



Increased profit at GB

GB Group Holdings, parent company of GB Building Solutions, announces its results today with a rise in profit before goodwill amortisation and exceptional items to £2.14m which is an 84% increase on the previous year.

Prior to the start of the financial year the directors took action to significantly reduce the cost base of the business to match a predicted fall in turnover due to the recession. This restructuring along with improved processes and systems has led to greater efficiencies and significantly lower overheads achieving an annualised saving of £4m. In addition the privately owned GB has cash in the bank and is debt free which puts it in a strong position to operate over the coming years despite continued challenging economic conditions

GB continues to have five offices situated throughout England. Its level of service to its customers remains exceptional and has resulted in 69% repeat business, up from 60% last year. It continues to work in the sectors in which it has the most experience and can add the most value, but with a focus on building long term relationships, increasing the number of frameworks and continuing to deliver value-added solutions.

GB has achieved a strong performance on its education framework for Northumberland County Council and for Manchester City Council under its Housing Improvement Framework. Amongst other significant projects, GB is constructing its fifth scheme for St Andrews Hospital in Northampton, valued at £46m.

GB has completed £65m of care homes in the PFI sector for Avantage and its client Cheshire County Council. Traditionally GB has operated in the PFI sector as a supplier, but is now undertaking PFI work as part of the lead consortium; this will be a growing focus for next year.

It is also expanding further into development work, through its subsidiary, GB Development Solutions. Recent success has been achieved in gaining planning for a care home site in Congleton, Cheshire and its subsequent sale to an operator; planning has also been secured and construction commenced on a new stadium for Chesterfield Football Club.



GB's joint venture company, Oxford GB, continues to operate strongly; the first hotel has been successfully completed for Hilton Hotels, delivering the first Hilton Garden Inn in the UK. Planning permission has also now been achieved for a 244 bedroom hotel on its site in Leeds adjacent to the proposed 12,500 seat Leeds Indoor Arena and Oxford GB is also part of the consortium to renovate and fit out the Great Northern Hotel at King's Cross in London.

Martin Smout, chairman and chief executive of GB, says, "We have come through this year in a strong position to tackle the challenges that lie ahead. We are in a relatively strong financial situation and have restructured the business so that we are in the best position to take advantage of opportunities going forward, while still delivering the value-added solutions to our customers for which we have become well known.

"Our focus for the coming year will be to continue to create more long term relationships. We will continue to build on sectors in which we have so much experience, while also expanding into more PFI and development led work."

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