

Press release

TÜV Rheinland AG with very good earnings and profitable growth again in 2009

Record revenues / earnings at previous year's level / investments planned above all in the USA, South America and Asia

Düsseldorf/Cologne, 4 May 2010. TÜV Rheinland AG last year achieved earnings before tax (EBT) of around €70 million, equivalent to a return of 5.9%. Revenues grew by 7.4% year on year and reached a new record at almost €1.2 billion.

Revenue performance was positive both in Germany and internationally. In Germany the Group achieved growth of 4% due to a saturated overall market that was strongly shaped by cut-throat competition following liberalisation of the last regulated services.

Outside Germany growth was significantly higher at 12.3%. TÜV Rheinland AG achieved a third of its revenues outside Germany in Western and Eastern Europe and almost a quarter in the very strongly growing markets of the USA and South America, and here in Brazil in particular. The largest market outside Germany remains Asia, where the company achieved revenues of over €200 million with growth well into double figures – this is equivalent to a 40% share in revenues outside Germany.

President and CEO of TÜV Rheinland AG Friedrich Hecker commented as follows: "Measured against the conditions and with a view to global economic performance, 2009 was a successful year for TÜV Rheinland AG. Now we will continue to look forward. Our aim is to become the most successful independent quality and safety inspection company. As well as our German home market, above all the markets in the USA, Brazil and Asia are particularly interesting. There is a very intensive demand for the services of our company there."

CFO Ulrich Fietz: "TÜV Rheinland AG is financially on a good footing. Equity and cash flow have increased further. We are well equipped for acquisitions and investments as we are able to finance additional purchases via our own resources and favourable credit lines. During the economic crisis last year, we focused successfully on organic growth and are therefore also among the top ten German companies in the creation of new jobs." The number of employees at TÜV Rheinland AG has increased globally to 13,800. 820 new jobs were created over the past year, 370 of them in Germany.

TÜV Rheinland AG is now operating at 490 locations in 61 countries. In order to be able to grow profitably, the Group invests in a targeted manner and will increase investments. In the 2009 financial year just ended, investments came to €66.5 million and in 2010 increasing investments of more than €70 million are planned. To this end three regional focuses have been identified: North America, South America and Asia, with a particular emphasis here on China, Taiwan, Vietnam, India and Japan.

Broad based Group

TÜV Rheinland AG offers around 2,500 services in six Business Streams. Three quarters of revenues are achieved in the Industrial Services, Mobility, and Products Business Streams. While the Training and Consulting Business Stream saw a very strong growth, the Systems Business Stream declined slightly last year. TÜV Rheinland offers services in almost all areas of life and economic branches. These include the energy business, the production of consumer goods, the automobile industry, basic materials, investment goods, trade, construction, the food industry, aviation, the IT sector, logistics, banks and financial service providers, agriculture, leisure and tourism, as well as the education and healthcare sectors.

Industrial Services

The Industrial Services Business Stream generated revenues of €322 million in 2009. The services include testing and inspecting industrial plants, providing expert guidance and support for industrial and infrastructure projects, inspecting steam boilers, structural engineering and product and environmental analyses. The company expects renewed strong growth in the USA this year and above all in South America. In Brazil the topic of industry testing plays a major role, with TÜV Rheinland do Brasil supporting and examining major infrastructure projects there – from railway lines to ore and oil transfer stations. This business will also continue to grow with a view to the upcoming major events during the Football World Cup in 2014 and the 2016 Olympic Games.

Mobility

Guaranteeing future mobility for people and as an economic factor while at the same time improving safety for people and goods and reducing the environmental impact: These goals stand at the forefront of the work of the Mobility Business Stream of TÜV Rheinland. In 2009, the Business Stream achieved revenues of €295 million, a slight increase on the previous year. The mobile and stationary vehicle inspection business with emissions and general inspections is a core competence of TÜV Rheinland with around 4 million inspections carried out across the world each year. In Germany TÜV Rheinland carries out around 2 million inspections each year at 130 service stations, with growth above all in the market for damage reports and value appraisals.

TÜV Rheinland's commitment to alternative drive systems for hybrid, gas and electromobility is broadly based. Technical developments in the area of electromobility are supported by TÜV Rheinland at the various levels and internationally: This applies to energy production and distribution, vehicle development and approval, component development, battery tests, charging and changing stations, IT applications, data security and recycling.

Products

The Products Business Stream of TÜV Rheinland applies itself to testing the quality, usability, ergonomics and safety of products. This is supplemented by the certification of products as a prerequisite enabling manufacturers, importers and trading companies to sell their products in given markets. In 2009 revenues in this Business Stream amounted to €301 million, with the growth due

partly to the reorganisation of the photovoltaic business.

For the purposes of testing production plants and products, TÜV Rheinland maintains an international network of Global Technology Assessment Centres with sites in Budapest, Cologne, Nuremberg, Shanghai, Silicon Valley and Yokohama. 29 sites in China and a total of 40 laboratories in Asia also belong to this tightly knit network. At present almost 1,900 people work for TÜV Rheinland in China alone. A strongly growing sector internationally is the testing and certification of solar modules for generating power or heat. Around 80% of all manufacturers of solar modules worldwide have their products tested in TÜV Rheinland laboratories in order to obtain international market licences.

Life Care

The Life Care Business Stream achieved revenues of €64 million in 2009. It provides a wide range of services relating to occupational medicine, occupational health and safety, health management, medical technology, healthcare and wellness. In view of the demographic change and ongoing shortage of skilled labour, these topics are gaining in importance. A longer working life has a direct impact on people's health and productivity. Here is where the expertise of the 140 occupational health specialist doctors and company doctors employed by TÜV Rheinland across Germany comes in.

Training and Consulting

The Training and Consulting Business Stream achieved revenues of €150 million in 2009 and can look back on an extremely positive development, since the labour market reforms (Hartz IV) at the start of the millennium caused a large share of the revenues derived from the Federal Employment Office to disappear overnight. In the wake of restructuring and a concentration above all on private business training and specialist training, the Business Stream is today an important pillar.

With its Academy, TÜV Rheinland is the second largest private training provider in Germany and trains around 80,000 specialist and management staff each year with its seminars, courses, training programs, workshops and e-learning courses. Furthermore, services in the vocational school, higher education and primary training sector are being expanded.

New consulting projects include the support and coordination of federal and *Länder* activities in developing a digital radio network for the police and rescue and emergency management services in Germany. On behalf of the federal government, TÜV Rheinland is also currently compiling a broadband atlas to enable the location of specific broadband capacities in Germany to be carried out.

Systems

The Systems Business Stream comprises all services for auditing and certification of management systems as well as the security of IT and communication systems. In 2009 the Business Stream generated revenues of €115 million and was therefore slightly down year-on-year.

TÜV Rheinland certifies companies in accordance with cross-sector and sector-specific management systems or according to criteria tailored specially to customers and sectors. Across the world the Business Stream has issued well over 30,000 certificates in the past ten years. These include in particular those in quality management and environmental management as well as risk management, social standards, energy efficiency management and criteria of sustainable business operation.

Outlook

President and CEO Friedrich Hecker concluded with the following remarks on the outlook for TÜV Rheinland AG: "The 2010 financial year has got off to a very satisfactory start. By 2014 we aim to increase revenues to over €2 billion and generate a double digit return. Our objective is to bring about a sustained improvement to the world with our work. We are pursuing our goal of becoming the most successful independent quality and safety inspection company jointly and with passion."