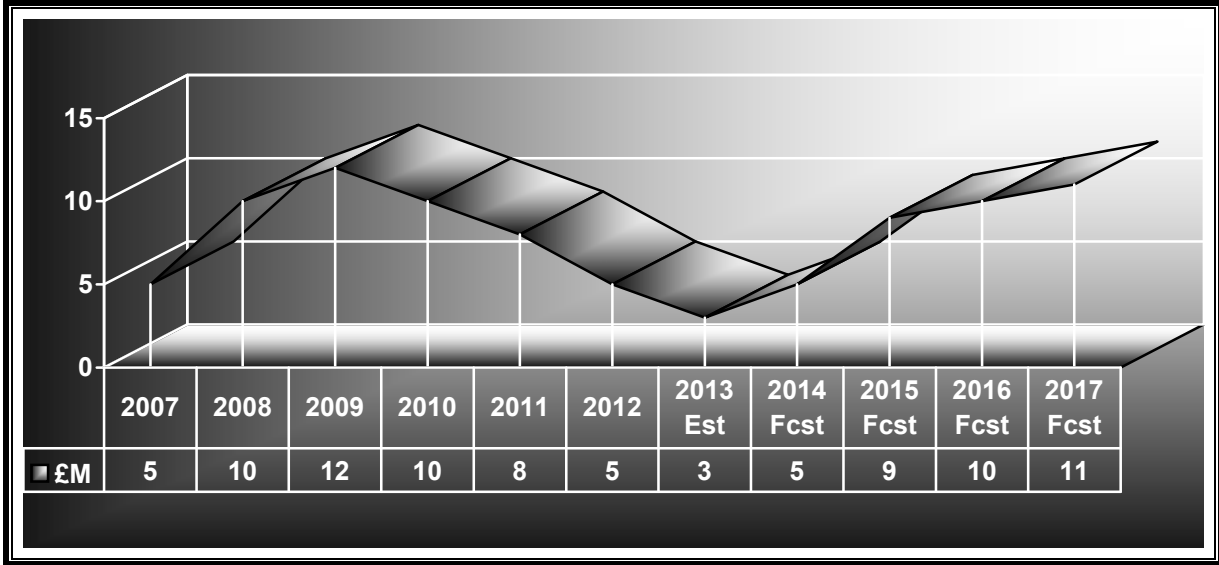
The second largest sector in the UK facilities management market is estimated to be accounted for by the xxxxx FM services sector, with sales in this sector accounting for around x% of the UK FM industry in 2015. Whilst in recent years the xxxxx xxxxx FM services sector has historically outperformed the xxxxx xxxxx market, sources indicate that there is an apparent growing xxxxx xxxxx xxxxx xxxxx service providers in 2015 who have been unable to xxxxx xxxxx xxxxx xxxxx xxxxx in terms of substantial xxxxx xxxxx xxxxx xxxxx xxxxx. Sales in this sector are estimated to reach just under £xx billion to year end December 2015, reflecting an estimated increase of x%.

The 'soft' FM office support sector is also significant to the UK facilities management industry with sales in this market currently estimated to account for around

2.5.2 Bundled FM / TFM Services Market Value 2009-2019

The following chart illustrates the performance of the 'bundled' FM sector of the Facilities Management market by value since 2009 and forecasts to 2019:-

Figure 23: 'Bundled' FM & TFM Services Market by Value 2009-2019 £M – Figures Changed in Sample



Source: MTW Research / Trade Estimates- Figures changed for Sample Purposes

The 'bundled' FM services market comprises a wide range of services and for the purposes of this report is also referred to as Total Facilities Management or 'TFM' where a comprehensive range of service solutions are provided to a client. The main principle of companies operating in this sector is based on xxxxx xxxxx xxxxx and providing xxxxx xxxxx xxxxx for clients than xxxxx xxxxx xxxxx providers. More recently, TFM providers have also sought to offer xxxxx xxxxx xxxxx for clients through the provision of services which xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx xxxxx.

To year end December 2015, bundled FM/TFM service provision is forecast to be worth just over £xx5 billion, reflecting a xxxx in value of x% since 2014, reflecting slightly xxxxx paced xxxxx than was evident in 2014. Since xxxxx the sector is estimated to have xxxxx by just under x%, against an overall market growth of 7% - underlining this sector's xxxxx xxxxx against the xxxxx market.

