

# 2016 BUSINESS OUTLOOK DAY GLOBAL WORKPLACE SOLUTIONS

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**CBRE**



## Forward-Looking Statements

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This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements regarding CBRE's future growth momentum, operations, market share, business outlook, and financial performance expectations. These statements are estimates only and actual results may ultimately differ from them. Except to the extent required by applicable securities laws, we undertake no obligation to update or publicly revise any of the forward-looking statements that you may hear today. Please refer to our third quarter earnings report, furnished on Form 8-K, our most recent quarterly report filed on Form 10-Q, and our most recent annual report filed on Form 10-K, and in particular any discussion of risk factors or forward-looking statements therein, which are available on the SEC's website ([www.sec.gov](http://www.sec.gov)), for a full discussion of the risks and other factors that may impact any forward-looking statements that you may hear today.

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## Global Workplace Solutions

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### OVERVIEW

Global, full-service real estate outsourcing business targeting large, multinational corporations with four key service lines:

- Facilities Management (FM)
- Advisory & Transaction Services (A&T)
- Project Management (PJM)
- Management Consulting

**Clients include** corporations, healthcare systems and public sector

**Track record of successful acquisitions** including Norland Managed Services (2013) and JCI's GWS (2015)

**Industry-leading account management** with customized solutions and account teams centered around the client

**~40,000**  
GWS  
Employees  
Globally

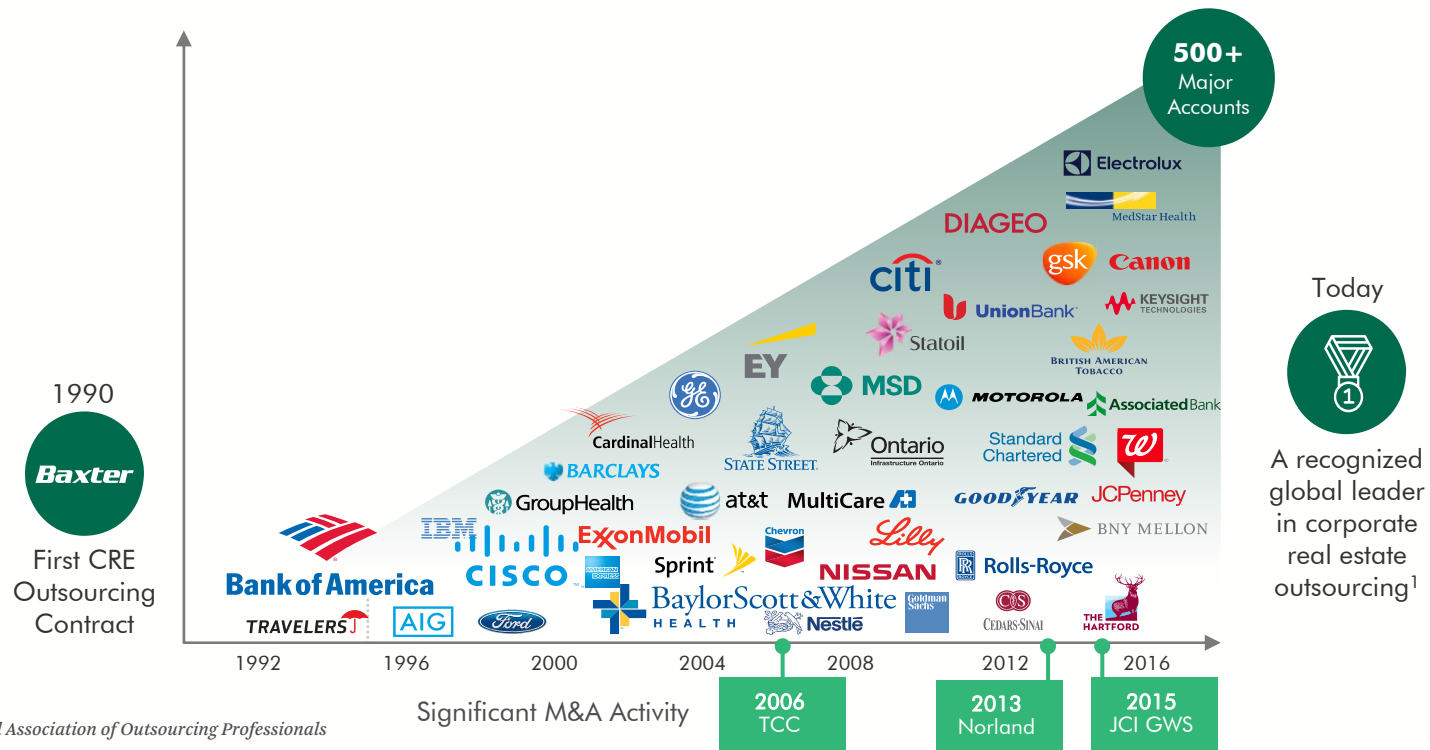
**2.3B**  
Square Feet  
Managed<sup>1</sup>

**\$42.4B**  
Capital  
Expenses

1. As of December 31, 2015.

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# A Look Back | A Legacy of Delivering Value to Leading Corporations and Healthcare Systems



1. International Association of Outsourcing Professionals



## Integration Progress

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# UPDATE ON JCI-GWS INTEGRATION

### **FINANCIAL**

- Strong growth, with and without JCI-GWS contribution
- Synergy program anticipated to meet or exceed previously stated targets