The bundled/TFM FM services market has xxxxx share in overall terms since 2009, with clients xxxxx xxxxx xxxxx xxxxx services and sourcing xxxxx xxxxx xxxxx xxxxx xxxxx outsourcing services from xxxxx xxxxx xxxxx, in an effort to

2.6 FACILITIES MANAGEMENT END USER / CHANNEL MIX

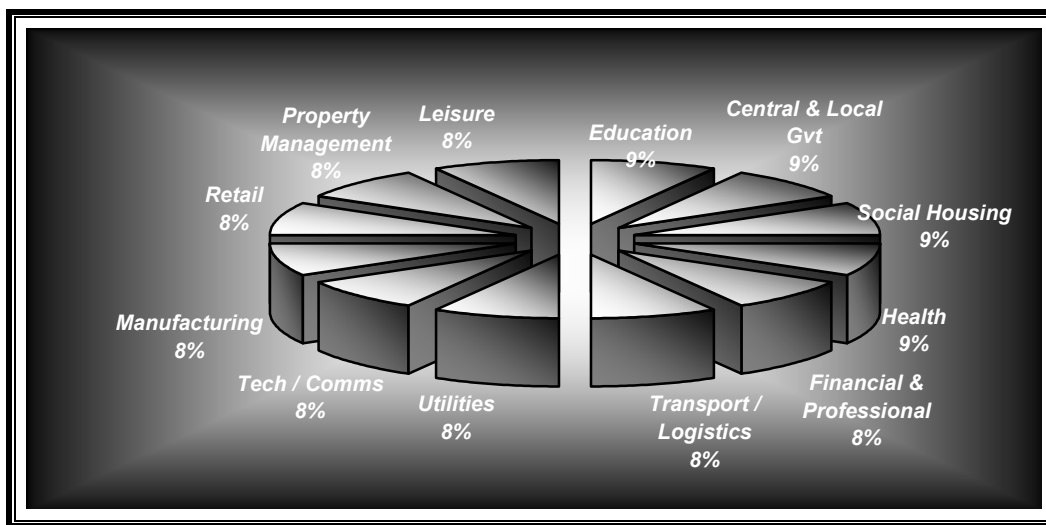
The following section identifies the key end use target markets for the UK Facilities Management industry and provides an illustration of historical market share in 2009, current share for 2015 and provides a forecast share for 2019.

2.6.1 Share by Key End Use Market 2009, 2015 & 2019

The Facilities Management market comprises of a wide range of end use markets, each with varying levels of demand and key market influences therein across both private and publicly funded sectors.

The following table illustrates our estimates of the current share accounted for by these sectors in 2015 by value:-

Figure 32: Share by Key End Use Sector in Facilities Management Market 2015 – Figures Changed in Sample



Source: MTW Research / Trade Sources – Figures changed for sample purposes

It should be noted that there are large variations in terms of definition of the above sectors and trade sources indicate that there is considerable overlap between the sectors in terms of service provision. Given the complexities in terms of estimating market share, the above figures should be regarded as guideline figures only.

As the above chart illustrates, the xxxxx and xxxxx sectors currently represent the largest key client groups for FM companies in 2015, each with xx% share reflecting sales of around £xx billion. This is closely followed by the xxxxx sector accounting for x% respectively. These three key end use markets combined account for over £x billion of sales and have been boosted in recent years by the ongoing support of xxxxx activity and in particular the xxxxx xxxxx xxxxx xxxxx.

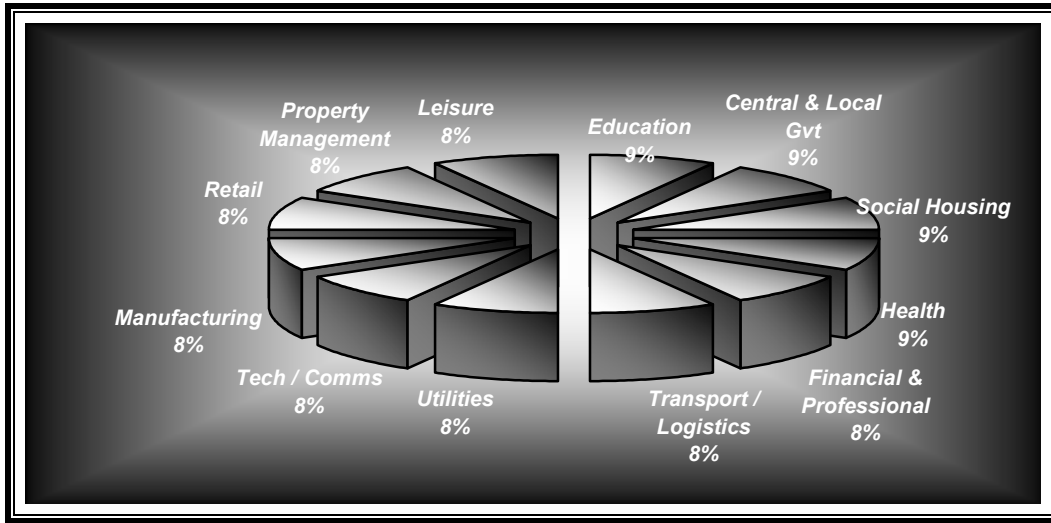
xxxxx xxxxx remains a key end user of FM services, most notably in the xxxxx xxxxx xxxxx sector. In 2015, xxxxx xxxxx FM is currently estimated to account for around x% of the FM market, reflecting sales of some £x billion.

Spending on FM services by xxxxx xxxxx xxxxx government departments is also a key customer group for the industry though xxxxx xxxxx xxxxx xxxxx are

In order to provide a comparison, the following chart illustrates the key sectors' estimated share of the Facilities Management market in 2009:-

Figure 33: Historical Share by Key End Use Sector in Facilities Management Market 2009

Figures changed in sample



Source: MTW Research / Trade Sources – figures changed in sample

The xxx xxxx sector represented the largest key client group in 2009 as illustrated above, with this sector accounting for around x% of the market by value. This was primarily stimulated by high level of xxx xxxx xxx xxxx and other xxx xxxx xxx xxxx xxx xxxx expenditure, though spending has since xxx xxxx xxx xxxx xxx xxxx in the last xx years. In 2009, xxx xxxx xxx xxxx accounted for around 40% of all xxx xxxx, underlining the significance of this sector to the UK FM market.

The xxx xxxx sector represents around x% of the Facilities Management market in 2015, reflecting a slight xxx xxxx since 2009 (x%) with xxx xxxx spending on xxx xxxx having xxx xxxx each year. Sales through this sector are estimated at just under £ xxx xxxx billion in 2015, reflecting

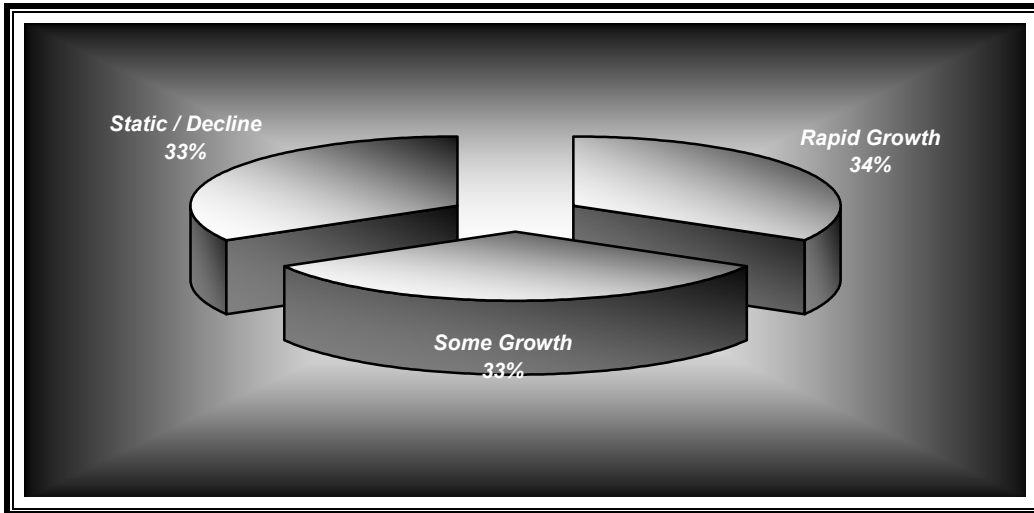
3. THE FACILITIES MANAGEMENT INDUSTRY

3.1 Facilities Management Industry Structure in 2015

3.1.1 Industry Mix by Growth/Decline Over Last 12 Months

The following chart illustrates the share accounted for by the number of companies reporting either a rise, contraction or static sales during the last 12 months:-

Figure 35: Market Share by Facilities Management Contractor Sales Growth / Decline 2015



Source: MTW Research / Company Accounts- Figures Changed for Sample Purposes

In comparison to our report published in 2014 on this sector, the FM industry in general has experienced a xxx xxxx xxx xxxx in terms of performance, with a xxx xxxx number of companies reporting xxx xxxx. For the preceding 12 months to May 2015, our estimates suggest that around x% of the market experienced growth which could be described as 'rapid', with sales rising by more than x% per year. Further, around x% of the Facilities Management market is estimated to have experienced some sales growth over the last 12 months.

4. FACILITIES MANGEMENT COMPANY RANKINGS

4.1 Facilities Management Companies Listing

The following companies are ranked by estimated turnover and other financials providing an overview of the key organisations active in the market at present:-

Figure 42: Facilities Management Company Listing

Censored

Source: MTW Research / Trade Sources

The following section ranks the companies identified by various key financial indicators. It should be noted that each company will have varying degrees of activity within this sector and will include an element of variation in terms of product and service portfolio.