### **CAPABILITIES**

- Superior self-perform capabilities and supply chain expertise
- Strategic supplier program with JCI-Tyco, exceeding anticipated volume

### **PEOPLE AND TALENT**

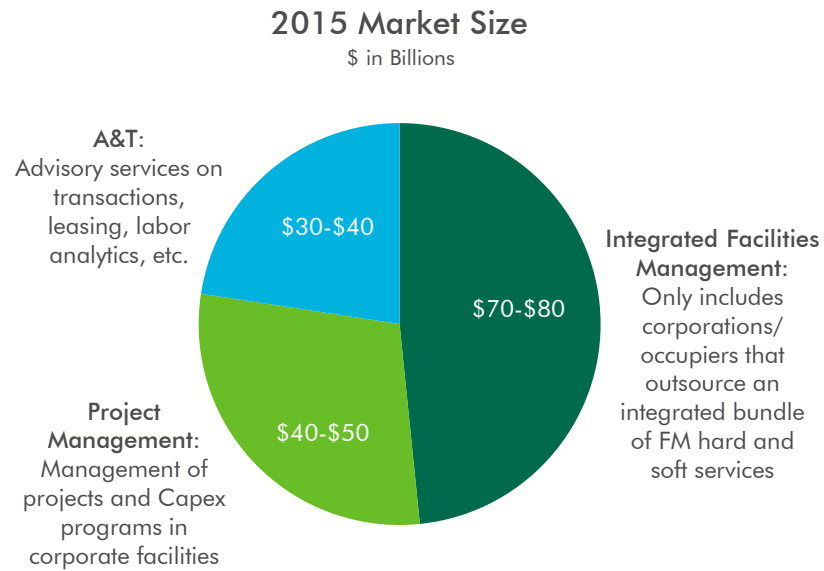
- >90% employee satisfaction scores
- Domain expertise and deep talent bench in every sector (e.g., life sciences, oil and gas, manufacturing) and asset type

### **SALES AND CLIENT SOLUTIONS**

- One client-facing sales organization serving 500+ major accounts globally
- Robust pipeline with an ability to cross-sell and increase client share of wallet over time

## Significant Total Addressable Opportunity for Real Estate Outsourcing Services

\$140B+ Outsourcing Spend Available



Sources: CBRE and McKinsey analysis; Frost & Sullivan (Global IFM Market, March 2015); KPMG REFM Pulse Report (2015), Engineering News Record's Program Management Report (2015), Morningstar's CRE services report (2014), Emerson Power, the Uptime Institute, CoStar, IBIS World Project Management Report (2015)

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# THE GWS GROWTH FORMULA

## WIN

- Solutioning and partnership approach
- Differentiating capabilities including geographic coverage, sector expertise, self-performance capabilities and CBRE brand

## KEEP

- Account management model using “Net Promoter Score” methodology
- Client Care and contract renewal rigor
- Technology-enabled delivery and optimization
- Proven value-to-fee metric

**90%+**  
Renewal  
Rate

## GROW

- Expand client share of wallet over time by adding new geographies, service lines and asset types
- Advance the CRE strategic agenda, including support of client-driven M&A

**Double-  
Digit**  
Growth

## GWS Market Leadership

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### COMPETITIVE ADVANTAGES

**Account management** and client-centric approach, particularly the focus on driving great client outcomes (Dark Green focus)

**Comprehensive services** and the ability to convert clients from single-service to multi-service over time, including integrator role

**Backing of 400+ offices** to drive and execute sale & lease transactions and project management services at the local level

**Self performance** and the ability to leverage scale

- Scale in both operating expense and capital expenditures associated with third-party vendor spend
- Strategic sourcing, FUSION and other supplier programs

**Strong client references** and case studies

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## Case Study | Expansion to Global, Full-Service

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# ExxonMobil

### Key Facts

- Longstanding CBRE relationship on the retail side
- Multi-million SF portfolio with potential for further growth
- Global team of 250+ employees
- 5-year contract term

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### CBRE's Role

- Full-service, integrated contract spanning Americas and APAC
- FM scope includes industrial and office properties
- Partnership approach allowing for ongoing innovation and transformation



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## Case Study | Power of Cross-Sell

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**Agilent Technologies**

### **Key Facts**

- Leader in Life Sciences
  - HQ in California
  - Provider of lab equipment worldwide
  - Legacy JCI client centered around IFM
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### **CBRE's Role**

- Expansion of FM services globally
- Cross-sell of global PJM, A&T and Energy Solutions
- Management of critical environments across multiple regions



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## Case Studies | Project Management Services



### Full-service data center services for large healthcare system

- New 110,000-SF, Tier III data center for large hospital system
- Collaboration with A&T for site selection
- GWS provided PJM services during entire construction of project
- GWS currently providing FM services for ongoing operations of data center



### Project Management services for two HQ buildings

- CBRE advised Citi on largest office tower purchase in Hong Kong in 2014
- GWS appointed Project Manager on Hong Kong tower, including move management
- Demonstrates collaboration between A&T and PJM to successfully relocate a high-profile client



### Beverage HQ renovation leads to Foods HQ renovation

- CBRE led PJM activities on a \$260M renovation of 400,000-SF Beverage HQ over the span of 3+ years
- Within a year of completion, PJM is engaged on similar effort for Food HQ renovation
- PepsiCo Global Real Estate is presently engaging PJM for additional projects