Where possible, we have used the financial information reported by each company. However, for small and medium sized companies reporting obligations are less strict and these companies are not obliged to disclose turnover, profit before tax and other information such as number of employees etc. Where this data does not exist, MTW have provided an estimate based on previous performance, industry averages, other financial indicators and background knowledge of the industry.

Whilst we endeavour to attain high levels of accuracy, it should be borne in mind, therefore, that the rankings and other information provided within this report may contain an element of estimation. Whilst we try to ensure all major companies are included, the inclusion or otherwise of a company in this report does not necessarily reflect its position in the UK FM market.

4.2 Facilities Management Contractors Ranking By Turnover

The table illustrates our estimates of the turnover rank for each company:-

Figure 43: Facilities Management Companies Ranked By Turnover 2015

Sample – Data Redacted

Source: MTW Research / Trade Sources

| Trading Name | 2014 turnover | Trading Name | 2014 turnover |
|------------------------|----------------------|------------------------|----------------------|
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |
| Sample – Data Redacted | £x.x | Sample – Data Redacted | £x.x |

Source: MTW Research / Trade Sources

4.3 FM Companies Ranking by Profitability

The following table illustrates our estimates of the rank by profit for each of the FM providers in 2014:-

Figure 45: Facilities Management Companies Ranked By Profit 2014

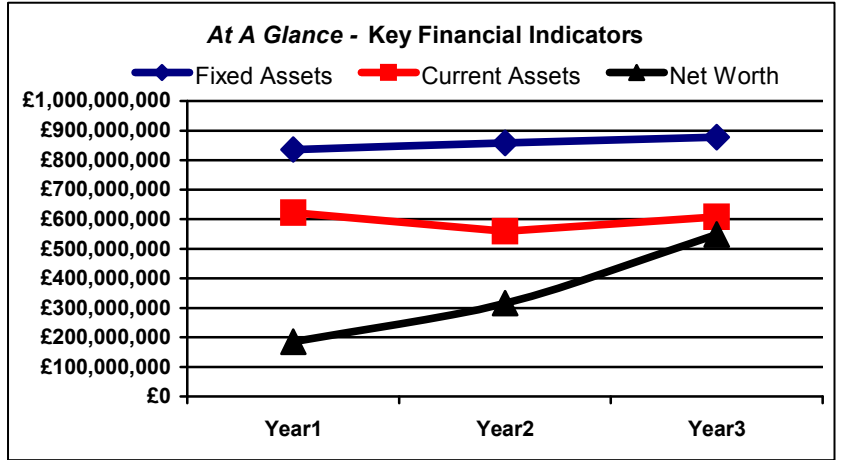
5. FM CONTRACTOR PROFILES & 'AT A GLANCE'

Sample Company Ltd - Company Overview & 'At a Glance'

Address 1
Address2
Address3
Postcode
Tel: sample

Sample Ltd is a private limited with share capital company, incorporated on February 1, 1989. The company's main activities are recorded by Companies House as "A group engaged in the provision of support services business."

In 2014, the company has an estimated 27500 employees.



To year end December 2014, Sample Ltd is estimated to have achieved a turnover of around £2,850 million. Pre-tax profit for the same period is estimated at around £150 million.

The following table briefly provides a top line overview on Sample Ltd:-

| | |
|---|--|
| Company Name | Sample Ltd |
| Brief Description of Activities | A group engaged in the provision of support services business. |
| Parent Company | Sample INTERNATIONAL GROUP PLC |
| Ultimate Holding Company | Sample INTERNATIONAL GROUP PLC |
| Estimated Number of Employees | 27500 |
| Senior Decision Maker / Director | Justin Sample |

The following table illustrates the company's key performance indicators for the last 4 years:-

Sample Ltd - 4 Year KPIs to Year End 31-Mar-11

| Key Indicator £ | Year End 31-Mar-12 (Year1) | Year End 31-Mar-13 (Year2) | Year End 31-Mar-14 (Year3) |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Fixed Assets | £836,100,000 | £858,400,000 | £877,400,000 |
| Current Assets | £621,200,000 | £559,300,000 | £607,700,000 |
| Current Liabilities | £639,800,000 | £676,600,000 | £696,600,000 |
| Long Term Liabilities | £460,300,000 | £452,700,000 | £707,900,000 |
| Net Worth | £185,300,000 | £315,500,000 | £547,900,000 |
| Working Capital | £-18,600,000 | £-117,300,000 | £-88,900,000 |
| Profit per Employee | £7,112 | £7,883 | £6,936 |
| Sales per Employee | £103,713 | £116,047 | £113,933 |